



# Sustainability Report

FINANCIAL YEAR  
**2022**



# Sustainability Report



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**2022**

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# Letter to Stakeholder

## Dear Stakeholder,

We are delighted to present to you our fourth Sustainability Report, which we audited for the third year in a row.

This document is presented in an international environment that's still quite complex and delicate. Despite having passed – almost completely – the state of emergency caused by the Covid-19 pandemic, the economic scenario is still unstable: moments of growth alternated with downturns. The year of 2022 saw a big rise in the cost of energy, which resulted in a negative impact on the business and on the overall supply chain, increasing production costs of the companies, triggering speculative dynamics on raw materials and generating financial instability for the general market. Finally, the fact that the international tensions due to the ongoing war between Russia and Ukraine are not over and peace in Europe still seems far away, has obvious side effects on the economic, social and geopolitical spheres.

The steel industry too is affected by these global dynamics, which generate instability and unpredictability.

Consequent to all this, I would like to express my gratitude to all the people in O.R.I. Martin for the way that they are responding to these severe challenges. Our people continue developing great strength and resilience, essential to face critical issues, from price speculations, to inflation, to the economic and social consequences deriving from war and international tensions.

O.R.I. Martin is well placed to succeed through periods of uncertainty with a strong balance sheet and highly capable people, ready to adapt and respond to emergencies. People who are strong also thanks to a century-old company history and a widespread and shared professionalism among the various company functions.

This Sustainability Report was drafted pursuant to international reference standards and enables the Company to clearly and transparently communicate its performance, the commitment and effective contribution on environmental, social and economic matters: a further step forward, in view of shared, participated growth, certifying Company prospects and vision for the expanded stakeholder community.

Differently from previous reports, in the reporting scope of this fourth report, other than results from the headquarter plant O.R.I. Martin S.p.A. in Brescia, we also collected the results from the Ospitaletto plant, which entered the Group in 2018 and became part of O.R.I. Martin S.p.A. in 2022.

We are convinced that corporate social responsibility is a value to be built through concrete actions, to be shared and communicated to all the players involved. Those preceding us passed these values to us, teaching us the importance of relations with employees and the community, a long time before sustainability was even mentioned.

Based within the actual City of Brescia, the

Company considers its relations with the town as fundamental. Every year we are committed to using resources and investments to mitigate our environmental impact and territorial repercussions.

We continuously improve processes and products, aiming for an ongoing innovation. Despite the crisis, mentioned above, this year the Company maintained its investment plans.

The steel we produce is a fundamental material for progress, for the future and for the next generations. Our production system, which uses scrap as its raw material, makes us perfectly compliant with the virtuous circular economy model.

Our aim is to maintain and extend our ESG commitment to guarantee both revenue and sustainability in the long term. For this reason, in 2022 the Company formally started its path towards decarbonization for the Brescia plant

defining a strategic and operative plan which will be completed throughout the year 2023. The plan identifies the ambitious goal of reducing in terms of tons of CO<sub>2</sub> emissions equivalent direct and indirect emissions (Scope 1 and Scope 2) by 2030.

Despite the uncertainties that characterized these past few years, what remains is the motivation that leads our history.

O.R.I. Martin has a strong bond with the city of Brescia and its territory; a bond handed down from the people of today to future generations.

**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 Highlights 2022

**697**  
million euros  
of **generated value**



**609**  
million euros  
of **distributed value**



**559,446**  
tonnes of **steel produced**  
by **recycling scrape**

**80%**  
of **recycled waste**



**588**  
**people** working  
in the plants of  
Brescia and Ospitaletto

**96%**  
of **permanent contracts**



# 1.2 ORI Martin's identity

## 1.2.1 ABOUT US

ORI Martin is a modern steel plant with an electric furnace, considered one of the most advanced companies in technological and innovative terms. Thanks to farsighted investments in **Research and Development**, over the years it has become a benchmark for the steel sector.

It produces **special steels** to be mainly used for mechanical, energy and construction industries. Most of the produced steel supplies the **automotive and railway sector**.

The **main raw material** used to produce steel is **scrap**. Accordingly, ORI Martin is part of the **circular economy model**.

The Group's current composition is the result of a diversification strategy that began in the **1960s** and led to internalisation and consolidation of various companies operating at different levels of the steel industry.

This strategy is much appreciated by customers because it guarantees **full traceability** along the production chain as well as end-product **quality**.

Today the Group is composed of **ten companies**, in which ORI Martin either holds equal shares or is the majority shareholder.

The reporting scope for the **sustainability performance** presented in this document includes ORI Martin S.p.A., with the **Brescia plants** (steel plant, rolling mill and heat-treatment plants) and the **Ospitaletto plant** (rolling mill and heat treatment department).



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**.

**BRESCIA Plant**

**STEEL PLANT**

**ROLLING MILL**

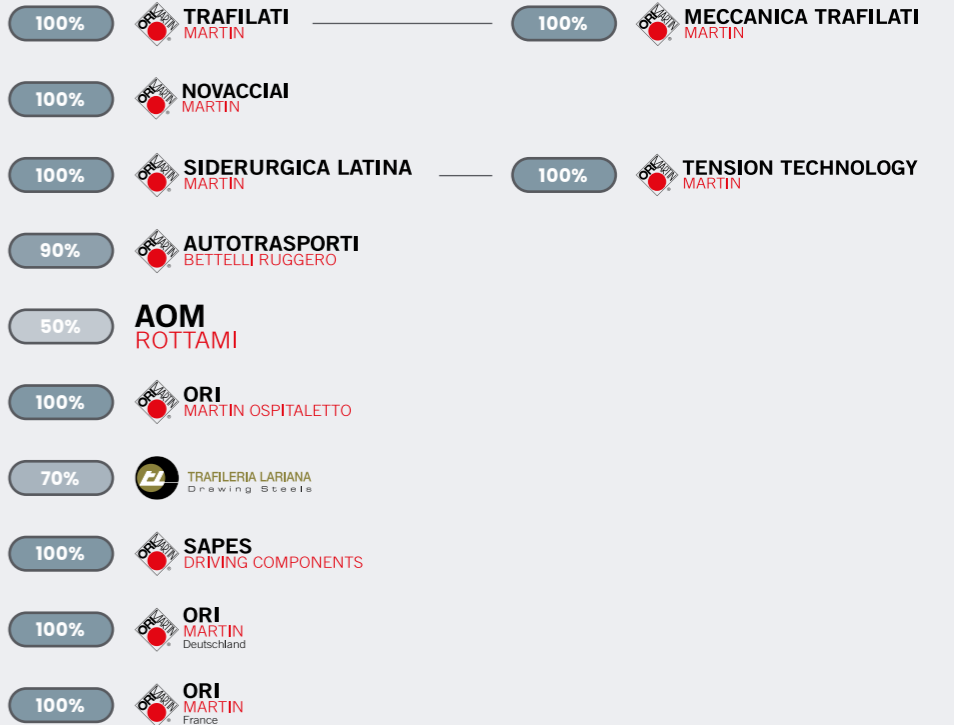
**HEAT TREATMENT**

**OSPITALETTO Plant**

**ROLLING MILL**

**HEAT TREATMENT**

## 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



The **story of ORI Martin** began in **1933** with the **founding of Ferretti and Martin** in the San Bartolomeo district of Brescia by **Oger Martin**, a Belgian engineer who arrived in Italy in 1911.

The initial business consisted in the production of agricultural tools by means of a trip hammer, water-powered by the river Fiume Grande, one of the several streams of the Mella River around which most of the historical industrialisation process of Brescia took place.

With the end of the war in **1946**, a **rolling mill** was launched due to the great demand for rebar for post-war reconstruction. The plant consisted of a heating furnace powered by fuel oil and the material to be rolled was prepared by a trip hammer starting

from sections of train rails and other war remnants.

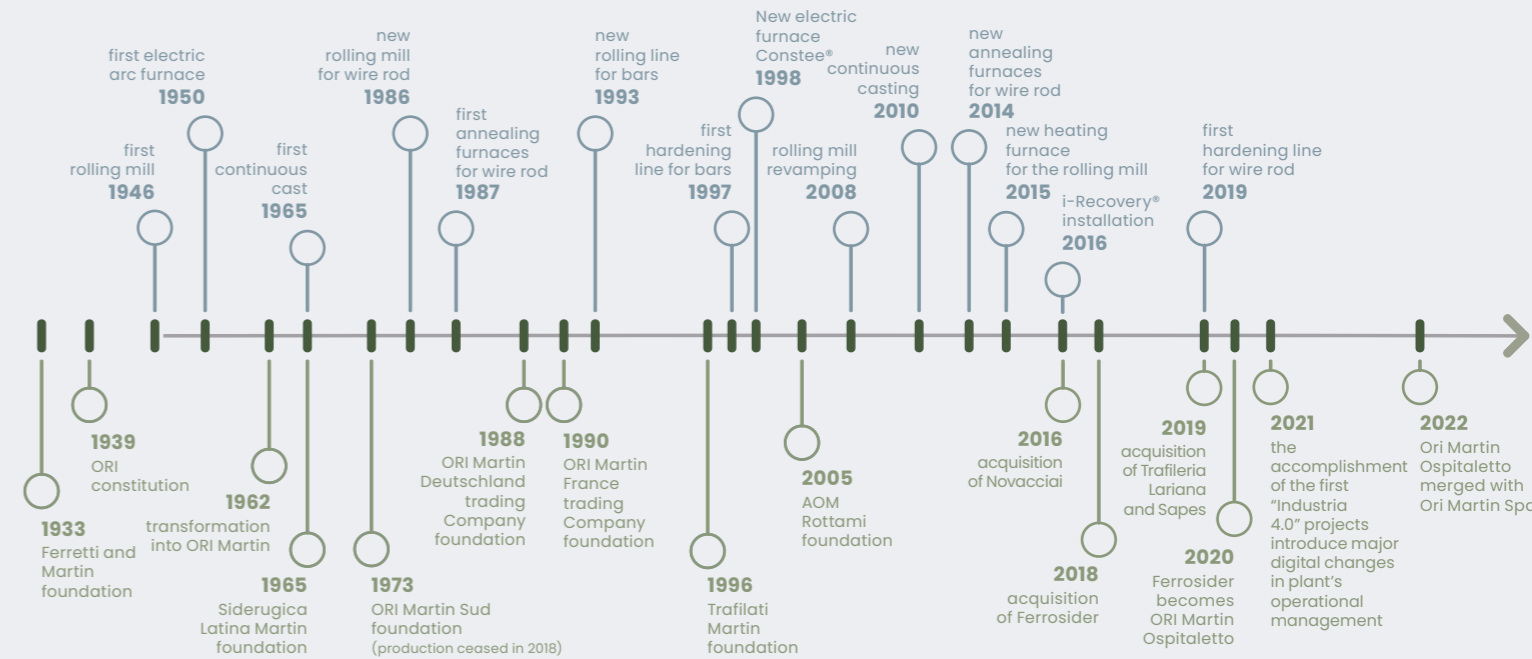
In **1950** the Company began its expansion with the **installation of its first electric melting furnace** for the production of steel from scrap. This provided the rolling mill with higher quality semi-finished products and ingots and eliminated the work of the trip hammer.

This change represented the first evolution towards the current plant, which covers a total area of about **246,000 m<sup>2</sup>** (87,000 m<sup>2</sup> indoors). It is equipped with a steel plant run by an electric arc furnace, rolling mill for wire rod and bar products and a heat-treatment department (annealing, quenching and tempering).

The ORI Martin Group operates in **Italy, France, Germany, England, Poland, Romania, Spain, Sweden, Turkey, Austria, Finland, Greece, Slovenia, Switzerland, Czech Republic, Netherlands, Lichtenstein and Bosnia** through sales offices and agents spread throughout Europe.

Outside Europe, the Group also exports to **China, South Korea, India, Algeria, Brazil and Argentina.**

**EVOLUTION OF THE PLANT >**



**EVOLUTION OF THE GROUP >**

**FOCUS: Ospitaletto plant**

In **2018**, the Group acquired a plant handling a key phase in the steel-working process: the **rolling mill located in Ospitaletto**, outside Brescia. This rolling mill was owned by Ferrosider S.p.A., a company specialised in production of merchant bars for the mechanical-construction and steel-construction sectors.

In 2020, Ferrosider S.p.A. became part of the Gruppo Ori Martin, under the name **Ori Martin Ospitaletto S.p.A.**, and a sustained programme of investment enabled the rolling mill to be converted to the production of round, square and flat bars in special steels. Later, in 2022, Ori Martin Ospitaletto S.p.A. merged into ORI Martin S.p.A.

Today, 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, thanks to its strategic geographical position and a wide commercial network in all of the main markets for special steels.



**PRODUCTS**

	<b>CONTINUOUS-CASTING BILLETS WIRE ROD</b>
	<b>HOT-ROLLED ROUND BARS</b>
	<b>HOT-ROLLED FLAT BARS</b>
	<b>HOT-ROLLED SQUARE BARS</b>
	<b>HOT ROLLED FLAT BARS</b>

CHAPTER 1 - RED HOT PASSION FOR STEEL

**1.2.2 OUR OPERATIONS**

The ORI Martin 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 to produce **round, square** and **flat bars**.

These products are mainly used in the automotive and railway sector. Suspension springs, components, bolts and bars generally supply the mechanical, energy and construction industries.

The increasing levels of specialisation required to meet the demands of the European industry drives the growth and development of ORI Martin. The Company pursues these objectives through a great focus on innovation, sustainability and research.

## Brescia plant

### BILLETS

Billets are a **semi-finished product in steel with square cross-section**. They are produced in the steel plant, starting by **melting scrap** in the electric furnace. Then casting **takes place** and **solidification** in the continuous-casting plant.

ORI Martin billets feed the Group's rolling mills and a small 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 this takes them to the temperature required to be **turned into wire rod or bars** of the diameter required, and then packaged.

The hot-rolled products can then 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 wire rod;**
- **annealing treatment of bars.**

The Brescia plant is divided into **three areas** dedicated to three different production phases: **steel plant, rolling mill** and **heat treatments**.



## STEEL-PLANT DEPARTMENT SCRAP YARD

The purchased scrap is stored in **indoor warehouses** in the steel plant. The scrap is added to the furnace either through an **automated**

**mechanical feeding system (CONSTEEL®)** or by scrap buckets. The production of special steel for the automotive sector requires **top-quality scrap**.



### ELECTRIC ARC FURNACE (EAF)

At the time of production, a mix of scrap is loaded into the Electric Air Furnace (acronym for Electric Arc Furnace), selected based on the quality of steel to be produced. The electric arc in the furnace brings the scrap to **melting temperature** (about 1,600°C).

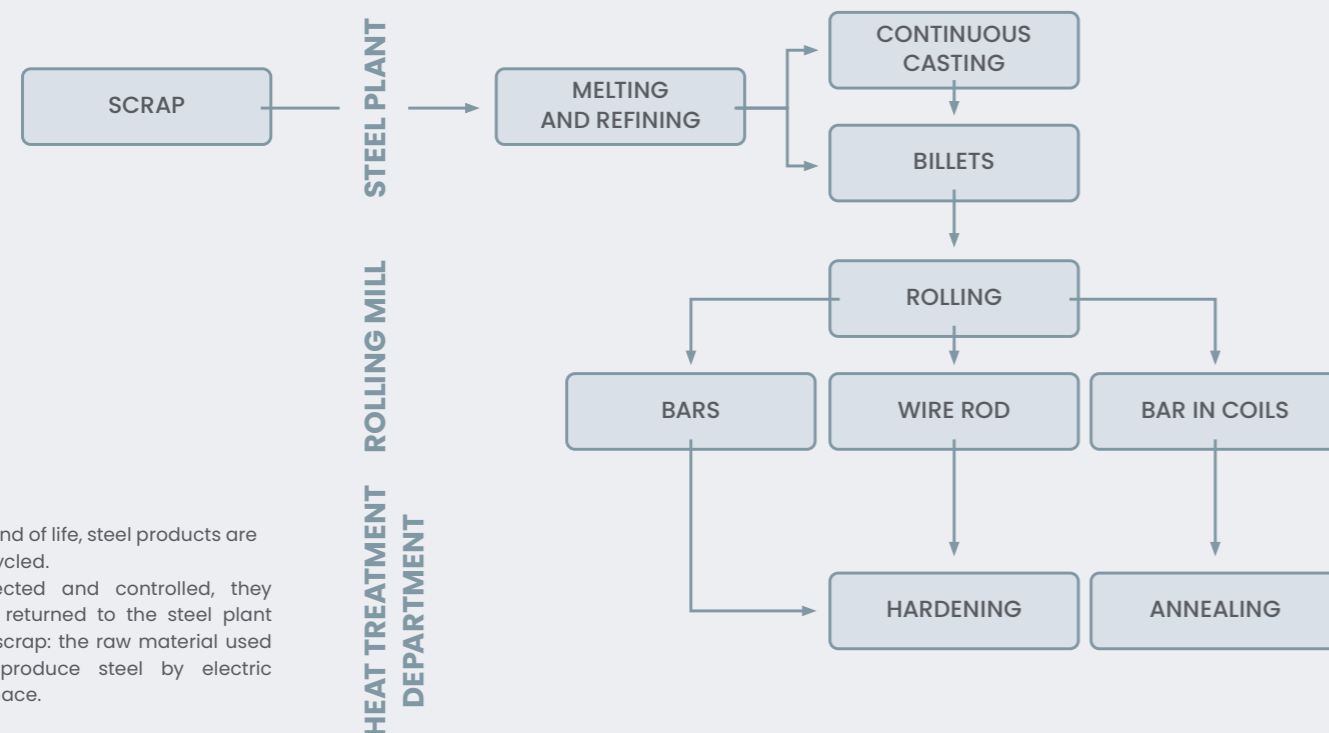
In this step, the fumes generated by melting are extracted and sent to a **treatment plant** before release into the atmosphere. In 2016, a

**heat-recovery system for primary fumes** from the melting furnace went into operation (**I-Recovery**). This produces **heat energy** to be transferred to Brescia's existing urban district-heating network, managed by A2A or, alternatively, produces electricity for the facility.

Lime is also added to the furnace to encourage formation of slag which removes impurities that would otherwise be detrimental to the properties of the steel. Once the melting temperature and the

chemical composition required is reached, the casting is poured into the ladle (refractory-lined steel container) through a special tapping hole (EBT, Eccentric Bottom Tapping) while the slag is poured through a side door of the furnace into a slag pot.

To minimise noise generated in this stage, the furnace operates in a **sound-proofed structure**.



At end of life, steel products are recycled. Selected and controlled, they are returned to the steel plant as scrap: the raw material used to produce steel by electric furnace.



### STEEL REFINING FURNACES (LF)

The molten steel contained in the ladle is taken to the Steel Refining Furnace (Ladle Furnace) for metallurgical fine-tuning.

In the LF station, alloys and fluxes are added to the molten steel until the **chemical composition** and **metallurgical properties** fulfil the quality targets.

Some high-quality steel grades destined for particularly heavy duties are subjected to subsequent **degassing treatment** at the VD (Vacuum Degassing) station. 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

Once the metallurgical set-up has been completed, with or without degassing, the ladle is brought into **continuous casting** where the **transformation from liquid to solid** takes place. This process ends up with

the production of **billets**, the semi-finished product of the steel plant.

The continuous casting machine at ORI Martin has **5 lines**. 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 diameter**, 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 produce 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 bars, with a diameter between 15 and 65 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 a further treatment called **annealing**, which improves formability for subsequent processing. This treatment involves heating the product in **special furnaces with an inert gas atmosphere** followed by controlled cooling.

Another treatment is **quenching** and tempering of the rolled bars and wire rod coils and involves a sequence of two heating and cooling cycles, of variable duration, aimed at giving the steel greater **strength and toughness**.

## Ospitaletto Plant

The Ospitaletto plant houses a **rolling mill** with the same process as that performed at Brescia, capable of producing **round bars** with a diameter from 34 mm to 130 mm, **square bars** between 30 mm and 100 mm and flat bars with a thickness from 5 mm to 60 mm and width from 25 mm to 300 mm.

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

# Sustainability for ORI Martin

# 2.1 The Stakeholders

**ORI Martin** has always considered **dialogue with stakeholders** an essential prerogative, of considerable **strategic and managerial importance**.

Over the years, the Company has continuously cultivated a culture promoting **co-existence of Company, environment and community**, for progressive **integration between town 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.**

In preparation of this Sustainability Report, ORI Martin has confirmed the **twelve most significant stakeholder classes**, derived from the analysis performed for the previous Sustainability Report, aimed at evaluating their level of influence and mutual dependence on ORI Martin.

**Employees** are stakeholders of particular importance, as the main asset on which ORI Martin relies to uphold and improve the **quality and reliability standards** achieved to date.

For this purpose, the Company involves its workforce through **continuous training** on the key issues of safety, environment

and quality. A variety of welfare initiatives, renewed annually, have also been implemented to foster a stimulating and sociable work environment.

**Customers**, primarily Italian and European players in the automotive, mechanical, railway and construction industries, represent the beginning and the end of each project for ORI Martin. Working exclusively to custom orders, each product is the result of close collaboration with Customers, aimed at **understanding and satisfying their needs**.

The Company also carries out **regular surveys to measure customer satisfaction** in collaboration with specialised companies.

The **local community** (citizens, local associations and foundations) exercises significant influence over ORI Martin, and the Company engages in a relationship of **transparent dialogue**, rooted in coexistence and mutual respect.

The main engagement channel is

the **ORI Martin Observatory**, a tool for communicating with citizens set up on the initiative of the Municipality of Brescia.

About the relationship with **shareholders and investors**, management bases its growth strategies and sustainable development choices on full harmony and **uniformity of vision** with the owners.

With regard to **suppliers**, the Company considers **careful selection** of reliable partners to be of strategic importance, particularly for the purchase of scrap, representing the most important raw material. For this reason, it prioritises **consolidated relationships bound to a yearly assessment** that considers all aspects of the supply chain, with a focus on product quality.

Relations with the **Public Administration and control bodies** (ARPA, Inspectorate of Labour, ATS, Ministries, Regional Government, Provincial Government, Municipal Government and European Institutions) are based on **maximum**

## 2.1 GLI STAKEHOLDER

### collaboration and transparency.

In regard to **trade associations and standards bodies**, ORI Martin is an active member of the main sector organisations: (Federacciai, Confindustria Brescia and AIM – Italian Metallurgy Association) with the objective of contributing to the **sustainable development of the steel sector** through research and development of solutions strengthening **circular economy** aspects and controlling **impacts on the environment** deriving from manufacturing.

Participation in RAMET (Consortium for Environmental Research for Metallurgy) falls within this framework. In addition, the Company is a member of UNSIDER (Italian Steel Unification Body). In Europe, ORI Martin belongs to ESTEP (European Steel Technology Platform), based in Brussels.

With regard to **service providers** (Contractors and Subcontractors) and **collaborators** (Consultants, Representatives and Agents), the

Company builds relationships on solid foundations of **professionalism and mutual respect**. For ORI Martin, the **financial community**, made up of banks and institutional investors, is an important lever for the process of consolidation and expansion, based on a relationship of credibility acquired through timely, accurate and complete disclosure of results.

With regards to the **media** (newspapers, social media and television networks), the Company pays close **attention to how** its brand is conveyed.

Lastly, ORI Martin has established key relationships with **business partners for research**, to achieve its results and continue **promoting sustainable innovation**.

These include **research centres and universities**, especially Brescia University and the Polytechnic University of Milan, and private parties that the Company collaborates with, creating synergy for common projects, such as third-party companies and technological

clusters like 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).

Since April 2020, ORI Martin has been involved in 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. and ORI Martin S.p.A. exploring steel-transformation issues.

More recently, in 2021 ORI joined the European Union'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 hubs**.



## 2.2 Materiality analysis and material topics

**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 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 in terms of **significance**, for the Company, taking into account the guidelines of GRI principles. For real impacts, the assessment considers the severity, while for potential impacts it is based on the severity and probability of occurrence.

Finally, 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 **2022 Sustainability Report**.

The significant impacts identified are presented in the following table:

Material topics	Impacts		GRI disclosure
<b>Energy efficiency and the fight against climate change</b>	<b>Greenhouse-gas emissions</b> 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.	<b>High-probability real negative impact</b>	302 – Energy 305 – Emissions
<b>Polluting emissions and air quality</b>	<b>Atmospheric pollution</b> 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.	<b>High-probability potential negative impact</b>	305 – Emissions
<b>Limitation of environmental impacts and circular economy</b>	<b>Water pollution</b> 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.	<b>High-probability potential negative impact</b>	303 – Water and effluents
	<b>Depletion of water resources</b> Steel production phases, as well as extraction of raw materials, require the use of large quantities of water for cooling systems and other activity, leading to depletion of water resources, particularly if activities are located in zones with high levels of water stress.	<b>High-probability real negative impact</b>	303 – Water and effluents
	<b>Production of waste</b> Direct activity, as well as activity elsewhere in the value chain, generates waste that must be correctly managed or utilised to avoid negative environmental impacts.	<b>High-probability potential negative impact</b>	306 – Waste
	<b>Consumption of raw materials</b> Procurement of raw materials, if not managed sustainably, may influence the availability of virgin raw materials and affect ecosystems.	<b>High-probability real negative impact</b>	301 – Materials

<b>Product quality and traceability</b>	<b>Contribution to quality and innovation</b> ORI Martin promotes traceability of its products along the entire value chain, enabling monitoring and guaranteed quality.	<b>High-probability real positive impact</b>	Non GRI
<b>Sustainable development and innovation</b>	In addition, monitoring technological developments in the sector, enables improvement of product quality and processes, achievement of high levels of performance and greater durability.		Non GRI
<b>Noise pollution</b>	<b>Noise pollution</b> Plant operations and movement of heavy vehicles can generate an acoustic impact in nearby outdoor areas that, if not correctly managed, may be a disturbance to the surrounding communities.	<b>Medium-probability potential negative impact</b>	Non GRI
<b>Supply-chain sustainability</b>	<b>Supply-chain sustainability</b> If, along the supply chain, respect for human rights of workers and sustainable procurement practices are not guaranteed, the Company could generate a negative impact on society and the environment..	<b>Medium-probability potential negative impact</b>	308 – Supplier environmental assessment 414 – Supplier social assessment
<b>Protection of diversity</b>	<b>Discrimination in the workplace</b> Respect for diversity and equal opportunities must be guaranteed for all employees, during all company activity. ORI Martin must consider the risk of cases of discrimination in the context of its operations and along the value chain, in order to adopt preventive and corrective measures.	<b>Medium-probability potential negative impact</b>	405 – Diversity and equal opportunities 406 – Non-discrimination
<b>Employment and staff relations</b>	<b>Establishment and consolidation of stable working relationships with employees and local communities</b> ORI Martin promotes good relations with its employees thanks to a continuous dialogue with trade unions.	<b>High-probability potential positive impact</b>	401 – Employment 402 – Labour/management relations
<b>Attention to the local community</b>	In addition, the Company supports local communities through donations, volunteering schemes and other initiatives.		413 – Local communities

<b>Staff development and training</b>	<b>Development of sector-specific expertise</b> 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.	<b>High-probability real positive impact</b>	404 – Training and education
<b>Occupational health and safety</b>	<b>Occupational health and safety risk</b> 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.	<b>High-probability real negative impact</b>	403 – Occupational health and safety
<b>Business integrity</b>	<b>Violation of regulations and standards</b> 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.	<b>Low-probability potential negative impact</b>	205 – Anti-corruption 206 – Anti-competitive behaviour
<b>Economic performance and creation of value</b>	<b>Secondary effects along the value chain</b> 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.	<b>High-probability potential positive impact</b>	201 – Economic performance

## 2.3 Mitigation of impacts and ORI Martin’s contribution to SDGs

In 2015, the states of the United Nations approved the **2030 Global Agenda for Sustainable Development**, which identifies and details achievement of **17 Sustainable Development Goals (SDGs)** that, on the basis of complex social challenges, represent **common objectives** for a sustainable future. The Agenda is based on the principle that bringing an end to poverty must go hand in hand with strategies that nurture economic growth and meet a broad spectrum of social needs, including education, health, social security and employment opportunities, while combating climate change and protecting the environment.

The UN 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 framework, ORI Martin has identified **10 goals to which it can contribute** through the strategic choices guiding daily company operations.



**Carolina de Miranda**  
Sustainability Manager

Safeguarding the environment and people, focusing on local communities and areas, supporting the growth of employees and communication with stakeholders; these are the priorities for ORI Martin in its efforts for sustainable development, which continue year on year with determination and commitment. In this regard, the numerous actions adopted in these years demonstrate a real, proactive interest in a better future.

Dott.ssa Carolina de Miranda / Sustainability Manager

SDGs	Description
<b>3 Good health and well-being</b>	Ensure healthy lives and promote well-being for all at all ages
<b>4 Quality education</b>	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
<b>6 Clean water and sanitation</b>	Ensure availability and sustainable management of water and sanitation for all
<b>7 Affordable and clean energy</b>	Ensure access to affordable, reliable, sustainable and modern energy for all
<b>8 Decent work and economic growth</b>	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
<b>9 Industry, innovation and infrastructure</b>	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation
<b>11 Sustainable cities and communities</b>	Make cities and human settlements inclusive, safe, resilient and sustainable
<b>12 Responsible consumption and production</b>	Ensure sustainable consumption and production patterns
<b>13 Climate action</b>	Take urgent action to combat climate change and its impacts
<b>17 Partnerships for the goals</b>	Strengthen the means of implementation and revitalize the global partnership for sustainable development

## Environment

SDGs	Material topic	Description
	<b>Business integrity</b>	Operate in compliance with current environmental laws and regulations, legally and within the limits imposed by law.
 	<b>Energy efficiency and the fight against climate change</b>	Operate with a view to reducing carbon footprint and minimising the impacts of ORI Martin's operations, in relation to climate change, through initiatives that support monitoring and reduction of energy consumption and greenhouse-gas emissions, streamlining production processes and adopting solutions with low energy and climate impacts, such as the use of renewables.
	<b>Polluting emissions and air quality</b>	Contribute to the improvement of air quality through adoption of specific pollutant abatement systems and effective control of emissions.
 	<b>Limitation of environmental impacts and circular economy</b>	Promote a culture of resource management based on the circular-economy principles by minimising the impacts of production and disposal of waste deriving from the production process, reducing water consumption by optimising use, using sustainable raw materials and favouring the use of recycled materials.
	<b>Noise pollution</b>	Monitor noise pollution generated by manufacturing activities and limit the propagation of noise by adopting advanced and innovative technologies.

## Social

SDGs	Material topic	Description
 	<b>Occupational health and safety</b>	Ensure employees work in healthy, safe conditions that protect the physical well-being of workers by adopting adequate safeguards to reduce potential health and safety risks and by guaranteeing effective and constant training.
	<b>Staff development and training</b>	Guarantee all human resources development of their expertise through continuous professional development that boosts progress and improves performance.
	<b>Protection of diversity</b>	Guarantee employees respect for diversity and equal opportunities, creating an inclusive environment and minimising possible risks of discrimination in the workplace.
	<b>Employment and staff relations</b>	Create an attractive working environment for young talent and maintain a high level of employee retention, ensuring a proper work-life balance through open, consistent and transparent communication.

	<b>Attention to the local community</b>	Maintain 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.
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## Economy and Governance

SDGs	Material topic	Description
	<b>Business integrity</b>	Operate in accordance with the ethical principles of fairness and transparency, promoting the fight against active and passive corruption and preventing anti-competitive behaviour that damages the Company's reputation.
	<b>Product quality and traceability</b>	Ensure high product quality in terms of performance and durability by implementing cutting-edge technologies that enable product traceability at all stages of the process by providing the market with complete, secure data.
 	<b>Sustainable development and innovation</b>	Focus on research and development to ensure the continuity and quality of products in the long term, and promote efficiency and innovation throughout the production process.
	<b>Economic performance and creation of value</b>	Ensure business continuity by guaranteeing the solidity of financial assets to generate value for distribution among the various Stakeholders.
	<b>Supply-chain sustainability</b>	Assess the 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.

### 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	
	<p><b>Decent work and economic growth</b></p>	<p><b>Optimisation</b> in the use of <b>natural and energy resources</b> also through the adoption of the best technologies available for <b>updating production and management processes</b>; constant improvement of employee working conditions in terms of <b>health, safety and environmental protection</b> and maintenance of <b>financial balance</b>: these are the fundamental aspects of <b>responsible management</b> according to ORI Martin.</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 structured a procedural body based on the principles established in the <b>Code of Business Conduct</b>.</p>
	<p><b>Industry, innovation and infrastructure</b></p>	
	<p><b>Partnerships for the goals</b></p>	

The Code of Business Conduct defines the preventive approach adopted by ORI Martin for the management of negative impacts, in particular relating to the environment and employee safety. This is achieved through a risk assessment which allows us to identify and implement mitigation actions supporting the environment, the community in which the Company operates, and its employees.

In 2019, the Company established the role of Sustainability Manager, reporting directly to the CEO on the management and coordination at a centralised level of all the Group's sustainability activities, from reporting to the definition, implementation and monitoring of projects related to sustainability.

# 3.1 Governance

## COMPANY STRUCTURE

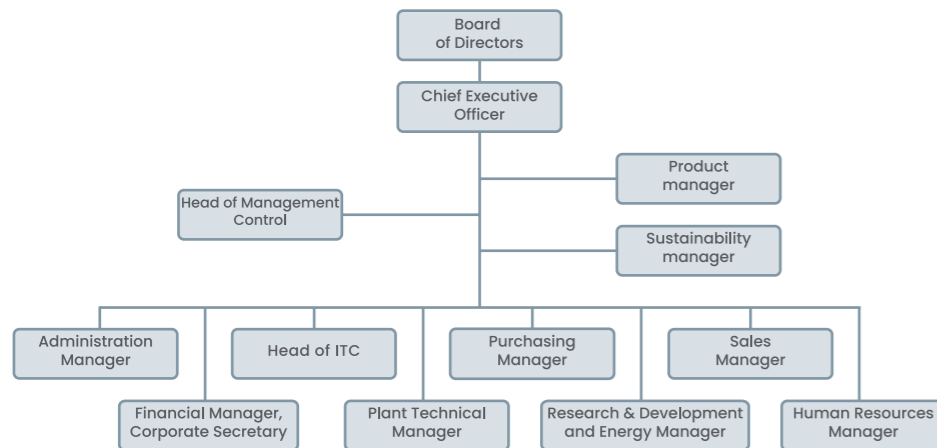
ORI Martin has implemented an organisational structure based on a system of roles reporting to a **Board of Directors** at the top, responsible for managing the Company.

The Board is appointed by the **Shareholders Meeting** and can appoint between 3 and 11 members, who are vested with the broadest powers and rights to carry out all acts deemed appropriate to **implement and achieve corporate objectives**.

The Board appoints the Chairperson and the Vice Chairperson if the Shareholders Meeting has not done so and elects the Chief Executive Officer and the Executive Committee.

In 2022, the Company renewed the Board of Directors for the **2022–2024 three-year** period, along with the **Executive Committee**, including the Chairperson, Vice Chairperson, CEO and two directors (Roberto de Miranda and Giovanni Comboni). The organisational structure of ORI Martin is divided into different functions which report hierarchically to the Chief Executive Officer, each led by a manager.

The Head of Control and Management, the Product Manager and the Sustainability Manager hold a cross-functional role with regard to other specific departments.



### 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
<b>Uggero De Miranda*</b>	<b>Chairman</b>	Executive	Non-independent	Male	>50	Yes
<b>Andrea Agnelli</b>	<b>Chief Executive Officer</b>	Executive	Non-independent	Male	>50	Yes
<b>Giovanni Marinoni Martin</b>	<b>Vice Chairman</b>	Executive	Non-independent	Male	30-50	Yes
<b>Giovanni Comboni</b>	<b>Director</b>	Executive	Independent	Male	>50	Yes
<b>Roberto De Miranda</b>	<b>Director</b>	Executive	Non-independent	Male	30-50	Yes
<b>Carlo Garavaglia</b>	<b>Director</b>	Non-executive	Independent	Male	>50	No
<b>Pandolfo Enrico Ovaleo</b>	<b>Director</b>	Non-executive	Independent	Male	>50	No
<b>Guido Rivolta</b>	<b>Director</b>	Non-executive	Independent	Male	>50	No
<b>Alessandro De Miranda</b>	<b>Director</b>	Non-executive	Non-independent	Male	30-50	No

\* representing DEMI5 S.r.l.



Selection of members of the Board of Directors, like all employees of the Company, is focused on verifying that they satisfy the requirements of professional expertise, conduct and attitude defined for the specific role, while respecting the dignity, personality, private life and opinions of the candidate. Members of the Executive Committee are appointed by the Board of Directors. Following on from previous years and in order to promote the distinctive **family management of the business**, members of the Board include representatives of the family that founded the Company.

The Board of Directors plays an active role in **defining and updating corporate strategy and the moral principles guiding the Code of Business Conduct**, and in the **approval of policies, goals and targets**, including those related to **sustainable development**.

Specifically, together with the Sustainability Manager, the Board is involved annually in identification of **impacts on the environment, people and the economy**, and is responsible for information shared in the **Sustainability Report**. Management of impacts is assigned to the respective heads of function, with support from the Sustainability

Manager.

As set out by the management systems in place, heads of function report at least annually to the Management, informing them of all **significant updates regarding identification and management of sustainability impacts**.

The Executive Committee is responsible for defining remuneration policies for management personnel, determining and periodically reviewing amounts on the basis of individual negotiations. 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, and subject to resolution of the Executive Committee.

Remuneration for non-management personnel is defined on the basis of corporate negotiations, renewed in 2021, and by an internal description of roles. Here too, both a fixed and variable component are included, the latter linked to specific targets, essentially for production, quality, presence at work and participation in training courses.



**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

## Governance tools

The principles that inspire ORI Martin's day-to-day management are established in the **Code of Business Conduct**, adopted in **2009** and applied to all the Group companies. The document confirms the **importance of ethical-social responsibility** when conducting business, with the commitment to comply with the interests of all its Stakeholders and the community, including human rights.

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, and in relations with third parties engaging with the Group.

All the players interacting with the Company are required to comply with the Code of Business Conduct and its principles. This document constitutes an essential element of the **Organisation, Management and Control Model** (pursuant to Italian Legislative Decree 231/2001 or Model 231) of the Group, which defines the rules, responsibilities, control measures and mitigation actions to be implemented having identified certain areas of risk.

A **Supervisory Body** (SB), an independent body with three members, has been established to oversee Company management. The SB performs the supervisory, monitoring and control functions established in Model 231 and must be promptly notified of any instances, conduct or events that could cause the Model to be breached. In this regard, there is a whistleblowing procedure which guarantees confidentiality for the reporting of any misconduct. The SB also draws up a report every six months submitted to the Board of Directors and the Board of Statutory Auditors containing a summary of the activities carried out, the problems encountered, and an overview of the reports received by the Supervisory Body during the period.

Particular attention is paid to integrity in relations with external parties, with specific reference to the prevention of crimes such as breaches of human rights, corruption, money laundering and unfair competition.



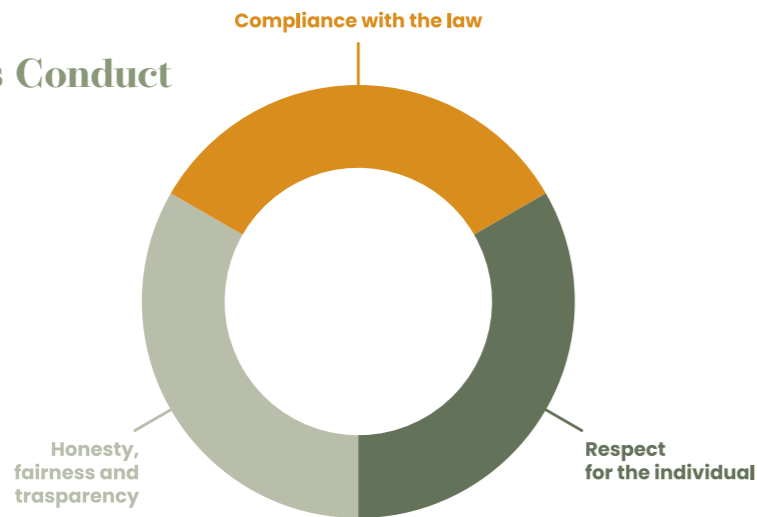
All employees and external personnel are obliged to report to the Supervisory Body on any behaviour they have come to know of directly or indirectly that falls within the cases identified as breaches of the Code of Business Conduct.

The Code of Business Conduct, amongst other aspects, also defines the methods for prevention and mitigation of conflicts of interest. The Group recognises and respects the right of people to participate in investments, business or activities of another nature 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 to the benefit of another party that may potentially generate a conflict of interests, or in the event that a conflict of interests arises, each employee must report the situation to their hierarchical superior and 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.

In 2020, the dispute started by the sanction imposed on ORI Martin and other steel firms in 2017 for claimed price fixing was finally settled in favour of the Company. The Council of State rejected the counter-appeal lodged by the Antitrust body, after the Lazio Regional Administrative Court had in 2018 accepted the Company's appeal against the sanction. In 2022, there were no legal actions pending nor completed regarding anti-competitive behaviour. In the context of general compliance and alignment to the Code of Business Conduct/Model 231, activities within the plant are governed by specific policies aimed at defining procedures and Company policies in the main areas of activity.

### Code of Business Conduct



TOOLS

RULES

RESPONSABILITIES

CONTROL MEASURES

MITIGATION ACTIONS

In particular, ORI Martin has adopted a **quality policy**, forming the basis of Company strategy, which reflects the **attitude to pursue qualitative excellence and continuous and sustainable improvement**. The quality standards of ORI Martin are implemented through a quality management system certified according to **UNI EN ISO 9001:2015**, and **IATF 16949:2016**, a standard applicable to the automotive sector.

The cornerstone of ORI Martin's governance is the policy for occupational health and safety and environmental protection. The Company has a Management System certified in accordance with UNI EN ISO 14001:2015 for environmental management and UNI ISO 45001 for the management of



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

health and safety. Furthermore, with the introduction of Italian Legislative Decree 105/15, the Company has been qualified as a major accident risk in relation to storage, beyond the thresholds set by the decree, of abatement powders for fumes containing dangerous substances, in particular zinc oxide and lead compounds. In this regard, through the major accident prevention policy, ORI Martin outlines its commitment to **prevent and monitor any dangers** that could lead to incidents with serious repercussions on health, environment and goods.

**Efficient energy management** is considered fundamental when conducting plant activities. 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. 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 set up a Data Protection Committee, coordinated by the Data Protection Officer, which reports every six months to the CEO on the validity of the Model, any necessary amendments, additions, as well as opinions, decisions and events that have taken place regarding the protection of personal data.

When setting up its Model 231, ORI Martin was supported by professional consultants to identify risks associated with the offences outlined in the Model 231, as defined by Confindustria guidelines: these are related to the development of organisational, management

and control models and contain methodological indications to identify risk areas and adapt them to the specific needs and characteristics of the Company. Furthermore, Ori Martin is engaged in constant monitoring of regulatory changes with an impact on its Model 231, and proceeds with the necessary updates or additions to the Model according to the same criteria, therefore identifying the risks. This is achieved through document analysis, specific interviews with key figures responsible for activities, process analysis, evaluation of the control measures in place and definition of specific mitigation actions if necessary. The risks related to environmental and health and safety aspects are identified, evaluated and monitored according to the internal model adopted in line with the Environmental and Safety Management Systems in order to improve their performance. As for all other types of risks specified by Model 231, the approach used is based on processes and includes the analysis of external and internal factors that can influence the Company's ability to achieve the expected results, the fulfilment of applicable legal requirements and the needs and expectations of its Stakeholders.

In 2022, the figure of Mobility Manager was confirmed, managing the "Commuter Mobility Plan" (CMP), promotion of sustainable mobility policies and other initiatives and meeting with other companies in the area on the topic of mobility.

# 3.2 Value creation

2022 will be remembered for its complexity, due to events with negative impacts on the global and national economic situation. Growth in GDP following the strong rebound in 2021 (+5.6%) saw a figure of +3.2%, while expectations for 2023 are for a further slowing, with a figure of +2.6%. Following the post-pandemic recovery, in the context of which various economic parameters returned to positive figures, signalling significant growth, the geopolitical crisis associated with the conflict between Russia and Ukraine again complicated the international situation.

One of the key challenges at a global level, which has impacted prices, is that of tensions in the energy market, characterised by a marked increase in the price of raw materials, particularly oil and natural gas, which are taken as a benchmark for changes in energy prices.

Based on World Steel Association data, the global steel market experienced a downturn on 2021, falling -3.9%, with production of 1,885 million tonnes. Overall, the European Union produced 136.7 million tonnes of steel (-10.5%). Considering the leading European producers, it is noted that Germany totalled production of 36.8 million tonnes (-8.4%), Spain 11.5 million tonnes (down -19.2% on the previous year), France 12.1 million tonnes (-13.1%) and

finally Italy 21.6 million tonnes of steel (-11.4%).

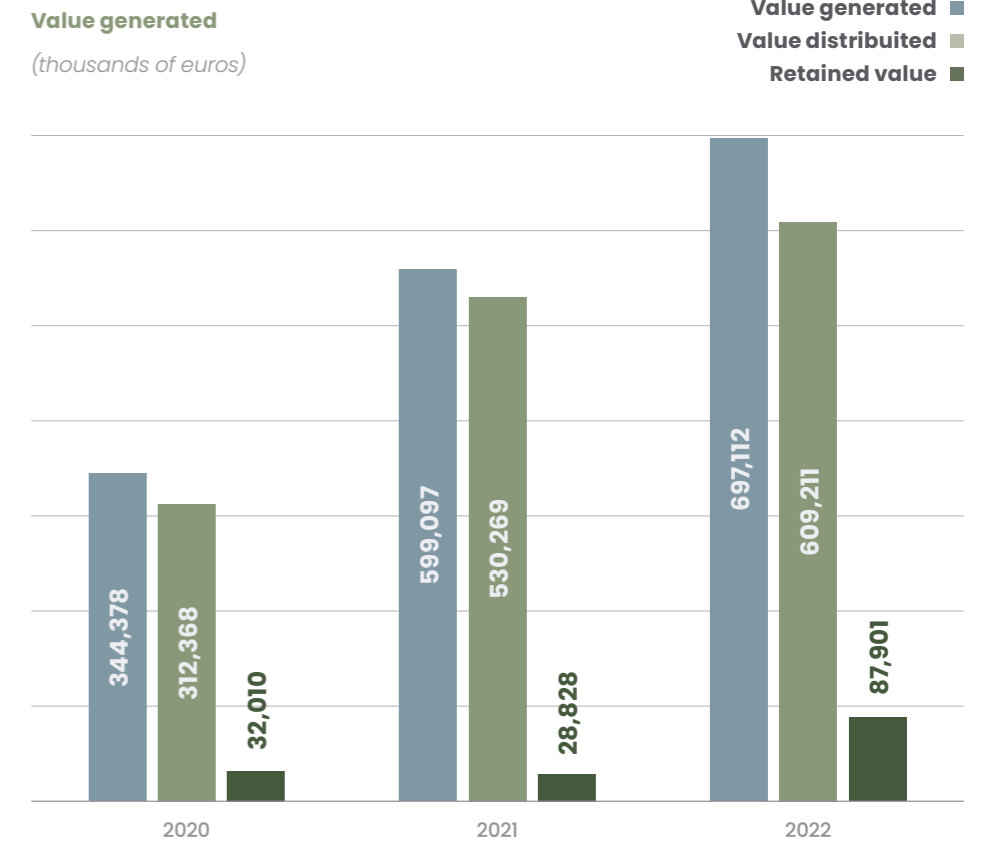
Despite the downturn of the steel market, the company revenues registered a rise of roughly +6%, due to the significant increase in selling prices of the products, which offsetted the decrease in volumes marketed (-15%).

Net of suppliers, the value distributed amongst the other stakeholders in 2022 was transferred for € 42.2 million to employees, including remuneration, benefits, social security costs and severance indemnities, and for € 1.6 million to the financial community, as remuneration of loaned capital. Finally, the local community and the territory benefited for € 565

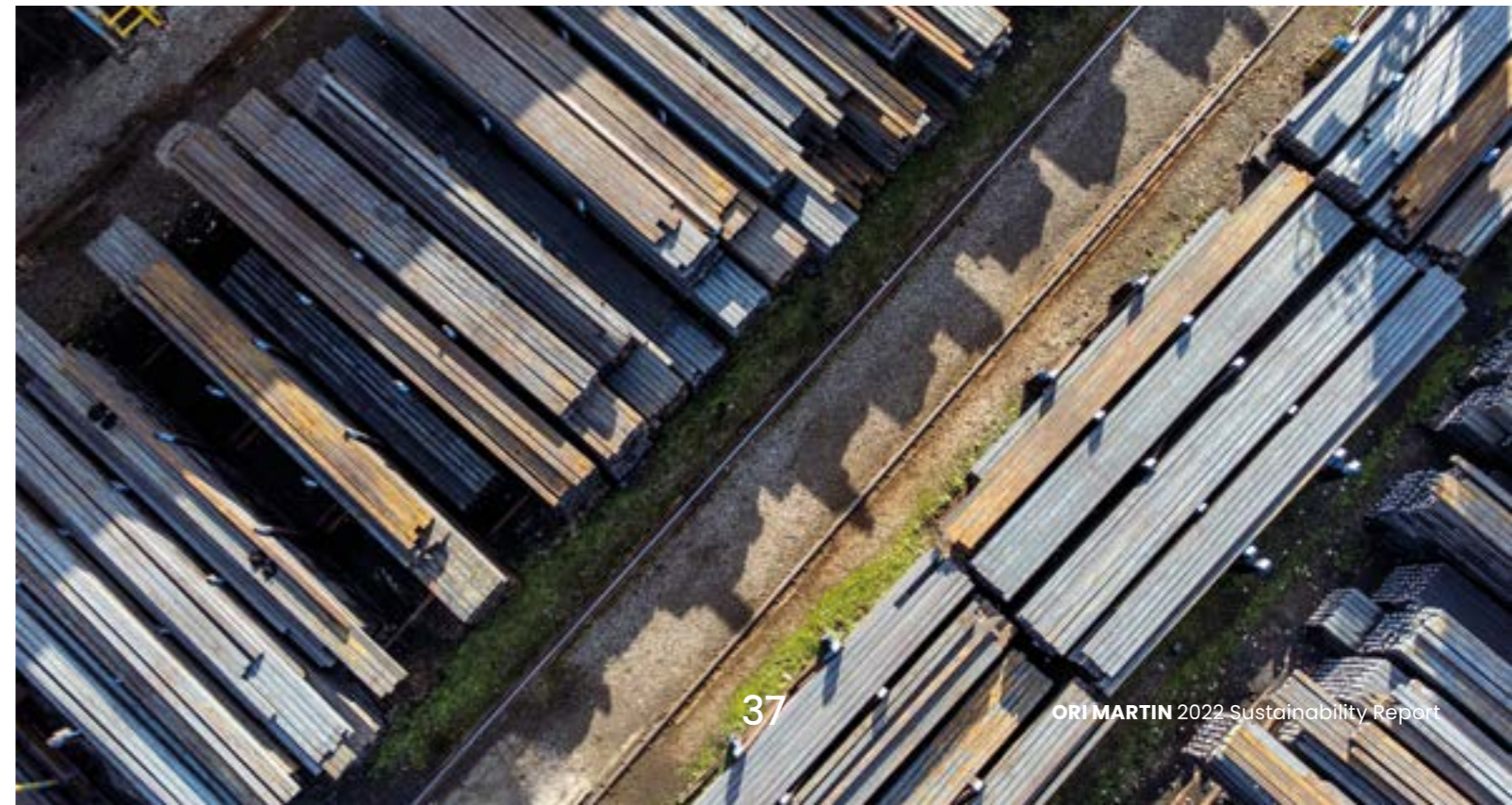
thousand, both as membership fees in the several associations which the Group is a member of and as donations to various initiatives in support of the local community. Finally, retained value (€ 87.9 million) contributed to the enhancement of the Group's worth, as retained profits, amortization, depreciation 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



Most of the value generated is distributed to suppliers (€ 564.2 million in 2022), primarily for the raw materials needed to produce steel (355.5) and services (214.3).

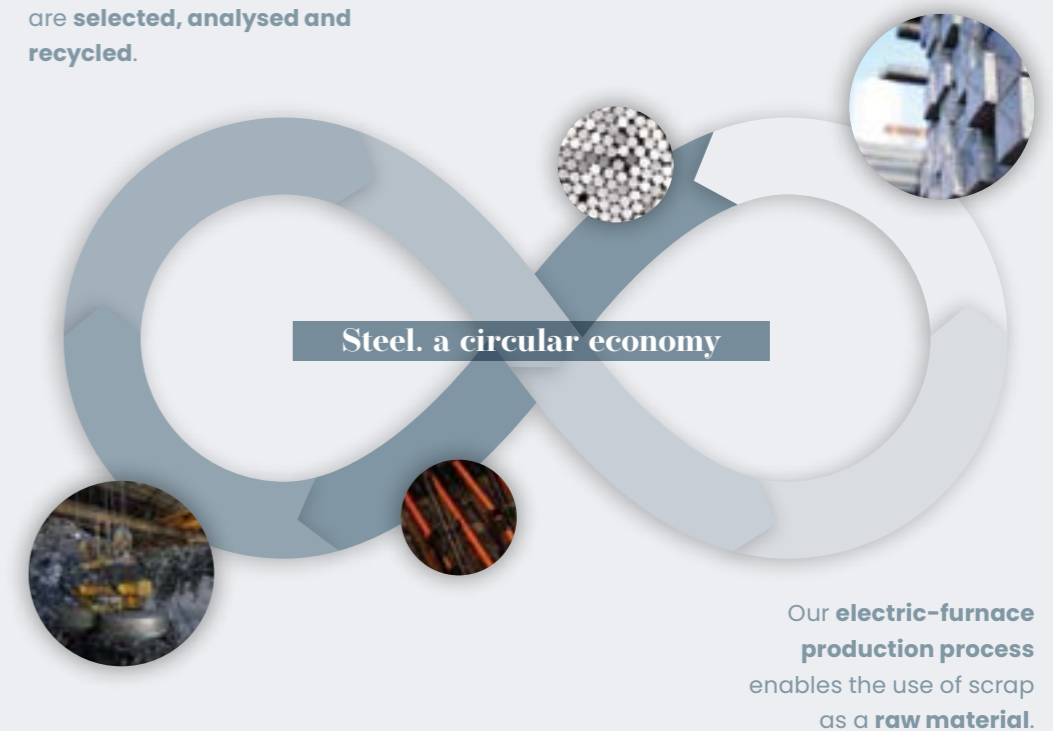


# Sustainable innovation and Quality

SDGs		Description
	<b>Industry, innovation and infrastructure</b>	<p><b>ORI Martin</b> is located in an <b>urban context</b>, close to the <b>residential area</b> to the north of <b>Brescia</b>. The facility's urban location has been a stimulus over the years, motivating the Company to implement a series of projects dedicated to the district's well-being and to invest in the search for <b>new solutions for sustainable innovation</b>. Producing steel sustainably means integrating with the setting and cultivating relations aimed at <b>sympiosis between industry and local areas</b>, mitigating environmental impacts and promoting quality of life.</p>
	<b>Sustainable cities and communities</b>	
	<b>Partnerships for the goals</b>	

## ORI Martin produces steel using scrap

At the end of their life cycle, **steel products** are **selected, analysed and recycled**.



# 4.1 Sustainability in the plant

In this context, the sustainability and innovation policies of ORI Martin aim at strengthening the **circular economy** model which has always formed the basis of its production process.

The choice to produce **steel** starting from with electric arc furnace (EAF) melting, in fact, allows for the use of ferrous scrap as a raw material with a dual benefit: **reducing the use of natural resources and lowering the amount of industrial waste that would otherwise be disposed of.**

This process is made possible by the **ability of steel** to maintain all its **properties** unchanged throughout the process of melting and re-solidification. On top of that, steelmaking using EAF enables a significant reduction in greenhouse gases (GHG) emissions compared to the integrated route, as emissions are mainly indirect, and associated with the consumption of the electricity to run the furnace.

ORI Martin is also involved in a **project for gradual decarbonisation** of production processes, with progressively increasing use of **renewable**

## energy and limitation of greenhouse-gas emissions from plant activities.

In this regard, the Company certifies the **carbon footprint** of its products, in order to communicate the impact generated by the components produced in the factory and identify the critical variables where action is needed (*details in chapter 5.2.1*).



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



### A NEW MELTING FURNACE

One of the various initiatives in ORI Martin’s decarbonisation plan is the implementation of innovative technology and systems and, above all, a new electric arc furnace (EAF) with continuous charging and electromagnetic stirrers, under development at the Brescia site.

This system enables use of alternatives materials instead of fossil fuels, derived from transformation or recovery of waste. It also enables a reduction in fluxes and slag produced, improved product quality and lower steel treatment times, thus limiting energy consumption and waste material. This is an innovative system that operates in synergy with existing systems for management of electrical power and scrap, based on AI algorithms and heat-recovery systems used by ORI Martin.

## Decarbonisation plan

In 2022, ORI Martin formally launched its efforts to pursue decarbonisation through definition of a strategic and operational plan that will be completed in 2023.

The identifies an ambitious **target for the reduction of emissions** in terms of tonnes of CO<sub>2</sub> equivalent, for direct and indirect emissions (Scope 1 and Scope 2) per product unit, of **30% by 2030**, taking 2018 as the baseline. This reduction target is aligned with the WB2°C scenario of the Science Based Targets, defined by the **“Science Based Targets initiative”** (SBTi), a partnership involving the **UN Global Compact** (UNGC), **World Resource Institute** (WRI), **Carbon Disclosure Project** (CDP) and **WWF**, and founded with the aim to support companies in the adoption of mitigation goals and guide them in transition towards a low-carbon economy.

The procedure set out to meet the target set involves a series of operational measures, including several energy-efficiency projects aimed at reducing the use of fossil fuels, primarily natural gas, and electricity.

In addition to reducing the use of this resource, the company has also planned its progressive replacement: partially through electrification of consumption (e.g. furnaces with induction pre-heating) and partially through use in the medium-long term of low-impact fuels, such as biomethane and hydrogen, for the production process. There are also plans for partial or total replacement of the coal used for the melting furnace with more sustainable solutions, such as polymers and biochar, a light carbon residue produced by the pyrolysis of biomass.

In addition, to promote the use of renewables, ORI Martin has planned the installation of systems for the generation of renewable electricity using solar panels, both in Brescia and Ospitaletto plant, and the Organic Rankine Cycle (ORC), along with purchase of green energy certified with Guarantees of Origin and Power Purchase Agreements (PPA).

Since 2020, the Company has also actively participated in the activities of **ESTEP** (European Steel Technology Platform), a non-profit organisation that promotes research in the technological field at the European level to **improve the sustainability of steel processes**. In particular, through the **“Clean Steel”** project, guidelines have been defined at the European level for the production of steel from electric arc furnaces. The **I-Recovery®** project sits in this context, aimed at **harnessing a portion of the heat generated** by melting and transferred by fumes, producing steam used for various purposes.

I-Recovery® is a project worth over € 12 million, active since 2016 and the first of its kind in Italy, implemented with a number of technical partners: **Tenova, Turboden and A2A**.

The I-Recovery® system enables the **large amount of heat** contained in the fumes of the steel plant's electric arc furnace to be conveyed into a system that avoids its dispersion. The heat is recovered through the generation of steam, which is stored and used for a dual purpose: it is either transformed into thermal energy to be fed into **Brescia's district-heating network** or into electricity through an organic Rankine cycle turbine (ORC). Thanks to this **technology**, I-Recovery supplies around 10 MWt for heating in the winter period, equivalent to the annual requirement of approximately **2,000 families**. In summer, it produces clean electricity (about 1.8 MWe), equivalent to the needs of approximately 700 families.



**I-Recovery®**

Another important area of innovation that the Company is developing involves the recovery of heat from the cooling water of the melting furnace and Consteel®. The Heatleap project aims to harness this heat to improve efficiency. In addition to ORI Martin, it involves Turboden, a business working on the design and development of an innovative heat pump, which is heading up the project. Other project partners include RINA Consulting, CSM and CSMT. The project was launched in 2020 and is part of the LIFE programme funded by the EU, which aims to demonstrate the economic and environmental benefits of systems for the recovery of thermal energy, promoting a

reduction in consumption and an increase in the energy efficiency of production processes, in order to lower greenhouse-gas emissions and energy bills. The project will enable ORI Martin to recover heat at a low temperature and bring it to a sufficient temperature for issue into the district-heating network. In 2021 the industrial plan was defined, in 2022 the heat pump was installed, and completion of testing and commissioning is scheduled for 2023. The ambition is to demonstrate an effective and innovative system for the recovery of energy from "waste heat" that is valid for the steel industry but also for many other energy-intensive industrial processes.

The furnace heat is conveyed, avoiding dispersion into the atmosphere. This heat is turned into steam to generate **thermal energy**.

It is either transformed into thermal energy to be fed into **Brescia's district-heating network** or into electricity through an **ORC turbine**.

**GREEN METALS BRESCIA**

This project is founded on an alliance established between industrial and agricultural entities in Brescia to pursue decarbonisation of steel and metallurgy business in the province. The ambitious was launched in 2022, and involves **replacement of natural gas** with a more sustainable fuel, **biomethane**, produced using **agricultural waste and/or organic urban waste**.

Once operational, the project could lead to a large reduction in the overall consumption of natural gas. This is a significant goal particularly considering that steel and metallurgy industries are amongst the most energy intensive.

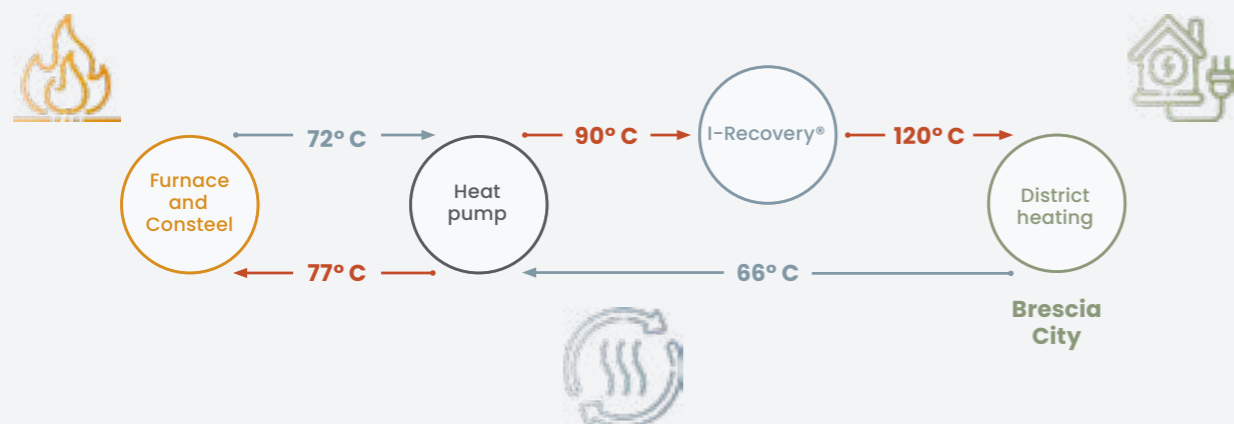
**CORALIS**

With a view to developing the circular economy, ORI Martin has launched a project aimed at **harnessing and reusing metallic waste** that is rich in iron oxide generated by production cycles, and generally reducing the quantity of material going to landfill. In this context, the Group participated and inaugurated the CORALIS project, funded by the European Union within the scope of the Horizon 2020 Programme and designed to foster concrete initiatives to reduce waste through recovery in industrial processes.

The project began in 2021 and will continue until 2024. Waste produced in the various industrial areas (Brescia, Hoganas in Switzerland and Valle di Escombreras in Spain) and within various sectors, will be processed using advanced technology and

transformed into a secondary raw material for recovery or reuse in other production processes, fostering synergies and circular economics. Within the consortium, which is made up of 29 parties, including companies, research centres and universities, ORI Martin will recover and receive residual materials rich in metal dusts 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 biochar) and turning that serves as a containment cage, pressed together forming a block. The project began with an initial production phase for the first batch of blocks in October and November 2022, followed by charging in the electric arc furnace. The project will continue in 2023.



### FROM POLYMER TO STEEL

Another initiative launched in 2021 to increase both circularity and decarbonisation involves **usage in the steel melting process of polymers from recycled plastic** in replacement of a portion of the coal used in the melting process. These polymers are derived from plastics in separated waste collection batches that cannot be recycled. Initial tests were performed between April and June 2022. Tests were then repeated in 2023, also testing other polymer materials also derived from the non-recyclable portion in order to verify the feasibility of the introduction of plastic waste, recovered in other

sectors, into the steel production process, without compromising the quality and technical properties of the finished product.

To perform these experimental tests, ORI Martin equipped itself with a pilot system for injection of polymers into the furnace and analysis and agreements are underway with the various suppliers for testing with different waste materials. In addition to the possibility to divert plastic from disposal in landfills, the solution would also lead to a reduction in GHG emissions, as it would reduce the use of coal in the melting process.

### AGRIVOLTAIC PROJECT

An agrivoltaics project is currently under development for the installation of an approximately 6 MW **photovoltaic system** mounted on a tensile structure over around eight hectares of land in the vicinity of the Ospitaletto plant. This tensile structure that will support the photovoltaic panels enables agricultural land use to continue, guaranteeing productivity. The system is designed to comply with ministerial guidelines. The panels, entirely automated, move along the tensile structure on which they are installed, following the movement of the sun. They can also be positioned to reduce sun exposure on the crops growing on the land, offering benefits to agricultural production by reducing evaporation from the soil and therefore saving on water usage for irrigation, particularly in the summer. The system is also equipped with sensors to monitor climate and agricultural conditions.

## 4.2 Constant innovation

The strategic vision of ORI Martin has always **tended strongly towards innovation**.

With this in mind, over the years the activities of several Company departments have developed **considerable know-how** and specific experience able to guarantee product quality, including through a number of controls formalised in operating procedures and practices, aimed at well-trained, responsible and competent personnel.



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

At the same time, the high quality standards required to satisfy market needs, particularly in the automotive sector, demand continuous technological innovation from the Company. This is needed to improve and continuously streamline work and the use of resources. Sustainability is becoming an important investment driver for companies. But there cannot be true sustainability without digital innovation, because it is precisely the many technologies and digital applications, from sensors, IoT and big data to automation, computer vision and AI, that enable sustainability for businesses.

Skilful integration of these two components, **know-how and innovation**, forms the foundations for ORI Martin's approach to **development** rooted in **continuous improvement**. To follow up on and make this vision effective, strategic investments are concentrated on two pillars: digital transformation

and circular economy. Focusing on these levers, ORI Martin invested more than € 31.3 million for research and development in the five-year reporting period, with € 5 million in 2022 alone.

As part of these investments, the Company has launched a **digitalisation process**, focused on **leveraging data** particularly in the steel production phase, and a programme of increasing **robotization of processes**.

The first robot appeared in the steel department in 2000 for an experimental billet labelling station.

**Today there are 7 operational robots**, two of which arrived in 2021.





These were two robotic systems that work alongside and replace the operator in operational phases of steel sampling and temperature measurement. . The robot is also equipped with a camera enabling the operator to view the state of the surface of the liquid steel whilst remaining in a position of safety inside the control cabin. This system enables the operator to control operations remotely, guaranteeing **safety, quality and repeatability**.

There is growing integration of programmes that use AI algorithms in production departments, supporting operators in their management, 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. Another application is for controlling operational flows within the steel department and logging handling of ladles, downtime and operations, providing useful information for the optimisation of the process and to save energy. Finally, it is possible to monitor the energy consumption of the main energy-intensive plants, tracking energy costs in real time and on the basis of energy-market availability.

These are **technological improvements** with significant impacts on operator **safety**, on the **quality** of production, and on the **repeatability, reliability and sustainability of production and control processes**, the fundamental pillars of ORI Martin’s vision.

**Research and development:**

ORI Martin investment  
since 2018  
(millions of euro)

2018	2019	2020	2021	2022
4.2	7.5	8	6.6	5.2

These innovations are part of the wider digitalisation project for the plant, “Acciaio 4.0”, in partnership with **Tenova**. “**Acciaio 4.0**” is one of the four projects selected within the **Lighthouse Industry 4.0** program proposed by the CFI (Intelligent Factory Cluster), developed by the Italian Ministry for Economic Development to stimulate and encourage the increasingly large-scale and systematic introduction of digital supports in production processes.



More specifically, the project aims to enhance the transversal digitalisation process of the entire plant, involving the steel plant, the rolling mill, warehouses and centralised data collection, to create a true cyber-physical steel factor.

The project, launched in June 2019, has a duration of four years, and involves the implementation of enabling technologies for Industry 4.0, including cloud computing, IoT, big-data analysis, cyber security and robotics, in order to gather information from different departments and integrate all phases, creating smart interdependence of all activities.

Application of these technologies has developed within the project also through the involvement of research centres of excellence such as the Multi-sectoral and Technological Services Centre (CSMT), the University of Brescia, STIIMA CNR of Milan, the Polytechnic University of Milan and RINA CSMT of Rome.

Another digitalisation direction is predictive maintenance. In this area, the Company has strengthened its collaboration with Danieli, launching a project to monitor the key production systems of the rolling mill. A similar project has been developed in collaboration with the CSMT research centre of Brescia for monitoring and real-time transmission of certain functional parameters of grabbing tools used for handling scrap in the steel plant. The transversal digitalisation project involving ORI Martin did not overlook safety of the individual. A research project is under development in collaboration with two innovative start-ups and in agreement with trade union representatives for identification of operators in the event of emergencies (accidents or illness), guaranteeing a report and incident location is sent to allocated and 24-hour-manned terminals. The use of sensors and geopositioning devices aims to protect workers with automatic and manual alarms, whilst protecting operator privacy. Consult *chapter 6.1.2* for further details.



## Research and consulting collaboration with the Polytechnic University of Milan

In collaboration with the Polytechnic University of Milan a Joint Research Centre has been established, with five industrial parties representing the chain of production for bolts working on shared research projects. Through the **Metal and Transformation Technologies Joint Research Centre (JRC MATT)**, ORI Martin collaborates with students and researchers of the Polytechnic University of Milan to promote research into new technological and sustainable solutions for the production and processing of steel.

The Metal And Transformation Technologies Joint Research Centre was inaugurated in Lecco on October 24, 2022.

The partner <sup>1</sup> of JRC MATT wanted to share this occasion with authorities, associations and the business world.

The shared research centre now benefits from use of a physical space providing the opportunity for shared use of technology and resources, just a few steps from the regional campus of Lecco. The location, previously the headquarters and production hub of Mario Frigerio S.p.A., is the result of a skilful industrial redevelopment and the desire of the owners to provide the area with an Innovation Lab to foster new expertise.

Following launch in the middle of the pandemic, and after little more than two years of operations, the companies in the partnership confirm that the innovative model for collaboration between research and business in the production chain created by JRC MATT offers important results.



**POLITECNICO**  
MILANO 1863

<sup>1</sup> Politecnico di Milano. Mario Frigerio S.p.A.. Agrati S.p.A.. Growermetal S.p.A.. ORI Martin Acciaieria e Ferriera di Brescia S.p.A. e ITLA Bonaiti s.r.l.

**The country's growth and innovation is built on collaboration between universities and businesses, and for ORI Martin the Metal and Transformation Technologies Joint Research Centre represents an accelerator of innovation, offering the possibility to harness ideas and develop projects in synergy with the JRC MATT founders, harnessing the technology of the research centre, the skills of the Polytechnic University and the experience of partners.**

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



# Environmental responsibility

SDGs	Description	Description
	<p><b>Clean water and sanitation</b></p>	
	<p><b>Affordable and clean energy</b></p>	
	<p><b>Sustainable cities and communities</b></p>	
	<p><b>Responsible consumption and production</b></p>	
	<p><b>Climate action</b></p>	<p>ORI Martin is at the forefront on <b>environmental matters</b>. For years, there has been a <b>daily commitment</b> to continuous improvement towards a <b>healthy, sustainable and collaborative</b> coexistence with the area in which the steel plant operates. <b>Environmental protection</b> is one of the objectives of the ORI Martin Code of Business Conduct and a firm principle guiding plant operations. In terms of operations management the Company is committed to promoting <b>technological development</b> aimed at <b>reducing polluting emissions</b> and improving energy efficiency and also by developing the skills of its staff.</p>

# 5.1 Environmental management

In 2002, the ORI Martin Brescia plant had already been equipped with an **Environmental Management System certified** under standard **UNI EN ISO 14001** and an integrated policy for environmental protection highlighting the Company's commitment to **safeguarding both the environment and occupational health and safety** in a combined manner these two aspects being so fundamental and so embedded in the company. The Ospitaletto plant has been certified under standard UNI EN ISO 14001 since 2016.

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

As for the environmental impact, 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. ORI Martin's approach is also reflected in actions to improve the environmental impact.

Confirming **Company's commitment** to environment and safety, almost **€ 13.5 million** has been invested since 2018 at the Brescia plant, representing **18%** of total investment over the last five years.



**ORI Martin is at the forefront on environmental matters.**

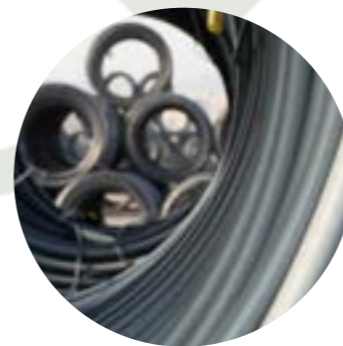
For years, there has been a daily commitment to **continuous improvement** towards a healthy, sustainable and collaborative coexistence with the area in which the steel plant operates.



In **2022** more than **576.000 tons** of ferrous scrap were melted in the Brescia steel plant's electric furnace

**Ferrous scrap** is controlled and monitored and arrives at the steel plant for **recycling**.

**Billets, wire rods and bars** produced using scrap leave the steel plant for **new applications**. At the end of their life, the products will become scrap again.



# 5.2 The resources employed

## 5.2.1 MATERIALS USED

Electric arc furnace steel production involves the use of ferrous scrap as a raw material, consisting of steel elements recovered from other sources and then melted to be processed again in a potentially infinite cycle.

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<sub>2</sub> emissions.

Scrap undergoes systematic checks to exclude 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 2022 more than 576,000 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 input for 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-I: Materials used by weight or volume" in the Statistical Appendix for details of the quantities. For the Ospitaletto plant, the main input material, with approximately 218,000 tons in 2022, is steel billets, primarily coming from the Brescia plant.

### 5.2.2 WATER RESOURCES

**Water** is amongst the most closely monitored resources for ORI Martin, as a **vital asset to be preserved**. Large amounts of water are required to cool the furnaces in steelmaking. 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, a dedicated network 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. In order to limit the overall water consumption, the

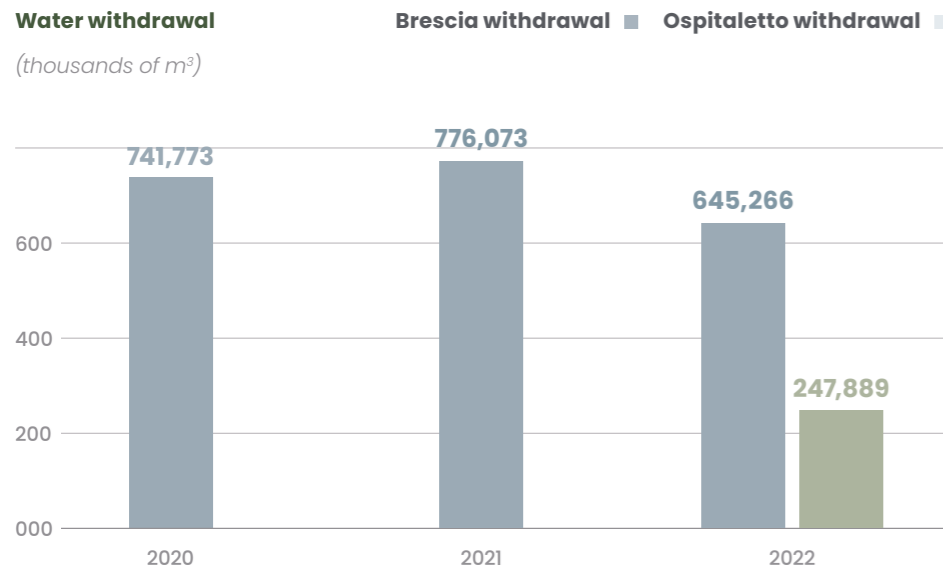
water is recirculated and cooled with evaporative towers or unit heaters.

Water that comes into direct contact with steel during the cooling phase requires treatment to eliminate metal scales and oils. In this case, 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. 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.

In 2022, at the Brescia plant 635,131 m<sup>3</sup> of water was drawn from wells, in addition to 10,135 m<sup>3</sup> from the municipal water supply, for a total of 645,266 m<sup>3</sup>. Water discharge totalled 191,372 m<sup>3</sup>. At the Ospitaletto plant, water drawn from wells amounted to 244,190 m<sup>3</sup> and from the municipal supply 3,699 m<sup>3</sup>, for a total of 247,889 m<sup>3</sup>. Estimated water discharge <sup>2</sup> for this second site, which are fed into the surface-water network, totalled 207,562 m<sup>3</sup>.

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



**For ORI Martin. water is precious.**

The **treatment and recirculation system** enables a significant **reduction in water consumption**.

<sup>2</sup> As the precise figure is unavailable, the figure for water discharge at the Ospitaletto site has been estimated as 85% of water withdrawal at the site.

### 5.2.3 ENERGY CONSUMPTION

Energy consumption, a core feature of the entire steel production process, is another strategic topic and requires ORI Martin to manage energy precisely, committing to an efficient use of energy resources.

This commitment is outlined in the Energy Policy, 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.

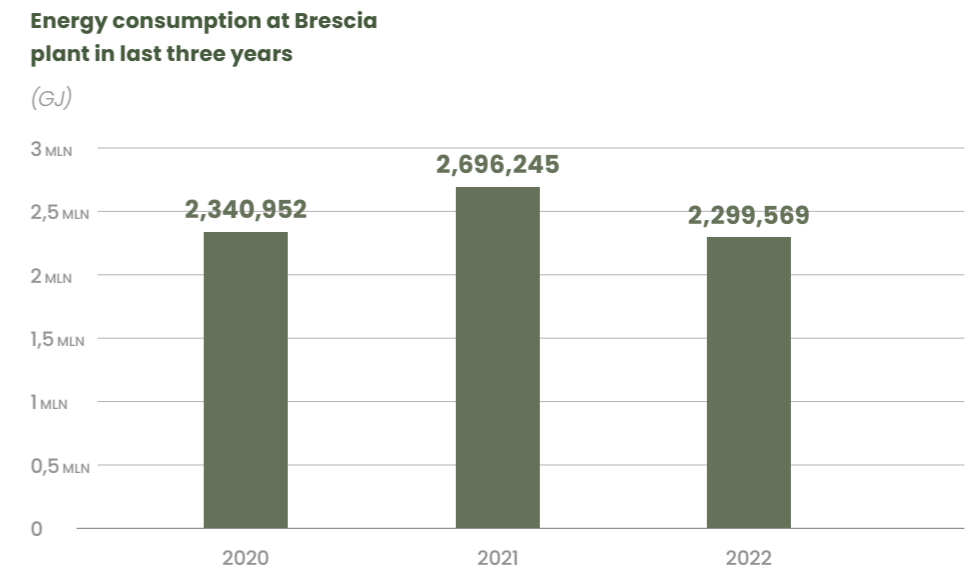
With this in mind, the Company monitors energy consumption and

plans investments aimed at reducing its usage and therefore lowering greenhouse gas emissions.

ORI Martin's total energy consumption in 2022 was 2,641,392 GJ. This can be attributed to the fact that, despite inclusion of the Ospitaletto plant, there was a 2% decrease compared to 2021 due to a slowing in production with reduced market demand. Again in 2022, as in previous years, the main energy sources used were electricity, natural gas and, to a lesser extent, diesel and other fuels for transport within plants and the company car fleet.

#### Brescia plant

Considering the Brescia plant alone, in 2022 energy consumption (2,299,569 GJ) fell by 14.7% compared to the previous year.



At the Brescia plant, electricity is the main energy source used for most production processes and accounted for 68% of total consumption in 2022. 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. In 2022, the energy recovery system enabled self-generation of about 9,819 GJ.

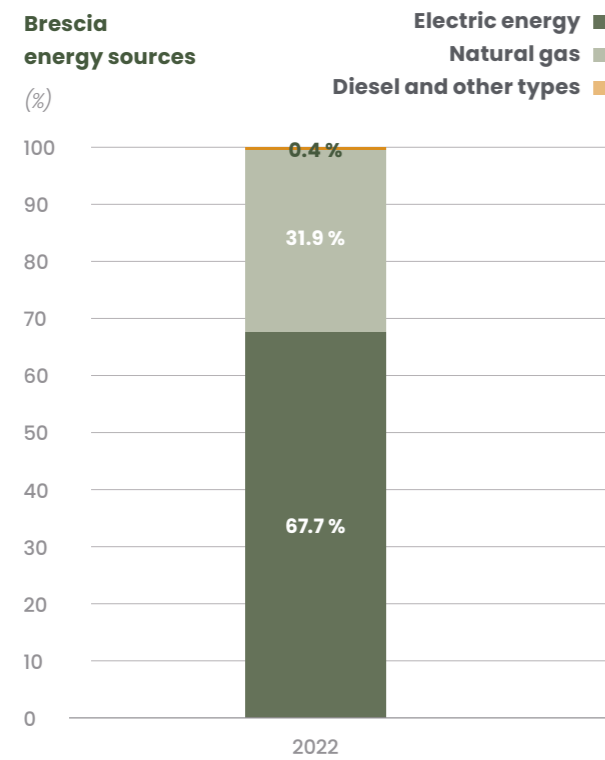
Natural gas is primarily used to power the furnace for heating billets in the rolling mill, the furnaces for heat treatments and the steel-plant burners. The gas supply is provided by the Snam network.

Additionally, during the winter period the I-Recovery project enables ORI Martin to input heat recovered from steel plant furnace fumes into the district heating network of the city of Brescia, managed by A2A, the local energy and heat supplier.

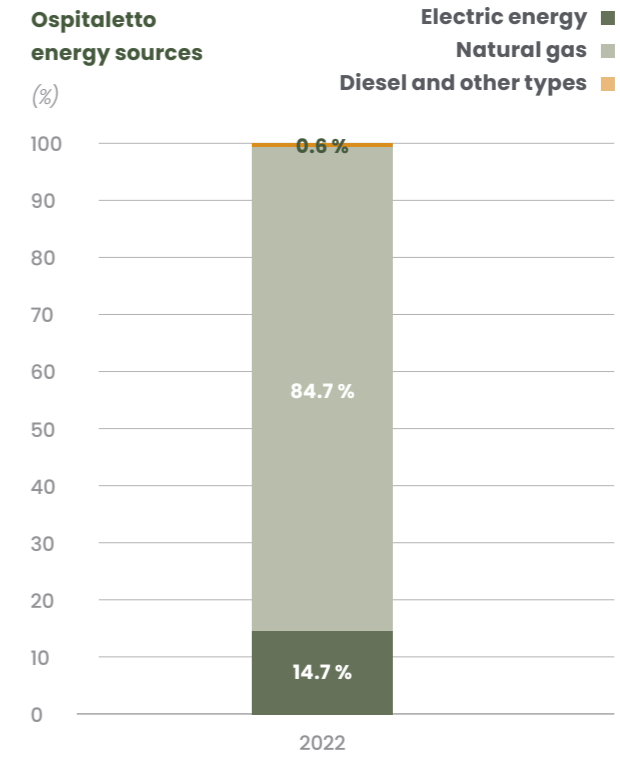
Diesel is primarily used for forklifts, one of the most widely used pieces of equipment in large factories and companies, as their ability to lift very heavy loads significantly reduces loading and unloading times, while increasing the safety of operators. ORI Martin's forklift fleet consists of 25 vehicles, 13 of which have a lifting capacity of over 10 tons and are used for handling wire rod coils in the production departments. Two of these are electrically powered and currently in the testing phase.



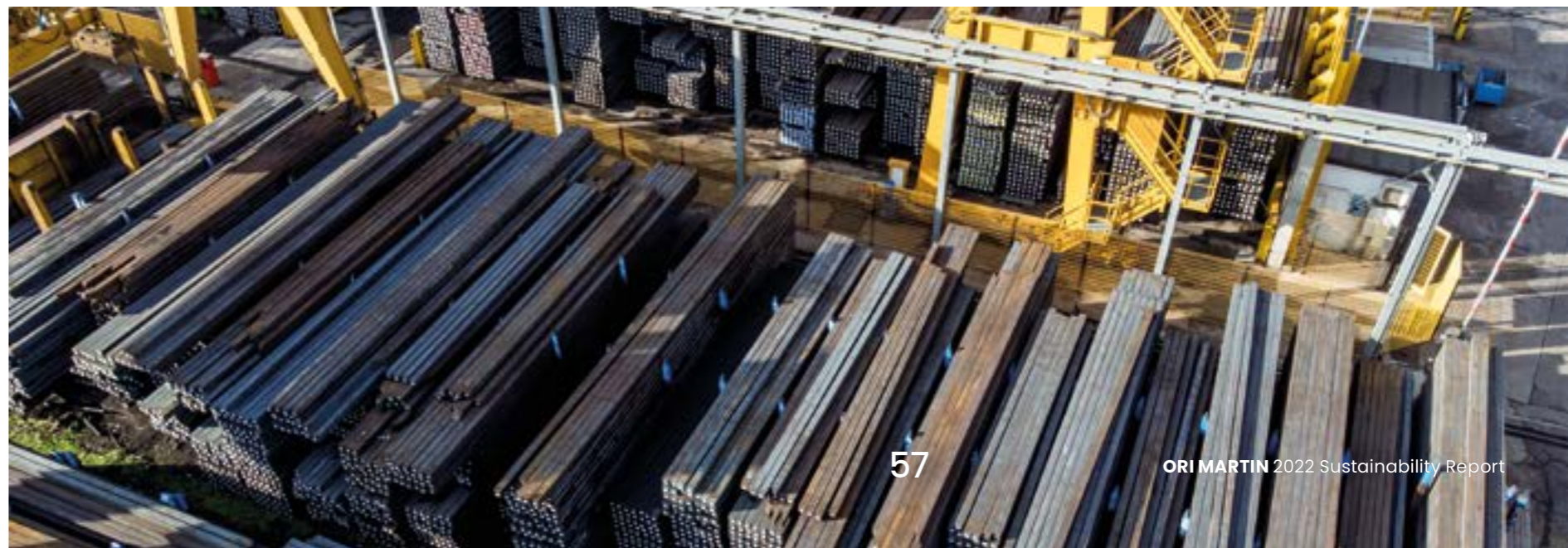
ORI Martin's forklift fleet consists of 25 vehicles. Two of these are electric and currently under testing.



### Ospitaletto plant



Analysing energy consumption at the Ospitaletto site of 341,823 GJ, it should be noted that there is greater use of natural gas (84.7% of consumption) than electricity (14.7%) and diesel (0.6%). Energy is supplied at medium voltage by the Enel Distribuzione grid, while methane gas is supplied by the Snam network.



### THE ORI MARTIN GREEN ENERGY

In October 2019, ORI Martin finalised a 5-year Power Purchase Agreement (PPA) with a Swiss energy trader (DXT Commodities) and a German investment fund (KGAL Investment Management). This agreement foresees 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.

At the Ospitaletto plant in 2022 approximately 4 MW of photovoltaic panels were installed.

Installation of photovoltaic panels is also planned at the Brescia plant in 2023, with total power of approximately 5 MW.

### THE AIR LIQUIDE OXYGEN PIPELINE

Since 2018 the ORI Martin Brescia plant has been connected to the Air Liquide oxygen pipeline that spans the municipalities of Brescia and Ospitaletto with an underground pipeline about 5 km long for direct supply of gaseous oxygen.

Implementing the project has enabled ORI Martin to avoid liquefaction of the oxygen used, thus saving approx. 4,000 tons of CO<sub>2</sub> per year. There is also a tangible advantage for the territory since the infrastructure avoids the transit of approximately 1,250 trucks per year, reducing emissions of CO<sub>2</sub> (approx. 270 tons per year), nitrogen oxides and particulates. Finally, as part of the project, Air Liquide financially supported special reforestation and maintenance activities in the area of the Mella river and on the city's mountain "La Maddalena", the town's largest green area (4,000 hectares) belonging to "Parco delle Colline" which includes parts of Brescia and six other municipalities.



## 5.3 Handling impacts

The **resources used** in the production process materials, water and energy generate external impacts on the environment both globally and in the local surroundings.

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<sub>2</sub> FOOTPRINT

In the current global context, we are witnessing the diffusion of initiatives undertaken by companies to limit their impact linked to climate change, such as the reduction of GHG emissions generated directly and indirectly by their activities.

Both 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<sub>2</sub> 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<sub>2</sub> 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, the Company 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 Company's constant commitment to monitoring its

greenhouse gas emissions.

The 2022 study has been validated by an external body which certifies its compliance with standard ISO 14064-1:2018 for the quantification and reporting of gas emissions and their removal. The analysis considers energy consumption and the materials used in the production process to calculate the total tons of CO<sub>2eq</sub> and the amount per activity and divides emissions into three categories.

<sup>3</sup> Scope 2 are divided into the subcategories Location-Based and Market-Based. The calculation method for Location-Based Scope 2 emissions reflects the medium intensity of emissions of national networks on which energy is consumed (the calculation primarily uses average emissions-factor data for the national grid). The Market-Based calculation method reflects emissions from energy consumption that companies have voluntarily chosen (or not chosen). In this case, emissions factors are derived from contractual mechanisms.

<sup>4</sup> For the Ospitaletto site, emissions for purchased goods in the form of billets originating from the Brescia steel plant are not included, as this would mean they were counted twice, having already been considered under emissions for the steel plant. These billets are, however, included in the item for transport of incoming goods, as this is not included in the outgoing item for the steel plant.

**INVENTORY OF GHG EMISSION BASED ON ISO 14064-1**

Emission category	Definition
<b>Scope 1 - Direct</b>	Direct emissions from use of fossil fuels and other materials in the factory's in-house processes.
<b>Scope 2 - Indirect</b>	Indirect emissions associated with the consumption of externally sourced electricity <sup>3</sup> .
<b>Scope 3 - Indirect</b>	Indirect emissions from transport, from products and services used in the plant; emissions generated outside the plant linked to the use of products <sup>4</sup> .

According to the guideline's requirements<sup>5</sup> the GHG emissions have been estimated by distinguishing between direct and indirect emissions. In 2022, emissions totalled 485,521 tCO<sub>2eq</sub> (considering Scope 1 + Scope 2 Location Based + Scope 3 emissions).

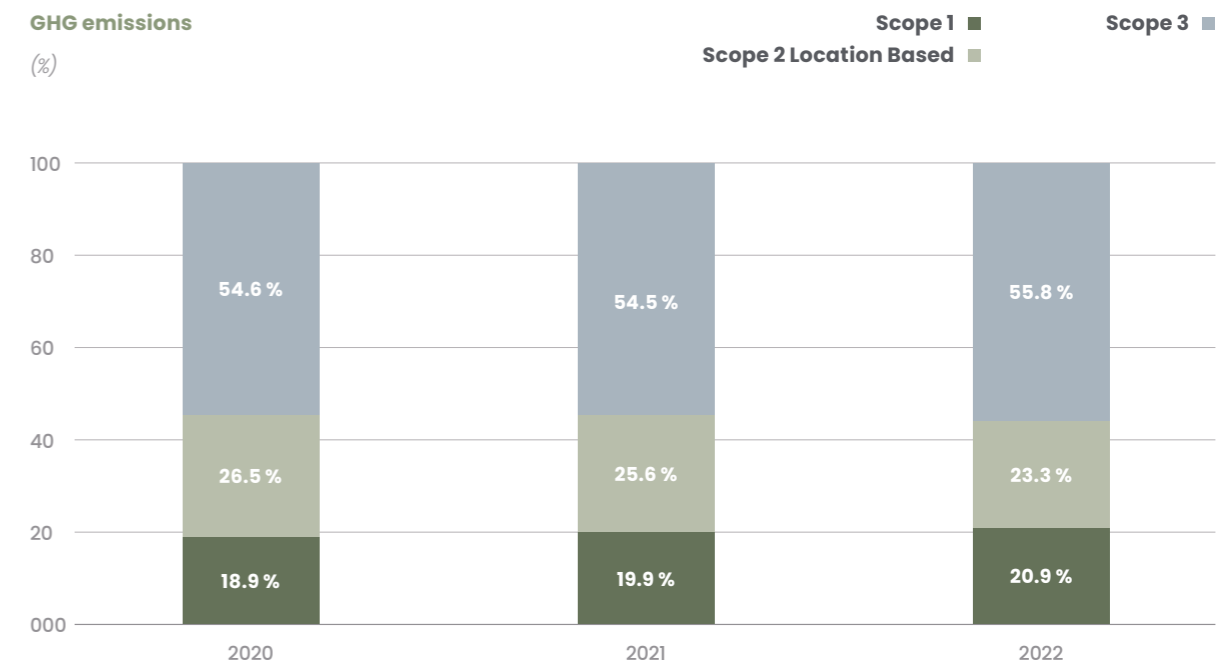
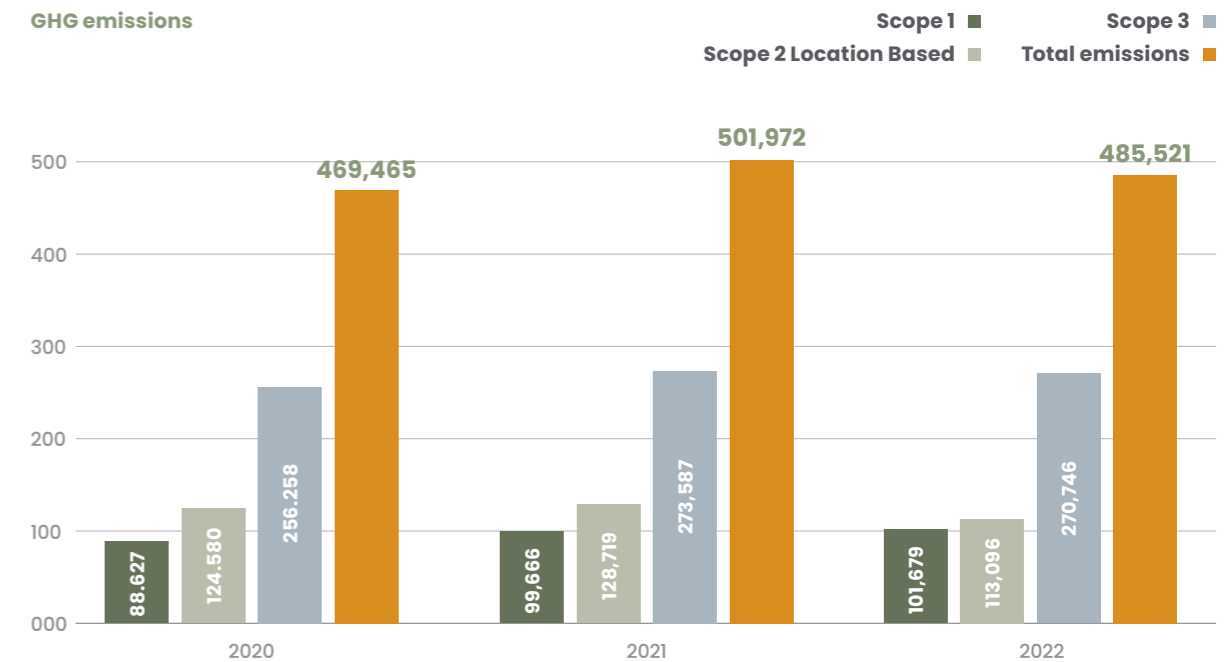
Of these, the main contribution (56%) is from Scope 3 indirect emissions, amounting to 270,746 tCO<sub>2eq</sub>. Direct (Scope 1) and indirect emissions from electricity (Scope 2 Location Based), form over 44%

of the organisation's emissions and outline the scope of action for direct efficiency improvements by ORI Martin. Comparison with emission data of the previous years highlights that despite inclusion of the Ospitaletto plant, 2022 saw a general drop in GHG emissions compared to 2021, due to decreased production.

<sup>5</sup> The Greenhouse Gas Protocol. A Corporate Accounting and Reporting Standard, published by The Greenhouse Gas Protocol Initiative. is one of the mostly widely recognised international standards for the accounting and reporting of GHG emissions.

**ORI MARTIN S.P.A. GHG EMISSIONS IN 2022 (TCO<sub>2eq</sub>)**

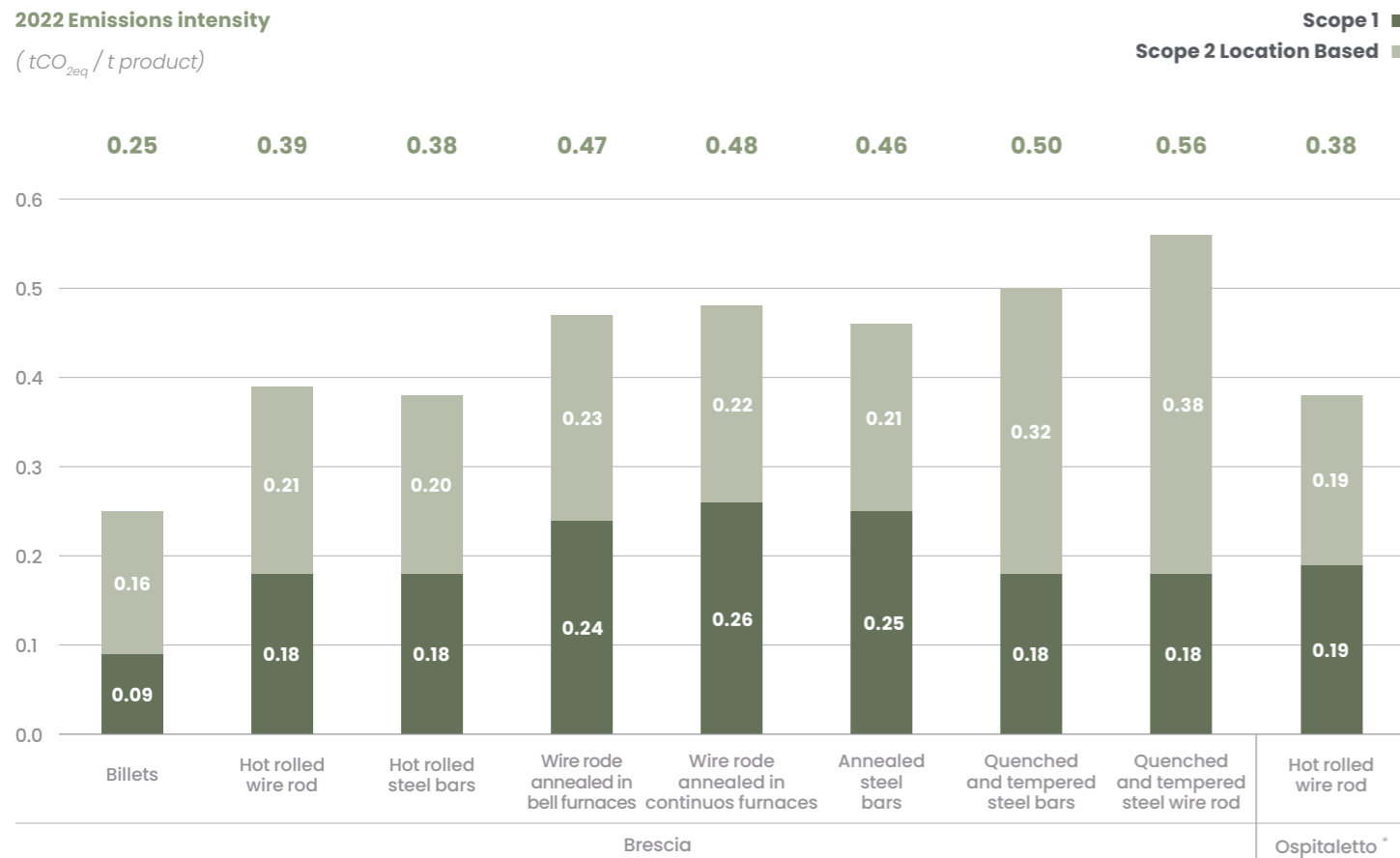
Scope 1	101,679
Scope 2 Location Based	113,096
Scope 2 Market Based	202,751
Scope 3	270,746
<b>Total emissions (Location Based)</b>	<b>485,521</b>
<b>Total emissions (Market Based)</b>	<b>575,176</b>



**SPECIFIC EMISSIONS PER PRODUCT UNIT**

Thanks to the carbon footprint study, 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 2022 figures for tons of CO<sub>2eq</sub> per ton of product (Scope 1 and Scope 2 Location Based), for the Brescia and Ospitaletto sites:



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 bars).

\* Calculation of emissions intensity for rolled bars at the Ospitaletto plant takes into account the emissions intensity of billets produced in Brescia.

**ENVIRONMENTAL PRODUCT DECLARATION**

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

The processes started in 2021, and led to achievement of this prestigious result in 2022. 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 is issued by an external body after an extended examination of product lifecycle performance, attesting the robustness of monitoring and checks on the environmental performance of products. The declaration covers steel billets, annealed wire rods and bars, hot-rolled wire rods and bars and quenched and tempered bars.



CHAPTER 5 - ENVIRONMENTAL RESPONSIBILITY

**5.3.2 EMISSIONS INTO THE ATMOSPHERE**

The protection of air quality is an important issue for ORI Martin, which uses the best available technologies (BAT) to limit atmospheric emissions below thresholds that could have negative consequences on the surrounding community and to comply with AIA requirements.

The Brescia plant has 15 emission points, while the Ospitaletto plant has 2 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, installed in 2015. 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 EI and EI-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.*



### 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.

Adoption of a circular economy model also involves proper and effective management of production processes with the aim of minimising the amount of unusable industrial waste and favouring its recovery as far as possible. In 2022, 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.

At the Ospitaletto plant, the main type of waste is scale from steel processing. This production waste is sold to external companies to be used as a new secondary raw material, further promoting circular economics.

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.

Total waste generated in 2022 by ORI Martin operations was 131,321 tons, down 2% on the total of 133,737 tons in 2021, despite inclusion of the Ospitaletto site in reporting. This decrease is due to a drop in production. Specifically, at this second site, 15,420 tons of total waste were produced, of which 99.8% is non-hazardous and recovered. Another important aspect is that of the Group’s total hazardous waste, only 0.47% was sent to landfill, while the rest was recovered.



**80% of waste was sent for recovery in 2022.**

TYPE OF WASTE (TONS)	2020	2021	2022
	Brescia	Brescia	Group
Non-hazardous and recovered waste	77,789	95,187	97,526
Non-hazardous waste sent to landfill	29,783	29,914	26,304
<b>Total non-hazardous waste</b>	<b>107,572</b>	<b>125,101</b>	<b>123,830</b>
Hazardous waste recovered	8,243	8,608	7,455
Hazardous waste sent to landfill	14	28	35
<b>Total hazardous waste</b>	<b>8,257</b>	<b>8,636</b>	<b>7,491</b>
<b>Total waste</b>	<b>115,829</b>	<b>133,737</b>	<b>131,321</b>

### 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 been taking action in the most critical areas of the plant by installing soundproofing walls and doors with the aim of containing the noise produced by the 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.

## 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](http://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.

## Commuter Mobility Plan

In the context of promoting sustainability mobility policies, in 2022 ORI Martin created the Commuter Mobility Plan (CMP) for the Brescia plant. For this purpose, in March 2022, a specific campaign was carried out to gather useful information on the commuting habits and needs of employees, as well as their willingness to switch to sustainable forms of transport. Subsequently, together with the Company Mobility Manager, various initiatives were planned to incentivise sustainable commuting. These included improvements to cycling mobility, such as increasing bike parking to 50 spaces at the Brescia site, greater flexibility around working hours and methods, enabling home working for certain professional categories and, finally, participation in European Mobility Week to raise awareness around the issue.



# Social responsibility

SDGs	Description	Description
 <p><b>3</b> GOOD HEALTH AND WELL-BEING</p>	<p><b>Good health and well-being</b></p>	<p><b>Human resources</b> represent a key enabling factor for the achievement ORI Martin's growth targets.</p>
 <p><b>4</b> QUALITY EDUCATION</p>	<p><b>Quality education</b></p>	<p>Recognising the strategic importance of its employees, the Company manages human resources focusing on their value, promotion and complete integration into the <b>corporate culture</b>.</p>
 <p><b>8</b> DECENT WORK AND ECONOMIC GROWTH</p>	<p><b>Decent work and economic growth</b></p>	<p>Staff management is based on the <b>Code of Business Conduct</b>, which promotes <b>respect</b> for equal opportunities, growth of individual skills, development of <b>teamwork</b> and continuous learning in the overall <b>efforts</b> aimed at cultivating all individuals' skills and expertise.</p>
 <p><b>11</b> SUSTAINABLE CITIES AND COMMUNITIES</p>	<p><b>Sustainable cities and communities</b></p>	<p>Through training and professional updating, the energy and creativity of individuals will find full expression for the realisation of their potential.</p>
 <p><b>5</b> GENDER EQUALITY</p>	<p><b>Protection of diversity</b></p>	<p>Particular attention is also paid to the <b>local community</b>, through initiatives that promote <b>inclusiveness</b> and <b>diversity</b>, and the evaluation of its suppliers, in order to avoid unlawful behaviour, including in developing countries.</p>

# 6.1 ORI Martin's team

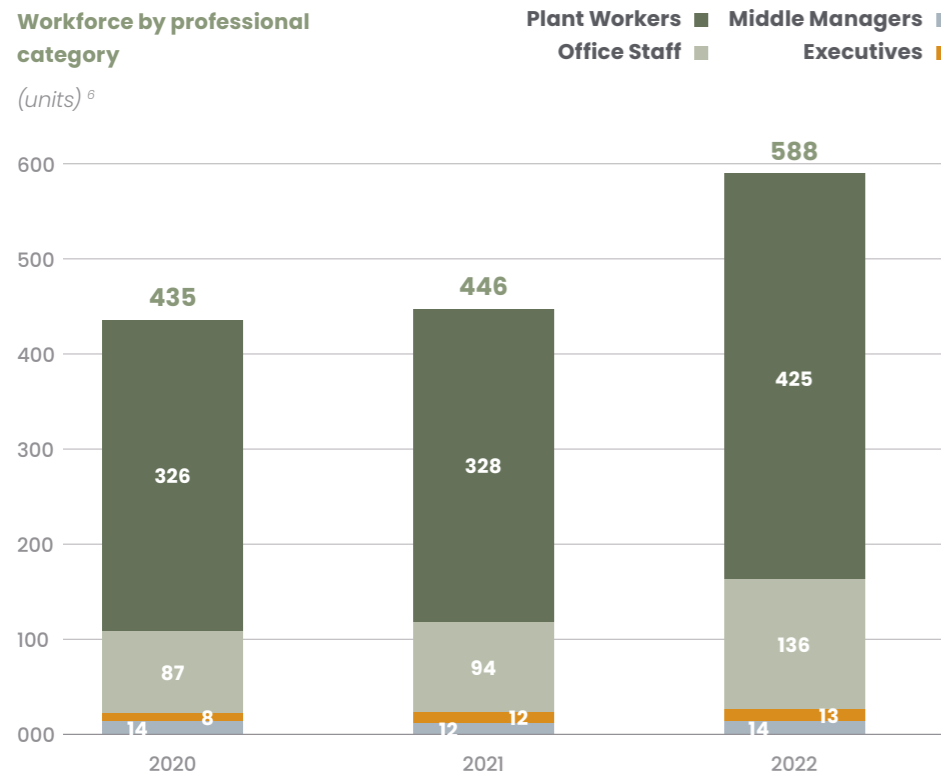
## 6.1.1 THE WORKFORCE

At 31 December 2022 ORI Martin had **588 employees**, a **significant increase** attributable to integration of 108 employees at the Ospitaletto plant. The increase in employment figures at the plant was also **important for the local area**, given that almost all employees are from the province of Brescia and primarily from areas in the proximity of the plants.

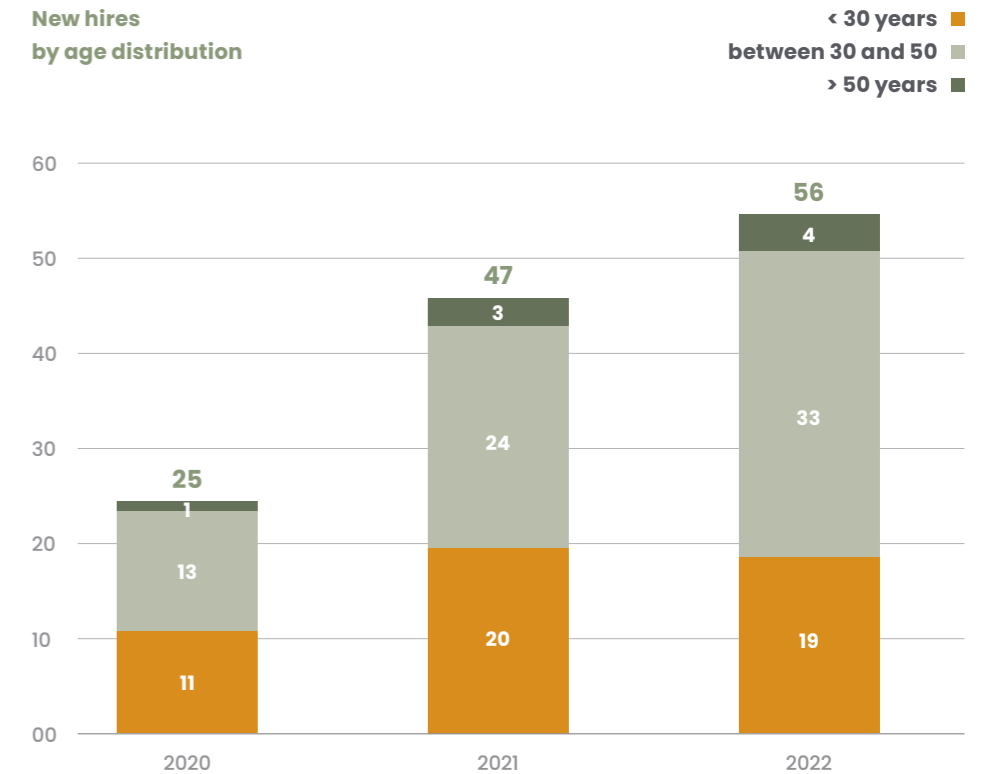
### 6.1.1 THE WORKFORCE

The category with the highest number is **plant workers**, numbering **425** at the end of the year, 72% of the total workforce. Next is **office staff (136)**, **executives (14)** and **middle managers (13)**.

Considering gender composition, the Company has a predominately male workforce, which is a common feature in the steel sector, due to the prevalence of "blue-collar workers" employed in the plant. Nevertheless, the **percentage of women** in the category of white-collar workers is **21%**.



<sup>6</sup> 2021 data have been updated from the previous Sustainability Report. due to updated employee categories.



Setting aside the integration of Ospitaletto employees, the **growth in the workforce** in recent years is tied to an ongoing, **positive trend** in employment. In 2022, **56 new employees** were hired <sup>7</sup> (13 at the Ospitaletto plant), of whom 19 were under 30 years of age, demonstrating the Company's commitment to attracting young new talent. Meanwhile, 25 <sup>8</sup> employees left the Company (7 from the Ospitaletto plant), 11 of whom were in the older ages categories, primarily retirees.

Besides expanding its workforce, ORI Martin is also committed to enhancing its **employees' stability and continuity**, fundamental elements of any relationship of loyalty and mutual trust. This is reflected in the contracts in place at the plant, where **96%** of the workforce is employed on a permanent basis. The Company also offers part-time employment, involving a minority of employees, just 4 out of 588.

<sup>7</sup> It is noted that the data refers only to new hires and not to integration of Ospitaletto employees.

<sup>8</sup> Of whom 2 at 31 December 2021

The Company can count on consolidated relationships developed over many years of open dialogue, characterised by mutual respect and recognition with a focus on the issues of greatest interest for employees.

All employees are subject to collective contractual agreements. For the Brescia site, the national reference contract applied is the **Metalworking-Industry (CCNL)** contract, alongside a second-level contractual scheme, renewed in 2021 and valid for 4 years, which provides employees with a series of additional perks, such as productivity and quality bonuses, professionalism rises and training bonuses.

Regarding the Ospitaletto plant, there is a contract equivalent to that of the main site, including incentives linked to achievement of specific production standards, in terms of both quantity and quality.

The Company undertakes to meet and inform the Trade Unions, with appropriate prior notice, about strategic Company choices that could cause significant changes to the existing manufacturing structure and organisation of work.

CHAPTER 6 – SOCIAL RESPONSIBILITY

6.1.2 A SAFE WORKPLACE

Striving to achieve continuous improvement means first of all ensuring a **healthy and safe working environment** for employees. constantly analysing the work environment and taking into account all the factors relevant to safety.

In the context of these activities, the Company takes into account the requirements, regulations and standards of reference and any changes to them, maintaining regulatory compliance through a health-and-safety management system.

The system, certified since 2011 in accordance with **BS OHSAS 18001:2007**, was updated in 2019 in accordance with **UNI EN ISO 45001** and covers all the employees and workplaces of the plants.

Furthermore, the Company has been qualified as a major accident risk (lower threshold RIR plant) according

to Italian Legislative Decree 105/15 which enforces Directive 2012/18/EU. The liability is related 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 classified as dangerous for the environment.

On this basis, in accordance with the Decree, ORI Martin has developed a Major Accident Prevention Policy, which includes the objectives set in the field of prevention and control



Department, Human Resources, Department Managers, RSPP and RLS, which meets quarterly to **evaluate the performance indicators** and define the related corrective actions and new operational procedures regarding Environment & Safety.

In addition, an **internal reporting system** is in place, set up to define the appropriate corrective or improvement actions. All reports deemed valid are analysed by management, the RSPP and the managers of the department concerned and can lead to improvement actions.

In accordance with Italian Legislative Decree 81/2008, ORI Martin manages the hazards related to health and safety in the plants by identifying and assessing risks through a specific **procedure** aimed at monitoring, mitigating and updating them.

ORI Martin partners with Fleming Tecna, which appoints the Company Doctor, and performs regular **medical assessments on workers** of all departments, and two annual inspections of plants, following which a health protocol is prepared, along with diagnostic procedures and periodic annual meeting in accordance with art. 35 of Italian Legislative Decree 81/08.

The main health issue that most frequently affects steel-plant and rolling-mill workers is loss of hearing, for which the Company has implemented a specific monitoring system based on age group and risk exposure levels. Specifically, in addition to the standard single-use ear-plugs and ear protectors, all employees have a cast made for the provision of personalised ear protectors with technical specifications validated by the safety office.

Furthermore, ORI Martin is active on the **prevention** front, with **training courses** for employees suited to the specific tasks and risks and through initiatives aimed at promoting a healthy and balanced lifestyle.

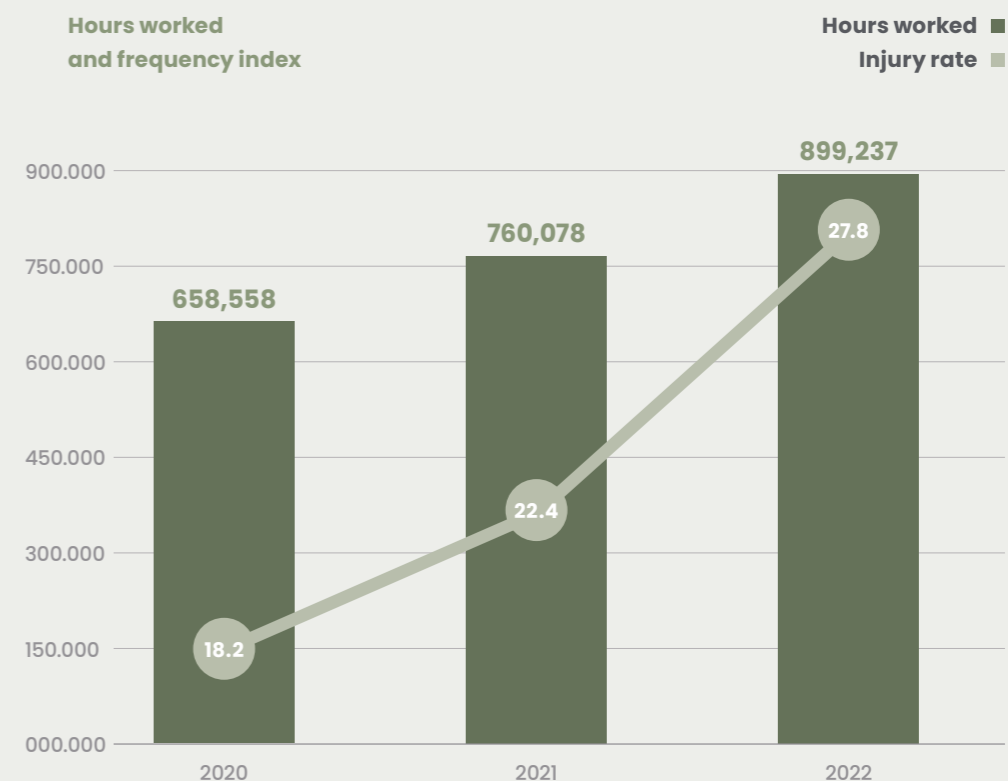
As for injury rates <sup>9</sup>, the frequency index rose from 22.4 in 2021 to 27.8 in 2022. The index is determined from the total number of injuries, equal to 25, with three of these at the Ospitaletto plant, representing a slight increase on the previous year (17 injuries in 2021). Of these, one is classified as “having serious consequences”, i.e. causing an absence longer than six months. The most common injuries involve contusions, sprains, wounds and crushing.

<sup>9</sup> For the definition and calculation of injury rates please refer to the Methodological Note.

of major accidents for the **protection of health, the environment and goods.**

According to the management system, the health and safety of workers is supervised by a structure that reports partly to plant Management, with key figures such as the **Head of the Prevention and Protection Service (RSPP)**, **safety officers**, a **Company doctor** and the **Workers Safety Representatives (RLS)**, in accordance with Italian Legislative Decree 81/2008.

ORI Martin has set up an internal work group, including Technical



## Behaviour-Based Safety Project

Another initiative for the safety of ORI Martin workers is the Behaviour-Based Safety (BBS) project, which involves improvement of worker behaviour during operations that may involve exposure to the risk of injury. The project was tested at the rolling department of the Brescia site, with approximately 1,500 observations made.

The method acts to improve potentially improper behaviour through positive reinforcement. Analysing historic data for injuries and near-misses, and with a series of interviews with certain employees of the department, several potentially improper behaviours were identified and added to a check-list to be filled out during the observation phase, counting the number of “negative” events. Subsequently, for each instance of risky behaviour corrective measures were defined to attempt to reduce the frequency and severity of connected potential injuries.

## Smart Track Systems

As part of the Light House 4.0 project, during 2021 ORI Martin initiated a major cybersafety project: the development of systems for the safety and security of workers in indoor and isolated environments, in order to quickly, automatically and accurately report and manage a possible accident.

These systems consist of wearable devices that communicate with several sensors installed around the plant, which transmit an alarm (manual or automatic) and, in the event of an accident, identify the precise location of the worker in need of assistance using geolocators, thus allowing for a timely intervention. Specifically, in 2022 testing involved 68 workers at the Brescia site, with the intention of broadening the scope of application in coming years. Testing was performed in accordance with data privacy regulations and following consulting with the Trade Unions, with which an agreement was signed pursuant to art. 4 of the Workers’ Statute.

## 6.1.2 SKILLS DEVELOPMENT

Every company founds and develops its business entirely **thanks to its people**. The women and men who contribute to **collective growth** with their daily commitment and passion. This is why ORI Martin always focuses on valuing and **enhancing expertise** and individual skills.

Every year, the Company invests in its most valuable asset with **personalised and structured training paths**.

Development of individual skills and permanent learning are amongst the levers that the ORI Martin **Code of Business Conduct** identifies for the management and enhancement of its **human capital**. Hand in hand with innovation related to products and production processes, ORI Martin considers it essential to **constantly update** the skills and know-how of its people.

annually by the Human Resources function, through a special **training plan** laid out in collaboration with all managers of the management systems (**safety, quality, energy and environment**) and shared with Trade Union Representatives (RSU). The Company’s focus on transversal skills has also grown, including digitisation, teamwork and diversity.

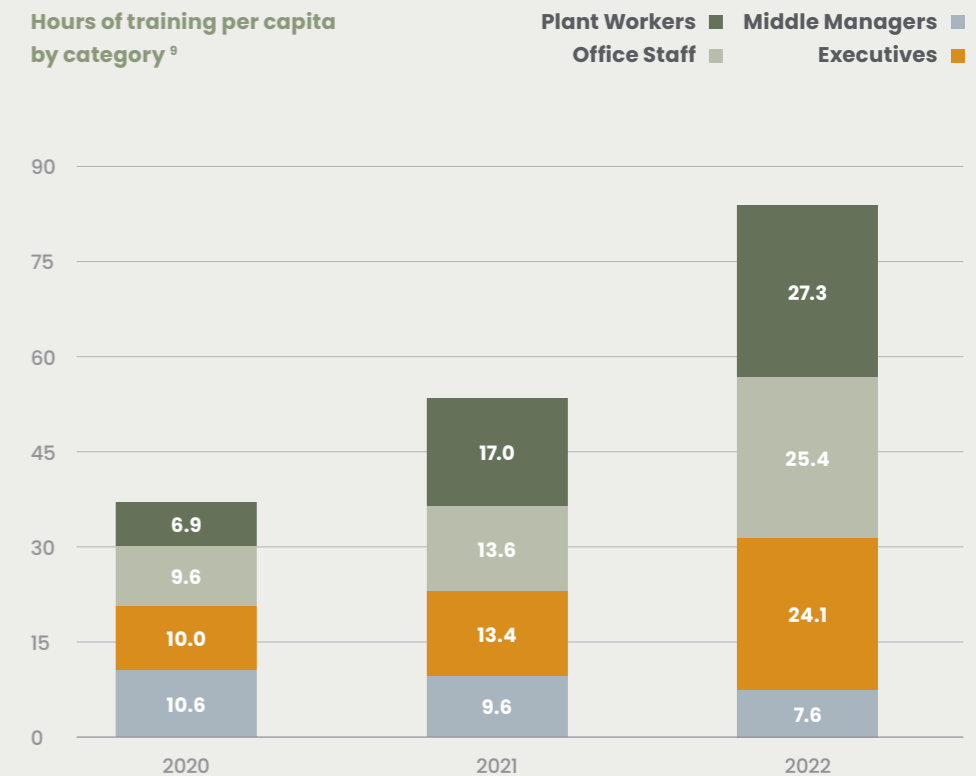
**Training hours** totalled **26 per employee**, a large increase on the previous year (16 in 2021) due to significant investment to strengthen the training plan, which led to a

broader offer and extension of training programmes to more employees. In 2022, in addition to regular training on environment, energy, health and safety topics, many hours of training were dedicated to the **development of transversal expertise and soft skills**, such as digitalisation, leadership and corporate communications. In total, the Group issued **15,486 hours**, divided between the plants of Brescia (13,748 hours) and Ospitaletto (1,738 hours), thus doubling 2021 training hours.

ORI Martin takes care to develop skills through targeted training in terms of technical and behavioural content. Planning is handled

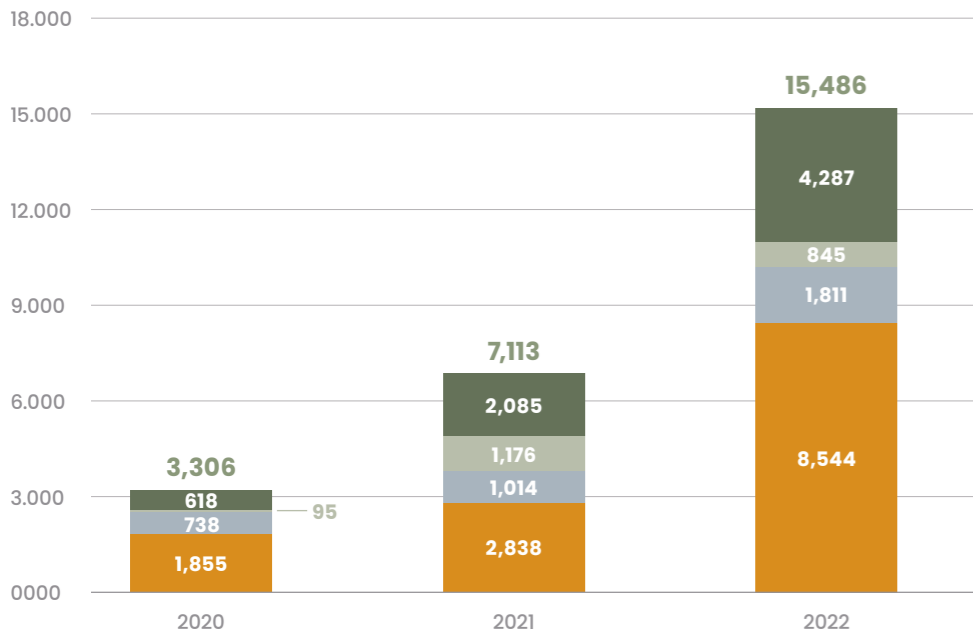
<sup>9</sup> 2021 data have been updated from the previous Sustainability Report. due to updated employee categories.

Hours of training per capita by category <sup>9</sup>



Total training provided and by category

Other subjects ■ Quality ■ Environment ■ Health and safety ■



Since 2022, in addition to the mandatory safety course, new hires are provided with a **course on quality topics**, regarding both internal procedures and external relations.

In addition, 2022 saw continuation of the ambitious training path launched in 2021 aimed at exploring the topic of **internal company communications**, also linked to **teamwork** and **diversity**.

On the basis of encouraging results achieved in the field of training in 2022, ORI Martin decided to plan the **Ment'ORI** for **2023**. This initiative involves company middle managers and executives in the training of colleagues, with the goal of identifying potential areas of improvement for oneself and others, gaps to be filled and communication dynamics to be optimised. These **tutoring and coaching** activities are

not only positive for personnel with less experience, but also enrich the pool of soft skills of middle managers and executives.

Another important lever for skills development in ORI Martin are the **scheduled performance assessments** carried out on the entire Company staff according to a structured procedure that examines the situation of each employee at least once a year.

For personnel employed in production, the assessment combines objective elements, identified by the job description (including the complexity of the workstation and the seniority level of the employee), and subjective elements expressed collectively by the reference figures: the team manager, the department manager, the technical manager and the human resources manager.

Amongst the courses offered at the Brescia plant, there are also initiatives for **training and exploration** of specific topics that go beyond the working environment, such as the fight against addictions and domestic violence against women, as well as managing mental-health disorders



**UNLIMITED, A TRAINING COURSE EXPLORING ADDICTIONS, OLD AND NEW**

The Comunità Fraternità organisation, active in Brescia for more than 40 years in the fight against addictions, through its "Spazio Off" site, has created a dynamic and modern service capable of recognising the needs of marginalised individuals that often go unnoticed. Together with this organisation, ORI Martin has offered its employees a training course on old and new forms of addiction.

The course has a duration of four hours, alternating teaching and practical experience with videos, simulations, exercises and live presentations by operators, and aims to recognise elements of development and creativity that "pleasures" can offer, distinguishing them from those that indicate instead an "addiction". The project explored the most widespread addictions, such as those of drugs and alcohol and gambling, but also focused on new forms of addiction, often seen predominately amongst young people, such as those associated with the web, social media and video games.

**6.1.3 WELL-BEING IN ORI MARTIN**

In the belief that the development of human resources must also include the ability to **support employee well-being and personal satisfaction**, over the last few years ORI Martin has promoted various initiatives aimed at improving **work-life balance**.

To help people face the economic difficulties caused by rising inflation, ORI Martin issued a **bonus of € 1,000** on a one-off basis to all employees, in addition to the various amounts set out in collective contracts. Additionally, since 2022 a further structural **bonus** has been established **for new parents** in the company, which consists of a special contribution of € 3,000 to each member of personnel who becomes a parent, aimed at offering economic support to families working in the Group.

Another important initiative is the collaboration with the **Women at business** association, which encourages the **presence of women** within companies. For many years, one of ORI Martin's priorities has been enhancing expertise and consolidating a **shared culture** placing employees and personnel at the heart of the business. In this context, the female workforce has been protected and promoted, targeting the hiring and onboarding of an **increasing number of women** through tangible measures, including most recently the important partnership with Women at Business. This partnership sees ORI Martin participate in a round table to promote dialogue on **inclusivity** in the workplace, as well as ideal working conditions for female employees.

On a financial level, a **supplementary fund** has been set up for employees' health costs and other welfare assistance (FAIO, ORI Martin Internal Assistance Fund). In addition, the Company guarantees a monthly contribution to be allocated to the Cometa Supplementary Fund.

ORI Martin provides **ad hoc scholarships** to reimburse the expenses incurred by employees related to their children's education at primary school, secondary school and university, including tuition, university fees and textbooks.

Another welfare initiative, also set out by trade-union agreements, establishes, in the event of the death of a Company employee, the possibility for all employees to cede one hour or more of their pay to the next of kin of the deceased. The Company generally participates by doubling the sum collected in this way. Finally, the Company issues **seniority and marriage bonuses**, Christmas gifts and gift packages for the children of employees for the Santa Lucia celebration (Italian celebration on 13th December).

In December 2022, to celebrate Christmas, the ORI Martin Group chose to give its 900 employees products exclusively made in Brescia, acting as an ambassador for the area and its products of excellence in the food and drink sector. For

this initiative, ORI Martin placed its trust in Brescia nel Piatto, a young business founded by three young people from Brescia operating in the province since 2020. This company has chosen local food as platform to promote the local area, which hosts just less than 10,000 agricultural businesses. Carolina de Miranda, Sustainability Manager of the ORI Martin Group, selected Brescia nel Piatto, sharing their proposal and appreciating its sustainable approach.

On the prevention front, the Company gives all employees the option of free flu vaccinations. In addition, for the Campaign promoted by the ANT Foundation, in 2018, the Company organised free visits for employees aimed at prevention of melanoma and thyroid diseases, and offers support twice yearly to the Foundation through fund raising campaigns organised by the Company canteen. Also on the subject of prevention, in previous years information sessions were organised by the Italian Association for Organ Donation (AIDO) which, in 2019, awarded ORI Martin the “gold medal for social commitment”, an award presented to people, institutions or professionals who have contributed to the culture of giving by collaborating with AIDO.

In 2019, the Company also launched the “Train the Brain” project against cognitive loss, dementia and Alzheimer’s disease. In June 2020 individual sessions were arranged with a neuro-psychologist for prevention and checks on cognitive state. The “Neuro-psychological screening reports” were sent directly to participants.

Lastly, the historical component of the Company is represented by the Elderly Group, active since 1980 to develop relationships between older workers and active workers, encourage voluntary activities outside working hours, support Members or their families in disadvantaged situations and promote educational, cultural, recreational activities.

The Group now has about 270 members, and celebrates the Company Elder’s Day every year.



WELL-BEING AT WORK

- WELFARE
- INCLUSION
- ELDERLY GROUP
- HOURS OF STUDY
- SUPPLEMENTARY FUND
- SUPPORT
- PREVENTION



## 6.2 Supply-chain partners

ORI Martin exercises its founding principles and values according to its Code of Business Conduct in its daily commercial relations, primarily with **suppliers and customers**.

Recognising the strategic importance of selecting **reliable partners** to build **solid and lasting growth**, ORI Martin adopts a policy for careful selection of its suppliers (in line with ISO 9001 and IATF 16949 requirements) and promptly listening to customer needs and requirements.

For inclusion in the Register of qualified Suppliers, assessments are performed following a specific **qualification procedure** based on cross-functional evaluation across all Company departments: the managers of Purchasing, Quality, Environment and Safety Departments are called upon to assess their respective areas of expertise at different levels.

ORI Martin’s suppliers therefore demonstrate the ability to meet the highest **standards of professionalism and quality** in all relevant aspects. Furthermore, due to the crucial importance of their role, particular attention is paid to **suppliers of the raw materials** needed for the production process – primarily ferrous scrap – or of services for outsourced activities.

These suppliers have a **certified quality management system** in accordance with UNI EN ISO 9001/2015.

Scrap suppliers must be certified in accordance with **EU Regulation 333/2011** for processing scrap metal as non-waste material. All suppliers must **observe environmental and safety regulations**. Further requirements were introduced to assess alignment of suppliers with safety and environmental standards, labour insurance and guarantees of regular payment of wages. The upholding of these requirements is **monitored** through a management information system that records the expiry date of the certificates.

For materials purchased that are considered “hazardous substances/ mixtures/products” for humans and the environment, the relevant **Safety Data Sheet** is always requested from the supplier, which describes the characteristics of safety and environmental aspects.

For each order, suppliers are required to fully adhere to rules outlined in Italian Legislative Decree 231/2011



and to comply with the contents of the ORI Martin Code of Business Conduct and the provisions of Italian Legislative Decree 196/2003 (Privacy Code) and EU Regulation 676/2016 (GDPR) which therefore all constitute **essential contractual conditions**.

Once a year, suppliers receive a **rating** referred to the quality of the product and service, established automatically based on an algorithm combining any non-conformities detected in the period of reference with other parameters, for example delivery punctuality.

The main ORI Martin supplies originate primarily from Northern Italy, also due to the location of the facility in an industrial basin where many steel chain companies can be found. The proximity of suppliers also provides a competitive advantage in terms of minimisation of shipping

costs.

Amongst raw materials, the main item is **scrap** primarily supplied by the subsidiary **AOM Rottami S.p.A.** based in Lombardy. Pig iron and direct-reduced iron are of non-EU origin.

The supply of materials used in the production process is also monitored from the point of view of the **produced CO<sub>2</sub> emissions**. Volumes transported and kilometres travelled are recorded for each supplier and each delivery. The calculation is then included in those of the scope 3 carbon footprint emissions, reported in *chapter 5.3.1 "Greenhouse-gas emissions and CO<sub>2</sub> footprint"*.



**Listening to customer needs and suggestions** and the development of **solutions** able to satisfy and anticipate their requests are **strategic activities of vital importance** for a Company that defines its competitive advantage by working on custom orders based on the **changing needs expressed** by the customer.

Upstream of processing, ORI Martin brings added value to the offer by customising and adapting production to customer requirements and integrating **complete and innovative proposals**. Downstream of the order, the Company collects any complaints through a specific function and carries out satisfaction surveys, periodically submitted to customers to verify the level and effectiveness of the service offered.

ORI Martin is committed to establishing commercial relationships based on a solid foundation of **shared rules and ethical principles**. For this reason a declaration is made available to all customers, renewed every year, excluding relations with countries belonging to conflict zones. This enables customers to declare the absence of so-called conflict minerals (resources extracted in high-risk regions where the minerals trade may rely on forced labour or may finance illegal activities) in the steel purchased. ORI Martin operates according to the principles defined

by the UN Global Compact, although it has not formally joined.

ORI Martin is committed to favouring **intermodal freight** to deliver its products to foreign customers. As a result of the long distances to be covered, a significant reduction in greenhouse gases is achieved.

With respect to the activities of trade associations, ORI Martin is an active member of the main **reference sector bodies**: Federacciai and the Italian Metallurgy Association (AIM).

As part of its participation in the Brescia Industrial Association (AIB) the Company is part of RAMET, a consortium that brings together over twenty companies in the steel and metallurgy sectors, engaged in environment-related research projects. Moreover, ORI Martin belongs to ACIMAF (Italian Wire Machinery Manufacturers Association) and in other associations active along the automotive supply chain like the Union of Italian Screw and Bolt Manufacturers (UPIVEB), the Italian Spring Manufacturers (ANCCEM) and collaborates with technological clusters involved in innovation.

## AOM. STRATEGIC PARTNER FOR SCRAP

The guarantee of an ORI Martin quality product begins upstream of the process, in the meticulous selection of the raw materials. Over 95% of the raw material used is scrap, which therefore plays a central role in the production process. In order to ensure the highest standards of quality and reliability for its raw materials, ORI Martin can count on a consolidated relationship with AOM Rottami S.p.A. which supplies over 80% of its annual needs.

AOM Rottami is a Company founded in 2005 by ORI Martin and an experienced, historic partner in the scrap trading sector. AOM Rottami

operates in the collection, processing and sale of metal scrap. Based in the province of Bergamo, AOM Rottami has a storage, processing and shipping capacity of over 100,000 tonnes/month.

Besides the pre-requirements applied by ORI Martin for all scrap suppliers (such as ISO 9001/2015 certification and certification pursuant to EU Regulation 333/2011), AOM Rottami is certified in accordance with ISO 14001/2015 (Environmental management system) and ISO 45001/2018 (Occupational health and safety system), thus providing a further guarantee of a management

system based on the monitoring and continual improvement of its environmental, and occupational health and safety performance

**AOM  
ROTTAMI**



PARTNERS WITH

FEDERACCIAI

AIM

CONFINDUSTRIA

RAMET

ACIMAF

UPIVEB

ANCCEM

## 6.3 Local areas

**Being part of a community** means not only committing to establish a constructive co-existence based on the principles of constant dialogue and mutual respect with local areas, but also **proactive contribution to the general improvement of these areas**.

To develop these initiatives, ORI Martin can count on a relationship based on **mutual trust** gained over the years with both the Municipal Administration and with the District Council.



Considering the indirect impacts of mobility to and from the plant, ORI Martin has invested in **redesigning the access routes and in encouraging alternative mobility** by building more than 3 km of cycle paths around the plant. A city bike-sharing service was also set up to encourage employees to reach their workplace on bike. For several years now, the Company has been using electric cars for all transfers within Brescia.

Another initiative benefiting green areas in the district was a gift to the Municipality of an **urban woodland** in 2021. More than 500 trees were planted to enhance the area and mitigate environmental impacts.

This park area covers about 40,000 square metres, located to the north of the facility, on top of another **40,000 square metres** transferred to the Municipality to deduct expenses foreseen in the context of the Urban-

planning Agreement of 2000. For around forty years, ORI Martin has been helping more than thirty **associations and institutions** operating in **social, cultural and artistic** spheres, supported with annual donations and followed over the years together with the Company's Elder's Group.

In the social sphere, the commitment in favour of Scuola Nikolajewka – an important organisation working with disabilities – stands out since its foundation in 1983, along with support, since 2019, for a Community Centre, a decentralised institution of the Municipal Administration working for the elderly and vulnerable groups of the resident population.

In 2021, the Company supported the San Bartolomeo sports group, providing apparel for two youth teams.

As for education, the Company

### E-BICIMIA. THE NEW ELECTRIC BIKE-SHARING SCHEME

ORI Martin has contributed to the Bicimia bike-sharing scheme, which has 92 points around Brescia. More specifically, the Company has donated **15 pedal-assisted bikes** suitable for all ages and all levels of fitness, to **promote sustainability mobility**.

The new E-Bicimia bikes are equipped with an aluminium frame, 3-speed gears, 250 Watt central motor, built-in battery and 60 km range.



supports the Benedetto Castelli Foundation, which promotes and enhances the educational offer of the Technical Institute of the same name and the Guido Carli International High School for Business.

In terms of culture, ORI Martin has been supporting MUSIL, the Museum of Industry and Labour for a number of years. This institution is unique in Italy and already has several exhibition centres in the Province of Brescia, while the central location is due to open in the town in the next few years. Convinced that relations with the local area need to be developed at different levels, ORI Martin's commitment is also aimed at **sustaining and strengthening the social and relational fabric** that it is part of, and its artistic and cultural heritage.

In this regard, in 2020 the Company finalised three-year participation in the "Alliance for culture", to support

cultural initiatives promoted by the Brescia Museums Foundation.

In addition, in November 2022, ORI Martin participated in the travelling exhibition "Io ti ascolto" (I am listening), promoted by OMB Saleri in collaboration with "Casa delle donne", several secondary schools in Brescia, ORI Martin and Elea S.p.A., and sponsored by the Municipality of Brescia and the "Le imprenditrici Confindustria" group. The exhibition brings together 20 poems written by boys and girls from several secondary schools in the province, drawn from the "Monia Delpero" literary competition, dedicated to Monia, who was killed at just 19 years of age in 1989, by her ex-boyfriend. The aim of the competition and exhibition is to raise awareness around themes of gender equality, respect and violence against women. The travelling exhibition was hosted by various companies in the area, including ORI Martin, which accepted

the proposal from 24 January to 8 February 2023.

On 16 October 2020, the statue of the Vittoria Alata (Winged Victory) symbol of the city of Brescia, returned to Brescia after two years of restoration work. The restoration was made possible by a specific contribution made by ORI Martin in the previous years.

The symbol of Brescia, the Vittoria Alata, is part of another ORI Martin project entitled "Street art: beauty on the outskirts of the city", organised by Associazione Parco Gallo. The proposal is aimed at enhancing the city in view of the Brescia's 2023 status as Italian Capital of Culture, alongside Bergamo. It involves renovation of the Company's boundary wall in via Monte Lungo: a surface of approximately 150 m in length and 5 m high. This project, also celebrated by the Director of Fondazione Brescia Musei, Stefano Karadjov, features a design centred on the Vittoria Alata with wording marking the investiture of Bergamo and Brescia as Capital of Culture.

Finally, during the difficulties caused by the Covid-19 pandemic, ORI Martin participated in various initiatives (aiutiAMObrescia, SOSTieni Brescia) in the local area to manage the health, social and labour emergency, in loving memory of our Vice Chairwoman, Annamaria Magri, who was sadly lost to Covid in March 2020.

### A bust of Oger Martin in San Bartolomeo Park

In September 2021, a commemorative bust of Oger Martin, who founded ORI Martin in 1933 after arriving in Italy from Belgium, was unveiled in the park of San Bartolomeo, in the presence of the Mayor of Brescia.

**Oger Martin was a pioneer, an explorer of new markets. Dear great-grandfather Oger, you would be proud to see the path we have taken, following in your footsteps. Today, the Group that carries your name is composed of 12 companies and provides employment to over 1,000 families. Today, more than ever, your memory lives on in the teachings and values you have passed down to us: the importance of family, work and respect for others**

Giovanni Marinoni Martin, Vice Presidente

OGER MARTIN

1890-1961

PIONIERE DELLA



# Statistical appendix

## STATISTICAL APPENDIX

<sup>10</sup> In this document, the item "Value of production" differs from that reported in the financial statements for the year, as extraordinary income was extracted and reported in a separate item.

<sup>11</sup> Figures for 2020 and 2021 are negative due to fiscal receivables accrued and tax prepayments made.

<sup>12</sup> Indicator GRI 2-7 also requires indication of the number of intermittent contracts and the number of employees with gender "other" and "not indicated". In 2022, there were no employees in these categories at ORI Martin S.p.A.

### GRI 201-1 DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED

Generated value	2020	2021	2022
Value of production <sup>10</sup>	342,788,840	557,590,088	694,721,240
Income from equity investments	1,003,477	1,003,477	1,002,600
Other financial income	585,863	503,050	1,387,896
<b>Total value generated</b>	<b>344,378,179</b>	<b>559,096,615</b>	<b>697,111,736</b>

Distributed value	2020	2021	2022
Value to suppliers	287,685,808	501,091,930	564,154,836
Value to employees	30,25,581	34,614,341	42,186,778
Value to the Public Administration <sup>11</sup>	- 7,216,409	- 6,729,583	728,634
Value to capital providers	1,044,318	868,222	1,575,362
Value to the community	728,932	424,134	565,156
<b>Total value distributed</b>	<b>312,368,230</b>	<b>530,269,044</b>	<b>609,210,766</b>

Retained value	2020	2021	2022
Operating income	8,226,601	-1,541,023	59,896,925
Depreciation / Provisions / Writedowns / Revaluations	23,783,349	30,368,594	28,004,045
<b>Total retained value</b>	<b>32,009,950</b>	<b>28,827,571</b>	<b>87,900,970</b>

### GRI 2-7: EMPLOYEES <sup>12</sup>

	2020			2021			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
<b>Total workforce</b>	411	24	435	422	24	446	559	29	588
Permanent contracts	396	23	419	391	24	415	533	29	562
Fixed-term contracts	15	1	16	31	-	31	26	-	26
Full time	410	22	432	422	21	443	559	25	584
Part time	1	2	3	-	3	3	-	4	4

It is noted that the increase in the number of employees and in all Human Resources indicators is due to inclusion of personnel of the Ospitaletto site, acquired in 2021 and included in the Sustainability Report from 2022.

**GRI 2-8: WORKERS WHO ARE NOT EMPLOYEES**

Contract type	2020	2021	2022
Internship	1	2	1
Interim personnel	0	10	3
Freelancers	0	0	0
<b>Total</b>	<b>1</b>	<b>12</b>	<b>4</b>

**GRI 405-1: DIVERSITY OF GOVERNANCE BODIES AND EMPLOYEES**

	2020		2021		2022	
	Men	Women	Men	Women	Men	Women
Executives	14	-	12	-	14	-
Middle Managers	7	1	11	1	12	1
Office Staff	64	23	71	23	108	28
Plant workers	326	-	328	-	425	-
<b>Total</b>	<b>411</b>	<b>24</b>	<b>422</b>	<b>24</b>	<b>559</b>	<b>29</b>

	2020			2021			2022		
	<30 years old	30 - 50 years old	> 50 years old	<30 years old	30 - 50 years old	> 50 years old	<30 years old	30 - 50 years old	> 50 years old
Executives	-	3	11	-	3	9	-	2	12
Middle Managers	-	5	3	-	9	3	-	8	5
Office Staff	4	62	21	9	60	25	11	83	42
Plant workers	41	194	91	44	200	84	59	250	116
<b>Total</b>	<b>45</b>	<b>264</b>	<b>126</b>	<b>53</b>	<b>272</b>	<b>121</b>	<b>70</b>	<b>343</b>	<b>175</b>

2022	≤30		30-50		≥50		Total men	Total women
	Men	Women	Men	Women	Men	Women		
Members of the BoD	0%	0%	38%	0%	63%	0%	100%	0%
Executives	0%	0%	14%	0%	86%	0%	100%	0%
Middle Managers	0%	0%	54%	8%	38%	0%	92%	8%
Office Staff	4%	4%	49%	12%	26%	5%	79%	21%
Plant workers	14%	0%	59%	0%	27%	0%	100%	0%
<b>Total</b>	<b>11%</b>	<b>1%</b>	<b>55%</b>	<b>3%</b>	<b>29%</b>	<b>1%</b>	<b>95%</b>	<b>5%</b>

**GRI 401-1: NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER - FEMALE**

	2020		2021		2022	
	Hires	Turnover	Hires	Turnover	Hires	Turnover
< 30 years old	-	-	2	-	-	-
30 - 50 years old	2	-	2	3	2	1
> 50 years old	-	2	-	1	-	1
<b>Total</b>	<b>2</b>	<b>2</b>	<b>4</b>	<b>4</b>	<b>2</b>	<b>2</b>

**GRI 401-1: NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER - MALE**

	2020		2021		2022	
	Hires	Turnover	Hires	Turnover	Hires	Turnover
< 30 years old	11	2	18	3	19	1
30 - 50 years old	11	5	22	8	31	12
> 50 years old	1	12	3	21	4	10 <sup>13</sup>
<b>Total</b>	<b>23</b>	<b>19</b>	<b>43</b>	<b>32</b>	<b>54</b>	<b>23</b>

**GRI 401-1: NUOVE ASSUNZIONI E TURNOVER TOTALE**

	2020		2021		2022	
	Hires	Turnover	Hires	Turnover	Hires	Turnover
< 30 years old	11	2	20	3	19	1
30 - 50 years old	13	5	24	11	33	13
> 50 years old	1	14	3	22	4	11
<b>Total</b>	<b>25</b>	<b>21</b>	<b>47</b>	<b>36</b>	<b>56</b>	<b>25</b>
<b>Rate</b>	<b>5.8%</b>	<b>5.3%</b>	<b>10.5%</b>	<b>8.1%</b>	<b>9.5%</b>	<b>4.3%</b>

**GRI 404-1: AVERAGE HOURS OF TRAINING PER YEAR PER CATEGORY**

Categoria	2020	2021 <sup>14</sup>	2022
Executives	10.6	9.6	7.6
Middle Managers	10.0	13.4	24.1
Office Staff	9.6	13.6	25.4
Plant workers	6.9	17.0	27.3
<b>Total</b>	<b>7.6</b>	<b>15.9</b>	<b>26.3</b>
Women	8.7	11.0	20.3
Men	7.5	16.2	26.7
<b>Total</b>	<b>7.6</b>	<b>15.9</b>	<b>26.3</b>

<sup>13</sup> The figure includes to terminations of 31.12.2021.

<sup>14</sup> 2021 Figures have been updated compared to the previous Sustainability Report due to updating of the calculation methods for professional categories.

**GRI 403-9: TOTAL WORK-RELATED INJURIES**

	2020	2021	2022
	Brescia	Brescia	Group
Hours worked	658,558	760,078	899,237
<b>Number of work-related injuries</b>	<b>13</b>	<b>17</b>	<b>25</b>
of which with more than 3 days absence	12	17	21
of which commuting incidents	1	-	-
of which with serious consequences (> 180 days absence)	1	-	1
of which fatal	-	-	-
<b>Injury frequency rate</b>	<b>18.2</b>	<b>22.4</b>	<b>27.8</b>
Serious injury frequency rate	1.5	-	1.1
Fatality frequency rate	-	-	-

	2022	
	Brescia	Ospitaletto
Hours worked	743,875	155,362
<b>Number of work-related injuries</b>	<b>22</b>	<b>3</b>
of which with more than 3 days absence	19	2
of which commuting incidents	-	-
of which with serious consequences (> 180 days absence)	1	-
of which fatal	-	-
<b>Injury frequency rate</b>	<b>29.6</b>	<b>19.3</b>
Serious injury frequency rate	1.3	-
Fatality frequency rate	-	-

**GRI 403-10: WORK-RELATED ILL HEALTH <sup>15</sup>**

	2020	2021	2022
	Brescia	Brescia	Group
Number of cases of recordable work-related ill health	1	1	2
Number of deaths due to work-related ill health	0	0	0

	2020	2022
	Brescia	Ospitaletto
Number of cases of recordable work-related ill health	1	1
Number of deaths due to work-related ill health	0	0

<sup>15</sup> With respect to work-related ill health, there was one case of dermatitis in 2020 and three cases of hearing loss in 2021 and 2022.

**GRI 301-1: MATERIALS USED**

Raw Materials	Units of measurement	2020	2021	2022
		Brescia	Brescia	Group
Scrap	Tons	649,652	701,720	575,724
Ferroalloys	Tons	14,353	16,963	14,964
Pig iron	Tons	21,250	33,253	17,343
Billets (steel)	Tons	-	-	217,972

Raw Materials	Units of measurement	2022	
		Brescia	Ospitaletto
Scrap	Tons	575,724	-
Ferroalloys	Tons	14,964	-
Pig iron	Tons	17,343	-
Billets (steel)	Tons	-	217,972

Process materials	Units of measurement	2020	2021	2022
		Brescia	Brescia	Group
Lime	Tons	29,643	38,823	31,980
Coal	Tons	12,041	12,717	10,884
Refractory	Tons	10,241	11,200	9,940
Electrodes	Tons	1,144	1,251	1,120
Graphite	Tons	1,234	1,570	1,086
Oxygen <sup>16</sup>	m <sup>3</sup>	15,108,468	17,038,772	13,913,263
Nitrogen <sup>17</sup>	m <sup>3</sup>	5,342,489	5,675,481	6,354,098
Argon <sup>17</sup>	m <sup>3</sup>	339,942	423,339	353,475

<sup>16</sup> The volume of oxygen is measured under normal conditions, i.e. at 1.013.25 millibar atmospheric pressure and at 0°C.

<sup>17</sup> 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.

Materiali di processo	Unità di misura	2022	
		Brescia	Ospitaletto
Lime	Tons	31,980	-
Coal	Tons	10,884	-
Refractory	Tons	9,940	-
Electrodes	Tons	1,120	-
Graphite	Tons	1,086	-
Oxygen	m <sup>3</sup>	13,880,652	32,611
Nitrogen	m <sup>3</sup>	6,088,748	265,350
Argon	m <sup>3</sup>	353,312	163

**GRI 303-3: WATER WITHDRAWAL**

Water withdrawal	Units of measurement	2020	2021	2022
		Brescia	Brescia	Group
Withdrawn from groundwater	m <sup>3</sup>	731,396	762,149	879,321
Withdrawn from third-party resources	m <sup>3</sup>	10,377	13,924	13,834
<b>Total withdrawn water</b>	<b>m<sup>3</sup></b>	<b>741,773</b>	<b>776,073</b>	<b>893,155</b>

Water withdrawal	Units of measurement	2022	
		Brescia	Ospitaletto
Withdrawn from groundwater	m <sup>3</sup>	635,131	244,190
Withdrawn from third-party resources	m <sup>3</sup>	10,135	3,699
<b>Total withdrawn water</b>	<b>m<sup>3</sup></b>	<b>645,266</b>	<b>247,889</b>

**GRI 303-4: WATER DISCHARGE <sup>18</sup>**

Water discharge	Units of measurement	2020	2021	2022
		Brescia	Brescia	Group
Discharge into surface waters	m <sup>3</sup>	205,649	227,705	398,934

Water discharge	Units of measurement	2022	
		Brescia	Ospitaletto
Discharge into surface waters	m <sup>3</sup>	191,372	207,562

**GRI 303-5: WATER CONSUMPTION**

Water consumption	Units of measurement	2020	2021	2022
		Brescia	Brescia	Group
Water consumption	m <sup>3</sup>	536,124	548,368	494,222

Water consumption	Units of measurement	2022	
		Brescia	Ospitaletto
Water consumption	m <sup>3</sup>	453,894	40,328

Analysis of waste water from the steel plant S1 (Brescia site) - Annual average

Parameter (mg/l)	Limits (mg/l)	2020	2021	2022
Total suspended solids (TSS)	80	<5	<5	<5
C.O.D (O2)	160	<10	<10	<10
Total hydrocarbons	5	<0.5	<0.5	<0.5

<sup>18</sup> As the precise figure is unavailable, the figure for water discharge at the Ospitaletto site has been estimated as 85% of water withdrawal at the site.

Iron (Fe)	2	<0.10	<0.10	<0.10
Copper (Cu)	0.1	<0.01	<0.01	<0.01
Zinc (Zn)	0.5	<0.05	<0.05	<0.05
Nickel (Ni)	2	<0.10	<0.10	<0.10
Total chromium (Cr)	2	<0.10	<0.10	<0.10
Lead (Pb)	0.2	<0.05	<0.05	<0.05

Analysis of waste water from the rolling mill S3 (Brescia site) - Annual average

Parameter (mg/l)	Limits (mg/l)	2020	2021	2022
Total suspended solids (TSS)	80	< 5	< 5	< 5
C.O.D (O2)	160	14	12	17
Total hydrocarbons	5	< 0.5	< 0.5	< 0.5
Iron (Fe)	2	< 0.10	< 0.10	< 0.10
Copper (Cu)	0.1	< 0.01	< 0.01	< 0.01
Zinc (Zn)	0.5	< 0.05	< 0.05	< 0.05
Nickel (Ni)	2	< 0.10	< 0.10	< 0.10
Total chromium (Cr)	2	< 0.10	< 0.10	< 0.10
Lead (Pb)	0.2	< 0.05	< 0.05	< 0.05

Analysis of waste water from the Ospitaletto site - Annual average

Parameter (mg/l)	Limits (mg/l)	2022
Total suspended solids (TSS)	80	<5
C.O.D (O2)	160	12
Total hydrocarbons	5	<0.5
Iron (Fe)	2	<0.10
Copper (Cu)	0.1	0.02
Zinc (Zn)	0.5	<0.05
Nickel (Ni)	2	<0.10
Total chromium (Cr)	2	<0.10
Lead (Pb)	0.2	<0.05

**GRI 302-1: ENERGY CONSUMED WITHIN THE ORGANISATION (GJ)**

Energy consumed (in GJ)	2020	2021	2022
	Brescia	Brescia	Group
Electricity purchased from the grid	1,593,780	1,817,206	1,596,640
Natural gas	729,960	857,575	1,023,832
Diesel fuel	8,089	9,408	10,911
<i>of which diesel for internal handling</i>	7,340	8,410	9,523
<i>of which diesel for the car fleet</i>	749	998	1,388
Other fuels	-	65	190
Self-produced and consumed electricity	9,123	11,990	9,819
<b>Total</b>	<b>2,340,952</b>	<b>2,696,245</b>	<b>2,641,392</b>
Thermal energy sold	52,111	42,833	0 <sup>19</sup>

Energy consumed (in GJ)	2022	
	Brescia	Ospitaletto
Electricity purchased from the grid	1,546,273	50,366
Natural gas	734,354 <sup>20</sup>	289,478
Diesel fuel	8,933	1,978
<i>of which diesel for internal handling</i>	7,545	1,978
<i>of which diesel for the car fleet</i>	1,388	-
Other fuels	190	-
Self-produced and consumed electricity	9,819	-
<b>Total</b>	<b>2,299,569</b>	<b>341,823</b>
Thermal energy sold	0 <sup>19</sup>	-

<sup>19</sup> In 2022 no thermal energy was sold due to works on the new heat pump..

<sup>20</sup> The values differ from those indicated in the ETS due to the use of different conversion factors.

<sup>21</sup> The value is the sum of the composites reported in the table of Legislative Decree 152/06 as amended.

Analysis of the main polluting atmospheric emissions from Brescia steel-plant chimneys (mg/Nm<sup>3</sup>)

Pollutant	Limit (mg/Nm <sup>3</sup> )	Chimney measurement EI			Chimney measurement Elbis		
		2020	2021	2022	2020	2021	2022
Total organic carbon (TOC)	20	4	2.4	2.8	3.7	2	3.1
Nitrogen oxides (NOx)	300	11	< 5	6	10	6	< 5
Σ (Pb.Mn.Cu.V.Sn)	5	0.065	0.0238	0.0331	0.0157	0.0306	0.0228
Σ(Cr.Ni.Co.V.As.Cd)	1	0.0015	0.0018	0.0049	0.0029	0.0035	0.0046
Mercury	0.05	< 0.0006	< 0.0005	0.0049	< 0.0006	0.0011	< 0.0031
IPA <sup>21</sup>	0.01	0.000019	0.000028	0.000019	0.000019	0.000024	0.000017

PTS	5	< 0.2	< 0.3	0.9	0.5	< 0.3	1.1
Hydrochloric acid	10	< 0.5	< 0.5	0.5	< 0.5	< 0.5	0.8
Hydrofluoric acid	2	< 0.2	< 0.2	< 0.2	< 0.2	< 0.2	< 0.2
PCDD/PCDF (ng I-TEQ/Nm <sup>3</sup> )	0.1	0.0012	0.0017	0.0018	0.0006	0.0024	0.0049
PCB dl (ng I-TEQ/Nm <sup>3</sup> ) <sup>22</sup>	-	0.00091	0.0006	0.00183	0.00097	0.00052	0.00407

**GRI 306-4: WASTE RECYCLED (T)**

Waste recycled (t)	2020	2021	2022
	Brescia	Brescia	Group
Non-hazardous waste	77,789	95,187	97,526
Hazardous waste	8,243	8,608	7,455
<b>Total recycled</b>	<b>86,032</b>	<b>103,795</b>	<b>104,982</b>

Waste recycled (t)	2022	
	Brescia	Ospitaletto
Non-hazardous waste	82,131	15,396
Hazardous waste	7,445	10
<b>Total recycled</b>	<b>89,576</b>	<b>15,406</b>

**GRI 306-5: WASTE SENT TO LANDFILL (T)**

Waste sent to landfill (t)	2020	2021	2022
	Brescia	Brescia	Group
Non-hazardous waste	29,783	29,914	26,304
Hazardous waste	14	28	35
<b>Total sent to landfill</b>	<b>29,797</b>	<b>29,942</b>	<b>26,339</b>

Waste sent to landfill (t)	2022	
	Brescia	Ospitaletto
Non-hazardous waste	26,304	-
Hazardous waste	21	14
<b>Total sent to landfill</b>	<b>26,325</b>	<b>14</b>

<sup>22</sup> PCB refers to dioxin-like PCBs.



# Methodological note

The fourth Sustainability Report of ORI Martin S.p.A. (in the text “ORI Martin” or “Company”), with operational site and registered office in via Cosimo Canovetti 13 in Brescia, was drawn up in accordance with the “GRI Sustainability Reporting Standards”, the most recent and widespread non-financial reporting standards published in 2016 (and updated in 2018 and 2021) by the Global Reporting Initiative (GRI), based on the “In accordance” option.

This edition of the Sustainability Report represents the third edition, subject to limited auditing, in accordance with the provisions of the International Standard on Assurance Engagement (ISAE 3000 Revised) by the auditing company EY S.p.A.

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

The document, prepared in order to provide information on sustainability aspects and impacts of relevance for the Company, complies with the reporting principles required by GRI Standards, including accuracy, balance, clarity, comparability, reliability, sustainability context, timeliness and verifiability.

The annual document presents initiatives and performance in relation to aspects considered to be of material importance for ORI Martin and its stakeholders (see chapter 2 “Sustainability for ORI Martin”). In line with the consolidated financial statements, the reporting period is from 01/01/2022 to 31/12/2022 and comparison is made with the previous two-year period (2020-2021). Publication of this Report is separate from the Consolidated Financial Statements of ORI Martin S.p.A. The 2022 Sustainability Report was published on September 4th 2023.

The data reporting scope is limited to ORI Martin S.p.A. alone, with specific reference to the Brescia plant, and from 2022 the Ospitaletto plant, and excludes subsidiaries. Where possible, figures for the Brescia and Ospitaletto plants have been indicated separately, in addition to Group totals.

## Calculation methods

### ENERGY CONSUMPTION

To report the energy consumption from the use of different sources, the quantities used were measured for each carrier and subsequently converted into GJ.

For uniformity across different sources, with specific reference to heating power, conversion factors in the table “UK Government GHG Conversion Factors for Company Reporting – Fuel properties” of DEFRA were used (2022 version).

**GHG EMISSIONS**

The data reported in section 5.3.1 “The greenhouse gas emissions (GHG) and the CO<sub>2</sub> footprint” are based on the study conducted by ORI Martin together with an external collaborator to analyse the carbon footprint.

Emissions are expressed in tCO<sub>2eq</sub>.

The method used to calculate Scope 1, Scope 2 and Scope 3 emissions, in compliance with ISO 14064:2018 considers the following operating limits and emission factors:

Source	Consumption source registered	Emission factor source
<b>Direct emissions</b>		
Stationary combustion emissions	EU-ETS	EU-ETS
Mobile combustion emissions	Purchases of diesel for internal movements	IPCC
Company cars	Purchases of diesel for company cars	FETRANSP
Process emissions	EU-ETS	EU-ETS
Fugitive emissions	Registers of refrigeration unit maintenance	IPCC
<b>Indirect emissions from electricity</b>		
Indirect emissions from imported electricity	Electricity purchase invoices	ISPRA (Location Based) AIB (Market Based)
<b>Indirect emissions from transport</b>		
Upstream transport activity procurement	Km travelled by truck from the supplier to the plant	IPCC
	Km travelled by other vehicles to the supplier	Measuring and managing CO <sub>2</sub> emission of European transport
Downstream transport activity shipments	Km travelled by truck from plant to customer or intermodal junction	IPCC
Employee home/work transport	Number of employees. average trip	FETRANSP
<b>Indirect emissions from assets used</b>		
Emissions from assets purchased	Natural gas. electricity (consumption)	Ecoinvent 3.8
	Technical gases and other relevant raw materials	Worldsteel - CO <sub>2</sub> Data collection. Ecoinvent 3.8
Emissions from waste disposal	Waste outgoing to disposal and recovery	Ecoinvent 3.8
<b>Emissions associated with product use</b>		
Emissions associated with product use	Products leaving the Company	Hires

**POLLUTING EMISSIONS**

Data for analysis of the main polluting atmospheric emissions refer only to the chimneys of the Brescia steel plant.

**WATER DISCHARGE**

The figure for 2022 water discharge at the Ospitaletto site is estimated, assuming 85% of water withdrawal from the wells at the plant.

**OCCUPATIONAL HEALTH AND SAFETY**

For calculation of the injury indexes, the GRI guidelines were adopted in order to make the data comparable with the rest of the market.

The calculation methods used for the various accident rates are indicated below:

- the injury frequency rate is calculated as the ratio between the total number of recordable work-related injuries (excluding those while commuting) and the number of hours worked in the same period, multiplied by 1,000,000. Accidents causing less than three days of injury leave are excluded.
- the serious injury frequency rate is calculated as the ratio between the total number of injuries causing absence of more than 180 days and the number of hours worked in the same period, multiplied by 1,000,000.

**INFORMATION AND CONTACTS**

Collection of data and information was managed by the Sustainability Manager.

For information and specific requests regarding the contents of ORI Martin's 2022 Sustainability Report, please contact the following mailbox:

[info@orimartin.it](mailto:info@orimartin.it)

# GRI Content Index

## DECLARATION OF USE

ORI Martin S.p.A. has published this report in compliance with GRI Standards for the period 01/01/2022–31/12/2022

## GRI 1 USED

GRI 1 – Foundation 2021

## RELEVANT GRI SECTOR STANDARD

Not applicable

## GRI CONTENT INDEX

GRI Standard	Disclosure	Indicator description	Document section	Notes and omissions
<b>General disclosure</b>				
	2-1	Organisational details	Methodological note 1.2 ORI Martin's identity	
	2-2	Entities included in the organisation's sustainability reporting	Methodological note	
	2-3	Reporting period, frequency, and contact point	Methodological note	
	2-4	Restatements of information	GRI Content Index	No restatements of information were made in relation to the previous Sustainability Report. Any changes to 2020 and 2021 data due to changes in methodology or errors in charts are appropriately flagged within the text.
	2-5	External assurance	Methodological note	
	2-6	Activities, value chain and other business relationships	1.2 ORI Martin's identity	
	2-7	Employees	6.1 ORI Martin's team Statistical appendix	
	2-8	Workers who are not employees	Statistical appendix	
	2-9	Governance structure and composition	3.1 Governance	
	2-10	Nomination and selection of the highest governance body	3.1 Governance	
	2-11	Chair of the highest governance body	3.1 Governance	
	2-12	Role of the highest governance body in overseeing the management of impacts	3.1 Governance	
	2-13	Delegation of responsibility for managing impacts	3.1 Governance	
	2-14	Role of the highest governance body in sustainability reporting	3.1 Governance	
	2-15	Conflicts of interest	3.1 Governance	
	2-16	Communication of critical concerns	3.1 Governance	
	2-17	Collective knowledge of the highest governance body	GRI Content Index	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	GRI Content Index	Currently, the members of the BoD are not subject to periodic performance reviews in relation to sustainability.
	2-19	Remuneration policies	3.1 Governance	
	2-20	Process to determine remuneration	3.1 Governance	
	2-21	Annual total compensation ratio	-	The annual total compensation ratio is not reported in the document for reasons of confidentiality. This is reserved information which cannot be published.
	2-22	Statement on sustainable development strategy	Letter to the stakeholder	
	2-23	Policy commitments	3.1 Governance	
	2-24	Embedding policy commitments	3.1 Governance	
	2-25	Processes to remediate negative impacts	2.2 Materiality analysis and material topics	
	2-26	Mechanisms for seeking advice and raising concerns	3.1 Governance	

GRI CONTENT INDEX

	2-27	Compliance with laws and regulations	Statistical appendix	During the three-year period, one instance of non-compliance with regulations was identified in 2022, which did not lead to financial penalties.
	2-28	Membership associations	2.1 Stakeholders	
	2-29	Approach to stakeholder engagement	2.1 Stakeholders	
	2-30	Collective bargaining agreements	6.1 ORI Martin's team	

**Material topics**

GRI 3: Material topics 2021	3-1	Process to determine material topics	2.2 Materiality analysis and material topics	
	3-2	List of material topics	2.2 Materiality analysis and material topics	

**Economic performance and creation of value**

GRI 3: Material topics 2021	3-3	Management of material topics	3.2 Value creation	
GRI 201: economic performance 2016	201-1	Direct economic value generated and distributed	3.2 Value creation Statistical appendix	

**Business integrity**

GRI 3: Material topics 2021	3-3	Management of material topics	3.1 Governance	
GRI 205: Anti-corruption 2016	205-3	Confirmed incidents of corruption and actions taken	3.1 Governance	
GRI 206: Anticompetitive behaviour 2016	206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	3.1 Governance	

**Limitation of environmental impacts and circular economy**

GRI 3: Material topics 2021	3-3	Management of material topics	5.2.1 Materials used 5.2.2 Water resources 5.3.3 Waste	
GRI 301: Materials 2016	301-1	Materials used by weight or volume	5.2.1 Materials used Statistical Appendix	
GRI 303: Water and effluents 2018	303-1	Interactions with water as a shared resource	5.2.2 Water resources	
	303-2	Management of water discharge-related impacts	5.2.2 Water resources	
	303-3	Water withdrawal	5.2.2 Water resources Statistical Appendix	The level of water stress in the area where water is withdrawn and discharged is categorised as "medium-high" by the Water Risk Atlas of the World Resources Institute.
	303-4	Water discharge	5.2.2 Water resources Statistical Appendix	
	303-5	Water consumption	5.2.2 Water resources	

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GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	5.3.3 Waste	
	306-2	Management of significant waste-related impacts	5.3.3 Waste	
	306-3	Waste generated	5.3.3 Waste Statistical appendix	
	306-4	Waste diverted from disposal	5.3.3 Waste Statistical appendix	
	306-5	Waste directed to disposal	5.3.3 Waste Statistical Appendix	

**Energy efficiency and the fight against climate change / Polluting emissions and air quality**

GRI 3: 2021 Material topics	3-3	Management of material topics	5.2.3 Energy consumption 5.3.1 The greenhouse gas emissions (GHG) and the CO <sub>2</sub> footprint 5.3.2 Emissions into the atmosphere	
GRI 302: Energy 2016	302-1	Energy consumed within the organisation	5.2.3 Energy consumption Statistical appendix	
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	5.3.1 The greenhouse gas emissions (GHG) and the CO <sub>2</sub> footprint. Statistical appendix	
	305-2	Energy indirect (Scope 2) GHG emissions	5.3.1 The greenhouse gas emissions (GHG) and the CO <sub>2</sub> footprint. Statistical appendix	
	305-3	Energy indirect (Scope 3) GHG emissions	5.3.1 The greenhouse gas emissions (GHG) and the CO <sub>2</sub> footprint. Statistical appendix	
	305-7	Nitrogen oxides (NOX), sulphur oxides (SOX) and other significant air emissions	5.3.2 Emissions into the atmosphere. Statistical appendix	Values indicate concentration of pollutants rather than total in tons to facilitate comparison with AIA indications. The values refer to the two primary emission points at the Brescia plant.

**Supply-chain sustainability**

GRI 3: 2021 Material topics	3-3	Management of material topics	6.2 Supply-chain partners	
GRI 308: Supplier environmental assessment 2016	308-1	New suppliers that were screened using environmental criteria	6.2 Supply-chain partners	All new suppliers are assessed under the criteria described in Chapter "6.2 Supplychain partners". No further screening procedures are adopted.
GRI 414: Supplier social assessment 2016	414-1	New suppliers that were screened using social criteria	6.2 Supply-chain partners	All new suppliers are assessed under the criteria described in Chapter "6.2 Supplychain partners". No further screening procedures are adopted.

**Employment and staff relations**

GRI 3: 2021 Material topics	3-3	Management of material topics	6.1.1 Workforce	
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	6.1.1 Workforce Statistical Appendix	

GRI CONTENT INDEX

<b>GRI 402: Labour / management relations 2016</b>	402-1	Minimum notice periods regarding operational changes	6.1.1 Workforce Content Index	For the three-year reporting period, the minimum notice period for operational changes is 12 weeks.
<b>Occupational health and safety</b>				
<b>GRI 3: 2021 Material topics</b>	3-3	Management of material topics	6.1.2 A safe workplace	
<b>GRI 403: Occupational health and safety 2018</b>	403-1	Occupational health and safety management system	3.1.2 Governance tools 6.1.2 A safe workplace	
	403-2	Hazard identification, risk assessment, and incident investigation	6.1.2 A safe workplace	
	403-3	Occupational health services	6.1.2 A safe workplace	
	403-4	Worker participation, consultation, and communication on occupational health and safety	6.1.2 A safe workplace	
	403-5	Worker training on occupational health and safety	6.1.2 A safe workplace	
	403-6	Promotion of worker health	6.1.2 A safe workplace	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	6.1.2 A safe workplace	
	403-8	Workers covered by an occupational health and safety management system	6.1.2 A safe workplace	
	403-9	Work-related injuries	6.1.2 A safe workplace Statistical Appendix	
	403-10	Work-related ill health	6.1.2 A safe workplace Statistical Appendix	
<b>Staff development and training</b>				
<b>GRI 3: 2021 Material topics</b>	3-3	Management of material topics	6.1.3 Skills development	
<b>GRI 404: Training and education 2016</b>	404-1	Average hours of training per year per employee	6.1.3 Skills development Statistical Appendix	
	404-3	Percentage of employees receiving regular performance and career development reviews	6.1.3 Skills development	100%
<b>Protection of diversity</b>				
<b>GRI 3: 2021 Material topics</b>	3-3	Management of material topics	3.1 Governance 6.1.1 Workforce	
<b>GRI 405: Diversity and equal opportunities 2016</b>	405-1	Diversity of governance bodies and employees	3.1 Governance 6.1.1 Workforce Statistical appendix	
<b>GRI 406: Nondiscrimination 2016</b>	406-1	Incidents of discrimination and corrective actions taken	6.1.1 Workforce	No instances of discrimination were recorded in the reporting period.

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<b>Attention to the local community</b>				
<b>GRI 3: 2021 Material topics</b>	3-3	Management of material topics	4.1 Sustainability in the plant 6.3 Territory	
<b>GRI 413: Local community 2016</b>	413-1	Operations with local community engagement, impact assessments, and development programs	4.1 Sustainability in the plant 6.3 Territory	
<b>Noise pollution</b>				
<b>GRI 3: 2021 Material topics</b>	3-3	Management of material topics	5.3.4 Noise pollution	
<b>Product quality and traceability</b>				
<b>GRI 3: 2021 Material topics</b>	3-3	Management of material topics	4.2 Continuous innovation	
<b>Sustainable development and innovation</b>				
<b>GRI 3: 2021 Material topics</b>	3-3	Management of material topics	4.2 Continuous innovation	

# Certifications

## CERTIFICATIONS

## Brescia Plant



ORI Martin Brescia - Carbon Footprint



ORI Martin - ISO 9001:2015



ORI Martin - ISO 9001:2015



ORI Martin - IATF 16949:2016



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)



ORI Martin - IATF 16949:2016

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 14001:2018



ORI Martin Ospitaletto: IQNET ISO 45001:2018



ORI Martin Ospitaletto - Carbon Footprint



## Independent auditors' report on the Sustainability Report 2022

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 31<sup>st</sup> December 2022 (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 site visits 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 31<sup>st</sup> December 2022 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, September 4, 2023

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 Ferriera di Brescia S.p.A.**

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