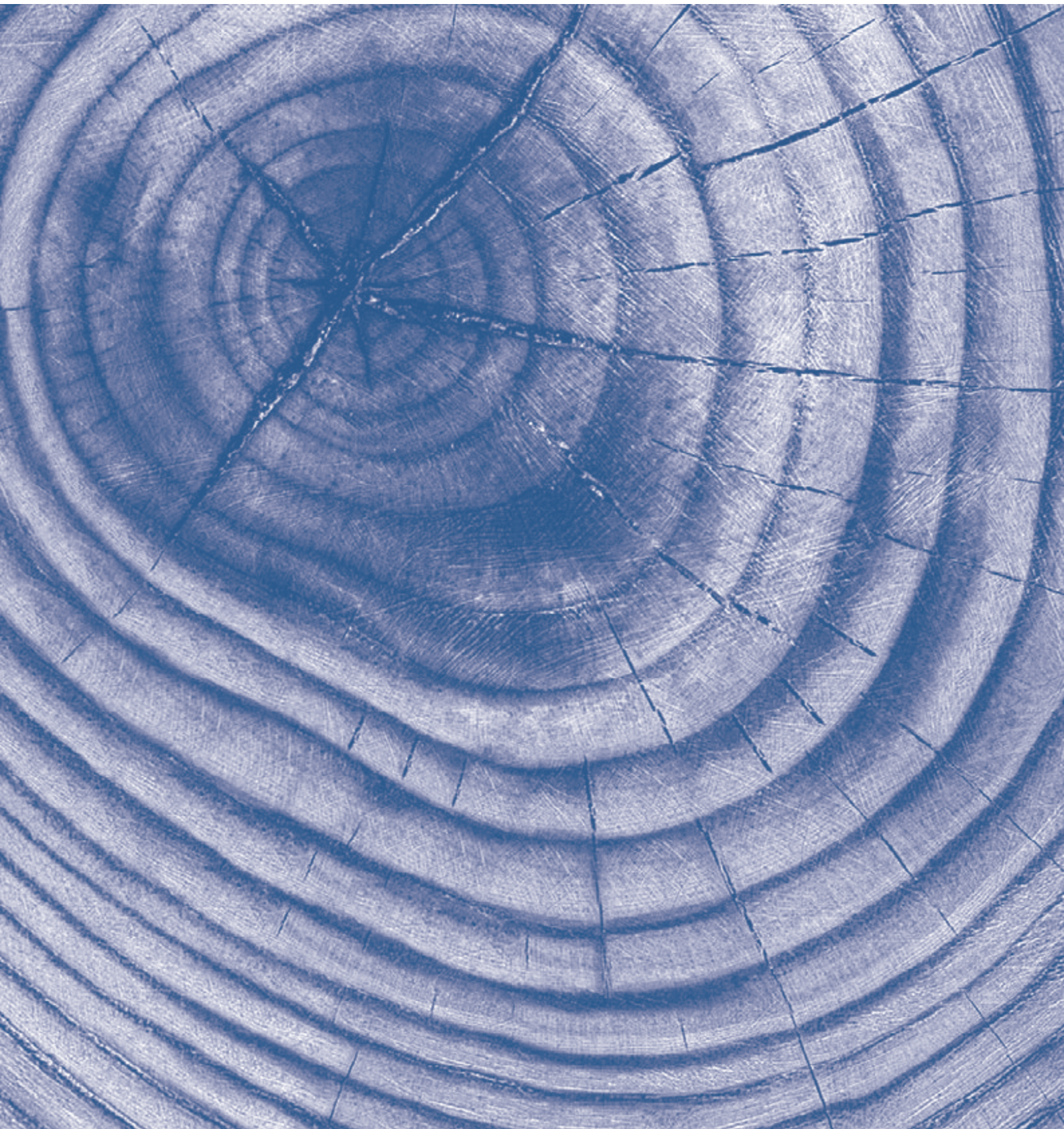




Sustainability Report
Gruppo Pittini
2024





**SUSTAINABILITY
IS IN OUR DNA**

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Letter from the Chairman to Stakeholders

GRI 2-22

Dear Stakeholders,

With a renewed sense of responsibility and pride, I present the Sustainability Report 2024 of the Pittini Group, a document that encapsulate our tangible commitment towards a forward-looking, sustainable, and innovative model of industrial development.

The year that just ended unfolded against a backdrop of complex global dynamics, with increasing pressure on the energy, environmental, and social fronts. In this context, our Group has responded with flexibility and foresight, continuing along a path marked by strategic investments, a strong focus on people, and continuous innovation in our processes.

We have made significant strides in our environmental policies, steering our industrial choices toward reducing CO₂ emissions, improving energy efficiency, promoting resource recycling, and managing water responsibly. A clear example of this is our “Zero Waste” initiative, through which we gave new life to over 500,000 tonnes of waste in 2024. Products like Granella® Siderlime®, derived from slag, demonstrate how circularity can be achieved even in a highly complex industry like steel production.

Our industrial model, based on the use of electric furnaces and recycled scrap, is confirmed as one of the most sustainable in the industry. This enables us to make a tangible contribution to the goals of the 2030 Agenda and to the challenges set forth by the European Green Deal. But sustainability, for us, goes beyond the environmental efforts. It also means investing in people. In 2024, we continued investing in the training and development of our employees through Officina Pittini per la Formazione and initiatives such as

#PittiniperlaSostenibilità. We foster a culture centred on safety, well-being, and personal growth, fully aware that our people are our greatest asset.

Engaging with stakeholders has become increasingly important. We opened the doors of its facilities, took part in trade fairs and conferences, and used structured feedback tools that allowed to collect insights and suggestions. This ongoing dialogue helps us stay in tune with the expectations of society, the market, and the communities where we operate.

Finally, 2024 marked progress on several strategic industrial projects both in Italy and across Europe, strengthening our position as a leading steel manufacturer in Europe. We also launched a reorganization process taking action on two main fronts: a review of our governance structures and a rethinking of our organizational model, with special attention to information systems. In regard to this, the implementation of our new management system is now nearing completion and will soon extend to all companies within the Group. We remain firmly committed to being a concrete example of what a modern, responsible, and competitive industry can be.

I extend my heartfelt thanks to all our employees, partners, and stakeholders for their trust and support. It is through your continued contributions that we can face the future with confidence, fully aware of our role and responsibilities.

Yours sincerely,
Federico Pittini - Chairman

Report highlights

The fundamental principles that guide the activities of the Pittini Group can be summarised in three pillars:



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.

THE GROUP TODAY

Data referring to 2024 for Compagnia Siderurgica Italiana S.p.A. (sub-holding of the Gruppo Pittini)

1°

Italy's leading steel producer in the long steel sector

3 mln

tons of steel produced every year

65

Countries worldwide where our products are sold

The Gruppo consists of:

- 16 companies
- 23 production plants
- 6 sales and logistics service facilities

GOVERNANCE



1.858€

MILLION

Turnover



72€

MILLION

Investments



1.906€

MILLION

Economic value generated, of which 99% was distributed



129€

MILLION

disbursed to **people employed** by Group companies

Find out more on page 59

Environmental protection

-7%



ENERGY INTENSITY
compared to 2023

-10%



WATER
consumption compared to 2023

88%



of **WASTE**
produced is sent for recovery/recycling

-12%



CO_{2eq} **EMISSIONS**
for each tonne of steel produced compared to 2023¹

[Find out more on page 31](#)

Steel: a Circular Economy

Steel is completely **RECYCLABLE**

100%



Steel can be recycled **INFINITELY** without losing its properties

100%



The policy of **TURNING** potential residues into products

ZERO WASTE



Tonnes of potential residues turned into **RESOURCES**

511,000



¹ The assessment does not include data from companies of the SteelAG.

Research and innovation

10

R&D PROJECTS

ongoing



6

FACTORIES

involved



92

PARTNERS

of which
15 universities and
6 research centres



6,653

HOURS

of R&D
activities



[Find out more on page 70](#)

Our people



173

new HIRES



1,973

EMPLOYEES²

96%

with **OPEN-ENDED³**
contracts



-29%

total **ACCIDENTS**
compared to 2023



50,344

HOURS OF TRAINING
delivered in total

[Find out more on page 45](#)

² This value was calculated based on average workforce.

³ Calculated based on FTE data.



1. Overview

GRI 2 - 1 / 6

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 tonnes of steel produced, it is the leading Italian producer of long steels for construction and mechanics, equal to **4% of the entire national production and 24% of the production of long steels.**⁴

The Group consists of **16 companies** with **29 production and distribution facilities** located in **Italy** and **Central Europe**. 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



COLD STEEL PROCESSING

Ferriere Nord
Osoppo (UD), Italy

- Electro-welding wire mesh plant and recoiling plant

Acciaierie di Verona
Verona, Italy

- Recoiling plant

Acciaierie di Verona
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

Majano (UD), Italy

- Production of drawn wires

Pittarc Divisione di Siat
Osoppo (UD), Italia

- Welding wires production plant

STEELAG Praha
Kralupy, Czech Republic

- Cold steel processing

STEELAG Bánovce
Bánovce, Slovakia

- Electro-welding wire mesh plant

Drat Pro
Kralupy, Czech Republic

- Production of drawn wires



AGGREGATE PRODUCTION PLANTS

Ferriere Nord
Osoppo (UD), Italy

- Granella® plant
- Siderlime® plant

Siderpotenza
Potenza, Italy

- Granella® plant



SALES OFFICES AND DISTRIBUTION CENTRES

Siderpotenza
Ceprano (FR), Italy

- Distribution centre

Giammoro (ME), Italia

- Distribution centre

Pittini Stahl
Aichach, Germany

- Sales office

Pittini Siderprodukte
Geroldswil, Swiss

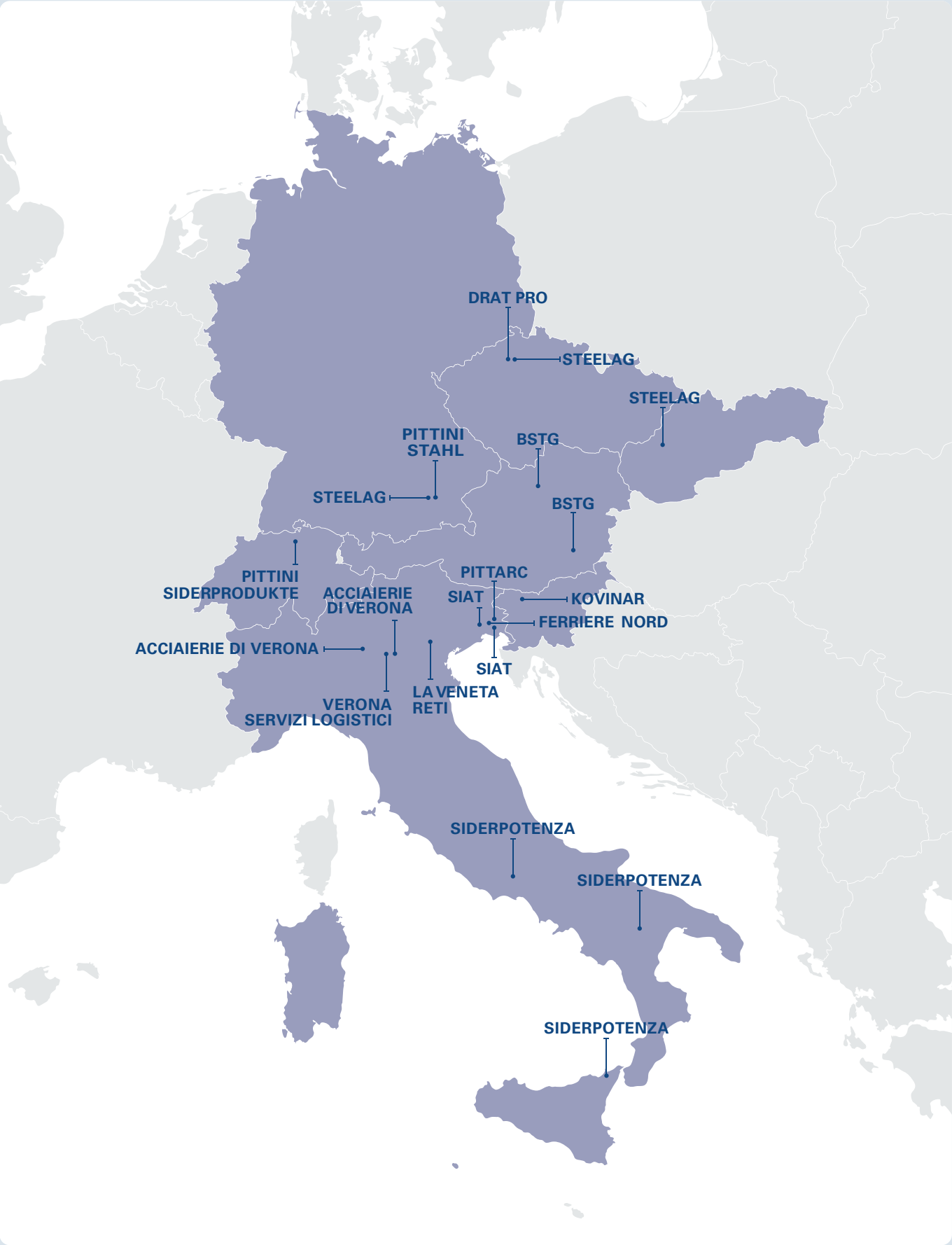
- Sales office

STEELAG Deutschland
Aichach, Germany

- Sales office

Verona Servizi Logistici
Verona, Italy

- Services



⁴ Percentages calculated based on the 2024 steel economic situation published by Federacciai. In the terminology of the steel industry, long products refer to steel products, including wire, wire rod, tracks and bars, as well as types of sections and structural beams; the distinction compared to flat steels is due to their geometric conformation.

1.2 Business sectors

STEEL FOR BUILDINGS



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 ton 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**.



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**.





INFRASTRUCTURE AND 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 mixes⁵, allowing it to replace valuable aggregates of natural origin such as basalt, diabase and porphyry. In this way, millions of tons 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**.

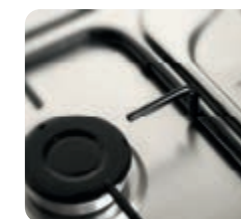
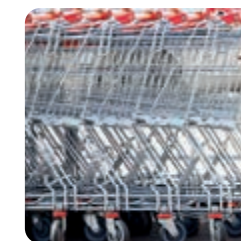
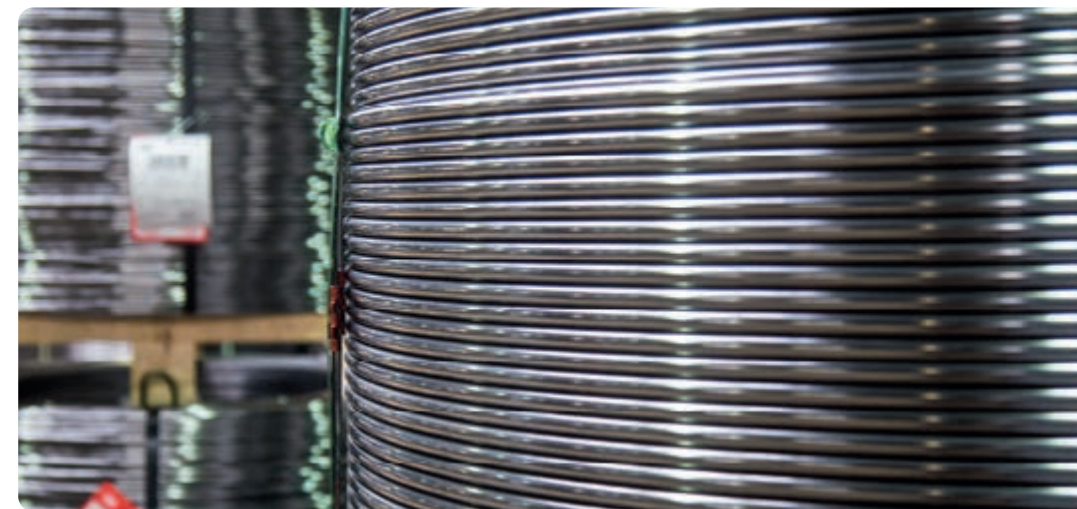
⁵ A focus on "Circular economy and raw material recycling" can be found in Section 3.



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.



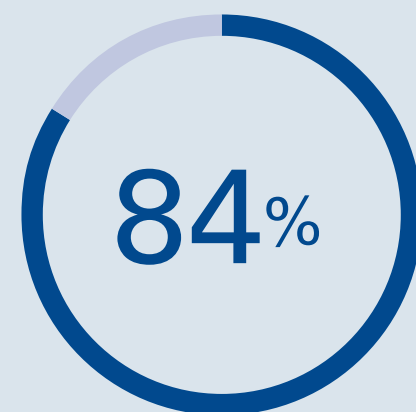
The Group produces nearly **3 million tonnes of steel** every year, with constant growth based on three fundamental pillars:

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:

- 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 56% of all the non-alloy steel wire rod⁶ produced in Italy and 23% of the national production of reinforcing bars.⁷

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.



Shipment destination sectors

Building: 84%

Mechanical: 16%

⁶ According to Federacciai rebars in coils are classified as wire rod.

⁷ Percentages calculated based on the 2024 Steel Economic Situation published by Federacciai.

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 wire mesh for the Austrian market

||| KOVINAR

Electro-welded wire mesh for the Balkan market

SIAT

Cold-drawn and cold-rolled steel

△ PITTARC

Welding wire

▲ STEELAG

Electro-welded wire mesh and drawn steel for Eastern Europe

Transparency for certified quality

The laboratory of the leading company Ferriere Nord, which also carries out analyses for the Pittini Group, is accredited according to UNI CEI EN ISO IEC 17025:2018, which attests the technical competence of the staff, the suitability of the equipment and the independence of the laboratory.

The accreditation was granted by the national body Accredia, a signatory to the ILAC MRA (International Mutual Recognition Agreements for certification, inspection and testing), which means that the test reports issued are internationally recognised and have full validity worldwide.

1.3 Product sustainability

The quality of a product is measured not only in terms of its functional characteristics and the technical reliability of its materials, but also in terms of its impact on the environment. This approach to quality enables the Pittini Group to offer its customers products that meet both performance and sustainability standards.

EPD AND CARBON FOOTPRINT: THE PITTINI GROUP'S COMMITMENT TO SUSTAINABILITY



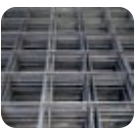







For the Pittini Group, a thorough understanding of the environmental impact of its products throughout their life cycle, through **Life Cycle Assessment (LCA)** methodology, is a fundamental prerequisite to providing customers with an ever-increasing level of sustainability transparency. To this end, the Group has obtained the **Environmental Product Declaration (EPD)** certification for structural steel, validating detailed and verifiable environmental data throughout the product life cycle.

EPD is a **voluntary environmental certification according to UNI EN ISO 14025:2010** and is part of the European Union's environmental policy. This certification assesses the environmental impact of products through a life cycle analysis that examines all stages of production, from raw material extraction to final disposal. The results are summarised in a number of environmental indicators, such as Global Warming Potential (GWP), expressed as **CO₂ equivalent per tonne of product**.

The Pittini Group's EPD-certified **products** include **wire rod, round bar, electro-welded wire mesh, stretching wire and Granella® and Siderlime®** aggregates. The latter are the first products made from non-metallic steel mill residues to obtain a certified environmental product declaration. The EPD, issued by the **ICMQ** (Institute for Certification and Quality Marking for the Construction Industry), certifies that PITTINI products comply with the environmental requirements of the MEC (Minimum Environmental Criteria) regulations for buildings and roads. It is issued by the Italian program operator **EPDITALY**. In addition, the hot-rolled products have been the subject of **Product Carbon Footprint (CFP)** studies certified by **TÜV** in accordance with the ISO 14067 standard.

These tools allow the environmental impact of products to be transparently measured and communicated, providing a competitive advantage and ensuring that products meet stringent international environmental standards. They also allow examining **Scope 3 emissions** at the finished product level and identify areas for action along the production chain. EPDs are recognised across **Europe** and in key **non-European Countries**. This means that the information they contain is reliable and internationally comparable, making it easier for consumers and businesses to make informed decisions about product sustainability.


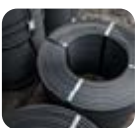




EPD - ENVIRONMENTAL PRODUCT DECLARATION

Wire rod	Jumbo®	Mesh	Rebars	Lattice girder	Rebar in spooled coils	Granella®	Siderlime®
 Ferriere Nord, Acciaieria di Verona	 Ferriere Nord	 Ferriere Nord	 Ferriere Nord, Siderpotenza	 Ferriere Nord	 Ferriere Nord	 Ferriere Nord, Siderpotenza	 Ferriere Nord
Drawn wire*	Cold rolled flat*						
 S.I.A.T.	 S.I.A.T.						



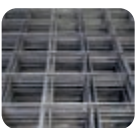




PRODUCT CARBON FOOTPRINT ISO 14067

Wire rod	Jumbo®	Mesh	Rebars
 Ferriere Nord, Acciaierie di Verona	 Ferriere Nord	 Ferriere Nord	 Ferriere Nord, Siderpotenza

RECYCLED CONTENT % UNI PDR 88:2020

Wire rod	Jumbo®	Mesh	Rebars	Lattice girder	Rebar in spooled coils
 Ferriere Nord, Acciaierie di Verona	 Ferriere Nord	 Ferriere Nord	 Ferriere Nord, Siderpotenza	 Ferriere Nord	 Ferriere Nord, Acciaierie di Verona

RECYCLED CONTENT % ISO 14021

Vergella	Jumbo®	Rete	Barre	Lattice girder	Rebar in spooled coils	Granella®
 Ferriere Nord, Acciaieria di Verona	 Ferriere Nord	 Ferriere Nord	 Ferriere Nord, Siderpotenza	 Ferriere Nord	 Ferriere Nord	 Ferriere Nord, Siderpotenza

* Certification in progress



1.4 Production process

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

There are two main methods of producing steel: the blast furnace (BOF) and the electric arc furnace (EAF). The blast furnace process starts with iron ore and carbon coke to produce cast iron, which is then converted into steel in converters. The EAF furnace, on the other hand, uses recycled ferrous materials to produce steel. This technology is considered to be the most sustainable and environmentally friendly, as it allows more efficient energy management and significantly reduces emissions compared to blast furnaces, making it an example of the circular economy.

Thanks to the complete control of the production cycle, the Group is able to follow a **"circular" development model** and offer a wide range of products that meet highest quality standards.

Starting from an artisan approach, where human intervention was essential to make the machines work, the Pittini Group has continued the technological evolution of its plants.

Starting with the **first steel casting in 1975**, we have achieved advanced levels of automation where the human role today is focused on high value-added supervisory activities, contributing to higher productivity, efficiency and quality of finished products.

Our facilities, including steel mills, hot processing plants, cold processing plants (such as the production of electro-welded wire mesh, hot rolled and rolled/drawn products) and aggregates plants, are **constantly being modernised** and technologically upgraded.

These measures are aimed both at **continuously improving safety standards** and working conditions and at preparing our entire production structure for the **digital transformation** of the manufacturing industry.

We continue to invest in increasingly efficient and sustainable technologies, with the aim of reducing our environmental impact, optimising the use of resources and enhancing the long-term competitiveness of our industrial model.

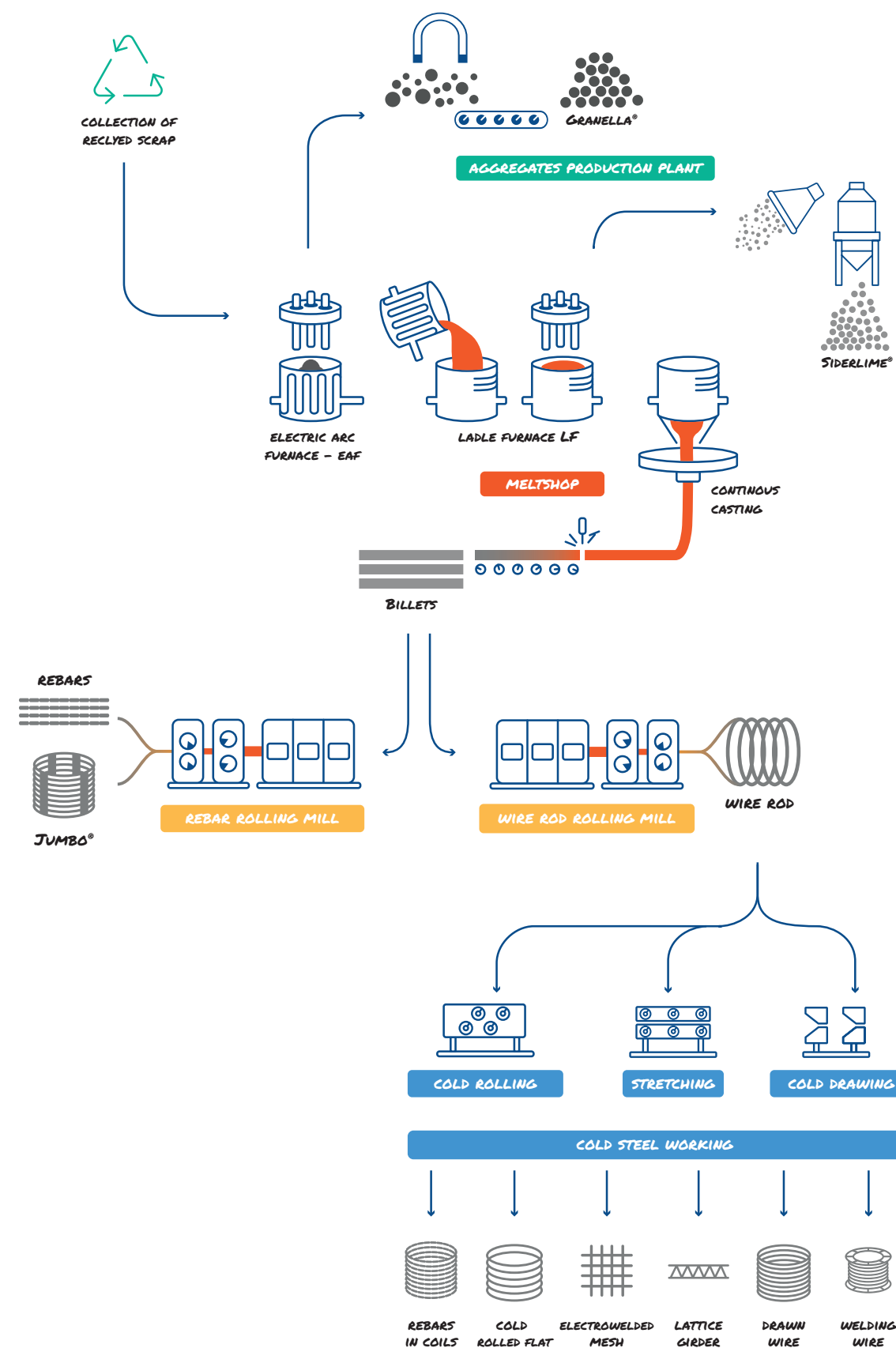
STEEL CAN BE FULLY RECYCLED INDEFINITELY WITHOUT LOSING ITS PROPERTIES.

87,8%

of **STEEL PACKAGING** is sent for **recycling** in Italy.

This means that the EU directive target for 2030 has been achieved.*

*Source Ricrea



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

A large pile of scrap metal and debris, including twisted metal, pipes, and various mechanical parts, under a blue sky with scattered clouds. A yellow excavator arm is visible on the left side of the frame. In the foreground, there are large coils of blue-painted steel reinforcement bars (rebar).

2. Sustainability for the Pittini Group

GRI 2 - 22 / 29, 3 - 1 / 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;

Green@Pittini: our commitment

We use electric arc furnace (EAF) technology to produce steel from recycled ferrous materials. This technology is considered to be the most sustainable and environmentally friendly. We have been pursuing the principles of the **circular economy** for years, aiming at waste reduction, zero waste and proper management of energy and water consumption. We want to be at the forefront of the next phase of the **ecological transition** by presenting ourselves as a green company in the steel industry. Our production strategies aim to **reduce** the use of **raw materials of natural origin** and include the reuse of by-products and any waste in our production processes. To achieve these goals, we are **constantly innovating** processes, equipment and materials. For us, being a steel company means being able to combine increased productivity with respect and care for the environment in which we live. For years we have been on a path of continuous improvement in the sustainability of our production. A commitment that has been reinforced in recent years through research and development of technologies that have an ever-lower impact on the environment.










- **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 Agenda 2030 targets for the Pittini Group

For many years, the Pittini Group has been oriented towards identifying increasingly innovative and performing 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.

Theme	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 consequence	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.



2.2 Dialogue with Stakeholders

GRI 2 - 29

The Pittini Group considers its relationship with stakeholders important and special. A number of ESG initiatives have been launched to build and maintain long-term relationships with all stakeholders. Stakeholder definition and identification activities continued in 2024, as shown in the diagram below. An active and ongoing dialogue is maintained with each of them in order to identify their ESG needs. Customer satisfaction surveys are performed continuously by the Group companies, whose management system complies with the ISO 9001 standard.

INTERNAL STAKEHOLDERS

The Pittini Group fosters the direct involvement of its employees through an annual materiality assessment, implementing initiatives that encourage active participation and the exchange of ideas in order to build a more sustainable and innovative future together. The goal is to offer everyone – regardless of their role, position, or length of service – the chance to play an active part in improving the organisation and contributing to the development of the company. One of the most impactful initiatives is the **Ideas Tool-Box**, introduced as a pilot project at Acciaierie di Verona in 2020 and later extended to several other sites: Compagnia Siderurgica Italiana, Ferriere Nord Osoppo, SIAT, the Pittarc division, Siderpotenza and Officina Pittini per la Formazione. The initiative gives all employees the opportunity to submit practical suggestions for improving business processes. Thanks to this active engagement it was possible to gather valuable and stimulating ideas, encompassing many aspects of the company life, and recognising the perspectives of those who work in close contact with the systems and the wider organisation on a daily basis. Another key initiative is **#PittiniperlaSostenibilità**, created to disseminate the contents of the Sustainability

Report among the employees and share the actions implemented by the Group that aligned with the Sustainable Development Goals of the 2030 Agenda. In order to promote greater awareness and participation in ESG topics within the company, an informative newsletter and a short video are released quarterly to explore a different aspect of sustainability.

EXTERNAL STAKEHOLDERS

In 2023, the mapping of external stakeholders was updated, also taking into account the extension of the scope of the current Sustainability Report. First, an in-depth benchmark analysis was carried out, taking into account a number of companies in the sector and their respective stakeholders. A questionnaire was then prepared to understand which ESG issues were relevant to them. This was sent to a significant sample of stakeholders to gauge their views. The initiative selects strategic priorities for sustainability, focusing on issues of relevance to the Group and its stakeholders.

In 2024, **several actions** were undertaken to involve stakeholders in the Group's activities. More specifically: there were **60 visits to factories**, including the hosting of the Danieli Innovation Meeting. **Conferences** were organised in

factories involving partners from some of the research groups we participate in. Other opportunities to meet with stakeholders included major international **trade fairs**. All Group companies attended these events.

TYPE OF STAKEHOLDERS

No major issues were identified during the reporting period and any suggestions for improvement are analysed annually by a dedicated committee.



Pittini people



Custom



Financial operators



Local communities and institutions



Industry operators







Suppliers






The Pittini Group has identified the material topics⁸ subject 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

⁸ There were no significant deviations from the previous reporting period with regard to relevant thematic issues.

2.3 The sustainability strategy for the Pittini Group

GRI 2 - 22

Sustainability has always been a cornerstone of the Pittini Group's strategy. The initiatives undertaken over time are based on continuity and ongoing improvement, with an increasing emphasis on environmental impact and the evolving global landscape.

The Group aligns with key national and European frameworks, including the guidelines outlined by the European Steel Technology Platform (ESTEP) through the Clean Steel Partnership Roadmap, directing its choices toward a responsible industrial development that is consistent with the European Union's objectives. In a sector as energy- and resource-intensive as steel, the Group's sustainability strategy focuses on four interrelated priority areas: Energy, Circular Economy, CO₂ Emissions, and Water Resource Management.

Significant progresses have been made across all four areas, often anticipating the industry trends. However, the journey is still ongoing, driven by the integration of digital technologies, advanced automation, and the adoption of industrial symbiosis principles.

At the same time, sustainability is deeply tied to people. Responsible management, focused on employees' well-being and professional development, remains the foundation of the Group's development.

Circular economy

- Development of technologies and research activities that aimed at enhancing the value of by-products, with a particular focus on steel slag.
- Maximisation of recovery and reintroduction of internal residues into the production processes or other industrial cycles.

Energy

- Reduction of specific energy consumption through high-efficiency systems.
- Heat recovery and reinvestment of energy originating from thermal processes, both internally and in synergy with the local area.

Reduction of CO₂ emissions

- Development of technologies designed to reduce the use of fossil fuels, promoting the adoption of renewable sources.
- Introduction of biomethane to replace fossil methane.
- Research into hydrogen-based solutions to replace carbon in the steelmaking process.
- Use of biomass-derived materials to reduce the use of fossil fuels in EAF furnaces.
- Selection of suppliers geared towards reducing the carbon footprint throughout the entire product life cycle.

Water resource management

- Automation and digitisation of monitoring systems to ensure water efficiency and water quality.
- Integration of water circuits of the different areas of the plant and water treatment to increase the level of recirculation.

The value of people

- Continued training for skills development and talent enhancement.
- Safety as a priority: environments, tools and behaviours are geared towards the protection of people.
- Safety as a priority: environments, tools and behaviours are geared towards the protection of people.
- Culture of well-being: fostering a positive working environment based on respect, trust and collaboration.

Economic and territorial value

The Pittini Group is committed to creating a shared value:

- Support for the supply chain with particular attention to local suppliers, including through financial support initiatives.
- Continuous innovation to improve product quality and energy efficiency, in line with Industry 4.0 principles.
- Commitment to the territories in which it operates, contributing to social and economic growth with initiatives that create skilled employment and strengthen ties with local communities.

An aerial photograph showing a winding asphalt road that cuts through a dense, lush green forest. To the right of the road, a wide river flows, its water a milky turquoise color, surrounded by extensive gravel bars and sandbars. In the background, a range of rugged, snow-capped mountains is visible under a clear sky. The overall scene depicts a natural landscape with infrastructure.

3. Environmental aspects

In the field of steel production and processing, the Pittini Group has always risen to the challenge of reconciling industrial development with environmental protection. This commitment has always motivated the people who have worked and continue to work in the Group. Over the years, reducing emissions in all environmental matrices (air, water, soil, noise, waste), using resources rationally, managing plants in a sustainable manner as well as their positive relationship with the territory have become increasingly important priorities. These objectives have been pursued through research into systems, production processes and materials.

With the aim of continuously improving its environmental performance and achieving ambitious targets, the Group has implemented a system to continuously monitor the results achieved. To this end, the Group's companies have adopted an Environmental Management System (EMS) in accordance with the UNI EN ISO 14001 standard, which is implemented at various levels in all plants.

Environmental and land management is in line with national and regional laws and regulations. All activities in the Group's plants are subject to specific environmental permits. In particular, plants with hot and cold rolling mills and/or steel mills have received the Integrated Environmental Permit (IEP) issued

by the competent authorities in accordance with Best Available Techniques (BAT).

A further step towards transparency and sustainability was taken with the participation in the EMAS⁹ audit scheme in the Verona (in 2020) and Osoppo (in 2021) plants, with the registration of the sites and the publication of the related environmental statements. The Group's approach to preventing the potential impacts of production activities has led to significant investment in environmental protection, worker safety and product quality.

For the Group's activities, there are two main **BREFs (Bat REFERENCE documents)**:

- BREF for Iron and Steel production (IS) for steel mills.(FMP) for rolling mills.
- BREF for the Ferrous Metals Processing industry (FMP) for rolling mills.

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.

From an environmental organisational point of view, the Group is structured with a strategic HSE manager at corporate level and environmental managers appointed for each plant. The use of the **Deming cycle for continuous improvement (Plan-Do-Check-Act)** involves top management, who hold special meetings to review progress against objectives and set new ones when they have been achieved.

In this way, the PDCA model takes the form of a virtuous spiral in which repeated improvements lead to ever higher levels.

The Group's policies are communicated to all employees. In addition, specific training sessions, in which the Group's employees are invited to participate in order to reinforce their behaviour and the resulting professional practices, are also essential for their effective implementation.

3.1 Circular economy and raw material recycling

GRI 301 - 1 / 2, 306 - 1 / 2

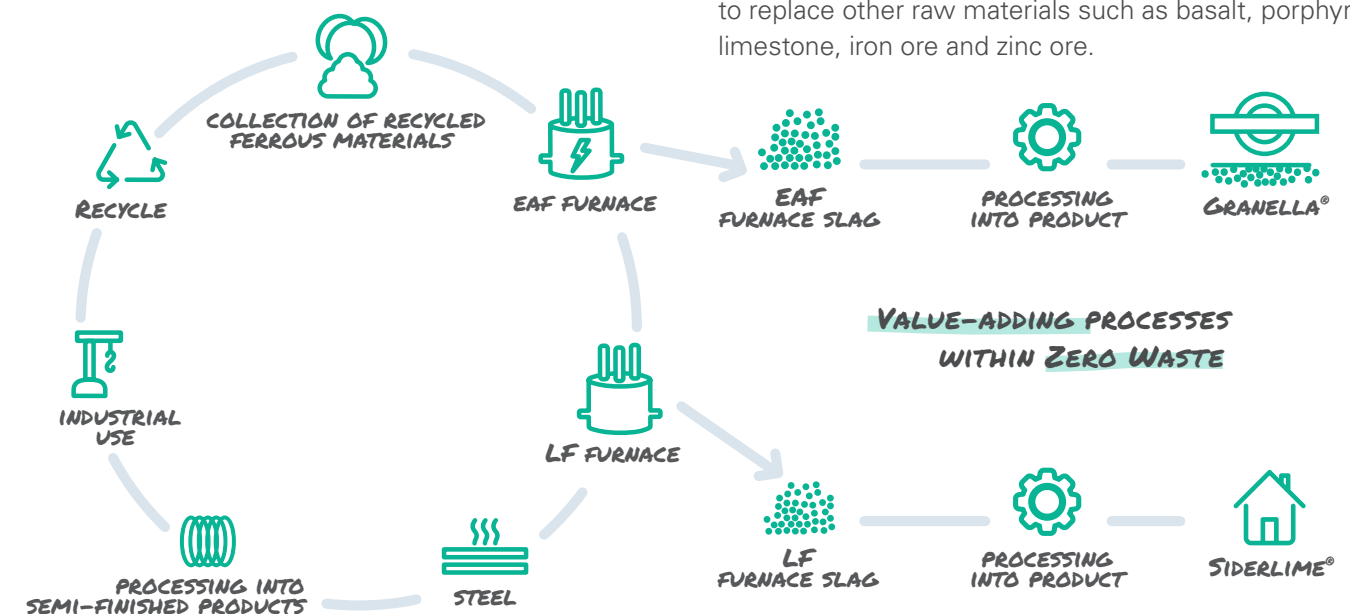
When creating new steel products, the continuous reduction in the use of raw materials of natural origin, together with the recovery/recycling of production residues and the adoption of "industrial symbiosis" practices, represent a strategic objective for companies operating in this sector. This is driven both by the economic opportunities it offers and the need to reduce environmental impact.

It is worth noting that steel, once produced, can be recycled and reused indefinitely: in fact, being it a permanent material, it retains its strength, ductility, and formability over time. It is estimated that **steel has a global recovery rate of over 78% and that 100% of its by-products are suitable for recycling**¹⁰, thus making it the perfect example of circular economy.

The materials used in the electric arc furnace (EAF) production process mainly consist of ferrous scrap (classified as 'end of waste'¹¹ according to EU Regulation 333/2011), cast iron and direct reduced iron, as well as some additives.

The **"Zero Waste"** initiative, which started during the 90s at the plant located in Osoppo and extended to other steel mills of the Group at a later moment, has continued to evolve over the years until today. The main objective is to minimise waste by continuously enhancing its positive qualities, resorting to the innovation of processes, plants and materials.

Zero Waste focuses primarily on those materials that are most significant in terms of quantity, such as electric furnace slag, ladle furnace slag, fume abatement dust, scale and refractories. Thanks to the results of the project, it is now possible to make a fruitful use of these secondary materials both 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.



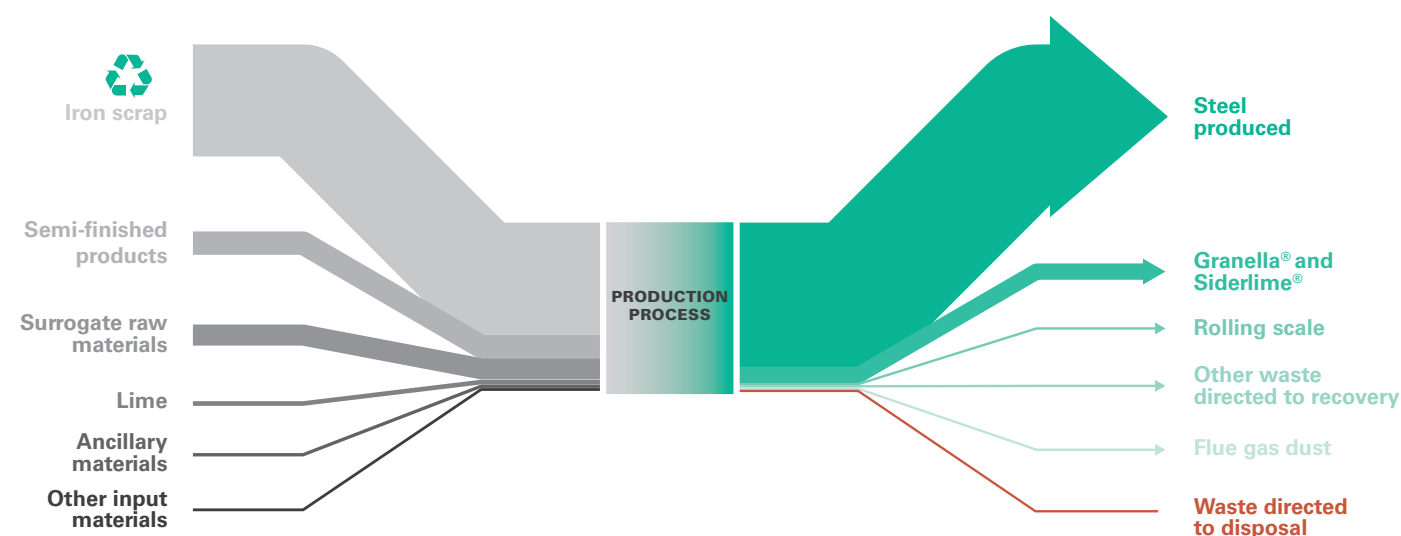
¹⁰ According to the White Book of Steel published by the World Steel Association, the steel recovery rate identifies the percentage ratio between the amount of scrap recovered and the amount of scrap available.

¹¹ The 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".

⁹ The Eco-Management and Audit Scheme (EMAS) is a voluntary instrument created by the European Community and regulated by Regulation (EC) no.1221/2009, as amended and supplemented, 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.

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 slag fed into the EAF furnace 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 meltshops of the Group.
The thickness of the arrows is proportional to the total weight.

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 2024, a total quantity of almost 3,100,000 tonnes of raw materials and related materials, of which 79.7% came from a recycling process (down from 80.5% in 2023).

The raw steel produced by steel mills (billets) is the raw material (semi-finished product) that the Group's rolling mills use to produce, through hot rolling processes, wire rod, steel bars and Jumbo® coils.

In 2024 the production of hot rolled products in the Group was achieved with semi-finished products of which 73.7% came from recycled material (down from 76.1% in 2023).

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 2024, the Group's Cold Processing processed more than 1 million tonnes of incoming steel, 61.4% of which came from recycled material.

Only
11,6%
of production waste
is sent for
DISPOSAL

79,7%
of the raw materials
used in meltshops
comes from
RECYCLING

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

• **EAF slag:** 372,620 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 equal to 33,651 tonnes in 2024, which would otherwise be destined for disposal.

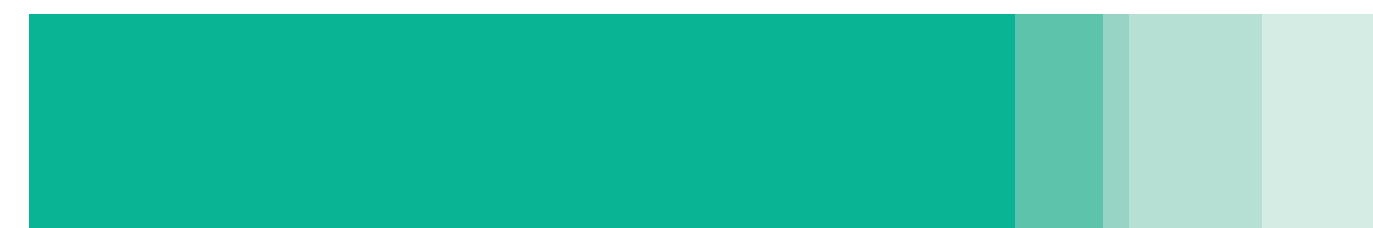
• **Siderlime®:** in 2022 the production of a new product derived from the recovery of ladle slag and intended for cement factories as aggregate began. Production for 2024 amounted to 6,788 tonnes.

• **Steel mill fume abatement dust** (50,242 tonnes in 2024) is sent for recovery at third parties for the extraction of zinc and other materials, reducing the use of ore and other metals.

• **Scale:** 47,522 tonnes in 2024 are sent for recovery at third parties, saving materials from mining sites.

RESULTS OF THE ZERO WASTE PROJECT

Natural materials saved from extraction



511k tons

- 372,620 tons Granella® produced
- 33,651 tons ladle slag and refractories reused in the production cycle
- 6,788 tons Siderlime® produced
- 50,242 tons meltshop fume abatement dust recovered
- 47,522 tons scale recovered

SIDERLIME®



Thanks to its high CaO content, SIDERLIME® 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.

Given its content of already decarbonated calcium oxide, SIDERLIME® also contributes to the reduction of process CO₂ emissions resulting from clinker burning. In 2024, SIDERLIME® produced at the Osoppo (UD) plant obtained EPD - Environmental Product Declaration - certification.

GRANELLA®



In 2018 Granella®, which bears 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), obtained the Environmental Product Declaration (EPD) certification and became **the first aggregate derived from steel mill slag with a certified environmental product declaration**.

Not only does Granella meet the minimum criteria of the new MEC regulations on "Road Infrastructure" and "Construction Interventions", but it also meets some of the award criteria:

- has a 100% recycled content;
- thanks to its mechanical properties, it extends the life of the works, especially in the wear layers;
- is manufactured in plants covered by the EU/ETS Directive;
- Ferriere Nord's production site is EMAS registered.

FERROUS SULPHATE



S.I.A.T. has implemented a process of **regeneration of the used acids** which allows to transform them into ferrous sulphate, instead of sending them for disposal. Through this approach it is possible to obtain a **high-quality raw material**, which can be used in cement production and in the agricultural sector.

In its production process, S.I.A.T. uses mainly hazardous chemicals, including sulphuric acid, which is essential for the chemical pickling of wire rod. During this phase, the diluted acid removes surface impurities from the metal. Once it has lost its effectiveness, the acid solution is sent for treatment in regeneration plants where, thanks to an integrated cooling and liquid-solid separation system, it is possible to obtain two new products: regenerated sulphuric acid, which is reused in the production cycle, and ferrous sulphate crystals, which are sold on the fertiliser market.

This process is an actual example of circular economy and environmental sustainability: it reduces the consumption of virgin raw materials, avoids the generation of waste and allows for the recovery of useful resources for other industrial sectors. Thanks to this process, **981 tonnes** of ferrous sulphate were sold in 2024.

3.2 Waste treatment

GRI 306

Steel production is normally associated with a significant quantity of residues, in particular the main ones consist of slag, fume abatement dust, mill scale and refractories.

In Europe, steel mills with electric arc furnaces produce between 80 to 400 kg/tonne of specific waste.¹² The Italian steel sector is characterised by an average of residues equal to approximately 161 kg per tonne of steel.¹³

At the Pittini Group, the **"Zero Waste"** initiative has made it possible to exploit those wastes that were generated in greater quantities, transforming them into new products or recycling them within the process, with a view to **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 2024, the combined amount of waste generated among all the Group plants having a meltshop was equal to 56 kg per tonne of processed steel.

The further reduction recorded in recent years is the result of the transformation, at the site in Osoppo, of part of the slag from Acciaierie di Verona into Granella® product. This activity, which began in 2019, will continue and be scaled up in the coming years, with the aim of recovering as much slag as possible to be used as a product.

Another consequence of the Zero Waste initiative was the attempt to recover most of the remaining waste through forms of industrial "symbiosis".

An example is that of fume abatement dust and mill scale, which are sent to third parties that recover and enhance the substances they contain.

Waste destination



¹² 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.

¹³ Source: Sustainability Report 2023 published by Federacciai for the entire Italian steel industry, including the full-cycle steel industry.

3.3 Energy management

GRI 302 - 1 / 3 / 4

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 constantly committed to improving energy performance and reducing consumption, focusing on optimising the efficiency of the Group’s systems and infrastructures.

Steel is vital to modern economies, and so the global demand for steel is expected to grow in the coming decades to meet the increasing social and economic needs.¹⁴ However, 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). Production can take place using an integrated cycle or by using electric arc furnaces starting from ferrous scrap. In the latter case, which corresponds to the technology

used by the Group, energy consumption is one-eighth that of the integrated cycle.¹⁵ Thanks to innovation and the spread of **low CO₂ emission technologies**, such as electric arc furnaces (EAFs), and 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 have a significant impact in terms of environmental and economic repercussions. In 2022, the Electrical Energy (EE) demand of the entire national steel industry amounted to 7,4% of the total EE demand in Italy.¹⁶ Starting from the end of 2019, with the entry into force of the Integrated National Energy and Climate Plan 2030 (INECP 2030) and from the beginning of 2020 with the approval of the European Green Deal, the implementation of an industrial decarbonisation process has been considered increasingly urgent: for this reason, companies with high energy consumption must gear towards new, increasingly efficient and sustainable consumption models.

To this end, the ‘**Zero Waste Energy**’ - project - launched in 2010 - has led to the census of all energy sources and consumption resulting in some of the companies of the Pittini Group - **Ferriere Nord, Acciaierie di Verona, Siderpotenza** and **La Veneta Reti** - implementing an **Energy Management System (EMS)**, in accordance with Standard UNI EN ISO 50001, and adopting the relative Energy Policy. Energy consumption consists mainly of **electricity**, which is primarily absorbed by electric furnaces in steelworks, and **natural gas**, which is mainly used in rolling mill preheating furnaces to heat billets prior to the rolling process. Electricity consumption per tonne of steel produced (this ratio is called energy intensity) in 2024 was 1.92 GJ/t, down 7% compared to the previous year. Over the years, the Pittini Group has implemented plant efficiency projects and installed photovoltaic systems which, in 2024, generated 2,902 GJ of self-produced electricity, an increase of 47% compared to the previous year. 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 in 2024 produced 37,388 GJ of energy.

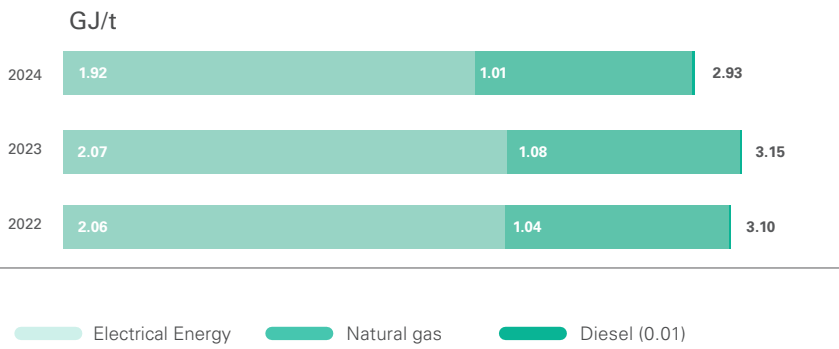
¹⁴ At national level, steel production remains the industrial activity with the highest electricity consumption.
¹⁵ Data for 2021 according to IEA in the “Iron and Steel Technology Roadmap” report.
¹⁶ Source: Terna Statistica Yearbook referring to 2022.



Consumption conversions from MWh (for electricity), Sm³ (for natural gas) and litres (for diesel) to GJ are made using the factors provided in the annual report ‘UK Government GHG conversion factors for company reporting’.

Each year, the average natural gas energy intensity of Pittini Group’s systems is, on average, **about 60% lower** than the national average for the iron- and steel-working sector.¹⁷

ENERGY INTENSITY



¹⁷ Source: Sustainability Report 2021 published by Federacciai.
¹⁸ The World Steel Association report gives a value of 5.2 GJ/tonne.

As for the use of natural gas, which is mainly utilised in rolling mills, 1.01 GJ per tonne of steel produced was consumed in 2024, a reduction of 6% on 2023. Savings on natural gas consumption are possible thanks to heat recovery and the loading of billets that are still hot into the preheating furnace (hot loading). Heat from the melting and preheating processes is recovered through district heating towards company buildings (in Osoppo) or to the benefit of the city of Verona. Data on natural gas energy intensity, described by production site and over the three years considered show a figure lower than the national average, which stands at 2.8 GJ/tonne for the iron- and steel-working sector.¹⁸ In 2024, electricity and natural gas saving interventions were carried out, resulting in a **reduction of the total energy consumption of 858,236 GJ, equal to 8.6% of their total consumption**. The graph on the side shows the overall trend of energy intensity (electricity, natural gas) net of the savings mentioned above for the three years under review (for consistency purposes, energy intensities have all been expressed per tonne of steel produced), which is **43% lower¹⁶** than the industry data for scrap-fed (EAF) electric furnace production. Based on this result, the facilities of the Pittini Group **are among the most energy-efficient in the world**.



3.4 Emissions

GRI 305 - 1 / 2 / 4 / 5

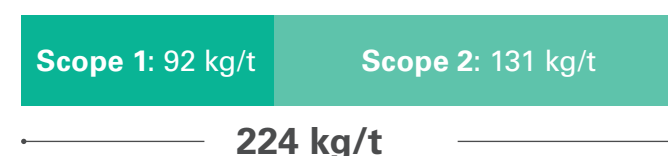
CO_{2eq} emissions into the atmosphere associated with steel production include both **direct emissions (Scope 1)** influenced by the carbon content of the materials used, in particular coal, natural gas, scrap/cast iron/reduced iron and electrodes, and **indirect emissions (Scope 2)** resulting from the use of electricity.

In 2024, **emission of CO_{2eq}** – direct (scope 1) and indirect (scope 2) – amounted to **224 kg of CO_{2eq} per tonne produced**, continuing the downward trend seen in previous years (12% compared to 2023 and -19.4% compared to 2022).

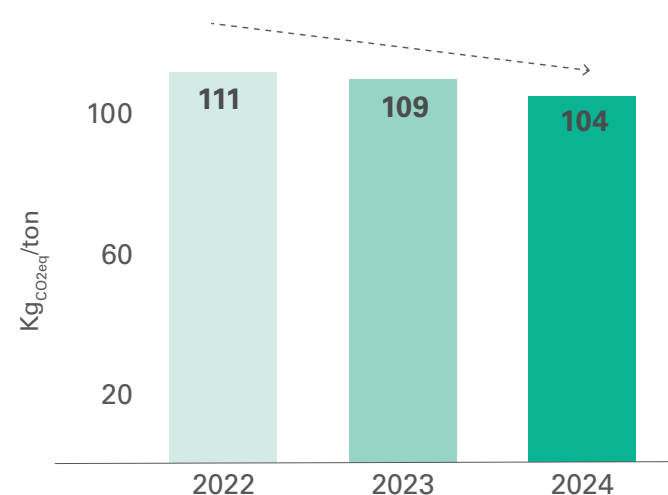
Furthermore, this figure is lower than the average CO₂ emissions recorded for EAF electric furnace steel producers fed with scrap such as the Pittini Group. In particular, consumption is 17% lower than the figure of 0.3 tCO_{2eq}/t according to the findings of the World Steel Association and the International Energy Agency (IEA).¹⁹

For **direct emissions** (scope 1 only), the average value for 2024 equalled **104 kg of CO_{2eq} emitted per tonne of hot-rolled steel produced**, showing a slightly decreasing trend over the three-year period under review.

SPECIFIC EMISSIONS OF CO_{2eq}/t (SCOPE 1 E 2)



INTENSITY OF EMISSIONS OF CO_{2eq} (SCOPE 1) OF HOT-ROLLED STEEL PRODUCED



Over the last 2 years, our total CO_{2eq} emissions DECREASED by **18.2%**

49,764 TONS OF CO_{2eq} AVOIDED IN 2024

¹⁹ Data according to IEA in the 'Iron and Steel Technology Roadmap' report.

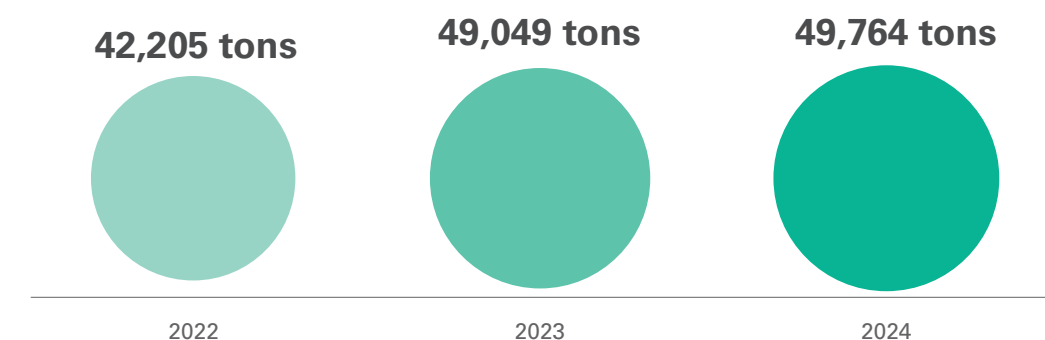
3.5 Reduction of energy consumption and GHG

GRI 302 - 4, 305 - 5

The constant effort to improve efficiency and innovate production plants, together with organisational measures aimed at energy optimisation, have made it possible over the years to avoid the emission of significant quantities of direct and indirect greenhouse gases.

In 2024, considering solely emissions from plant operations (Scope 1) and energy savings (Scope 2), it was possible to **avoid producing 49,764 tonnes of CO_{2eq}**. Over the full 2022-2024 reporting period, the total avoided emissions amounted to **141,018 tonnes of CO_{2eq}**.

TONNES OF CO₂ NOT EMITTED IN THE ATMOSPHERE



3.6 The water resource

GRI 303 - 1 / 3 / 4 / 5

The Group companies are supplied with water both through the aqueduct and through withdrawal from the company wells. Water sourced from the aqueduct is mainly used for civil purposes and represents a relatively low percentage of total consumption.

In order to reduce water withdrawal and discharge, the 'Zero Waste Water' project was implemented in the Osoppo plant in 2012. The aim was to reduce as much as possible discharge and purge operations of the cooling **maximise recycling within the production processes**. The project continues to bring considerable water savings, both in terms of quantities withdrawn and of volumes discharged.

The modernisation of the water systems is a continuously evolving process across the Group's companies. Between 2018 and 2021, the cooling systems at both the steelworks and rolling mill at Siderpotenza S.p.A.'s operational headquarters were replaced. At the Osoppo plant, a project envisaging the **complete renovation 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. Within the scope of activity of steel mills water is used mainly for cooling the systems and for treating the semi-finished and finished products. The impacts associated with the use of water resources mainly concern the withdrawal of groundwater and the discharge of water having lower quality characteristics compared to the original ones, with a significant portion lost through evaporation during cooling processes.

All the plants transmit to the competent Bodies the results of the monitoring on the quantity of water withdrawn and discharged and its quality. The plants in Osoppo and Verona draw water from the underground aquifer via wells, while the plant in Siderpotenza

receives water from Acquedotto Lucano. In these factories the cooling water is recovered, treated and recirculated in the circuits, thus allowing for a **partial reintegration**.

A certain amount of the waste water, after being properly treated, is discharged into consortium sewerage networks or, for the plant of Verona, into surface waters. **Periodic chemical and physical analyses** are carried out to monitor the quality of the water discharged, ensuring compliance with the limits set by individual permits and applicable legal requirements. Industrial wastewater of Osoppo and Potenza are managed by a consortium of the industrial area, while the wastewater of Verona are managed by a company-owned treatment plant that discharges into a superficial water body.

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

As for the use of water in cold processing plants, it is mainly water intended for sanitary and industrial use (plant cooling and pickling).

**WATER
WITHDRAWAL
decreased by**

8%

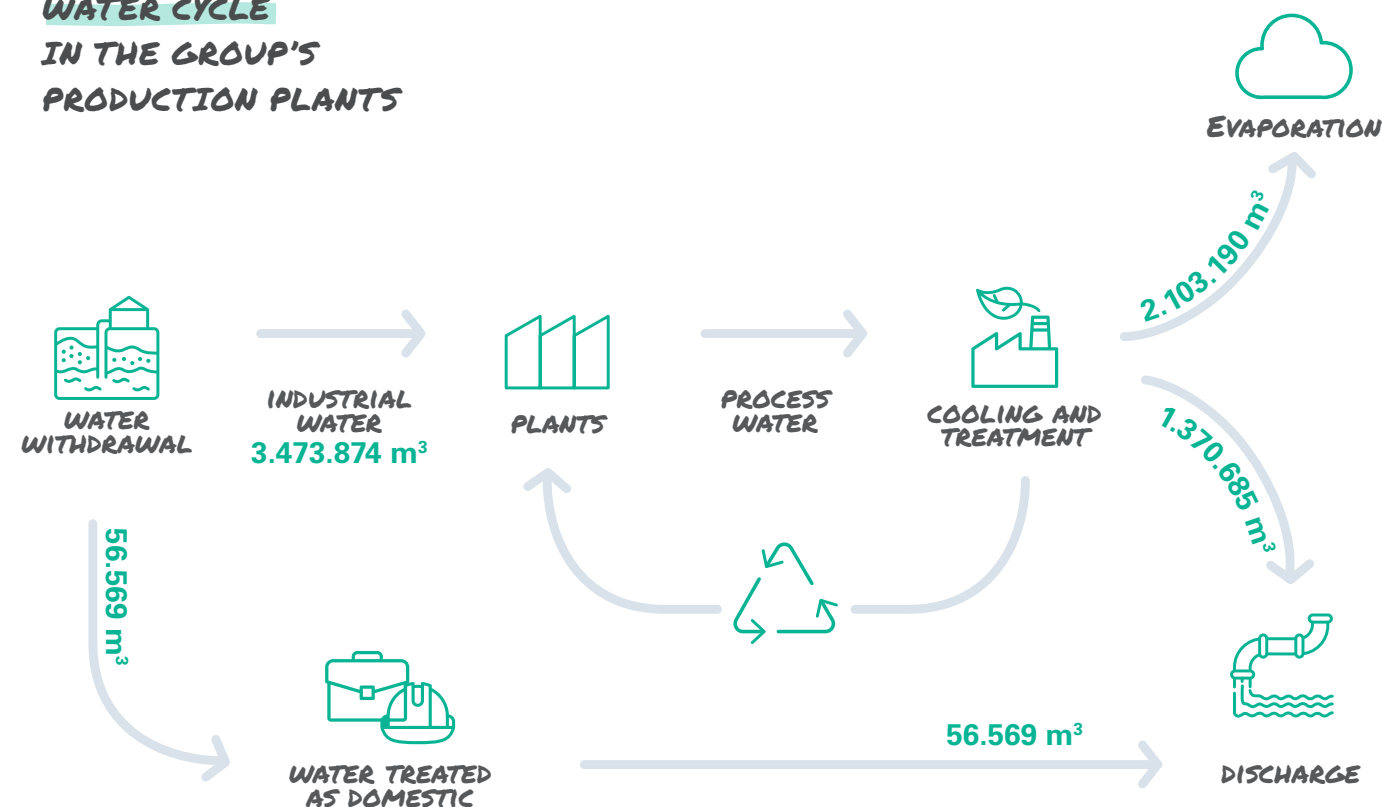
in 2024
compared to 2023

**WATER
CONSUMPTION
decreased by**

10%

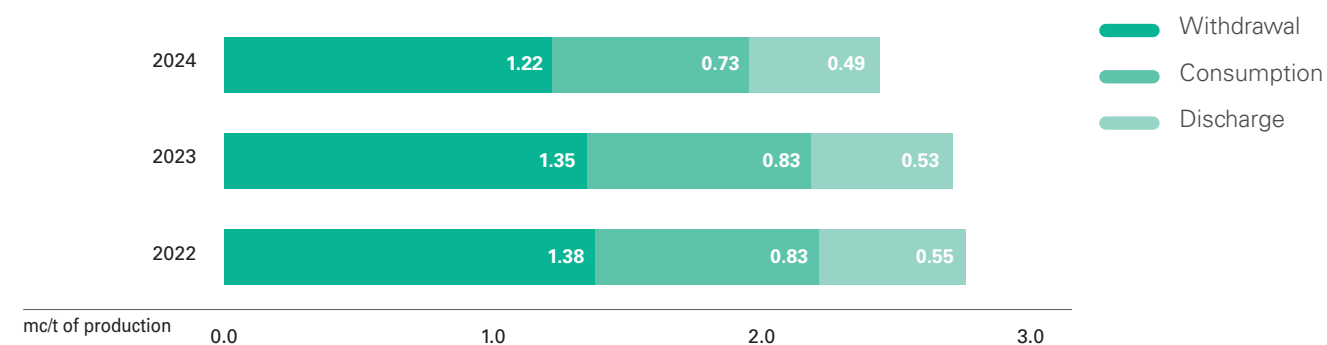
in 2024
compared to 2023

WATER CYCLE IN THE GROUP'S PRODUCTION PLANTS



USE OF WATER RESOURCE

Data referring to the Group's hot processes





4. Social aspects

GRI 2-7 / 30, 3-3, 402, 406

Positive integration with the territories in which we operate is fundamental and represents a crucial element in respecting our values and 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 values 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 stage of our work has the human element at its core and gives prominence to the functions responsible for managing and developing in-house personnel by operating at Group level, supporting the business and acting as a point of reference for all 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'** is one of the three founding pillars of the Pittini Group, fundamental in the continuous innovation path undertaken by the organisation. At the

same time, the people-oriented approach embraced within the organisation is also evident 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 2020. 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 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 is expressed in policies and initiatives designed to encourage the involvement and active participation of employees, listening to their suggestions and harnessing their creative potential to improve processes, products and workplaces. 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 **1.973**.²⁰ personnel With specific reference to the companies examined, the **staff hired with full-time permanent contracts** stands at **96%**²¹, of the staff were employed on permanent full-time contracts, in line with previous years. The **total turnover rate** is **16,78%**.²² During 2024, the Group continued the process of stabilising fixed-term contracts, thus contributing to consolidating the skills present in the various offices.

SKILLS ASSESSMENT

In 2021 the Pittini Group began using a skills and performance evaluation model called "INSIDE". The shared company definition is the following: **‘INSIDE 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**, which are common to all functions and applicable to all employees, have been defined at corporate level, based on the Pittini Group's values: Reliability, Innovation and People. The company values have been translated into measurable and assessable skills through the observation of behaviours.

We recognise the importance of providing stability to our employees and therefore the Pittini Group applies the **National Category Contract (CCNL for the metalworking industry)** to all collaborators (100%). This contract offers a comprehensive system of second-level collective bargaining that covers both economic and other aspects of the employment relationship, including safety, training and professional development. The contractual conditions and salaries of each collaborator respect the levels defined in the relevant CCNL and take into account their professional profile, the skills required by their specific role and the experience accumulated. Furthermore, within the organisation, we promote and encourage constructive dialogue with the Workers' Representatives and with the Social Partners in order to guarantee a fair and collaborative working environment. The Group communicates significant operational changes to its employees and to their representatives according to the methods and deadlines set out in the relevant CCNL.²³

Within the company, we guarantee a working environment that fully respects the **rights of each individual**, without any discrimination based on gender, origin, nationality, ethnicity or religious belief. For us, the concept of "inclusion" means **valuing the professional community in its different characteristics and facets**. We promote the growth and development of our human capital based on individual performance and attitudes, eliminating any form of stereotype or prejudice and recognising diversity as a source of enrichment for the entire organisation.

At Pittini, no incidents of discrimination based on race, colour, gender, religion, political opinion... or other forms of discrimination involving internal and/or external stakeholders occurred during the reporting period.

All collaborators are able to report at any time behaviours deemed discriminatory or harmful to the person, whether implemented directly, indirectly or structurally. Reports can be submitted either via the INAZ employee portal or via the Whistleblowing platform.

²⁰ The calculation was based on the value of employees as average workforce, excluding OPF personnel.
²¹ This figure is calculated based on data provided in FTE.
²² The calculation was made using the total number of employees in units.
²³ The Group's foreign companies apply their national contracts to all their employees.



Hard skills, on the other hand, are technical skills. The model identifies three categories of hard skills:

- **generic:** "Languages" and "computer skills";
- **specific:** these are linked to our reference sector and are divided into "Systems and production phases", "Technical processes linked to the production and processing of steel", "Products and applications", "Safety at work";
- **role-specific:** these are the technical skills that characterise each specific role.

Both generic and specific skills, such as soft skills, are common to all collaborators but with different expectations depending on the specific role. The roles and related hard skills were defined by the managers of each function, together with Human Resources, in order to build a model that is as effective and efficient as possible.

The **INSIDE** process develops throughout the year in the manager-collaborator relationship but is characterised by three formal events:

- at the beginning of the year, the objectives are shared between the manager and the collaborator and the expectations regarding skills, i.e. soft and hard skills, are defined;
- halfway through the year, the employee and the manager discuss the status of the objectives;
- at the end of the year, the employee's self-assessment and the manager's assessment of objectives and skills are shared. This meeting is also an opportunity to set the objectives for the following year.

In summary, the evaluation process adopted allows the clarification of expectations, goals and objective indicators, 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.

The management of the process is facilitated by a specific management software that allows the evaluations made during the collaborator-manager meetings to be shared.

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.

The Pittini Group obtained the **"Rapid time to value"** recognition at the 2021 SAP Quality Awards, which celebrate customers who have distinguished themselves in the implementation of their SAP solutions in compliance with quality principles ranging from planning and effective management of implementations to simplifying processes and producing significant benefits for the business.

For the year 2024, 455 collaborators were identified within the Group, of which **354 had completed the skills assessment process**.



Collaborators who completed the INSIDE path

PITTINI GROUP FOUNDATION

The Pittini Group Foundation is a corporate foundation established in 2020, strongly desired by the Pittini Group to give a tangible form to its **social responsibility** towards local communities. The Foundation is based in Osoppo, at the Group's headquarters, while its activities extend across Italy and Europe, with a particular focus on the areas where the Pittini Group's plants are located.

The Pittini Group Foundation is a **non-profit organisation** and a reference point for the development of projects that have social value and aim at supporting education. This latter plays a central role in the Foundation's mission and pursued with activities the **aim at enhancing young talent and promoting high-quality learning**.

In line with this vision, the Foundation launched its first initiative in 2020: **"the 'Pittini Challenge'**, a program that engages students in real-life business case challenges, encouraging them to develop innovative solutions under the guidance of tutors and teachers. The initiative includes a two-day campus at the Group's headquarters, featuring site visits and targeted training sessions. Each year, the Foundation awards scholarships to the most outstanding students, recognising their dedication, creativity, and ability to stand out through the quality of their work.

This project has received notable recognition: a Special Mention at the **'Dual Excellence Award 2021'**, promoted by the Italian-German Chamber of Commerce (AHK Italien), with the support of the German Ministry of Education and Research (BMBF) and the German Office for International Cooperation in Vocational Education and Training (GOVET). Another distinctive feature of the Foundation's commitment is **solidarity**, which translates into tangible initiatives that promote

communities' well-being, especially with regard to the Group's collaborators. One tangible example of this commitment to solidarity is the **#IPawYou** project, one of the first in Italy to introduce pet therapy in hospitals. Developed in collaboration with the University Health Authority Friuli Centrale (ASU FC), the project has delivered 235 therapy sessions across several healthcare facilities, including the Paediatric Wards of hospitals in Tolmezzo, San Daniele, Latisana and Udine, the Eating Disorders Units in Udine and Jalmicco, and the Adolescent Day Centre in Udine. The project, which works alongside healthcare professionals, has had a significant impact with the improvement of the emotional and social engagement of patients.

The Foundation is actively committed to supporting and promoting the **local area**. One example is the project **"Divertiamoci a migliorare il Futuro"** (**'Let's Have Fun Improving the Future'**), now in its second edition, which encourages secondary school students in Gemona del Friuli in active citizenship activities to restore public spaces. The Foundation also participates in the Ecological Day, an initiative for cleaning up the industrial area of Rivoli di Osoppo. Confirming its focus on the local area, the Foundation has supported a range of initiatives through targeted actions. It has supplied hydraulic and electronic components to improve technical training at a local Industrial Technical Institute; donated gazebos and marquees to the Osoppo Pro Loco - the organisation for the promotion of the territory - that will be used during events such as the Orchid Festival and the Feast of Santa Colomba; and supported financially the opening of a senior centre in the Bucaletto district of Potenza, by providing material help to the Parish of Santa Maria della Speranza in setting up a service

essential for the well-being of the elderly and more vulnerable members of the community.

Culture and **sport** also feature prominently in the Foundation's activities: from long-standing support for the international art exhibition in **Illegio**, organised by the Comitato di San Floriano, to partnerships with local sports clubs – including football, basketball, volleyball and cycling – as well as supporting the **Uniid E-Racing Team**, which competes in the European Formula Student championship with electric single-seaters designed by the students. The Foundation also takes part in major sports and charity events such as the **Telethon Relay** race in Udine and the **Straverona** (a running race held yearly in Verona), which combine social responsibility with support for scientific research.

The Foundation never loses sight of those who make the Pittini Group great: with the **'Garden of the Future'** a project dedicated to the youngest of the Group, every new birth is celebrated with the donation of a tree and a financial contribution, to recognise the personal and professional value of parenthood. Similarly, the Foundation supports those employees that are facing hardship, offering targeted financial support to help them through particularly difficult personal or family circumstances. At the Group's annual end-of-year gathering, the Foundation also presents a personal award to those who retire after 30 or more years of service, thus ending their career within the Group. This is a symbolic gesture to honour those who, through decades of dedication and professionalism, have played a vital role in the growth and success of the Pittini Group, facing every challenge with professionalism and passion and becoming a point of reference for younger colleagues.



50,334

HOURS OF TRAINING

1,021mio

EURO INVESTED
in training

DISSEMINATION OF POLICIES ON ENVIRONMENTAL SUSTAINABILITY

Concurrently with the publication of its first Sustainability Report, the Group initiated an **internal communication campaign** on its ESG (Environmental, Social and Governance) commitments and results. This activity uses a variety of content and channels to engage with the whole company; this includes communications posted on notice boards, regular newsletters and the creation of a specific column called 'Green@pittini' on the company website and in the company magazine. Particular emphasis was also placed on employee training and on communicating the company's key environmental sustainability and circular economy projects to the outside. Although promotional initiatives are important within the company, they are not counted as training activities because the tools used do not fall within traditional teaching methods.

4.1 Training

GRI 403 - 5, 404 - 1 / 2 / 3

For the Pittini Group, investment in training plays a strategic role. To ensure high quality standards, in 2003 the Corporate School, **Officina Pittini per la Formazione**, was founded to provide training for the Group's collaborators. The school is in charge of developing training projects for all sites, based on specific training needs and the budget set out for each year. The training activity carried out by Officina Pittini per la Formazione is crucial for the development of individuals and the **enhancement of technical know-how**, representing a guarantee of growth for the organisation as a whole.

Upskilling and reskilling are key elements when it comes to competitiveness, and are therefore made available to all employees. This is with a view at promoting their specialisation, innovating plants and processes, as well as empowering each individual towards their career path.

To facilitate broad participation in the courses, ensure the quality of the sessions, and positively engage with the attendees, training is delivered in different modes depending on the topics covered and the learning objectives. These include classroom courses, practical trial sessions in specific business areas, and, last but not least, on-line sessions delivered on **MyOPF**, a platform that was launched in 2020 and is still being used for synchronous courses **e-learning**.

The Group's decision to **handle training internally also has a positive impact on personnel research and selection activities**: on one hand it helps reduce staff turnover and, on the other, facilitates the inclusion of professional figures that are hard to find. The shortage of technical profiles with specific skill sets is a crucial aspect for the company's sustainability, and the highly specialised internal training provided by the Corporate School is a strategic lever that makes it possible to respond to the needs expressed by the production departments. These needs are met through the creation of work-training programs intended for recent graduates and

new engineers as well as the continued efforts to engage with younger generations through projects designed specifically for them.

Given the high quality of the courses offered, two of the Group associates received significant recognition from Confindustria: **Ferriere Nord Osoppo** has been awarded the **BAQ - Quality Alternation Seal** and the **BITS - Business Seal in ITS**, proudly held since 2018, while **Acciaierie di Verona** received the **BITS** starting from the year 2020. These awards were also reconfirmed in 2024. In addition, the Italian-German Chamber of Commerce awarded Acciaierie di Verona the Dual Excellence Award 2024, recognising the **'Steel Rookie'** work-study program as the best dual training initiative at national level in the 'Third Level Apprenticeship' category. The project was developed by the Pittini Group and is addressed to students enrolled in higher technical institutes who choose to complete their internship within the company.

Confirming the above, the data relating to training for the companies covered by the report show an average of **25.79 hours delivered per employee in 2024**.²⁴ The number of training hours delivered in 2024 was **50,344**, for a total of 2086 people trained within the Group. Investment in training is constantly increasing, for a total amount of **€1,003,433**.



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

²⁴ The value of average hours delivered was calculated in relation to the total number of employees in FTE.

Officina Pittini per la Formazione

Officina Pittini per la Formazione is a Corporate School founded in 2003. It is an integral part of the Pittini Group and, since its foundation, has paid particular attention to quality and constant innovation in its training programs. These values enabled the organisation to obtain accreditation from the Training Directorate of the Friuli-Venezia Giulia Region already in 2004.

Officina Pittini per la Formazione has a clear mission: **development of the Group's collaborators**. The Corporate School is responsible for mapping, organising and managing training courses for all the associated companies, with a particular focus on crucial topics such as innovation, safety, digitalisation and process sustainability. The range of courses on offer is widely varied, covering everything from safety to technologies applied to systems and, to keeping up with the latest trends in the sector, includes modules dedicated to Industry 4.0 and latest-generation systems. Furthermore, the development of language skills and transversal competencies is a key focus of the catalogue of Officina Pittini per la Formazione, thereby fostering the personal growth of each individual. Over the years, the Corporate School 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 work is strategic in promoting an entrepreneurial culture geared towards innovation. As a key intermediary between schools and enterprises, the training body fosters a deeper integration between academic education and the labour market. In 2021, Officina Pittini per la Formazione received two important accreditations. National Council of

Engineers (CNI) has recognised the Corporate School as an **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 the Corporate School 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 for the reporting year. To conclude, quality is a central pillar for Officina Pittini per la Formazione and to ensure high standards, the organization has adopted a **Quality Management System (QMS) certified according to the internationally recognised ISO 9001 standard**. This is perfectly complemented by the UNI ISO 21001:2019 certification, obtained in 2024, which represents the international standard of reference for **Learning Management Systems relating to non-formal education and training**. This standard is particularly relevant because it assesses an organisation's capacity to foster skills development and enhance learner satisfaction. This confirms OPF's dedication to ongoing improvement and excellence in training.

MANAGEMENT 4 STEEL

In **2019**, the Pittini Group, in collaboration with Aso, Duferco and Feralpi, launched an ambitious advanced training project, supported by Officina Pittini per la Formazione: the creation of a **Steel Academy**. This initiative was conceived with the aim of **enhancing the internal talents** of the companies involved and to prepare them for important managerial roles. The program, called 'Management 4 Steel', aims to train high-potential collaborators from each of the promoting companies.

The training focuses on two main aspects: on the one hand, the acquisition of technical and managerial skills oriented towards Industry 4.0; on the other, the strengthening soft skills, which are essential in the modern corporate environment.

A further objective of this initiative is to create a privileged forum for discussion between leading companies in the steel industry. This network aims to transform collaboration between companies in the training sector into a broader strategic asset, facilitating the exchange of knowledge and best practices between companies in the same sector. The fourth edition of this project took place in 2024, which over the years has involved a total of **13 Pittini Group employees**.

The final event of 'Management 4 Steel' was held at Brembo's headquarters, where the participants had a further occasion to observe the application of many of the topics covered during the training course in a technologically advanced company.

STEEL ENGINEER

The Pittini Group has recently introduced an innovative professional growth path, called "Steel Engineer", addressed to recent Engineering graduates. This initiative involves selection through an assessment centre and direct permanent hiring within the company. This training experience aims to enrich the skills of the participants, including steelmaking knowledge, specialist, management and transversal techniques. On the educational front, the program complements the academic experience of new engineers and, from a professional standpoint, provides a **360-degree vision of the processes and company organisation**. "Steel Engineer" provides for a twelve-month training program that includes both theoretical knowledge and hands-on experience. Participants have the opportunity to alternate activities in various production departments, periods of shadowing in the corporate areas involved, classroom sessions and advanced theoretical training modules.

The third edition of the project ended in 2024, providing 314 hours of classroom training and 1,600 hours of on-the-job training and enabling the company to hire seven engineers for technical and managerial roles in the steel industry. The project was developed by the management of the Pittini Group with the support of the Officina Pittini per la Formazione and 'Steel Engineer' represents work-training initiative that is essential to meet the growing demand for expertise and specialisation.

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. The training programme aims to provide participants with the skills necessary to become technicians specialised in the operation and maintenance of automated systems. The recent graduates who took part in the project were first selected by Human Resources through an assessment centre and, from the first day of training, were **hired by the Pittini Group on a permanent contract**. The training plan is defined in synergy between the company and the Corporate

School, providing for the strengthening of both technical skills (hard skills) and transversal skills (soft skills). This is achieved through a balanced alternation between **334 hours of theoretical classroom training** and **1,520 hours of on-the-job training** in the various company departments. The practical training is supported by constant guidance from company tutors, who act as mentors for the entire duration of the training programme. At the end of the programme, each participant is assigned to one of the production departments, where they will begin their work experience as an employee of the Pittini Group.



4.2 The Health and Safety of employees as essential elements

GRI 403 - 1 / 2 / 3 / 4 / 5 / 6 / 8 / 9 / 10

Health and safety at work is a top priority for the Pittini Group. To this end, the Group has developed a comprehensive action plan aimed at planning and implementing the most suitable measures to ensure the safety of people working in the plants and of those living in the surrounding areas.

The Group fosters a robust health and safety culture through the Corporate School Officina Pittini per la Formazione, which offers specific programs for all collaborators. These training courses are designed to increase the awareness of the risks associated with work-related activities and on how to manage and prevent them effectively.

The Group guarantees mandatory training in accordance with current legislation through the mode provided for and permitted (in-person, e-learning, synchronous distance learning) with facilities and equipment that made available depending on the needs of each individual course (e.g. courses for confined spaces, emergency personnel, etc.) so as to deliver training in the most effective way possible.

The Group also clearly defined the responsibilities, operating procedures, and criteria to be applied in managing training for workers and their representatives, supervisors, managers, and emergency response personnel, as required by Article 37 of Legislative Decree 81/08.

In addition to the statutory requirements, the Group actively promotes additional non-compulsory training courses to create opportunities for the personal and professional development of its staff, reflecting its commitment to providing ongoing and in-depth professional education for its employees.

The Officina Pittini Corporate School for Training organises training and information courses, such as "RIR Pills" on Risk of Major Accidents (in Italian Rischio di Incidente Rilevante - RIR), as well as advanced courses on new regulations. These courses aim to upgrade the knowledge of those involved at each plant. The school also organises awareness-raising courses on any relevant topics identified during scheduled periodic audits. These activities are exclusively geared towards Pittini Group staff and do not include third-party company personnel operating on surveyed sites. The Group has voluntarily chosen to implement a **Health and Safety Management System (HSMS)** compliant with ISO 45001:2018 in the production sites where the level of risk requires it. This system supports the Prevention and Protection Service within the framework of the provisions of Italian Legislative Decree 81/08. The HSMS extends to all employees, the staff of contractors, visitors, the activities performed and the relevant working environments, following the guidelines

and responsibilities outlined by current legislation. responsabilità definite dalla normativa vigente.

Specific procedures are in place for identifying hazards in the workplace, which include the direct involvement of workers in reporting potential risks. A risk assessment is then undertaken, taking into account the probability of occurrence and the potential severity of the event. Prevention and protection measures are then selected in compliance with the order of priority defined in Article 15 of Italian Legislative Decree 81/08.

The outcomes of the evaluation process are reported in the **Risk Assessment Document** within which an improvement plan is also formulated. The quality of the management system is guaranteed through periodic and systematic audits, carried out both internally and by third parties, which allow for the identification of any corrective or ameliorative measures, supporting the definition of concrete safety-related goals and objectives.

In compliance with Article 41 of Legislative Decree 81/2008, all workers undergo health surveillance with periodic medical examinations as provided for on a protocol prepared by an Occupational Physician designated for each Company.

On top of the mandatory health surveillance, as provided by the CCNL, the Group also provides its employees and their immediate family members with a Supplementary Health Care Fund, offering access to specialist consultations and preventive care plans.

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 industry: 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 the importance it attaches to protecting 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 2024 there were **55 accidents**, with a **frequency rate of 17,81** and a **severity rate of 0,98**.

A photograph of a modern building at night. The building has a large glass facade reflecting the interior lights. In the foreground, a wide set of stairs is illuminated with warm, orange light. Two people are walking down the stairs. The building's architecture is contemporary, with multiple levels and large windows.

5. Governance

GRI 2 - 6 / 28, 3 - 3

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

GRI 201 - 1

The steel industry represents one of the main production sectors on which the 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.

The Pittini Group ensures the sustainability of the business by creating economic value while generating shared value for all stakeholders. On the basis of the Income Statement of the Balance Sheet, it is possible to calculate the Economic value generated and distributed, values which show the distribution of value for the benefit of the main categories of stakeholders. In 2024, our company faced significant challenges, in line with the overall trend in the Italian and European steel industry.

Rising in energy costs and the declining demand affected economic results, but thanks to flexibility, adaptability and its solid capital structure, the company was able to maintain high production standards and continue to invest in innovation and sustainability. During the year, implementation of the Investment Plan continued with the aim of strengthening the Group's position in its reference markets and further structuring the verticalisation of the production chain, including through the integration of the companies acquired during the previous year.

	2022	2023	2024
Sales revenues in billions of Euro	2.73	2.02	1.86

The geographical area of reference for Company's sales is represented primarily the European Union countries, followed by the domestic market and, finally, non-European countries.

In relation to the Companies covered by this report, the data relating to the creation of economic value are reported.²⁵

Directly generated economic value	2022	2023	2024
Directly generated economic value corresponds to the wealth produced	2,751,950,169	2,065,363,518	1,906,421,435

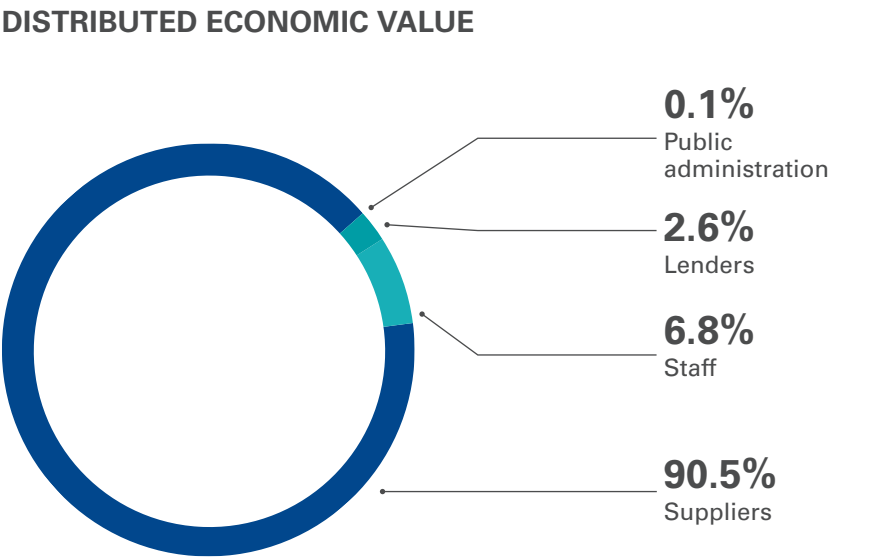
Distributed economic value	2022	2023	2024
These are the operating costs: personnel, financial charges...	2,393,169,506	1,924,544,750	1,904,091,810

Retained economic value	2022	2023	2024
It is the value generated minus the value distributed	358,780,663	140,818,768	2,329,625

25 Compared to last year's issue, the data presented for the three-year period are consolidated.



The economic value generated has been fully distributed. Most of the distributed value goes to suppliers, creating value throughout the supply chain. A significant proportion is allocated to staff and lenders, while the proportion set aside for public administration (in terms of taxes and operating charges) is the smallest. Investments for local development and communities have been provided by the Pittini Group Foundation.



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;
the **Retained Value**, which is the difference between Economic Value Generated and Distributed Economic Value.

129MIO€
disbursed to **PEOPLE EMPLOYED** in Group companies subject to reporting



5.2 The Governance

GRI 2 - 9

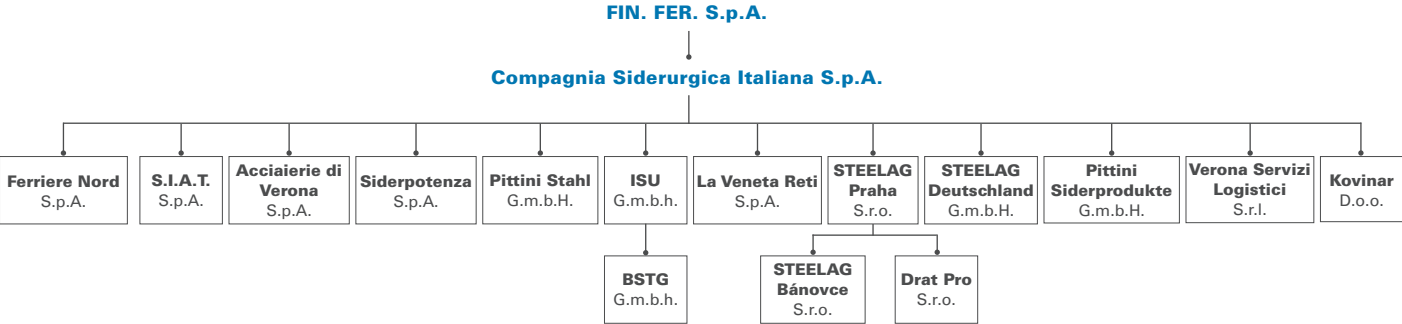
Following the acquisition of the STEELAG Group by Compagnia Siderurgica Italiana S.p.A. on 5 April 2023, industrial and commercial integration activities continued throughout the financial year 2024. As part of this process, the first phase of the corporate reorganisation was completed, which involved the direct control by the holding company, Compagnia Siderurgica Italiana S.p.A., over STEELAG Praha S.r.o. and its subsidiaries, STEELAG Banovce S.r.o. and Drat Pro S.r.o. The integration and reorganisation of the STEELAG Group will allow the company to further strengthen its competitive position in the Central European markets.

The other Companies of the Group are:

- **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, it has undergone a major industrial and environmental turnaround plan.
- **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 G.m.b.H.**
The market leader in Austria in the production and sale of standard and special electro-welded mesh, with two production sites in Linz and Graz.
- **S.I.A.T. S.p.A.**
Leading company in the production of drawn and polished rolled steels for the mechanical industry.
- **Pittini Stahl G.m.b.H.**
This Company, based in Germany, markets the products of the Group companies in Austria and Germany.
- **Pittini Siderprodukte G.m.b.H.**
The object of this joint venture is to market high-quality wire rods manufactured by other Group Companies in Switzerland and Germany. Compagnia Siderurgica Italiana S.p.A. holds 60% of its share capital.
- **STEELAG Deutschland G.m.b.H.**
The company, based in Germany, y, markets the products of the Group companies in the Central and Eastern European markets. It focuses particularly on electro-welded and wire rod products.
- **STEELAG Praga S.r.o.**
Specialised in the manufacture of electro-welded wire mesh, ribbed wires, straightened rebars, concrete spacers and cold drawn bright wires.
- **STEELAG Bánovce S.r.o.**
The company stands out for its expertise in the manufacture of electro-welded components and reinforcements for concrete.
- **Drat Pro S.r.o.**
Plant specialised in wire bending.

PITTINI GROUP ORGANIZATION



The governance structure

The Pittini Group has initiated a process to review its governance system to support the overall strategic development of the different manufacturing entities. More specifically, the reorganisation process has been developed along two directions: the revision of the governance mechanisms in the Ultimate Parent of the Group and in the subsidiaries, as well as the redefinition of the organisational model, with a specific focus on information systems. The Group's corporate reorganisation was aimed at implementing a policy of further integration of the supply chain and at an increasing and organic specialisation of production.

The sub-holding company **Compagnia Siderurgica Italiana S.p.A.**, is responsible for the management and coordination of the subsidiaries, simplifying the Group's decision-making processes and administrative aspects. The management boards of the individual operating company report to the Corporate structure and perform their functions in keeping with the strategic guidelines defined by the Group's senior management.

The management systems

With regard 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	<ul style="list-style-type: none">• Ferriere Nord S.p.A. (Osoppo)• Acciaierie di Verona S.p.A.• Siderpotenza S.p.A. (Potenza)• S.I.A.T. S.p.A.• La Veneta Reti S.r.l.
	Reg. CE 1221/2009 (EMAS)	<ul style="list-style-type: none">• Ferriere Nord S.p.A. (Osoppo)• Acciaierie di Verona S.p.A.
	Reg. 333/11	<ul style="list-style-type: none">• 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	<ul style="list-style-type: none">• Ferriere Nord S.p.A. (Osoppo)• Siderpotenza S.p.A.• La Veneta Reti S.r.l.
Quality Management Systems	UNI EN ISO 9001:2015	<ul style="list-style-type: none">• Tutte le aziende del Gruppo
Occupational Health and Safety Management Systems	UNI EN ISO 45001:2023	<ul style="list-style-type: none">• Ferriere Nord S.p.A. (Osoppo)• Ferriere Nord S.p.A. (Nave)• Acciaierie di Verona S.p.A.• La Veneta Reti S.r.l.• Siderpotenza S.p.A.
	UNI10617:2019	<ul style="list-style-type: none">• Ferriere Nord S.p.A. (Osoppo)
Competence of testing and calibration laboratories	ACCREDIA accreditation according to Standard	<ul style="list-style-type: none">• Ferriere Nord S.p.A. (Osoppo)• Siderpotenza S.p.A.



5.3 Code of Ethics and association

GRI 2 - 28

The main companies of the Gruppo²⁶ have disclosed their Code of Ethics and approved the Organisation, Management and Control Model pursuant to Legislative Decree 231/2001. The other companies subject to reporting have embarked on the same path.

- The corporate **Code of Ethics** intends to disseminate the values that distinguish the Company's activity and which its employees, collaborators and partners constantly draw inspiration from. The document was distributed to collaborators via the INAZ employee portal, and is publicly available at the link:

<https://www.pittini.it/wp-content/uploads/Gruppo-Pittini-codice-etico.pdf>.

- The **Organisation, Management and Control Model** adopted by 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; the document can be consulted at the link:

<https://www.pittini.it/wp-content/uploads/Gruppo-Pittini-linee-guida-modello-231.pdf>.

Pursuant to Italian Legislative Decree No. 24/2023, transposing UE Directive 2019/1937, the Companies of the Pittini Group have implemented their own information channels through the adoption of the **Whistleblowing Platform**.

<https://whistleblowersoftware.com/secure/GruppoPittini>.

Policies relating to the Group's plants can be found at <https://www.pittini.it>.

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.

The Group is a member of **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. The company SIAT, with the brand name PITTARC, is a member of the **Italian Institute for Welding - Ente Morale (IIS)** with the mission of 'promoting and encouraging the progress of welding in all its fields in Italy'.

²⁶ FIN.FER. S.p.A., Ferriere Nord S.p.A. and Siderpotenza S.p.A..

5.4 Suppliers and value of supplies

GRI 204

Suppliers represent a **crucial link in the value chain** in which the companies of the Pittini Group are integrated; in fact, 90% 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 **43% of suppliers in 2024 were local** (i.e. relating to the regions where the plant's legal and operational headquarters are located), compared to 89% of domestic suppliers and 11% of foreign suppliers.²⁷

Over the years, projects to support the supply chain have been launched, 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 the strategic activities aimed at growing their business.

This represented 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.

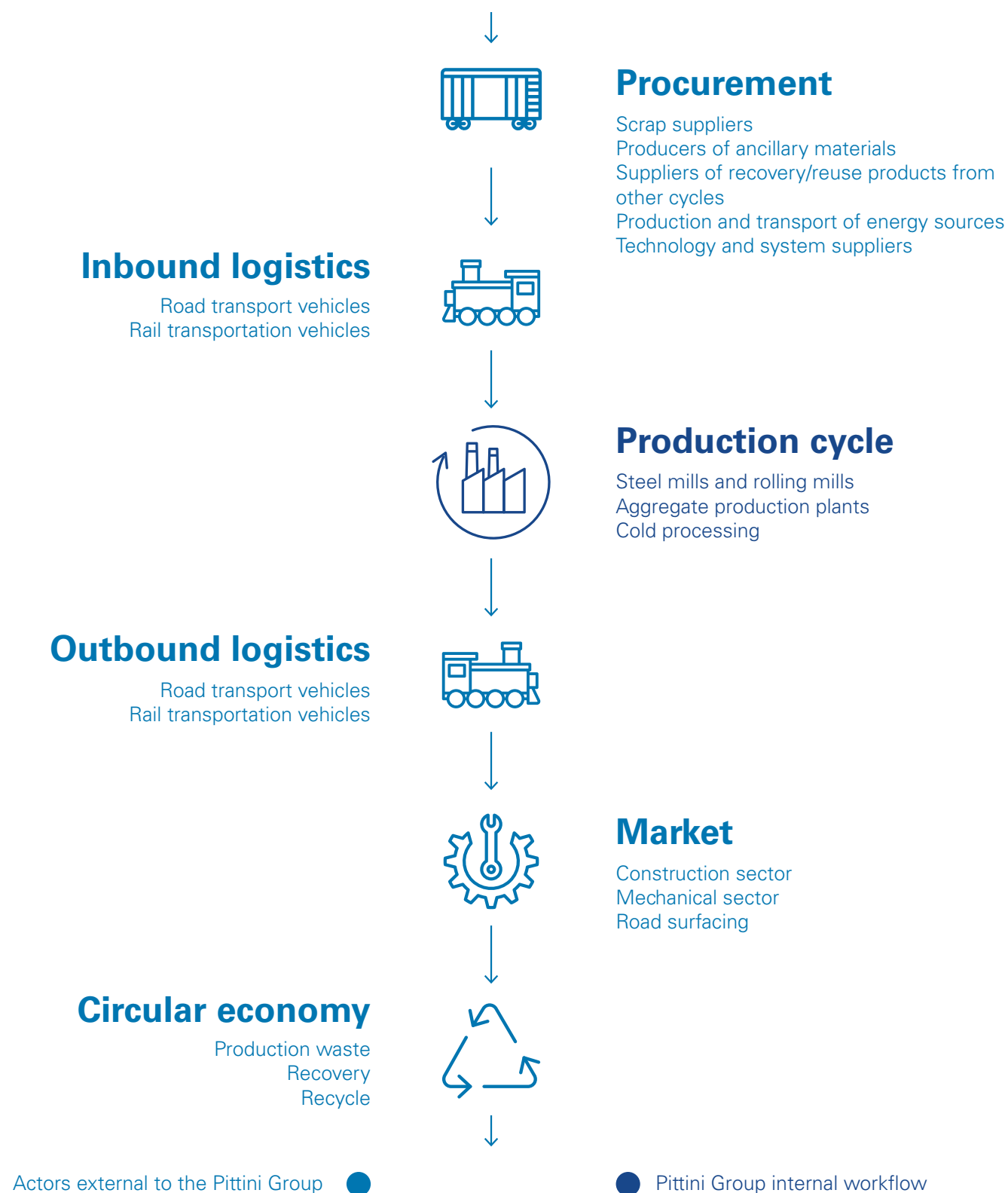
Partners are selected on the basis of an evaluation process that considers their commitment to ESG issues (supplier qualification questionnaire).



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.

²⁷ Suppliers of raw materials and energy are excluded from the calculation, as these are strategic supplies for which it is not possible to make a choice in favour of supporting local players..

5.5 Value Chain



PROCUREMENT

The first step in creating new steel products is to purchase high quality and sustainable raw materials and equipment. This is why 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, is a priority for the Pittini Group. Steel production is an energy-intensive activity, which is why the Group’s main plants have implemented an **energy management** system certified to UNI CEI EN ISO 50001:2018, which allows energy consumption to be monitored, measured and continuously optimised.



INBOUND LOGISTICS

Logistics is an essential issue in the assessment of a company’s economic impact and competitiveness, and therefore the Pittini Group’s **Logistics and Services divisions** are committed to observing the reality that surrounds us and the needs of the company’s customers in order to provide the necessary answers. As part of their commitment to finding more sustainable solutions, the Group’s companies have switched to **rail transport**, with significant results.



PRODUCTION CYCLE

The Group’s **hot processing operations** cover the entire production cycle, from the **melting** of the raw material (recycled ferrous materials) to the finished product with the production of billets and subsequent **rolling** into rebars for reinforced concrete, rolls and wire rod. In **cold working**, the wire rod is further processed into electro-welded, rolled and drawn products for the construction sector, such as mesh and lattice girders. The steel mills of the Group: Ferriere Nord S.p.A., Acciaieria di Verona S.p.A. and Siderpotenza S.p.A. use hot processing and in some cases cold processing, whereas the Group’s other mills only use cold processing.



OUTBOUND LOGISTICS

Outbound logistics is organised by the customers themselves or by the facilities where the wire rod is verticalised. **Awareness-raising activities** have had an impact on the optimisation and sustainability of these practices. At Acciaierie di Verona S.p.A., for example, software is being developed to plan, manage and track the flow of people and vehicles entering and leaving the site. The automation of these processes has an impact both inside the plant, alleviating some critical situations, and outside the plant, reducing traffic and emissions.



MARKET

The Pittini Group’s products are used in a wide range of industries. Steel is the essential component of modern **construction** and major **infrastructure**. The wire rod produced by the Group is used in the **mechanical industry**, where it is transformed into various products and components for everyday use: from the automotive industry to construction, from household appliances to doors and windows, from the cable industry to mechanics. By reinterpreting the production cycle, the Group offers a range of sustainable solutions for the construction of **roads and viaducts**.



CIRCULAR ECONOMY

Steel is **100% and infinitely recyclable** without losing its properties. This is due to the fact that it is a permanent material, i.e. it retains its strength, ductility and formability over time. **Electric arc furnace (EAF)** production allows steel to be produced from recycled raw material (ferrous scrap), significantly reducing environmental impact and providing an example of circular economy. With its **Zero Waste** project, the Pittini Group has reinterpreted its production cycle in terms of circular economy, giving new life to production waste by creating new products and entering new business areas.

5.6 Sustainable logistics

A sustainable approach to logistics is a set of actions aimed at **minimising the environmental impact of transport**, including reducing greenhouse gas emissions, air pollution and consumption of natural resources. This is a key issue for the Group, given the significant amount of material that is transported in and out of the factories. In response to these challenges, the Pittini Group has embarked on a journey of innovation and transport optimisation, with a particular focus

on increasing the use of more sustainable means of transport. In recent years, the Group has **increased its use of rail and intermodal transport for product handling**, with the aim of reducing road transport and its environmental impact. This shift has been supported by numerous initiatives and investments to prioritise rail transport, which is widely recognised as a more sustainable and efficient solution. Evidence shows that this has made

a significant contribution to reducing the environmental impact of transport. In **Verona**, the **RELOAD project** aims to disseminate and promote the introduction of 4.0 technologies in the logistics process and supply chain management. The innovative actions it promotes aim to digitalise the entire supply chain to ensure greater resilience, flexibility, end-to-end transparency and efficiency, in line with environmental, social and economic sustainability objectives.



- 56,527
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)



33,034
TONS

CO_{2eq} NOT EMITTED
thanks to the use of rail transport



1,582,756
TONS

of goods transported
BY RAIL in 2024



- 90%

REDUCTION IN CO_{2eq} EMITTED
thanks to the choice of transporting goods by rail



Source: Mercitalia Rail, data referring to the Pittini Group, 2024.

5.7 Digital transformation and Cybersecurity

Digital transformation is a megatrend that is rapidly reshaping business and society. For this reasons, the Pittini Group is implementing a series of **digitalisation projects** to help companies adapt to the challenges of digital transformation. In particular, the **NEXT project** was launched with the aim of implementing a new integrated information management system that would enable the Group to grow through an IT infrastructure capable of supporting accelerated expansion. In order to achieve these objectives, the **integrated SAP system**, used by many market leaders, has been chosen. The implementation of a new ERP system represents an evolution in the Group's digital transformation process, which will enable it to meet the challenges of the future.

Cybersecurity

In a global landscape marked by the constant rise of cyber attacks and threats, the Pittini Group remains committed to adopting increasingly effective cybersecurity strategies to **protect its systems and data**.

The Italian manufacturing industry is both critical and highly targeted (Italian manufacturers account for 28% of global cyber attacks in the sector) making cybersecurity a vital requirement for ensuring business continuity and protecting sensitive data. As such, cybersecurity management continues to play a central role in the Group's project planning. The objectives have been structured around 4 key areas:

- **Data and System Protection:** Implement advanced security measures to protect company data and critical systems against cyber attacks;
- **Risk Management:** Identify and mitigate cyber risks through ongoing assessments and a structured risk management plan;
- **Incident Management:** Provide and organise plans and procedures to mitigate the impact of potential incidents;
- **Culture of security:** Foster a strong culture of IT security throughout the organisation, involving all stakeholders.

Initiatives across these 4 areas are evaluated and implemented within 4 project development dimensions:

- **Organisation:** Remedial actions focused on governance and control organisational aspects (roles, responsibilities, and processes) connected to cybersecurity;
- **People:** Remedial actions directed at human resources, including their management and training, and at promoting a cybersecurity-conscious corporate culture;
- **Technology:** Remedial actions aimed at acquiring technological solutions or improving their management or use;
- **OT Security:** Remedial actions aimed at enhancing the security in production environments. The Group continues to formalise policies and procedures aligned with the latest European cybersecurity regulations, providing a framework and a rationale for all current and future IT and OT security measures.

Awareness courses on cyber security issues continue to be delivered to all Group employees, with an average of 2,000 hours of training per year. This in addition to phishing campaigns which are conducted to further train employees in recognising fraudulent emails. All devices security (PCs, servers, and mobile devices) is guaranteed by cutting-edge software that proactively manages security, while the entire digital perimeter is monitored by AI-driven systems capable of detecting and reporting anomalies in real time. A dedicated strategy to secure the Group's OT perimeter has been defined, which will gradually reduce cybersecurity risks across its industrial operations.

5.8 Research and development activities

The Group's research and development activities focus mainly on environmental issues and process digitalisation.

In the financial year 2024, the commitment to developing innovative projects continued, involving the Group's main business units with particular focus on collaborative initiatives at European level.

The Group continues to play an active role in the European technology platform **ESTEP** and in the **Clean Steel Partnership**, a public-private initiative. In the reporting year, there were **10 initiatives** active at European level involving the Group's main entities. A total of **6,653 hours** of research and development in collaboration with **92 international partners**, including 17 universities and 6 research centres were expended.

As always, particular attention is given to topics concerning the **circularity of the production process and the use of alternative raw materials** – topics which the Pittini Group has always held in high regard, in line with its long-standing 'Zero Waste' initiative.

With regard to decarbonisation, the Group has continued to pursue initiatives aimed at reducing greenhouse gas emissions in its production processes,

including its participation in the **North Adriatic Hydrogen Valley** project.

This initiative stems from the Letter of Intent signed in March 2022 by representatives of the Slovenian Ministry of Infrastructure, the Croatian Ministry of Economy and Sustainable Development, and the Autonomous Region of Friuli Venezia Giulia. It is designed to support the goals of the European Green Deal and the European Hydrogen Strategy. The project aims at establishing an economic, social, and industrial ecosystem capable of generating new opportunities within the framework of the green and digital transitions, while also creating conditions for broader replicability across the EU. The associate Ferriere Nord S.p.A. is involved in application pilot projects related to the steel industry, funded under the **Horizon Europe** framework programme.

The coordination structure for R&D at corporate level based at the holding company, Compagnia Siderurgica Italiana S.p.A., continues to engage associated companies in various initiatives that help enhance the technical expertise available at production plants, according to the specific processes carried out in each plant. Participation in international initiatives not only contributes to the professional development of the human resources involved, but also helps improve the performance of the production processes concerned.

SKILLS ALLIANCE FOR INDUSTRIAL SYMBIOSIS (SPIRE-SAIS): AN INTERSECTORAL MODEL FOR A SUSTAINABLE PROCESS INDUSTRY

The four-year SPIRE_ SAIS training innovation project, focused on the themes of cross-sector industrial symbiosis and energy efficiency, was completed in the financial year 2024.

The initiative, developed within the scope of the SPIRE Partnership (Sustainable Process Industry through Resource and Energy Efficiency) and funded under the European Erasmus plus program, mainly aims at developing a European-level strategy and program for skills acquisition in the energy-intensive industrial sector. Sudden economic and technological changes, combined with growing demands for environmental protection and resource conservation, present companies with the challenge of ensuring that their training methods and

workforce skills are constantly updated.

The project, coordinated by the Technische Universität in Dortmund (Germany), involves ten European countries, with 36 entities among industry associations, companies, education and training agencies, research institutes, universities and regional institutions currently engaged.

The Group, consistently focused on innovative initiatives and particularly dedicated to the development of environmental skills, decided to seize this opportunity for dialogue and mutual learning at the European level by taking part in the initiative through its associate Ferriere Nord S.p.A. and the holding Compagnia Siderurgica Italiana S.p.A.

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 are the 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.

SMARTCHAIN

In 2024, the European project 'SEAMLESS DIGITAL INTEGRATION IN STEEL VALUE CHAIN FOR HIGH QUALITY FINAL PRODUCTS' was launched: This project is designed to support the steel industry's digital transition, which aims at reducing CO₂ emissions, improving energy efficiency, and enhancing product quality. The companies of the Group the Acciaierie di Verona S.p.A. and S.I.A.T. Società Italiana Acciai Trafilati S.p.A take part in a dedicated use-case focused on the steel supply chain. Through the development of advanced digital tools – including a shared platform, an Industrial Data Space, and a Digital Material Passport – the project promotes horizontal integration across the supply chain and secure data sharing between steel producers and end users. A key aspect is the optimisation of process parameters to minimise defects in cold-rolled products and reduce environmental impact. Artificial intelligence and machine learning algorithms will be implemented to provide appropriate feedback on any non-conformities detected in finished products at S.I.A.T. S.p.A., with respect to process data generated at Acciaierie di Verona S.p.A..

DevH2forEAF

Since 2021, the Pittini Group has been participating in the European project DevH2forEAF which has the 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 electric arc furnaces.

Hydrogen is a low-polluting fuel with a high calorific value which makes it particularly efficient. In October 2024, at the Ferriere Nord S.p.A. plants in Osoppo (Udine), a series of experimental tests were conducted using the innovative burner developed within the project, with works with a variable mixture of natural gas and hydrogen. During the test days, the burner was fed with a mixture containing 100% hydrogen: this allowed to carry out comparative tests and demonstrate the stability of the process, the safety assurances and the absence of negative effects on the quality of the steel.

6. Methodological note

GRI 1, 2 - 1 / 2 / 3 / 4 / 14

This Sustainability Report, reporting year 2024, is the fifth published by the Pittini Group. Compared to previous financial statements, the data for 2022 and 2023 have been revised to include the companies that were added to the scope of reporting. It has been prepared and drawn up with reference to the **Consolidated Set of the GRI Standards 2021**, according to the GRI-referenced method. The **new EU Sustainability Reporting Guidelines** have been taken into account and implementation measures are being evaluated.

The scope of reporting on qualitative and quantitative data and information contained in the Sustainability Report relates specifically to the performance of the Pittini Group: Ferriere Nord S.p.A., Siderpotenza S.p.A., Acciaierie di Verona S.p.A., S.I.A.T. S.p.A., La Veneta Reti S.r.l., BSTG G.m.b.H., Kovinar D.o.o., Compagnia Siderurgica Italiana S.p.A. and the companies of the Group STEELAG G.m.b.H. for the **reporting period 2024**. In order to provide comparable data over time - given that data for STEELAG group companies is only available for the 2024 financial year - these figures are excluded from comparative calculations (with the exception of figures relating to the consolidated financial statements). The preparation, drafting and publication of the Sustainability Report is a voluntary activity carried out on a **regular annual** basis. **The reporting period is the "calendar year"**.

For all **material issues** identified through stakeholder engagement, the Organisation defines objectives within the framework of its sustainability strategy, as well as the risks and opportunities associated with their implementation.

All information provides a consistent picture of "impacts"; **both positive and negative impacts** are considered and reported. The emphasis on the different topics in the Report reflects their relative priority. This Sustainability Report describes the data and their

units of measurement, defines the basis and means for consultation and verification, and explains what the data is intended to show.

This document contains a summary index of information on the different areas covered (*GRI Content Index*) and reported in accordance with the GRI Standards in a way that allows traceability of indicators and other quantitative and qualitative information presented in the Sustainability Report.

The specific techniques and tools used, where applicable, are also explained.

Other paper or digital documents may summarise the data, information and content of the Sustainability Report.

The Sustainability Report partly combines disclosures 305-1 and 305-2.

Since 1 January 2018, the management and coordination of the companies under the control of the Pittini Group has been carried out by Compagnia Siderurgica Italiana S.p.A., which prepares the consolidated financial statements, from which the economic value is calculated. The financial statements have been prepared in accordance with the current legislation which, following the publication of European Directive 2013/34, with Legislative Decree 139/2015, finalised the reform by updating the National Accounting Standards in accordance with the provisions of the decree transposing the directive.

Compared to previous years' reporting, the values of the production of the companies BSTG G.m.b.H., Kovinar D.o.o., La Veneta Reti S.p.A. and SIAT S.p.A. have been reconsidered, taking into account only the production that was actually sold, thus excluding semi-finished products that were to undergo subsequent processing.

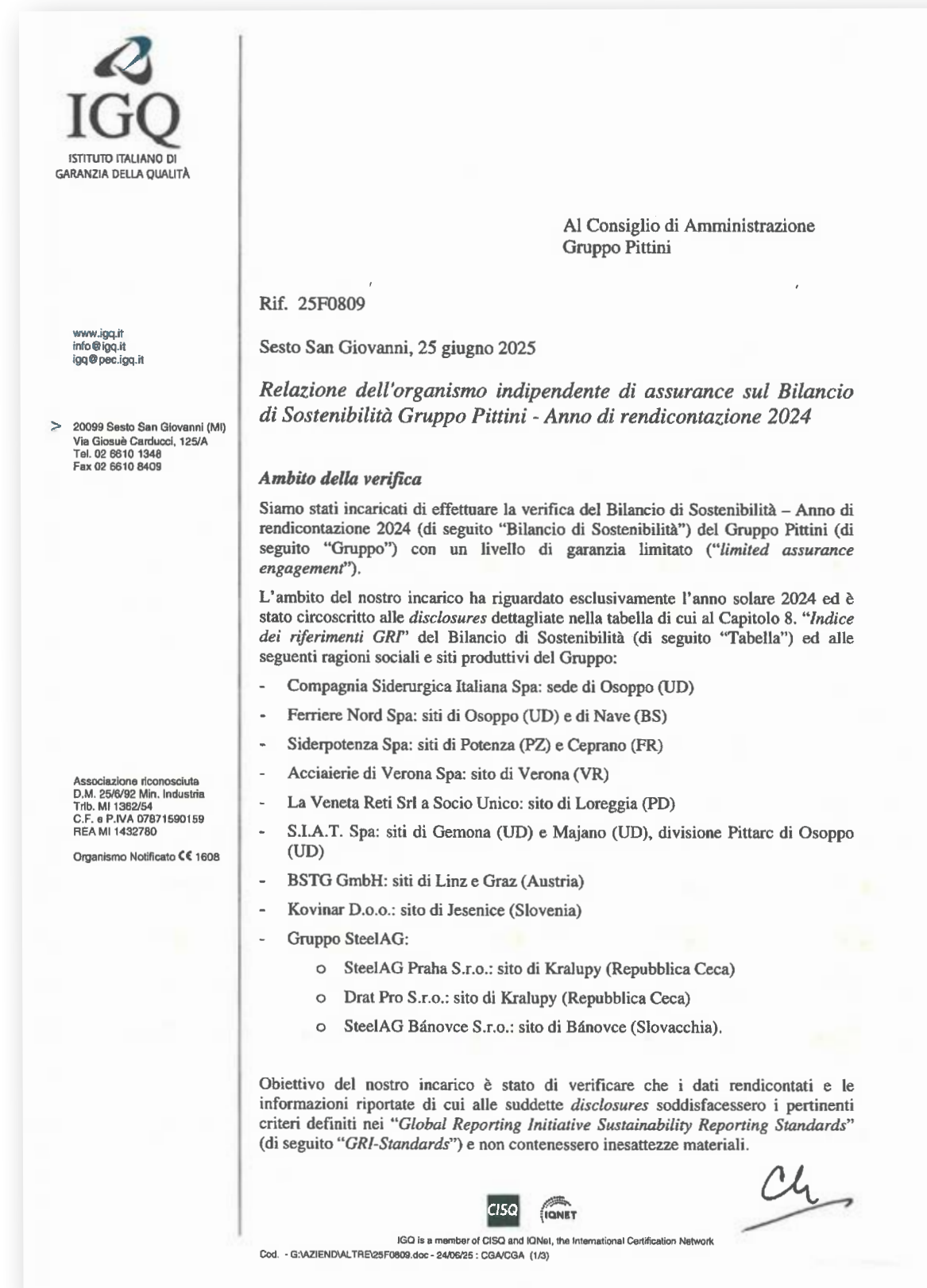
The preparation of the Report is subject to the approval of the boards of directors of the reporting Companies, which submit them to the chief executive officers for review.

Assumptions and methodologies underlying the calculations performed on energy and emissions

The databases prepared by the Organisations and which can be consulted may present the sources relating to recognised Bodies and Institutions in the form of access links to the relevant information (e.g. conversion coefficients). For the standard emission factors and conversion factors, those of national or international government bodies have been adopted.

7. External assurance

GRI 2 - 5





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C.F. e P.IVA 07871590159
REA MI 1432780

Organismo Notificato €€ 1608

L'incarico non ha incluso la valutazione dei processi e dei sistemi implementati dal Gruppo per la determinazione e la reportazione 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.

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 dalle norme 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* esplicitati nella Tabella.

Per quanto applicabile, abbiamo eseguito l'incarico in accordo ai principi contenuti nel documento ISO 17029 "Valutazione della conformità – Principi e requisiti generali per gli organismi di validazione e verifica".

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.

CU



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Cod. - G:\AZIENDALTRE\25F0809.doc - 24/06/25 - CGA/CGA (2/3)



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

Organismo Notificato €€ 1608

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:

- 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 della sede e dei siti del Gruppo preposto all'acquisizione, analisi, elaborazione e consolidamento dei dati ed alla stesura del Bilancio di Sostenibilità, per quanto di loro competenza;
- 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;
- valutazione 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 e della coerenza dei contenuti in esso riportati.

Riteniamo che le evidenze raccolte nello svolgimento delle suddette attività siano sufficienti ed adeguate a supportare le nostre conclusioni.

Conclusioni

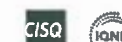
Sulla base delle attività svolte non sono pervenuti alla nostra attenzione elementi che ci facciano ritenere che il Bilancio di Sostenibilità del Gruppo non sia stato redatto in conformità ai *GRI-Standard* per quanto attiene alle *disclosures* elencate nella Tabella e riferite all'ambito del nostro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

Sesto San Giovanni, 25 giugno 2025

Per IGQ

Carlo Urbano

prof. ing. Carlo Urbano
(Presidente)



IGQ is a member of CISQ and IQNET, the International Certification Network
Cod. - G:\AZIENDALTRE\25F0809.doc - 24/06/25 - CGA/CGA (3/3)

8. GRI content index

Pittini reports its sustainability performance against the 2021 GRI Standards for the period 01.01.2024 - 31.12.2024.

For all GRI Standard topics used for reporting, the disclosure 3.3 Management of material topics of the consolidated GRI 2021 Standard applies.

GRI Standard/ Other source	Disclosure		Omitted		
			Omitted requirements	Reason	Explanation
GRI 2 GENERAL DISCLOSURES 2021	2-1 Organisational details	Ch.s 1 and 5.2			
	2-2 Entities included in the organisation’s sustainability reporting	Ch.s 1.1, 6 and 5.2			
	2-3 Reporting period, frequency and contact point	Ch. 6			
	2-4 Restatements of information	Ch. 6			
	2-5 External assurance	Ch. 7			
	2-6 Activities, value chain and other business relationships	Ch.s 1 and 5			
	2-7 Employees	Ch.s 4 and App.			
	2-8 Workers who are not employees		All	Not applicable	No activities of workers who are not employees within plants were reported, as they were contracted to other suppliers with direct control over their employees.
	2-9 Governance structure and composition	Ch.s 5.2 and App.			
	2-10 Nomination and selection of the highest governance body		All	Confidentiality	
	2-11 Chair of the highest governance body	Appendix			
	2-12 Role of the highest governance body in overseeing the management of impacts	Appendix			
	2-13 Delegation of responsibility for managing impacts	Appendix			
	2-14 Role of the highest governance body in sustainability reporting	Ch. 6			
	2-15 Conflicts of interest	Appendix			
	2-16 Communication of critical concerns	Ch. 4			
	2-17 Collective knowledge of the highest governance body	Ch.s 4 and App.			
	2-18 Evaluation of the performance of the highest governance body		All	Confidentiality	
	2-19 Remuneration policies		All	Confidentiality	
	2-20 Process to determine remuneration		All	Confidentiality	
	2-21 Annual total compensation ratio		All	Confidentiality	
	2-22 Statement on sustainable development strategy	Letter of the Chairman, Ch. 2			
	2-23 Policy commitments	Appendix			
	2-24 Embedding policy commitments	Ch.s 5.3 and App.			
	2-25 Processes to remediate negative impacts		All	Confidentiality	



GRI 2 GENERAL DISCLOSURES 2021	2-26 Mechanisms for seeking advice and raising concerns	Ch.s 5.3, 4 and App.			
	2-27 Compliance with laws and regulations		All	Confidentiality	
	2-28 Membership associations	Ch. 5.3			
	2-29 Approach to stakeholder engagement	Ch.s 2.2 and App.			
	2-30 Collective bargaining agreements	Ch. 4			
GRI 3 GENERAL TOPICS 2021	3.1 Process to determine material topics	Ch.s 2 and App.			
	3.2 List of material topics	Ch.s 2 and App.			
	3.3 Management of material topics	Ch.s 3, 4 and 5			

Economics aspects and governance

GRI 201: Economics Performances - 2016	201 – 1	Ch.s 5.1 and App.	201 – 2 / 3 / 4	Confidentiality	
GRI 204: Procurement practices - 2016	204	Ch.s 5.4 and App.			

Environmental aspects

GRI 301: Materials - 2016	301 – 1 / 2	Ch.s 3.1 and App.	301 – 3	Not applicable	Not applicable to the products of the Group
GRI 302: Energy - 2016	302 – 1a-e,g / 3 / 4 a,b	Ch.s 3.3, 3.5 and Appendix	302 – 2	Impossibility of obtaining accurate and reliable measurements	Energy consumption outside organisations is so complex that accurate and reliable measurements are impossible.
			302 – 5	The requirement “Reductions in energy requirements of products and services” is not applicable.	
GRI 303: Water and water effluents - 2018	303 – 1a / 3 a,b,c / 4 a,b,c / 5 a,b	Ch.s 3.6 and App.	303 – 2	Not applicable	Compliant with current laws
GRI 305: Emissions - 2016	305 – 1 a,b,d,e,g / 2 a,c,e,g / 4 / 5 a-d / 7	Ch.s 3.4, 3.5 and Appendix	305 – 3	Not applicable; Impossibility of obtaining accurate and reliable measurements	Emissions outside organisations are so complex that accurate and reliable measurements are impossible.
			305 – 6	Not applicable	No ODS substances are produced, imported or exported
GRI 306: Waste - 2020	306	Ch.s 3.1, 3.2, and Appendix			

Social aspects

GRI 402: Relations between workers and management - 2016	402	Ch. 4			
GRI 403: Occupational health and safety - 2018	403 – 1 * / 2 * / 3 / 4 a,b / 5 / 6 / 8 * / 9 a,c,e / 10 a	Ch.s 4.1, 4.2 and Appendix	403 – 7	Not applicable	Compliant with current laws
GRI 404: Training and Education - 2016	404 – 1 / 2a / 3	Ch.s 4.1 and App.			
GRI 406: No discrimination - 2016	All	Ch.s 4 and App.			

*Applicable only to Italian Group Companies.

C O N T A C T S

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