

ESG SUMMARY 2023

The highlighted trends are the result of the data analysis certified in the Group's Sustainability Report 2023



All-round sustainability for 70 years

ENVIRONMENT

The Alfa Acciai Group is committed to making steel production increasingly sustainable through full compliance with environmental regulations and the ongoing search for the best technical, managerial and organisational solutions to improve consumption efficiency. The objectives that the Group has set itself include actions to efficiently manage energy and limit the impact of activities on all matrices: soil, water and air.

ZERO WASTE

A cornerstone in the Group's business strategy is the systematic application of the principle of **circular economy**, with the aim of reusing, recovering and enhancing every material resulting from the various processing stages, thereby safeguarding precious natural resources.



SOIL

Reducing the production of waste and increasing recovery

ISO 14001

- Alfa Acciai
- Acciaierie di Sicilia
- Tecnofil

1.7 Mt

AMOUNT OF SCRAP USED

99

MINIMUM RECYCLED MATERIAL CONTENT AT ALFA ACCIAI AND ACCIAIERIE DI SICILIA



This figure is among the highest in Europe and far exceeds the **Minimum Environmental Criteria** for structural applications set by the CAM-EDILIZIA, which is the most important environmental Standard in the construction industry.

71%

% WASTE RECOVERED ON WASTE GENERATED

+1.7%

Increase in the percentage of waste recovered compared to 2022.
+6.7% vs. the average of the previous two years.
+10.5% vs. the average of the previous three years.

+26%

Use of **polymers** compared to total additives.

100%

Spent refractory materials from melting furnaces re-used as additives

In our processes we activate various 'circular sub-economies', transforming the black slag into industrial aggregate, recovering zinc contained in off-gas dust, non-ferrous metals from shredded scrap and iron oxide from mill scale for use in the cement industry.

ARTIFICIAL AGGREGATES

In 2023, **Gripstone**® at Alfa Acciai and **Sicilystone** at Acciaierie di Sicilia were added, together with **Alfa Sinstone**®, to the range of artificial aggregates made by the Alfa Acciai Group, the result of its **Zero Waste** policy. These three by-products are obtained from the recovery of black steel mill slag at Alfa Acciai and Acciaierie di Sicilia. This slag is mainly made of iron oxides, calcium and silicon generated during the melting process of ferrous scrap in the electric-arc furnace.

These high-performance artificial aggregates are the result of continuous research into new materials and new technologies for improving manufactured products and safeguarding natural resources, which can be used in the building construction industry (concretes and mortars), road paving (bitumen) and in civil engineering works to replace materials of natural origin (quarry aggregates).

Alfa Acciai Group's strategic priority is to **continually improve performance**. Special focus is placed on energy performance: as a result of efficiency improvements in production processes and ancillary services as well as the reduction of climate-changing gas and non-GHG emissions, the environmental impact of operations is **steadily decreasing**. This is in line with the biggest challenge the steel industry is facing today: **decarbonisation** by developing more efficient and low-impact models.



ENERGY

Intelligent energy management

ISO 50001

- Alfa Acciai
- Acciaierie di Sicilia



5,162,059 GJ

ENERGY CONSUMED WITHIN THE ORGANISATION

2.57 GJ/t

ENERGY INTENSITY

-1.6%

Decreased energy intensity at Group level vs. the average of the last two years.

-1.8% vs. the average of the last three years.



AIR

Reducing greenhouse gas emissions



ISO 14084-1 Corporate Carbon Footprint (CCF) certification was obtained on the Group's 9 units in 2023.

408,846 tCO₂e

TOTAL EMISSIONS SCOPE 1 AND SCOPE 2 LB

0.204 tCO₂e

EMISSION INTENSITY

-7%

INTENSITY OF EMISSIONS SCOPE 1 compared to 2022.

-1.4%

-3.6% vs. the average of the last two years.
-5.4% vs. the average of the last three years.

EMISSION INTENSITY SCOPE 2 LB compared to 2022.

-9.7%

-13.4% vs. the average of the last two years.
-15.6% vs. the average of the last three years.

Decreased intensity of CO₂ emissions (Scope 1+ Scope 2LB) as compared to 2022.

-10% vs. the average of the last two years.

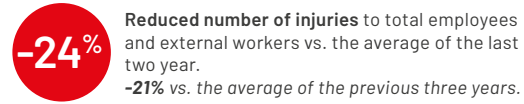
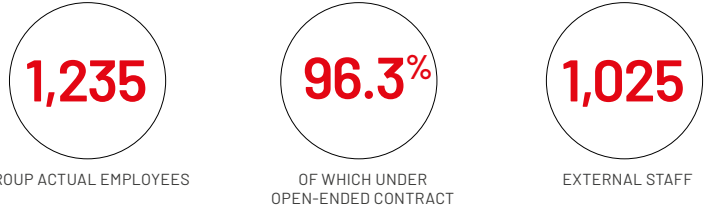
-12% vs. the average of the last three years.

OTHER EMISSIONS

All the operations implemented and the careful management of environmental facilities help to keep atmospheric emission concentrations **well below the thresholds set by the Integrated Environmental Authorisations (IEA)**.

SOCIAL

Employees and collaborators are essential for business success. As a result, in line with the Code of Ethics, Group companies foster the value and specificity of all staff and ensure a work environment that is safe, welcoming and appropriate for the development of the skills of each and every person.



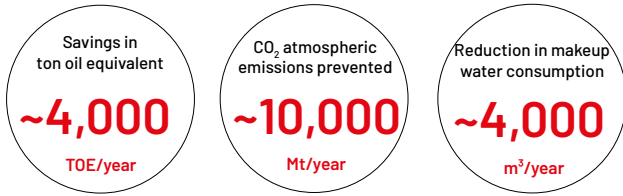
In line with Goal 5 of the UN's Agenda 2030 and Mission 5 of the National Resilience Plan, Alfa Acciai has engaged in the process of **Gender Equality Certification** according to UNI/PdR 125:2022 with the aim of **increasing the percentage of female workers while enhancing the quality of their work and opportunities for growth.**



The Alfa Acciai Group has set up Alfa Academy, the brainchild of the collaboration with ITS Academy Machina Lonati, a vocational school intended to train people capable of dealing with the installation and maintenance of steel production and processing plants. The school programme offers the young participants classroom training sessions alternating with in-company work experience under a one-year apprenticeship contract.

PLANT FOR RECOVERY AND TRANSFER OF HEAT TO THE BRESCIA DISTRICT HEATING NETWORK (A2A)

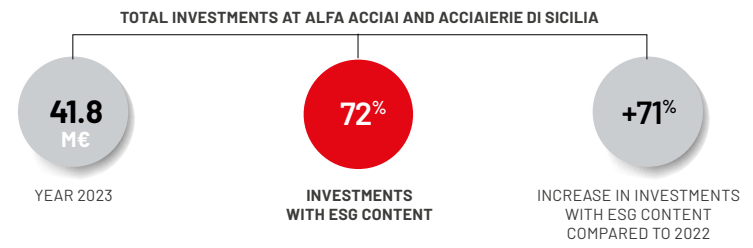
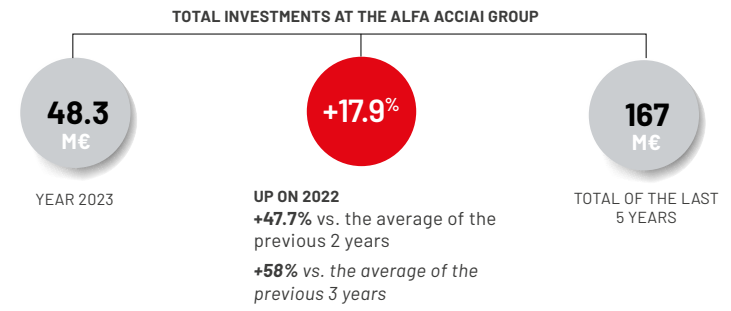
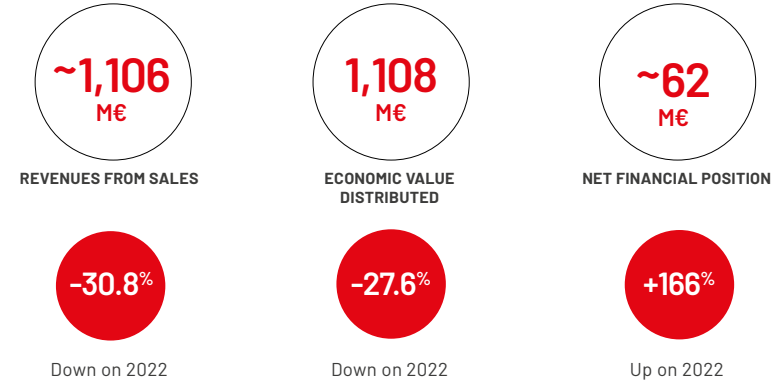
Owing to the vicinity of its production facilities to the residential area to the south-east of Brescia, in 2023 Alfa Acciai implemented an industrial heat plant for the recovery and transfer of heat, the result of years of heavy investments in the search for new sustainable solutions.



The main tool implemented by Alfa Acciai to monitor the local socio-economic context is the **ALFA ACCIAI OBSERVATORY**. This was established in 2007 and has enabled the company to open up to the community, facilitating transparent dialogue and gathering a diverse range of requests, in relation to external environmental impact generated by production operations and in terms of the contributions the company can make through its organisation and means. The Alfa Acciai Observatory's **latest report** was issued in **2023**.

GOVERNANCE

Notwithstanding a challenging year for the steel industry, which was characterised by a slowdown in Europe's steel market as a whole, the Group maintained stable production at **1.5 million tonnes, sound financial standing** and significant investments in sustainability.





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