



MARCEGAGLIA STEEL 2022-2030

SUSTAINABILITY AND TRANSITION PLAN
CREATION OF SUSTAINABLE VALUE

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OUR COMMITMENT TO SUSTAINABILITY

For the Marcegaglia Group, sustainability is not just an opportunity, but a **concrete commitment** to respond to the challenges of a world that is increasingly attentive to impacts on the environment and people, to guarantee them a better future. The path hinges on the drafting of the Sustainability and Transition Plan with the aim of making public the integrated strategy adopted to combine business growth and financial strength with environmental and social responsibility, including the material topics identified by stakeholders.

For Marcegaglia, the **Sustainability and Transition Plan** represents the **strategic vision** to outline a roadmap for improving **ESG (Environment, Social, Governance)** performance. The document defines the main drivers for the achievement of the 17 Sustainable Development Goals (SDGs), defined in the United Nations 2030 Agenda for Sustainable Development. Confirming its commitment and efforts in the field of sustainability, the Marcegaglia Group is also engaging in international initiatives of fundamental importance to generate positive environmental and social impacts, increase its competitiveness and enjoy greater prosperity in the long run.

OUR COMMITMENT TO SUSTAINABILITY



WE SUPPORT

Since October 2022, Marcegaglia has joined the **United Nations Global Compact**, the Ten Principles of which on human rights, labour standards, environmental protection and anti-corruption it shares, supports and applies.



First Movers
Coalition

In November 2022, Marcegaglia joined the **First Movers Coalition** to publicly commit to steel sector decarbonisation.



Since December 2022, the Group has been a member of **ResponsibleSteel™**, the steel industry's first global multi-stakeholder initiative to address the need for increasingly responsible and sustainable production and processing.



Since August 2023, Marcegaglia has joined the **Energy Efficiency Movement**, a knowledge-sharing forum that serves as a global industry voice to promote a holistic view of complex energy efficiency challenges and solutions.



Decarb
Fast Track

Since September 2023, Marcegaglia Steel, with the sites of Casalmaggiore, Forlimpopoli, Ravenna, Gazoldo degli Ippoliti and San Giorgio di Nogaro, has been selected for the **Decarb Fast Track** programme, launched by METRON, Dalkia, BNP Paribas and AWS, which aims to save 100,000 tonnes of CO₂ and reduce energy consumption by up to 10% by equipping 100 industrial companies with an energy management and optimisation solution.

OUR COMMITMENT TO SUSTAINABILITY

Aware that integrating sustainability into corporate dynamics requires a new cultural paradigm and planning that involves all the functions involved, this document was born in 2022 and is developed with the necessary updates to respond to the need to spread these values in a widespread manner. The Sustainability and Climate Transition Plan defines the Company's strategy and ambitions, translating its climate objectives into concrete actions, with a specific focus on reducing greenhouse gas emissions.

The Plan helps to communicate objectives, implementation methods and timelines to stakeholders, and to demonstrate transparency and practicality on our path towards increasingly sustainable and responsible development. The **objectives** of the Plan will be **updated at least annually**, also with the definition of additional targets, as well as the results achieved, according to an evolutionary process of continuous alignment with the sustainability strategies outlined by the Ownership through Policies that are also made public through our website.

OUR COMMITMENT TO SUSTAINABILITY

The areas of intervention, which consider sustainability issues in harmony with business needs, focus on the following aspects:

- reduction of **environmental impacts**
- continuous enhancement of **occupational health and safety**
- fight against **climate change**
- dissemination of a **culture of sustainability**
- reinforcement of a **responsible supply chain**
- **technological innovation**
- improvement of the **corporate reputation**
- **circular economy**
- **support to local communities**

This Sustainability and Transition Plan reports, below, the short, medium and long-term goals, based on the material topics identified through a stakeholder engagement activity, with the aim of contributing to the achievement of the identified SDGs. With regard to the environmental objectives, the 'reference' column indicates whether they contribute to the mitigation or adaptation of Climate Change: mitigation aims to reduce the causes of Climate Change, i.e. greenhouse gas emissions, while adaptation focuses on how to reduce the impact of current and future Climate Change.

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REFERENCE	AREA	OBJECTIVES	BENEFITS	TARGETS	RESULTS / PROGRESS	SDGs
1/2024 (M - T)	Decarbonisation and innovation	Industrial transformation of Marcegaglia Sheffield production site: modernization of the electric arc furnace (EAF)	Reduction of specific consumption and Scope 3 reduction (Cat. 1)	2026 (Expected CAPEX: 70 M€) ONGOING	2024: project phase started and technological partner defined	<div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div> <div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div>
2/2024 (M)	Organization Carbon Footprint	Certification of the organization’s GHG emissions inventory according to ISO 14064	Greater knowledge and control of own emissions and value chain; greater transparency in communication with stakeholders	2025 ACHIEVED	2025: obtaining certification in accordance with ISO 14064	<div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div> <div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div>
3/2024 (M)	Waste	ZERO Waste Project of Gazoldo degli Ippoliti	Contributing to the circular economy and improving resource efficiency	2027 Up to 70% reduction in waste generated by the pickling process and 65% reduction in water consumption (Expected CAPEX: 9 M€) ONGOING	2024: project start-up	<div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div> <div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div>
4/2024 (M - T)	Decarbonisation	Industrial transformation of Marcegaglia Fos-sur-Mer production site: production of carbon steel from scrap and green DRI	Scope 3 Reduction (Cat. 1)	2028 (Expected CAPEX: 700 M€) ONGOING	2024: project evaluation	<div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div> <div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div>
5/2024 (M)	Decarbonisation and innovation	Industrial transformation of Marcegaglia Fagersta production site: plant modernization for energy efficiency	Energy efficiency of facilities	2028 (Expected CAPEX: 100 M€) ONGOING	2024: project evaluation	<div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div> <div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div>

A: adaptation • M: mitigation • T: taxonomic activities

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REFERENCE	AREA	OBJECTIVES	BENEFITS	TARGETS	RESULTS / PROGRESS	SDGs
6/2024 (M - T)	Circularity	DRI production with zero CO ₂ emissions	Carbon neutrality	2028 (Expected CAPEX: 5 M€) ONGOING	2024: start planning	<div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div> <div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div>
7/2024 (M)	Logistics and transportation	Start train transportation directly to the Gazoldo degli Ippoliti plant through the construction of a new railway line	Reduction in road traffic resulting in lower air emissions and reduction in Scope 3 (Cat. 4 and 9)	2030 (Expected CAPEX: 41 M€) ONGOING	2024: project phase started	<div>7 AFFORDABLE AND CLEAN ENERGY</div> <div>13 CLIMATE ACTION</div>
8/2024 (M)	Automation of logistics and internal handling	Passage to transport by overhead cranes and AGVs at the Marcegaglia Ravenna plant	Scope 1 and 2 reduction	2030 (Expected CAPEX: 90 M€) ONGOING	2024: completion of installation of 6 overhead cranes/AGVs	<div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div>
9/2024 (M)	Automation of logistics and internal handling	Introducing internal transport via AGVs at the Marcegaglia Gazoldo degli Ippoliti plant	Scope 1 reduction	2027 (Expected CAPEX: 8 M€) ONGOING	2024: project phase initiated	<div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div>
10/2024 (M)	Waste and circular economy	Hazardous waste reduction through identification of solution that allows recovery of metals from the perspective of circular economy at the Forli and Contino sites	Reduction of waste generated	2026 (Expected CAPEX: 400 k€) ONGOING	2024: completion of technical and feasibility analysis	<div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div>

A: adaptation • M: mitigation • T: taxonomic activities











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REFERENCE	AREA	OBJECTIVES	BENEFITS	TARGETS	RESULTS / PROGRESS	SDGs
1/2023 (M)	Emissions	8% reduction in carbon dioxide emission intensity compared to base year 2021 (perimeter at 31/12/2022)	Pursuing climate and energy saving targets Scope 1 and 2 reduction	2025 ONGOING	Target -2% per year: • 2023 achieved • 2024 achieved	<div>7 AFFORDABLE AND CLEAN ENERGY</div> <div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div> <div>13 CLIMATE ACTION</div>
2/2023 (M)	Certifications 14001 and 50001	Certifications obtained for the following company names pertaining to Marcegaglia Investments: - ELET.CA Srl - Imat SpA - Oskar Srl	Adopt transparent criteria and facilitate communication on resource management	2025 ONGOING	For 14001: Imat, Oskar achieved in 2024 For 50001: Oskar achieved in 2024	<div>9 INDUSTRIAL INNOVATION AND INFRASTRUCTURE</div> <div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div>
3/2023 (M)	Training events	Organisation of a seminar at headquarters on the Group's activities in the sustainability field	Increase the knowledge and professionalism of collaborators in relation to ESG issues	ACHIEVED	2023 Achieved: Seminar (July 13 and 24, 2023) coordinated by the Sustainability Manager, with the support of BCG and the presence of Mr. Antonio and Mrs. Emma Marcegaglia and made available for registration in the Marcegaglia Academy 2024 Achieved: "The energy transition and decarbonization of the industrial sector" held by Mr. Claudio Descalzi, CEO of ENI	<div>8 DECENT WORK AND ECONOMIC GROWTH</div> <div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div>
4/2023 (M)	International initiatives	Participation in know-how and experience sharing initiatives	Sharing best practices and solutions related to energy efficiency and accelerating the decarbonization of the industrial sector	Annual participations ONGOING	2023 Achieved: Energy Efficiency Movement, Decarb Fast Track 2024 Achieved: Energy Efficiency Movement, Decarb Fast Track, Hydrogen, biomethane, zero carbon technology observatory 2025 ongoing: Energy Efficiency Movement, Decarb Fast Track, Hydrogen, biomethane, zero carbon technology observatory	<div>7 AFFORDABLE AND CLEAN ENERGY</div> <div>13 CLIMATE ACTION</div> <div>17 PARTNERSHIPS FOR THE GOALS</div>

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REFERENCE	AREA	OBJECTIVES	BENEFITS	TARGETS	RESULTS / PROGRESS	SDGs
5/2023 (M)	Product Carbon footprint	Certification of the systematic approach of the products according to the ISO 14067 standard	Monitoring of product CO ₂ content	ACHIEVED	2024: obtaining certification according to ISO 14067	 
1/2022 (M)	Product life cycle studies	Publication of Environmental Product Declarations (EPDs)	Transparency and maintaining the competitiveness of the products supplied	Coverage of up to 97% of turnover by 2030 ONGOING	Starting data: 1% of products covered by EPD on turnover 2021 2022: 75% of products covered by EPD on turnover 2023: 91% of products covered by EPD on turnover 2024: 94% of products covered by EPD on turnover For further information on the EPDs already published, please refer to the site: www.environdec.com/library	 
2/2022 (M)	Logistics and transport	Increasing rail transport capacity at the Ravenna plant until reaching 2 million tonnes	Reduction in road traffic resulting in lower air emissions and Scope 3 reduction (Cat. 4 and 9)	2 million tonnes transported by train by 2028 ONGOING	2023: 1.4 million tons transported by train 2024: 1.5 million tons transported by train	 
3/2022 (M-T)	Carbon Capture Storage (CCS)	Reduction of CO ₂ emissions from the atmosphere by sending them to a capture plant	Improvement of air quality and Scope 1 reduction	2029 (Expected CAPEX: 80 M€) ONGOING	2025: in the final design phase for the subsequent detailed engineering, supply and construction phases	 
4/2022 (M)	Waste	Increase in waste sent for recovery with resulting reduction in waste sent for disposal	Contribution to the circular economy and improvement in efficient resource use	1% reduction in waste sent for disposal by 2023 compared to the 2022 figure ACHIEVED	Waste sent for disposal (boundary as of 12/31/2022) in 2023 decreased by 18.93% compared to 2022	 

A: adaptation • M: mitigation • T: taxonomic activities

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REFERENCE	AREA	OBJECTIVES	BENEFITS	TARGETS	RESULTS / PROGRESS	SDGs
5/2022 (A)	Biodiversity	Promoting initiatives aimed at recovering biodiversity	Improvement of biodiversity	Multi-year projects ONGOING	Annual: management of an area of 12,000 m² of property within the Bosco del Rugareto, adjacent to the Gorla Minore site (VA) Annual: Marcegaglia Foundation - “DAFNE VI” Project - developed in the Municipality of Carrara to reintegrate women victims of violence into floriculture, horticulture, olive growing and beekeeping activities. Annual: Marcegaglia Foundation - Rwanda - “Fruit trees seedlings” project - Nyarugenge, Shyara and Rilima sectors. Distribution of fruit trees for planting and cultivation to beneficiary families. The project is completed with the supply of irrigation pumps.	<div> <div>1 NO POVERTY</div> <div>2 ZERO HUNGER</div> <div>4 QUALITY EDUCATION</div> <div>5 GENDER EQUALITY</div> <div>15 LIFE ON LAND</div> </div>
6/2022 (M -T)	Energy from renewable sources	Installation of photovoltaic systems and supply of electricity from renewable sources through PPA and certification with GO	Scope 2 reduction	50 GWh/y from renewable sources by the end of 2025 (Expected CAPEX: 25 M€) ONGOING	2023: GO purchase 2024: executive design of new photovoltaic systems, activation of PPA	<div> <div>7 AFFORDABLE AND CLEAN ENERGY</div> <div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div> </div>
7/2022 (M)	Scope 3	Scope 3 emissions reporting	Awareness of its carbon footprint	Annual emission statement ACHIEVED	2024: Scope 3 data statement in CDP rating questionnaire	<div> <div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div> </div>
8/2022 (M)	Low CO ₂ content steel	Participation in the project to build and develop Europe’s first low-carbon steel production plant - STEGRA	Scope 3 reduction (Cat. 1)	2030 ONGOING	2023: Closing of the 7-year supply contract with STEGRA for the supply of low-carbon steel	<div> <div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div> </div>

A: adaptation • M: mitigation • T: taxonomic activities


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SOCIAL

REFERENCE	AREA	OBJECTIVES	BENEFITS	TARGETS	RESULTS / PROGRESS	SDGs
1/2025	Gender equality	Certification under the UNI PdR 125 standard on gender equality for Marcegaglia Buildtech	Gender equality	2026 ONGOING	2025: start-up activity	
1/2024	Human rights	Implementation of Human Rights Due Diligence (HRDD) Action Plan	Identify, prevent, prioritize and report impacts on human rights	2025 ONGOING	2024: participation in the UN Global Compact BHR Accelerator	  
1/2023	45001 certification	Obtaining certification for the following company names relating to Marcegaglia Investments: - Elet.Ca Srl - Imat SpA - Oskar Srl	Adopt transparent criteria and facilitate communication on resource management	2025 ONGOING	2024: Imat and Oskar certification 2025: Ongoing activities at Elet.Ca	 
2/2023	SA8000 certification	Obtaining certification for the following company names relating to Marcegaglia Investments: - Elet.Ca Srl - Imat SpA - Oskar Srl	Achievement of best practice in terms of ethics, better employee involvement and greater transparency in business management	2025 ONGOING	Current activities	  
3/2023	Involvement of employees	Finalising changes to the corporate portal	Improving the usability of the internal corporate portal and employee engagement	ACHIEVED	2024: Operation of the renewed home page	








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REFERENCE	AREA	OBJECTIVES	BENEFITS	TARGETS	RESULTS / PROGRESS	SDGs
1/2022	Protection and improvement of worker health and safety conditions	Continuous improvement of occupational health and safety performance, aiming for zero injuries	Ensuring a safe workplace and minimizing the risk of injury to workers	Frequency Index below the moving average of the last 3 years ONGOING	2022 Achieved 2023 Achieved 2024 Achieved	
2/2022	Casa Marcegaglia	Creation of common spaces to share the Group's philosophy	Promotion of stakeholder engagement and inclusion initiatives	ONGOING	2023 Achieved: Inauguration of the exhibition space and opening 2024 Achieved: School project as part of the broader "Open Factory" project	
3/2022	Academy	Activation of training courses for employees	Sharing and amplifying corporate know-how	ONGOING	2023 Achieved: activated optional courses usable by 4,100 Group employees including Being Marcegaglia, Steels & Processes, Economics and Steelmaking Dynamics 2024 Achieved: Vocabulary and Numbers of Sustainability	
4/2022	Social Responsibility	Information and training of all employees on Social Responsibility	Growth in employee awareness of Social Responsibility	Training of at least 70% of Marcegaglia Steel Italia employees by 2023 ACHIEVED	2023: 82% of direct employees in Italy trained	  

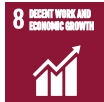

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REFERENCE	AREA	OBJECTIVES	BENEFITS	TARGETS	RESULTS / PROGRESS	SDGs
5/2022	Company Welfare	Scholarship project for children of Marcegaglia employees	Study aid	Distribution of at least 30 scholarships every year ONGOING	2022 Achieved 2023 Achieved 2024 Achieved See Marcegaglia Steel Sustainability Report and Marcegaglia Foundation Social Report for details.	
6/2022	Promotion and support of activities of Marcegaglia Onlus Foundation	Supporting social activities	Construction of a world in which social inequalities are increasingly reduced and the role of women is enhanced	Maintaining active solidarity and cooperation projects every year ONGOING	2022 Achieved 2023 Achieved 2024 Achieved See Marcegaglia Steel Sustainability Report and Marcegaglia Foundation Social Report for details.	    
7/2022	Local cultural initiatives	Dissemination of corporate values and culture	Involvement of all stakeholders and promotion of activities in local areas	Supporting at least 3 initiatives per year ONGOING	2023 Achieved: Mentorship Milan - women's empowerment; A day like a lion - appointment dedicated to Marcegaglia people held on the island of Albarella; Marketing and sustainable innovation in energy-intensive sectors - a reflection table, organized by Centrimark in Università Cattolica 2024 Achieved: presence at the "Ring the bell" for International Women's Day; Machinery Workshop - analysis, design, management and cost of safety; Schools Project	






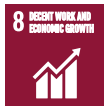

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REFERENCE	AREA	OBJECTIVES	BENEFITS	TARGETS	RESULTS / PROGRESS	SDGs
8/2022	"Steps4Future" campaign	Launch of an awareness-raising campaign involving both Italian and foreign sites	Dissemination of culture with regard to the protection of health and safety, waste reduction and management and saving energy	ACHIEVED	Dissemination of the campaign through posters in all Group languages	 






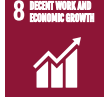


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GOVERNANCE

REFERENCE	AREA	OBJECTIVES	BENEFITS	TARGETS	RESULTS / PROGRESS	SDGs
1/2025	Responsible production	Certification of the first Marcegaglia site to the standard defined by ResponsibleSteel™	Transparency and traceability to key stakeholders	2025	Start-up activities	 
2/2025	Anticorruption	Certification of management systems for the prevention of corruption of major companies: - Marcegaglia Buildtech - Marcegaglia Carbon Steel - Marcegaglia Specialties - Marcegaglia Plates	Ability to demonstrate commitment to fighting corruption and promoting an ethical culture	2028 ONGOING	Starting activity on Marcegaglia Buildtech	
1/2024	Whistleblowing and Code of Ethics	Strengthening employee protection systems	Launch of a new internal communication campaign on sharing the principles of the Code of Ethics	ACHIEVED	Issuance and dissemination of the Code of Ethics in a nutshell	
1/2023	Taxonomy	Address the taxonomic analysis of your activities in advance and systematically	Moving towards a more sustainable model	ACHIEVED	Reporting within the 2023 Sustainability Report	
2/2023	ESG Ratings	Improvement of sustainability ratings	Identification of areas for improvement and actions to be implemented	ACHIEVED	Rating ESGe Cerved Rating CDP – Climate Change Ecovadis	 

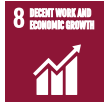


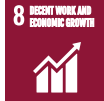



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GOVERNANCE

REFERENCE	AREA	OBJECTIVES	BENEFITS	TARGETS	RESULTS / PROGRESS	SDGs
1/2022	Acquisitions	Expansion of the Marcegaglia Group with a view to improving the value chain	Creation of new synergies and economies of scale, increased competitiveness in the reference market, business diversification	ACHIEVED	2022: participation in STEGRA 2023: acquisition of five sites spread across Europe and the United States including the electric furnace steelworks for special steels in Sheffield, United Kingdom 2024: acquisition of the electric furnace steelworks for the production of carbon steel in Fos-sur-Mer, France	 
2/2022	Participation in Sustainable Development initiatives	Involvement in international initiatives in support of the UN Global Compact	Promotion of change	Participating in at least one initiative every year ONGOING	2023: Palermo Annual Forum 2023: Climate Ambition Accelerator 2024: Genoa Annual Forum 2024: BHR Accelerator	
3/2022	Science Based Target initiative (SBTi)	Participation in the international SBTi initiative leading in the direction of ambitious Climate Action	Acceleration of sector decarbonisation	2026 ONGOING	2024: committed	 
4/2022	Certification for Social Responsibility	Including Marcegaglia Holding Srl and the newly acquired Trafital SpA in the scope of the SA8000 certification that includes all Italian sites	Involvement of personnel in Social Responsibility issues	ACHIEVED	Obtaining certification in September 2023 for Marcegaglia Holding Srl and in April 2024 for Trafital SpA	  

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GOVERNANCE

REFERENCE	AREA	OBJECTIVES	BENEFITS	TARGETS	RESULTS / PROGRESS	SDGs
5/2022	Supplier engagement	Completing the engagement of all suppliers through the dedicated portal that considers human rights, labour, environment, ethics, health and safety	Qualification of suppliers based on an active Due Diligence procedure based on sustainability issues	100% involvement of critical suppliers by the end of 2025 ONGOING	2023: project launch 2024: update critical supplier list and significant update supplier portal with expansion of the set of questions that make up the questionnaire	  
6/2022	Supplier policy	Dissemination of the policy encapsulating the guiding principles to be shared with the entire supply chain on issues of ethics and human rights, occupational health and safety, environment, energy efficiency and sustainable procurement	Sharing of principles and values by proactively contributing to the development of a sustainable supply chain	ACHIEVED	<ul style="list-style-type: none"> • Sharing within the newsletter dedicated to employees • Insertion into the purchase order clauses and updating of the purchasing procedure • Publication on the company website 	   

WE ARE

IN

INSPIRATION
INNOVATION
INTERNATIONAL
INCLUSIVE
INTREPID



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