



SUSTAINABILITY REPORT

FINANCIAL YEAR
2023



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Available digitally on www.orimartin.com

Letter to the Stakeholders

Dear Stakeholders,

We are pleased to present our fifth consecutive Sustainability Report, cataloguing our Company's constant commitment to a more sustainable and responsible future.

The Report has been prepared in accordance with leading international standards and enables the Company to clearly and transparently present its performance, commitment and tangible contribution in the environmental, social and economic spheres.

We remain in a period of great uncertainty, with a global macroeconomic situation marked by geopolitical crises and high volatility. The fragile nature of the international context, generated by the pandemic and protracted by the Russian conflict in Ukraine, has worsened with tensions in Israel and Palestine. There have been significant repercussions on the costs of commodities and international shipping, driven up and burdened by a significant increase in inflation.

From a climate perspective, 2023 was the hottest year since 1850, and this coincided with record greenhouse-gas emissions. The number of extreme weather events also increased, including heatwaves, flooding, drought and wildfires. The steel sector also feels the impacts of these global dynamics, with balances tending to alter over each quarter, generating significant and widespread unpredictability.

Despite this difficult situation, ORI Martin has once again demonstrated a strong ability to pursue its growth objectives through the constant hard work and dedication of everybody who continues to build great

resources of strength and resilience, essential to face current difficulties, from price speculation to inflation and international instability.

The Company is well positioned to successfully manage periods of uncertainty, with a healthy balance sheet and highly skilled personnel ready to adapt and respond to emergencies. This strong workforce is rooted in a hundred years of company history and widespread, shared professional expertise across the different corporate functions.

Decarbonisation is a focal point of our commitment. We recognise the significant impact of greenhouse-gas emissions on the environment and global climate, especially those generated by the steel industry. In this knowledge, we have adopted a rigorous and ambitious strategy to reduce our carbon footprint, establishing a strategic and operational plan aimed at greatly reducing direct and indirect (scope 1 and scope 2) CO₂ emissions by 2030.

We have launched a series of initiatives aimed at increasing energy efficiency and developing innovative solutions to reduce emissions. These include installation of solar panels at our plants, optimisation of production processes to minimize energy waste and the promotion of sustainable mobility for our employees.

The path to full decarbonisation is long and complicated but we are determined to continue in this direction with staunch commitment.

Alongside our decarbonisation efforts, we place

great importance on ESG (environmental, social and governance) aspects. We firmly believe that an integrated approach to sustainability is essential to guarantee a prosperous and long future for our Company and the area where we operate. We have approved a new Sustainability framework aligned with Agenda 2030, which will form the basis for the first Group ESG strategy.

We are convinced that corporate social responsibility is a value to be developed through concrete actions, shared with all parties involved. These values were passed on to us by those who came before, teaching us the importance of relationships with employees and the community, years before people began talking about sustainability.

Located in the heart of the city, ORI Martin recognises the fundamental importance of cultivating solid and lasting relations with the surrounding area. Every year, commitment, resources and investments target mitigation of environmental impacts and effects in the local area, with the goal of continuous improvement.

On the environmental front, in addition to decarbonisation initiatives, we are committed to responsible management of natural resources and minimising negative impacts on ecosystems. We promote circular-economy practices and we work to minimise waste. By using scrap metal as a raw material, our production system is perfectly aligned with the circular-economy model.

In the social sphere, we promote the well-being of our employees, diversity and inclusion, while supporting

the communities in which we operate. We make ongoing investments in training and professional development for our employees, fostering a fair and respectful workplace.

Finally, in terms of governance, we adopt transparent and responsible management practices, guaranteeing observance of regulations and the highest ethical standards through a Sustainability Committee.

To conclude, we would like to express our most sincere gratitude to everybody working for our Company. Their commitment and dedication, every day, represents the driving force behind our initiatives for a more sustainable future. Thanks to them, we are making significant, tangible progress on our path to sustainability.

Enjoy reading!

Uggero De Miranda
Chairman and councilor





CHAPTER 1

ORI Martin: Red Hot Passion for Steel

CHAPTER 1 - RED HOT PASSION FOR STEEL

1.1 2023 Highlights

520
million of
generated value



479
million of
distributed value



522.004
tonnes of **steel** produced by
recycling scrap

77%
of waste sent
for **recovery**



623
people working in the
Brescia and Ospitaletto
plants

95%
permanent contracts



1.2 ORI Martin's identity

1.2.1 ABOUT US

ORI Martin is a modern **steel company**, considered one of the most innovative and technologically advanced in the industry. Far-sighted investments in **R&D** have enabled it to progressively become a benchmark in the steel industry for all **key European markets**.



ORI Martin produces **more than 200 different grades of steel** for the mechanical, energy and construction industries, and in particular for the automotive and railways sectors.

The main **raw material** used for steel production is **scrap**, placing ORI Martin in a **circular-economy model**.

ORI Martin has pursued a strategy of diversification since the **1960s**, which has enabled it to integrate and consolidate numerous companies throughout the steel value chain. This strategy is widely appreciated, and particularly so by ORI Martin customers, as it guarantees the **complete traceability** of the production chain and **high-quality** finished products. Today, the Group is composed of

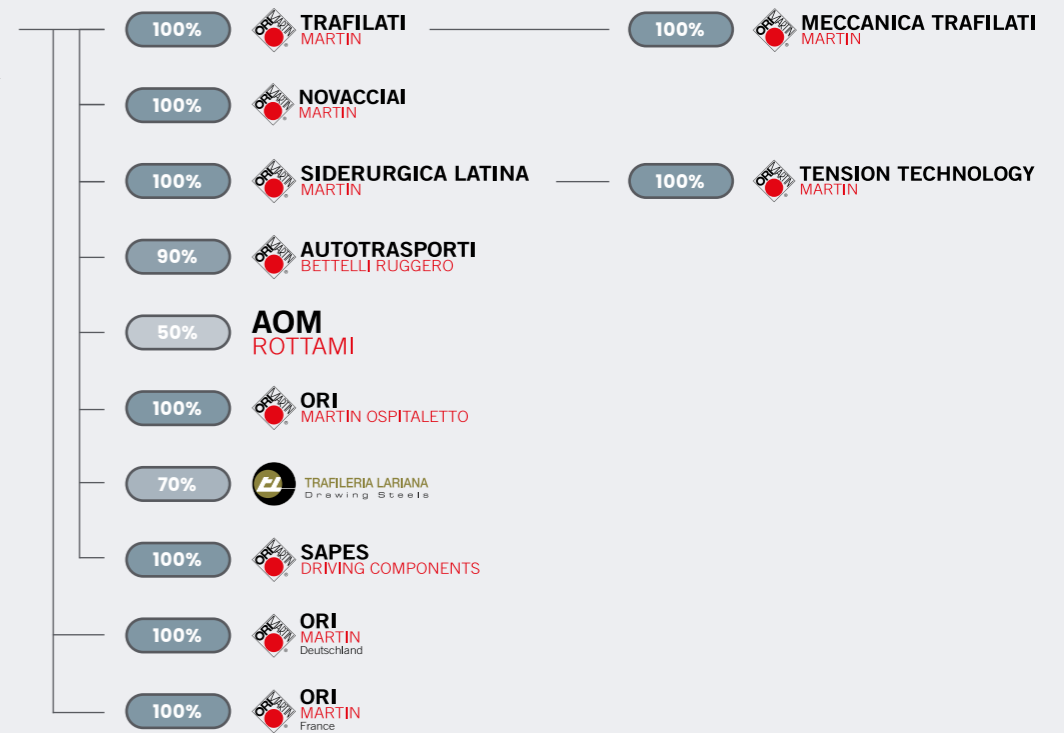
ten companies, in which ORI Martin either holds equal shares or is the majority shareholder.

The information presented in this document illustrates **the sustainability performance** of ORI Martin S.p.A., which includes the Brescia plant (steel plant, rolling mill and heat-treatment plants) and the Ospitaletto plant (rolling mill and heat-treatment plants).



With **more than 200 steel grades** for special uses in the mechanical and automotive industries, **the Group is present in all the main European markets**.

1.2.1 ABOUT US



- 1 ORI Martin
- 2 Sapes
- 3 Trafilera Lariana
- 4 Novacciai Martin
- 5 Tension Technology Martin
- 6 Trafilati Martin
- 7 Meccanica Trafilati Martin
- 8 ORI Martin Ospitaletto
- 9 Siderurgica Latina Martin



ORI Martin's story began in 1933, when **Oger Martin**, a Belgian engineer who arrived in Italy in 1911, founded **Ferretti e Martin** in the San Bartolomeo area of Brescia. Initially, the business manufactured agricultural tools using a trip hammer powered by the waters of the Fiume Grande river, one of the several streams of the river Mella, which made a huge contribution to industrial development in Brescia and the surrounding areas.

In **1946**, with the war over and the need to rebuild, **Ferretti e Martin** opened a **rolling mill** to meet the high demand for rebar used in reinforced concrete. The plant consisted of a heating furnace powered by fuel oil and used material to be rolled prepared by a trip hammer, starting from sections of train rails and other war remnants.

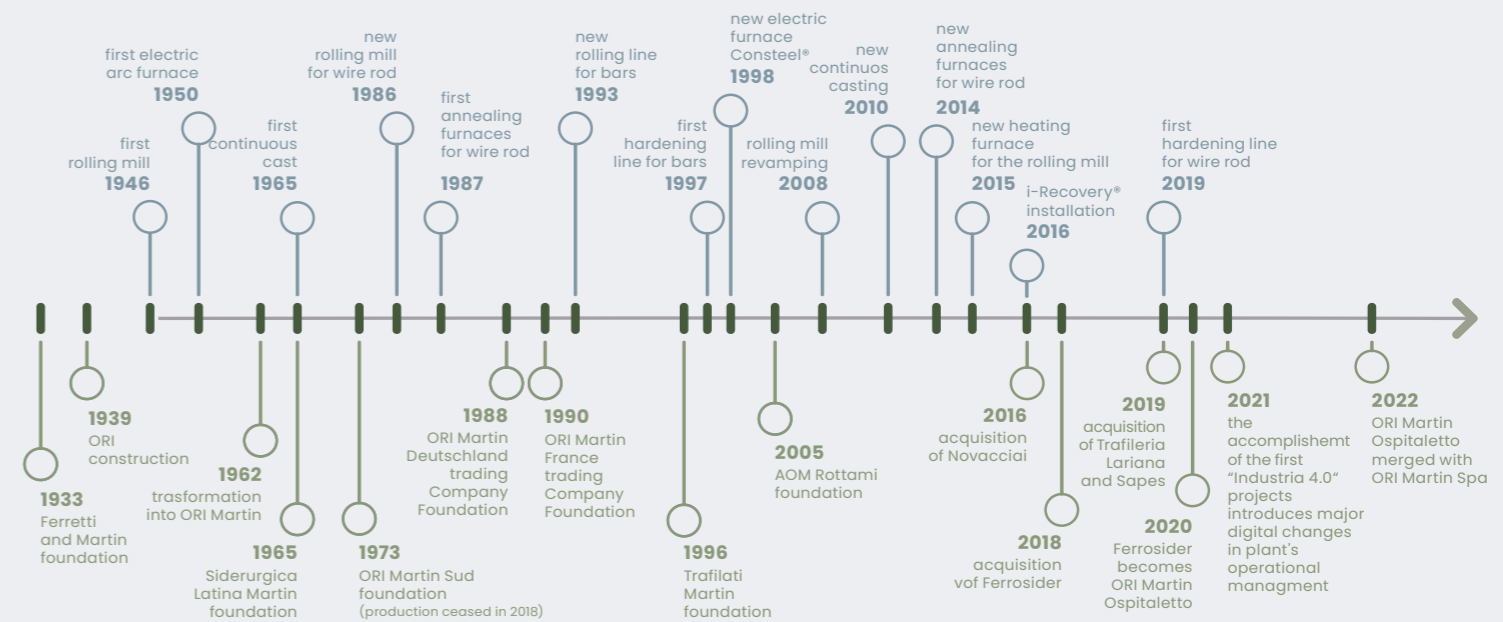
In **1950** the Company began to expand, with **installation of its first electric melting furnace** for the production of steel from scrap. This provided the rolling

mill with higher quality semi-finished products and ingots and eliminated the work of the trip hammer. This change marked the first phase of evolution towards the current plant, which covers a total area of about **246,000m²** (87,000 m² indoors). This includes a steel plant run by an electric-arc furnace, a rolling mill for wire rod and bar products and a heat-treatment department (annealing, quenching and tempering).



Today, the ORI Martin Group operates in **Italy, France, Germany, England, Poland, Romania, Spain, Sweden, Turkey, Austria, Finland, Greece, Slovenia, Switzerland, Czech Republic, the Netherlands, Lichtenstein and Bosnia** through sales offices and agents throughout Europe. Outside Europe, the Group also exports to China, South Korea, India, Algeria, Brazil, and Argentina. The main products are continuous-casting billets, wire rod, and hot-rolled round, square and flat bars.

EVOLUTION OF THE PLANT >



EVOLUTION OF THE GROUP >



PRODUCTS

CONTINUOUS-CASTING BILLETS WIRE ROD

HOT-ROLLED ROUND BARS

HOT-ROLLED FLAT BARS

HOT-ROLLED SQUARE BARS

HOT-ROLLED SQUARE BARS

CHAPTER 1 - RED HOT PASSION FOR STEEL

1.2.2 WHAT WE DO

ORI Martin S.p.A. has two operational plants in Brescia and Ospitaletto.

The Brescia facility produces **steel billets** which are mainly **rolled into wire rods or bars**. At the Ospitaletto plant, billets from the Brescia steel plant are rolled, producing **round, square and flat bars**.

These products are mainly used in the automotive and railway sectors. More generally, suspension springs, components, bolts and bars are supplied to the mechanical, energy and construction industries.

ORI Martin is constantly committed to meeting the growing needs of European industry, which demands

ever greater levels of specialisation. To achieve this goal, the company focuses on innovation, sustainability, and research. These fundamental Group pillars guide ORI Martin's growth and development, enabling the company to stay at the forefront of the sector through a process of sustainable transition.

Brescia plant

BILLETS

Billets are a **semi-finished product in steel with square cross-section**. Their production begins by melting the scrap in an **electric melting furnace**. The molten scrap is then **cast** and **solidified** using a continuous-casting process. ORI Martin billets are used to feed the Group's rolling mills, but a proportion are also sold.

ROLLED PRODUCTS

The rolling process begins with **heating of the billets** in a methane gas furnace. In just a few hours, the furnace reaches the extremely high temperatures required to **transform the billets into wire rod or bars**, with the desired cross section and diameter, which are then **packaged**.

At this point, the hot-rolled products can undergo **further heat treatments** to obtain specific mechanical characteristics through:

- **annealing treatment of the wire rod and bars in coils**
- **quenching and tempering of bars followed by cutting to size**
- **quenching and tempering of the wire rod and bars in coils**
- **annealing treatment of bars.**

The Brescia plant is divided into **three departments** dedicated to three different production phases: **Steel-Plant Department, Rolling-Mill Department and Heat-Treatment Department**.

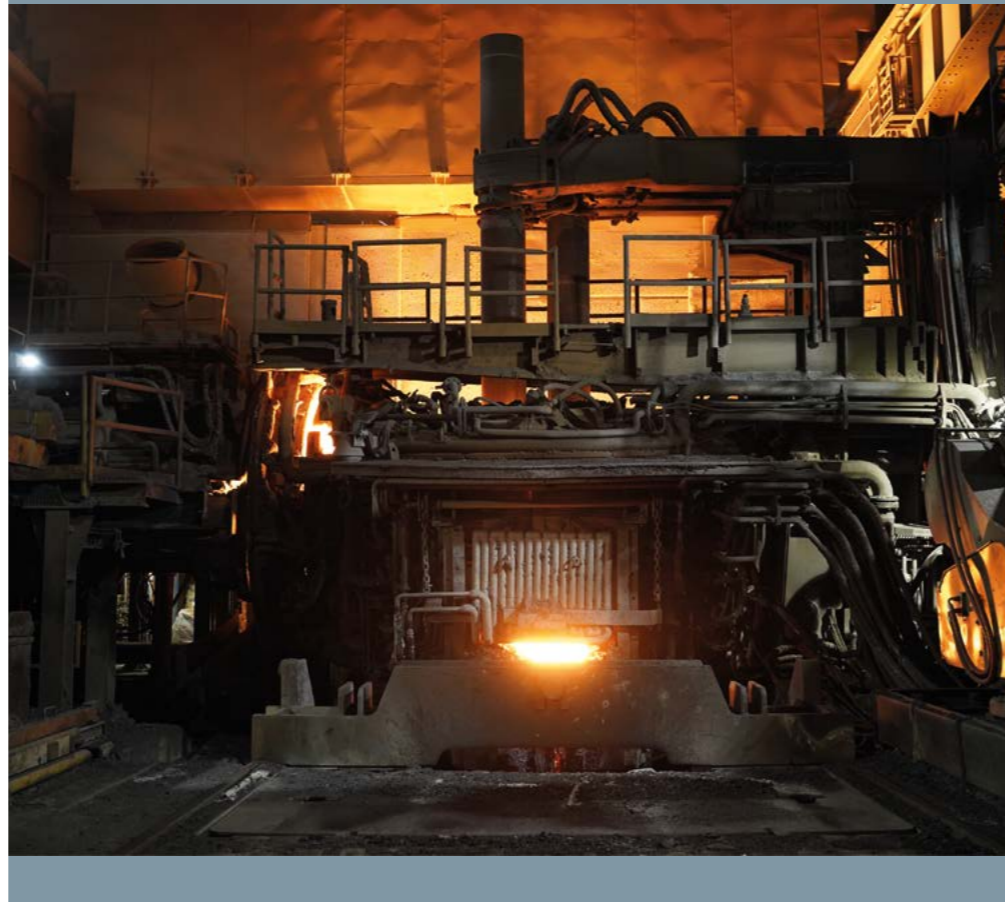
STEEL-PLANT DEPARTMENT

The Steel-Plant Department has various sections: a scrap yard, an electric arc furnace (EAF), ladle furnaces (LF), a degassing system and a continuous-casting system.

SCRAP YARD

The scrap yard consists of **indoor warehouses** where all of the scrap purchased for steel production is stored. Not all scrap is equal, and this is particularly true for the production of special steels for the automotive sector, which requires scrap of optimum quality.

The scrap is added to the furnace either through an **automated mechanical feeding system (CONSTEEL®)** or using scrap buckets.



ELECTRIC ARC FURNACE (EAF)

For production to begin, a mix of scrap is loaded into the **EAF**. This scrap is selected based on the quality of steel to be produced. Lime is also added, enabling the formation of slag which removes impurities that would otherwise be detrimental to the properties of the steel.

The electric arc in the furnace brings the scrap to **melting temperature** (about 1,600°C). In this step, the fumes generated by melting are extracted and sent to a **treatment plant** before release into the atmosphere. 2016 saw the activation of a **heat-recovery system for primary fumes** from the melting furnace (**I-Recovery**). This enables the **recovery and generation of thermal energy**. The energy recovered is partly sold to the urban district-heating network of the city of Brescia, managed by A2A. The remainder is used to generate electricity for consumption at the plant itself, with a circular approach to energy consumption.

Once the melting temperature is reached, the chemical analyses required for the steel under production are conducted. After this, the casting is poured into the **ladle** (refractory-lined steel container) through a special tapping hole (EBT, eccentric bottom tapping). The slag formed by the addition of lime is poured through a side door of the furnace into a slag pot.

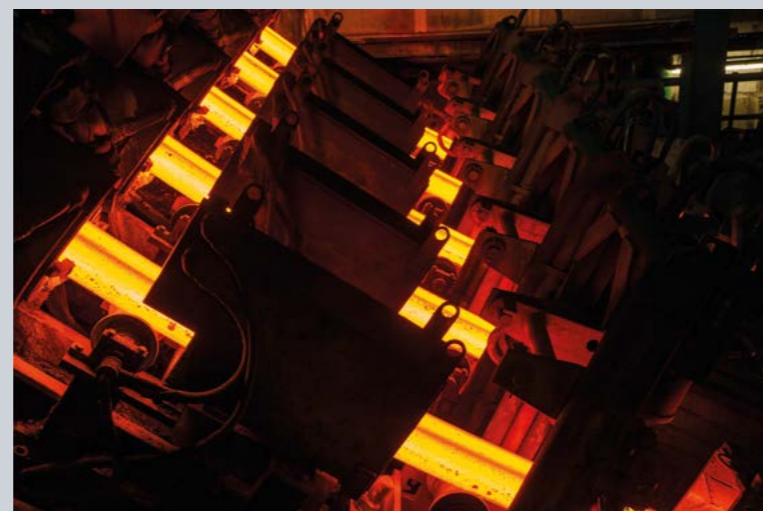
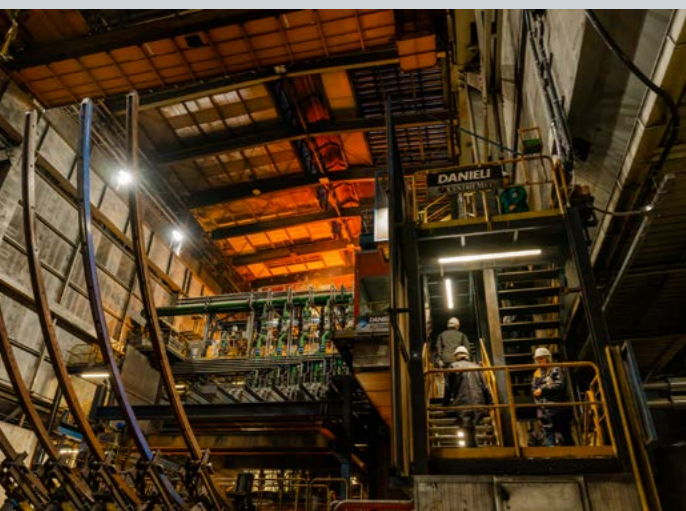
To minimise noise generated during these operations, the furnace is located in a **sound-proofed structure**.

LADLE FURNACES (LF)

The molten steel poured into the ladle is taken to **the LF** for metallurgical refinements. The LF station handles **addition of alloys and fluxes**, required to achieve the specific **chemical composition** desired, and conducts **metallurgical processes** required to fulfil quality targets. Some high-quality steel grades, e.g. steel destined for particularly heavy-duty uses, undergo subsequent **degassing treatment** at the VD (vacuum degassing) station. Here, the ladle is then placed in a special container, and the air is removed to create a vacuum, thus removing the gases dissolved in the molten steel.

CONTINUOUS CASTING

At the end of metallurgical refinement processes, with or without degassing, the ladle is transferred to **continuous casting**, using machinery with five lines. Here, the **molten steel is transformed into a solid**, thus completing the production process for **billets**, the semi-finished end product of the steel-plant department. Billets produced are cooled on a special cooling bed and then stored in the warehouse in dedicated crates.



ROLLING-MILL DEPARTMENT

In the rolling-mill department, billets are loaded into a **walking-beam furnace**, fuelled by methane gas, where the **rolling temperature** is reached (about 1,200°C).

The billets are extracted from the heating furnace and then conveyed to the **rolling line**. This line is composed of a set of rolling stands where the billet undergoes a **progressive reduction in cross-sectional area**, through passage and consequent pressing between two calibrated cylinders. All rolls (made of cast iron or tungsten carbide) are water cooled to avoid excessive heat build-up due to the high temperature of the billets being processed.

Having achieved the desired diameter, at the end of the rolling line the product undergoes **controlled air cooling** to achieve the desired mechanical properties. The material can be produced **in coils** for diameters from 5.5 to 42 mm (wire rod or bar in coils) or in **round bars**, with a diameter between 15 and 130 mm, square bars from 30 to 103 mm and flat bars with a width of 40 to 300 mm and a thickness of 5 to 60 mm.

Wire rod coils are then compacted into pairs to form a bundle ready for **storage** and **shipping**. The bars are cold cut according to specified lengths and packaged into bundles. A portion of the rolled bars undergo a subsequent cold process aimed at improving the straightness of the final product.

HEAT-TREATMENT DEPARTMENT

Rolled products, either coils or bars, may undergo **two further heat treatments**: annealing and quenching & tempering.

Annealing improves formability for subsequent processing. This treatment involves heating the product **in special furnaces with an inert-gas** atmosphere followed by controlled cooling. Another possible treatment is **quenching and tempering** of the rolled bars and wire rod coils. This involves a sequence of two heating and cooling cycles, of variable duration, to give the steel greater **strength and toughness**.

Ospitaletto plant

The Ospitaletto plant is divided into two departments dedicated to two different production phases: the Rolling-Mill Department and Heat-Treatment Department. In the **rolling mill**, the process is the same as at the Brescia plant. This rolling mill can produce **round bars** with a diameter from 34 to 130 mm, **square bars** from 30 a 100 mm and **flat bars** with a thickness of 5 to 60 mm and a width of 25 to 300 mm.

Like at the Brescia plant, the rolled bars may undergo further **cold processing** for straightening and/or **annealing**.



CHAPTER 2

Sustainability for ORI Martin

2.1 Stakeholder relations

ORI Martin has always considered **dialogue with stakeholders** an essential prerogative, an element of considerable importance strategically and in terms of business continuity. Over the years, the Company has cultivated a culture focused on the co-existence of **Company, environment and community**, for progressive **integration of city and industry**.

For ORI Martin, sustainability is primarily expressed through development of **solid, lasting relationships with the stakeholders**, creating value and shared growth.

These **relationships** are rooted in **collaboration, trust** and **transparency**.

For the preparation of this Sustainability Report, ORI Martin has identified **eleven categories** of **key stakeholders**, through an analysis aimed at evaluating the level of influence on company decisions and the level of interest in ORI Martin’s business operations.

Stakeholder category	Description	ORI Martin’s commitment to its stakeholders
EMPLOYEES	The main asset on which the company relies to uphold and improve the quality and reliability standards achieved to date	<ul style="list-style-type: none"> • Programme of continuous training on the key issues of safety, environment and quality; • Professional development pathways; • Welfare initiatives;
CUSTOMERS	Primarily Italian and European players in the automotive, mechanical, railway and construction industries, they represent the starting point and destination of every ORI Martin project	<ul style="list-style-type: none"> • Production to order and close collaboration with customers, aimed at fully understanding and satisfying their needs; • Regular surveys to measure customer satisfaction in collaboration with specialised companies;
LOCAL COMMUNITY	Local citizens, associations and foundations	The ORI Martin Observatory, a tool for communicating with citizens set up on the initiative of the Municipality of Brescia. Support for local associations and foundations with cultural and social missions
SHAREHOLDERS AND INVESTORS	Shareholders and investors are essential to ensure long-term success, directly influencing strategic decisions	ORI Martin management bases growth strategies and sustainable development choices on full harmony and alignment of vision with the owners

Stakeholder category	Description	ORI Martin’s commitment to its stakeholders
GOODS SUPPLIERS	Suppliers of resources and materials required for production	ORI Martin considers careful selection of reliable partners to be of strategic importance, particularly for the purchase of scrap, which represents the most important raw material. For this reason, it prioritises consolidated relationships bound to a yearly assessment that considers all aspects of supply, with particular attention on quality
INSTITUTIONS AND SUPERVISORY AUTHORITIES	Public administration and supervisory bodies (ARPA, Inspectorate of Labour, ATS, ministries, regional government, provincial government, municipal government and European institutions)	Relations with the public administration and supervisory bodies are founded on full cooperation and transparency
TRADE ASSOCIATIONS AND STANDARDS BODIES	National and international trade associations <ul style="list-style-type: none"> • Federacciai, Confindustria Brescia and AIM - Italian Metallurgy Association • RAMET (Consortium for Environmental Research for Metallurgy) • UNSIDER (Italian Steel Unification Body) • ESTEP (European Steel Technology Platform) 	ORI Martin aims to contribute to the sustainable development of the steel industry, through R&D into solutions that promote a circular economy and limit impacts of production on the environment. <ul style="list-style-type: none"> • Participation in RAMET • Participation in UNSIDER • Participation in ESTEP
SUPPLIER OF SERVICES AND COLLABORATORS	Contractors and subcontractors, consultants, representatives and agents.	With regard to service providers, the Company builds relationships on solid foundations of professionalism and mutual respect.
FINANCIAL COMMUNITY	Banks and institutional investors.	For ORI Martin, the financial community is an important lever for the process of consolidation and expansion. Relations with this stakeholder category is rooted in a relationship of credibility, acquired by providing precise, timely and complete information and achievement of results.
MEDIA	Newspapers, social media and television networks.	The Company pays close attention to how its brand is conveyed.
RESEARCH PARTNERS	<ul style="list-style-type: none"> • Research centres and universities, (especially Brescia University and the Polytechnic University of Milan) • Private parties, third-party companies and technological clusters: AFIL (Intelligent Factory Association Lombardy), the cluster Lombardo della Mobilità (Lombard Mobility), CSMT (Centre of Multi-sector and Technological Services) and Rina Consulting - Centro Sviluppo Materiali (Materials Development Centre). • JRC MATT Metal and Transformation Technologies, a research centre shared between Politecnico di Milano, A. Agrati S.p.A., Growermetal Srl, Mario Frigerio S.p.A ORI Martin S.p.A. exploring steel-transformation technology. 	ORI Martin has established key relationships with business partners for research, to achieve its targets and continue promoting sustainable innovation: <ul style="list-style-type: none"> • The company works with private parties, third-party companies and technological clusters, creating synergies for shared projects • Since April 2020, the Company has been involved in JRC MATT Metal and Transformation Technologies • Since 2021, it has been involved in the EU’s Horizon 2020 programme CORALIS, aimed promoting the decarbonisation of energy-intensive value chains and sectors through implementation of viable industrial symbiotic approaches with other industries and research.

2.2 Materiality assessment

EU Directive 2022/2464 (CSRD: Corporate Sustainability Reporting Directive), approved by the European Parliament in November 2022 and in force since January 2023, establishes new rules on sustainability reporting, aimed at greater clarity and transparency in external relations.

Recognising the need to align its reporting with the new legislation in coming years, ORI Martin conducted a gap analysis to identify the CSRD requirements that it does not currently meet and ensure these are met from FY 2025 onwards. Following this analysis, an action plan was defined, which has already been implemented in part in this Sustainability Report.

ORI Martin has identified the topics to be addressed in this Sustainability Report through a materiality analysis conducted in line with the new provisions of the GRI Sustainability Reporting Standards 2021 (hereinafter also “GRI Standards”) issued by GRI – Global Reporting Initiative. Specifically, in accordance with GRI 3: Material Topics 2021, an impact materiality analysis has been conducted to identify the material topics connected to real and potential impacts generated by the Company in the economic, environmental and social spheres, including human rights, along the entire value chain, in order to assess the contribution of the Group, whether negative or positive, to sustainable development.

The process of identifying impacts and material topics involved various steps. In the initial phase, the Company performed a context analysis, taking into consideration various types of information and categories of source, internal and external to the Group, including the primary international sustainability reporting standards, sector publications produced by national and international trade associations in the steel industry, and legislation, whether current or soon to be issued, exerting pressure at EU level. Reports published by competitors and customers operating in the steel industry were then assessed, along with articles in the media about the Company.

Secondly, the positive and negative real and potential impacts of the Company’s operations on the economy, environment and people were identified. Having identified the impacts, these were assessed by internal management in terms of significance, for the Company, taking into account the guidelines of GRI 2021 principles. In particular, current impacts were assessed in terms of severity, defined on the

basis of three aspects: a) Level, in terms of the entity of the impact, b) Extent in terms of the range of the impact, and c) Impossibility of resolution, in terms of the ability or otherwise to resolve the damage (only for negative impacts). For potential impacts, in addition to severity, the probability was also assessed.

External stakeholders were involved in the assessment of the impacts identified, using a questionnaire, in order to receive feedback from a panel of customers, suppliers, associations and other partners. In this questionnaire, external stakeholders were asked to express agreement or disagreement in relation to the impacts identified, also making any additional impacts that had not already been identified by the Company.

Finally, after compiling the information, the impacts were ordered by priority and a materiality threshold set enabling identification of the most significant impacts and the corresponding material topics, which guided ORI Martin in preparation of the 2023 Sustainability Report.

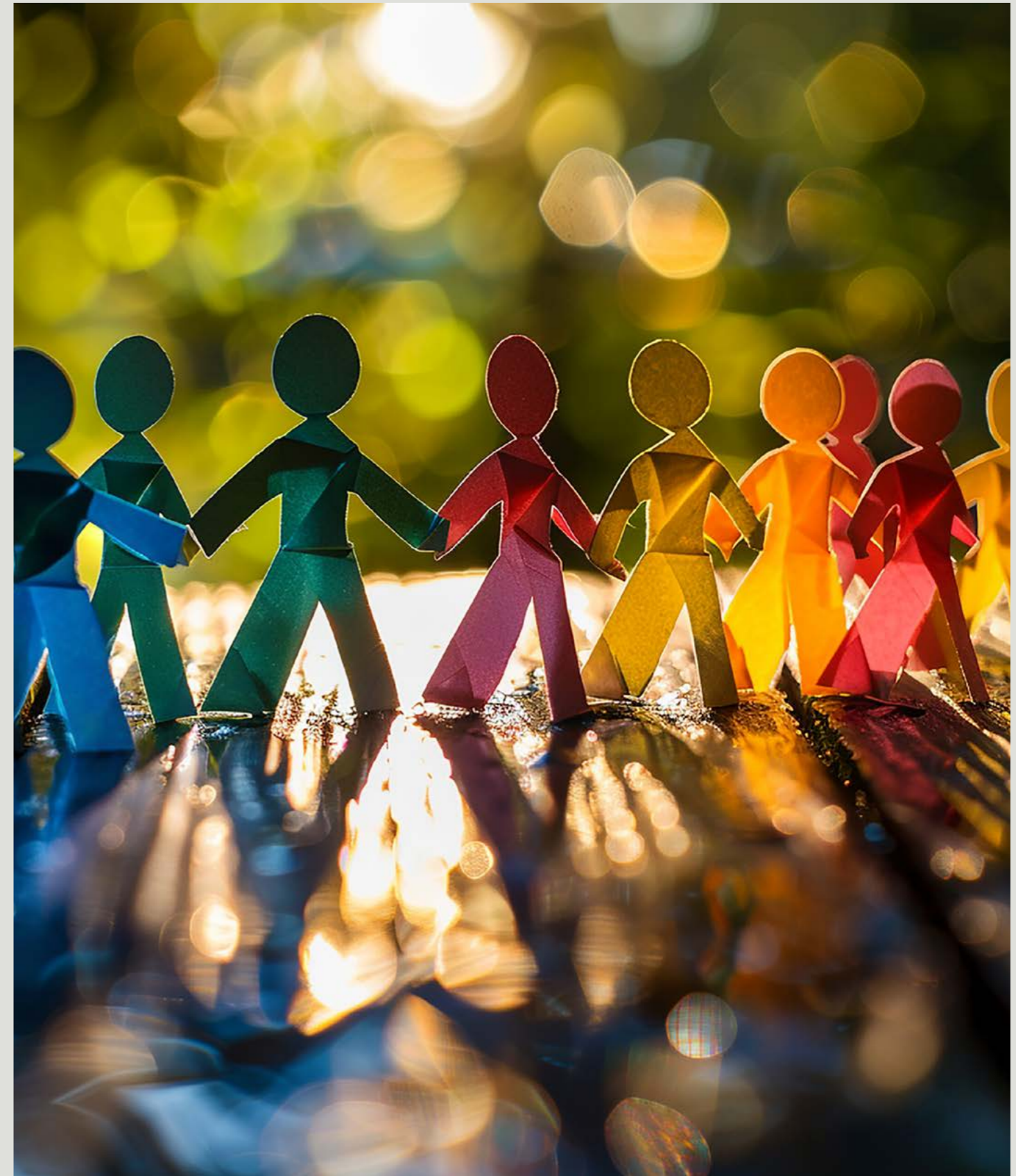
The table below lists the positive, negative, current and potential impacts identified as significant for ORI Martin, for each material topic.

Material topics	Impacts		GRI disclosure
Climate change and atmospheric emissions	Greenhouse-gas emissions Extraction of raw materials, as well as their transport and the transport of finished products, upstream and downstream in the value chain, generate significant direct greenhouse-gas emissions (GHGs). In addition, despite technological improvements, the production of steel is a very energy-intensive activity and generates GHG emissions due to the use of energy from non-renewable sources.	High-probability actual negative impact	302 – Energy 305 – Emissions
	Other atmospheric emissions During steel production processes, atmospheric pollutants are generated (particulates, nitrogen oxides, etc.). These pollutants, if produced in an uncontrolled manner, may have a significant impact on public health in the local area.	High-probability actual negative impact	
Energy efficiency	Energy consumption for Group operations Steel production requires high consumption of electricity and fuels, generating negative impacts linked to the production of these energy sources.	High-probability actual negative impact	302 – Energy
Circular economy and waste management	Accidental spillages In addition to non-hazardous waste, production activity also generates hazardous waste, which requires special attention to prevent potential damage to the environment and the Company’s image.	Low-probability potential negative impact	306 – Waste
Management of water resources	Water pollution Phases involving extraction of raw materials, and those for the production of steel, require the use of water that, coming into contact with certain materials and substances, is polluted with heavy metals and other metals, posing a potential risk of hazardous discharge into the environment.	High-probability actual negative impact	303 – Water and effluents

Material topics	Impacts	GRI disclosure	
Quality and customer satisfaction	Observance of contractual conditions, time frames and customer expectations ORI Martin promotes traceability of its products along the entire value chain, enabling monitoring and guaranteed quality. In addition, customer-satisfaction surveys monitor parameters in terms of whether customers' expectations are being met.	High-probability actual positive impact	Non-GRI
	Unsatisfied customers due to defective products	Low-probability potential negative impact	
Responsible supply-chain management	Improvement in sustainable practices along the supply chain through consideration of ESG factors in activity of procurement function The Group's growing attention to ESG issues and the consequent inclusion of these aspects in procurement activity has enabled Ori Martin to actively contribute to improving sustainability practices throughout the supply chain.	Medium-probability potential positive impact	308 – Supplier environmental assessment 414 – Supplier social assessment
Diversity and inclusion	Fair remuneration policies and relationships with employees The Group is committed to guaranteeing completely fair remuneration policies, promoting constant dialogue with its employees.	High-probability actual negative impact	405 – Diversity and equal opportunities 406 – Non-discrimination
Support for the local community	Interference with the local community due to air pollution (emissions and odours)/acoustic pollution connected with activity in the surrounding area Considering the proximity of the plants to urban areas and the type of Company production processes, the Group is committed to mitigating negative impacts on surrounding communities.	Medium-probability potential negative impact	413 – Local communities

Material topics	Impacts	GRI disclosure	
Noise pollution	Noise during production activities Plant activities and the movement of heavy vehicles can generate an impact noise in neighbouring outdoor areas that, if not properly managed, can cause disturbances to the surrounding community.	Noise Pollution	Non-GRI
Occupational health and safety	A safe and healthy workplace that promotes an optimal mental and physical state for all employees through dedicated initiatives In carrying out its business, the Group is committed to guaranteeing a safe and healthy working environment for its employees, including through the use of advanced safety measures and management systems enabling work to be performed with the highest possible levels of safety.	High-probability actual positive impact	403 – Occupational health and safety
	Worker safety risk Despite adopting policies and procedures to safeguard health and safety, accidental injury in the workplace may occur due to the nature of the Company's operations.	High-probability actual negative impact	
	Damage to people and assets In order to minimise the risk of damage to people or machinery, the Group undertakes to guarantee a high level of systems maintenance, implementing periodic audits and specific checklists.	Low-probability potential negative impact	
Management of human capital	Improvement of employee skills and expertise through training plans/programmes The offer of training courses for employees leads to improvement of technical expertise and conduct, as well as soft skills. ORI Martin promotes personal and professional development, collaboration and continuous learning, enabling implementation of the knowledge and skills of every worker.	High-probability actual positive impact	401 – Employment 404 – Training and education

Material topics	Impacts		GRI disclosure
Ethics, integrity and transparency	Violation of regulations and standards The violation of laws and regulations in environmental, social and governance, corruption and business-ethics areas may have a negative impact on Company stakeholders and on the economic and social context in which the Company operates.	Low-probability potential negative impact	205 – Anti-corruption 206 – Anti-competitive behaviour
Risk management and business continuity	Slowing/interruption of operations due to a cyber-attack against IT systems The growing digitalisation of services and processes has increased the level of risk associated with IT vulnerabilities. A potential cyber-attack could have a negative impact on company operations, slowing down or interrupting production, and breaching sensitive data of employees and/or the company.	Low-probability potential negative impact	Non-GRI
Sustainable economic value	Secondary effects along the value chain ORI Martin's business generates economic value along its value chain. The distribution of economic contributions and promotion of local initiatives promotes development of the areas in which the Company operates.	High-probability potential positive impact	201 – Economic performance
Sustainable governance	Guarantee of long-term performance through implementation of governance and risk-management structures Through a solid governance structure overseeing sustainability, the Group ensures a formal commitment to the transition to a more sustainable economy, with positive impacts on all stakeholders, from employees to the local community.	Low-probability potential negative impact	Non-GRI
R&D and innovation	Introduction of new technology/operating methods for Group processes and assets The Group maintains a focus on investment in new solutions for sustainable innovation, with the goal of mitigating its environmental impact with respect for quality of life in the surrounding area.	High-probability actual positive impact	Non-GRI



2.3 ORI Martin Sustainability Strategy

It is ORI Martin’s mission to contribute to **decarbonisation of the steel industry**, harnessing circular processes inherent in the business model and developing innovative products and processes with a lower environmental impact. In pursuit of its goals, the Group **treats its people as a central concern**, guaranteeing and disseminating full respect of its ethical principles throughout the supply chain.



In 2023, the ORI Martin Group decided to take an important step for its future and for its sustainable growth, with approval of the **new Sustainability Framework** aligned with Agenda 2030, which will form the basis for building the first Group ESG strategy. This choice highlights the Group’s commitment to sustainability and its vocation to become a leader in the sector, promising tangible benefits for all of its stakeholders over coming years.

The Framework was built on an analysis of the external context, aimed at identifying the mega-trends in the sector that could influence the company’s strategic choices in future. The highest sustainability standards were considered and interviews were conducted with company managers in order to identify the main areas where the Group intends to focus its Sustainability Strategy. At the end of this analysis, six pillars were identified that encapsulate the Group identity and vision, and on which ORI Martin is working to define future targets and goals. With these six pillars, the Group also wishes to promote an active contribution to achievement of the relevant **Sustainable Development Goals (SDGs)**.

THE 6 STRATEGIC PILLAR OF SUSTAINABILITY FRAMEWORK

DECARBONIZATION

Reduce environmental impacts during the production process by monitoring its **Carbon Footprint** and developing initiatives that encourage the **reduction of energy consumption and emissions**.

WASTE TO PRODUCTION

Promote the integration of the **circular economy** into production processes by reducing impacts related to **waste management, water consumption, raw material**, and promoting recovery activities and the use of **recycled and recyclable materials**.

QUALITY AND INNOVATION

Continuously improve the quality and environmental performance of products through **research and development** of innovative methodologies aimed at supporting the sustainable development of the steel industry by pursuing the **satisfaction of its customers**.

CARE FOR PEOPLE

Safeguard the well-being of employees by enhancing **safety standards**, ensuring **equal opportunities**, and promoting **talent development** and enhancement through structured **training** paths involving all employees.

ACT FOR COMMUNITY

Enhance the relationship with the local community in which ORI Martin operates, ensuring an **ongoing dialogue** based on **respect for the environment and people**, while implementing **proactive initiatives** aimed at **improving the local context**.

INTEGRATED GOVERNANCE

Ensure the generation of shared value over time for all **stakeholders** through an appropriate **integrated control system** of risks and sustainability issues. **Spread ethical principles and values** of sustainable growth throughout the **supply chain**.

THE PILLARS ORI MARTIN’S SUSTAINABILITY STRATEGY ARE:

- **DECARBONISATION:** this is a key issues for the steel industry and one which ORI Martin has already taken action on, with its first decarbonisation plan in 2022;
- **WASTE TO PRODUCTION:** improvement of circular processes inherent in steel production through research into new innovative solutions and reuse of raw materials.
- **AFTERCARE FOR PEOPLE:** improving the quality of life and level of satisfaction of employees, which includes offering a welcoming and stimulating workplace;
- **ACT FOR COMMUNITY:** as an integral part of the area in which ORI Martin operates, increasing the well-being of the community and relations with it.
- **INTEGRATED GOVERNANCE:** necessary to integrate the management of risks and sustainability, in order to prepare for future challenges;
- **QUALITY AND INNOVATION:** an essential factor to successfully navigate the sustainable evolution of the steel industry, continuing to offer added value for customers and for the Company.

Each of these pillars is composed of action areas in which we will focus future goals for development and continuous improvement. In 2024, these goals will be determined from both a quantitative and qualitative perspective. They will be enabled by an action plan and a series of specific initiatives, including certification and a constant focus on propagating ESG culture throughout the value chain.

2.4 Mitigation of impacts and ORI Martin’s contribution to SDGs



Carolina de Miranda
Sustainability Manager

Respecting the environment is a fundamental strategic value for ORI Martin. For many years, we have worked with determination to achieve increasingly challenging ESG goals. Sustainability is not only a duty, but an enlightened choice that guides every decision we make. We are convinced that integrating sustainable practices into all aspects of our operations enables us not only to protect the environment, but to generate value over the long term for stakeholders and for the community. Our commitment to continuous improvement of our environmental performance is a pillar supporting our future.








Carolina de Miranda / Sustainability Manager







In 2015, the 193 Member States of the United Nations approved the **2030 Global Agenda for Sustainable Development**. This plan identifies and details achievement of **17 Sustainable Development Goals (SDGs)**. These goals represent a global **benchmark** in facing **economic, social and environmental challenges** around the world.

The United Nations Agenda requires all sectors, companies and organisations to be committed to **contributing to these goals** in their daily operations, integrating the ambitious targets into their strategies.

In this context, ORI Martin has also contributed to achievement of the Sustainable Development Goals through its business operations and, since 2023, through its **Sustainability Framework**. Specifically, **10 goals** have been identified that are considered to enable the **greatest contribution** through strategic choices guiding the Company’s daily operations.

SDGs	Material topic	Description
 	Climate change and atmospheric emissions	Through decarbonisation, working to limit the environmental impacts of ORI Martin’s activities, establishing initiatives aimed at monitoring and reducing greenhouse-gas emissions. Contributing to the improvement of air quality by increasing production-process efficiency and adopting specific systems to manage pollutants.
	Energy efficiency	Operating with a view to reducing the environmental impacts of ORI Martin’s operations through initiatives aimed at monitoring and reduction of energy consumption, streamlining production processes and adopting solutions with low energy impacts, such as the use of renewables.
 	Circular economy and waste management	Promoting circular use of resources, minimising impacts linked to production and the disposal of waste generated by production processes and promoting the use of recycled materials and sustainable raw materials.
	Management of water resources	Promoting responsible water consumption through the optimisation of withdrawals and reduced consumption, with the support of systems for recirculation and reuse.
	Quality and customer satisfaction	Ensuring high quality products in terms of performance and useful life through the implementation of cutting-edge technology that increased customer satisfaction and reduced environmental impacts.
 	Environmental performance of products	The Group is committed to developing new products and processes with reduced environmental impacts through EPD certification and green production lines.
	Responsible supply-chain management	Selecting and assessing the entire supply chain from an environmental and social perspective, ensuring the quality and sustainability of raw materials sourced and of products and services purchased. Guarantee fair and responsible purchasing practices in business relations.

SDGs	Material topic	Description
 	Diversity and inclusion	Fostering employees' respect for diversity and equal opportunities, creating an inclusive environment and minimising possible risks of discrimination in the workplace.
	Support for the local community	Maintaining constant communication and actively interact with the local community to support its development and protection through the promotion, organisation and sponsorship of events or initiatives that meet the needs of the local area.
	Environmental impacts on community	Monitoring noise pollution generated by manufacturing activities and limit the propagation of noise through the adoption of advanced and innovative technologies.
	Management of human capital	Guaranteeing development of expertise for all personnel through continuous professional development that boosts progress and improves performance. Creating an attractive working environment for young talent and maintain a high level of employee retention, ensuring a proper work-life balance and promoting open, consistent and transparent communication.
 	Occupational health and safety	Ensuring employees work in a healthy, safe environment that protects their well-being with adequate safeguards to reduce potential health and safety risks and guaranteeing effective and constant training.
	Ethics, integrity and transparency	Operating in accordance with the ethical principles of fairness and transparency, promoting the fight against active and passive corruption and preventing anti-competitive behaviour that could damage the Company's reputation. Doing business in full compliance with environmental regulations and legislation.

SDGs	Material topic	Description
 	Risk management and business continuity	Guaranteeing growth of the Company through solid risk-management models, to minimise disruption of operations due to external factors.
	Sustainable economic value	Ensuring business continuity by guaranteeing the solidity of financial assets to generate value for distribution among all Stakeholders.
	Sustainable governance	The Group ensures a formal commitment to the transition to a more sustainable economy, with positive impacts on all stakeholders through solid governance capable of overcoming future challenges.
 	R&D and innovation	Investing in R&D to ensure the continuity and quality of products in the long term, and promoting efficiency and innovation in every aspect of the production process.

Our green approach to steel production

Circular economy	EAF gas treatment	Slag recycling
i-Recovery project	Noise control and reduction	Estep
Heatleap	Coralis	Environment and safety certifications
Consteel technology	Green belt	Sustainability Manager
Water recycling	Waste recycling	Oxygen pipeline
Renewable energy	Sustainable mobility	

Responsible management

SDGs	Description	Description
	<p>Decent work and economic growth</p>	<p>ORI Martin has identified the following key aspects for responsible corporate management:</p> <ul style="list-style-type: none"> • Continuous improvement of working conditions for employees in the context of occupational health and safety • Reduced environmental impact • Optimisation in the use of natural and energy resources including through adoption of the best technologies available for updating production and management processes • Maintenance of financial balance
	<p>Industry, innovation and infrastructure</p>	<p>On this basis, the Company operates according to high quality standards and responsibly manages its business activities. To achieve this three-fold purpose, ORI Martin has established a procedural body built around the principles established in the Code of Business Conduct.</p>
	<p>Partnerships for the goals</p>	<p>On this basis, the Company operates according to high quality standards and responsibly manages its business activities. To achieve this three-fold purpose, ORI Martin has established a procedural body built around the principles established in the Code of Business Conduct.</p>

3.1 Governance

ORGANISATIONAL MODEL

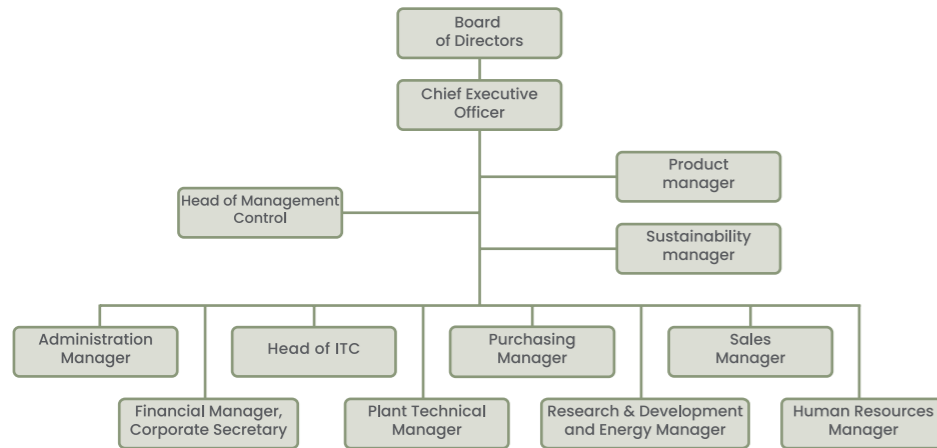
The **Corporate Governance** system represents a foundational component of the ORI Martin Group business model, and it aims to support the relationship of trust between the Group and its stakeholders and contribute to the achievement of business results. Specifically, business model is guaranteed by solid governance, aimed at responsible growth, with the intention of generating both short-term and long-term value. In pursuit of this goal, the owners have entrusted management of the company to a team led by a Board of Directors responsible for defining

strategies and planning actions for development and continued growth as a global player in the sector.

The Board of Directors is appointed by the **Shareholders Meeting** and can appoint between 3 and 11 members, who are vested with the broadest powers for routine and non-routine management of the Company and all necessary rights to implement and achieve corporate objectives, providing these are not strictly reserved to the Shareholders Meeting by law or by the bylaws. In 2022, ORI Martin renewed the Board of Directors, which will remain

in office for three financial years, ending with approval of the financial statements as at 31/12/2024, and the Executive Committee, including the Chairperson, Vice Chairperson, CEO and two directors (Roberto de Miranda and Giovanni Comboni).

ORI Martin's corporate structure features various functions, each headed by a manager who reports hierarchically to the CEO. The Head of Control and Management, the Sustainability Manager, and the Planning and Production Manager hold a cross-functional role with regard to other specific functions.



3.1 GOVERNANCE

The Council of Administration ORI Martin 2022



* Member of the Executive Committee

Composition of the ORI Martin S.p.A. Board of Directors

Name and Surname	Role	Executive / Non-Executive	Independent	Gender	Age category	Member of the Executive Committee
Uggero de Miranda*	Chairman	Executive	Non-independent	Male	>50	Yes
Andrea Agnelli	Chief Executive Officer	Executive	Non-independent	Male	>50	Yes
Giovanni Marinoni Martin	Vice Chairman	Executive	Non-independent	Male	30-50	Yes
Giovanni Comboni	Director	Executive	Independent	Male	>50	Yes
Roberto de Miranda	Director	Executive	Non-independent	Male	30-50	Yes
Carlo Garavaglia	Director	Non-executive	Independent	Male	>50	No
Pandolfo Enrico Ovaleo	Director	Non-executive	Independent	Male	>50	No
Guido Rivolta	Director	Non-executive	Independent	Male	>50	No
Alessandro de Miranda	Director	Non-executive	Non-independent	Male	30-50	No

* representing DEMI5 S.r.l.

Selection of members of the Board of Directors, like all Company employees, is focused on evaluating whether they satisfy the requirements of professional expertise, conduct and attitude required for the specific role, while respecting the dignity, individuality, privacy and opinions of the candidate. Members of the Executive Committee are appointed by the Board of Directors. As in previous years and in order to promote the distinctive family management of the business, the Board of Directors includes representative of the family that founded the Company.

The Board of Directors are vested with the broadest strategic and decision-making powers for proper and efficient management of the Group, including approval of the Consolidated Financial Statements, along with the ethical principles contained in the Code of Business Conduct, and the approval of policies, goals and targets, including those for sustainable development.

Specifically, the Board of Directors participates annually in **identification of impacts on**

the environment, people and the economy, and is responsible for information shared in the Sustainability Report.

The duties assigned to the Executive Committee include: hiring and appointment of Executives and General Managers and determination of the corresponding remuneration, approval of special proposals regarding new construction activity on land owned by the company, and activation of medium/long-term bank loans exceeding 18 months in duration.

In addition, since 2019 there has been a Sustainability Manager who reports directly to the CEO and handles management, planning and scheduling of sustainability initiatives, promoting adoption and integration of sustainability principles in corporate strategies and processes in the various Group functions. With the support of the various heads of function, the Sustainability Manager reports periodically to the Management, sharing **significant updates regarding identification and management of sustainability impacts**, as set out in management systems.

In this regard, the Board of Directors is considered to be **competent**

in the area of sustainability and is regularly updated by the **Sustainability Manager** on company decisions and key developments in this regard. Currently, the members of the Board of Directors are not subject to periodic performance reviews regarding sustainability.

Remuneration policies

The Executive Committee is responsible for defining remuneration policies for management personnel. The Committee periodically sets and reviews remuneration amounts on the basis of individual negotiations. Additionally, remuneration of management personnel also includes a variable component, through bonuses and **Management by Objectives (MBO)** incentives, regularly determined based on the type and function of the manager in line with economic, production and commercial criteria. Remuneration for non-management personnel is defined on the basis of corporate negotiations, renewed in 2021, and an internal classification system. Here too, remuneration includes both a fixed and variable component, the latter linked to specific targets, primarily for production, quality, presence in the workplace and participation in training courses.

Governance tools

Transparent, ethical and appropriate conduct from every point of view are considered essential by ORI Martin for the correct management of its business. This is understood not only as observance of applicable laws and regulations, but also consideration of the expectations and aspirations of the different stakeholders. In order to promote a preventive Group policy, ORI Martin has adopted a global and integrated compliance system, equipping itself with a system of tools that are valid for the entire Group, aimed at guaranteeing high ethical standards. The Code of Business Conduct is a pillar of this system, but it must be read and interpreted together with the other documents considered essential for the development and dissemination of fundamental Group values.

Organisation, Management and Control Model and Code of Business Conduct

ORI Martin has adopted an Organisation, Management and Control Model pursuant to Italian Legislative Decree no. 231/2001, which takes into consideration the company's organisational and operational characteristics and is periodically updated. As set out by applicable legislation, appropriate Supervisory Bodies (SB) have been created to monitor the implementation and observance of the Models and handle updates.

In drafting the Model 231 document, ORI Martin identified the risks associated with the crimes specified by the Model 231 regulations, following the Confindustria guidelines for creation of organisation, management and control models. The company adapted these guidelines to its specific requirements and

characteristics, with the support of professional consultants. ORI Martin continuously monitors for regulatory changes that could affect its 231 Model and makes the necessary updates or additions, identifying risks through analysis of company documentation and specific interviews with managers. The last update of the Model was approved by the Board of Directors on 1 December 2023.

The environmental, health and safety risks are identified, evaluated and monitored according to the internal model adopted in line with the Environmental and Safety Management Systems in order to improve performance. As for all other types of risks specified by Model 231, the risk-identification approach used is based on processes and includes the analysis of external and internal factors that can influence

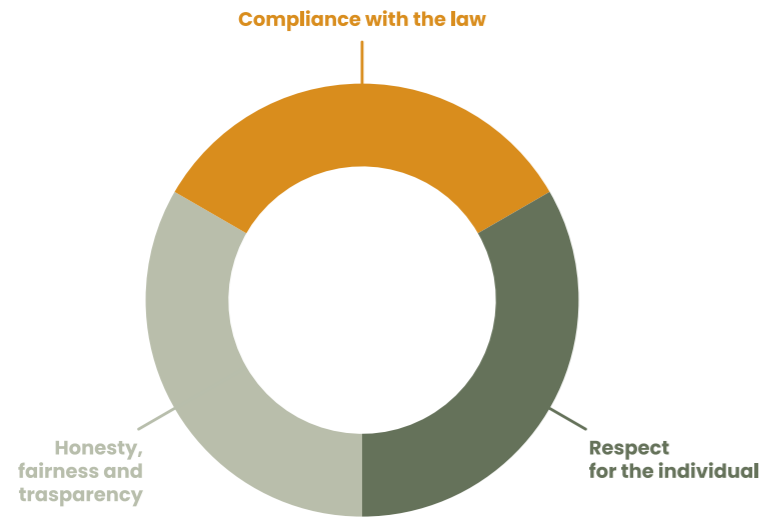


Member of the Executive Committee:
 Andrea Agnelli • Giovanni Marinoni Martin
 Uggero de Miranda • Giovanni Comboni • Roberto de Miranda



The fourth generation of ORI Martin:
 Alessandro de Miranda
 Carolina de Miranda
 Giovanni Marinoni Martin
 Roberto de Miranda

Code of Business Conduct



the Company's ability to achieve the expected results, the fulfilment of applicable legal requirements and the needs and expectations of its Stakeholders.

ORI Martin also launched its Code of Business Conduct in 2009, which applies to all Group companies and sets out the principles on which the Company bases its daily operations. This document highlights the rules of conduct for all parties operating on behalf of the Group, in order to support sustainable growth and uphold the company's reputation, observing shared principles, applicable laws and best practices. The Code of Business Conduct sets out the preventive approach adopted by ORI Martin for the management of negative impacts, particularly in relation to the environment and occupational health and safety. This approach involves a risk assessment to identify

and implement mitigation actions that protect the environment, the community in which the Company operates, and its employees.

Members of the Board of Directors are required to observe the principles of the Code of Business Conduct when **setting goals** for Group Companies, proposing investments and executing projects, and in the context of any other decision or action regarding management of Group Companies. Members of the Board of Statutory Auditors, along with the Supervisory Body, within its remit, ensure observance of the contents of the Code of Business Conduct in performance of their functions. Likewise, managers, in their effective management of the businesses run by the Group Companies, root their actions in these same principles, both within the Group, strengthening cohesion and a spirit of mutual collaboration,

The cornerstone of **ORI Martin's governance** is the **policy for occupational health and safety and environmental protection**.

and in relations with third parties engaging with the Group. A Supervisory Body (SB), an independent body with three members, has been established to guarantee appropriate Company management. The SB is responsible for supervising, monitoring and verifying observance of the provisions of Model 231 and must be promptly notified of any instances, conduct or events that could constitute a breach of the Model. For this purpose, a whistleblowing procedure has been implemented which guarantees confidentiality for the reporting of any misconduct. In addition, the SB draws up a six-monthly report which is submitted to the Board of Directors and the Board of Statutory Auditors, summarising activities, problems encountered, and reports received by the Supervisory Body during the period in question. There is a particular focus on integrity in relations with external parties, with specific reference to the prevention of crimes such as breaches of human rights, corruption, money laundering and breaches of antitrust regulations.

All employees and external personnel must notify the SB of any conduct they have come to know of directly or



indirectly and which falls within the categories considered as breaches of the Code of Business Conduct. The Code of Business Conduct, amongst other aspects, also defines methods to prevent and mitigate conflicts of interest. The Group recognises and respects the right of people to participate in investments, business or other activities outside the scope of their role involving the interests of the Group itself, providing that these activities are lawful and compatible with their obligations in relation to the Company. The Code specifies that before accepting a consulting, management, administrative or other role on behalf of another party that may potentially generate a conflict of interest, or in the event that a conflict of interest arises, each employee must report the situation to their superior and to the Head of Personnel, or the Supervisory Body. If confirmed, conflicts of interest are communicated internally and to key company stakeholders.

During the reporting period, no cases of corruption, anti-competitive behaviour or other significant critical situations were identified.

The whistleblowing procedure (PSQ 105) was updated on 15/07/2023

to harmonise its content with the provisions of Italian Legislative Decree no. 24/2023. A system was implemented that enables reporting of any misconduct falling within the scope of application of the aforementioned legislation through a special IT platform, provided by an independent third party. The Officers appointed to handle reports have been identified as the members of the Supervisory Body. Up to December 2023, no reports were received.

Management systems and policies

With the aim of improving processes and in the context of observance of the Code of Business Conduct and Model 231, the Company has adopted a Quality Management and Health, Safety and Environment Management System. The Company has also gained certification of its Management Systems from recognised third parties, which found its systems to be aligned with the applicable international standards. ORI Martin had adopted a **Quality Policy**, which outlines the Group's commitment to customer satisfaction and continuous improvement, and which represents a core component of the company strategy. This policy sets objectives to ensure quality standards are achieved, through a quality management system certified according to **UNI EN ISO 9001:2015**, and **IATF 16949:2016**, a standard applicable to the automotive sector. Adoption of these standards and implementation of a quality management system demonstrate ORI Martin's commitment to provide high-quality products and services, meeting customer requirements and expectations and pursuing continuous improvement. ORI Martin's policy for occupational health & safety and environmental protection is a fundamental pillar of its governance. The Company has implemented a Management System certified in accordance with standards **UNI EN ISO 14001:2015** for environmental management and **UNI 45001:2018** for the management of health and safety. Furthermore, in accordance with Italian Legislative Decree 105/15, the Company is classified as a major accident risk due to its storage, beyond the thresholds set by the decree, of abatement powders for fumes containing dangerous substances, including zinc oxide and lead compounds. In this regard, through the major accident prevention policy, ORI Martin undertakes to prevent and monitor any dangers that could have serious consequences for health, environment and goods.

ORI Martin considers **efficient energy management** to be a founding principle underlying its operations. To this end, the Company has introduced an energy policy that sets various objectives defined in specific implementation programs. The Company adopts an energy management system certified in accordance with standard **UNI CEI ISO 50001:2018** for the Brescia plant. This is currently in the implementation phase for the Ospitaletto plant.

ORI Martin has defined a personal data protection model consistent with the provisions of EU Regulation 2016/679 General Data Protection Regulation (GDPR). The Company has appointed an external DPO who supports corporate functions in the various phases of application of the legislation.

Finally, in 2023 ORI Martin confirmed the figure of **Mobility Manager**, managing the "Commuter Mobility Plan" (PSCL), promotion of sustainable mobility policies and other initiatives and meeting with other companies in the area on the issue of mobility.

3.2 Value creation

In **2023**, the Italian economy saw growth of 0.9%, slowing from the 4.0% recorded in 2022. This low growth was primarily stimulated by national demand net of inventories, with an equivalent contribution from consumption and investments. Foreign demand made a rather negligible positive contribution, while inventory values were down. On the internal demand side, in terms of volumes, there was a 4.7% increase in gross fixed capital expenditure a 1.2% increase in national final consumption. In 2024, resilience is expected for private consumption, due to higher propensity to consume compared to historical values. Nevertheless, **the current macroeconomic context remains highly volatile due to external factors** such as scenarios of international war and hikes in prices of raw materials.

Looking at the steel market, Europe has seen destocking take centre stage. This trend was also seen in Italy, with inventory values in 2023 being the lowest seen since 2018. This confirms the data published by the World Steel Association, which recorded a drop in production in December 2023 of 5.3% against December 2022. Overall, the European Union produced 126.3 million tonnes of steel in 2023, down 7.4% compared to 2022. Considering the leading European producers, it is noted that Germany totalled production of 35.8 million tonnes (-3.9%), Spain 11.3 million tonnes (-2.7%), France 10.1 million tonnes (-17.4%) and finally Italy, which produced 21.1 million tonnes of steel (-2.4%). 2023 therefore saw

confirmation of a downward trend in production, as seen in previous years. Nevertheless, the leading European producers saw levelling off of the drop in production, with the exception of France, which suffered a greater reduction than in 2022.

BALANCE-SHEET REPORT

The continuing downward trend in the steel industry also had a negative impact on the **economic value generated by the Company, which saw a drop of around -25%**.

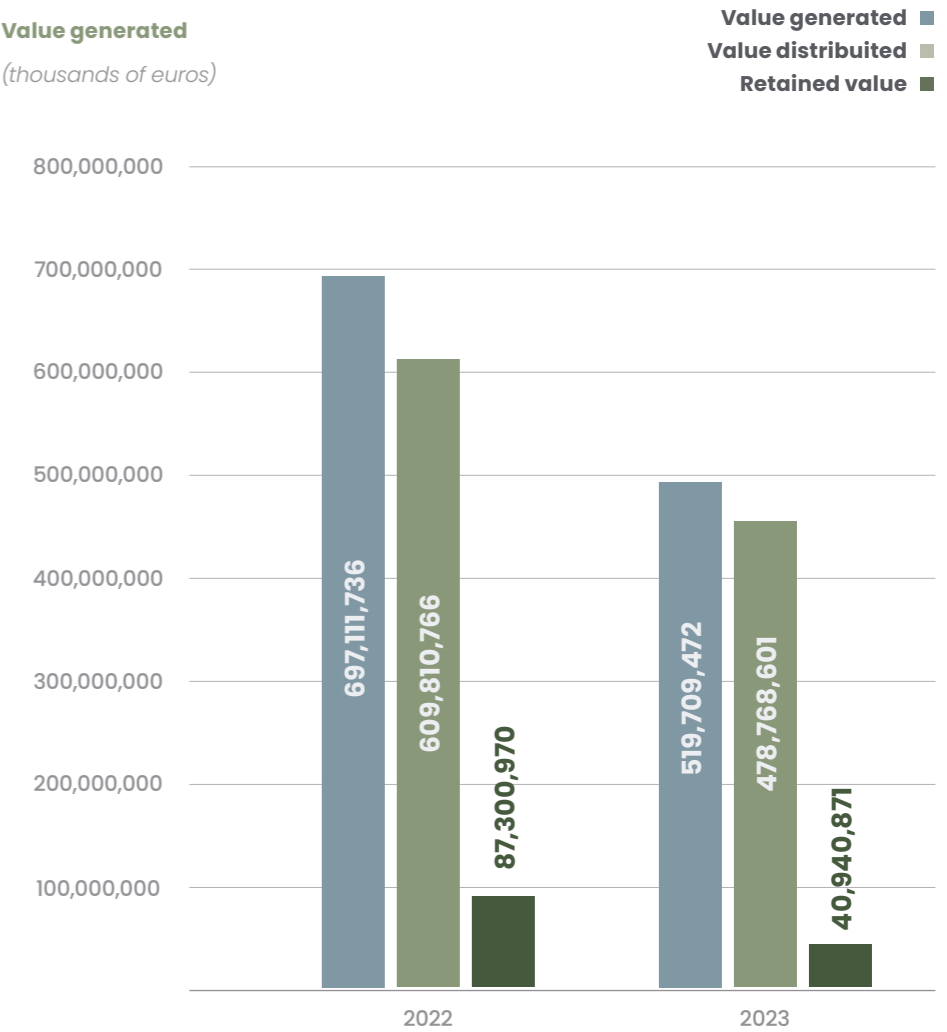
Net of suppliers, the value distributed amongst the other stakeholders in 2023 was transferred for **€43.3 million to employees**, including remuneration, benefits, social security costs and severance

indemnities, and for **€9.3 million to the financial community and shareholders**, as remuneration of loaned capital. **The local community and the territory benefited with an amount of €476,000**, both as membership fees in the several associations which the Group is a member of and as donations to various initiatives **in support of the local community**. Finally, retained value (€40.9 million) contributed to the enhancement of the Group's worth, as retained profits, amortization, depreciation and deferred taxes.

Much of the **value generated** by ORI Martin is **distributed to suppliers, employees, public administration and the community**.

3.2 VALUE CREATION

Value generated
(thousands of euros)



Most of the value generated is distributed to suppliers (429,953,834 thousand euros in 2023).

Compared with the Sustainability of 2022, the value has decreased from 609,210,766 to 609,810,766 due to of the inclusion of dividends.

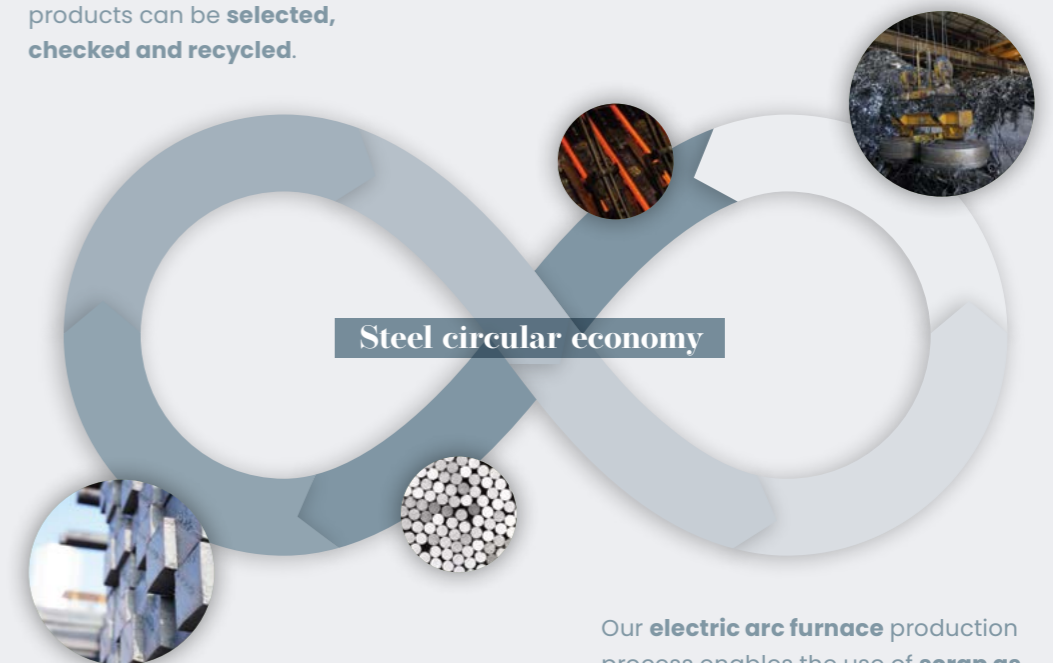


Sustainable innovation and quality

SDGs		Description
	Industry, innovation and infrastructure	<p>ORI Martin is located in an urban context, in proximity to the residential area to the north of Brescia.</p> <p>This urban location of the plant has served as a driver over the years, leading the Company to launch a series of projects dedicated to well-being in the district and investment in research to find new solutions for sustainable innovation. Producing steel sustainably means engaging with the surrounding area and cultivating a relationship aimed at sympiosis between industry and other local interests, mitigating environmental impacts and promoting quality of life in the surrounding area.</p>
	Sustainable cities and communities	
	Partnerships for the goals	

ORI Martin produces steel using scrap

At the end of their life, steel products can be **selected, checked and recycled**.



Our **electric arc furnace** production process enables the use of **scrap as the raw material**.

4.1 Sustainability in the plant

Steel is 100% recyclable and can be recycled to infinity without losing any of its original properties. This makes it a material with a potentially infinite life cycle, and a true “permanent resource”. On this basis, ORI Martin’s sustainability and innovation policies aim to strengthen the **circular economy** model on which the production process has always been based.

The decision to produce **steel** using a melting process with an electric furnace enables the use of ferrous scrap as a raw material. This has the **dual benefit of reducing the extraction of natural resources and decreasing the quantity of industrial waste** that is disposed of.

Steel production using an electric furnace enables a significant reduction in greenhouse-gas emissions compared to basic oxygen steelmaking (which starts with the mineral and requires large quantities of coal), because emissions are primarily indirect and associated with the consumption of energy for operation of the furnace.

Furthermore, since 1998, ORI Martin has selected to use an innovative technology for the melting of scrap with an electric-arc melting furnace, **introducing the Tenova Consteel® continuous-charging system to Europe**. This enables pre-heating of scrap with recovery of energy from primary fumes and a reduction in

noise due to continuous foamy slag operation.

The ability to use materials that replace coal and integration with the Tenova iRecovery® energy-recovery system complete the circular approach to the melting process.

ORI Martin is also involved in a **project to gradually increase the efficiency and decarbonise production processes**, driven by recent European legislation, with a progressive increase in the use of **renewable energy and limitation of greenhouse-gas emissions** from the plant.

In relation to this aspect, the Company has certified the carbon footprint of its products, as detailed in Chapter 5.



- CIRCULAR ECONOMY
- ENERGY AND GRADUAL TRANSITION
- DECARBONISATION
- ELECTRIC ARC FURNACE
- I-RECOVERY
- CARBON FOOTPRINT
- ESTEP
- POWER PURCHASE AGREEMENT

I-Recovery®

The **I-Recovery®** system **captures a portion of the heat generated** by the melting process and transported by the fumes, producing steam used for various purposes. This € 12 million project was launched in 2016 and is the first of its kind in Italy, created together with several technical partners: **Tenova, Turboden** and **A2A**. In detail, the **I-Recovery®** system enables the **large amount of heat** contained in the fumes of the electric furnace in the steel plant to be channelled to a system which prevents release of this heat. The heat is recovered and used to generate steam, which is stored and employed for a dual purpose. A portion is transformed into thermal energy, which feeds the **Brescia district-heating network during the winter months**. In the summer months, it is transformed into electricity by an Organic Rankine cycle turbine, when the request for urban district heating is low. With this **technology**, I-Recovery provides approximately 10 MWt for heating use, equivalent to the annual consumption of around **2,000 families**. In the summer, it generates clean electricity (approximately 1.8 MWe), corresponding to the consumption of around 700 families.

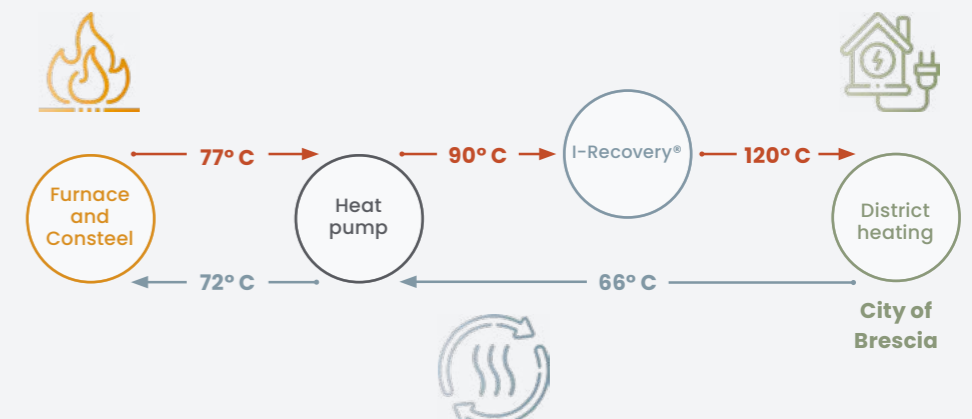


Progetto Heatleap

Another important area of innovation that the Company is working to develop, in the context of circular economics and energy efficiency, is the recovery of heat from the cooling water of the melting furnace and Consteel®. The **Heatleap** project, launched in 2020, aims to harness the majority of the waste heat generated by steel production, which is otherwise lost. This has been made possible by using a **large heat pump (LHP)** specially designed by Turboden for this project. This pump is **capable of recovering heat at low temperatures** (approximately 70°C) and **increasing it to a suitable temperature** (approximately 120°C) to be fed into the city district-heating network. In addition to ORI Martin, the project involved the company Turboden, which headed up the project, handling the design

and construction of this innovative heat pump. Other partners included RINA Consulting – CSM and CSMT.

The project was launched with support from the European Union LIFE programme, and aims to demonstrate the economic and environmental benefits of thermal-energy recovery systems, promoting reduced consumption and increased energy efficiency of production processes, with the goal of reducing greenhouse-gas emissions and energy costs. In 2021, the industrial project was completed and the heat pump was installed in 2022. The project is now in its final phase, involving industrialisation and application at a vast scale to fully integrate it into the production process.



Decarbonisation plan

In 2023, ORI Martin completed the definition of its first decarbonisation approach through a highly ambitious strategic and operational plan, involving detailed organisation of actions at the Brescia plant.

The plan sets the **goal of reducing emissions**, measured in tonnes of CO_{2e}, including direct and indirect emissions (Scope 1 and Scope 2), per tonne of billets produced, by **30% by 2030**, taking 2018 as the baseline. This reduction target is aligned with the WB 2°C scenario of the Science Based Targets, defined by the **“Science-Based Target initiative”** (SBTi), a partnership established by the **UN Global compact** (UNGC), the **World Resource Institute** (WRI), the **Carbon Disclosure Project** (CDP)

and the **WWF**. This was established with the intention of supporting companies in mitigation actions and guiding them towards transition to a low-carbon economy.

In order to observe the established goal, a **series of actions have been planned regarding energy** efficiency and renewable energy. Many of the planned activities involve reducing the use of fossil fuels and natural gas. This can be achieved partly by electrification of consumption (e.g. through the use of furnaces with induction pre-heating) and partly by using low-impact fuels, such as biomethane. In addition, another important initiative will focus on the partial replacement of the coal used in the melting furnace with more sustainable solutions, utilising coal alternatives originating from recycling of waste (polymers and rubbers) and biomass (biochar, hydrochar, etc.).

For ORI Martin, reducing environmental impacts will also involve the **generation of electricity for self-consumption, using solar panels** installed on the roofs of the Ospitaletto and Brescia plants. The Brescia plant also uses an Organic Rankine Cycle (ORC) system. This closed-cycle thermodynamic technology produces electricity from heat recovered from the fumes leaving the melting furnace. Another source of “green energy” are Power Purchase Agreements established by ORI Martin for the purchase of renewable electricity.



THE NEW MELTING FURNACE

Of the various initiatives included in ORI Martin’s decarbonisation plan, the most important and that with the greatest impact in terms of reducing emissions of CO_{2e} is certainly the continuous charging electric arc furnace with electromagnetic stirrer that went online in 2024, replacing the existing equipment.

AGRIVOLTAICS PROJECT

This is a project in the development phase that involves installation of an **agrivoltaic system with approximately 6 MW of power** on eight hectares of land around the Ospitaletto plant. The system is suspended on a tensile structure that supports photovoltaic panels, **enabling the agricultural usage of the land below to continue and guaranteeing productivity**. The fully automated panels move along the tensile structure on which they are installed, following the movement of the sun. They can also be positioned to reduce the amount of sunlight received by the crops planted on the land, benefiting agricultural production by reducing evaporation from the land with consequent savings on water for irrigation, especially during the summer months. The system is also equipped with sensors to monitor weather and farming conditions.



GREEN METALS BRESCIA

This project falls within the scope of **an alliance between industry and agriculture for the decarbonisation of steel companies in Brescia**, which will involve 13 parties, including **steel plants, foundries and enterprises in the aluminium industry**.

The ambitious project, launched in 2022, aims to reduce the CO_{2e} emissions of parties involved by replacing natural gas with biomethane, obtained from agricultural waste through tight network of biodigesters across the area.

The project, which is still in progress, is expected to achieve a reduction in consumption of natural gas of up to 30%.

Decarbonisation projects funded by the European Union

In order to accelerate its industrial development, ORI Martin harnesses the opportunities provided by scientific research funding calls issued by the European Union. Programmes such as Horizon Europe can facilitate R&D into innovative solutions, promoting adoption of practices and processes with reduced environmental impacts.

MODHEATECH PROJECT

The **ModHeaTech** (Modular Heating Technology) project, funded by the Horizon Europe Clean Steel Partnership, began in March 2023 and is currently in the development phase. The goal is to reduce the consumption of methane by improving product quality. This will involve reducing the environmental impact of heating furnaces, which currently rely on methane burners, with an evident impact in terms of CO_{2e} emissions.

The project therefore aims, to decarbonise this specific process through the introduction of a hybrid technology that integrates electrification with methane combustion. This solution is capable of providing opportunities to explore the synergistic effect that may be obtained by combining two different technologies, in addition to further improving the efficiency of the heating process through the enthalpic recovery of furnace output gases.

BIORESTEEL

As a neutral source of carbon, biocarbon serves an important role in facilitating the transition of the European steel industry towards decarbonisation. ORI Martin is a partner of the **BioReSteel** project together with other steel companies and research centres, funded by the European Union's Horizon project. This initiative **focuses on the investigation, development and use of hydrochar (a type of biocarbon) derived from various biomass residues available locally through a process of hydrothermal carbonization (HTC) in the electric-arc-furnace (EAF) process.** HTC unlocks the potential of residual raw materials of wet biomass, making hydrochar more competitive from an economic perspective.

Given the abundance of biomass residues available in Europe, the hydrochar produced from just a small percentage (<2%) is sufficient to supply all EAF steel plants operating in Europe. According to estimates, approximately 840,000 tonnes of coal could be replaced with hydrochar with current levels of steel production using the EAF process, with a reduction in fossil CO_{2e} emissions of approximately 2.5 Mt per year.

The project will be executed by a group of international parties with the necessary complementary expertise and will involve the entire value chain, from raw materials to biomass, the production of hydrochar and through to use in green steel production with the EAF. The initial phases of the project involve an experimental study through laboratory testing and an EAF test bench. Subsequently, EAF industrial testing will be performed in three different plants to test the different aspects of biochar input.

CORALIS

With the goal of building a circular-economy model, ORI Martin has launched a process aimed at **harnessing and reusing waste metal** that is rich in ferrous oxides, generated by production cycles, thus enabling a general reduction in the amount of material sent to landfill. In this context, the Group has participated in and inaugurated the **CORALIS** project, funded by the European Union under the Horizon 2020 Programme, and designed to establish concrete initiatives of industrial symbiosis and draw benefits from potential savings in energy and resources.

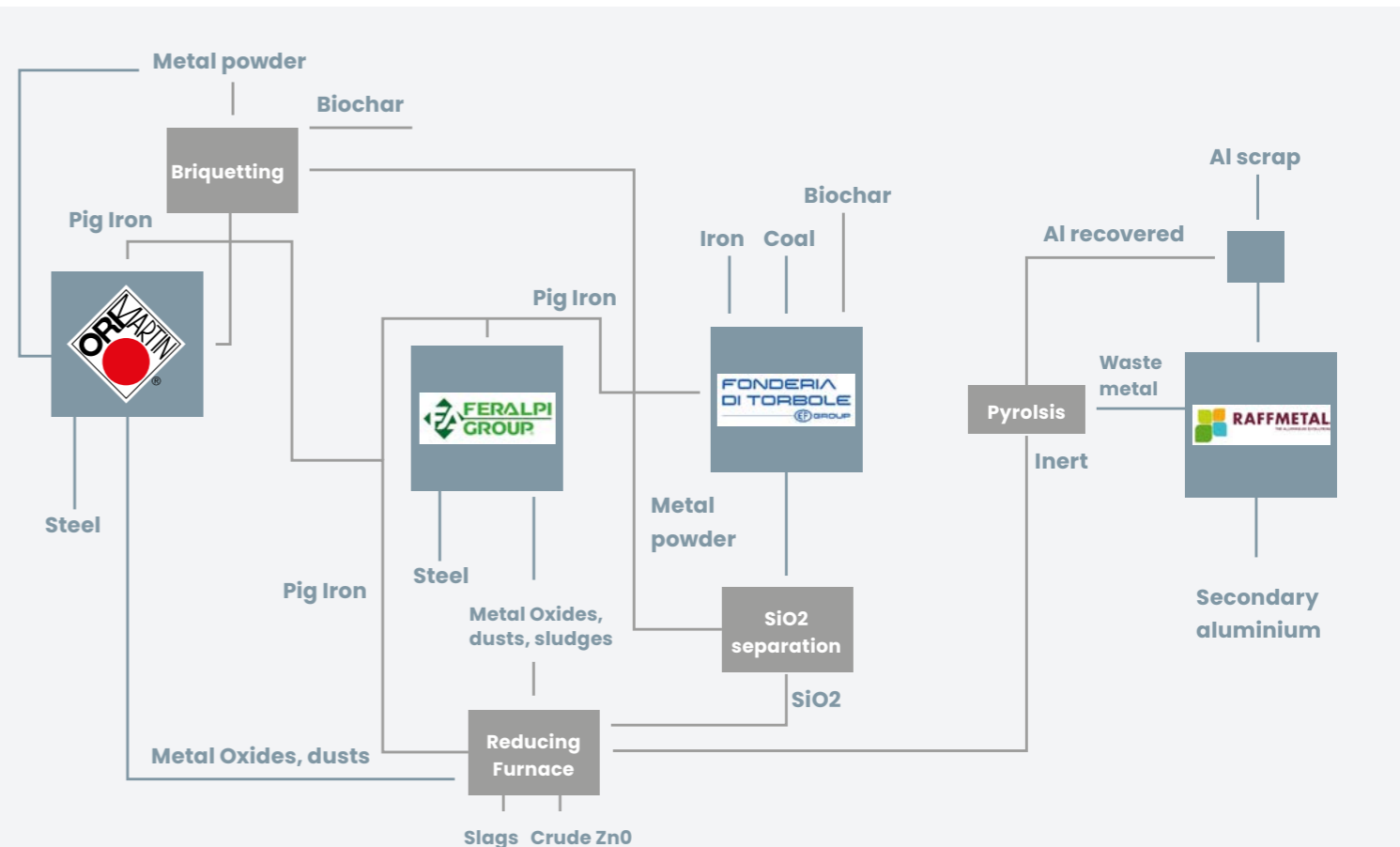
The main objective of the CORALIS project is to **create a pathway for decarbonisation of the value chains of highly energy-intensive sectors**, by implementing approaches for industrial symbiosis integrated with new strategies and technologies. The project began in 2021 and will continue until 2024. The waste



"Coralis"

generated in three different industrial areas (Brescia, Frovi in Switzerland and Valle di Escombreras in Spain) and originating from various sectors will be treated with advanced technology and transformed into a secondary raw material for recovery or reuse in other production processes, with a view to synergies and a circular approach. Within the consortium, which involves 29 parties, including companies, research centres and universities, ORI Martin will recover and receive residues rich in metallic powders and oxides, which can be recovered in the steel production process as a raw material (iron).

For recycling in the melting furnace, metal residues (oxides) are mixed with a reducing agent (coal or biocarbon) and "tornitura" that serves as a containment cage, pressed together forming a block. The project developed with an initial production phase for the first batch of briquettes starting in October and November 2022. This was followed by charging in the EAF in 2023, where 100% of the metal oxides were reduced to iron.



InSGeP

This is a Research Fund for Coal and Steel (RFCS) project launched in 2023 with the goal of **studying the slag produced by new steel production processes**.

In order to observe the provisions of the EU Green Deal, RFCS goals and the missions of Horizon Europe, and achieve climate neutrality by 2050 with the goal of bringing pollution down to zero, it is essential—in addition to introduction of innovative technologies for the production of green steel— to guarantee maintenance of the entire concept of circularity. This particularly regards recycling of by-products (such as slag produced with the use of next-generation direct reduced iron [DRI] and hot briquetted iron [HBI]) with various reduction grades.

Investigations will be conducted for this purpose on slag deriving from use of HBI in the electric furnace. The slag will be evaluated based on its chemical, physical and environmental properties, and will be treated with various cooling and granulation methods to produce the physical characteristics required for different applications and environmental conditions. There will also be tests on the use of slag for applications such as road-building, cement/concrete, calcination material and 3D printing. The InSGeP project will create guidelines for the use of slag deriving from the production of next-generation steel.

FROM POLYMER TO STEEL

Constant research into technological solutions with low environmental impacts has led ORI Martin to trial a **project for the use of polymers, rubbers and other materials with biogenic carbon inside the EAF**. This initiative would **improve management of the melting and refinement phase** and management of slag, as well as having numerous benefits in terms of environmental impacts and reducing pollution in the working environment.

The new materials (including polymers) used in experiments, **are derived from the transformation of waste that can no longer be recycled, made available through separated waste collection systems**. Insufflation into the melting furnace would replace a portion of the coal used for formation of foamy slag, in addition to providing a second life to a material otherwise destined for landfill.

The project was launched in 2020 with initial analyses and tests and continued in 2023 after certain adjustments to the experiments. The main environmental benefits sought include:

- **Reduction in process CO2 through the use of biogenic carbon present in the plastic material of polymers**
- **Use of a secondary raw material with no other use, which would otherwise be inevitably destined for landfill.**

For the performance of experimental tests, ORI Martin has set-up a pilot plant for injection of the polymers into the oven. Analysis and agreements are underway with various suppliers for use of different materials in testing, with the common factor being that they all originate from waste. **In addition to the opportunity to avoid sending this material to landfill**, the solution would enable **a reduction in greenhouse gases**, reducing the use of coal in the melting process.



Billets are **labelled** by a **latest-generation robot**.

4.2 Continuous innovation

ORI Martin's strategic vision has always been **strongly rooted in research for innovative solutions**. With this basis, over years of business, the various company departments have built up **detailed expertise** and specific experience capable of guaranteeing product quality also through a series of controls formalised in operational procedures and practices, which require the presence of trained, responsible and competent personnel.

At the same time, the high standards of quality required to meet the demands of the market, especially the automotive market, impose a path of continuous technological innovation on the Company, necessary to constantly improve and increase the efficiency of work and use of resources. One key driver for improving the sustainability of products and processes is undoubtedly digital innovation. Digital technologies and applications, from sensors to IoT and big data, and from automation to computer vision and artificial intelligence, make it possible to enable corporate sustainability pathways.

ORI Martin's vision of development is founded on the skilful integration of two essential components: **consolidated expertise and constant innovation**. This combination is fundamental for an approach rooted in continuous improvement. To translate this vision into reality, strategic investments have been directed to two key pillars: digital transformation and a circular-economy model. Focusing on these aspects, ORI Martin has incurred costs of € 33.4 million for research and development activity in the five-year reporting period, with more than € 6 million of this in 2023.

In the context of these investments, the Company has charted a course of **digitalisation** focusing on **harnessing data**, in particular during the steel production phase. It has also launched a project for increasing **robotisation of processes**: the first robot appeared in the steel plant in 2000 on an experimental station for the labelling of billets, a process now controlled by a **new-generation robot**.

There are currently 7 robots operating and others are under development.

For ORI Martin, using robotics is an excellent way to increase operator safety, removing them from dangerous tasks, such as working in the proximity of molten steel and heat sources.

Of the various robotic systems, the latest two introduced are robotic systems that work alongside and replace the human worker in operational phases of steel sampling and temperature measurement tasks. The robot is also equipped with a video camera that enables the operator to view the state of the surface of the molten steel from a safe location within the control cabin. This system enables the operator to control operations remotely, guaranteeing **safety, quality and repeatability of steel withdrawal and sampling activity**.

There is growing integration of programmes that use AI algorithms, supporting operators in the management of decision-making and production phases, including management of department flows and classification and tracking of scrap using machine-learning systems to analyse images, providing valuable information for the charging specifications. AI also provides support for the control of operational flows within the steel plant, controlling and recording ladle movements and stoppage and operational times, providing useful information for the optimisation of the process and energy savings. Finally, algorithms are used to control the energy consumption of the main energy-intensive systems, correlating usage in real time with energy costs and availability on the energy market.

These technological improvements have a significant impact on operator **safety**, production **quality, repeatability of operations, and reliability and sustainability of production and control processes**, which are the pillars of ORI Martin's vision.

2019	2020	2021	2022	2023
7,5	8	6,6	5,2	6,1

Research and Development: ORI Martin's investment since 2019 (figures in millions of euro).

These innovations fall within the scope of the wider **"Acciaio 4.0"** project for digitalisation of the plant in partnership with **Tenova**. "Acciaio 4.0" is one of four projects selected in the context of the **Lighthouse Industria 4.0** programme run by CFI (Cluster Fabbrica Intelligente), developed by the Italian Ministry for Economic Development with the aim of transforming the Italian manufacturing sector towards digitalised industry.

Specifically, the project aims to strengthen the process of cross-functional **digitalisation** of the entire plant, involving the steel plant, rolling mill, cybersecurity and centralised data management, to create a true Cyber-Physical Steel Factory.

The project, launched in June 2019, ran for four years and involved the implementation of Industry 4.0-enabling technology, including cloud services, IoT, big-data analysis, cybersecurity, sensors and robotics, with the aim of gathering information from the various departments and integrating all phases, creating smart interdependence of all operations. The project was completed in 2023 with introduction of SAP, which is continuing to be developed in the corporate context despite the Lighthouse Industria 4.0 project having drawn to a close. Cybersecurity has also been strengthened with a particular focus on operational continuity, introducing internal policies and procedures and a "zero-trust" approach, meaning that any element entering the company's systems is treated as a potential threat.

In the context of predictive maintenance, the Company has launched a **project to monitor the main rolling-mill production systems**, in collaboration with Danieli. A similar project has been established in collaboration with the CSMT research centre of Brescia for real-time monitoring and sending of certain functional parameters of the claw used to handle scrap in the steel plant. ORI Martin's process of cross-functional digitalisation has not neglected personnel safety. A research project is under development in collaboration with two innovative start-ups and in agreement with trade-union reps for the identification of operators in emergency situations (accident or illness), guaranteeing flagging and indication of the location of the incident on special terminals monitored 24-7. Sensors and geolocation devices are being employed to safeguard workers with automatic and manual alarms, whilst still guaranteeing operator privacy.

Since 2020, **ORI Martin has been a member of ESTEP** (European Steel Technology Platform) **which brings together all of the leading parties involved in the European steel industry**. Members include leading steel producers, universities and research bodies working in the field of steel research, large-scale users of steel products, such as automotive manufacturers, and public bodies such as the European Commission and national governments, which have a significant interest in this vital industrial sector that is central to the future of Europe. ORI Martin plays an active role, contributing to technical panels and focus groups. ESTEP's mission is to **increase the sustainability of steel production processes**. Specifically, the **"Clean Steel"** project provides European guidelines for steel production.



Research and consulting partnership with the Politecnico di Milano university

Since 2022, ORI Martin has been part of the Joint Research Centre, created in collaboration with the Polytechnic University of Milan and five industrial partners representing the bolt production and supply chain, working together on joint research projects. Through the **Joint Research Centre – Metal and Transformation Technologies** (JRC MATT), ORI Martin works with students and researchers of the Politecnico di Milano university to promote research into new technological and sustainable solutions for the manufacture and processing of steel, within an open-innovation framework. The research centre represents a

platform for collaboration, design and the creation of expertise, to face an increasingly complex global scenario that requires companies to cooperate and form partnerships.

The joint research centre has a site in Lecco, giving members the opportunity to work with shared technology and resources next to the university's Lecco campus. The site, which is the former headquarters and manufacturing hub of Mario Frigerio S.p.A., is the product of careful industrial redevelopment and of the owners' wish to provide the area with an Innovation Lab where new knowledge can be forged.

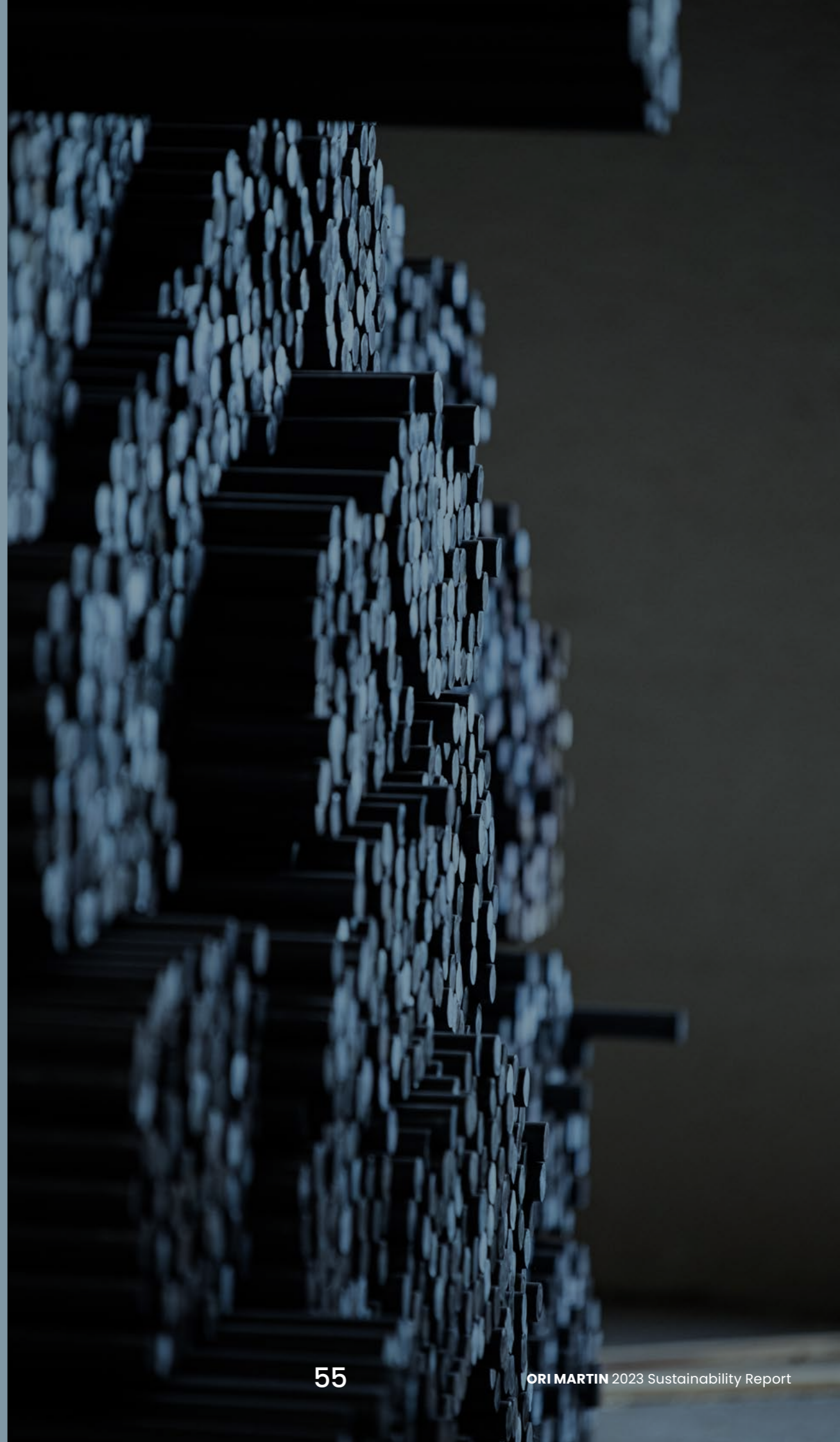


POLITECNICO
MILANO 1863

*Polytechnic University of Milan,
Mario Frigerio S.p.A., Agrati S.p.A.,
Growermetal S.p.A., ORI Martin
Acciaieria e Ferreria di Brescia
S.p.A. e ITLA Bonaiti s.r.l.*

“The growth and innovation of the country is built on collaboration between universities and businesses. For ORI Martin, Joint Research Centre – Metal And Transformation Technologies represents an accelerator of innovation, and an opportunity to realise ideas and projects in synergy with the founders of the JRC MATT, harnessing the technology of the research centre, the expertise of the university and the experience of all partners.”

Zanforlin Maurizio, R&D Manager at ORI Martin S.p.A.



Environmental responsibility

SDGs		Description
	Clean water and sanitation	<p>Reducing environmental impacts throughout the production process has been a daily commitment of the Group and a central theme in its sustainability strategy for several years. ORI Martin believes strongly in technological development and strengthening the expertise of its personnel to achieve energy-transition goals. Furthermore, the Company is constantly committed to monitoring and reducing its carbon footprint.</p>
	Affordable and clean energy	
	Sustainable cities and communities	
	Responsible consumption and production	
	Climate action	

5.1 Environmental management

In order to improve the management of environmental impacts, for some time now, ORI Martin’s Brescia and Ospitaletto plants have been equipped with an **Environmental Management System certified** under standard **UNI EN ISO 14001** and an integrated policy for environmental protection. This highlights the Company’s commitment to **safeguarding both the environment and occupational health and safety** in a combined manner, as these two aspects are so fundamental and so embedded in the company.

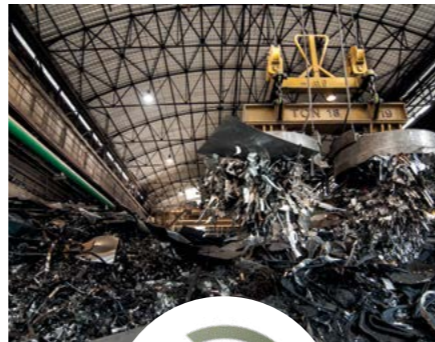
At the Brescia site, the Company has also implemented an **Energy Management System** in accordance with standard **UNI EN ISO 50001**, certified in 2020 and renewed in 2023.

As for environmental impacts, Company operations are authorised and regulated by the Integrated **Environmental Authorisation (AIA)** first issued in 2006 and renewed in 2017. Similarly, the Ospitaletto plant has also held AIA authorisation since 2007.

In compliance with AIA provisions, ORI Martin adopts a plan to monitor and control environmental impacts, with specific reference to atmospheric emissions, effluents and noise, periodically checked by the Regional Agency for environmental protection (ARPA). In addition, AIA provides for the need to use the best available techniques to reduce pollution (BAT – Best Available Technologies) defined at the European level. The approach of ORI Martin, which is constantly seeking solutions capable of reducing its environmental impacts, is fully aligned with AIA provisions.

Demonstrating the Company’s **constant commitment to environment and safety**, since 2019 it has invested approximately **€ 33 million** in research and development activity, with many initiatives having a direct impact on the management of environmental and safety issues.

In **2023**, more than **530,000 tons** of ferrous scrap were melted in the **Brescia steel plant’s electric furnace**.



5.2 The resources employed

5.2.1 MATERIALS USED

detect the presence of radioactive or contaminated material and eliminate the risk of melting these substances.

The procedure includes a radiometric detection phase at the entrance, a visual inspection phase when the scrap is unloaded, integrated with a digital system, as well as further monitoring during the production process using fixed detectors installed throughout the plants.

In 2023 more than 530,000 tons of ferrous scrap were melted in the Brescia steel plant’s electric furnace, covering a fundamental role in the production process, with a percentage of around 95% compared to the total metal raw materials used at the Brescia site. The remaining 5% is composed of alloys, just over 2%, and pig iron, just less than 3%.

Other non-renewable raw materials are used in the process. The highest percentages are for lime, used as flux, and coal, used as a reducing and swelling agent.

Other materials are electrodes, graphite and refractories as well as gases such as oxygen, nitrogen and to a lesser extent argon. Please refer to table “301-1: Materials used by weight or volume” in the Statistical Appendix for details of the quantities.

For the Ospitaletto plant, the main raw material, with approximately 190,000 tons in 2023, is steel billets, primarily coming from the Brescia plant.

Steel has the potential to be recycled ad infinitum through the use of electric furnaces which enable the use of ferrous scrap as a raw material, consisting of steel elements recovered from other sources. This is demonstrated, according to certain initial estimates¹, by the fact that 77% of steel packaging in Italy was sent for recovery in 2023, making it the most recycled metal in the country.

This circular aspect makes the production cycle of ORI Martin an important lever not only for developing circular economy models, but also for the transition to production models with less impact in terms of energy consumption and CO_{2e} emissions.

In order to reuse scrap, a clearly defined and systematic quality-control process must be followed to

¹ Estimates provided by CONAI (Italian National Packaging Consortium) in 2023.

5.2.2 WATER RESOURCES

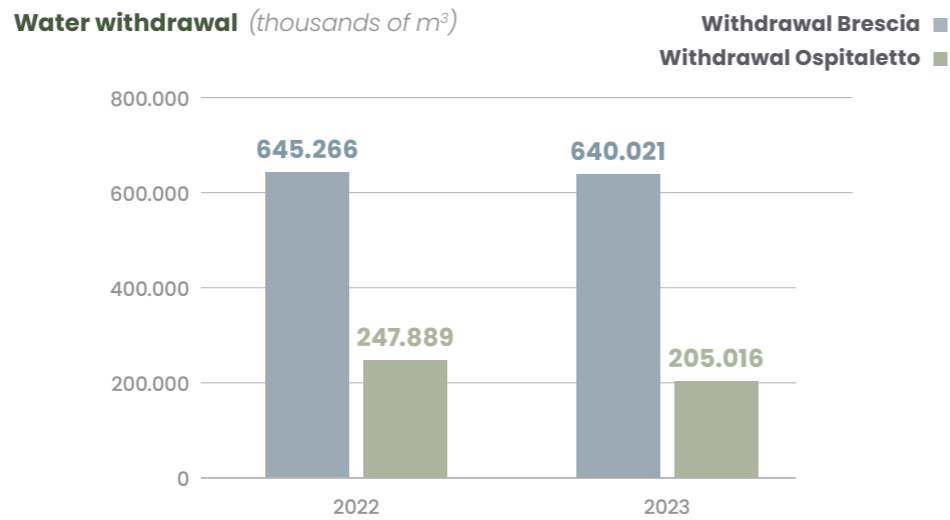
Steel-making processes require a large quantity of water to cool systems, making it essential to adopt **virtuous models for the use of this resource**, ensuring its preservation.

In addition to this industrial use, there is domestic consumption for offices, canteen and changing rooms. In ORI Martin, given the different uses of water, two different water sources are utilised. For potable water, priority is given to water from the network that connects the plant to the municipal water supply. Water for the industrial use instead, is drawn from three wells located within the perimeter of the Brescia plant and two wells located on the Ospitaletto site. To reduce water hardness and related scale problems, part of the water withdrawn from the wells at the Brescia plant is treated with a reverse osmosis system. To limit consumption, ORI Martin has adopted a complex reuse and recirculation system enabling water to be reused and cooled either using cooling towers or unit heaters.

Nevertheless, water that comes into direct contact with steel during the cooling phase requires treatment to eliminate metal scales and oils. For this reason, **water is conveyed to special collection tanks** to be sent to the **purification plants** (one for the steel plant and one for the rolling mill), equipped with settling tanks and sand filters. Estimates show that these optimisation actions have enabled ORI Martin to reduce its water consumption by approximately 64% over the last 20 years. The treated water effluents are delivered to surface waterways and,

as outlined in the AIA monitoring plan, the Company checks the quantity on a monthly basis and the discharged water quality on a quarterly basis.

The Ospitaletto plant has a water treatment plant for water used during rolling mill operations equivalent to that in Brescia. These reuse systems are particularly important because both plants are located in areas subject to water stress². In 2023, 829,131 m³ of water was drawn from underground wells in Brescia and Ospitaletto, in addition to 15,906 m³ drawn from the municipal water supply, for a total of 845,037 m³. The figure for water discharge was 366,726 m³.



In the Appendix, the analysis of discharge points is reported in the tables "Water discharge analysis".

² Both plants are located in areas classified as having a high level of water stress (40–80%) according to the Acqueduct – Water Risk Atlas del World Resource Institute.



5.2.3 ENERGY CONSUMPTION

Steel production is a highly energy-intensive activity, with the European Commission estimating energy costs at up to 40% of total operating costs on average. GHG emissions from production cycles are also very significant. In this context, ORI Martin recognises the impact of its business on the environment and has always been committed to constantly seeking innovative solutions to reduce its environmental impacts. This commitment is also outlined in the ISO 50001 Energy Policy of the Brescia plant, which sets out certain goals for continuous improvement and staff training as well as engagement, dialogue and consultation across all Stakeholders, including employees, suppliers and contractors.

With this in mind, the Company monitors energy consumption and plans investments aimed at reducing its usage and therefore lowering greenhouse gas emissions.

Demonstrating its commitment, ORI Martin signed a 5-year Power Purchase Agreement (PPA) with a Swiss energy trader (DXT Commodities) and a German investment fund (KGAL Investment Management). This agreement involves energy production through a 53 MW photovoltaic power station installed in

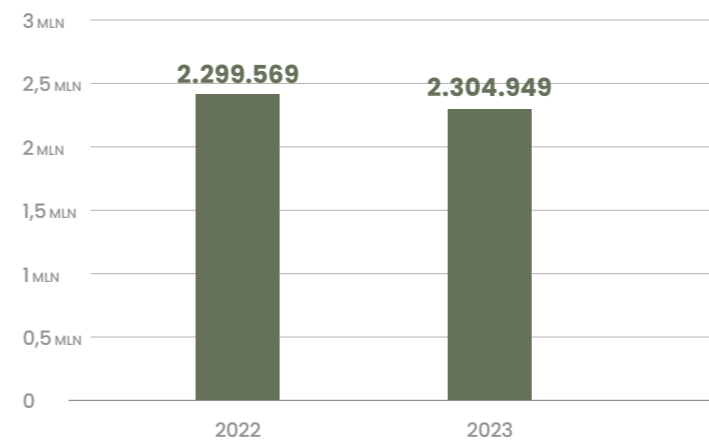
Sardinia and launched in November 2020. Signing a PPA is a long-term commitment that allows KGAL to invest in the power station, ensuring sale of energy at a fixed price without depending on the public incentive system and therefore without burdening the state.

In terms of energy consumption, in 2023 ORI Martin consumed a total of 2,683,468 GJ³. This figure is down on 2022, primarily due to reduced electricity consumption. Again in 2023, as in previous years, the main sources of energy used were electricity and natural gas.

Brescia plant

Considering the Brescia site alone, energy consumption in 2023 reached 2,304,949 GJ, representing a drop of 5% compared to the previous year, partly due to the effect of investments in energy-efficiency solutions.

Energy consumption at the Brescia plant (GJ)



³ 2023 and 2022 figures have been converted into GJ using conversion factors from DEFRA UK – Greenhouse gas reporting: conversion factors 2023 – GOV.UK (www.gov.uk)

5.2.3 ENERGY CONSUMPTION

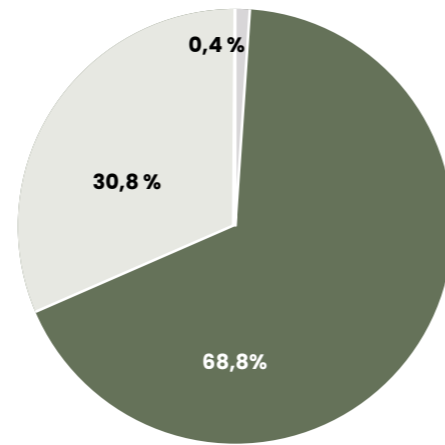
At the Brescia plant, electricity is the **main energy source** used for most production processes and accounted for **69% of total consumption in 2023**. It is primarily used to power the melting furnace, the ladle furnaces and the rolling mill as well as all services and auxiliaries. The energy supply comes from Terna's high-voltage grid and from self-generated power from the I-Recovery plant during the summer. The plant, which has been active since 2016, enables recovery of heat generated by production processes and its transformation into thermal energy. This feeds the Brescia district-heating system managed by A2A during winter months, and is transformed into electricity by an organic Rankine cycle turbine in the summer months. In 2023, the energy recovery system enabled self-generation of about 2,255 MWh (8,120 GJ).

Natural gas is primarily used to power the furnace for heating billets in the rolling mill, the furnaces for heat treatments and the steel-plant burners. The gas supply is provided by the Snam network. Diesel and petrol are primarily used by vehicles for the internal handling of materials.

In order to increase the sustainability of the energy mix used at the Brescia plant, during 2023 a project was launched for the **installation of solar panels** on roofing, planned for completion in 2024. The capacity of the panels should reach a peak of approximately 4 MW.

Energy sources at the Brescia plant (%)

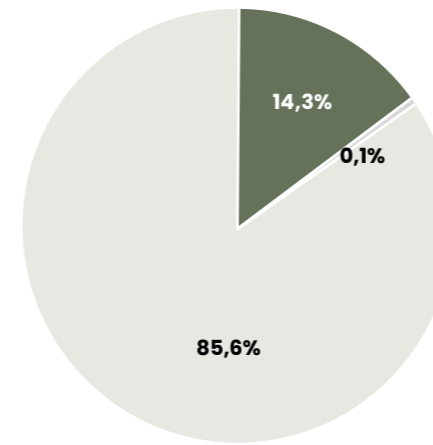
Electric energy ■
Natural gas ■
Fuels ■



5.2.3 ENERGY CONSUMPTION

Energy sources at the Ospitaletto plant (%)

Electric energy ■
Natural gas ■
Fuels ■



Ospitaletto plant

Analysing energy consumption at the Ospitaletto site of 378,519 GJ, it should be noted that there is greater use of natural gas (86% of consumption) than electricity (14%). Energy is supplied at medium voltage by the Enel Distribuzione grid, while methane gas is supplied by the Snam network. **Solar panels** with a peak capacity of approximately 4 MW were installed at the Ospitaletto site in 2022 and went fully on line in 2023. Additionally, during the reporting year a project was launched to replace all lighting elements with LED bulbs. This will be completed at the start of 2024.

THE AIR LIQUIDE OXYGEN PIPELINE

In 2018, in the context of continuous environmental improvement, ORI Martin connected its steel plant to the Air Liquide oxygen pipeline that spans the municipalities of Brescia and Ospitaletto with an underground pipeline dedicated exclusively to ORI Martin for **direct supply of gaseous oxygen**.

This important infrastructure led, as an immediate effect, to 1,250 less truck journeys per year, with a saving in the corresponding emissions of CO_{2e} (approximately 270 tonnes per year), nitrous oxides and dusts. In addition, 4,000 tonnes of CO_{2e} per year was saved by avoiding liquefaction of the gas, 2 tonnes of NOX and 160 kg per year of particulates.

The synergy between ORI Martin and Air Liquide also enabled Air Liquide to financially **support special reforestation and maintenance activities** in the area of the Mella river and on the city's mountain "La Maddalena". The latter is the town's largest green space (4,000 hectares) belonging to "**Parco delle Colline**" which includes parts of Brescia and six other municipalities in the province.



5.3 Handling impacts

The **resources used** in the production process not only have an essential role in creation of the products but do generate a series of impacts affecting the local and global environment.

Aware of the consequences of these impacts on nature, the surrounding environment and the people who live in it, ORI Martin adopts a strategy of **continuous monitoring** and constant commitment to **developing innovative solutions that act directly on root causes**.

5.3.1 THE GREENHOUSE GAS EMISSIONS (GHG) AND THE CO_{2e} FOOTPRINT

According to the latest data published by the European Commission’s **EDGAR** (Emissions Database for Global Atmospheric Research), the industrial sector is the third for levels of CO_{2e} emissions in the EU, exceeded only by the transport and energy-generation sectors.

The Brescia and Ospitaletto plants are part of the **Emission Trading System** (EU – ETS), established in accordance with European Union Directive 2003/87, aimed at monitoring and progressively reducing greenhouse gas emissions from the most energy-intensive industrial sectors. The ETS system, designed to tackle climate change, is founded on a “cap-and-trade” mechanism. This mechanism establishes a maximum limit in tons of CO_{2e} that industrial plants subject to the ETS system can emit. Based on the actual quantity emitted and declared annually, parties receive or purchase emission quotas that can be exchanged through transactions on the global CO_{2e} market.

In addition to the regulatory compliance required by the ETS Directive and in line with the commitment undertaken towards the environment and the ongoing fight against climate change, ORI Martin has decided to calculate the carbon footprint of its products to communicate the impact generated by the products made in the plant and identify the critical variables that require action in terms

of organisation and management of production and business processes. The aim is a continuous reduction of its GHG emissions in absolute and relative terms for the various types of products.

Following an initial energy consumption analysis recorded in 2016, the carbon footprint study was repeated in every year from 2018 onward, reflecting the Group’s constant commitment to monitoring its greenhouse gas emissions.



INVENTORY OF GHG EMISSIONS ACCORDING TO GHG PROTOCOL

Emission category	Definition
Scope 1 - Direct	Direct emissions from use of fossil fuels and other materials in the factory’s in-house processes.
Scope 2 - Indirect	Indirect emissions associated with the consumption of externally sourced electricity.
Scope 3 - Indirect	Indirect emissions from transport, from products and services used in the plant; emissions generated outside the plant linked to the use of products.

The 2023 study was conducted in accordance with the international standard **GHG Protocol** rather than ISO 14064:2018 followed in previous years. This was done in order to use a single standard, recognised nationally and internationally in the context of greenhouse-gas emissions reporting and aligned with all other reporting published (CDP, SBTi). This made it possible to avoid use of two different methodologies to measure the organisation’s emissions. Analysis of the organisation’s indirect emissions (Scope 3) considers category **1 Purchased Goods and Services**, category **3 Fuel and Energy-Related Activities**, category **4 Upstream Transportation and Distribution**, category **5 Waste Generated in Operations**, category **7 Employee Commuting**, category **9 Downstream Transportation and Distribution** and category **11 Use of Sold Products**.

With regard to products, since 2024, carbon-footprint product certification will be compliant with the ISO 14067:2018 standard.

GHG emissions have been calculated making a distinction between direct and indirect emissions. In 2023, emissions totalled 555,281 tCO_{2e} (considering Scope 1 + Scope 2 Location Based + Scope 3 emissions). Of these, the main contribution (63%) is from Scope 3 indirect emissions, amounting to 354,497 tCO_{2e}. Direct (Scope 1) and indirect emissions from electricity (Scope 2 Location Based), form over 36% of the organisation’s emissions and outline the scope of action for direct efficiency improvements by ORI Martin. Improvement in the Scope 2 indicator over 2023 is essentially due to the different emissions factor used to calculate emissions from electricity (Location Based), which fell from 0.255 to 0.238 kgCO₂/kWh.

Regarding the Scope 1 category, emissions were mapped in terms of CO₂ equivalent (thus considering the impact of all greenhouse gases and not only CO₂) For full disclosure, Scope 2 Market-Based emissions were also calculated.

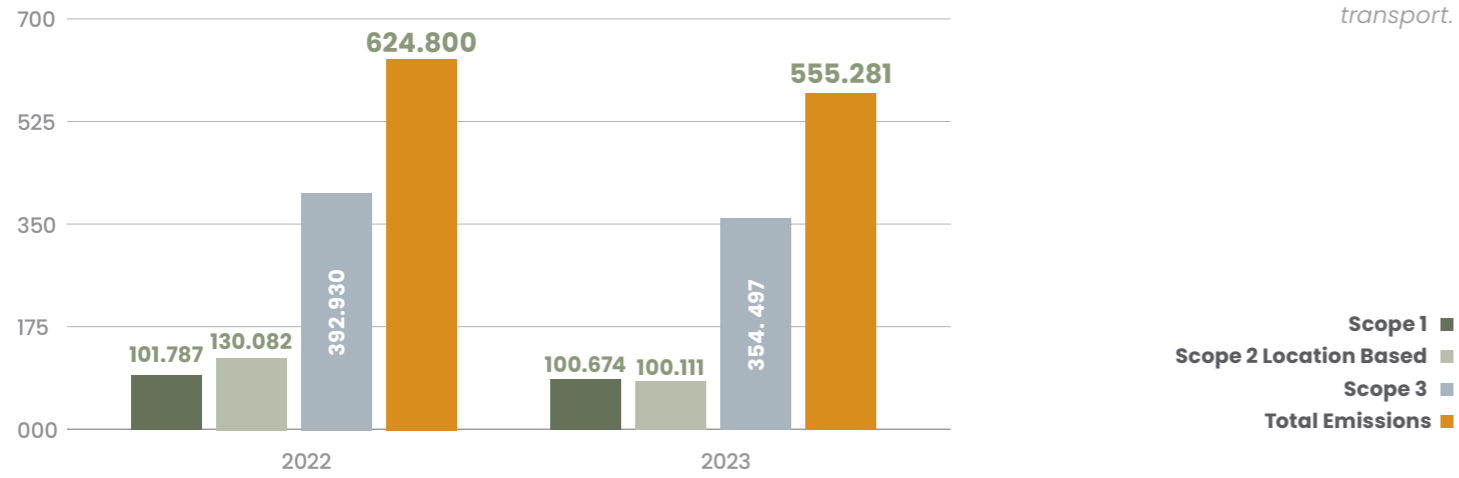
ORI MARTIN S.P.A. GHG EMISSIONS (tCO_{2e})

	2022	2023
Scope 1	101.787	100.674
Scope 2 Location Based ⁴	130.082	100.111
Scope 2 Market Based	202.685	210.141
Scope 3 ⁵	392.930	354.497
Emissioni totali (Location Based)	624.800	555.281
Emissioni totali (Market Based)	697.402	665.311

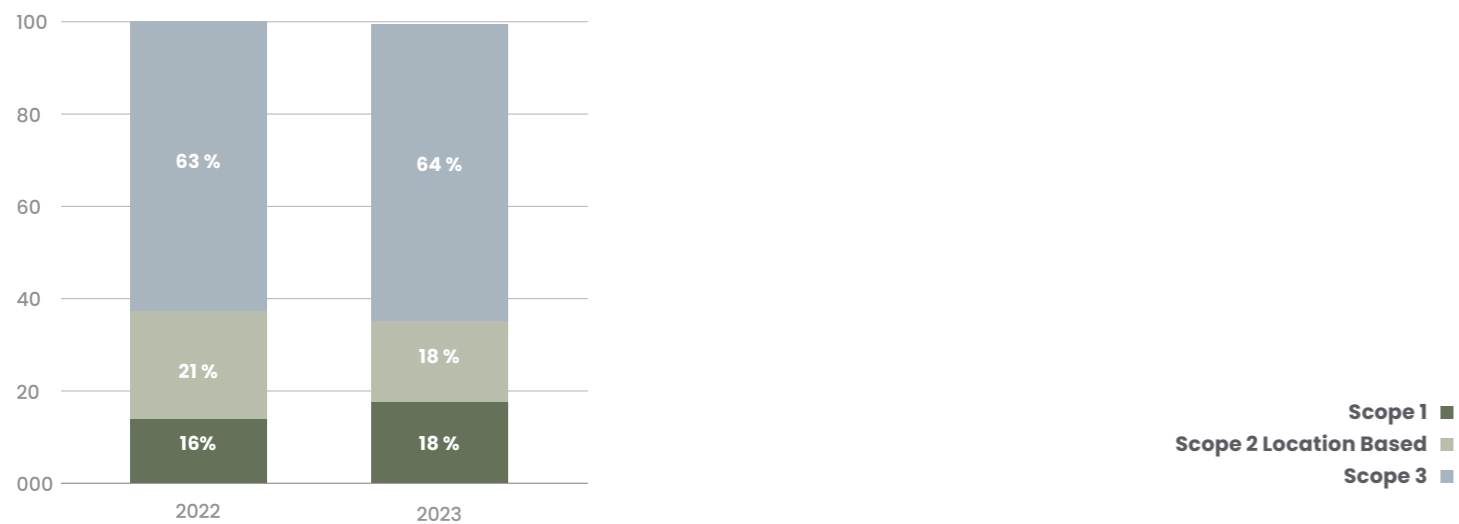
⁴ For the Scope 2 category, the figure for 2022 emissions was recalculated using the definitive ISPRA figure (293.3 gCO₂/kWh), while for 2023 the provisional ISPRA figure was considered.

⁵ The figure for 2022 has been recalculated and the change is attributable to higher resolution assessment of inventory, with mapping of all alloys used in the production process and addition of well to tank emissions related to upstream and downstream transport.

CO_{2e} EMISSIONS (tCO_{2e})



CO_{2e} EMISSIONS PERCENTAGES

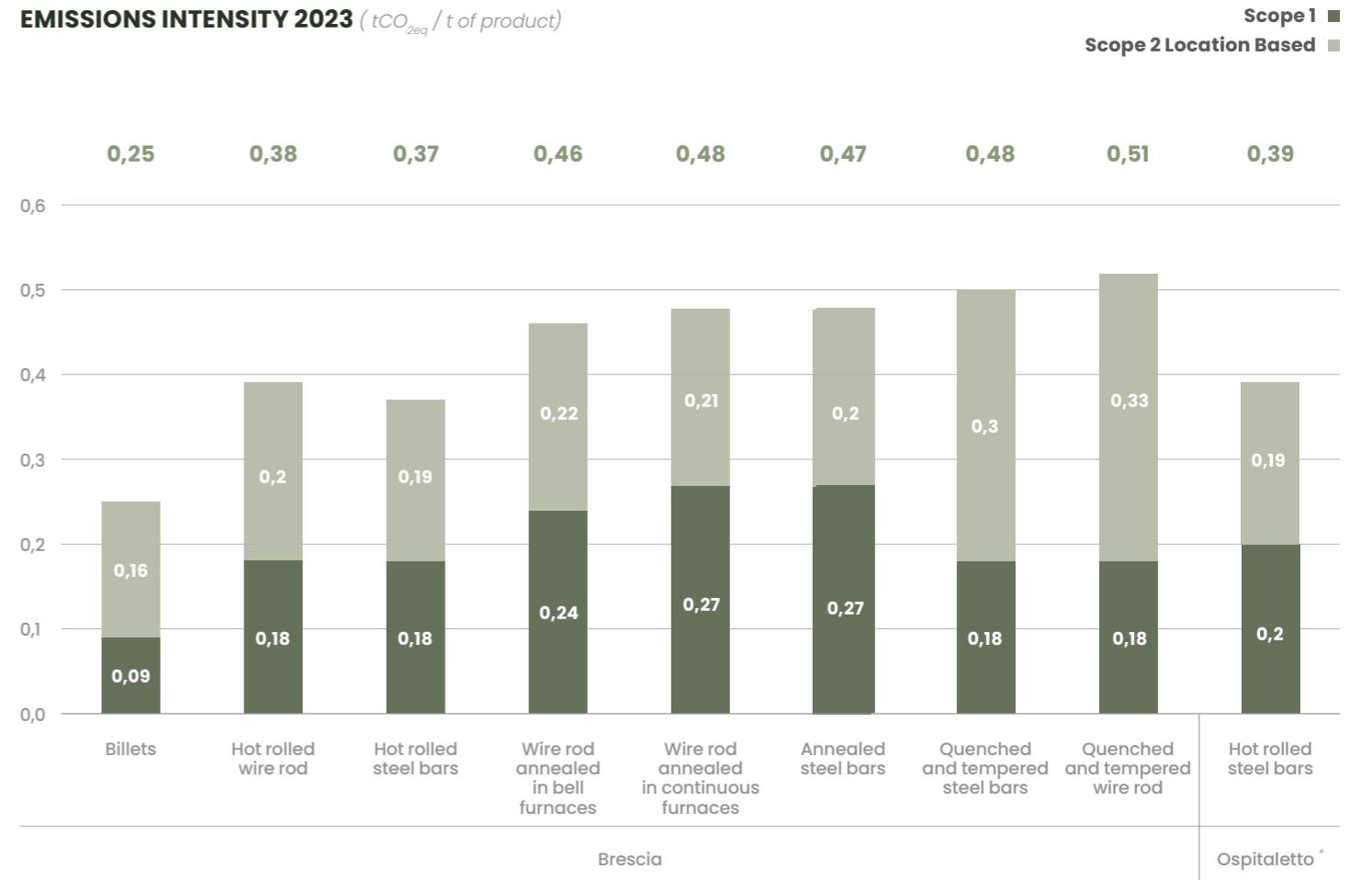


SPECIFIC EMISSIONS PER UNIT OF PRODUCT

Thanks to the carbon footprint study in accordance with the GHG Protocol, ORI Martin was able to determine the emission intensity attributable to each product generated in the different production phases (steel plant, rolling mill or heat treatments). The results of the study also highlighted the contribution of each single emission category which then enabled the identification of actions aimed at reducing the impacts for individual products.

Below are the 2023 figures for tons of CO_{2e} per ton of product (Scope 1 and Scope 2 Location Based), for the Brescia and Ospitaletto sites:

EMISSIONS INTENSITY 2023 (tCO_{2eq} / t of product)



Specific emissions increase as the industrial processes associated with the processing steps linked to each individual product increase. In fact, the processing of steel billets requires fewer steps than the production of rolled products (for example, hot rolled bars) or products subject to rolling and further special processing (for example, quenched and tempered coils).

ENVIRONMENTAL PRODUCT DECLARATION

As a further step towards an environmentally sustainable production, ORI Martin's Brescia plant has conducted Life Cycle Assessment (LCA) of its steel products in order to register them for the Environmental Product Declaration (EPD) certification.

The EPD is a voluntary declaration describing the environmental performances of products in compliance with the ISO 14025 international standard and represents one of the most precise environmental certifications in Italy and in Europe. Achievement of this goal is a key step towards environmental certification of product sustainability.

The declaration was issued at the end of 2022 by an external body after an extended examination of product life cycle performance, attesting the robustness of monitoring and checks on the environmental performance of products. The declaration currently covers steel billets, annealed wire rods and bars, hot-rolled wire rods and bars and quenched and tempered bars.



5.3.2 EMISSIONS INTO THE ATMOSPHERE

Safeguarding air quality is an important consideration for ORI Martin, which employs the best available technology (BAT) in order to meet AIA requirements.

The Brescia plant has 15 emission points, while the Ospitaletto plant has 3 emission points. The most significant emissions are from the fumes abatement system of the steel plant, where there are two side-by-side bag filters. In order to limit the release of micropollutants into the atmosphere, in 2012 the Company installed an activated-carbon dosing system. The injected carbon is retained by the filters and delivered

with the dusts to the treatment and recovery plants. Furthermore, regarding emissions produced by the rolling mill, the Company introduced low NOX (nitrogen oxides) burners on the billet heating furnace. Both the Brescia and Ospitaletto plants are equipped with these solutions. The monitoring of polluting atmospheric emissions involves annual or six-monthly sampling of the outfeed flows from the chimneys which makes it possible to measure the concentration values of the pollutants subject to limitations.

The Appendix shows the values referring to the concentration

detected on the samples taken from the two main emission points at the Brescia plant (chimneys E1 and E1-bis of the steel plant fumes abatement system) compared with the respective minimum thresholds. As shown by the data, the concentrations always remain much lower than the prescribed limits.

For the Ospitaletto plant, the concentration figures are indicated for the main emissions source, which is the heating furnace.

5.3.3 WASTE

Waste is one of the main consequences of the steel production process and ORI Martin manages it within its own certified ISO 14001 management system and in compliance with AIA provisions.

To fully embrace a circular-economy model, it is essential to implement correct and effective management of production processes. This implies the goal of minimising production of industrial waste that cannot be reused and actively promoting recovery of all materials possible. This approach not only helps to preserve resources and reduce the environmental impact, but also to create an efficient and sustainable production cycle. **In 2023, waste sent for recovery represented 80% of the total, entirely treated offsite.**

The main type of waste produced by the Brescia plant is untreated slag, an inert material that develops during the melting of scrap in the electric arc furnace (black slag) and during the treatment of steel in the ladle (white slag). Black slag, following a process of separation and recovery of steel fragments, is sent to authorised platforms specialised in the reuse for road foundations and bituminous conglomerates. White slag is instead sent to approved landfills for disposal after separation and recovery of any steel fragments.

Production also generates a significant amount of scale, a surface layer of iron oxide that is produced when the billets are cooled or rolled. This substance is collected and sent for recovery to be used in the production of cement. Finally, solid waste produced from the treatment of fumes is separated through filtration

by the fumes extraction systems in the hot area of the steel plant. The dust is stored in special silos and then loaded onto trucks to be transferred to authorised companies specialised in the recovery of zinc.

At the Ospitaletto plant, the main type of waste is scale produced during steel rolling.

In 2023, a total of 130,697 tonnes were generated by ORI Martin's operations. This figure in line with the 131,332 tonnes total in 2022⁵. The main type of non-hazardous waste is slag, which makes up 70% of total non-hazardous waste. The category of hazardous waste, on the other hand, is almost entirely composed of solid waste deriving from treatment of steel-plant fumes, corresponding to 97%.



5.3.3 WASTE

TYPE OF WASTE (TONNES)	2022	2023
	Group	Group
Non-hazardous recovered waste	97.527	97.461
Non-hazardous waste directed to disposal	26.304	26.107
Total non-hazardous waste	123.831	123.568
Hazardous waste recovered	7.455	7.031
Hazardous waste directed to disposal	46	98
Total hazardous waste	7.501	7.129
Total waste	131.332	130.697

⁶ The figures for hazardous waste directed to disposal in 2022 have been partially corrected on the basis of new evidence made available following completion of reporting activity for the 2022 Sustainability Report.

CHAPTER 5 – ENVIRONMENTAL RESPONSIBILITY

5.3.4 NOISE POLLUTION

ORI Martin pays great attention to the acoustic impact caused in the surrounding area by the activities of the plant and the movement of heavy vehicles. For several years, the Company has run measurement campaigns to monitor the acoustic impact on the surrounding area and has taken action in the most critical areas of the plant by installing soundproofing walls and doors with the aim of containing the noise produced by systems.

These actions have enabled compliance with the zone-based noise pollution limits set by the relevant Municipal Governments. Furthermore, to ensure transparency, in Brescia the Company has adhered to the external reporting system, set up by the Observatory established by the Municipality (see box “ORI Martin Observatory”), which guarantees citizens the possibility to report disturbances in the area.

5.3.4 NOISE POLLUTION

THE ORI MARTIN OBSERVATORY

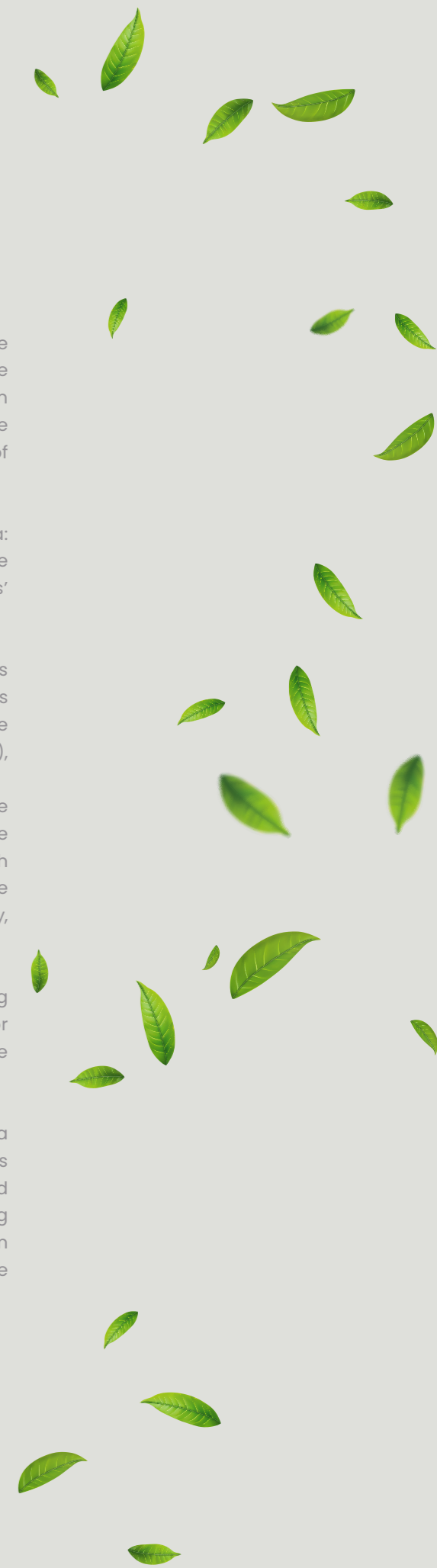
In order to establish a stable communication channel and ongoing dialogue between institutions, the Company and the neighbourhood in an area with close co-existence of industrial sites and residential areas, since 2013 the ORI Martin Observatory has been active. This was established to develop and consolidate the first ORI Martin Technical Table, set up by the Municipal Government of Brescia in 2010.

The body includes representatives of the main stakeholders in the area: members of the Executive and Municipal Council, the District Council, the Council for the Environment, as well as a Company representative and a workers’ representative.

Key topics concern information on environmental impacts and traffic issues resulting from activity at the Brescia plant, and seeking solutions to the problems reported by citizens. The Observatory’s activity is periodically reported on the website of the Municipal Government of Brescia (www.comune.brescia.it), where the 2023 report is available, referring to activity until the end of 2022. Direct communication with the territory is carried out through a procedure whereby the Company guarantees to listen to any reports from the neighbourhood regarding disturbance attributable to industrial activity such as vibrations, dust, odour and traffic. The procedure establishes that a suitable number of reporting parties, residents in the neighbourhood next to the factory, can transmit reports promptly.

The report is then recorded in a special register “Citizen Nuisance Reporting Model”, which also records the actions taken by the Company to eliminate or reduce any anomalies. This register is available to the Observatory and the District Council.

In recent years, transparent dialogue between the Company and the local area has reduced the number of noise complaints. On this basis, ORI Martin intends to continue on the established path of collaboration between company and the surrounding area (with reporting parties and a technical panel) seeking possible tangible improvements. In 2023, the fixed noise-measurement system was replaced with a more advanced system that enables quicker and more precise monitoring.



Social responsibility

SDGs	Description	Description
 <p>3 GOOD HEALTH AND WELL-BEING</p>	<p>Good health and well-being</p>	<p>Human resources are central to the achievement of ORI Martin's objectives for growth. Recognising the strategic importance of its employees, the Company safeguards their well-being by strengthening safety measures and focusing on their professional development and proper integration into the corporate culture.</p>
 <p>4 QUALITY EDUCATION</p>	<p>Quality education</p>	
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>Decent work and economic growth</p>	<p>Management of personnel is rooted in the Code of Business Conduct. This promotes respect for equal opportunities, development of individual skills, promotion of teamwork and continuous learning, in the context of overall efforts to nurture the skills and expertise of every individual through training and professional development pathways involving all members of personnel. Particular attention is paid to the Company's relationship with the local community, through initiatives promoting inclusivity and diversity and the evaluation of suppliers to also avoid illegal activity in developing countries.</p>
 <p>11 SUSTAINABLE CITIES AND COMMUNITIES</p>	<p>Sustainable cities and communities</p>	
 <p>5 GENDER EQUALITY</p>	<p>Protection of diversity</p>	

6.1 ORI Martin's team

People are key to ORI Martin's success. They represent the most valuable strategic asset, enabling the Group to innovate and achieve new goals. This is why the Company is committed to its employees, promoting professional development and growth and enabling a healthy work-life balance.



6.1.1 WORKFORCE

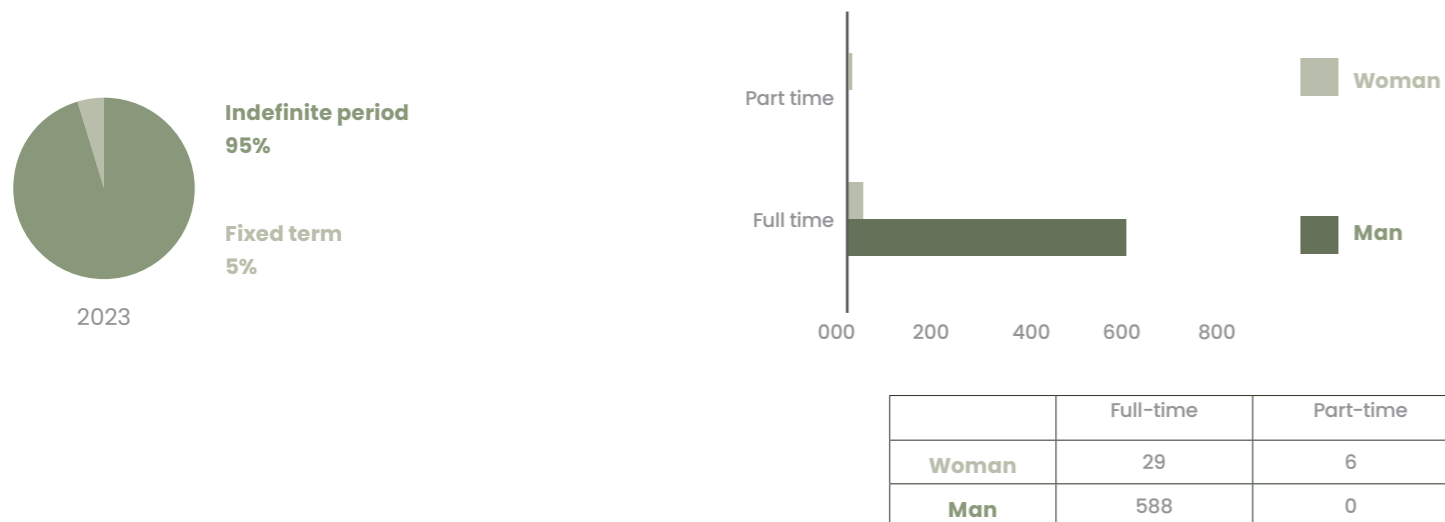
Focusing on the individual is an intrinsic feature of ORI Martin's operations. On this basis, management works every day to ensure **employees and external personnel are constantly safeguarded**. The Human Resources department also works to guarantee that employees receive the **recognition they deserve, proper training and adequate professional development** in general. Definition and management of policies for personnel management are the responsibility of the Human Resources department, in accordance with the guidelines issued by the Board of Directors.

The importance placed on people is also demonstrated by ongoing and significant investment in human resources, with **35 new members of personnel in 2023** (approx. + 6% compared to 2022). At 31 December 2023, the total number of employees was 623. Considering direct employees, 94% of the workforce is made up of men and the remainder of women. This figure is aligned with the averages for the steel sector, particularly with regard to blue-collar workers. However, the white-collar workers are made up of 20% female employees, in

line with 2022.

Continuity of working relationships is guaranteed, with approximately **95% of employees on permanent contracts**.

In terms of employment type, the majority of the workforce are on full-time contracts (99%), without overlooking the needs of employees seeking part-time employment and the need to balance the demands of work and family life, particularly regarding female employees.



ORI Martin aims to contribute to local employment in the areas in which it operates, as demonstrated by the fact that almost the entirety of its workforce are from the province of Brescia or from areas around its sites.

Over the years, ORI Martin has established solid relationships with employees and trade unions based on **mutual respect and recognition**, promoting continuous dialogue on the issues of greatest importance for employees.

The Company operates in **full compliance with applicable legislation**, demonstrated by the fact that almost all employees are safeguarded by collective bargaining agreements.

Specifically, for the Brescia site, the national collective agreement applied is the CCNL Metalworking-Industry contract. This is accompanied by secondary corporate negotiations, renewed in 2021 and valid for four years, which guarantee employees a series of additional economic benefits, including a productivity bonus, quality bonus, professional-expertise supplement and training bonus. The Metalworking collective agreement is also applied at the Ospitaletto plant and, as in Brescia, incentives are in place connected to the achievement of specific production standards, in terms of both quantity and quality.

The Company is committed to meeting and informing trade unions, with sufficient prior notice, in relation to strategic company decisions that may lead to significant changes in the existing production structure and the organisation of work.

In 2023, **25 employees took parental leave: 24 men and 1 woman**. 96% of personnel taking parental leave returned to work in the same financial year, and the employee who was no longer employed in the months following their leave resigned voluntarily.

Employees taking parental leave	At 31 December 2023		
	Men	Women	Total
Number of employees with right to parental leave	181	10	191
Total number of employees who took parental leave	24	1	25
Total number of employees who returned to work at the end of parental leave and were still employed 12 months after returning to work	23	1	24
Return rate and maintenance of employees taking parental leave	96%	100%	96%

The professional category with highest number of employees is that of blue-collar workers (approx. 69%), in line with 2022, followed by white-collar workers (26%). The majority of Group employees fall within the age range of 30 to 50 years old, representing 58% of the workforce.

Group personnel by professional category and gender						
Professional category	At 31 December 2022			At 31 December 2023		
	Men	Women	Total	Men	Women	Total
Executives	14	0	14	12	0	12
Middle Managers	12	1	13	15	2	17
Office Staff	108	28	136	129	33	162
Plant workers	425	0	425	432	0	432
Total	559	29	588	588	35	623

Group personnel by professional category and gender								
Professional category	At 31 December 2022				At 31 December 2023			
	< 30 years old	30 – 50 years old	>50 years old	Total	< 30 years old	30 – 50 years old	>50 years old	Total
Executives	0	2	12	14	0	1	11	12
Middle Managers	0	8	5	13	0	9	8	17
Office Staff	11	83	42	136	18	100	44	162
Plant workers	59	250	116	425	59	252	121	432
Total	70	343	175	588	77	362	184	623

New employee hires and employee turnover

As in previous years, growth of the workforce is linked to an ongoing upward trend in new hires. In 2023, there was a total of **77 new hires**, representing **an increase of 37% compared to 2022**. Illustrating ORI Martin's renewed commitment to human capital as a key factor of long-term company growth, considering the new hires, around **55%** are employees in the age range of **30 to 50 years**, primarily due to the features of the sector, which require a high level of technical skills. Additionally, with a view to nurturing a younger workforce, **33 new members of personnel have been hired in the "under 30" age range**, an improvement on the 19 new hires in this category in 2022.

HIRES										
Number and rate of turnover of new hires by gender and age	At 31 December 2022					At 31 December 2023				
	< 30	30 – 50	>50	Total	Rate	< 30	30 – 50	>50	Total	Rate
Men	19	31	4	54	10%	30	36	2	68	12%
Women	0	2	0	2	7%	3	6	0	9	26%
Total	19	33	4	56	10%	33	42	2	77	12%
Rate	27%	10%	2%	10%		43%	12%	1%	12%	

Meanwhile, **41 members of personnel left the company**, leaving the rate of those leaving out of total employees at 31 December at around 7%. Specifically, of the 41 members of personnel leaving in the year, 15 were employees over the age of 50 and were primarily linked to retirement.

TERMINATIONS										
Number and rate of turnover of terminations by gender and age	At 31 December 2022					At 31 December 2023				
	< 30	30 – 50	>50	Total	Turn over	< 30	30 – 50	>50	Total	Turn over
Men	1	12	10	23	4%	9	14	15	38	6%
Women	0	1	1	2	7%	1	2	0	3	9%
Total	1	13	11	25	4%	10	16	15	41	7%
Turnover	1%	4%	6%	4%		13%	4%	8%	7%	

6.1.2 A SAFE WORKPLACE

ORI Martin considers occupational **health and safety** a priority for the protection of its personnel and all external stakeholders it deals with.

In this regard, **the Company is fully committed to achieving excellence in the sphere of safety and to promote a culture of awareness throughout the organisation.** This translates into **organised management of health and safety**, aimed on one hand at positively and concretely meeting the needs of all parties involved, and on the other hand at ensuring a **health and safe working** environment for all employees, constantly analysing working environments and taking into consideration all factors relevant to safety.

In execution and development of these activities, ORI Martin has adopted an increasingly structured approach capable of guaranteeing the highest standards of health and safety for its people, starting with risk assessment of its production activity. In order to achieve this goal, ORI Martin conducts its activity within its production plants in accordance with local legislative requirements, establishing constant dialogue with employees and ensuring that access to all company structures, and processes assigned to external parties, take place in complete safety. In this regard, in 2019, the health and safety management system was updated, adopting the principles of standard **ISO 45001**, which covers all employees and workplaces of the plants. This

certification was renewed in 2023 through a specific audit performed by a third-party organisation, and no significant non-conformities were identified.

Furthermore, **the Brescia plant is classified as a major accident risk** (RIR plant with low threshold) pursuant to Italian Legislative Decree 105/15 implementing Directive 2012/18/EU. This is in relation to the storage, beyond the thresholds set by the decree, of abatement powders for fumes containing dangerous substances, in particular zinc oxide and lead compounds classed as dangerous for the environment.

On this basis, in accordance with the Decree, ORI Martin has prepared a Major Accident Prevention Policy, which includes targets set in the field for prevention and control of major incidents in relation to safeguarding health & safety, the environment and assets.

According to the management system, the safeguarding of workers' health and safety is guaranteed by a dedicated structure operating in close cooperation with the Plant Management. This structure, in implementation of the provisions



established through corporate negotiations, meets on a quarterly basis and is composed of different key figures, including **the Head of the Prevention and Protection Service (RSPP), safety officers, Department Heads, the Human Resources Manager and Worker Safety Reps (RLS)**, each with a specific and essential role in maintaining a safe and healthy working environment.

In addition to this, there is a **system of internal reporting**, which is managed in order to **identify appropriate corrective actions or improvements.** All reports considered valid are analysed by management, by the RSPP and by department heads involved, and may lead to improvement actions.

In accordance with Italian Legislative Decree 81/2008, ORI Martin manages dangers connected with health and safety in plants by identifying and evaluating the risks through a special procedure aimed at their monitoring, mitigation and updating. The Risk Assessment

Document serves to provide an accurate picture of the risks present in the workplace and the **prevention and protection measures adopted for their effective management.** The Risk Assessment documentation is re-examined during the periodic meetings established by Italian Decree 81/08 and updated in the case of significant changes to the layout, systems or equipment.

Active participation of employees is essential to guarantee a safe and healthy working environment. Employees are involved in all phases for the evaluation of dangers and risks, and in implementation of emergency plans. This involvement occurs through flagging of potential dangers, participation in periodic health-and-safety meetings and completion of the necessary training.

Consultation of workers is ensured through the **figure of the Worker Safety Rep (RLS)**, who serves a fundamental role as a communication channel between workers and the Group on health and safety issues. The Worker Safety Reps are involved in all matters set out by Italian Decree 81/08 and are also consulted on issues connected to worker health and safety more generally, as well as for activities linked to the Occupational Health and Safety Management System (SGSL).

All employees receive full, specific training on occupational health and safety. In this regard, ORI Martin is actively committed to prevention, offering specific training and skills courses for employees based on their tasks and the specific risks associated with their work. In 2023, during five-year training updates for workers, the RSPP evaluated

and discussed the Risk Assessment Document with workers. Near misses and injuries during the year were also re-examined, focusing on the corrective actions triggered.

At the time of hiring, all employees participate in an **onboarding programme** that provides them with knowledge of health and safety matters as set out in the aforementioned Decree. The safety manual is provided during this phase. This contains the procedures to follow in all Company departments, the emergency management plan with relative floor plans and applicable personal protection equipment (PPE).

ORI Martin is actively committed to promoting the well-being and safety of its employees, ensuring they are in a good state of health and capable of performing their work safely.

Within the company system, employees benefit from **full healthcare support**, including access to **MetaSalute**, a supplementary healthcare fund identified by the national collective bargaining agreement for the metalworking sector. This fund offers a range of complementary and supplementary healthcare services beyond those guaranteed by the Italian National Health Service. ORI Martin employees can also voluntarily sign up for an **internal healthcare fund (FAIO)** funded by both the Company and the employee, completing the supplementary healthcare offered by MetaSalute and offering additional benefits (e.g. supplementary pay in the event of long periods of illness).

All employees also benefit from **insurance coverage for risk of professional and non-professional injury**, paid for entirely by the Company.

Occupational health services are managed by a **Company Doctor** who performs monitoring and health-surveillance duties, preparing a health report and Health-Surveillance Protocol. These documents are prepared annually following the analysis of generic and specific risks and any testing conducted in the workplace. The Company Doctor also manages periodic medical examinations, providing indications for the prevention and management of

work-related ill health. **Health-surveillance** involves the organisation of regular medical examinations for all employees of every department, including tetanus vaccination, where mandatory for the type of work performed. The annual flu vaccine is also made available to employees who request it. In addition, two annual inspections are performed of the plants, during which a health protocol is drawn up. These checks are supported by diagnostic examinations and an annual periodic meeting, as set out by article 35 of Italian Legislative Decree 81/08.

One of the main problems that frequently affects workers in the steel plant and rolling mill is **hearing loss**. To handle this situation, the Company has implemented a specific monitoring system based on employee age and exposure to risk. In addition to providing single-use ear plugs and standard ear protectors, all employees have a mould taken of their ears in order to provide personalised protectors with technical specifications validated by the safety office.

For workers who are not employees, there is no internal management of health surveillance. During preparation of the Interference Risk Assessment Document (DURVI), the Contractor or Subcontractor is requested to guarantee that the organisation fulfils its obligations pursuant to article 41 of Italian Legislative

Total number of work-related injuries							
Employees	UoM	At 31 December 2022			At 31 December 2023		
		Men	Women	Total	Men	Women	Total
Total number of recorded cases of work-related injuries	n.	25	0	25	30	0	30
Of which, deaths due to work-related injuries	n.	0	0	0	0	0	0
Of which, with serious consequences (>180 days absence)	n.	4*	0	4	0	0	0
Of which, while commuting	n.	0	0	0	0	0	0
Of which, with limited consequences (>3 days absence)	n.	20	0	20	29	0	29
Of which with an absence of less than 3 days	n.	1	0	1	1	0	1
Hours worked	hours	899.237			954.214		
Recorded-work-related-injury rate	%	27,8			31,4		

*Compared to what indicated in the 2022 Sustainability Report, the number of serious-consequences injuries was modified due to the extension of three injuries during 2023, with a consequent absence from work of more than 180 days.

Decree 81/08, also through self-certification.

With regard to injury rates, this table presents the total numbers of occupational injuries involving employees and non-employees.

In 2023, there were a total of 30 work-related injuries, representing an increase of 15% on the previous years. This is primarily due to injuries with limited consequences, largely regarding accidents caused by slipping, impacts, strikes and compressions with machinery and equipment used on a daily basis. The recorded-work-related-injury rate increased from 29.15 to 31.44 per 1,000,000 hours worked. In addition, in 2023, 2 cases of work-related ill health were recorded, involving hearing loss and musculoskeletal problems, both at the Ospitaletto plant. Considering non-employees, in 2023 only 1 accident occurred with limited consequences.

Prevention of occupational health and safety risks is of central importance in order to guarantee a safe and secure working environment for all employees.

The Company is constantly committed to **disseminating a culture of prevention**, implementing practices and procedures that **safeguard the health and safety of its employees**.

A tangible example of this commitment can be seen in the organisation of **two days dedicated to occupational health and safety**. During the first day, ORI Martin hosted a study organised by the **Italian Metallurgy Association**, offering a unique opportunity to present its plants and processing techniques.

This event not only made it possible to share prevention, maintenance and monitoring activity adopted in daily work, but also promoted exchange of knowledge and experience between technical personnel and external personnel of the Company.

On the second day, ORI Martin hosted an edition of **“La persona: prima!”** (people first), a **Confindustria Brescia** initiative promoting safety in the workplace. This project involved various companies, including ORI Martin, united to propagate a comprehensive health and safety culture and share best practices. During this event, the Company presented its **management, monitoring and prevention** activity, also highlighting the processes of technological innovation and digitalisation that contribute to improving safety in the workplace.



Behaviour-Based Safety project

Following on from 2022, ORI Martin continued the **Behaviour-Based Safety** (BBS) initiative promoting the safety of the company’s blue-collar workers. This project aims to **improve the behaviour of workers during operations that carry a risk of injury**.

The method adopted focuses on potentially incorrect behaviour and attempts to bring improvements through **“positive reinforcement”**. Analysis of historical data on injuries and near misses, along with interviews conducted with department personnel, enabled identification of specific behaviours that could represent a risk. These behaviours have been added to a checklist to be used during observations, in order to log the number of “negative” events. Subsequently, corrective measures are defined for each type of behaviour associated with risk, in order to reduce the frequency and severity of potential related injuries.

Smart Track systems

As part of the Lighthouse 4.0 project, work has continued on the **cyber-security project for the development of systems for occupational health and safety of workers in closed and isolated environments**, to quickly, precisely and automatically report and manage possible accidents. These systems are designed with wearable devices that communicate with the various sensors installed at the plant and which transmit an alarm (manual or automatic) and identify the position of the worker in need of help in the event of an accident, using geolocation technology, and enabling a rapid response.



6.1.3 SKILLS DEVELOPMENT

The promotion of in-house skills, expertise and intellectual capital, and professional development of personnel is vital in order to guarantee the success and competitive positioning of a Company in the long term. On this basis, ORI Martin works every day to **develop the skills and individual qualities of every employee**, offering each member of **personnel opportunities for professional growth and development**.

In 2023, the Company confirmed its commitment to continue making significant investments in training, launching various training initiatives with a cross-functional approach, enabling greater cooperation between employees and driving the achievement of strategic goals.

Development of individual skills and continuous learning are included in the list of levers that the **ORI Martin Code of Business Conduct** identifies for management and promotion of its human capital.

Alongside **innovation connected to products and production processes**, ORI Martin considers it essential to **ensure its employee’s skills and expertise are constantly updated**.

Since foundation of the Company, it has recognised the importance of training within the Group, with an onboarding process aimed at welcoming new colleagues. Following on from 2022, in addition to a **mandatory safety course**, new hires also participate in an information course on quality at **ORI Martin and environmental topics**, looking at internal procedures and external relations.

During their professional career, **each employee is encouraged**

to cultivate their expertise and talents and develop new ones. In this context, the Company provides targeted training, in terms of technical and behavioural content. Planning is management annually by the Human Resources function through a dedicated training plan prepared in cooperation with all heads of management systems (safety, quality, energy and environment) and shared with Trade Union Representatives.

Total training hours were around 29 per employee, up on the previous

year (26 in 2022) due to significant investment to strengthen the training plan, leading to a broader training offer and more personalised training programmes. In 2023, in addition to regular training on topics related to environment, energy and health & safety, eight hours were dedicated to sustainability topics, raising awareness amongst all employees on these issues.

As presented in the table, in 2023, 17,942 hours of training were issued, up 16% on the previous year.

Hours of training per person by gender and professional category						
	Hours, men	Per person, men	Hours, women	Per person, women	Total hours	Total per person
Executive	96	8,0	0,0	0,0	96	8,0
Middle Managers	531	35,4	155	77,3	686	40,3
Office Staff	4.649	36,0	884	26,8	5.533	34,2
Plant workers	11.628	26,9	0,0	0,0	11.628	26,9
Total	16.903	28,7	1.039	29,7	17.942	28,8

The Company also continued with the ambitious training pathway launched in 2021, aimed at exploring the theme of internal relations within the Company, linked to **teamwork and diversity**.

After promising results obtained in the field of training over the years, ORI Martin decided to launch the Ment'ORI project in 2023. This initiative involves company management and middle management in the training of their colleagues, with the aim of identifying areas to develop their own potential and that of others, filling any gaps and optimising communication dynamics. These tutoring and coaching activities are not only beneficial for less-expert personnel, but also enrich the transferable skills of managers and middle managers. In addition to training, ORI Martin fosters professional development through a system of personal evaluation. For blue-collar and white-collar workers, goals are set and updated periodically during contract negotiations.

Additionally, for personnel involved in production, the path of individual professional growth involves an evaluation that brings together objective aspects, based on the description of roles (including the complexity of the position and seniority of the employee), and subjective aspects expressed collectively by the figures of reference: team leader, department manager, technical manager and human resources manager.

For management personnel, the system is based on a **management-by-objectives logic**. This uses company strategies to identify key performance indicators (KPIs) and measure the level of achievement of the targets set. On the basis of the results achieved and in line with company budgets, managers may receive bonuses based on their evaluations.

The courses offered at the Brescia plant **include initiatives for training and reflection on specific issues** that go beyond the world of work, including fighting addiction and violence against women, as well as the management of psychological disorders.



UNLIMITED: A TRAINING COURSE ON EXISTING AND NEW FORMS ADDICTION

The Comunità Fraternità organisation has been supporting those with **problems of addiction** in Brescia for over 40 years. Through **Spazio Off**, it has created a dynamic and modern service able to meet the needs of marginalised members of society. Together with the organisation, ORI Martin has offered employees training on existing and new forms of addiction.

The four-hour course alternated classroom teaching with experienced-based materials, including video content, simulations, exercises and direct involvement of operators, with the aim of recognising the elements of development and creativity that “pleasures” can offer and distinguishing them from those that represent an “addiction”.

The project explored more common addictions, such as drugs, alcohol and gambling, but also concentrated on “new” addictions, frequently seen primarily amongst young people, such as those connected with the Internet, social media and video games.

6.1.4 WELL-BEING AT ORI MARTIN

The Company’s commitment to offering a safe and healthy workplace also feeds into its Company Welfare Plan, designed to meet **the needs of employees and guarantee them work-life balance and respect as individuals**.

To facilitate this balance between working and home life, requests to adjust working hours are always accepted and analysed in terms of their feasibility. Various options for altered working hours are also considered for shift workers, whilst guaranteeing production activity.

Following on from 2022, ORI Martin has continued to issue a **bonus for new parents** in the Company, consisting of a one-off additional payment of € 3,000 for each male or female employee who becomes a parent. The goal of this initiative is to provide economic support to the families of employees.

Additionally, in the case of a **marriage or civil union, employees receive a bonus** of € 500 net.

Another important initiative is the partnership with the **“Women in Business”** association, which encourages the presence of women in business. For many years, it has been a priority of ORI Martin to value skills and consolidate a shared culture that places employees and other personnel at the centre of its business.

In this context, the **presence of women within the company has been defended and promoted**, aiming to hire a growing number of



women through tangible measures. The partnership with “Women at Business” represents a further important step in this direction. The partnership with “Women at Business” involves ORI Martin’s participation in working groups for the **promotion of inclusivity in the workplace and creation of ideal employment conditions for female employees**.

The Company also guarantees a monthly contribution to the **Cometa supplementary fund**, paying in a higher amount than that set by the national collective bargaining agreement. ORI Martin offers **special bursaries** to cover the costs incurred by employees for middle, secondary and university education of their children, such as tuition fees, university fees and costs for books.

Another welfare initiative, also established by trade-union agreements, offers the possibility for a portion or all of workers to donate an hour’s pay to the inheritance of a Company colleague **in the event of their death**. The Company usually contributes with a sum of equal amount.

Finally, there are also **seniority and marriage bonuses, Christmas gifts** and gifts for the children of employees to celebrate the **Santa Lucia holiday**.



WELL-BEING AT WORK

WELFARE

INCLUSION

ELDERLY GROUP

HOURS OF STUDY

SUPPLEMENTARY FUND

SUPPORT

PREVENTION

In December 2022, as part of its **Christmas celebrations**, ORI Martin decided to gift its employees products **made exclusively in Brescia**, standing as an ambassador for the area and the excellence of its food products. For this initiative, ORI Martin worked with **“Brescia nel piatto”**, a new business set up by three young people in Brescia and active in the province since 2020, which has chosen **local food as a way to promote the Brescia region**, which boasts just short of 10,000 agricultural businesses.

On the prevention front, the Company offers **all employees the opportunity to receive the flu vaccine free of charge**. In addition, in relation to the campaign run by the **ANT Foundation**, in 2018 the Company organised **free visits for employees for prevention of melanomas and thyroid cancers**. Twice a year, it provides support to the Foundation through fund-raising campaigns organised at the Company canteen. Also in the prevention, information sessions were organised in previous years by the Italian **Organ Donor Association (AIDO)** which, in 2019, presented ORI Martin with a **“gold medal for social commitment”**. This award is given to individuals, institutions or professionals who have contributed to building a culture of donation through collaboration with AIDO.

Finally, a historic feature of the Company is its **Seniors Group**, active since 1980 in ORI Martin and subsequently extended to other Group companies. The aims of the Seniors Group are to build **relationships between old workers and active workers**, to encourage volunteering outside working hours, to support members or their families in difficult situations and to promote educational, cultural and recreational activities.

The Seniors Group has 380 members, of which 236 are active members of the workforce and 152 are retired personnel. **“Company Seniors” day is celebrated yearly on 1 May**.



6.2 Supply-chain partners

Suppliers have always represented **essential partners** for growth of the Group, and efforts are made to cultivate a relationship rooted in **respect, loyalty and impartiality**.

ORI Martin acts on this commitment through its founding principles and values, as set out in the Code of Business Conduct, in the context of all daily activity with commercial partners; first and foremost suppliers and customers.

Supply-chain management is an absolute priority for ORI Martin. Not only is it essential to guarantee responsible procurement, but also to ensure a positive impact on the environment, workers’ rights and local communities. On this basis, **the Company is committed to working in close collaboration with its suppliers to develop and implement sustainable practices throughout the supply chain**. ORI Martin recognises that a sustainable business approach regards not only its internal operations but also its influence on the supply chain.

Therefore, the Company requests that all suppliers share and adopt its model of conduct, which places a focus on **ethics, social responsibility and environmental impacts**.

Recognising the strategic importance of selecting reliable partners to build solid and lasting growth, ORI Martin adopts a detailed supplier selection procedure (**also in accordance with standards ISO 9001 and IATF 16949**) and listens carefully to customers and their needs.

Before being accepted as qualified suppliers and added to the Register, potential ORI Martin suppliers go through a **rigorous assessment procedure involving various corporate functions**. This procedure guarantees that suppliers meet the highest professional and quality standards for all relevant aspects.

Assessment of suppliers is performed by managers of the various corporate areas, including **the Purchasing, Quality, and Environment and Safety Offices**. Each manager expresses their assessment based on their specific skills and expertise. Particular attention is paid to suppliers of raw materials required for

production. These suppliers play a crucial role and must demonstrate that they are able to supply high-quality materials compliant with the required standards. This includes suppliers of scrap and suppliers of outsourced services. Only after the successful outcome of this assessment procedure are suppliers qualified and added to ORI Martin’s Supplier Register. This process ensures that only high-quality and highly reliable suppliers are selected to work with the company. These suppliers have a **certified quality management system in accordance with the UNI EN ISO 9001/2015 framework**.

Suppliers of scrap must also have certification pursuant to **EU Regulation 333/2011** for the handling of scrap metal that ceases to be waste. All suppliers must observe environmental and safety regulations. Additional requirements have been introduced to assess alignment of suppliers with safety and environmental standards, guarantees of employment and



6.2 SUPPLY-CHAIN PARTNERS

such as punctuality of deliveries. The main ORI Martin supplies originate primarily from northern Italy, as the plant is located in an industrial district that is home to numerous actors in the steel supply chain. The proximity of suppliers is also a competitive advantage in terms of reducing transport costs. For this reason, assessment of suppliers is based on a series of criteria, including **product quality, conformity with required specifications, prompt delivery and the ability to guarantee a reliable service.** These parameters are assessed objectively and transparently, guaranteeing that suppliers maintain the quality standards demanded by ORI Martin.

Through the assessment process, ORI Martin can identify any areas for improvement and work in synergy with suppliers to guarantee a continuous supply of high-quality products and services. ORI Martin is committed to maintaining close partnerships with its suppliers, promoting a relationship of mutual trust and working together to achieve quality goals and customer

6.2 SUPPLY-CHAIN PARTNERS

satisfaction. The most important raw material purchased is scrap, supplied primarily by the associate company **AOM Rottami S.p.A.**, based in Lombardy. Pig iron and reduced iron comes from outside the EU.

The supply of materials used in production is monitored also in terms of the **CO₂ emissions produced.** For each supplier, volumes transported and kilometres travelled are recorded for each delivery. The calculation is then included in scope 3 emissions for carbon-footprint analysis, as specified in Chapter 5.3.1 Greenhouse gas emissions and CO₂ footprint.

Going forward, ORI Martin is committed to implementation of a structured and clearly defined process for supplier management. The primary goal of this **process will be to promote the development stable and lasting relationships** with partners of the company and to guarantee continuous innovation, increased quality and integration of sustainability actions throughout supply chains.

Listening to customers, recognising their needs and requests, and the development of solutions that can meet and anticipate their requirements are strategic activities of vital importance for a company with its competitive advantage rooted in working to order on the basis of the specific needs of its consumers.

ORI Martin adds value upstream of processing through the customisation and adaptation of production based on the requests of customers, generating comprehensive and innovative proposals. Downstream from the order, the Company gathers and complaints through a specific function and periodically conducts **customer-satisfaction** surveys and analyses with its clients, verifying the efficacy of its products and services. In addition, ORI Martin is committed to establishing commercial relationships with solid foundations

in shared standards and ethical principles. In this context, it provides all customers with a declaration, renewed every year, which excludes business relationships with countries in conflict zones. This enables customers to declare the absence of **conflict minerals** in the steel they purchase, meaning that it does not contain resources extracted in high-risk regions where the trade in minerals may rely on forced labour or be used to finance illegal activity. ORI Martin operated in accordance with the principles of the UN Global Compact, even though it is not formally a participant.

ORI Martin is committed to favouring intermodal transport for the delivery of its products to foreign customers. Due to the long distances that must be travelled, this enables a significant reduction in greenhouse-gas emissions.

In terms of trade associations, ORI Martin is an active member of the leading organisations in its sector: **Federacciai and the Italian Metallurgy Association (AIM).**

In the context of participation in the **Brescia Industrial Association (AIB)**, the Company is part of RAMET, a consortium of over twenty companies in the steel and metallurgy sectors involved in research projects in the environmental sphere. Additionally, ORI Martin is also a member of the Italian Association for Wire and Cable Manufacturers (**ACIMAF**) and other entities working in the automotive value chain, such as the **Italian Association of Fasteners Manufacturers (UPIVEB)** and the **Italian Association of Spring Manufacturers (ANCCEM)**, and collaborates with technology clusters driving innovation.



regular payment of wages. Maintenance of these requirements is monitored by the IT management system that logs the expiry of certificates.

For purchased materials considered to be **“dangerous substances/mixtures/products”, to man or the environment**, the supplier is always required to provide the corresponding **Safety Sheet** detailing the characteristics and safety and environmental aspects.

For all order, suppliers are required to fully comply with the provisions of **Italian Legislative Decree 231/2011**, in compliance with the contents of the ORI Martin Code of Business Conduct, as well as sharing the provisions of **Italian Legislative Decree 196/2003** (Privacy Code) and **EU Regulation 676/2016** (GDPR) which therefore all represent binding contractual conditions.

Every year, ORI Martin suppliers are assessed using a **rating system** that takes into account the **quality of the product and service provided.** This rating is determined automatically using an algorithm that combines any instances of non-conformities identified in the period in question with other parameters,

AOM, strategic partner for scrap

The guarantee of a high-quality ORI Martin product begins at the very start of the process, with the meticulous selection of raw materials. Around 95% of raw materials used are scrap metal, which therefore has a very central role in the production process. In order to ensure the highest standards of quality and reliability of its raw material, ORI Martin can rely on a consolidated relationship with AOM Rottami S.p.A., which supplies over 80% of the annual requirement. AOM Rottami is a company estab-

lished in 2005 by ORI Martin and a historic, expert partner in the scrap-metal sector. AOM Rottami collects, processes and sells scrap metal. With its headquarters in Bergamo, AOM Rottami has capacity for the storage, transformation and shipping of over 100,000 tonnes per month.

In addition to the requirements established by ORI Martin for all scrap suppliers (including ISO 9001/2015 certification and certification in accordance with EU Regulation

333/2011), AOM Rottami is also certified in accordance with standards ISO 14001/2015 (Environmental management system) and ISO 45001/2018 (Occupational health and safety management system), thus providing a further guarantee of a management system built on monitoring and continuous improvement of its environmental, and worker-health-and-safety performance.

**AOM
ROTTAMI**

6.3 Territory

ORI Martin’s commitment to play an **active and integral role** in the community in which it operates translates into a readiness to listen, understand and act in relation to the **community’s needs and expectations**.



Over the years, it has established **strong ties with the local area** (municipal administration and neighbourhood committee), based on the principles of constant dialogue and mutual respect, outlining a pathway for shared development and growth.

Considering the indirect impacts generated by traffic to and from the plant, ORI Martin has invested in redesigning the access routes and incentivising alternative means of travel. **It has built over 3 km of cycle paths around the plant**, recently also equipped with a **municipal bike-sharing service point** to incentivise employees who can reach work by bike.

Another initiative to increase green space in the neighbourhood took the form of a **donation to the municipality in 2020 for an urban woodland**. Located north of the plant and named after **Giovanni Marcolini**, a volunteer from the neighbourhood, it contains a commemorative bust of the Company’s founder, Oger Martin. Following creation of this park, the Company launched a partnership with the municipality of Brescia for its enhancement.

The project involves **installation and maintenance of art works**. A contemporary-art walk will be mapped out dedicated to sculpture, and a programme of cultural activities and concerts will be organised. The first work is currently being created: a sculpture dedicated to the memory of **Annamaria Magri**, Vice Chairwoman of ORI Martin who was tragically lost to Covid-19 in March 2020.

During the Covid-19 emergency, ORI Martin participated in various

initiatives (**aiutiAMO Brescia and SOSTieni Brescia**), organised in the area to manage the health, social and labour emergency caused by the pandemic, in memory of the Annamaria Magri.

Important commitments in the **social sphere** include generous support, since its foundation in 1983, to the **Nikolajewka school**, an important institution in the field of disabilities, and support since 2019 for the Punto di Comunità (community point) project, a decentralised office of the municipal administration working with the elderly and less able members of the local population.

In 2023, in collaboration with **Bazzini Consort**, the Company organised an event aimed at building a connection between the worlds of work and music through a symphonic concert inside the Brescia plant. The young musicians conducted by Aram Khacheh played a selection of famous works of opera by Mozart, Rossini, Verdi and Bizet.

In addition, during the reporting period, ORI Martin participated in the competition for **Brescia-Bergamo Capital of Culture**, with **creation of a work stretching 150 m** along the boundary wall of the plant. The mural, which was exclusively made by artists from Brescia, won the **“Street art. Inventare la bellezza in periferia”** (Street art. Inventing beauty in the suburbs”) contest to bring the centre and outskirts together in a challenging setting.

In the field of education, the Company supports the **Benedetto Castelli foundation**, which promotes and strengthens the educational offer of the technical school of the same name.

Regarding culture, ORI Martin has supported the **MUSIL** Museum of Industry and Labour for many years. This museum is unique in Italy, and has several sites in the Province and is set to open its central site in the city over the next few years. Confident that relations with the local area are developing on various fronts, ORI



For more than forty years, ORI Martin has supported over **thirty associations and institutions operating in social**, cultural and artistic spheres, with annual donations and supported over the years together with the Company’s Seniors Group.



Martin's commitment is also focused on supporting and strengthening the social and relational fabric it is a part of, along with its artistic and cultural heritage. In 2023 the Company renewed its involvement in the project **"Alleanza per la cultura"** (cultural alliance), supporting cultural initiatives run by the Brescia Museums Foundation.

In this context, ORI Martin has contributed to the prestigious recognition gained by the Brescia Museums Foundation, which was included amongst the **winners of the CULTURA+IMPRESA 2022-2023 culture and business award**, thanks to a project for the renewal and enhancement of the **Santa Giulia Museum and the Brixia Roman Archaeological Area of the Brescia Museums Foundation**. This initiative began in 2019 when the Foundation provided for the restoration of the Winged Victory, one of the most extraordinary statues from the Roman age and symbol of the city of Brescia. This was then installed, with an important new display designed by Spanish architect Juan Navarro Baldeweg, inside the Temple of the Capitoline, returning the work to the place it was discovered and consolidating its iconic status. This innovative museum visit, designed with the most up-to-date standards in terms of accessibility and multimedia artistic installations, enables full and integrated exploration of ancient Brixia, from the Santa Giulia Museum to the Roman Archaeological Park. Additionally, between January and February 2023, ORI Martin was involved in

the touring exhibition **"Io ti ascolto"** (I hear you) organised by OMB Saleri in collaboration with the **"Casa delle donne"** women's organisation, secondary schools in Brescia, ORI Martin and Elea S.p.A., and sponsored by the municipality of Brescia and the "Le imprenditrici Confindustria" group for women in business. The exhibition brought together 20 poems written by boys and girls of schools in the province, drawn from entries to the "Monia Delpero" literary prize, created in memory of Monia, who was killed at the age of 19 by her ex-boyfriend in 1989. The aim of the prize and exhibition was to **raise awareness on issues of gender equality, respect and violence against women**.



Statistical appendix

STATISTICAL APPENDIX

¹ The figure for 2023 is negative for accrued tax credits and payments advance tax payments.

² The item "Value to capital providers" includes the share of dividends distributed to shareholders during the year.

³ GRI indicator 2-7 also requires the number of intermittent contracts and the number of employees of the "other" gender or "not indicated." In 2023, as in previous years, these categories do not include any employees of ORI Martin S.p.A.

GRI 201-1 DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED

Generated value	2022	2023
Value of production	694.721.240	512.110.197
Income from equity investments	1.002.600	3.355.000
Other financial income	1.387.896	4.244.275
Total value generated	697.111.736	519.709.472

Distributed value	2022	2023
Value to suppliers	564.154.836	429.953.834
Value to employees	42.186.778	43.271.225
Value to the Public Administration ¹	728.634	- 4.222.995
Value to capital providers ²	2.175.362	9.290.211
Value to the community	565.156	476.327
Total value distributed	609.810.766	478.768.601

Retained value	2022	2023
Operating income	59.296.925	7.597.655
Depreciation/Provisions/Write-downs/Revaluations	28.004.045	33.343.216
Total retained value	87.300.970	40.940.871

GRI 2-7: EMPLOYEES³

	2022			2023		
	Men	Women	Total	Men	Women	Total
Total workforce	559	29	588	588	35	623
Permanent contracts	533	29	562	560	34	594
Fixed-term contracts	26	-	26	28	1	29
Full time	559	25	584	588	29	617
Part time	-	4	4	-	6	6

GRI 2-8: WORKERS WHO ARE NOT EMPLOYEES

Contract type	2022	2023
Internship	1	-
Interim personnel	3	-
Freelancers	-	-
Total	4	-

GRI 401-1 NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER

Number and rate of turnover of new hires by gender and age	Hires					
	2022			2023		
	Men	Women	Total	Men	Women	Total
< 30	19	-	19	30	3	33
30 – 50	31	2	33	36	6	42
>50	4	-	4	2	-	2
Total	54	2	56	68	9	77
Positive turnover	10%	7%	10%	12%	26%	12%

Number and rate of turnover of employees who left the group by gender and age	Turnover					
	2022			2023		
	Men	Women	Total	Men	Women	Total
< 30	1	-	1	9	1	10
30 – 50	12	1	13	14	2	16
>50	10 ⁴	1	11	15	-	15
Total	23	2	25	38	3	41
Negative turnover	4%	7%	4%	6%	9%	7%
Overall turnover	6%	0%	5%	5%	17%	6%

GRI 401-3 PARENTAL LEAVE

Employees taking parental leave	At 31 December 2023		
	Men	Women	Total
Number of employees with right to parental leave	181	10	191
Total number of employees who took parental leave	24	1	25
Total number of employees who returned to work at the end of parental leave and were still employed 12 months after returning to work	23	1	24
Return rate and maintenance of employees taking parental leave	96%	100%	96%

⁴ The figure includes two employees who left the group at 31/12/2021.

GRI 404-1 AVERAGE NUMBER OF HOURS OF TRAINING PER YEAR, PER EMPLOYEE

Professional category	2022			2023		
	Men	Women	Total	Men	Women	Total
Executives	7,0	0,0	7,6	8,0	0,0	8,0
Middle Managers	25,6	6,0	24,1	35,4	77,3	40,3
Office Staff	27,1	19,4	25,4	36,0	26,8	34,2
Plant workers	27,2	0,0	27,3	26,9	0,0	26,9
Total	26,7	20,3	26,3	28,7	29,7	28,8

GRI 405-1 DIVERSITY OF GOVERNANCE BODIES AND EMPLOYEES

Professional category	2022			2023		
	Men	Women	Total	Men	Women	Total
Executives	14	-	14	12	-	12
Middle Managers	12	1	13	15	2	17
Office Staff	108	28	136	129	33	162
Plant workers	425	-	425	432	-	432
Total	559	29	588	588	35	623

Professional category	2022		2023	
	Men	Women	Men	Women
Executives	100%	0%	100%	0%
Middle Managers	92%	8%	88%	12%
Office Staff	79%	21%	80%	20%
Plant workers	100%	0%	100%	0%
Total	95%	5%	94%	6%

Professional category	2022				2023			
	<30 years old	30 – 50 years old	>50 years old	Total	<30 years old	30 – 50 years old	>50 years old	Total
Executives	0	2	12	14	0	1	11	12
Middle Managers	0	8	5	13	0	9	8	17
Office Staff	11	83	42	136	18	100	44	162
Plant workers	59	250	116	425	59	252	121	432
Total	70	343	175	588	77	362	184	623

Professional category	2022			2023		
	<30 years old	30 – 50 years old	>50 years old	<30 years old	30 – 50 years old	>50 years old
Executives	0%	14%	86%	0%	8%	92%
Middle Managers	0%	62%	38%	0%	53%	47%
Office Staff	8%	61%	31%	11%	62%	27%
Plant workers	14%	59%	27%	13%	59%	28%
Total	12%	58%	30%	12%	58%	30%

GRI 403-9 WORK-RELATED INJURIES

Employees	2022	2023
	Total	Total
Total number of recorded cases of work-related injuries	25	30
Of which, deaths due to work-related injuries	-	-
Of which, with serious consequences (>180 days absence)	4 ⁵	0
Of which, while commuting	0	0
Of which, with limited consequences (>3 days absence)	20	29
Of which with an absence of less than 3 days	1	1
Hours worked	899.237	954.214
Recorded work-related-injury rate (per million hours worked) ⁶	27,8	31,4

⁵ Compared to what it was reported in the Sustainability Report 2022, the number of serious injuries has been changed due to the extension of three accidents during 2023, resulting in an absence of more than 180 days.

⁶ The rate is calculated as follows: (total no. recorded cases of work-related injuries/ total no. hours worked) x 1,000,000

GRI 301-1 MATERIALS USED BY WEIGHT OR VOLUME

Non-renewable materials used	Units of measurement	2022	2023
		Group	Group
Raw Materials			
Scrap	t	575.724	532.689
Ferroalloys	t	14.964	14.268
Pig iron	t	17.343	16.946
Billets (steel)	t	217.972	191.958
Total	t	826.003	755.862
Process materials			
Lime	t	31.980	28.969
Coal	t	10.884	10.092
Refractory	t	9.940	9.530
Electrodes	t	1.120	1.050
Graphite	t	1.086	1.388
Total	t	55.010	51.030
Oxygen ⁷	m ³	13.913.263	13.055.425
Nitrogen ⁸	m ³	6.354.098	6.329.365
Argon ⁸	m ³	353.475	355.138

⁷ The volume of oxygen is measured under normal conditions, i.e. at 1,013.25 millibar atmospheric pressure and at 0°C.

⁸ The volume of nitrogen and argon is measured under standard conditions, i.e. 980.5 millibar pressure at 15°C. The Ospitaletto argon figure has been estimated based on the number of tanks used, totalling 42, assuming an average tank capacity of 5 litres, for a total of 210 litres of argon. This figure has been converted to m³ using conversion factors derived from scientific literature: 1 nm³ = 1.784 kg and 1 lt = 1.3936 kg.

⁹ Water withdrawals at both plants contain ≤1,000 mg/l of total dissolved solids and originate from areas with a high level of water stress (40–80%) according to the Acqueduct – Water Risk Atlas del World Resource Institute classification.

GRI 303-3: WATER WITHDRAWAL

Water withdrawal	Units of measurement	2022	2023
		Group	Group
Withdrawn from groundwater	m ³	879.321	829.131
Withdrawn from third-party water resources	m ³	13.834	15.906
Total withdrawn water	m ³	893.155	845.037

GRI 303-4 WATER DISCHARGE

Water discharge	Units of measurement	2022	2023
		Group	Group
Surface water	m ³	398.934	366.726
Total withdrawn water	m ³	398.934	366.726

GRI 303-5 WATER CONSUMPTION

Water consumption ⁹	Units of measurement	2022	2023
		Group	Group
Water consumption	m ³	494.222	478.311

Analysis of wastewater from the steel plant - Annual average Brescia site (S1)			
Parameter (mg/l)	Limit (mg/l)	2022	2023
Total suspended solids (TTS)	80	< 5	8
COD (O ₂)	160	< 10	< 10
Total hydrocarbons	5	< 0,5	< 0,5
Iron (Fe)	2	< 0,10	< 0,10
Copper (Cu)	0,1	< 0,01	< 0,01
Zinc (Zn)	0,5	< 0,05	0,14
Nickel (Ni)	2	< 0,10	< 0,10
Total chromium (Cr)	2	< 0,10	< 0,10
Lead (Pb)	0,2	< 0,05	< 0,05

Analysis of wastewater from the rolling mill - Annual average Brescia site (S3)			
Parameter (mg/l)	Limit (mg/l)	2022	2023
Total suspended solids (TTS)	80	< 5	< 5
COD (O ₂)	160	17	< 10
Total hydrocarbons	5	< 0,5	< 0,5
Iron (Fe)	2	< 0,10	< 0,10
Copper (Cu)	0,1	< 0,01	< 0,01
Zinc (Zn)	0,5	< 0,05	< 0,05
Nickel (Ni)	2	< 0,10	< 0,10
Total chromium (Cr)	2	< 0,10	< 0,10
Lead (Pb)	0,2	< 0,05	< 0,05

Analysis of wastewater from the Ospitaletto plant - Annual average			
Parameter (mg/l)	Limit (mg/l)	2022	2023
Total suspended solids (TTS)	80	< 5	< 5
COD (O ₂)	160	12	10
Total hydrocarbons	5	< 0,5	< 0,5
Iron (Fe)	2	< 0,10	< 0,10
Copper (Cu)	0,1	0,02	0,01
Zinc (Zn)	0,5	< 0,05	< 0,05
Nickel (Ni)	2	< 0,10	< 0,10
Total chromium (Cr)	2	< 0,10	< 0,10
Lead (Pb)	0,2	< 0,05	< 0,05

GRI 302-1 ENERGY CONSUMED WITHIN THE ORGANISATION

Energy consumption (GJ)	2022	2023
	Group	Group
Consumption from non-renewable sources		
Fuel for internal handling and vehicle fleet	11.101	8.547
Of which, petrol	190	191
Of which, diesel	10.911	8.356
Natural gas	1.023.832	1.033.301
Electricity purchased from the grid	1.596.640	1.510.512
Self-produced electricity	9.819	8.120
Consumption from renewable sources		
Electricity purchased from the grid under PPA	126.144	114.739
Self-produced electricity from renewable sources (photovoltaic)	-	8.248
Total	2.641.392	2.683.468

¹⁰ The polluting emissions listed in the tables below refer to the main chimneys of the Brescia and Ospitaletto sites.

GRI 305-7 NITROGEN OXIDES (NOX), SULPHUR OXIDES (SOX) AND OTHER SIGNIFICANT AIR EMISSIONS¹⁰

Analysis of the main polluting atmospheric emissions from Brescia steel-plant chimneys

BRESCIA PLANT

Pollutant	Limit (mg/Nm ³)	Chimney E1		Chimney E1-bis	
		2022	2023	2022	2023
Total organic carbon (TOC)	20	2,8	3,6	3,1	2,8
Nitrogen oxides (NOX)	300	6	7	< 5	11,0
∑ (Pb,Mn,Cu,V,Sn)	5	0,0331	0,0131	0,0228	0,0178
∑ (Cr,Ni,Co,V,As,Cd)	1	0,0049	0,0035	0,0046	0,0049
Mercury	0,05	0,0049	< 0,0030	< 0,0031	< 0,0030
IPA	0,01	0,000019	0,000013	0,000017	0,000024
PTS	5	0,9	0,4	1,1	0,6
Hydrochloric acid	10	0,5	< 0,5	0,8	< 0,5
Hydrofluoric acid	2	< 0,2	< 0,2	< 0,2	< 0,2
PCDD/PCDF (ng I-TEQ/Nm ³)	0,1	0,0018	0,0014	0,0049	0,0006
PCB dl (ng I-TEQ/Nm ³)	-	0,00183	0,00062	0,00407	0,00069

ANALYSIS OF THE POLLUTING ATMOSPHERIC EMISSIONS FROM THE MAIN CHIMNEY OF THE OSPITALETTO PLANT (E1).

OSPITALETTO PLANT

Pollutant	Limit E1 (mg/Nm ³)	Chimney E1	
		2022	2023
Nitrogen oxides (NOX)	200	88	127
PTS	10	2,9	2,2

GRI 306-4 WASTE SENT FOR RECOVERY

Waste by type of recovery	Units of measurement	2022	2023
Hazardous waste			
Recovery at specialised plants	t	7.455	7.031
Total	t	7.455	7.031
Non-hazardous waste			
Recycling	t	13.267	12.893
Recovery at specialised plants	t	84.260	84.568
Total	t	97.527	97.461

GRI 306-5 WASTE DIRECTED TO DISPOSAL¹¹

Waste by type of disposal	Units of measurement	2022	2023
Hazardous waste			
Other disposal operations	t	46	98
Total	t	46	98
Non-hazardous waste			
Landfill	t	26.304	26.103
Other disposal operations	t	-	4
Total	t	26.304	26.107

¹¹ The figures for hazardous waste directed to disposal in 2022 have been partially corrected on the basis of new evidence made available following completion of reporting activity for the 2022 Sustainability Report.



Methodological note

METHODOLOGICAL NOTE

The purpose of this **Sustainability Report** (hereinafter also the “Report” or “the document”) is to **clearly, transparently and fully present the economic, environmental and social performance** of ORI Martin (in the period from **1 January 2023 to 31 December 2023**).

The **reporting scope of this document covers the company ORI Martin S.p.A.** with specific reference to the **Brescia and Ospitaletto plants** and excludes the subsidiaries. Data referring to the ORI Martin Group therefore includes only the aggregate data for the **Brescia and Ospitaletto plants**. All information relevant to the economic, environmental and social performance of the organisation in the period in question has been included.

This document has been compiled in accordance with the **Global Reporting Initiative** (GRI) standards. These provide guidelines for reporting the economic, environmental and social performance of an organisation and were published in 2016 and updated in 2021. The Company has applied the “**in accordance with GRI Standards**” reporting option.

Reporting of sustainability performance has followed the principles of **materiality, comprehensive disclosure, balance, comparability, accuracy, timeliness** and **clarity**, as defined by the GRI standards. Steps have been taken to ensure that the information provided is reliable, verifiable and pertinent for stakeholders.

The sustainability indicators used in the document have been selected based on the guidelines provided by the GRI standards. Economic, environmental and social indicators have been considered from the perspective of the significance of impacts, as set out in Standard GRI 3, pursuant to paragraph **2.2 Materiality assessment**.

Additionally, as required by the GRI Standards, a **GRI Content Index** has been included at the end of the document with details of the indicators reported and references to the corresponding information within the document.

This Sustainability Report has undergone external independent auditing, in accordance with the provisions of the International Standard on Assurance Engagement (ISAE 3000 Revised) by the auditing company EY S.p.A. However,

quantitative indicators that are not linked to a general or topic-specific disclosure of the GRI Standards, indicated in correspondence with the pages identified in the Content Index, are not subject to limited auditing by EY S.p.A.

*The **quantitative information** included in the Sustainability Report is derived from data carefully monitored by the Company and subject to detailed quality checks performed by the relevant internal managers. Where necessary, details are provided within the body of the text or in footnotes to explain the methods used for calculations or any estimates or assumptions. These methods are summarised below.*

INFORMATION AND CONTACTS

For further details regarding the contents of the Sustainability Report, please contact:

info@orimartin.it

GHG EMISSIONS

The method used to calculate Scope 1, Scope 2 and Scope 3 emissions, in compliance with the GHG Protocol considers the following operating limits and emission factors:

Emissions are indicated in the Paragraph “5.3 – Handling impacts”.

Conversion factors for consumption of electricity and fuels:

EU ETS 2023, DEFRA 2023 – Department for Environment Food and Rural Affairs UK.

- **Direct (Scope 1) CO_{2e} emissions :**

EU ETS 2023, DEFRA 2023 – Department for Environment Food and Rural Affairs UK.

- **Indirect (Scope 2) “location-based” CO_{2e} emissions:**

ISPRA – Report no. 386/2023, 2023 preliminary data

- **Indirect (Scope 2) “market-based” CO_{2e} emissions:**

AIB 2023 – European Residual Mix.

- **Indirect (Scope 3) CO_{2e} emissions:**

Upstream transport and distribution: DEFRA 2023

Downstream transport and distribution: DEFRA 2023

Employee commuting: DEFRA 2023

Goods purchased: Ecoinvent 3.9 and Worldsteel – CO₂, Data collection

Waste generated from operations: Ecoinvent 3.9

Use of products sold: Assumptions and estimates

CALCULATION OF SOCIAL INDICATORS

Below are details of assumptions made for the calculation of social indicators:

- **The positive turnover rate** is calculated as follows:

new employee hires / total number of employees.

- **The negative turnover rate** is calculated as follows:

turnover / total number of employees.

- The work-related-injury rate is calculated as follows:

total number of recorded work-related injuries / total number of hours worked x 1.000.000.

GRI CONTENT INDEX

	Disclosure	Description	Paragraph reference	Notes/omissions
GENERAL DISCLOSURE				
GRI 2: General disclosure (2021)				
The organisation and its reporting practices	2-1	Organisational details	Chapter entitled “Guide to the document” Chapter “1.2 – ORI Martin’s identity”	
	2-2	Entities included in the organisation’s sustainability reporting	Chapter entitled “Guide to the document”	
	2-3	Reporting period, frequency, and contact point	Chapter entitled “Guide to the document”	
	2-4	Restatements of information	Chapter entitled “Guide to the document”	
	2-5	External assurance	Chapter entitled “Guide to the document”	
Activities and workers	2-6	Activities, value chain and other business relationships	Chapter “1.2 – ORI Martin’s identity”	
	2-7	Employees	Paragraph “6.1.1 – Workforce”	
	2-8	Workers who are not employees	Statistical appendix	
Governance	2-9	Governance structure and composition	Paragraph “3.1.1 – Organisational Model”	
	2-10	Nomination and selection of the highest governance body	Paragraph “3.1.1 – Organisational Model”	
	2-11	Chair of the highest governance body	Paragraph “3.1.1 – Organisational Model”	
	2.12	Role of the highest governance body in overseeing the management of impacts	Paragraph “3.1.1 – Organisational Model”	
	2-13	Delegation of responsibility for managing impacts	Paragraph “3.1.1 – Organisational Model”	
	2.14	Role of the highest governance body in sustainability reporting	Paragraph “3.1.1 – Organisational Model”	
	2-15	Conflicts of interest	Paragraph “3.1.1 – Organisational Model”	
	2-16	Communication of critical concerns	Paragraph “3.1.1 – Organisational Model”	
	2-17	Collective knowledge of the highest governance body	Paragraph “3.1.1 – Organisational Model”	The Board of Directors is considered to be competent in the area of sustainability and is regularly updated by the Sustainability Manager on company decisions and key developments in this regard.
	2-18	Evaluation of the performance of the highest governance body	Paragraph “3.1.1 – Organisational Model”	
	2-19	Remuneration policies	Paragraph “3.1.1 – Organisational Model”	
	2-20	Process to determine remuneration	Paragraph “3.1.1 – Organisational Model”	
	2-21	Annual total compensation ratio	-	Annual total pay ratio is not reported within the document due to confidentiality constraints being confidential and non-publishable information

GRI CONTENT INDEX

	Disclosure	Description	Paragraph reference	Notes/omissions
GRI 2: General disclosure (2021)				
Strategies, policies and practices	2-22	Statement on sustainable development strategy	Letter to the Stakeholders	
	2-23	Policy commitments	Paragraph "3.1.2 - Governance tools"	
	2-24	Embedding policy commitments	Paragraph "3.1.2 - Governance tools"	
	2-25	Processes to remediate negative impacts	Paragraph "3.1.2 - Governance tools"	
	2-26	Mechanisms for seeking advice and raising concerns	Paragraph "3.1.2 - Governance tools"	
	2-27	Compliance with laws and regulations	GRI Content index	During the two-year reporting period, there was one noncompliance with respect to regulations in 2022, which did not result in financial penalties.
	2-28	Membership associations	Paragraph "2.1 - Stakeholder relations"	
Stakeholder engagement	2-29	Approach to stakeholder engagement	Paragraph "2.1 - Stakeholder relations"	
	2-30	Collective bargaining agreements	Paragraph "6.1.1 - Workforce"	
GRI 3: Material topics (2021)				
Disclosures on material topics	3-1	Process to determine material topics	Paragraph "2.2 - Materiality assessment"	
	3-2	List of material topics	Paragraph "2.2 - Materiality assessment"	
ECONOMIC AND GOVERNANCE ASPECTS				
Economic performance				
GRI 3: Material topics (2021)	3-3	Management of material topics	Paragraph "3.2 - Value creation"	
GRI 201: Economic performance (2016)	201-1	Direct economic value generated and distributed	Paragraph "3.2 - Value creation"	
Anti-corruption				
GRI 205: Anti-corruption (2016)	205-3	Confirmed incidents of corruption and actions taken	There were no instances of corruption during the reporting period.	
GRI 3: Material topics (2021)	3-3	Management of material topics	There have been no cases of corruption in the period of reporting.	
Anti-competitive behaviour				
GRI 206: Anti-competitive behaviour (2016)	206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	No legal actions were initiated for violation of laws on competition and anti-trust matters during the reporting period.	
GRI 3: Material topics (2021)	3-3	Management of material topics	GRI Content Index	

GRI CONTENT INDEX

	Disclosure	Description	Paragraph reference	Notes/omissions
ENVIRONMENTAL ASPECTS				
Materials				
GRI 301: Materials (2016)	301-1	Materials used by weight or volume	Paragraph "5.2.1 - Materials used"	Statistical appendix
GRI 3: Material topics (2021)	3-3	Management of material topics	Paragraph "5.2.1 - materials used"	Statistical appendix
Energy				
GRI 3: Material topics (2021)	3-3	Management of material topics	Paragraph "5.2.3 - Energy consumption"	
GRI 302: Energy (2016)	302-1	Energy consumed within the organisation	Paragraph "5.2.3 - Energy consumption"	Statistical appendix
Water				
GRI 3: Material topics (2021)	3-3	Management of material topics	Paragraph "5.2.2 - Water resources"	
GRI 303: Water and effluents (2018)	303-2	Management of water discharge-related impacts	Paragraph "5.2.2 - Water resources"	Statistical appendix
	303-3	Water withdrawal	Paragraph "5.2.2 - Water resources"	Statistical appendix
	303-4	Water discharge	Paragraph "5.2.2 - Water resources"	Statistical appendix
	303-5	Water consumption	Paragraph "5.2.2 - Water resources"	Statistical appendix
Emissions				
GRI 3: Material topics (2021)	3-3	Management of material topics	Paragraph "5.3.1 - The greenhouse gas emissions (GHG) and the CO2 footprint"	
GRI 305: Emissions (2016)	305-1	Direct (Scope 1) GHG emissions	Paragraph "5.3.1 - The greenhouse gas emissions (GHG) and the CO2 footprint"	Statistical appendix
	305-2	Energy indirect (Scope 2) GHG emissions	Paragraph "5.3.1 - The greenhouse gas emissions (GHG) and the CO2 footprint"	Statistical appendix
	305-3	Other indirect (Scope 3) GHG emissions	Paragraph "5.3.1 - The greenhouse gas emissions (GHG) and the CO2 footprint"	Statistical appendix
	305-4	Intensità delle emissioni di GHG	Paragraph "5.3.1 - The greenhouse gas emissions (GHG) and the CO2 footprint"	Statistical appendix
	305-7	Nitrogen oxides (NOX), sulphur oxides (SOX) and other significant air emissions	Paragraph "5.3.2 - Emissions into the atmosphere"	Statistical appendix

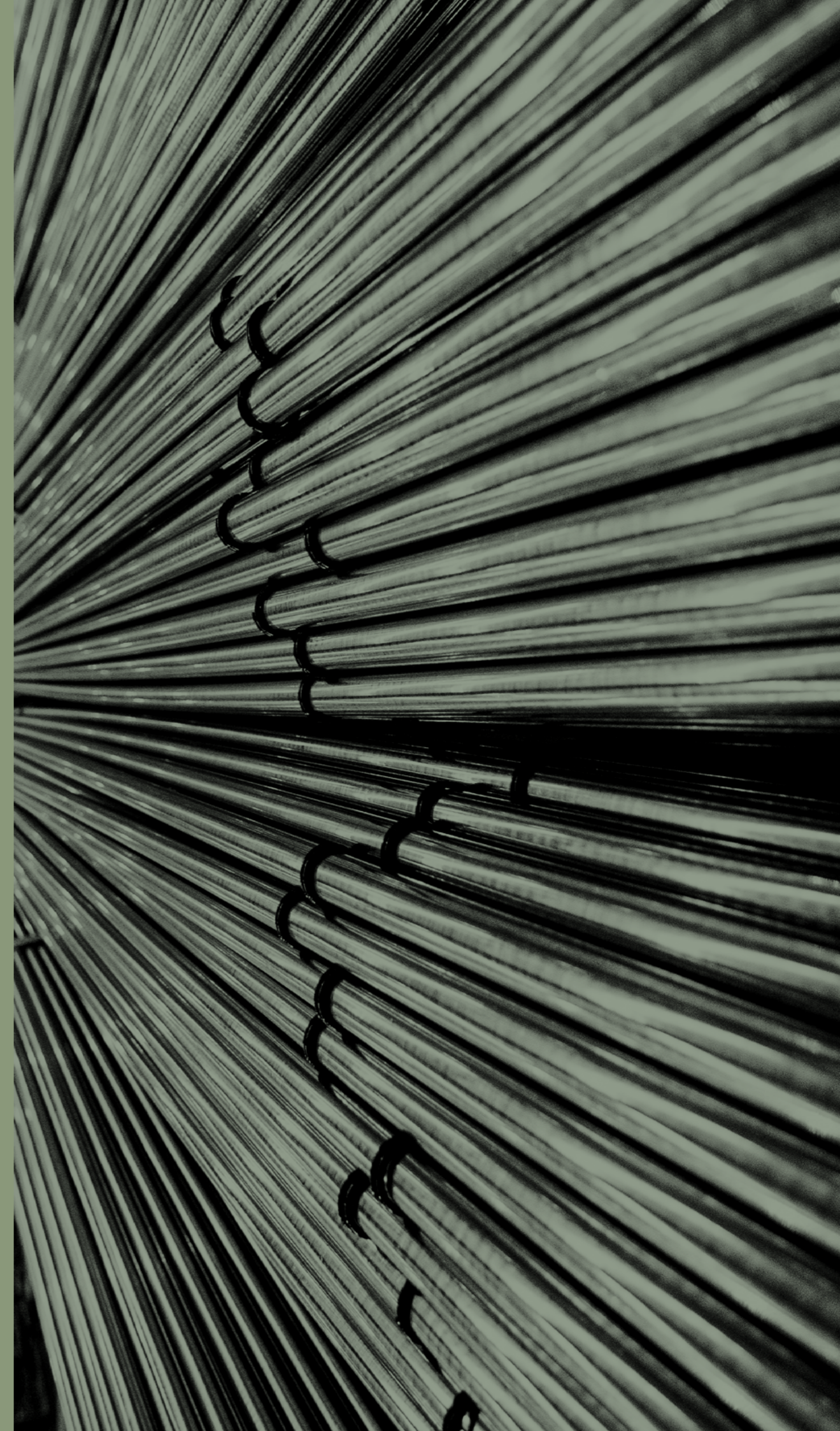
GRI CONTENT INDEX

	Disclosure	Description	Paragraph reference	Notes/omissions
ENVIRONMENTAL ASPECTS				
Waste				
GRI 3: Material topics (2021)	3-3	Management of material topics	Paragraph "5.3 - Waste"	
GRI 306: Waste (2016)	306-3	Waste generated	Paragraph "5.3 - Waste" Statistical appendix	
	306-4	Waste diverted from disposal	Paragraph "5.3 - Waste"	
	306-5	Waste directed to disposal	Statistical appendix	
Supplier environmental assessment				
GRI 3: Material topics (2021)	3-3	Management of material topics	Chapter "6.2 - Supply-chain partners"	
GRI 308: Supplier environmental assessment (2016)	308-1	New suppliers that were screened using environmental criteria	Chapter "6.2 - Supply-chain partners"	All new suppliers are assessed under the criteria described in Chapter "6.2 Supply-chain partners". No further screening procedures are adopted.
SOCIAL ASPECTS				
Employment				
GRI 3: Material topics (2021)	3-3	Management of material topics	Paragraph "6.1.1 - Workforce"	
GRI 401: Occupazione 2016	401-1	New employee hires and employee turnover	Paragraph "6.1.1 - Workforce" Statistical appendix	
	401-3	Parental leave	Paragraph "6.1.1 - Workforce" Statistical appendix	
Occupational health and safety				
GRI 3: Material topics (2021)	3-3	Management of material topics	Paragraph "6.1.2 - A safe workplace"	
GRI 403: Occupational health and safety (2018)	403-1	Occupational health and safety management system	Paragraph "6.1.2 - A safe workplace"	
	403-2	Hazard identification, risk assessment, and incident investigation	Paragraph "6.1.2 - A safe workplace"	
	403-3	Occupational health services	Paragraph "6.1.2 - A safe workplace"	
	403-4	Worker participation, consultation, and communication on occupational health and safety	Paragraph "6.1.2 - A safe workplace"	
	403-5	Worker training on occupational health and safety	Paragraph "6.1.2 - A safe workplace"	
	403-6	Promotion of worker health	Paragraph "6.1.2 - A safe workplace"	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Paragraph "6.1.2 - A safe workplace"	
	403-8	Workers covered by an occupational health and safety management system	Paragraph "6.1.2 - A safe workplace"	
	403-9	Work-related injuries	Paragraph "6.1.2 - A safe workplace" Statistical appendix	
	403-10	Work-related ill health	Paragraph "6.1.2 - A safe workplace" Statistical appendix	

GRI CONTENT INDEX

	Disclosure	Description	Paragraph reference	Notes/omissions
Training and education				
GRI 3: Material topics (2021)	3-3	Management of material topics	Paragraph "6.1.3 - Skills development"	
GRI 404: Training and education (2016)	404-1	Average hours of training per year per employee	Paragraph "6.1.3 - Skills development" Statistical appendix	
	404-3	Percentage of employees receiving regular performance and career development reviews	Paragraph "6.1.3 - Skills development"	100%
Diversity and equal opportunities				
GRI 3: Material topics (2021)	3-3	Management of material topics	Paragraph "6.1.1 - Workforce"	
GRI 405: Diversity and equal opportunities (2016)	405-1	Diversity of governance bodies and employees	Paragraph "6.1.1 - Workforce"	
Non-discrimination				
GRI 406: Non-discrimination (2016)	406-1	Incidents of discrimination and corrective actions taken	There were no instances of discrimination during the reporting period.	
GRI 3: Material topics (2021)	3-3	Management of material topics	GRI Content Index	
Local community				
GRI 3: Material topics (2021)	3-3	Management of material topics	Paragraph "6.3 - Local areas"	
GRI 413: Local community (2016)	413-2	Operations with significant actual and potential negative impacts on local communities	Paragraph "6.3 - Local areas"	
Supplier social assessment				
GRI 3: Material topics (2021)	3-3	Management of material topics	Paragraph "3.4 - Food quality and safety"	
GRI 414: Supplier social assessment (2016)	414-1	New suppliers that were screened using social criteria	Chapter "6.2 - Supply-chain partners"	All new suppliers are assessed under the criteria described in Chapter "6.2 Supply-chain partners". No further screening procedures are adopted.

	Disclosure	Description	Paragraph reference	Notes/omissions
OTHER INDICATORS				
Environmental performance of products				
GRI 3: Material topics (2021)	3-3	Management of material topics	Paragraph "6.2 - Social commitment"	
Noise pollution				
GRI 3: Material topics (2021)	3-3	Management of material topics	Paragraph "5.3.4 - Noise pollution"	
Quality and customer satisfaction				
GRI 3: Material topics (2021)	3-3	Management of material topics	Paragraph "6.2 - Supply-chain partners"	
Risk management e business continuity				
GRI 3: Material topics (2021)	3-3	Management of material topics	Paragraph "3.1.2 - Governance tools"	
Sustainable governance				
GRI 3: Material topics (2021)	3-3	Management of material topics	Paragraph "2.3 - ORI Martin Sustainability Strategy"	
R&D and innovation				
GRI 3: Material topics (2021)	3-3	Management of material topics	Paragraph "4.1 - Sustainability in the plant" Paragraph "4.2 - Continuous innovation"	



Certifications



ORI Martin - ISO 9001:2015



ORI Martin - IATF 16949:2016

CERTIFICATIONS

CERTIFICATIONS



ORI Martin - PED 2014/68/UE pag. 1

ORI Martin - PED 2014/68/UE pag. 2

ORI Martin - ISO 45001:2018 (IGQ+IQNet)

ORI Martin - ISO 14001:2015 (IGQ+IQNet)



ORI Martin Brescia - EN 10025-1:2004



ORI Martin - ISO 50001:2018 (IGQ+IQNet)

Ospitaletto Plant



EPD - Hot-rolled wire rods and bars



EPD - Annealed wire rods and bars



EPD - Steel billets



EPD - Quenched and tempered bars



ORI Martin Ospitaletto:
IQNET ISO 14001:2015



ORI Martin Ospitaletto:
IQNET ISO 45001:2018

Independent auditors' report on the "Sustainability Report 2023"

To the board of Directors of Ori Martin S.p.A.

We have been appointed to perform a limited assurance engagement on the Sustainability Report of Ori Martin S.p.A. (hereinafter the "Company") for the year ended on 31st December 2023. (hereinafter "Sustainability Report").

Responsibilities of Directors on the Sustainability Report

The Directors of Ori Martin S.p.A. are responsible for the preparation of the Sustainability Report in accordance with the "Global Reporting Initiative Sustainability Reporting Standards" issued by GRI - Global Reporting Initiative ("GRI Standards"), as described in the paragraph "Methodological note" of the Sustainability Report.

The Directors are also responsible for that part of internal control that they consider necessary in order to allow the preparation of a Sustainability Report that is free from material misstatements caused by fraud or not intentional behaviors or events.

The Directors are also responsible for defining the commitments of Ori Martin S.p.A. regarding the sustainability performance, as well as for the identification of the stakeholders and of the significant matters to report.

Auditors' independence and quality control

We are independent in accordance with the ethics and independence principles of the *International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code)* issued by the *International Ethics Standards Board for Accountants*, based on fundamental principles of integrity, objectivity, professional competence and diligence, confidentiality and professional behavior.

Our audit firm applies the *International Standard on Quality Control 1 (ISQC Italia 1)* and, as a result, maintains a quality control system that includes documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable laws and regulations.

Auditors' responsibility

It is our responsibility to express, on the basis of the procedures performed, a conclusion about the compliance of the Sustainability Report with the requirements of the GRI Standards. Our work has been performed in accordance with the principle "*International Standard on Assurance Engagements ISAE 3000 (Revised) - Assurance Engagements Other than Audits or Reviews of Historical Financial Information*" (hereinafter "*ISAE 3000 Revised*"), issued by the *International Auditing and Assurance Standards Board (IAASB)* for limited assurance engagements. This principle requires the planning and execution of procedures in order to obtain a limited assurance that the Sustainability Report is free from material misstatements.

Therefore, the extent of work performed in our examination was lower than that required for a full examination according to the *ISAE 3000 Revised* ("*reasonable assurance engagement*") and, hence, it does not provide assurance that we have become aware of all significant matters and events that would be identified during a reasonable assurance engagement.

The procedures performed on the Sustainability Report were based on our professional judgment and included inquiries, primarily with Company's personnel responsible for the preparation of the information included in the Sustainability Report, documents analysis, recalculations and other procedures in order to obtain evidences considered appropriate.

In particular, we have performed the following procedures:

1. analysis of the process relating to the definition of material aspects included in the Sustainability Report, with reference to the methods of analysis and understanding of the reference context, the identification, assessment and prioritization of actual and potential impacts and the internal validation of the process outcome;
2. comparison of economic and financial data and information included in the paragraph "3.2 Value creation" of the Sustainability Report with those included in the Company's consolidated financial statements;
3. understanding of the processes that lead to the generation, detection and management of significant qualitative and quantitative information included in the Sustainability Report.

In particular, we have conducted interviews and discussions with the management of Ori Martin S.p.A. and we have performed limited documentary evidence procedures, in order to collect information about the processes and procedures that support the collection, aggregation, processing and transmission of non-financial data and information to the management responsible for the preparation of the Sustainability Report.

Furthermore, for significant information, considering the Company's activities and characteristics:

- at Company level
 - a) with reference to the qualitative information included in the Sustainability Report, we carried out inquiries and acquired supporting documentation to verify its consistency with the available evidence;
 - b) with reference to quantitative information, we have performed both analytical procedures and limited assurance procedures to ascertain on a sample basis the correct aggregation of data.
- for the Brescia and Ospitaletto plants of Ori Martin S.p.A, that we have selected based on their activity, relevance to the consolidated performance indicators and location, we have carried out online meetings during which we have had discussions with management and have obtained evidence on a sample basis about the appropriate application of the procedures and the calculation methods used to determine the indicators.

Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the Sustainability Report of the Ori Martin S.p.A for the year ended on 31st December 2023 has not been prepared, in all material aspects, in accordance with the requirements of the GRI Standards,



with reference to the GRI Standards selection as described in the paragraph "Methodological note" of the Sustainability Report.

Brescia, 2 August 2024

EY S.p.A.
Marco Malaguti
(Auditor)

This report has been translated into the English language solely for the convenience of international readers.



O.R.I. Martin
Acciaieria e Ferreria di Brescia S.p.A.

Operational and legal headquarters


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Printed on September 2024
Designed by **PREVICINI DESIGN**

FINANCIAL YEAR
2023

A dense forest of green trees, likely a deciduous forest, with a watermark in the center. The trees are lush and green, with some branches visible. The background is dark, suggesting a deep forest. The watermark is a white URL:

www.orimartin.it