STEMIN

Masters of Aluminium

2024 Sustainability Report

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Masters of Aluminium

Sustainability is not just a goal, but a continuous journey. The circular economy is the path that leads us toward a future where nothing is wasted and everything gains renewed value.

Olivo Foglieni
President, Stemin S.p.A.

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Letter from the President

The year 2024 was once again marked by uncertainty. The ongoing conflicts at Europe's borders, together with rising tensions in the Middle East and within global trade, continued to test the economic and industrial stability of our continent. Energy and logistics costs—although showing signs of stabilisation compared with previous peaks—remain high and volatile. This volatility has been further compounded by protectionist trade policies, such as the US tariffs on aluminium, which have significantly affected the competitiveness of the European metallurgical sector.
At the same time, the ambiguity surrounding European policies in the mobility sector—caught between electric and internal-combustion technologies—has slowed investment decisions and weakened demand in the automotive industry, historically one of the key drivers of Italy's industrial landscape. This has had repercussions across the entire aluminium value chain, generating a complex and prolonged phase of reduced consumption.

In this challenging and rapidly evolving scenario, one awareness is becoming increasingly clear: **aluminium is, and will continue to be, a strategic resource for Europe.**
European institutions have included recycled aluminium among the critical raw materials, recognising its essential role in decarbonisation processes, technological innovation, and the energy and industrial transition. For Stemin S.p.A., this recognition is not only **a validation of the path we have followed since our foundation, but also an important lever on which to build new opportunities**.
Despite a **demanding market environment**, our Company has remained resilient and adaptive: **we have maintained a solid customer base and expanded our presence in more innovative markets that are increasingly attentive to ESG criteria, strengthening our role as a trusted supplier of certified, sustainable, and traceable secondary aluminium**.

Our commitment to sustainability remains central to our development. In 2024, we continued to make determined progress in improving environmental performance, reducing the carbon footprint of our products and processes, safeguarding the health and safety of our people, and generating value for the region and the wider community. The certifications already obtained—together with the new processes initiated—represent both a guarantee and an incentive to keep improving, aware that sustainability is now an inseparable component of industrial competitiveness.

Looking ahead, **Stemin S.p.A. will continue to invest in advanced technologies for the recovery of materials that are currently underutilised**, with the aim of entering new high-potential markets and contributing concretely to the strategic autonomy of Italy and Europe in the supply of critical metals. We will also continue strengthening our energy independence, seeking solutions that combine efficiency, security, and a reduction in environmental impacts.
All of this will be possible thanks to the collaboration of a broad and cohesive network: institutions, regulatory bodies, local authorities, professionals, customers, suppliers, and partners who, with professionalism and trust, continue to support our journey—an essential system-wide process. To all of them, I extend my sincere thanks.

For our part, we reaffirm our utmost commitment to pursuing our mission: **to give new value to aluminium through a truly circular model**, contributing to the sustainable development of our region and our country, and investing not only in technologies but also in the human capital that makes them possible.

Thank you.
Olivo Foglieni, President

1

Stemin S.p.A.: Company Profile and Identity

1.1 The Company

European excellence in the metallurgical sector

Stemin S.p.A. is today one of the **leading players in the metallurgical industry**, with a well-established leadership in the recovery, processing and marketing of **non-ferrous metal scrap**, as well as in the **production of** secondary and semi-primary **aluminium alloys**.

As the flagship company and key reference within the FECS Group, Stemin S.p.A. represents the industrial core of a fully integrated aluminium supply chain.
Since its founding, the company **has overseen the entire aluminium cycle**, expertly managing every stage—from recovery to valorisation and melting.
With a share of around 16% of the secondary aluminium currently in circulation in Italy, Stemin S.p.A. stands out as a strategic player in the aluminium industry at both national and European levels.

Stemin S.p.A. is also one of the main contributors to the CONAI system, through participation in the RICREA (steel) and CIAL (aluminium) consortia, actively supporting the national circular economy.
Its semi-finished products are registered under the "FECS" brand on major commodity exchanges such as the London Metal Exchange, the Shanghai Stock Exchange and are also listed under the NASAAC (North American Special Aluminium Alloy Contract) index—underscoring the company's commitment to quality and reliability.

Regenerating the future: our mission

As the flagship company of the FECS Group, Stemin S.p.A. embodies an **advanced industrial vision with** a strong **focus on sustainability**. Its mission stems from a clear and concrete idea: to shape a **vertically integrated circular economy** model, where every material is given a new life.

Through an **holistic approach**, Stemin manages the entire **aluminium lifecycle**, ensuring that every stage—from recovery to transformation—is traceable, certified and driven by high quality standards. The goal is simple yet ambitious: to **regenerate value**, creating a virtuous production process that not only optimizes resources, but also looks ahead—responsibly and with foresight—to future generations.

Stemin S.p.A. is organized across three operational facilities:

Stemin 67	Stemin 41	Kennedy 4
Via G. Marconi, 67 – 24040 Comun Nuovo (BG) Italy	Via G. Marconi, 41 – 24040 Comun Nuovo (BG) Italy	Via J. F. Kennedy 4/A – 24040 Ciserano (BG) Italy
Registered office where the collection of scrap and metallic waste takes place	Site dedicated to melting and the production of semi-finished products	Logistics hub

Origins

1999

FECS Group is founded through the initiative of the entrepreneur Olivo Foglieni. Following a management buy-out, Stemin S.p.A. is established, specializing in the recovery and processing of ferrous and non-ferrous scrap.

2002

IMT Italia S.p.A. was established to trade the aluminium semi-finished products produced by the Group.

2004

Installation of the first X-ray metal separation plant in Italy, replacing the more commonly used wet flotation process.

2006

Supply of aluminium ingots for automotive applications begins.

2011

Stemin S.p.A. relocates its operations to a new 55,000 m² production site in Comun Nuovo, designed to support the company's growth and ensure greater operational efficiency.

2013

Stemin S.p.A. establishes Service Lazio S.r.l., located in central Italy, specializing in the recovery, recycling and valorization of metal packaging.

2014

Stemin S.p.A. acquires 20% of Aluminium Green S.p.A., a company specialized in the production of primary aluminum.

2016

Coala S.r.l. is established with the aim of producing aluminium ingots through a patented process that uses aluminium turnings. The company was later merged into Stemin S.p.A. in 2019.

2020

A state-of-the-art plant for the recovery of fine metal material from consumer waste is installed at Stemin S.p.A.'s production site.

2021

A multi-year agreement is signed for the direct supply of oxygen via connection to the oxygen pipeline, eliminating the need for road transport of liquid oxygen by tanker trucks. This choice results in an estimated annual saving of 66.000 kg of CO_2, along with a significant reduction in nitrogen oxide and particulate emissions.

2022

IMT Italia S.p.A. is merged into Stemin S.p.A., creating one of the largest players in the metallurgical sector in Italy.

2022

The second smelting line is completed, featuring the design and implementation of an external pocket furnace integrated with a fully automated ingot casting line and a complete revamp of the automatic stacking system. This investment led to an 82% increase in ingot production capacity.

2022

The company expands its photovoltaic system with the installation of 1,323 monocrystalline solar modules, adding to the more than 4,100 panels already in operation. The total renewable energy capacity reaches 1.761,05 kWp, covering approximately 35% of the company's energy needs and reaffirming its commitment to sustainable production.

2023

The Group implements a Business Intelligence system to optimize management control and guide future strategies through data analysis.

2023

A state-of-the-art metallurgical laboratory is established to support the in-house foundry, with the aim of ensuring the highest quality standards and strict control over production processes.

2024

Stemin S.p.A. celebrates 25 years of activity, marked by important milestones and numerous successes achieved along the way.

2024

A new visual identity is unveiled, propelling FECS Group towards an innovative future while maintaining solid roots to face the challenges of tomorrow.

2024

Stemin S.p.A. acquires a new 79,000 m^2 plot of land adjacent to its current production site in Comun Nuovo, bringing the total surface area to 139,000 m^2.

2025

In May 2025, a 2.412 kWp photovoltaic park was installed on one of the newly acquired areas. Thanks to this expansion, the company will be able to self-produce 60% of its energy needs, further strengthening its concrete commitment to achieving Net Zero by 2050.

2025

Stemin S.p.A. and Condor Electronics sign an Italian-Algerian joint venture to develop the first circular aluminium supply chain in Algeria, combining European technology with local production capacity.

FECS Group

From Waste to Wonder

1.2 FECS Group

Business that respects the Environment and People

The FECS industrial Group, headed by the entrepreneur Olivo Foglieni, has been operating since 1999 with the intention of creating a supply chain completely focused on the **recovery and treatment of aluminum metal.**

FECS Group is a **circular and vertical system** of activities in which each company participates in the common goal of doing **business in a sustainable way** by revaluing what, for everyone, is considered waste through **the recovery and transformation of metal waste into secondary raw material**, the production of semi-finished products and the construction of radiators for domestic heating.
All with a single common denominator: **100% recycled and recyclable aluminum**.

The melting point between sustainability and innovation

At the heart of the FECS Group lies a strong dedication to sustainability, a core principle that permeates every aspect of our work. We are tirelessly committed to creating certified recovery processes, starting from industrial processing scraps and post-consumer aluminum from our urban mining.

We embody the rebirth of the aluminum industry and the path to a prosperous future, in an era where every waste product is transformed into a valuable resource. Our growth is rooted in the interweaving of ideas, processes and innovative tools, where each company works in harmony toward a shared mission.

Today, FECS Group represents one of the few circular economies in the Italian and European metallurgical sector, **managing approximately 16% of the aluminum processed on Italian soil**.

The Values of a Team, the Strength of a Group

Sustainability

A concrete commitment inherent in the entrepreneurial DNA of the Group, which is committed every day to a relentless pursuit of sustainable and certified processes.

Rebirth

We are the manifesto of the Industrial Renaissance, an era where every waste becomes something precious again and every end marks a new beginning.

Solidity

Like an aluminum ingot and like a corporate Group with decades of history built on solid foundations.

Interconnection

Ideas, processes and resources: interconnected within the Group and externally, with all stakeholders. The uniqueness of each company as a fundamental cornerstone for the Group's mission.

Flexibility

A Group of companies working in unison in a structured way, but knowing how to be flexible and dynamic when the market or the customer requires it.

Innovation

We are dedicated to fostering an environment that encourages creativity and innovation. We continuously seek new ideas and solutions to enhance our products and services.

The Numbers of the Group

Over the years, FECS Group has achieved an **aggregate turnover of € 480 mln.** (35% of which is generated abroad) and employs 430 people. It treats around 180,000 tons of metal waste per year, recovering almost all of it and exporting it to **50 countries around the world**.

430€ mln
Total aggregate turnover

430
Number of employees

50
Export Countries

35%
Foreign turnover

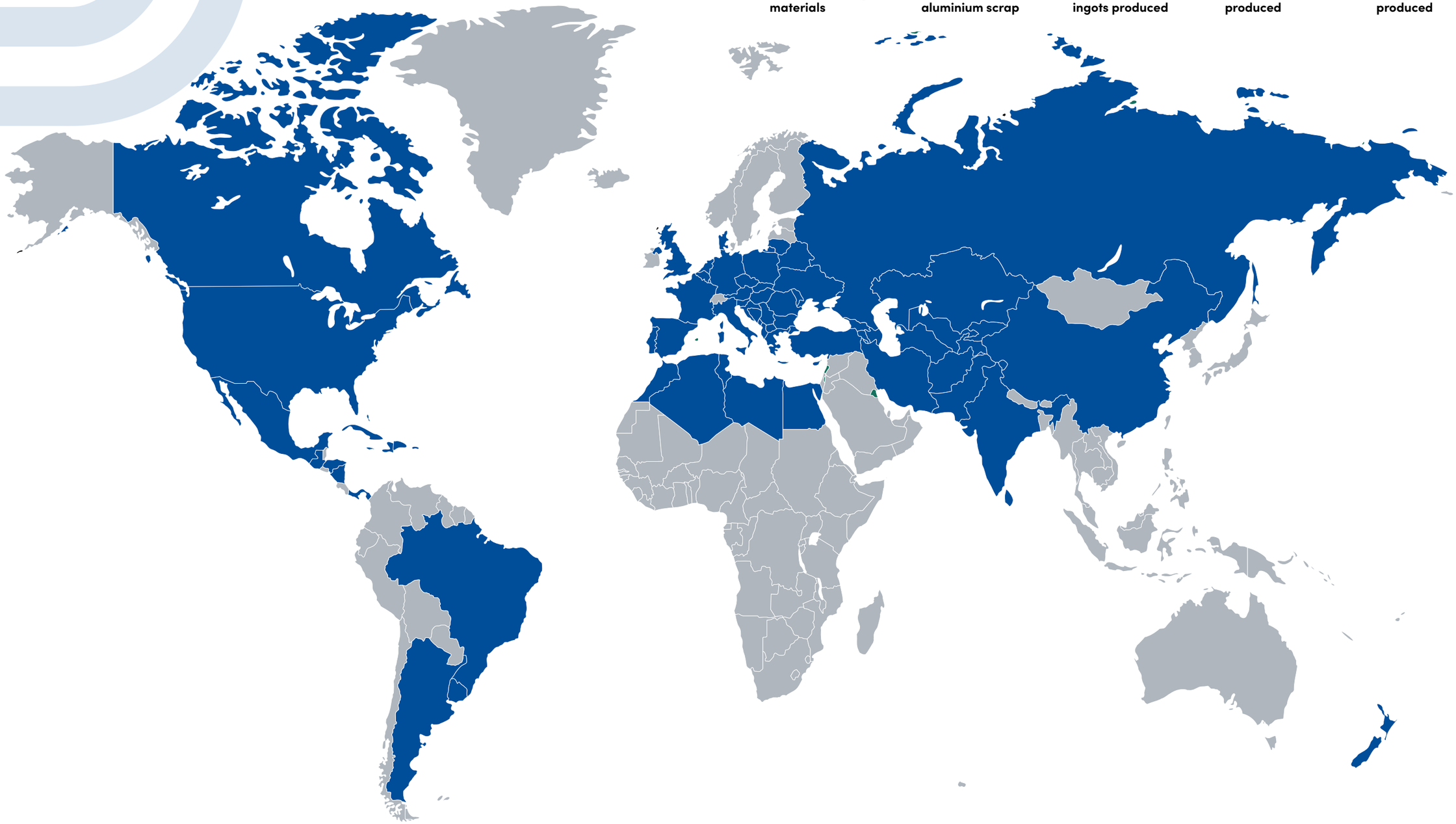
180k /yr
Tons of incoming materials

130k /yr
Tons of recovered aluminium scrap

100k /yr
Tons of aluminium ingots produced

6mln /yr
Die-cast elements produced

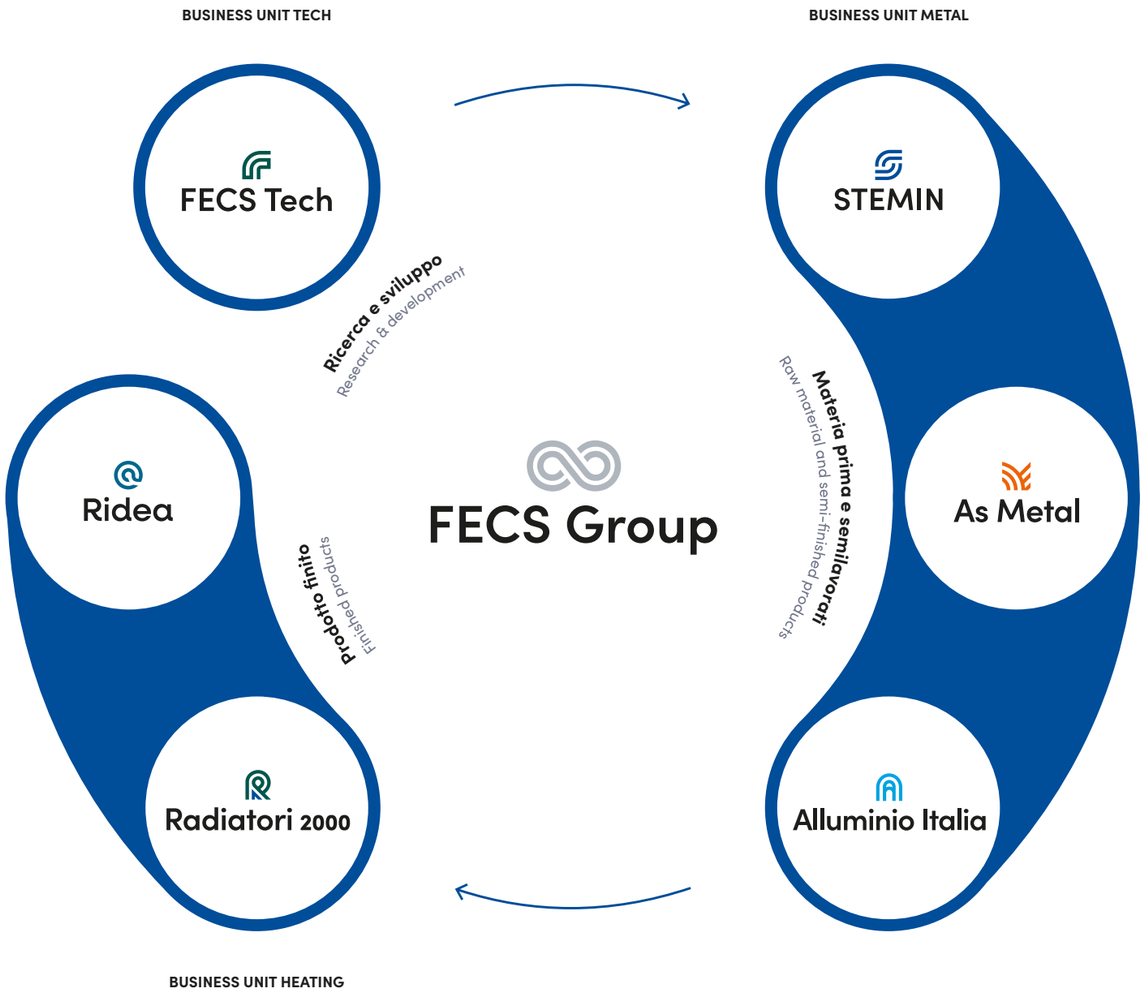
22k /yr
Design radiators produced



1.3 The Supply Chain

Three units, one single supply chain

FECS Group structures its supply chain by dividing it into three Business Units, each endowed with technical expertise, operational processes and specific know-how, yet **all united by a common denominator: aluminium**.
These three units do not operate in isolation; rather, **they are fully integrated within a vertical system that encompasses the entire production cycle** — from the recovery and sorting of metallic scrap materials, through transformation and smelting, to the manufacture of aluminium semi-finished products.



Business Unit Metal

Masters in aluminium recycling: excellence in the circular economy

The **Metal Business Unit** is responsible for managing and coordinating the entire flow of raw material recovery from scrap, as well as the production and commercialization of **secondary and semi-primary aluminium ingots**.

Integrated excellence: a synergistic production process

An integrated organization capable of managing the entire lifecycle of aluminium metal.
The activities take place across four production sites in Italy (Stemin41 and Francesca54 - Bergamo, Alluminio Italia - Avellino) and Romania (As Metal - Bucharest).

The entire supply chain originates from the parent company **Stemin S.p.A.**, a leading player in the metallurgical sector and one of the few companies in Europe capable of integrating all activities related to the recovery, processing and commercialization of metal scrap in compliance with UNI standards, as well as the production of secondary and semi-primary aluminium alloys, ensuring full compliance with ROHS, REACH, Conflict Minerals, ASI and IATF criteria.

As Metal Com S.r.l. and **Alluminio Italia S.r.l.** operate with the same high-quality standards for raw material recovery and the production of semi-finished products, making a decisive contribution to the entire value chain.

Efficiency and synergy

The brand of semi-finished products produced by **FECS Group** is registered with the major commodity exchanges, such as **the London Metal Exchange** and **the Shanghai Stock Exchange**, as well as through **the NASAAC** (North American Special Aluminium Alloy Contract) index, positioning our company as one of the leaders in the metallurgical sector in Europe.

The geographical diversification of production sites, combined with our ability to quickly respond to customer needs, ensures high flexibility and competitiveness in the raw material supply markets and in the use of semi-finished products, maximizing the potential of the integrated and synergistic network of companies within the same Industrial Group.

Scan the **QR codes** to find out more about the **companies within the Metal Business Unit**.

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As Metal

Alluminio Italia

Business Unit Heating

Efficiency and design for superior home comfort

FECS Group combines design and innovation in the production of aluminium radiators for domestic heating, ensuring both efficiency and style. Full control of the supply chain allows for the **production of radiators by melting recovered material**, providing a competitive advantage in terms of material availability and price, with a **sustainable approach** that meets the demands of an ever-evolving market.

Radiators built on tradition, made to last

The recovered aluminium within the Group is also used for the **production of ready-to-install domestic heating radiators**. **Radiatori 2000 S.p.A.** is a global leader in the production of die-cast radiators for domestic heating, with **6 million units produced annually**.

Design and functionality

Within FECS Group, **Ridea S.r.l.** completes the recycling process of recovered aluminium, bringing high-performance, finished products with a distinctive **Made in Italy design** to the market. The company specializes in the production of extruded radiators, towel warmers and custom-made radiant panels, combining innovation, quality and style in every creation.

> *Our aluminium radiators represent our vision of a sustainable and circular future, optimizing energy efficiency, reducing environmental impact and ensuring maximum thermal comfort.*
> *Olivo Foglieni - Chairman FECS Group*

Scan the **QR codes** to find out more about the **companies within the Business Unit Heating**.

Radiatori 2000

Ridea

Business Unit Tech

Innovation and sustainability for a responsible future

In February 2020, **a new entity** was established within the FECS Group, f**ocused on research and development** of innovative solutions in the metallurgical and energy sectors.

FECS Technology S.r.l. focuses on the analysis and development of **projects centered around environmental sustainability and metallurgy**, with the goal of optimizing internal process efficiency and leveraging over 20 years of accumulated expertise. Its mission is to **support the Group's future strategic decisions, fostering continuous innovation**.

> *It's time to integrate the skills developed in our plants and apply them across the board, adopting an approach that promotes organic growth, with a focus on process and product innovation.*
> *Olivo Foglieni - Chairman FECS Group*

FECS Technology represents the **Group's research hub**, committed not only to improving internal activities but also to developing new projects, with the aim of **extending patents, innovations and consolidated know-how** beyond the Group.
- Research and Development on metallurgical topics and circular economy
- Efficiency improvement of production plants
- Development of new products for the market and internal needs
- Experimental activities on new technologies and innovative processes
- Funded research for innovation and sustainability
- Training internal and external
- Collaborations and networking
- Evaluative studies for continuous improvement and quality

Scan the **QR code** to find out more about the **Business Unit Tech**.

FECS Tech

1.4 Why Aluminium?

Aluminium is the thread that connects the entire Group.

But why aluminium?

This **noble and infinitely recyclable metal** stands out for its lightness, excellent conductivity of heat, electricity, and sound In addition to its hardness, impact resistance, and corrosion resistance, which varies on the elements it bonds with. Non-magnetic and durable, aluminium **symbolizes circularity**: recyclable without losing its essential properties, it is a "permanent material" that can be **used** and **reused endlessly**, remaining intact and ready for new applications.

Aluminium is extracted from bauxite (primary aluminium), a mineral found in the Earth's crust. However, the extraction process is highly energy intensive and has significant environmental impacts, including consumption of natural resources, greenhouse gas emissions, and the production of red sludge, a highly alkaline by-product that is difficult to dispose of. In contrast, the entire FECS Group has chosen to produce aluminium from recycled scrap (secondary aluminium) thus helping to reduce environmental impact and promote a circular economy model.

75% Today, 75% of all the aluminium ever produced in the world is still in use.

Towards a more sustainable future

Our commitment to the use of recycled aluminium not only reduces environmental impact, but also contributes to a true circular economy.

Through a virtuous process of recovery and reuse, the Group is dedicated to closing the aluminium production cycle, minimizing the need for bauxite extraction and significantly reducing energy consumption and CO_2 emissions. In this way, we not only obtain a higher quality material but also **support a more sustainable future for generations to come**.

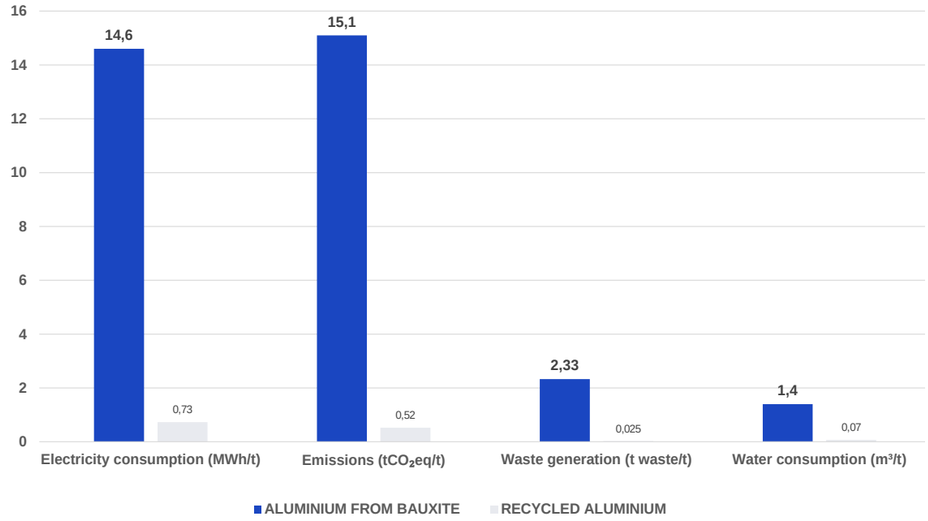
Recycling that makes a difference

The production of secondary (recycled) aluminium enables energy savings of around 95% compared with the production of primary aluminium from bauxite. This difference translates into a significant reduction in carbon footprint: average CO_2-equivalent emissions fall from approximately 3–3.5 tonnes of CO_2e per tonne of aluminium in the case of European primary production, to around 0.6–0.8 tonnes of CO_2e per tonne in the case of recycling.

In emerging countries, where the energy mix is heavily based on fossil fuels (India, China, etc.), emissions from primary aluminium production can reach values between 16 and 18 tonnes of CO_2e per tonne of metal produced; in such contexts, the environmental benefit of recycling is even more pronounced.

Beyond energy use and emissions, the production of secondary aluminium results in a reduction of more than 99% in waste generated, as it allows metal scrap to be recovered and reintroduced into the production cycle. Moreover, the recycling process requires significantly less water than the primary route, with estimated reductions of between 90% and 95% in the volumes of water used for washing and cooling operations.

Sustainability comparison between Aluminium from Bauxite and Recycled Aluminium



In recent years, Italy has established itself as one of the most virtuous countries in Europe when it comes to aluminium recycling, particularly for packaging. In 2024, the Italian supply chain recorded an aluminium packaging recycling rate of 68.2% (with an overall recovery rate of 71.7%), exceeding the minimum targets set at EU level for 2030.

At the European level, EU legislation and strategies aim to ensure that all packaging placed on the EU market is recyclable in an economically sustainable way by 2030, and they set specific recycling targets for different categories — for example, an indicative target of 60% for aluminium packaging by 2030.

Achieving these goals requires effective integration between eco-design of packaging, separate waste collection, sorting and recycling facilities. The European industrial sector has also adopted more ambitious targets for specific applications: the joint roadmap of industry associations aims to reach close to 100% real recycling for aluminium cans in Europe by 2030, highlighting aluminium recycling as a key lever for decarbonisation. (Source: I Risultati del Riciclo 2024 del Riciclo dell'alluminio - I report di CIAL).

Aluminium: the metal of the green transition

Aluminium is today considered a strategic and critical material at both European and international levels, due to its importance for the energy transition, decarbonisation, and technological innovation. The global aluminium market is expanding, with key driving sectors including automotive—particularly electric vehicles—aerospace, construction, and packaging (food, pharmaceutical, etc.). Global aluminium demand is expected to increase by 40% by 2030, reaching 119.5 million tonnes. This growth is linked to the need for lightweight materials in electric vehicles and green technologies such as solar panels and wind turbines.
The European Union has recently included aluminium on its list of critical raw materials under the Critical Raw Materials Act (CRMA), reflecting its relevance for European economic security and the green transition. (Source: Positive momentum for aluminium recyclers).

1.5 Materiality and impact

In 2022, the European Union formally introduced the Corporate Sustainability Reporting Directive (CSRD), a regulation aimed at improving corporate transparency on sustainability, combating greenwashing, and promoting the adoption of more responsible and sustainable business models.

This year, Stemin S.p.A. initiated a process to adapt to the new requirements, placing the preparation of a double materiality assessment at the centre of its efforts. This process serves as the starting point for identifying material topics and selecting the indicators and information to be reported in accordance with the European Sustainability Reporting Standards (ESRS).

The company carefully examined the CSRD requirements and developed an analysis model that integrates both impact materiality and financial materiality, actively engaging internal and external stakeholders to identify the most relevant ESG issues. Impact materiality was assessed by considering the effects of material topics on people and the environment, adopting an "inside-out" approach. In parallel, financial materiality examined the risks and opportunities associated with these topics, analysing their potential implications for the company's economic and financial performance, following an "outside-in" perspective.

The process was carried out through the steps outlined below.

① Collection of material topics

The company team, as done for the previous reporting, carried out an analysis of the topics through a review of the standards (including the ESRS) and EU regulations, relevant issues identified by the media and stakeholders, as well as a benchmarking analysis.

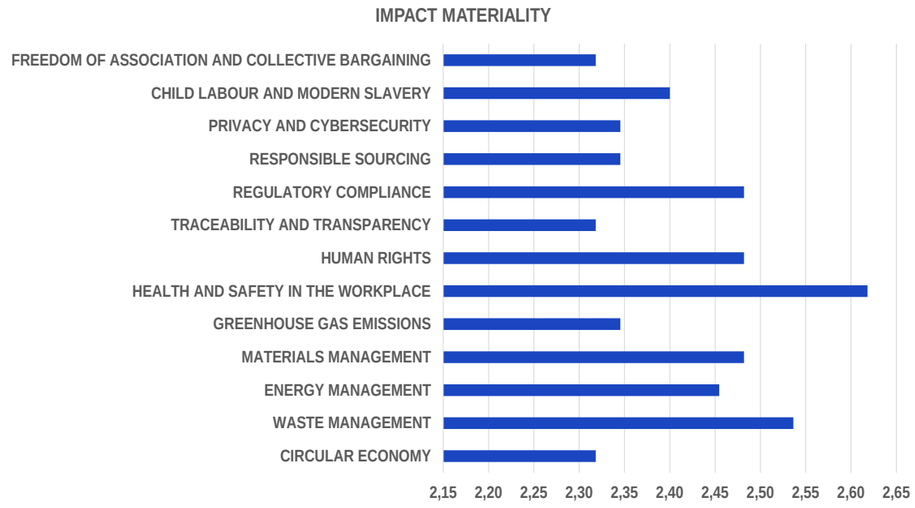
② Identification of stakeholders

The company team, with the support of the various department directors, created a list of stakeholders from different sectors, encompassing a very diverse group: clients, material suppliers, service providers, credit institutions, consultants, employees, etc., who were invited to complete a questionnaire. The approach was based on that used in the previous reporting, integrating questions related to financial materiality. The questionnaire was sent to 46 stakeholders, and 21 responses were received within the 30-day period during which it was open.

③ Assessing impact materiality

Impact materiality adopts an inside-out approach, evaluating the effects that the organisation generates on the external environment. These impacts extend from the company's direct operations to the value chain, including the products offered and business relationships.
The analysis examined how each topic was perceived by stakeholders as impacting people, the environment, and communities. However, as observed in the previous assessment, the scores assigned by stakeholders were, in most cases, higher than 3 on a scale of 1 to 5. Although these scores reflect a growing awareness of sustainability, they also highlight a difficulty in representing and differentiating the relative significance of the various topics.
The team therefore decided to recalibrate the values on a scale of 1 to 3 to better emphasise their importance. An impact was considered significant if it scored above 2.3 points.

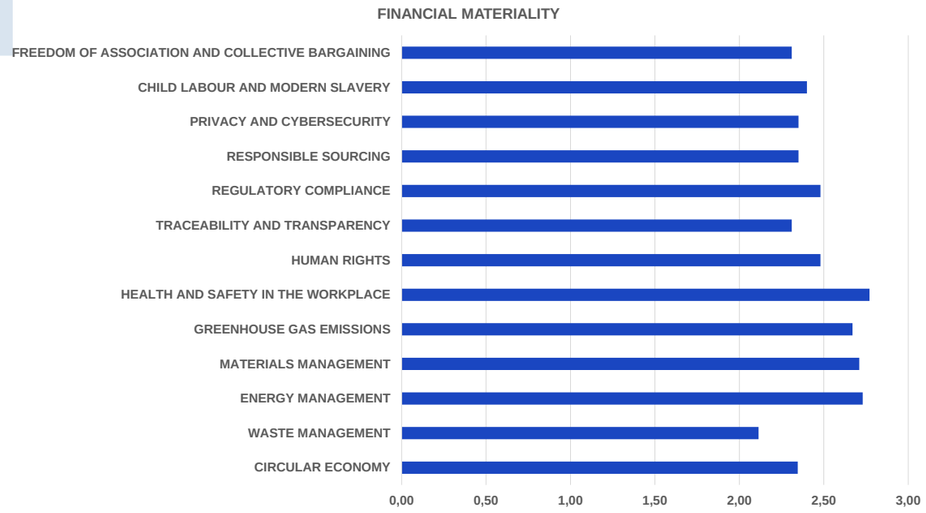
Following this evaluation, the results were as follows:



Stakeholders were asked to assess 21 material topics. Following recalibration, 13 were considered significant. It can therefore be stated that the recalibration was effective, as it allowed the results to be clearly differentiated while still maintaining a substantial number of topics. It is noteworthy that the majority of these topics are recurring from the previous reporting, as they are inherently central to ESG concepts and areas to which companies are already highly attuned.

4 Assessing financial materiality

Financial materiality, on the other hand, follows an outside-in approach, evaluating which environmental and social issues may have a financial impact on the organisation.
To this end, stakeholders were asked, again through a questionnaire, to indicate the impact that these topics could have on the company's business, assigning a score from 1 (no impact) to 5 (high impact).
These scores were then integrated, with the support of the company board and internal stakeholders, taking into account corporate priorities and external expectations.
The economic impacts of each topic were quantified using historical data, forecast scenarios, and industry benchmarking. Risks and opportunities associated with each previously identified topic that could affect the company's financial position were also considered.



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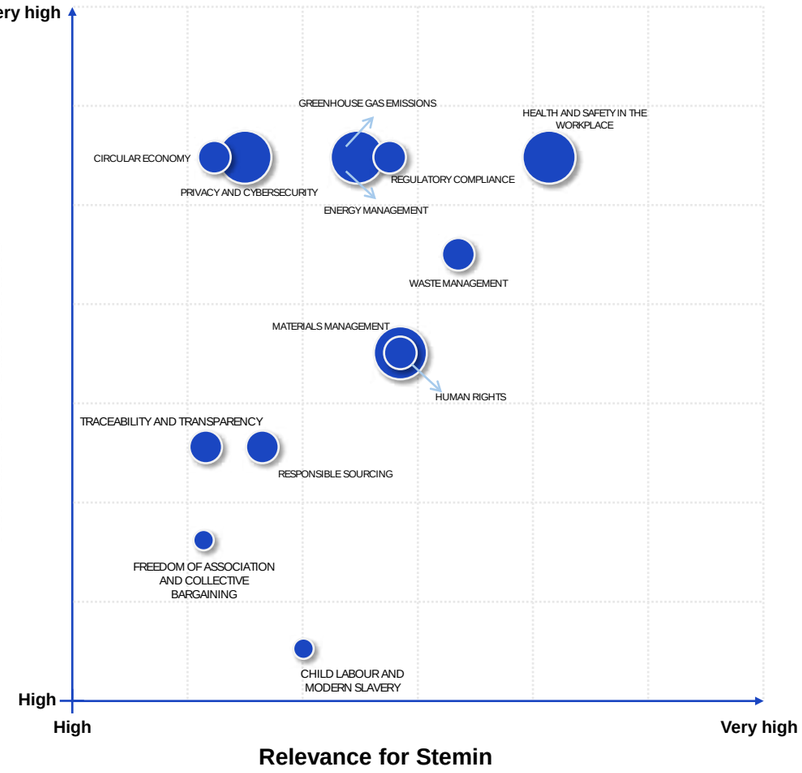
5 Double materiality matrix



ESG AREA	MATERIAL TOPIC	ACTIVITIES TO ADDRESS IMPACTS	RELEVANT SDGS	RISKS AND OPPORTUNITIES	IMPACT SIGNIFICANCE (1–3)	FINANCIAL IMPACT
E	CIRCULAR ECONOMY	- Promote the use of recycled aluminium over primary aluminium.. - Invest in facilities that increase recovery efficiency.		RISKS: transition costs towards circular models, risk of greenwashing. OPPORTUNITIES: reduction in material costs, improvement of corporate image, and access to alternative and circular markets.	3	MEDIUM
E	WASTE MANAGEMENT	- Prioritise waste recovery over disposal. - Minimise waste not recovered internally.		RISKS: fines and reputational damage. OPPORTUNITIES: reduction in disposal costs, operational efficiency, improved sustainability performance through recovery rather than disposal.	3	MEDIUM
E	ENERGY MANAGEMENT	- Improve efficiency technologies to reduce consumption. - Reduce dependence on fossil fuel sources.		RISKS: energy price volatility. OPPORTUNITIES: cost savings, access to green incentives, independence from fossil fuel sources..	3	HIGH
E	MATERIALS MANAGEMENT	- Expand the range of materials processed within company operations.		RISKS: raw material scarcity. OPPORTUNITIES: innovation and reduction of procurement costs, with the possibility of creating circular value chains.	2	HIGH
E	GREENHOUSE GAS EMISSIONS	- Monitor and reduce greenhouse gas emissions at both product and organisational levels.		RISKS: loss of competitiveness. OPPORTUNITIES: improved ESG rating and corporate image in the eyes of stakeholders.	3	HIGH
S	OCCUPATIONAL HEALTH AND SAFETY	- Maintain a fair, safe, and respectful working environment that upholds workers' rights.		RISKS: accidents, absenteeism, reputational risk. OPPORTUNITIES: improved corporate climate and reputation.	3	HIGH
S	CHILD LABOUR AND MODERN SLAVERY	- Commit to preventing and eliminating child labour and forms of modern slavery.		RISKS: reputational damage. OPPORTUNITIES: strengthening of the company's ethical image.	1	LOW
S	HUMAN RIGHTS	- Promote and protect human rights throughout the entire supply chain.		RISKS: legal disputes. OPPORTUNITIES: stakeholder loyalty and access to ESG markets.	2	MEDIUM
S	FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING	- Ensure structured dialogue spaces by promoting fair and transparent collective agreements.		RISKS: labour conflicts. OPPORTUNITIES: improved internal relations between employees and management.	1	LOW
G	TRACEABILITY AND TRANSPARENCY	- Implement digital supply chain monitoring systems and make key data on sourcing and production processes visible to stakeholders.		RISKS: loss of customer trust. OPPORTUNITIES: competitive advantage.	2	MEDIUM
G	REGULATORY COMPLIANCE	- Comply with all regulations applicable to the company's business model.		RISKS: fines and suspension of activities. OPPORTUNITIES: improved governance and reputation.	3	MEDIUM
G	RESPONSIBLE SOURCING	- Integrate environmental and social criteria in supplier selection and evaluation.		RISKS: supply interruptions. OPPORTUNITIES: sustainable and long-term partnerships.	2	MEDIUM
G	PRIVACY AND CIBERSECURITY	- Adopt advanced cybersecurity measures and ensure the protection of personal data in compliance with regulations		RISKS: GDPR violations and sanctions. OPPORTUNITIES: strengthened customer trust and competitiveness.	3	HIGH

2

Governance

2.1 Governance Structure

BOARD OF DIRECTORS

Comprising four directors, the Board is responsible for both the ordinary and extraordinary management of the company. It defines the strategic guidance framework, assesses the adequacy of the organisational, administrative, and accounting structures, and oversees the broader evaluation of the company's overall performance. Stemin S.p.A., as a relatively young industrial entity, is reflected, among other aspects, in a Board of Directors with an average age of 55 years.

Composition of the Board of Directors as of 31/12/2024

Name and Surname	Role	Age	Gender
Olivo Foglieni	Chair of the Board of Directors	63	M
Ebelinda Pala	Director	60	F
Jordan Foglieni	Executive Director	51	M
Lorenzo Rozzoni	Executive Director	46	M

2 BOARD OF STATUTORY AUDITORS

Appointed by the Ordinary Shareholders' Meeting of Stemin S.p.A. in April 2023 and in office until the approval of the financial statements as of 31/12/2025. Stemin S.p.A. has entrusted KPMG S.p.A. with the statutory audit of the Financial Statements.

Composition of the Board of Statutory Auditors as of 31/12/2023

Name and Surname	Carica	Age	Gender
Giuseppe Rota	Chair of the Board	71	M
Gianangelo Benigni	Statutory Auditor	75	M
Arturo Carcassola	Statutory Auditor	66	M
Alessandro Nicola Coletto	Alternate Auditor	61	M
Luigi Nespoli	Alternate Auditor	63	M
KPMG S.p.A.	Audit Firm	-	-

3 SUPERVISORY BODY

Stemin S.p.A. has adopted an Organisation, Management and Control Model suitable for the prevention of offences provided for under Legislative Decree no. 231/2001, appointing its own Supervisory and Control Body. This body is responsible for monitoring and verifying the effective implementation of the Model and ensuring its continuous updating, maintaining an ongoing and constructive dialogue with the Board.

Composition of the Supervisory Body as of 31/12/2024

Name and Surname	Carica	Age	Gender
Marina Ferri	Chair	-	F
Vincenzo Cattaneo	External Member	-	M

Stemin S.p.A. recognises and protects the right of all workers, both internal and external, to freedom of association and collective bargaining, in accordance with ILO Conventions No. 87 and No. 98. The company ensures that no employee or collaborator is subjected to discrimination or retaliation for participating in trade union activities and promotes constructive dialogue with workers' representatives. All employees are covered by national collective agreements. In 2024, no cases of violations of these rights were reported. Through dedicated reporting channels, Stemin S.p.A. continuously monitors compliance with trade union rights and is committed to extending this protection throughout its entire supply chain.

- In the last three years (2022–2024), **no reports** or disputes concerning trade union rights **have been recorded**.
- The company applies the **Metalworking National Collective Labour Agreement (CCNL) to 100% of its employees**.

2.2 Our Values

The values of Stemin S.p.A., deeply rooted throughout the FECS Group, reflect the lessons imparted over the years by our Chairman, Olivo Foglieni.
At the heart of what remains, despite hundreds of employees, a family-run industrial group, are fundamental principles that guide our operations:

Core values

Our commitment is built on a set of cornerstone values, including honesty, loyalty, respect, transparency, innovation, and fairness.
Honesty is essential for building and maintaining trust with our stakeholders, and every action we take is carried out with integrity, ensuring that all operations are conducted ethically.
Loyalty towards our employees, customers, and partners is a pillar of our success, as we strive to build lasting relationships based on mutual trust and the fulfilment of commitments.
We promote a work environment that values mutual **respect**, inclusion, and diversity, treating all our stakeholders with dignity and consideration, and ensuring that their opinions and concerns are heard and respected. **Transparency** is fundamental for ensuring open and sincere communication, and we are committed to providing clear and accurate information about all our activities, fostering transparency in our relationships with customers, suppliers, partners, and the wider community.
Innovation and **modernisation** are at the heart of our operations, and we continuously invest in research and development to improve our processes and products, maintaining a competitive edge in the metallurgical sector and contributing to a sustainable future. We always act with fairness and integrity in our daily operations, complying with applicable laws and regulations and adopting business practices that ensure fair treatment for all stakeholders.

Two additional key values guiding our actions are **vigilance** and **speed in approaching change**. Vigilance allows us to continuously monitor our processes and ensure that every stage of operations is carried out with precision, quality, and control, anticipating the needs of the market and our customers. At the same time, our ability to act swiftly in response to change enables us to address new challenges and opportunities in the sector, fostering a flexibility that allows us to remain competitive and future-oriented.
Through the adoption of these values, Stemin S.p.A., deeply rooted in the Bergamo area, aims not only to ensure operational excellence but also to contribute positively to the communities in which it operates, promoting sustainable and inclusive development.

2.3 Our Policies

Ethics and sustainability at the heart of our operations

The company operates according to a rigorous standard of integrated management systems, covering quality, environment, safety, social ethics, and anti-corruption. The fundamental principles of this integrated system are shared at all levels of the company, from operational staff to the Board, and establish a framework of common values and practices to ensure that every department operates in line with corporate objectives.
The management system policy integrates the responsibilities of each business function, promoting a culture of sustainability, safety, and integrity. It ensures a consistent approach to management and continuous improvement, guaranteeing compliance with regulations and international standards while effectively meeting stakeholder expectations.

The Integrated Management System policy is available and communicated across all levels of the organisation.

Objectives of the Integrated System Policy

In particular, the integrated system serves as an essential tool to guide the organisation towards long-term objectives such as reducing environmental impacts, improving energy efficiency, and enhancing resource utilisation according to the principles of the circular economy. The adoption of measurable indicators and transparent reporting of results enables performance monitoring, risk reduction, and the strengthening of trust among customers, partners, and local communities. Furthermore, the integration of sustainability issues ensures that the company strategy aligns with both European objectives for ecological transition and social inclusion, as well as with international best practices, reinforcing the company's role as a responsible and innovative actor.

2.4 Ethics, Integrity and Corporate Compliance

Code of Ethics and Responsible Governance

Stemin S.p.A.'s commitment to ethics, transparency, and responsible governance is expressed through the **Corporate Code of Ethics and Conduct**, a fundamental document that defines the principles and values underlying all our activities.

The Code is designed as a guide to understand what is right in any circumstance and to identify the driving forces behind our decisions. It contains behavioural rules for employees, directives on **transparency in operations**, guidelines for the **respect of human rights**, and **environmental protection**.

Through strict adherence to these principles, Stemin S.p.A. maintains **high standards of integrity and social responsibility**, ensuring a positive impact on all stakeholders.

Organisational Model 231 and Corporate Compliance

Stemin S.p.A. adopts the **Organisation, Management, and Control Model pursuant to Legislative Decree 231/2001**, aimed at preventing offences and ensuring regulatory compliance.
100% of employees are trained and informed about the Model and its applications, ensuring widespread awareness and shared responsibility.

In the past three years, **no** confirmed **cases of corruption**, legal actions for anti-competitive behaviour, or instances of non-compliance with laws and regulations **have been recorded**, confirming the effectiveness of the company's prevention and control system.

Scan the QR code to access the Corporate Code of Ethics and Conduct.

Code of Ethics and Adherence to the Aluminium Stewardship Initiative (ASI)

The **latest version of the Code of Ethics**, approved by the **Board of Directors on 20 June 2025** and available on the company website, fully **reflects the vision and mission of Stemin S.p.A.**: safeguarding the ecosystem through industrial activities based on aluminium recycling, reducing energy and natural resource dispersion, and minimising risks that could threaten the environment.

This latest version has been updated to integrate all topics addressed by the **Aluminium Stewardship Initiative (ASI)**, an international non-profit organisation that develops and manages certification standards for responsible aluminium.
Stemin S.p.A. is certified under ASI Performance Standard V.3, the most recent version issued by ASI. Consequently, many social responsibility topics covered in the standard, such as modern slavery and child labour, have become an integral part of the Code of Ethics and Conduct.

Stemin S.p.A. and Adherence to the Aluminium Stewardship Initiative (ASI)
Stemin S.p.A. has joined the Aluminium Stewardship Initiative (ASI), a global non-profit organisation that develops standards and provides certifications to promote sustainability across the entire aluminium value chain. (members ASI)

What is ASI?
ASI brings together aluminium producers, processors, and users with the aim of maximising aluminium's contribution to a sustainable society. The initiative develops independent standards covering **both environmental and social performance (Performance Standard) and traceability along the chain of custody (Chain of Custody Standard).**

Why is ASI relevant to Stemin S.p.A.?
Membership in ASI highlights Stemin S.p.A.'s commitment to the **responsible and sustainable production of aluminium**, ensuring practices that comply with environmental, social, and governance (ESG) criteria throughout the entire value chain.

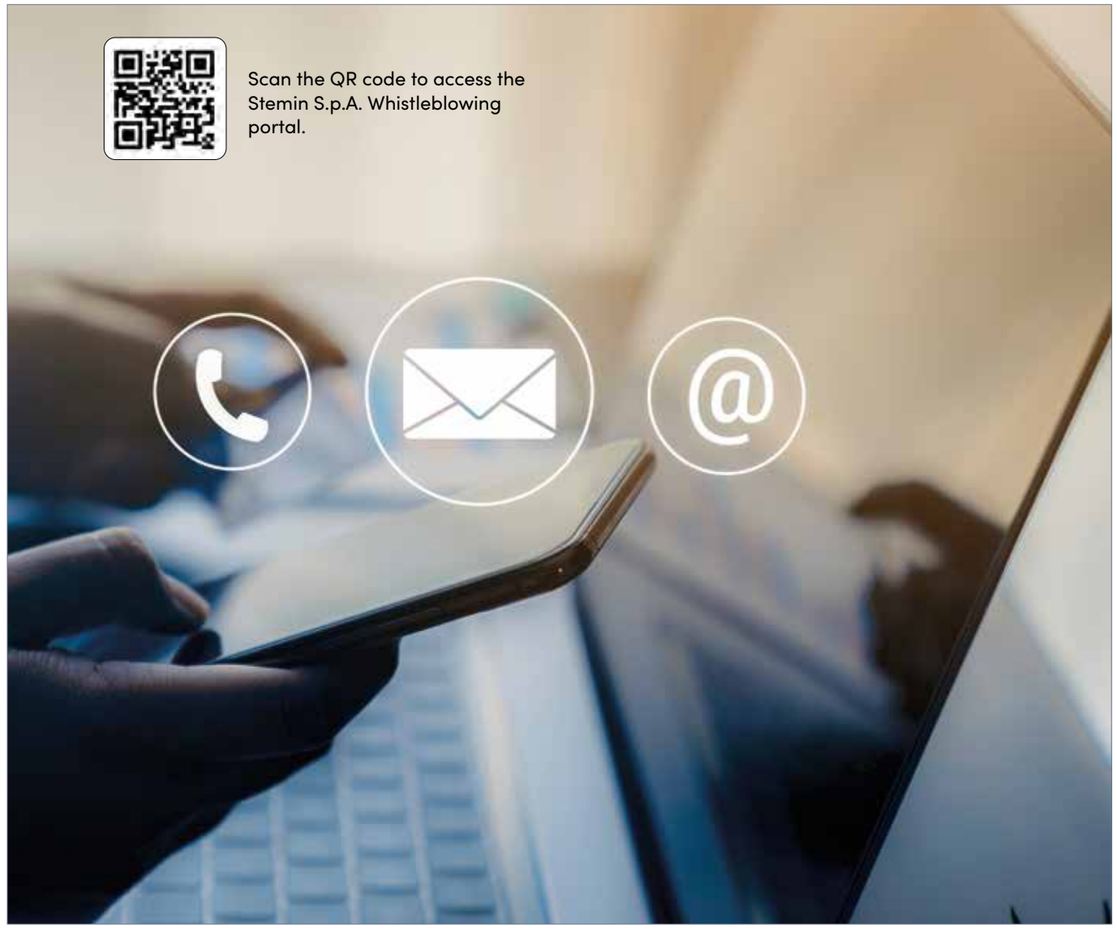
100% 100% of employees have received comprehensive training on all topics addressed in the Code of Ethics.

Whistleblowing system and protection of whistleblowers

In order to implement the updates introduced by Legislative Decree 24/2023 and ensure the effectiveness of the whistleblowing system, Stemin S.p.A. has strengthened its management system for reports to safeguard the identity of the whistleblower and their right to confidentiality.
Stemin S.p.A. has therefore defined and approved a specific procedure for reports from the recipients of the Organisational Model, who have been informed about dedicated communication channels that allow them to submit any reports based on precise and consistent factual elements. These channels ensure, including through digital means, the confidentiality of the whistleblower's identity, as well as the protection of data concerning the reported individuals and third parties, without prejudice to legal obligations. The evaluation of received reports falls under the responsibility of the Supervisory Body.

0% In the three-year period 2022–2024, no whistleblowing reports were received.

In parallel, an additional reporting channel has been introduced in compliance with ASI Certification; in this specific case, the point of reference is the company's ASI Representative.



2.5 EU taxonomy and strategic sustainability

What is the EU Taxonomy

The European Union Taxonomy is a key tool for steering the economy towards a genuinely sustainable development model. Introduced by Regulation (EU) 2020/852, it establishes a common language to determine which economic activities can be considered environmentally sustainable, with the aim of directing public and private investments towards initiatives that make a tangible contribution to the ecological transition, while reducing the risk of greenwashing.
The Taxonomy is based on the idea that sustainability should not be merely an ethical or communicative principle, but a measurable and verifiable condition grounded in scientific criteria shared at the European level.

This classification system is structured around six environmental objectives: 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 of biodiversity and ecosystems. An economic activity can be considered sustainable under the Taxonomy only if it makes a substantial contribution to at least one of these objectives, does not cause significant harm to the others, and complies with specific social and governance safeguards.

Stemin S.p.A.'s contribution to environmental objectives

In this context, Stemin S.p.A. fully recognises the **central role of the EU Taxonomy as a tool for** transparency and consistency in communicating **its sustainability commitments**. The company's activities, based on the recovery, refining, and processing of secondary aluminium, make a tangible contribution to several objectives outlined in the European framework.
By valorising metal scrap and reintroducing it into the production cycle, Stemin S.p.A. significantly reduces the consumption of virgin raw materials and the overall energy demand of the sector, generating a direct positive impact on **climate change mitigation**. At the same time, the company's operations represent a concrete model of a **circular economy**, based on resource reuse, waste minimisation, and end-of-life material valorisation. Stemin S.p.A.'s ability to transform waste into a resource confirms the company's strategic role in building a circular, efficient, and low-emission industrial value chain.
Attention to **responsible waste management**, emission control, and energy consumption monitoring also translates into a tangible contribution to pollution prevention and control, thanks to production processes designed to minimise environmental impact.

Furthermore, Stemin S.p.A. is committed to **protecting water resources** through management and recycling systems for water used in production processes, reducing waste and improving the overall efficiency of natural resource use. These actions, integrated within a framework of responsible governance, also strengthen the company's contribution to climate change adaptation, as they aim to build resilient production processes that are less vulnerable to environmental variations.

Sustainability integrated into corporate strategy

For Stemin S.p.A., adherence to the principles of the EU Taxonomy is not merely a regulatory obligation, but a **strategic choice**.
Integrating environmental sustainability at the core of the business model enables the **creation of economic, social, and environmental value**, strengthens transparency towards stakeholders, and provides a measurable demonstration of the company's contribution to European objectives for climate neutrality and sustainable growth.

Future outlook

Stemin S.p.A. will continue to align its **industrial processes, management systems, and investments** with the principles of the EU Taxonomy, consolidating the link between **innovation, competitiveness, and sustainability**. The company is committed to being an active participant in building a greener, more resilient, and circular European economy, capable of generating lasting **value for the environment, people, and local communities**.

2.6 Economic Value generated and distributed

Below are the economic and financial data of Stemin S.p.A. for the year 2024, compared with those of 2023 and 2022, in accordance with **GRI 201-1**.

Economic value directly generated and distributed	2024 (in thousands of €)	2023 (in thousands of €)	2022 (in thousands of €)
Direct economic value generated	270.890,835	266.270,559	261.133,018
Revenues from sales	270.717,700	249.708,442	238.998,733
Change in inventories	- 2.253,683	6.967,607	- 4.328,245
Other income and financial proceeds	2.426,818	4.456,969	4.395,741
Economic value distributed	267.574,978	260.946,639	249.269,241
Operating costs	257.753,126	240.791,688	226.322,901
Wages and benefits	4.596,729	3.837,848	3.410,626
Payments to providers of capital	4.981,452	2.269,923	1.654,045
Community investments	114,285	123,601	122,071
Public administration (taxes)	243,671	2.246,181	1.114,875
Economic value retained	3.315,857	5.323,920	11.863,777

Commitment to legality and transparency

Stemin S.p.A. stands out for its ongoing commitment to respecting and promoting **legality** and **transparency** at all operational levels. With a ★★++ **legality rating**, issued under the regulation adopted by the Italian Competition Authority (Autorità Garante della Concorrenza e del Mercato), Stemin S.p.A. demonstrates its strict adherence to high standards of legality. This rating represents a concrete recognition of our transparent and regulatory-compliant operations.

Tax management and supplier control

Stemin S.p.A. is listed in the **White List**, an official register of companies not subject to mafia infiltration attempts, as established by the Anti-Mafia Office of the Prefecture of Bergamo.

Transparency is not only a value we pursue but also a practice applied to every aspect of our fiscal and operational management. All payments made by Stemin S.p.A. are tracked and monitored to ensure the highest levels of correctness and compliance with applicable regulations. We do not merely comply with the law; we adopt a proactive approach to prevent any form of misconduct. In this context, Stemin S.p.A. makes purchases exclusively from registered and compliant companies, avoiding any commercial relationships with unverifiable private entities.

Verification and certifications

The financial statements of Stemin S.p.A. are **audited by KPMG S.p.A.**, ensuring the reliability and accuracy of the company's financial data.

The company is also **AEO-certified (Authorized Economic Operator)**, a certification issued by customs authorities that confirms our reliability throughout the international supply chain. Being an Authorized Economic Operator means that Stemin S.p.A. meets rigorous requirements regarding customs compliance, security procedures, and financial solvency. This status, recognised at the European level, allows us to benefit from simplified customs procedures and more efficient operations, making our international activities safer and more transparent.

Furthermore, we adopt a strict tax policy, rigorously applying all laws regarding taxes and duties to ensure ethical and transparent financial management. Every operation undergoes internal audits and control procedures to guarantee full compliance with national and European regulations.

Sustainable growth and stakeholder trust

Our focus on transparency and fiscal integrity not only protects the company from legal risks but also strengthens the **trust of partners, suppliers, and customers**.
Stemin S.p.A. believes that **ethical and responsible conduct is the foundation for sustainable, long-term growth.**

2.7 Investment Plan

Destination	Investment	%
Modernisation	428.774,68	8,75
Efficiency Improvements	3.635.236,16	74,16
Environment and Safety	203.660,12	4,16
Strategic spare parts	633.949,37	12,93
TOTAL	4.901.620,33	100

Focus on investments in environment and safety

Although the latest financial year shows a **percentage decrease** in investments dedicated to environment and safety, it is important to emphasise that this **does not represent a reduction in the company's commitment in these areas**. On the contrary, the data reflects the completion of significant initiatives carried out in previous years, which have strengthened the foundations of our current sustainable management model.
Stemin S.p.A.'s continuous focus on e**nvironmental protection and worker safety** is well documented in this report, demonstrating a path of responsible growth and ongoing development.

Strategic Investments and Efficiency Improvements

Investments are focused on **energy efficiency** and the revamping of equipment and facilities, aiming to maintain a high level of technological competitiveness, reduce dependence on fossil fuels, and mitigate the impact of energy market fluctuations.
Additionally, the acquisition of an industrial lot adjacent to the operational site represents a strategic step towards **expanding production capacity** and further consolidating the company's presence in the local area.

2.8 Cybersecurity

For Stemin S.p.A., cybersecurity is a strategic priority, recognised as one of the key enablers of the company's operational continuity and business.

We acknowledge the value of the sensitive data and information of our clients and partners, and we operate to protect them by conducting all activities according to the highest security standards.

Strengthening technical and organisational measures

In recent years, Stemin S.p.A. has undertaken a significant journey to reduce risks, enhance data and information protection, and increase user awareness.

Key actions implemented include:

- **Investments in resilient data infrastructures**, ensuring integrity and availability even in critical situations.
- **Network segmentation** and careful management of communication flows, to prevent threats.
- **24/7 continuous monitoring** of infrastructures, networks, and services, using advanced technologies to detect and respond rapidly to anomalies.
- **Constant system vulnerability assessments**, to promptly identify and resolve any issues.
- **Protection of communications**, with advanced systems securing corporate email.
- **Multi-factor authentication**, ensuring secure access to services and administrative functionalities.

Training and awareness

Stemin S.p.A. places great emphasis on the **continuous training of its personnel** to increase awareness of cyber risks and to regularly test employees' preparedness. An informed team represents a **fundamental safeguard in protecting both data and the organisation**.

Governance, partners and technological solutions

The company carefully selects partners and technological solutions, ensuring a s**tructured and multidisciplinary governance** of organisational and technical changes.

Legislative Decree 138/2024, which transposes the NIS2 Directive, includes Stemin S.p.A. as a relevant entity and assigns direct cybersecurity responsibilities to the board. The regulation requires the formal adoption and approval of:
- security policies;
- risk management plans;
- training plans;
- business continuity and disaster recovery strategies;
- structured management of significant incidents;
- accurate documentation of implemented measures.

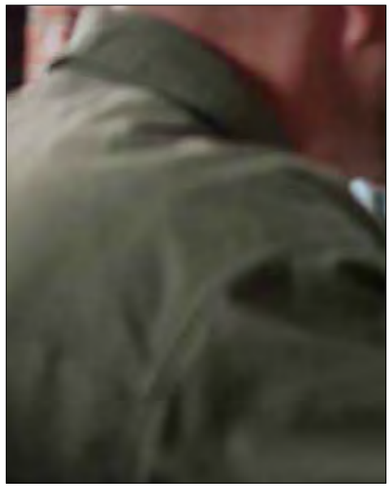
Results and performance

No cybersecurity incidents have occurred in the past three years.

In the last year, **225 hours of cybersecurity training** were delivered, **involving 100% of employees** using technological devices.

No verified breaches of customer privacy or data loss have been reported in the last three years.

The adaptation process undertaken integrates technological management into corporate governance, creating an Organisational Model that combines **regulatory compliance, operational efficiency, and service resilience**, safeguarding operational continuity and protecting the company and its stakeholders.



3

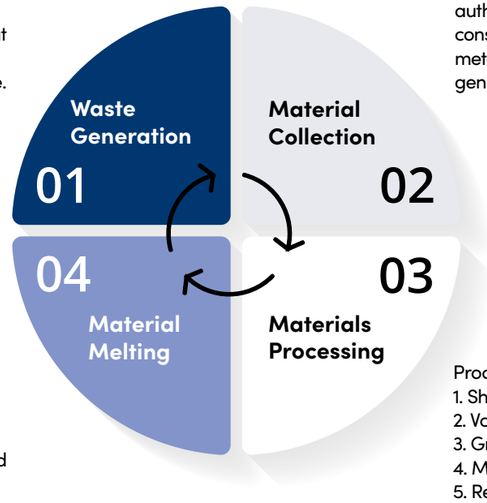
Environmental Responsibility

3.1 Circular Economy

Aluminium represents a strategic and highly valuable resource for modern industry thanks to its unique characteristics. It is an extremely versatile metal, lightweight yet strong, capable of exhibiting different properties depending on the alloys with which it is combined: from its ability to effectively resist corrosion and impact, to its long-lasting durability even in challenging environmental conditions, and to its non-magnetic nature, which further broadens its range of applications. Another key strength lies in its conductive performance: aluminium is able to transmit heat, electricity and even sound waves with great efficiency, making it indispensable across numerous technological sectors.

What truly sets aluminium apart from other materials is its infinite recyclability: it can be melted down and reused endlessly without any loss of its original qualities. This makes it a genuine "permanent material" and a clear embodiment of the principles of the circular economy, as it enables the minimisation of natural resource consumption while preserving the same performance and functionality across successive production cycles. Each time it is recycled, aluminium retains its properties intact, allowing industry and the market to rely on a material that is effectively always new, ready to be employed in current and future applications with the same reliability as primary metal.

The semi-finished products are placed on the industrial market, where they will generate further scrap that will return to Stemin in the form of metal scrap/waste.



The materials are sourced from collectors, certified and authorised sorting operators, consortia, and leading metalworking companies that generate offcuts and scrap.

A portion of the materials resulting from processing is sent to the foundry department, where it is returned to a semi-finished state and destined for the industrial market.

Processing stages:
1. Shredding
2. Volume reduction
3. Granulation
4. Metal separation
5. Refining via atomic absorption
6. Alloy separation using LIBS
7. Output

The recovery process stages

Stemin's industrial process is structured in multiple distinct yet synergistic phases, each designed to **optimise material separation, purity, and yield.**

1

Shredding

The input materials are reduced in size using a **hammer mill shredder**, allowing for initial mechanical separation and preparation for the volumetric treatment phase.

2

Volume reduction

Using **three-stage presses and shears**, the material is compacted to facilitate storage and handling in the subsequent processing stages.

3

Granulation

The material is reduced to a fine particle size using **blade granulators**, transforming it into fractions optimised for physical separation.

4

Metal separation

Metals are separated from inert materials using **eddy current separators**, which exploit the different electrical conductivity of the materials.

5

Refining via atomic absorption

Advanced **atomic absorption spectrometry** technologies enable the precise identification and separation of residual metals, ensuring high quality standards..

6

Alloy separation using LIBS

LIBS technology enables precise **identification of different alloys**, supporting the **broader use** of recycled aluminium in high-quality applications maximising its value.

7

Output

Secondary raw material compliant with **UNI standards, ready for market distribution and internal use within the Group**.

Certified commitment: quality and compliance at the heart of our processes

Every phase of the process undergoes **rigorous analytical controls**, from the inspection of incoming materials to the certification of the finished product. Our quality system is supported by **state-of-the-art laboratory equipment**, enabling continuous monitoring of critical parameters.

The entire production process is carried out in full **compliance with applicable UNI standards**, ensuring adherence to relevant technical specifications.
At the end of processing, each batch is issued a certificate of conformity in accordance with **EU Regulations No. 715/2013 and No. 333/2011 333/2011**, ensuring full traceability and alignment with the quality requirements of the most demanding clients.

Integrated supply chain and circular model

Secondary raw material compliant with UNI standards can follow two different paths: it may **be sold to external operators in the sector** or **reused internally** within the division dedicated to the production of aluminium alloy ingots, or within other companies of the FECS Group.

The ability to manage the entire process in-house — from the selection of secondary raw material to the melting and production of secondary and semi-primary alloys — represents a **distinctive competitive advantage**, consolidating Stemin S.p.A. among the European leaders in the sector.
With an **annual production of approximately 100,000 tonnes**, the Group demonstrates the robustness and efficiency of an integrated industrial model that combines technological innovation with environmental responsibility.

Thanks to advanced melting processes and production flexibility oriented to market needs, Stemin S.p.A. is able to ensure high quality standards while maximising the value of recycled material. This translates into tangible benefits for both the environment and the supply chain, as recovered aluminium retains its properties and can be employed in subsequent production cycles without any loss of performance.

Technological innovation: the LIBS System

In 2025, Stemin S.p.A. introduced the **LIBS system (Laser-Induced Breakdown Spectroscopy)**, an advanced chemical analysis technology that enables rapid and precise identification of the elemental composition of metallic materials.

The system operates by emitting a high-energy laser pulse onto the surface of the sample, generating a micro-plasma. The light emitted during the cooling process is analysed by a spectrometer, allowing real-time determination of the elements present in the material.

Thanks to this technology, the company can **verify the quality of alloys** at the point of receipt or during processing, **improving traceability and reducing the need for external analyses**.

The use of the LIBS system optimises scrap selection, increases recovery efficiency, and contributes to **achieving the Group's circularity and environmental sustainability objectives**.

This innovation forms part of the company's broader programme of digitalisation and quality control, aimed at adopting technologies that enhance operational performance, process safety, and the reduction of environmental impacts across the entire production chain.

A long-term vision

The path undertaken by Stemin S.p.A. reflects a **long-term industrial vision** that integrates sustainability, innovation, and competitiveness.
The circular economy is not only a lever to reduce environmental impacts but also a **driver of industrial growth and the creation of shared value** for stakeholders, the local area, and the community.

3.2 Materials Management

The quality, traceability, and safety of the materials used in production processes are central elements of Stemin S.p.A.'s sustainability strategy, **in line with ESRS requirements and international GRI standards**.
To ensure a rigorous approach aligned with best European practices, Stemin S.p.A. has implemented **multi-level procedures governing the management of incoming scrap and waste** at the plant. Each supply undergoes environmental, administrative, and technical checks, managed in accordance with the **procedures of the Integrated Management System**, thereby minimising risks and ensuring regulatory compliance.

Supplier qualification and control

The materials management process begins with the **qualification of suppliers**, carried out through a dedicated questionnaire requiring evidence of **environmental authorisations, valid certifications, and mandatory documentation**.
Only after validation is the supplier authorised to deliver material to Stemin S.p.A. facilities, in accordance with the principles of **transparency and due diligence** established by international standards.

Incoming material inspections

Upon arrival of the material, several inspection steps are carried out by the responsible offices:
- **verification** of consistency with purchase orders, suitability of transport, and correct classification as waste, mother alloys, or **End of Waste (EoW End of Waste (EoW)**;
- **preliminary visual and documentary checks**;
- **weighing and storage** in dedicated areas;
- **in-depth analysis** by the internal Quality Control team, using certified methodologies.

Only compliant materials are directed to the **internal processing lines** or the **foundry division** for the production of **Remelted Secondary Ingots**, supporting a **fully circular production cycle** based on the complete valorisation of secondary raw material.
In cases of non-compliance, a specific procedure is activated, including traceability, recording, and corrective actions, **ensuring transparency** and accountability towards stakeholders.

Radiometric inspections and process safety

In accordance with current radioprotection legislation (**Legislative Decree 101/2020 and subsequent amendments**), the guidelines issued by the competent authorities, and the relevant European and UNI technical standards for radiometric monitoring (including **UNI 10897:2016 – Radioprotection: Control of Radioactivity in Metal Scrap**), Stemin S.p.A. implements a structured system of inspections to ensure the absence of radioactive contamination in the materials processed.
All incoming and outgoing loads at the plants are checked using fixed radiometric portals, supported by portable detection instruments and a radiation measurement pit, which allows for more detailed analysis of suspicious samples or materials that cannot be clearly identified.
To further strengthen control, in addition to checks on external deliveries, the company also carries out radiometric monitoring during internal processing stages. This enables the timely detection of any anomalies and prevents contaminated materials from entering the production cycle or compromising the quality of finished products.
At all sites, a Radiation Protection Expert (RPE), registered with the professional register, is appointed to support daily monitoring activities and ensure full compliance with sector regulations. This integrated approach not only fulfils legislative and technical requirements but, most importantly, safeguards worker safety, environmental protection, and the quality of products placed on the market.

Material performance and indicators

In 2024, Stemin S.p.A. managed approximately **150,000 tonnes of metallic materials** (ferrous and non-ferrous) across its plants. These materials are carefully processed and either reintroduced to the market or directed to the internal foundry division.

FECS-branded ingots produced by Stemin S.p.A. consist of **over 95% recycled aluminium, in accordance with GRI 301-2** (recycled materials used / total materials input).

MATERIALS		U.M.	2024	2023	2022
MATERIALS[1]	Incoming Materials				
	End of waste[2]	Ton	156.281,21	159.178,00	142.102,00
	Metal Waste				
	Aluminium Alloys and Semi-Finished Products				
	Outgoing Materials				
	End of waste	Ton	148.648,30	153.759,00	134.887,00
	Metal Waste				
	Aluminium Alloys and Semi-Finished Products				

[1] After reviewing the definition of renewable materials provided in the GRI 301: Materials 2016 glossary, the working group deemed this definition not applicable to the metallurgical sector; therefore, renewable materials have not been reported as required by GRI 301-1. The materials listed in the table, according to the GRI 301 definition, should be considered non-renewable.GRI 301-3 requires the reporting of recovered packaging materials. In our case, however, as the metal scrap and waste are delivered in bulk, they are not packaged.

[2] The definition of End of Waste (EoW), or "cessation of waste status," refers to the process by which a material or object, initially classified as waste, ceases to be considered as such because it meets specific regulatory requirements, thereby becoming a product or secondary raw material. Stemin S.p.A. is authorised to carry out this process.

3.3 Energy Resources Management

Stemin S.p.A. places great importance on the **responsible and conscious management of energy resources**, recognising their dual economic and environmental significance.
Energy consumption is not only a significant cost but also a **responsibility towards the environment and the territory** in which the company operates. Reducing energy use and optimising resources means actively contributing to the **preservation of the ecosystem**, lowering the ecological footprint, and promoting sustainable development.

Even operating in a **highly energy-intensive sector**, Stemin S.p.A. addresses this issue with the utmost responsibility, adopting strategies and technologies focused on efficiency and the progressive decarbonisation of its processes.

Energy sources and consumption

The main areas of energy consumption include:
- the operation and maintenance of plant equipment;
- melting processes;
- internal material handling;
- the operation of buildings and support systems.

Recent industrial investments and innovations have enabled Stemin S.p.A. to adopt advanced systems that help reduce fossil fuel consumption.
Nevertheless, natural gas remains the primary energy source for melting processes, while electricity is the main source powering production facilities and auxiliary systems.

Energy consumed within Stemin S.p.A.	U.M.	2024	2023	2022
Total	GJ	197.286	192.031	188.446
Breakdown by Energy Sources – Fuels				
Fossil fuels[1]	GJ	179.572	175.266	170.358
Purchased electricity	GJ	13.116	12.011	16.633
of which purchased with GOs[2]	GJ	2.473	-	-
Self-produced electricity (photovoltaic plant)	GJ	4.598	4.754	1.455

[1] For fossil fuels, the company has considered natural gas and diesel used for internal and external company vehicles.
[2] For the 2024 calendar year, the company decided to purchase part of its electricity with Guarantees of Origin (GOs). These Guarantees are instruments for tracking and certifying energy produced from renewable sources, certifying that a certain amount of electricity has been generated from a renewable source, in accordance with the rules established by European and national legislation.

GHG emission intensity	U.M.	2023	2023	2022
Organisation area (sum of ST41, ST67, K4 sites)	Mq	60.664	60.664	60.664
Total number of employees	N°	85	84	80
Tonnes of semi-finished products sold	Ton	72.969	73.612	68.692
Revenue	Mln€	circa 270	circa 263	circa 249
Energy intensity per area	GJ/mq	3,25	3,16	3,11
Energy intensity per number of employees	GJ/employee	2.321,01	2.286,08	2.355,57
Energy intensity per semi-finished products sold	GJ/Ton	2,70	2,60	2,74
Energy intensity per revenue	GJ/Mln€	730,69	730,16	756,81

Monitoring and control of consumption

To ensure constant quantification and monitoring of energy sources, Stemin S.p.A. has installed meters on each plant to measure efficiency and consumption. This enables continuous process control and the creation of a historical record to assess performance, focusing investments on the most energy-intensive facilities. The data presented in the table have been obtained through these methods and correspond to the consumption invoiced by individual suppliers.

Analysis of energy trends

Over the three-year period 2022–2024, the company's energy consumption has shown a slight increase. This is due to Stemin S.p.A.'s continuous investment in new infrastructure, machinery, and plants, which have inevitably contributed to this minor rise. Energy intensity has increased mainly because of a shortage of materials, which led the company to use alternative aluminium scrap and waste, often characterised by lower yields. This necessitated additional steps in the processing lines. However, the increase in energy intensity is accompanied by greater value creation in terms of circularity, resulting overall in a positive balance.

Energy from renewable sources

In 2024, Stemin S.p.A. recorded a **69.4% increase in self-produced energy** compared to 2022, thanks to the full operation of the **new photovoltaic system** installed on the company's rooftops.
The plant, comprising **over 5,000 monocrystalline modules** with a **total capacity of approximately 1,800 kWp**, covered **around 30% of the company's electricity needs**.

At the end of the first half of 2025, a **new photovoltaic system with an additional 2,400 kWp** came into operation, bringing the total capacity to over 4,000 kWp.
Although these figures fall outside the 2024 reporting period, they represent a significant ongoing **investment in reducing Scope 2 emissions** and **progressively increasing independence from energy markets**.

In 2024, combining self-produced energy with electricity purchased with Guarantees of Origin, **approximately 40% of the total energy used by Stemin S.p.A. came from renewable sources.**

National context and future objectives

In 2024, at the national level, **renewable sources** accounted for **41.2% of electricity demand**, marking the highest value ever recorded (compared to 37.1% in 2023), thanks mainly to the contribution of **hydroelectric and photovoltaic production**.

In line with this trend, Stemin S.p.A. aims to achieve the following by 2027:

- reach **60% of energy from renewable sources**;
- obtain **ISO 50001:2018 certification**, the international standard f**or Energy Management Systems**..

3.4 Waste Management

The responsible management of waste is a core value for Stemin S.p.A. and an essential part of its corporate identity. The company adopts an approach based on **prevention, recovery, and valorisation**, transforming as much as possible of the production scrap into new resources. The aim is to minimise environmental impact while promoting a **circular and sustainable** production model.

However, not all materials generated during production processes can be reused: some do not meet the quality requirements for **End of Waste (EoW) status** or are not suitable for the production of semi-finished products. In such cases, they are correctly classified as **process waste** and managed in accordance with current legislation.

Destination and traceability

In line with its **environmental responsibility** vision, Stemin S.p.A. strives to identify disposal facilities that prioritise **recovery over disposal**, promoting the reintroduction of materials into other production cycles.
When this option is not technically or economically feasible, t**he company ensures proper disposal in full compliance with current legislation and the highest environmental protection standards**.

Waste Generated	2024		2023		2022	
	Ton	%	Ton	%	Ton	%
Hazardous waste	3.065,61	21,45	2.744,09	18,87	1.881,06	13,57
Non-hazardous waste	11.225,53	78,55	11.800,77	81,13	11.979,71	86,43
Total waste generated	**14.291,14**	**100**	**14.544,86**	**100**	**13.860,77**	**100**

The management of outgoing waste is carried out in full compliance with current legislation and in accordance with the **company's Integrated Management System**. Every stage of the process — from classification to transport — is conducted with the aim of ensuring **maximum safety, material traceability, and environmental protection**.

0 Over the three-year period 2022–2024, **no significant incidents or spills occurred** in connection with waste treatment activities.

Focus on hazardous waste and regulatory innovations

Particular attention is given to **hazardous waste**, which is subject to the ADR regime for the transport of dangerous goods by road. In such cases, all safety provisions outlined in the European Agreement concerning the International Carriage of Dangerous Goods by Road, recently updated with the adoption of **ADR 2025 (Ministerial Decree 13 February 2025)**, are applied. The new provisions introduce stricter criteria for classification, packaging, and labelling, with the aim of enhancing safety throughout the entire logistics chain.
In this context, Stemin S.p.A. appointed an **internal ADR consultant** in 2023, a role that ensures continuous regulatory updates and the proper execution of all transport and handling operations for hazardous waste.

At the same time, S**temin S.p.A. has joined the National Electronic Register for Waste Traceability (RENTRI)**, established by Ministerial Decree 4 April 2023, no. 59, which progressively replaces paper-based systems. This platform enables **digital and transparent management** of waste identification forms (FIR) and chronological loading and unloading registers, ensuring greater transparency and more efficient monitoring throughout the entire management cycle. The company has updated its operational procedures and information systems to integrate with the RENTRI platform, ensuring correct data transmission and **full compliance with the new regulatory requirements**.

The wastes listed in the table above are subject to the following destinations:

Destination	U.M.	2024	2023	2022
Total waste sent for recovery	Ton	13.790,27	13.316,01	12.814,91
Total waste sent for disposal	Ton	500,87	1.228,85	1.045,86
Total	**Ton**	**14.291,14**	**14.544,86**	**13.860,77**

Performance and future objectives

As highlighted in the graph above, **in 2024 over 95% of the waste generated was sent for recovery**, a share significantly higher than that sent for disposal (less than 5%).
This result confirms the effectiveness of Stemin S.p.A.'s strategy and is the outcome of a constant commitment to research and collaboration with its stakeholders, aimed at promoting and implementing a virtuous cycle in waste management.
This approach not only contributes to environmental sustainability but also reflects Stemin S.p.A.'s focus on innovation and optimisation of production processes.

Looking to the future, the company has set the following improvement objectives:

- Reduce **overall industrial waste generation by 2% by 2027** (compared to 2023);
- Maintain a recovery **rate above 90%** of total waste generated.

These commitments are part of the broader corporate strategy of circular economy and continuous improvement, reinforcing Stemin S.p.A.'s role as a model of excellence in the metallurgical sector.

3.5 Emissions Management and Monitoring

In 2024, Stemin S.p.A. strengthened its commitment to **transparent and responsible emissions management** by enhancing monitoring, reporting, and verification of its environmental impacts. The company's objective is to provide **clear, verifiable, and comparable data**, in line with best international practices and the growing demand for traceability from the market and stakeholders.

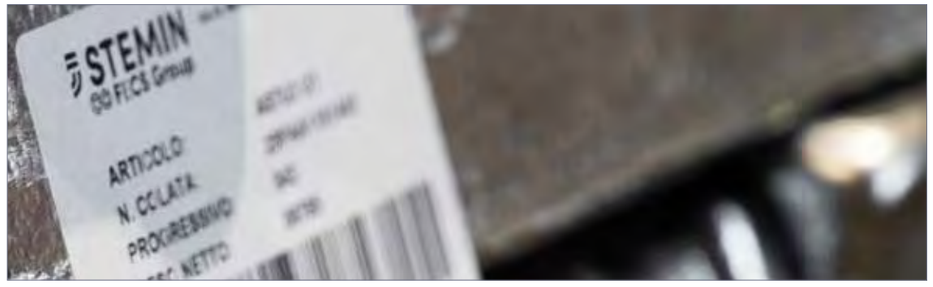
Following its first **UNI EN ISO 14064-1:2019 certification** issued by Bureau Veritas Italia S.p.A., Stemin S.p.A. further refined its internal processes for collecting and validating emissions data, **expanding the reporting scope and introducing more structured controls along the supply chain**.

Carbon Footprint and Product Reporting

At the same time, the company has reaffirmed its strategic decision to adopt the **UNI EN ISO 14067:2018 standard – Carbon Footprint of Product (CFP Systematic Approach)** – for assessing the greenhouse gas emissions of its products.
This choice, made after a careful comparative analysis with the **EPD (Environmental Product Declaration) model**, reflects the company's aim to use a **more dynamic, scientifically rigorous, and adaptable** tool capable of quantifying the carbon footprint across the entire "cradle to gate" lifecycle using an internationally recognised methodology.
Furthermore, UNI EN ISO 14067 offers additional advantages over the EPD, particularly greater clarity and ease of interpretation of results for stakeholders, as well as more immediate comparability of data between products and supplies.

The **ISO 14067 certification**, also verified by Bureau Veritas Italia S.p.A., allows Stemin S.p.A. to communicate the carbon footprint of each product **down to the individual supply batch** in a precise and transparent manner. This approach provides customers with accurate, verifiable, and comparable environmental information, strengthening trust and collaboration along the value chain.

Thanks to these initiatives, Stemin S.p.A. confirms its position among the most advanced companies in the sector in terms of **GHG quantification and communication**, making **environmental transparency** a distinctive element of its sustainability and competitiveness strategy.



GHG emissions	U.M.	2024[4]	2023	2022[4]
Total emissions	tCO_2eq	52.589[5]	47.105	42.254
Scope 1 – Direct GHG emissions[1]	tCO_2eq	10.386	9.400	9.212
Scope 2 (Location based) – Indirect GHG emissions from energy consumption[2]	tCO_2eq	1.436	630	922
Scope 2 (Market based) – Indirect GHG emissions from energy consumption	tCO_2eq	-	-	-
Scope 3 – Other indirect GHG emissions[3]	tCO_2eq	40.767	37.074	32.120
of which "upstream" emissions	*tCO_2eq*	*35.084*	-	-
of which "downstream" emissions	*tCO_2eq*	*5.683*	-	-

[1] SCOPE 1 includes all emissions that are generated directly by Stemin S.p.A.'s production processes. Along with Scope 2, these are the easiest to identify and calculate, as they arise from activities and processes controlled by the company itself.
[2] SCOPE 2 includes all indirect emissions associated with purchased energy (e.g., electricity).
[3] SCOPE 3 includes all indirect emissions generated by the manufacture and transport of goods, or generated downstream by the company. Unlike Scope 1 and Scope 2, the emissions in this category are not produced by Stemin S.p.A. but by suppliers and customers. Scope 3 emissions are further divided into subcategories according to ISO 14064, but for clarity, the data are reported in aggregate form (for more information, contact ESG@steminspa.it).
[4] The data shown in the 2022 and 2024 columns have been certified by Bureau Veritas Italia S.p.A.
[5] Total emissions for 2024 are higher because the reporting scope has been expanded to include the processing and recovery of metal scrap.

Analysis and reduction measures

Scope 3 emissions account for **approximately 75% of Stemin S.p.A.'s total emissions**, highlighting the significance of both upstream and downstream supply chains.

The company has already undertaken measures to reduce this figure, including the installation of an **oxygen pipeline serving the melting plants**, which connects Stemin S.p.A. directly to the supplier. This multi-million-euro investment has eliminated road transport for liquid oxygen supply, **reducing heavy vehicle traffic by around 800 trucks per year**, equivalent to approximately 100,000 km in total. This has led to improved internal traffic flow and a lower environmental impact, with an estimated saving of 66,000 kg of CO2 per year and a significant reduction in nitrogen oxides and particulate matter.

Total emissions are an absolute figure that has limited practical meaning unless intensity is calculated. By calculating emissions intensity, making the value relative, the organisation can monitor its performance compared to previous years and make more accurate assessments when engaging with stakeholders. Measuring intensity rates enables the adoption of more effective reduction measures and the implementation of targeted corrective actions. This approach not only improves corporate sustainability but also strengthens transparency and accountability towards the environment.

The emission intensity indicators are presented below.

GHG emission intensity	U.M.	2024	2023	2022
Organisation area (sum of ST41, ST67, K4 sites)	Mq	60.664	60.664	60.664
Total number of employees	N°	85	84	80
Tonnes of semi-finished products sold	Ton	72.969	73.612	68.692
Revenue	Mln€	circa 270	circa 263	circa 249
Emissions intensity per area	tCO_2eq/mq	0,87	0,77	0,69
Emissions intensity per number of employees	$tCO_2eq/$ employee	618,69	560,77	528,17
Emissions intensity per semi-finished products sold	tCO_2eq/Ton	0,72	0,63	0,61
Emissions intensity per revenue	$tCO_2eq/Mln€$	194,77	179,10	169,69

The table shows a slight increase compared to the previous two-year period. This increase is mainly attributable to two factors: on the one hand, **higher production volumes** and **increased revenue**; on the other, the **expansion of the reporting scope**, which now also includes the processing and recovery of metal offcuts, previously excluded.

A further contribution to this increase derives from **more accurate reporting** by suppliers **regarding indirect Scope 3 emissions**, which are not directly controlled by the company. As these emissions carry a greater weight than those under direct control, their increase has a significant impact on the overall figure.

Despite this, Stemin S.p.A. continues to improve efficiency and reduce direct emissions by prioritising **local suppliers**, the use of **materials with a reduced carbon footprint** (in particular primary aluminium and master alloys), and **the optimisation of processes and transport**.

Atmospheric emissions monitoring

All production plants generating emissions are equipped with air **capture and purification** systems before release into the atmosphere. The treated air is channelled through **chimneys fitted with sampling points** for laboratory analysis, in compliance with regional and national permit requirements. In accordance with the **Integrated Environmental Authorisations (AIA)**, Stemin S.p.A. implements a **structured environmental monitoring plan**, including periodic checks and traceability of results.

The melting plants are equipped with a **Continuous Monitoring System (CMS/SC)** that detects the main emission parameters in real time, with particular focus on dust, operating 24 hours a day, 7 days a week. This system is designed, installed, and managed in accordance with **DDS no. 4343/2010 of the Lombardy Region**, which establishes technical and operational requirements for Continuous Emission Monitoring Systems (CEMS), including criteria for sampling, calibration, data validation, and transmission to regulatory authorities.

The adoption of DDS 4343/2010 ensures that the systems are aligned with regional guidelines and subject to periodic inspections by ARPA Lombardia.
In addition to CO_2, production processes inevitably generate other types of atmospheric emissions. To estimate the annual quantities of these emissions, which are not continuously monitored, a calculation must be performed. The significant emissions released into the atmosphere are reported below.

Other significant emissions[1]	U.M.	2024	2023	2022
NOX emissions	Ton	12,79	12,35	13,41
CO emissions	Ton	1,02	3,13	1,05
Total Organic Carbon (TOC)	Ton	3,79	4,61	4,89
Total Particulate Matter (PM)	Ton	0,41	1,34	0,43
HCl (Hydrogen Chloride)	Ton	0,43	0,54	1,23
HF (Hydrogen Fluoride)	Ton	0,19	0,39	0,39
IPA (Volatile Organic Compounds – VOCs)	Ton	2,09E-4	7,29E-4	4,05E-4
PCDD/F (Polychlorinated Dibenzo-p-dioxins and Furans)	Ton	2,15E-8	2,70E-8	3,21E-8

[1] To derive these values, the working group proceeded as follows: first, emission points for which there are requirements in the Integrated Environmental Authorisations (AIA) monitoring plan were considered; the test reports of analyses conducted in 2023 were reviewed, and if more than one measurement was available for the same emission point, an average value was calculated. The resulting value was then normalised to annual air volumes using the maximum authorised flow rate multiplied by the number of plant operating days reported to the authorities during the submission of ORSO 2023. The full study is available upon request at ESG@steminspa.it.

Stemin S.p.A.'s operational sites are authorised to operate under an Integrated Environmental Authorisation (A.I.A.), issued by the Competent Authority **in accordance with Legislative Decree 152/2006 and subsequent amendments**. These facilities are subject to periodic inspections by regulatory bodies, at least every three years, aimed at verifying compliance with authorisation conditions and overall environmental performance.
Over the past three years, **no non-compliances or environmental sanctions have been recorded**. Analytical campaigns on atmospheric emissions, conducted at full production capacity by accredited laboratories, have consistently shown values well below the regulatory limits set out in the authorisation provisions. Results are monitored and archived according to the procedures of the company's Integrated Management System, supporting continuous control and performance improvement.

This trend confirms the robustness of Stemin S.p.A.'s environmental management model, consolidated over time through the multi-year achievement of UNI EN ISO 14001:2015 certification, and reflects the organisation's ongoing commitment to preventing pollution, optimising process efficiency, and protecting the environment and the Bergamo area that hosts its production activities.

Future objectives

Looking to the future, Stemin S.p.A. has set the following **improvement objectives**:

- SCOPE 1 → The company aims to **reduce SCOPE 1 emissions by 2%** by increasing the use of **facilities that do not rely on fossil fuels** (compared to 2024 data).
- SCOPE 2 → In conjunction with the installation of a new photovoltaic system, the company aims to **reduce SCOPE 2 emissions by 50%** (compared to 2024 data).
- SCOPE 3 → The company aims to **reduce SCOPE 3 emissions by 2% by optimising incoming scrap** for the melting department, which, unlike master alloys and primary aluminium, has a lower carbon footprint (compared to 2024 data).

3.6 Water Management and Monitoring

The **sustainable management of water resources** is a cornerstone of Stemin S.p.A.'s sustainability approach, even though it has not emerged as a material or financially significant issue.
At a global level, **demand for freshwater** has increased exponentially over recent decades, often exceeding actual availability, as highlighted by the World Resources Institute (WRI, 2023). This imbalance is driven by factors such as population growth, the expansion of agricultural and industrial sectors, energy production, and climate change, all of which underscore the increasing pressure on global water resources.

Water scarcity is now recognised as one of the main environmental challenges, forming a focus of European Union policies, as indicated in the Water Framework Directive (2000/60/EC) and climate adaptation strategies aimed at ensuring water security and the resilience of territorial systems.

Corporate water management policies

Although water is not an essential input in the company's production processes, **Stemin S.p.A. adopts careful and proactive water management in accordance with the principles of ISO 14001:2015 and the guidelines of UN-Water and the Global Water Partnership**, which promote the rational use of water and the protection of local resources.

Located in the Bergamo plain, classified as a **medium water stress area**, the company uses water primarily for:
- **cooling semi-finished products** during production;
- **misting** to limit dust dispersion;
- **domestic uses** within offices and changing rooms.

International context: access to water and sanitation services

Globally, **significant progress has been made in WASH (Water, Sanitation, and Hygiene) between 2015 and 2024**:
- **access to** safely managed **drinking water**: from 68% to **74%**;
- **access to** safely managed **sanitation service**s: from 48% to **58%**;
- **goverage of** basic **sanitation services**: from 66% to **80%**.

However, in 2024, 2.2 billion people still lacked access to safely managed drinking water, 3.4 billion lacked access to safely managed sanitation services, and 1.7 billion lacked basic sanitation facilities (source: UN DESA – SDG Indicators).

Infrastructure improvements and consumption reduction

During 2024, Stemin S.p.A. implemented significant measures to **optimise water consumption**:

- **Closed-loop cooling plant**: minimises water loss and replenishment needs.
- **Ingots Casting 4.0**: integrates an **air pre-cooling system** with the closed loop, reducing evaporation.
- **Targeted misting**: activated only during the hottest periods and peak hours to optimise water use.
- **Low-flow systems** for domestic use, achieving an estimated 40% savings.

The company also maintains fire-fighting water reserves in separate circuits with automatic refilling, ensuring operational safety.

The adoption of these practices forms part of a broader framework of environmental responsibility and sustainability: according to the WRI, "sustainable water management is crucial to ensuring a future in which water resources are sufficient to meet human and environmental needs."
In this context, Stemin S.p.A.'s commitment not only reflects **a corporate culture attentive to the protection of local resources**, but also contributes to **the United Nations Sustainable Development Goals (SDG 6 – Clean Water and Sanitation) and the objectives of the EU Water Strategy**, promoting efficient water use and greater resilience to water scarcity and climate change risks.

Below is a summary of water consumption, with values derived both from actual data based on the supplier's bills and from cross-checked meter readings carried out by internal operators.

Water Withdrawals[1] (Megalitres)	2023			2023			2022		
Source of withdrawal	**ST67[2]**	**ST41[2]**	**K4[2]**	**ST67**	**ST41**	**K4**	**ST67**	**ST41**	**K4**
Surface water	-	-	-	-	-	-	-	-	-
of which freshwater (≤1,000 mg/l total dissolved solids)	-	-	-	-	-	-	-	-	-
of which other types of water (>1,000 mg/l total dissolved solids)	-	-	-	-	-	-	-	-	-
Groundwater (aquifer water)	4,046	2,232	1,574	3,270	1,182	0,261	3,437	1,177	0,297
of which freshwater (≤1,000 mg/l total dissolved solids)	4,046	2,232	1,574	3,270	1,182	0,261	3,437	1,177	0,297
of which other types of water (>1,000 mg/l total dissolved solids)	-	-	-	-	-	-	-	-	-
Produced water	-	-	-	-	-	-	-	-	-
of which freshwater (≤1,000 mg/l total dissolved solids)	-	-	-	-	-	-	-	-	-
of which other types of water (>1,000 mg/l total dissolved solids)	-	-	-	-	-	-	-	-	-
Third-party water resources	-	-	-	-	-	-	-	-	-
Freshwater (≤1,000 mg/l total dissolved solids)	-	-	-	-	-	-	-	-	-
of which surface water	-	-	-	-	-	-	-	-	-
of which groundwater	-	-	-	-	-	-	-	-	-
of which produced water	-	-	-	-	-	-	-	-	-
Other types of water (>1,000 mg/l total dissolved solids)	-	-	-	-	-	-	-	-	-
of which surface water	-	-	-	-	-	-	-	-	-
of which groundwater	-	-	-	-	-	-	-	-	-
of which produced water	-	-	-	-	-	-	-	-	-
Total water withdrawn (Megalitres)	7,852			4,713			4,911		

[1] For reporting purposes, Table 1 of GRI 303: Water and Effluents 2018 was used; however, for simplicity, the rows relating to seawater have been omitted, as Stemin S.p.A. is not geographically positioned to use it. The unit of measurement is megalitres (ML).

[2] Water consumption has been allocated among Stemin S.p.A.'s three sites, using abbreviations commonly employed in internal company communications to identify the locations:
- Via G. Marconi, 41 – 24040 Comun Nuovo (BG) → ST41;
- Via G. Marconi, 67 – 24040 Comun Nuovo (BG) → ST67;
- Via J. F. Kennedy, 4/A – 24040 Ciserano (BG) → K4.

Water management and discharges

Water discharges generated by Stemin S.p.A.'s activities **follow differentiated pathways** depending on their origin and function, in compliance with applicable regulations and environmental standards.

Wastewater from domestic uses, such as changing rooms, bathrooms, and sanitary facilities, is discharged directly into the public sewer system, ensuring separation between industrial and domestic flows and minimising the risk of contamination.
Process water, used exclusively for cooling aluminium ingots during casting, absorbs heat and is subject to evaporative losses. The evaporated component is released into the atmosphere without carrying chemicals or contaminants from production processes, thereby complying with environmental quality criteria for non-polluting releases, as established by the European Directive 91/271/EEC on urban wastewater treatment and general standards for industrial discharges.
Rainwater is collected in separate first and second rain tanks (S1 and S2), distinguished between water from roofs and open areas, and is subject to periodic monitoring. Over the past three years, all chemical-physical and microbiological analyses have shown values well below the acceptability limits set by national and regional regulations (Legislative Decree 152/2006 and regional updates on water protection). This rigorous control confirms the company's commitment to responsible water resource management.

Water discharges are subsequently directed to two different recipients: the public sewer system, which collects domestic and industrial wastewater integrated with rainwater from open areas, and surface water bodies, which receive rainwater collected from roofs and channelled through a separate system, thereby minimising environmental impact. In the absence of dedicated meters for direct measurement, discharge volumes are estimated based on annual rainfall data for the geographical area where Stemin S.p.A. operates.

Finally, **in accordance with the Guidelines for the Prevention and Control of Legionellosis and Article 271 of Legislative Decree 81/2008**, the company carries out annual checks to verify the absence of Legionella in sanitary and process water, ensuring the protection of personnel health and compliance with industrial hygiene and safety requirements.

Water consumption intensity

As with emissions, it is necessary to contextualise water consumption to provide stakeholders with a clearer understanding. This approach makes it easier to appreciate that industrial water use remains at very low levels.

Water consumption intensity	U.M.	2024	2023	2022
Organisation area (sum of ST41, ST67, K4 sites)	Mq	60.664	60.664	60.664
Total number of employees	N°	85	84	80
Tonnes of semi-finished products sold	Ton	72.969	73.612	68.692
Revenue	Mln€	circa 270	circa 263	circa 249
Water consumption intensity per unit of area	ML/mq	0,00012	0,00007	0,00008
Water consumption intensity per employees	ML/employee	0,09237	0,05611	0,06139
Water consumption intensity per tonnes of semi-finished products sold	ML/Ton	0,00011	0,00006	0,00007
Water consumption intensity per unit of revenue	ML/Mln€	0,02908	0,01792	0,01972

Stemin S.p.A. aims to **reduce water consumption intensity per tonne of semi-finished product by 3% by 2027**, compared with 2024 levels.

4

Social Responsibility

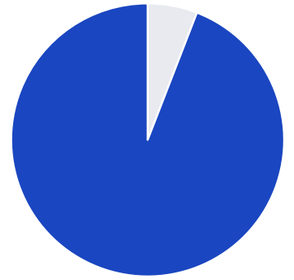
4.1 People

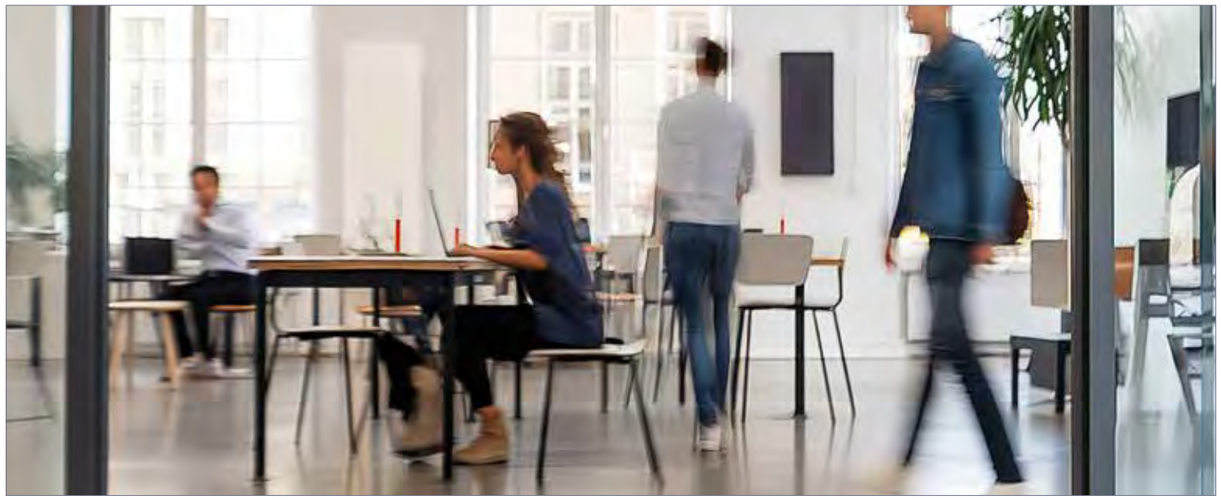
The value of human capital

People represent the human capital and the most valuable asset of Stemin S.p.A., an essential element for sustainable growth and organisational excellence.
In full compliance with current legislation and the principles of its Code of Ethics and Conduct, the company actively promotes a positive, inclusive, and stimulating work environment, based on the values of listening, collaboration, and active participation.

Stable employment and long-term policies

As of 31 December 2024, Stemin S.p.A. **employed 85 people, of whom 96.47% had permanent contracts and only 3.53% had fixed-term contracts**, demonstrating both employment stability and the company's commitment to long-term investment in its workforce.
The proportion of **part-time contracts, amounting to 5.88% of the total** and higher than the previous year, reflects the company's commitment to promoting work–life balance and supporting the individual and family needs of its employees.





Workforce distribution

The following analysis shows the overall distribution of employees by role, gender, and age group, with reference to the last three financial years.
The data, expressed in absolute numbers and as of 31 December 2024, have been prepared in accordance with the principles set out by the ESRS and GRI standards.

Employees by role	U.M.	2024			2023			2022		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Executives	N°	3	0	3	2	0	2	2	0	2
Middle Management	N°	2	1	3	2	1	3	1	0	1
White-Collar Staff	N°	9	17	26	8	17	25	8	15	23
Blue-Collar Workers	N°	50	2	52	51	3	54	50	4	54
Total Employees	**N°**	**65**	**20**	**85**	**63**	**21**	**84**	**61**	**19**	**80**

NB The information presented in the following chart has been compiled based on the number of employees in service as of 31 December 2023. The incoming turnover rate was 4.8%.

Despite a period marked by economic uncertainty and a generally unfavourable context for employment growth, Stemin S.p.A. has maintained a proactive approach to the development of its human resources. In this regard, the company has hired a new professional, confirming its commitment to investing in human capital as a strategic element of its sustainability.

Employees by age group	U.M.	2024			2023			2022		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
> 50	N°	18	7	25	16	8	24	14	7	21
30 - 50	N°	38	10	48	35	10	45	35	10	45
< 30	N°	9	3	12	12	3	15	12	2	14
di cui < 25[1]	N°	5	1	6	7	2	9	9	2	11
Total Employees	**N°**	**65**	**20**	**85**	**63**	**21**	**84**	**61**	**19**	**80**

[1] Within the "<30" age group, the working group has specified how many employees belong to the "<25" subset, in order to demonstrate Stemin S.p.A.'s commitment to investing in the training of young people, entrusting them with significant responsibilities.

Young talent and new generations

The working group deemed it appropriate to highlight, within the "<30 years" category, the presence of **six employees under 25**, demonstrating Stemin S.p.A.'s commitment to training and nurturing young talent. The slight decrease compared to the previous year is seen as a positive indicator, reflecting the growth and retention of these young employees within the company.

Stemin S.p.A. continues to be a "young" company in spirit as well, with an **average employee age of 42** and a significant **under-30 workforce (12 individuals)**. **It is precisely this new generation that was entrusted with preparing the present Sustainability Report**: a working group with an average age of 27, embodying an approach that is open to innovation and attentive to ESG values.

Growth, innovation and shared responsibility

The new generations embody the sustainable future that Stemin S.p.A. aims to build.
Within them, the company recognises curiosity, environmental awareness, and a drive for continuous improvement—values that have long defined its corporate culture.
Investing in their talent means **fostering a virtuous cycle of innovation and shared responsibility**, benefiting both the organisation as a whole and the wider community.

In this perspective, the company does not merely offer job opportunities but **creates pathways for personal and professional growth**, enabling the new generations not only to continue the work already undertaken but to surpass and improve it, contributing to the construction of a more responsible, equitable, and innovative future.

Experience, stability and talent retention

The average length of service of employees, **7.81 years**, reflects a dynamic and expanding work environment.
Although this figure may appear modest, it should be interpreted in light of the r**ecent opening of the Stemin 41 production site**, operational since 2016 and currently **hosting 41.18% of the total workforce**.
This highlights the **solidity of the company's growth** and the **effectiveness of its talent retention policies**, designed to ensure well-being, development, and a strong sense of belonging.

A virtuous balance

The stability of the workforce, combined with the presence of young professionals, represents for **Stemin S.p.A. a virtuous balance between experience and innovation, tradition and renewal**.
This balance constitutes a key lever for steering the company towards a sustainable, competitive, and people-centred future.

4.2 Focus on Well-being

Health protection and prevention: the defibrillator in the workplace

As part of its initiatives dedicated to the health protection and safety of its employees, Stemin S.p.A. has equipped its plant with an **Automated External Defibrillator (AED)**, placed in a clearly visible and easily accessible location for all operational areas.

Following the installation, the company organised internal BLSD (Basic Life Support and Defibrillation) training courses in collaboration with the Italian Red Cross – Bergamo Hinterland Committee. These training programmes enabled volunteer staff to acquire essential skills to respond quickly and effectively in emergency situations. The strong participation in these courses highlights employees' commitment to collective safety and their proactive contribution to the well-being of the company community.

The AED has also been registered on the PADDLES portal of the Regional Agency for Emergency and Urgency (AREU), making the device available for potential use in the surrounding area as well – a further demonstration of Stemin S.p.A.'s commitment to the local community.

Daily well-being: the company canteen

Stemin S.p.A. reaffirms its commitment to promoting health and quality of life in the workplace by providing a **free canteen service** for all employees on working days.
The meals offered are designed to be balanced, nutritious, and of high quality, with a periodically updated menu that caters to diverse dietary needs and preferences, including specific diets.

This service represents a tangible support for the physical and mental well-being of employees and contributes to the promotion of healthy and conscious eating habits.

Dialogue and participation: "A coffee with the President"

To foster a participatory work environment and encourage direct dialogue between employees and company leadership, Stemin S.p.A. has launched the initiative "A coffee with the President."
Upon request, employees have the opportunity each month to meet the President in an informal setting, dedicated to exchanging ideas, proposals, and observations on organisational matters or topics of shared interest.

These moments serve as an important space for listening and dialogue, where every contribution can support continuous improvement and strengthen employees' sense of belonging. During these meetings, discussions also cover sustainability topics, aiming to raise awareness of environmental and social issues throughout the organisation.

4.3 Workplace Safety

A constant and shared commitment

For Stemin S.p.A., **the health and safety of employees** is an **indispensable value** and a central pillar of corporate social responsibility.
Operating in a complex, high-risk sector such as the metalworking industry, the company considers the protection of people an absolute priority, fully integrated into all business processes and managed through a preventive, systemic, and participatory approach.

In line with the GRI Standards 403: Occupational Health and Safety (2018) and the ESRS S1 – Own Workers and ESRS S2 – Workers in the Value Chain, Stemin S.p.A. adopts a safety management model that goes beyond mere regulatory compliance, based on the **principle of continuous improvement**.
This approach, aligned with ISO 45001:2018, enables the company to continuously monitor risks, performance, and health and safety indicators, actively involving all levels of the organisation.

Results achieved: zero accidents

Over the past three years, **Stemin S.p.A. has recorded zero workplace accidents**.
This achievement is particularly significant when compared with national data provided by INAIL, which indicate that the metalworking sector continues to exhibit one of the highest accident rates within the Italian industrial landscape.
The zero frequency rate therefore serves as a tangible indicator of the robustness of our management system and the effectiveness of the preventive measures implemented.

Materiality analysis and stakeholder value

In the double materiality analysis process, employee **health and safety emerged as one of the most significant issues** for both the organisation and its internal and external stakeholders.
Protecting the physical and psychological well-being of employees is recognised as a **key factor for creating long-term sustainable value**.
In a social context where workplace accidents remain a widespread concern, being acknowledged as a virtuous company in terms of prevention and safety strengthens Stemin S.p.A.'s reputation, consolidates stakeholder trust, and positions the company as a benchmark within the sector.

Training and culture of prevention

One of the main tools supporting these results is **continuous training**. Each year, Stemin S.p.A. invests dedicated resources in **safety training programmes**, which include regulatory updates, **emergency simulations, and practical exercises**, in accordance **with GRI 403-5 (Training of workers on health and safety)**.
The objective is to foster a **culture of prevention** in which every employee feels an active role in collective protection, fully aware that safety is a shared and daily responsibility.

In parallel, and in line with **ESRS S1-14 (Health and Safety)**, **performance indicators** related to accidents, near misses, and hours of training delivered are continuously monitored, ensuring **transparency and traceability** of results.

0% In the three-year period 2022–2024, **no sanctions were recorded concerning Occupational Health and Safety.**

HSE oversight and safety governance

To ensure the highest standards of protection, **Stemin S.p.A. has an internal HSE (Health, Safety & Environment) team**, composed of qualified professionals who are continuously updated on national and European regulations regarding workplace safety and environmental protection.
The team serves as both the operational and strategic safeguard for the company's health, safety, and environmental policies, ensuring full compliance with legislation and the adoption of international best practices.

Workplace Health and Safety		U.M.	2024	2023	2022	2021
Stemin Data	Minor injuries	N°	0	0	0	0
	Major injuries	N°	0	0	0	0
	Fatalities	N°	0	0	0	0
	Hours worked	h	154.798	149.501	139.396	125.885[1]
	Injury frequency rate	%	0	0	0	0
	Injury severity rate	%	0	0	0	0
	Injury incidence rate	%	0	0	0	0

[1] To calculate the total hours worked in 2021, the sum of the hours worked at Stemin S.p.A. and IMT Italia S.p.A. was considered. IMT Italia S.p.A. corresponds to the current Stemin S.p.A. site at Via J.F. Kennedy 4/A, 24040 Ciserano (BG), which was merged into Stemin S.p.A. on 1 January 2022.

Comparison with the national context

Against a national average which, according to INAIL – Annual Report 2024, recorded approximately 593,000 occupational injury claims and over 1,200 total fatalities in 2024, the result achieved by Stemin S.p.A. represents an outstanding performance.
In the metalworking sector (Ateco C24), the average rate is 28.14 injuries per 1,000 employees, according to INAIL's analysis "Statistical Data on Occupational Injuries and Diseases in Industrial Companies of the Metalworking Sector" (2024).

The national picture of workplace safety, based on the most recent INAIL data in the 2024 Annual Report, remains complex, albeit with some signs of improvement.
In 2024, around 593,000 total injury claims were submitted, a figure substantially stable compared with the previous year, showing a slight positive variation of 0.4% compared with 2023.
Workplace injury claims (excluding students) numbered 421,533, marking a decrease of 1.9% compared with 2023, while commuting accidents – those occurring during travel between home and work – increased by 3.1%, reaching 97,399 cases.
This trend highlights the growing importance of preventive measures even outside the production environment, in a context of increasingly exposed daily mobility risks.

Regarding fatal accidents, in 2024 there were 1,202 total deaths, slightly down from 2023. Of these, 886 occurred "in the course of work" and 303 during commuting. Although the data show a general downward trend, the number remains significant, underscoring the need to maintain strong focus on prevention and safety culture.

In the manufacturing sector, according to the thematic analysis published by INAIL in May 2025, 93,346 injury claims were recorded in 2023, confirming the sector as one of the most exposed, alongside construction and transport. Despite a slight decrease compared with 2022, the industrial sector continues to be one of the highest-risk areas, both in terms of total events and the average severity of incidents.

Overall, the data confirm that, despite an overall improvement in the frequency rate, Italy is still far from achieving the "zero injuries" goal. The main critical areas remain in high-risk sectors – such as metalworking, construction, and logistics – where process complexity and physically demanding activities require constant control and an integrated approach to safety management.
In this context, **maintaining a zero-injury rate for three consecutive years positions Stemin S.p.A. as a best-practice model of prevention and responsibility**, demonstrating that an integrated and participatory approach can lead to measurable and lasting results.

Future objectives

Looking ahead, Stemin S.p.A. is committed to:

- **maintaining zero workplace accidents** over the next three years;
- **strengthening training** and awareness **programmes**;
- **promoting a safety culture** founded on respect, responsibility, and mutual care.

4.4 Training and Professional Development

Stemin S.p.A. firmly believes that the **growth of its people** is the true driver of organisational success.
This principle is reflected in the data: **77% of strategic positions** are currently held by professionals who began their careers within the company.
This achievement demonstrates how the best talents can be nurtured internally, developing and evolving alongside the company itself.

Structured and personalised training programmes

To support employee development, the company offers targeted training programmes designed to enhance both technical and soft skills. The objective is clear: to enable each employee to reach their full potential, transforming ambition and talent into tangible results.

8.71 **average training hours per employee in 2024,** reflecting the company's ongoing commitment to developing and empowering its people.

Each year, the company allocates a significant portion of its budget to training, ensuring dedicated hours to refine skills and build new career opportunities. Personal growth thus becomes a shared journey, fostering both individual success and the organisation's achievements.

Stemin S.p.A. has already launched structured training programmes and is progressively implementing a comprehensive management and monitoring system, with **the goal of providing personalised development paths for 100% of employees by 2027**.

Inclusion, equal opportunities and protection of rights

Stemin S.p.A. condemns all forms of child labour, operating in full compliance with ILO Conventions No. 138 and No. 182, and carefully verifies the minimum age of workers during hiring, also requiring its suppliers to uphold the same standards.
Similarly, the company rejects any form of forced or coerced labour throughout its value chain, **in accordance with ILO Conventions No. 29 and No. 105**. Preventive checks are carried out on contracts and working conditions, promoting ethical and transparent practices in relations with partners and suppliers.

Since its foundation, **no cases of child or forced labour have ever occurred**, confirming Stemin S.p.A.'s concrete commitment to ensuring an ethical, safe workplace that respects human dignity.

4.5 Focus on the Local Community

Community and local area

Stemin S.p.A. supports numerous local initiatives in the areas of sport, culture, and education:

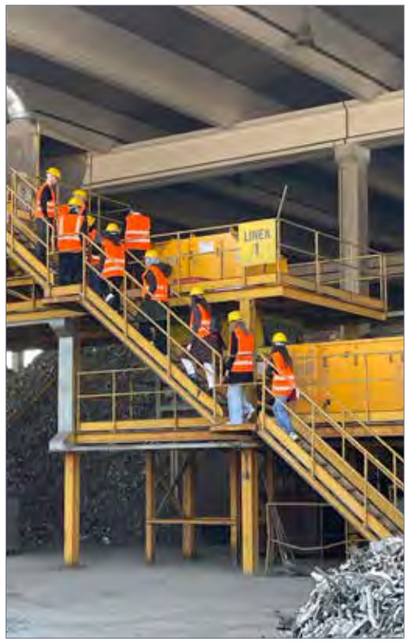
- **Youth Sport**: Main sponsor of the amateur football team **S.S.D Virtus Ciserano Bergamo**, which comprises over 14 active teams across two Bergamo territories, involving more than 280 athletes (108 children and young people in Ciserano and 158 in Alzano Lombardo). The company also supports various local sports disciplines, including cycling, athletics, volleyball, and tennis.

- **Cultural and Scientific Events (in collaboration with FECS Group)**: Support for **BergamoScienza**, **Fondazione Donizetti**, **GAMEC** (Modern and Contemporary Art Gallery), and **Bergamo Città Impresa**.

- **Education and Young Generations**: **Distribution of a school diary** across three municipalities, **annual guided tours of the company**, and participation in **PMI Day** organised by **Confindustria Bergamo**.

- Olivo Foglieni serves as the direct Confindustria contact for the **ENFAPI Vocational Training Centre**, a school strongly promoted in Treviglio by Confindustria in collaboration with BCC Treviglio. The ENFAPI Centre currently hosts around 300 students.

- The Foglieni family, in collaboration with the **Lombardy Region**, has launched an experimental project to **construct 33 apartments** to be offered at moderated rents to **individuals facing economic hardship**. The project is currently managed internally by the Foglieni family with the support and **collaboration of the CasAmica organisation**.



Charity and research initiatives

The President of FECS Group, Olivo Foglieni, together with the Foglieni family, actively supports initiatives aimed at promoting scientific research and safeguarding health. Key engagements include:

- **SOS Association – Solidarietà in Oncologia San Marco Zingonia**
  The Group President, serving as President of the Association from 2022 to 2024, is proud, both personally and as an industry representative, to support such an important cause as cancer research. Founded in October 2013 by a team of doctors and professionals at the San Marco Polyclinic in Zingonia, the Association is actively committed to fighting cancer, combining medical excellence with high-quality care and support for patients and their families.

- **FROM – Foundation for Research of Bergamo Papa Giovanni XXIII Hospital**
  The Group is a founding member of FROM, established in 2008 to create the conditions for hospital staff to play an active role in national and international medical research. The Foundation aims to enhance, optimise, and extend research capabilities across all hospital departments, ensuring rapid translation of results into clinical practice.

- **Fondazione San Giuliano Onlus**
  The Group is also a founding member of this Foundation, which promotes social and welfare initiatives in support of the local community.

In recent years, Stemin S.p.A. and the Foglieni family have supported:

- Municipality of Ciserano
- Municipality of Comun Nuovo
- National Carabinieri Association
- Treviglio-Caravaggio Hospital
- Bolognini Hospital of Seriate
- Comunità della Salute
- US Ciclistica Ciserano
- Accademia dello Sport per la Solidarietà
- Fondazione Teatro Donizetti

FROM Fondazione per la Ricerca Ospedale di Bergamo

FONDAZIONE SAN GIULIANO ONLUS

5

Quality System

5.1 Supplier Selection

A structured and transparent approach

Stemin S.p.A. adopts a supplier selection process structured around a systematic and transparent approach, divided into two main categories: **material suppliers and service providers. Each category follows specific assessment criteria and procedures**, designed to ensure not only compliance with applicable regulations and quality standards, but also alignment with the principles of sustainability and social responsibility set out in the relevant standards.

Selection and monitoring of material suppliers

For material suppliers, the selection process begins with a **fiscal and authorisation check**, which verifies the legal existence of the company, compliance with social security contributions, and possession of the minimum requirements to operate.
Only after successfully passing this preliminary stage are the materials subjected to **strict quality controls** upon delivery, in accordance with internal procedures. These checks ensure that each product complies with **technical specifications, safety standards, and environmental requirements**.

Technical-professional validation of service providers

Service providers are assessed through a t**echnical-professional validation procedure using the company's dedicated qualification portal**.
Each provider must upload mandatory documentation to the portal, including proof of social security contributions, insurance policies, occupational health and safety certificates, and other legal and regulatory requirements.
Only after this documentation is thoroughly reviewed and approved by the company's staff **are providers granted access to company facilities**, following entry verification procedures and in full compliance with internal control protocols and privacy regulations.

Periodic evaluation and continuous improvement

Supplier evaluation is further reinforced through semi-annual management reviews, during which providers are scored according to criteria such as:
- commercial flexibility and negotiation capabilities,
- payment terms,
- problem-solving effectiveness,
- innovation capacity,
- technical support and completeness of submitted documentation.

Possession of recognised certifications and the absence of non-conformities recorded in the preceding period **contribute to a higher overall score**, ensuring that commercial relationships are founded on quality, reliability, and sustainability.

Supply chain sustainability

This integrated approach to supplier selection and monitoring not only ensures compliance with regulatory and quality requirements, but also supports the adoption of sustainable practices across the entire supply chain. It aligns with the principles of transparency, responsibility, and risk management established by the GRI and ESRS, thereby strengthening the trust of customers, stakeholders, and the communities involved.

- In line with its ESG improvement plan, the company has committed to **including environmental and social clauses in 100% of supply contracts by 2027**.
- **In 2024, 100% of suppliers were assessed according to qualitative, environmental, and safety criteria**, confirming the robustness of the management system in place.

Responsible sourcing and local development

Stemin S.p.A. promotes a **responsible sourcing policy**, prioritising collaboration **with local suppliers to support the economic development of the territory and reduce the environmental impact of transportation**.

During the last financial year, 9,126 invoices were issued by Italian suppliers and 11,466 by foreign suppliers. Among the Italian suppliers, 2,814 invoices originated from operators located in the province of the company's headquarters; including neighbouring provinces within a 100 km radius, the total rises to 5,069 invoices, relating to 440 suppliers overall (238 in the reference province and 202 in the surrounding areas).
These figures confirm the company's commitment to strengthening the local supply chain while ensuring ethics, quality, and transparency throughout the entire procurement process.

79% 79.6% of goods and services were provided by operators based within the national territory.

5.2 Quality and Traceability

Stemin S.p.A. stands out for a **production system built on technological innovation, scientific rigour, and systematic control at every stage of the manufacturing cycle**. The quality of raw materials and finished products is ensured through an integrated system of multidimensional checks and controls, which includes in-depth chemical and physical analyses of raw materials, continuous inspections throughout all processing stages, and final product testing, with measurements down to parts per million (ppm).
Each phase of the process is carefully monitored to ensure critical parameter control, metallurgical stability, compositional consistency, and maximum product performance reliability.

The in-house laboratory, equipped with advanced instrumentation for microstructural analysis, spectrometry, and high-sensitivity testing, enables scientifically rigorous controls, while the complete absence of radioactive contamination is verified through specific tests across the entire supply chain, from raw material to finished product.

Digital traceability across the entire supply chain

Traceability is a cornerstone of Stemin S.p.A.'s **quality system**. Each batch is monitored from its origin as raw material through digital systems that record detailed information on certificates of origin and intermediate inspections.

This system, particularly for the automotive sector, also integrates with the **IMDS (International Material Data System)**, enabling comprehensive documentation of material composition and compliance with automotive industry regulations.
Through IMDS, Stemin S.p.A. ensures full traceability of materials across the entire supply chain, can respond promptly to verification requests from customers and regulatory authorities, and guarantees full compliance with international environmental and safety specifications.

Regulatory compliance and international certifications

Stemin S.p.A. operates in full compliance with **UNI EN ISO 9001:2015** and **IATF 16949:2016 standards**, specific to the automotive sector, as well as **EU Regulations No. 333/2011** and **No. 715/2013**, which cover the criteria for end-of-waste qualification and the transformation of metal scrap into secondary raw materials.
These certifications underscore the company's ongoing commitment to maintaining high-quality standards, continuously improving processes, and meeting customer requirements with precision.

Material lifecycle management

Beyond ensuring product quality, Stemin S.p.A. extends its traceability system to the management of the material lifecycle, integrating advanced recovery and recycling practices that reduce waste and environmental impact. The adoption of structured, digitally monitored procedures enables continuous improvement of production processes, ensuring efficiency, sustainability, and safety.
This integrated approach to quality and traceability combines scientific rigour, advanced technologies, and environmental responsibility, creating a model of production excellence that safeguards customers, employees, and the environment, positioning the company as a reliable benchmark in the metallurgical sector.

- **100% of materials are fully traceable and compliant with customer requirements.**
- **In-house technicians qualified to carry out all quality and process inspections, with ongoing training.**

5.3 Our Certifications

An Integrated Management System focused on excellence

Stemin S.p.A. has implemented an **Integrated Management System** aligned with leading international standards, aimed at the systematic control and continuous improvement of its production, managerial, and environmental processes. This system enables structured **monitoring** of **operational performance**, ensuring not only regulatory compliance but also **effective risk management** and **oversight of critical process areas.**

The organisation **operates in full compliance** with the requirements set out in its **Integrated Environmental Authorisations (AIA)** and is duly **registered with the National Register of Environmental Managers**, categories 4 and 8, for the management and intermediation of non-hazardous special waste, with or without custody.

To further demonstrate its commitment to legality, risk prevention, and corporate responsibility, the organisation **has** also **adopted an Organisational, Management and Control Model pursuant to Legislative Decree 231/2001, fully integrated into its corporate governance system**.

Operational strength and sustainable approach

Within the context of ESG (Environmental, Social, Governance) assessments, Stemin S.p.A. has achieved significant recognition, being awarded the **Platinum EcoVadis medal**—placing it within the top 5% of companies in its sector—and an **"A" rating from Synesgy (CRIBIS – A CRIF Company)**, the highest possible score on the platform. These accolades attest to the robustness of the company's management system, its alignment with internationally recognised sustainability criteria, and its high level of maturity in responsibly managing environmental, social, and governance impacts.

The certifications obtained over the years further demonstrate Stemin S.p.A.'s ongoing commitment to **a solid, structured management system that fully complies with applicable regulatory and voluntary requirements**. This approach, focused on continuous improvement, transparency, and operational excellence, reflects the company's core value.

PLATINUM Top 1% ecovadis AUG 2025

231 SOCIETÀ DOTATA DI MODELLO ORGANIZZATIVO AI SENSI DEL D.LGS. 231/2001

Synesgy A

Certifications

- UNI EN ISO 14001:2015 (INTERTEK Italia S.p.A.)
- UNI EN ISO 9001:2015 (INTERTEK Italia S.p.A.)
- UNI EN ISO 45001:2018 (INTERTEK Italia S.p.A.)
- ISO 14064-1:2018 (Bureau Veritas Italia S.p.A.)
- ISO 14067:2018 (Bureau Veritas Italia S.p.A.)
- Conformity to EU Regulation UE 333/2011 (Certiqualiy S.r.l.)
- Conformity to EU Regulation UE 715/2013 (Certiqualiy S.r.l.)
- IATF 16949:2016 (SQS)
- ASI PERFORMANCE STANDARD V.3 (Bureau Veritas Italia S.p.A.)
- AEOF Certificate (Customs Agency)

5.4 Customer Satisfaction

A key indicator of quality and sustainability

Customer satisfaction represents a central element of Stemin S.p.A.'s journey towards excellence, service quality, and sustainability. The company's objective is to build strong and lasting relationships based on trust, transparency, and collaboration, placing the customer at the heart of every strategic and operational decision.

Structured collection of feedback

To assess customer satisfaction and promote the continuous improvement of its services, Stemin S.p.A. periodically collects feedback through **structured questionnaires**. These allow for a detailed analysis of customers' perceptions regarding various aspects, such as product quality, operational efficiency, on-time delivery, and responsiveness to requests or issues.
A distinguishing feature of the company's approach is the **segmentation of the customer** base into homogeneous groups, both national and international, to gain a clearer understanding of the specific needs of each market.
The satisfaction survey is mainly divided into two categories: customers operating in the "waste and metal scrap" sector and those dealing with "semi-finished products." This distinction enables Stemin S.p.A. to identify the priorities and specific dynamics of each sector, improving service quality and tailoring offerings to meet the precise expectations of its customers.

Analysis of results and continuous improvement

The data collected are carefully analysed and used to define corrective actions and improvement initiatives. Every comment or suggestion from customers is discussed internally, as open and constructive dialogue is essential to achieving the highest levels of satisfaction and loyalty.

Stemin S.p.A. takes pride in recognising that its efforts in sustainability and innovation are valued by its customers. The results, organised by category and geographical area, confirm the effectiveness of its approach and provide valuable insights to continue progressing with determination along a path of responsible and sustainable growth, while maintaining high standards of service and attentiveness to market needs.

Customer Satisfaction[1]	2025		2024		2023		2022	
	Italiy	Abroad	Italiy	Abroad	Italiy	Abroad	Italiy	Abroad
Semi-finished Products Customers	90,50%		82,10%	95,20%	86,60%		85,20%	
Scrap/Metal Waste Customers	93,00%	97,50%	87,10%	97,60%	85,90%	94,60%	85,50%	92,40%
Overall Satisfaction	**93,66%**		**90,50%**		**89,03%**		**87,70%**	

[1] The customer satisfaction questionnaire is sent to all significant clients, both in the semi-finished products and scrap/metal waste segments, located in Italy and abroad (excluding clients who made only a single purchase during the year). In 2025, a total of 34 responses were received, which were used to calculate the satisfaction ratings.

Improvement trend

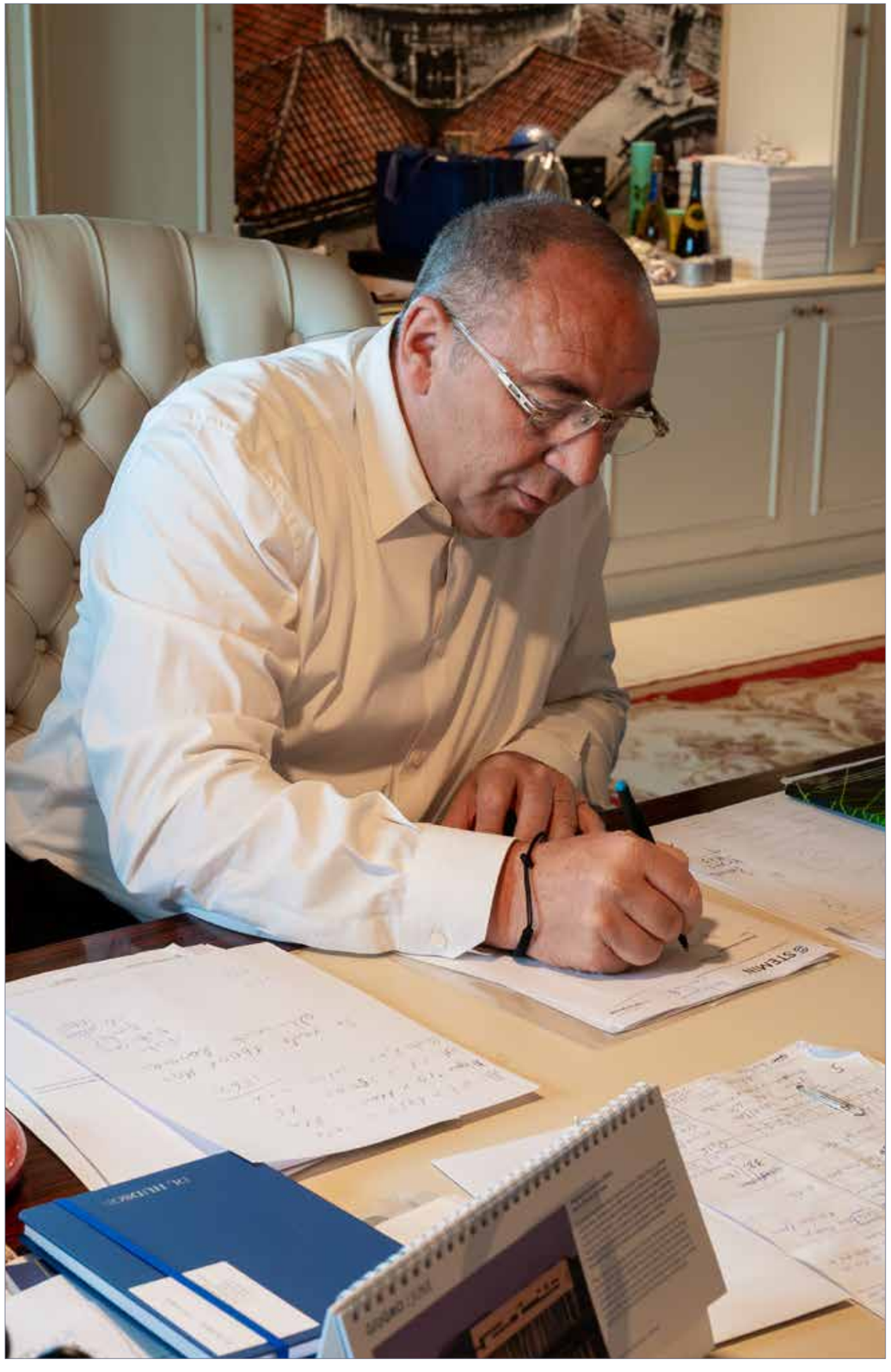
Over the past four years, Stemin S.p.A. has recorded significant progress in customer satisfaction: **the overall satisfaction rate increased from 87.70% in 2022 to 93.66% in 2025**, confirming the effectiveness of strategies focused on product quality and process efficiency, which are considered key competitive levers for responding promptly and accurately to market demands.

Data analysis highlights that **the most marked increase occurred among domestic clients in the "scrap/metal waste" segment**, whose overall satisfaction **rose by over 8 percentage points** during the period, approaching the levels observed in foreign markets. Specifically, the "scrap/metal waste" customer segment demonstrates excellent performance, with a satisfaction rate of 93.0% in Italy and 97.5% abroad.
The "ingots/RSI" category also shows positive results, reaching 90.5%, a significant improvement from 85.20% in 2022.
These indicators point to a greater stability of perception in international markets, where material quality and operational efficiency are particularly critical evaluation factors.

Interpretation of results and outlook

The analysis highlights that:
- international clients place greater emphasis on the technical and performance aspects of the products
- Domestic clients increasingly focus on overall reliability and the quality/price ratio.

Aware of the impact of cost dynamics on perceived value, Stemin S.p.A. will continue to pursue an optimal balance between quality excellence, economic competitiveness, and sustainability of performance, with **the aim of consolidating client trust and loyalty over time**.



Methodological Note

This document constitutes the **second Sustainability Report of Stemin S.p.A.** (hereinafter also "Stemin") and covers the period **from 1 January 2024 to 31 December 2024**.
The preparation of this report confirms and strengthens the company's commitment to sustainability, continuing the reporting path initiated with the first edition and consolidated through an increasingly structured and integrated approach within the corporate strategy.

Over the years, Stemin has continued to develop initiatives and make significant investments in environmental, social, and governance (ESG) areas, recognising these as key factors for value creation and the continuity of its business.
Through the publication of this document, **the company aims to maintain transparency towards its stakeholders by sharing the results achieved and progress made against defined objectives, as well as outlining priorities for the coming years**.

The Report has been prepared **in accordance with the Global Reporting Initiative (GRI) Standards**, using the most recent 2021 version, and also represents the first step towards alignment **with the new European Sustainability Reporting Standards (ESRS)**, in a view of progressive adaptation to forthcoming European sustainability reporting regulations.

The reporting adheres to the principles of accuracy, balance, clarity, comparability, completeness, timeliness, and verifiability, **as defined by the GRI and ESRS standards**.
Where possible, comparisons with data from previous financial years have been made to provide a clearer view of the evolution of corporate performance.
In all cases where estimates or approximations have been used, these have been clearly indicated in the text.
For future reporting, the company intends to extend the reporting scope to other companies within the FECS Group and to broaden the number of stakeholders involved, diversifying the methods of engagement and participation.

This Sustainability Report is available on the official Stemin S.p.A. website at www.stemin.it.
For any requests for further information regarding the preparation of this document or for additional details, please contact the ESG team at ESG@steminspa.it. Our team will be pleased to provide assistance and respond to all enquiries.

Comun Nuovo, 26 September 2025
Olivo Foglieni, President

GRI Content Index

Statement of Use			Stemin S.p.A. has prepared this report in accordance with the GRI Standards for the period 1 January 2024 – 31 December 2024.				
GRI 1 used			GRI 1: Foundation 2021				
Relevant sector standards			N/A				
GRI notification			This report has been registered by sending an e-mail to reportregistration@globalreporting.org				
GRI Standard / Other Source	Disclosure		Location	Omission			GRI Sector Standard Reference No.
				Omitted Requirements	Reason	Explanation	
GENERAL INFORMATION							
GRI 2: General disclosures 2021	THE ORGANISATION AND ITS REPORTING PRACTICES:						
	GRI 2-1	Details on the organisation	2 – 2.1. – 2.2.				ESRS 2
	GRI 2-2	Entities Included in the organisation's sustainability reporting	2.1.				
	GRI 2-3	Reporting period, frequency and contact point	7				
	GRI 2-4	Restatement of information	7				
	GRI 2-5	External assurance	-	No external assurance has been conducted, as this document has been prepared "in accordance with" the GRI Standards.			
	ACTIVITIES AND WORKFORCE						
	GRI 2-6	Activities, value chain, and other business relationships	2.2.				ESRS 2 ESRS S1
	GRI 2-7	Employees	5.1.				
	GRI 2-8	Non-employee workers	5.1.				
	GOVERNANCE:						
	GRI 2-9	Governance structure and composition	3.1.				ESRS 2 ESRS G1
	GRI 2-10	Appointment and selection of the highest governance body	3.1.	2-10 b.	Informazioni sensibili		
	GRI 2-11	Chair of the highest governance body	3.1.				
	GRI 2-12	Role of the highest governance body in supervising impact management	3.1.				
	GRI 2-19	Remuneration policies	-	Information omitted as considered sensitive data by the organisation.			
	GRI 2-20	Process for determining remuneration					
	GRI 2-21	Report on total annual remuneration					
	STRATEGY, POLICIES AND PROCEDURES						
	GRI 2-22	Statement on the sustainable development strategy	1 – 4.1. – 3.3. – 3.2.				ESRS 2 ESRS S1-S4 ESRS G1
	GRI 2-23	Commitments undertaken through policies	3.3.				
	GRI 2-24	Integration of commitments into policies	3.3.				
	GRI 2-25	Processes to remediate negative impacts	-	Reference is made to the Integrated Management System Policy and the company procedures.			
	GRI 2-26	Mechanisms to request clarifications and raise concerns	-				
	GRI 2-27	Compliance with laws and regulations	3.2. – 3.3. – 3.4. – 3.5.				
	GRI 2-28	Membership in associations	3.4.				
	STAKEHOLDER ENGAGEMENT						
	GRI 2-29	Approach to stakeholder engagement	2.4.2.				ESRS 2
	GRI 2-30	Collective bargaining agreements	3.1.				
MATERIAL TOPICS							
GRI 3: Material topics 2021	GRI 3-1	Process for determining materialtopics	2.4.				ESRS 2
	GRI 3-2	List of material topics	2.4.1.				
	GRI 3-3	Management of material topics	2.4.2.				
ECONOMIC SERIES							
ECONOMIC PERFORMANCE							
GRI 3: Material topics 2021	GRI 3-3	Management of material topics	2.4.				ESRS 2 ESRS G1-1
GRI 201: Economic rerformance 2016	GRI 201-1	Directly generated and distributed economic value	3.6.				
ANTI-CORRUPTION							
GRI 3: Material topics 2021	GRI 3-3	Management of material topics	2.4.				ESRS G1-2/3/4
GRI 205: Anti-corruption 2016	GRI 205-1	Operations assessed for risks related to corruption	3.4.				
	GRI 205-2	Communication and training on anti-corruption policies and procedures	3.4.				
	GRI 205-3	Confirmed incidents of corruption and actions taken	3.4.				
SUSTAINABLE PROCUREMENT PRACTICES (RESPONSIBLE PROCUREMENT)							
GRI 3: Material topics 2021	GRI 3-3	Management of material topics	2.4.				ESRS S3-3 ESRS S2-5
GRI 204: Procurement practices 2016	GRI 204-1	Proportion of spending on local suppliers	6.1.				

ENVIRONMENTAL SERIES							
MATERIALS							
GRI 3: Material topics 2021	GRI 3-3	Management of material topics	2.4.				ESRS E5-4/5/6
GRI 301: Materials 2016	GRI 301-1	Materials used by weight or volume	4.2.				
	GRI 301-2	Recycled input materials used	4.2.				
		Recovered or refurbished products and their packaging materials	4.2.	The company handles products that do not require packaging for commercial distribution.			
ENERGY							
GRI 3: Material topics 2021	GRI 3-3	Management of material topics	2.4.				ESRS E1-3/4/5
GRI 302: Energy 2016	GRI 302-1	Energy consumption within the organisation	4.3.				
	GRI 302-2	Energy consumption outside the organisation	4.3.				
	GRI 302-3	Energy intensity	4.3.				
	GRI 302-4	Reduction of energy consumption	4.3.				
	GRI 302-5	Reduction of energy requirements of products and services	4.3.				
EMISSIONS							
GRI 3: Material topics 2021	GRI 3-3	Management of material topics	2.4.				ESRS E1-4/5/6
GRI 305: Emissions 2016	GRI 305-1	Direct GHG emissions (Scope 1)	4.5.				
	GRI 305-2	Indirect GHG emissions from energy consumption (Scope 2)	4.5.				
	GRI 305-3	Other indirect GHG emissions (Scope 3)	4.5.				
	GRI 305-4	GHG emissions intensity	4.5.				
	GRI 305-5	Reduction of GHG emissions	4.5.				
	GRI 305-6	Emissions of ozone-depleting substances (ODS)	4.5.				
	GRI 305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant emissions	4.5.				
WASTE							
GRI 3: Material topics 2021	GRI 3-3	Management of material topics	2.4.				ESRS E5-2/3/4/5/6/7
GRI 306: Waste 2020	GRI 306-1	Waste generation and significant related impacts	4.4.				
	GRI 306-2	Management of significant waste-related impacts	4.4.				
	GRI 306-3	Waste generated	4..4				
	GRI 306-4	Waste diverted from disposal	4.4.				
	GRI 306-5	Waste directed to disposal	4.4.				
Discharges to water and waste 2016	GRI 306-3	Significant spills	4.4.				

SOCIAL SERIES							
OCCUPATIONAL HEALTH AND SAFETY							
GRI 3: Material topics 2021	GRI 3-3	Management of material topics	2.4.				ESRS S1-6/7/8/9/10
GRI 403: Occupational health and safety 2018	GRI 403-1	Occupational health and safety management system	5.3.				
	GRI 403-2	Hazard identification, risk assessment, and incident investigation	5.3.				
	GRI 403-3	Occupational health services	5.3.				
	GRI 403-4	Worker participation, consultation, and communication on occupational health and safety	5.3.				
	GRI 403-5	Worker training on occupational health and safety	5.3. – 5.4.				
	GRI 403-6	Promotion of worker health	5 – 5.2. – 5.3.				
	GRI 403-7	Prevention and mitigation of occupational health and safety impacts in business relationships	5.3.				
	GRI 403-8	Workers covered by an occupational health and safety management system	5.3.				
	GRI 403-9	Work-related injuries	5.3.				
	GRI 403-10	Occupational diseases	5.3.				
FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING							
GRI 3: Material topics 2021	GRI 3-3	Management of material topics	2.4.				ESRS S1-14
GRI 407: Freedom of association and collective bargaining 2016	GRI 407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	3.1.				
CHILD LABOUR							
GRI 3: Material topics 2021	GRI 3-3	Management of material topics	2.4.				ESRS S1-14
GRI 408: Child labour 2016	GRI 408-1	Operations and suppliers at significant risk for incidents of child labour	5.4.				
FORCED OR COMPULSORY LABOUR (MODERN SLAVERY)							
GRI 3: Material topics 2021	GRI 3-3	Management of material topics	2.4.				ESRS S2-14
GRI 408: Forced or Compulsory Labour 2016	GRI 409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	5.4.				
CUSTOMER PRIVACY							
GRI 3: Material topics 2021	GRI 3-3	Management of material topics	2.4.				ESRS S4-2/4
GRI 418: Customer Privacy 2016	GRI 418-1	Confirmed complaints regarding breaches of customer privacy and losses of customer data	3.8.				

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Logistics hub

FECS Group

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