
Marcegaglia Steel — Sustainability Policy

Marcegaglia Steel S.p.A. (directly and through its direct and indirect subsidiaries Marcegaglia Carbon Steel S.p.A., Marcegaglia Ravenna S.p.A., Marcegaglia Specialties S.p.A., Marcegaglia Gazoldo Inox S.p.A., Marcegaglia Plates S.p.A., Marcegaglia Palini e Bertoli S.p.A. and Marcegaglia Buildtech Srl) carries out its business activities in full compliance with the principles of safeguarding human rights and workers' rights, their mental and physical integrity and respect for the environment, with a focus on improving its energy performance.

In our company, we aim to take a holistic approach to promoting economic development and constant innovation in the areas of production efficiency, plant safety and environmental protection, inspired by the principles of fairness, transparency, honesty and integrity. We do all this through the adoption of the best available technologies, significant investments in R&D, continuous training and the involvement of our employees. Only by responsibly sharing our actions and goals can we ensure positive impacts on our own lives, the lives of our neighbours, our planet and its resources.

Steel is an infinitely recyclable material: it can be regenerated and reused over and over again without ever losing any of its original properties, strength and durability, which allow it to be attributed a very long life cycle, ample opportunities for industrial synergies and the possibility of being easily separated from other materials. These are all reasons why steel is not only the most recycled material in the world, but also the one naturally inclined to take full advantage of the opportunities of the circular economy, one of the key factors in reducing CO2 emissions and fighting climate change.

Corporate social accountability is a core value: it guides us in our corporate strategy and objectives that can be achieved by basing our sustainability policy on the following principles:

- paying attention to the people who work with us and for us on issues of social responsibility and health and safety;
- promoting and respecting universally recognised human rights within our sphere of influence, upholding the freedom of association of workers and recognising the right to collective bargaining, rejecting all forms of forced and compulsory labour, including child labour, and all forms of discrimination in employment and occupation;
- fighting corruption and illegality in all its forms;
- being reliable actors for the community and local areas where we are present with our plants;
- promoting stakeholder engagement by seeking out innovative solutions for the economic and environmental sustainability of the business, to attract talent and increase transparency in the dialogue with stakeholders;
- developing initiatives to disseminate the culture of social responsibility, environmental protection, energy efficiency and occupational health and safety amongst our suppliers as well;
- collecting and publishing data in the Conflict Minerals Reporting Template (CMRT) on "conflict minerals", i.e. those mineral products - defined as 3TG from the English initials for tin, tantalum, tungsten and gold - whose illegal trade is used to finance armed conflicts. This monitoring and counteraction also requires the adoption of appropriate due diligence measures in the supply chain;
- adopting the conditions of the Taxonomy Regulation (climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, and protection and restoration of biodiversity) as set out in the European Green Deal;
- measuring and monitoring performance indicators in the environmental, energy, social and health and safety fields;
- contributing to the achievement of national and EU targets for the reduction of Greenhouse Gas (GHG) emissions;
- proactively addressing environmental challenges.

In order to achieve these objectives, Marcegaglia Steel has established and activated the Sustainability Committee, participated in by the Members of the Board of Directors, the Sustainability Manager, the Human Resources Manager, the External Relations Manager, the Legal Affairs Manager, the Administrative Manager, the Energy Manager, the Research and Development Managers, the Waste Manager, the Corporate Social Accountability Manager, the Quality Management Systems Manager and MADE HSE S.r.l. — the Group company specialised in HSE topics.

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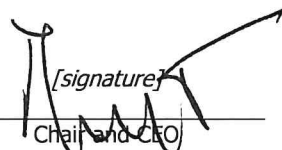

Special mention must be made of the philanthropic activities carried out through the Marcegaglia Foundation - a non-profit organisation founded at the behest of the Marcegaglia family - which pursues exclusively solidarity and support aims and strives to create projects in the health, education and economic-social spheres, with the awareness that in order to defeat poverty and social hardship, it is necessary to create the conditions for true and sustainable development. The Foundation encourages cooperation and planning with other non-profit organisations, taking a synergistic system approach, and aims to involve qualified businesses in its projects as well.

The sustainability principles defined at corporate level and applied at each site by the management of every plant are implemented with the help of the following tools:

- CO2 reduction policy, which identifies actions in the short, medium and long term;
- product quality policy, which refers to the industry technical standards according to the UNI EN 150 9001 and IATF 16949 standards for effective process control;
- integrated HSE policy, which incorporates principles on the environment, energy, health and safety according to UNI EN ISO 14001, UNI CEI EN ISO 50001 and UNI ISO 45001 standards, by applying the principles of the circular economy and industrial symbiosis;
- social responsibility policy, in accordance with the SA8000 standard, to promote health and safety in the workplace and freedom of association and the right to collective bargaining, respect working hours and remuneration criteria, fight child labour, forced labour, discrimination and any disciplinary practice not included in the Workers' Statute, while maintaining high employment protection for the staff of Marcegaglia Steel companies;
- creation of opportunities for growth and enhancement of people's capacities, through initiatives aimed at ensuring lasting and sustainable development;
- development and updating of Environmental Product Declarations (EPDs) on semi-finished products according to the UNI EN ISO 14025 scheme;
- control and qualification of the supply chain, also based on sustainability criteria, by developing green procurement policies;
- creation of partnerships with communities, local organisations and development promoters, also through the activities promoted by the Marcegaglia Foundation;
- ESG criteria as key factors in investment decisions starting with research and development and ending with application in production processes;
- employee training as a lever for engagement in sustainability topics.

The Sustainability Report is the pivotal tool for presenting Marcegaglia Steel S.p.A.'s commitments and results on ESG topics: through an annual report, in compliance with the "GRI - Global Reporting Initiative" standards, it reports on its progress with respect to the objectives of reducing social, environmental, energy and health and safety impacts.

Gazoldo degli Ippoliti, 29 March 2022


Chair and CEO
Antonio Marcegaglia
Vice Chair and CEO
Emma Marcegaglia

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