

# Sustainability Report 2023



Cogne Acciai Speciali



# Sustainability Report 2023

# 2023 Sustainability report

Letter to Stakeholders	6
One year or year one - building together a global leading company	9
Our history: 106 + 1 years of success	13
A structured governance	19
The Many Qualities of Stainless Steel	37
Cogne World	41
From scrap to bars, ingots and wire rod	53
One Cogne - Lean Transformation	59
Environment	63
Carbon Emission Management Strategy - Decarbonization Roadmap	69
Biodiversity: why should companies care about it?	75
Building a winning team together	61
Development of safety culture: the BBS protocol	93
Local community and public relations	101
Sharing the added value with the community	109
A high-quality supply chain	113
Digitalization	117
Our journey towards a sustainable future	121
Methodological Note and Content Index	129



## Letter to Stakeholders

During 2023, a year which witnessed the dawn of a new era for Cogne Acciai Speciali, my first commitment as CEO of the Group was to visit all our main locations, where I gauged the passion, the competence, and the dedication of our people. Everyone. Everywhere.

It is truly an honor and a privilege to lead a Company with such a rich and meaningful history, diverse but complementary, innovative but resilient.

“Cogne: channeling the power of together to create a better future” is the concise synthesis of our intent, the pathway to reach our true-north target.

We are proud to unveil our seventh “Sustainability Report”, issued voluntarily and externally audited. This is a milestone in a virtuous path that began in 2017, when we published our first “Sustainability Report” and confirms how sustainability is our cornerstone.

The positive results we achieved, which are reported in the following pages, and even more the challenging goals we have set ourselves for the future, would not be possible without the exceptional contribution of the women and men of Cogne.

Sustainable business practices are non-negotiable, are a must in today’s world; and in Cogne Acciai Speciali we live them every day, they are not an “add-on” to care about only once every while. They are embedded in what we do, they are part of our culture.

Corporate responsibility is not about getting good ratings or producing glowing reports: it is much more.

It is how you conduct your daily business, where you decide to invest and how you train & care about your people with a time-span in the future. Your decisions of today are framing which Company will you be tomorrow.

Sustainability plays a central role in our business, it is a key driver for our long-term competitiveness & growth and goes to the heart of our mission, which is to create materials that are efficient, long-lasting and recyclable.

I am particularly proud of the commitment in Occupational Health and Safety, as all our employees are key to the company's success and we want to provide them a safe working place, everywhere we operate.

Safety remained at the top of our agenda in 2023 and we launched several engagement efforts to further increase the awareness and the safety orientation.

And, for the second year in a row, 2023 was the safest year of our history, even if we are not yet at zero injuries. But, as I wrote last year, it is not a matter of "if" we will get there but a matter of "when".

As a global leader, we continue to work together with our customers and partners to tackle world's most critical problems like energy, clean water and efficient infrastructure, where we marked clear improvements.

In 2024 we will continue to build on our strong heritage in sustainability, high product quality and solid technical expertise, for the good of our planet and our own continuous business success.

*Mr Massimiliano Burelli*  
Chief Executive Officer  
Cogne Acciai Speciali S.p.A.





**ONE YEAR  
OR YEAR ONE  
- BUILDING  
TOGETHER A  
GLOBAL LEADING  
COMPANY**



Cogne has always been considered of primary importance holding a highly competitive positioning on an international scale, and at the same time, participating in the socio-economic evolution of the environment in which it operates and engaging constructively with its stakeholders to create shared value. The cornerstones of this vision, on which the long-term continuity and sustainability of the Company are based, rest on numerous strategic aspects, amplified and supported by its people's competence and motivation. Amongst these, the main ones are the uniqueness of its product quality and customer orientation, the attention to health, safety and environmental aspects, the size and complexity of the industrial site, the commitment to energy transition and social responsibility, and also the integration with the local community.

The acquisition of Degerfors Long Products AB in 2023 was the first building block of the growth strategy to strengthen furthermore Cogne's position as global leader in specialty stainless steel long products. The acquisition brings on board not only the competences and professionalism of DLP colleagues but also support the expansion strategy and will rely upon the supply of blooms and billet from the Aosta site. This acquisition also allows the possibility to integrate and develop the product distribution in Nordics and Baltics regions.

The increasing share of superalloys products and Cogne's role in the specialty markets such as aerospace and defense, the dimension and complexity of the Aosta site is the result of decades of continuous investment and improvements to the production cycle. People's fundamental role is underlined by the continuity of direction, sense of belonging and contribution to socio-economic growth. These specific factors, inherent to the company's history, are continually reinforced and evolved. With such a consolidated vision, Cogne faces the current context of ecological transition and decarbonization and of strong geopolitical instability (arising from the Russian-Ukrainian conflict). In light of the European Union's difficulties in energy supplies, today more than ever the Company that considers it essential to guarantee, through its operations and efficiency, the availability of its products to all crucial end sectors such as medical and CPI.

Special Melted Products Ltd is a leading manufacturer of melted, forged and precision machined premium, specialty steels and nickel based super alloys used in critical applications in the Aerospace, Oil & Gas and Nuclear end markets. The acquisition of 100% of share capital was the additional step in our growth strategy and it significantly reinforced Cogne's presence in our focus markets. With significant synergies and knowledge in a very compelling market SMP is another important piece in the jigsaw that will fit perfectly in our group and create value for our stakeholders.

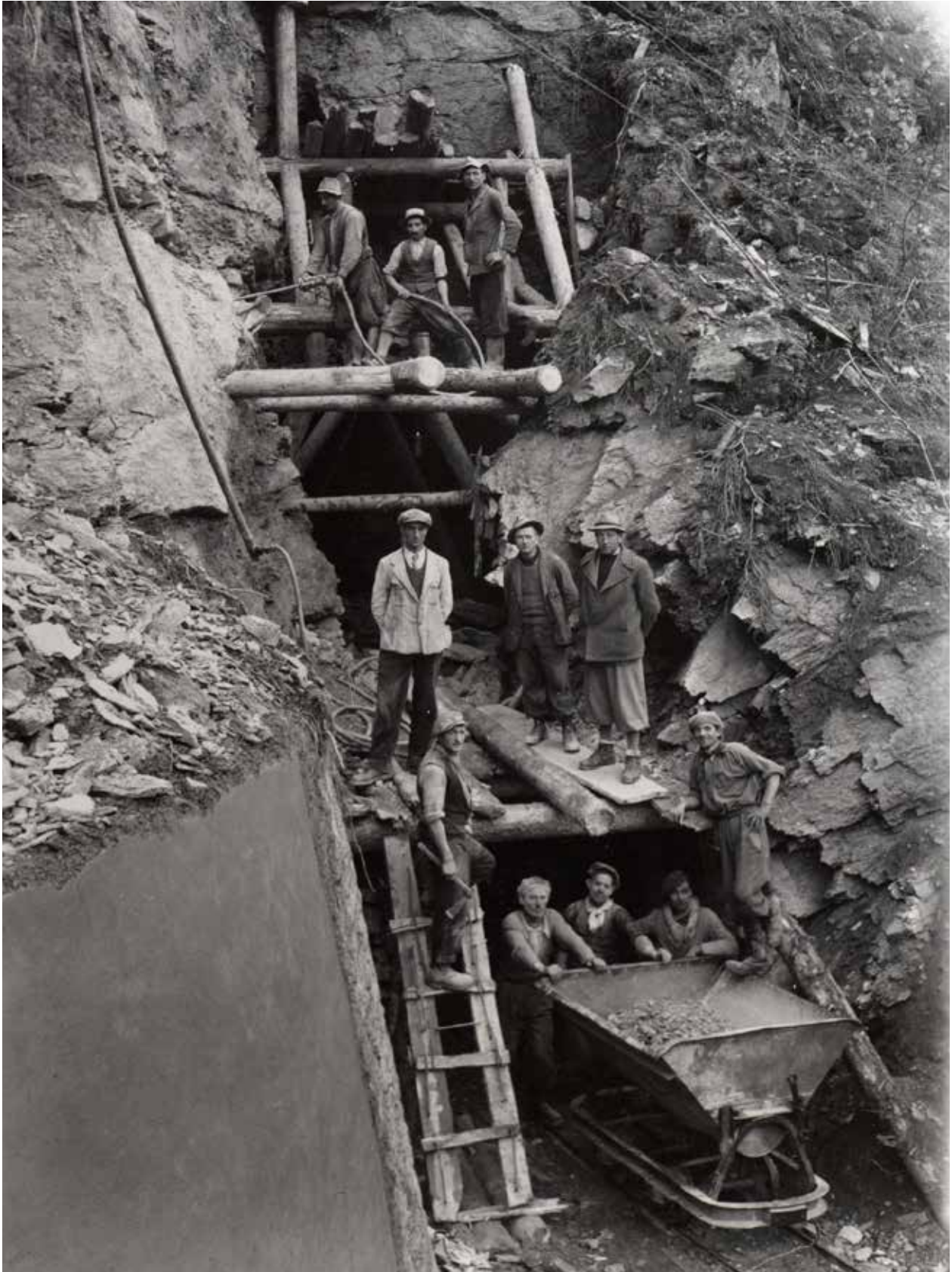
With this approach in mind, for some years Cogne has included in its industrial and strategic vision a short- medium term path aimed at optimizing the presence in the global market of nickel alloys and specialty products, through acquisitions, and increasing performance and efficiency of its plants, increasing the use of renewable energy sources, launching green hydrogen production and, more generally, supporting the circular economy.

Cogne intends to move increasingly towards a competitive and sustainable business model, in which the Aosta site remains central to the creation of value in the whole group, in a relationship of strong collaboration with the local population and companies.





**OUR HISTORY:  
106 + 1 YEARS OF  
SUCCESS**



The origins of the Cogne Acciai Speciali S.p.A. date back the idea of building a metalwork strategically close to the raw materials came in the early years of the 20th century, and was realized in 1916 at the initiative of Belgian entrepreneur Charles Van Der Straten Pontoz, who established the company “Società Miniere di Cogne”. However, the development of the electro-steel works in Valle d’Aosta came thanks to the work of Pio Perone, his determination and the skill of Italian and Swedish engineers, thanks to whom in a difficult period - that of the First World War - set up a unique electrical steelwork, supplied by magnetite from Cogne and powered by the hydroelectric power plants of Aymavilles, Chavonne and Champagne.



The all-Italian business grew over time and flourished in the 50's and 60's, generating all Italian migration from Veneto and Calabria to the Alps of Valle d'Aosta. Nevertheless, in the 1970s and 80s, Cogne Acciai Speciali S.p.A. experienced the downfall of the troubled state participation in the steel industry. In those years, the western steel industry drastically reduces its production capacity in the cast iron and steel sector as new products and new manufacturers from Far Eastern markets approached the globalized markets. For Ilva, Italy's top manufacturer that at the time owned the Aosta's plant, the rationalization process led to progressive downsizing, achieved following significant restructuring and plant closures. In the early 1990s Ilva decided to focus its activities on its core business, flat steels. Despite its recognized leadership due to product quality in the stainless-steel long products sector, the plant in Aosta faced closure as it was no longer part of the Group's strategic plans.

Cogne Acciai Speciali uniqueness attracted the interest of a well-known family of entrepreneurs, that planned its industrial restructuring and subsequent relaunch. Along with the privatization came the reducing of the area occupied by the plant and the subsequent return of space to the city of Aosta. Under the guidance of the Marzorati Family, the production resumed at the highest quality level and was also started the international expansion that progressively led to the establishment of commercial and production companies in Europe and the construction of a production plant in China. This year, Cogne Acciai Speciali S.p.A. celebrates 107 years of activities with subsidiaries distributed in 12 countries globally. Since its establishment, Cogne Acciai Speciali has grown and consolidated its reputation on international markets thanks to a clearly defined International Expansion and Specialization strategy, continuous commitment to Know-How Development while never relenting on sustainability as a guiding principle. Product quality and reliability have made it possible for Cogne Acciai Speciali to play a leading role over time in developing numerous projects and initiatives in favor of communities around the world.

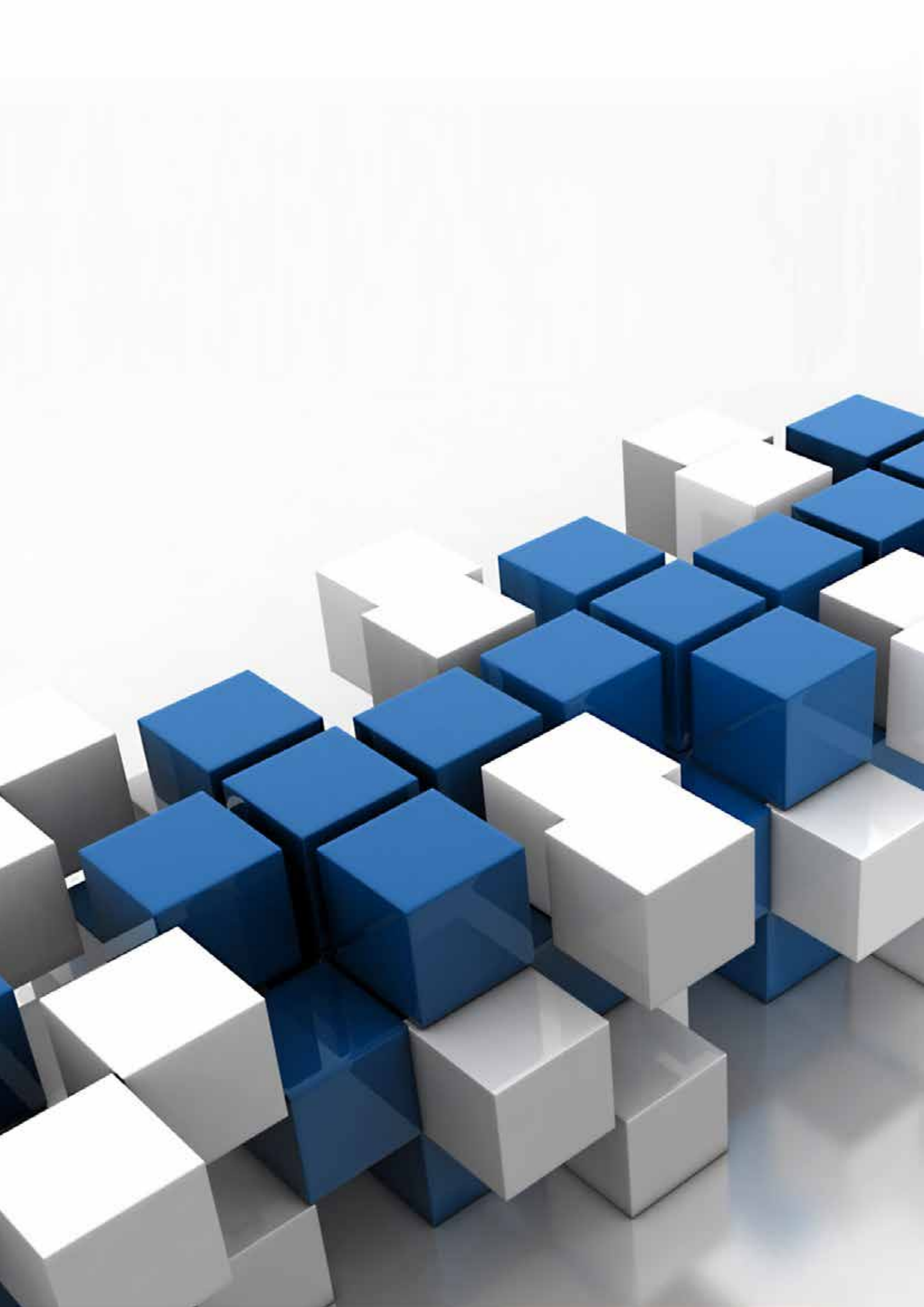


It has participated in the refurbishment of iconic infrastructures, such as the Stonecutter Bridge Hong Kong , the Shenzen Western Corridor, Hong Kong and the Hong Kong – Zhuhai - Macau Bridge, and in the construction of large infrastructures in Europe such as the Peljesac Bridge in Croatia.

In 2022 the Marzorati family passed the baton to Walsin Lihwa Corp, a listed Taiwanese company led by Mr Yu-Lon Chiao that own 70% of the company shares. The company's international character strengthened in 2023 through a campaign of acquisitions in Europe, specifically in Sweden and in Great Britain, nevertheless Cogne Acciai Speciali S.p.A. does not lose its local roots. Indeed, for over one hundred years now, the company has been receiving and returning work and value to the area, fueling economic growth and shaping its development and social characteristics (as well as urban planning), pursuing the protection and safety of workers and respecting the external environment. Cogne Acciai Speciali S.p.A. has drawn the strength necessary to return to conquer world markets, establish itself among the leading producers of stainless and special steel and now once again takes its place as an important, qualified and coveted employment

opportunity, precisely as a result of this combination of entrepreneurship and ties with the city.

107 years of activity are the expression of a great story of success, but Cogne Acciai Speciali S.p.A., above all, looks to the future and is ready to face new challenges with the unfailing commitment, passion, high specialization and professionalism that have always distinguished the company and its people.



# **A STRUCTURED GOVERNANCE**

Cogne Acciai Speciali S.p.A. **operates in the stainless-steel long products and nickel alloys manufacturer based in** Aosta, Valle d'Aosta - Italy. The company is controlled by two shareholders, both expression of two families that presides over and constitutes the Board of Directors. The Company's Governance consists of the traditional corporate bodies, represented by the Shareholders' Meeting, the Board of Directors (BoD) and the Board of Statutory Auditors. The members of the Governance Bodies are selected based on their skills and expertise, assessing potential conflicts of interest and in compliance with procedures aimed at protecting the shareholders and guaranteeing the absence of discrimination based on gender, ethnicity or age. The Company's Board of Directors, an executive body that meets periodically and is responsible for approving organizational strategies and developing a management policy, has 9 members (two of whom are female). The Board of Statutory Auditors, a governance and supervisory body appointed by Cogne Acciai Speciali S.p.A., is tasked with the supervision of compliance with the principles of correct administration of the Company. In the operational management of the processes, the top management is supported by the Company's Management to guarantee their full involvement and responsibility in strategic and operational decisions.

At 31/12/2023, the most significant shareholders that hold a stake, directly or indirectly in Cogne, are MEG SA (77,59727%) and REM SA (22,40273%). Walsin Lihwa Corporation, based in Taiwan that holds, indirectly, 70% of shares.

## BOARD OF DIRECTORS

The Board of Directors (BoD) has full powers for the ordinary and extraordinary administration, and for the implementation and achievement of the company business objectives, with the sole exclusion of powers which by Law or by the Articles of Association are the responsibility of the Shareholders' Meeting. Within this framework of responsibility, the Board of Directors is responsible for defining the sustainability policies and principles of conduct to be adopted at company level, in order to ensure the creation of value over time for shareholders and for all other stakeholders, together with the definition of the sustainability plan that the BoD itself has chosen to integrate in the Strategic Plan. The BoD assesses the organization's economic, environmental and social performance, any significant risks and opportunities, and its compliance with standards, codes of conduct and the principles declared during the approval of the strategic, business and financial planning documents, the annual budget, the financial statements and the interim management reports. The Board of Directors also evaluates the social and environmental performance reported annually in the Sustainability Report. The Board of Directors in office as at 31 December 2023 is appointed until the approval of the financial statements at 31 December 2024 and is composed of 9 Directors. For the appointment, the Articles of Association govern the appointment mechanism determining the number of Directors designated by each shareholder. As regards the qualitative profile, without prejudice to the possession of the integrity requirements, the objective that the Board of Directors set itself was to combine different professional and managerial profiles, recognizing the value attributed to the complementarity of experiences and skills, together with the diversity of nationality, gender and age, for

the purposes of the proper functioning of the BoD. In order to prevent episodes of conflicts of interest and in line with independence requirements established for the highest body of government of the Company, the President of the Board of Directors does not hold executive powers.

Yu-Lon Chiao Chairman of the Board of Directors  
Eugenio Marzorati Vice President  
Massimiliano Burelli Chief Executive Officer  
Roberto Marzorati Director  
Monica Pirovano Director  
Hsin-Yi Ho Director  
Chi-Sheng Niu Director  
Chester Chiao Director  
Motoo Ono Director

Under the terms of the Articles of Association, the BoD delegates its powers to one or more of its members and can also assign powers to the Chairperson, Deputy Chairperson and CEO, provided they do not conflict with each other. The Delegated Bodies may delegate part of their duties and responsibilities to those working directly under their management. In such cases, the delegation process is based on notarized powers of attorney. The Delegated Bodies are responsible for assessing whether the delegated persons possess the appropriate skills and personal characteristics and request periodic reports on the powers conferred with regard to economic, environmental and social aspects. The Board of Directors does not currently undergo evaluations of its performance regarding its oversight of impacts management on economical, environmental and social aspects.



## BOARD OF STATUTORY AUDITORS

The Board of Statutory Auditors is called upon to assess the adequacy of the identification, measuring, management and monitoring system for risks, as well as to verify the appropriate and prompt application of corrective actions held to be suitable for reducing risks to levels considered acceptable by the BoD when defining the business strategy. More specifically, the Board of Statutory Auditors verifies:

- the compliance of the acts and deliberations of the governing bodies with the regulation and statutory provisions, as well as the tangible means of implementing the same;
- the compliance of management choices with the principles of correct administration and, thus, with the general criteria of economic rationality, such as control of substantial legitimacy and compliance with the operative procedures and/or practices in force;
- the adequacy of the organization structure compared to the size and complexity of the Company, placing particular attention on the complete ness of existing Company departments, on the separation and on contrasting responsibilities in the functions and duties, as well as the clear definition of mandates or powers of each department;
- The adequacy of the internal control system in relation to the size and complexity of the company and the sector in which the Company.

Cogne's Board of Statutory Auditors in office as at 31 December 2023 is composed of 3 Standing Auditors and 2 Supplementary Auditors.

Mara Vanzetta Chairman of the Board of Statutory Auditors

Paola Barazzetta Standing Auditor

Aldo Valsecchi Standing Auditor

Franco Boga Supplementary Auditor

Roberto Piatti Supplementary Auditor

## **SUSTAINABILITY GOVERNANCE**

Cogne' governance is based on shared rules that inspire and direct strategies and activities. The instruments adopted guarantee respect for ethical values, principles and behaviors within an industrial model that plans for sustainable growth. Cogne adopts a traditional type of corporate governance system and to ensure consistency between behaviors and strategies has a governance model based on the division of responsibilities and on a balanced relationship between management and control.

In 2024 Cogne will review and align its sustainability strategy, objectives and governance and this process will be overseen by the Chief Executive Officer. The Board of Directors analyses and approves the Sustainability Report, which serves annually to publicize Cogne's environmental, social and economic strategies and performance and that meets stakeholder expectations on this matter. The Sustainability Report is prepared by the Sustainability and Corporate Affairs Department, in collaboration with all the several internal actors that manage material process, and that reports to the General Manager and the Chief Executive Officer. Top management reports to directors quarterly during the periodic meetings of the Board of Directors. The responsibility to review and approve material topics is of the Board of Directors, that approve the materiality analysis part of the Sustainability reporting. A specific team, lead by the Chief Executive Officer, is responsible to monitor and periodically review the materiality analysis.

Cogne' governance is based on shared rules that inspire and direct strategies and activities. The instruments adopted guarantee respect for ethical values, principles and behaviors within an industrial model that plans for sustainable growth. Cogne adopts a traditional type of corporate governance system and to ensure consistency between behaviors and strategies has a governance model based on the division of responsibilities and on a balanced relationship between management and control.

## THE CODE OF ETHICS

The excellent global reputation of the Cogne Acciai Speciali S.p.A., recognized as a reliable, solid and ethical partner, is accompanied by the values that have always guided the Company in its daily activities and business relations, such as integrity, transparency and loyalty. The Company operates globally and believes that transparency represents a driver for improving commercial results. For this reason, Cogne takes social and ethical responsibility seriously at a global level. This is made evident by the adoption of the Code of Ethics along with internal policies and rules, that express commitments that are defined directly by the Board of Directors. In particular, the Code of Ethics represents the point of reference that emphasize the values and principles underlying the company culture and to orient employee conduct in the daily performance of operations. The Code of Ethics guarantees transparent and direct communication with its stakeholders, both internal and external and it is intended to prevent misconduct or behavior inconsistent with the Company's directives. It outlines Cogne's approach to sustainable corporate practices (focused on the values and responsibilities of its people), contains the main guidelines on health, safety and the environment, and establishes the rules aimed at ensuring knowledge and application of the Code by all company's employees and business partners.

The company is also committed to the utmost integrity, honesty and correctness in all its internal and external relations in compliance with national and international laws and regulations. Particular attention is paid to unfailing compliance with the innovation projects have been completed in recent years and numerous initiatives aimed at increasing security standards have been launched. In par-

ticular, Cogne has designed and implemented an effective cybersecurity control system to cope with the increase in cyber-attacks, which could have negative consequences both financially and operationally. Individual behavior plays a central role in protecting IT systems from any potential cyber-attack or improper use of data. For this reason, Cogne has organized and is promoting targeted and awareness-raising training courses to support cultural change among its employees.

## ORGANIZATION, MANAGEMENT AND CONTROL MODEL

In Italy, the Company has prepared a specific Organization, Management and Control Model (MOGC, or "Model 231"), pursuant to Italian Legislative Decree 231/01. The Model 231 represents a set of principles, rules and provisions to regulate the diligent management of sensitive activities and aimed at preventing the commission of the offences referred to in Italian Legislative Decree 231/2001 and protect the Company itself.

The adoption of a MOGC (lastly approved by the Board of Directors in 2022 and available on the company website [www.cogne.com/governance](http://www.cogne.com/governance)) and its effective and constant implementation are also the expression of social responsibility by Cogne, resulting in benefits for all of its stakeholders, including the shareholders, the employees, creditors and all other subjects having interests linked to the Company. To guarantee the correctness and transparency of the management of company's activities and in compliance with the applicable regulations, Cogne appointed in 2023 a new Supervisory Board tasked with the supervision and monitoring of the effective implementation of the MOGC. The Supervisory Board is a multi-member body, formed exclusively by external individuals. One of the tasks of the Supervisory Board is to report to the Company's management on the implementation of the Model, any critical aspects identified and the need for changes.

Reporting follows two main lines: direct to the CEO and General Director, whenever the Supervisory Board deems it appropriate, and to the Board of Di-



rectors and the Board of Auditors, on an annual basis by means of a written report.

The Model 231 is periodically updated in order to take into account any regulatory, organizational and operational amendments and significant corporate events. Depending on the themes and types of supporting documents (Code of Ethics, Models 231, Policies), the Company communicates the commitments made through its policies internally via the corporate intranet or dedicated e-mailing integrated with specific induction and training on e-learning platforms.

## WHISTLEBLOWING CHANNEL

To offer all employees an opportunity to report unlawful conduct or conduct not in line with the provisions of the Company's Code of Ethics and in compliance with Italian regulations Cogne have access to a specific external online platform (the Whistleblowing Portal), which allows for anonymous reporting. In March 2023, the Italian Legislative Decree No. 24/2023, which transposes into the Italian legal system the regulations on whistleblowing dictated by Directive (EU) 2019/1937 and amended the Italian Legislative Decree No. 231/2001, became effective.

The Legislative Decree No. 24/2023 requires private sector entities that have adopted an organizational, management and control model pursuant to Legislative Decree No. 231/2001 such as Cogne activate an internal reporting channel and entrust its management to an autonomous internal dedicated person or office with specifically trained personnel to manage the reporting channel, or to an external entity, also autonomous and with specifically trained personnel. The Company, with the assistance of qualified external consultants, set up an internal reporting channel that allows reporting persons to make internal reports both in written form, through a dedicated web-based application, and in oral form, through direct meetings with the person who will be entrusted with handling them. The competent offices of the Company have, moreover, verified that the internal reporting channel and, in particular, the application offer adequate guarantees to ensure the confidentiality of the identity of the reporting persons, the persons involved, and the persons otherwise mentioned in the reports, as well as the contents of the reports and related documentation. As for the



management of the internal reporting channel, the company decided to entrust it to the Supervisory Body appointed pursuant to Legislative Decree No. 231/2001 (“Supervisory Body”), which offers adequate guarantees of autonomy and independence, as it is not in a situation of conflict of interest or otherwise in a situation that would limit or otherwise affect its autonomy and independence. In 2023, following the legislative amendment mentioned above, the Company proceeded to update its Whistleblowing policy, that was formally approved by Cogne’s Board of Directors.. The policy is available on the company’s website [www.cogne.com/vision-e-valori](http://www.cogne.com/vision-e-valori).

The company also proceeded to define a “Information document on the channel, procedures and prerequisites for making internal and external reports pursuant to Article 5(1)(e) of Legislative Decree no. 24/2023 (whistleblowing decree)” and updated the code of ethics to bring it in line with the contents of the document just mentioned. In 2023 no reports were made.

## PROTECTION OF HUMAN RIGHTS

Attention to and respect of individuals are issues that Cogne places at the heart of its growth and the sustainable development. The company operates in Italy, where a complex system of laws contributes to preventing the risk of human rights violations. Nevertheless, Cogne considers the UN Universal Declaration of Human Rights, the International Labour Conventions and Recommendations issued by the ILO (International Labour Organization) and the UN Sustainable Development Goals, to be essential points in defining its values. Acknowledging the absolute value of the fundamental principles of the Constitution of the Italian Republic, Cogne, in its own Code of Ethics, considers respect for the dignity of people and the condemnation of any discrimination – trade union, political, reli-

gious, racial, language or gender discrimination – as central, with the promotion of an inclusive culture at all levels. Cogne’s respect for human rights is always a fundamental prerequisite for correct business activity, which is reflected in our scrupulous compliance with the law and contract regulations, with the provisions of the Model 231 and the Code of Ethics, as well as in our constant discussion with Trade Unions and its suppliers. While having no specific Local recruitment policy, given the specific features of the Italian labor market, almost the totality of Cogne’s employees reside in the Aosta province where their place of work is located. Furthermore, considering the type of business, the geographical areas in which the company operates, and the procedures adopted to ensure compliance with current legislation, no risk of child labor or forced labor exists for Cogne. In 2023 Cogne did not record any violations for discriminatory practices.

## CORRUPTION PREVENTION

In conducting its operations, Cogne oversees interactions with Public Administrations and external parties in accordance with the principles outlined in the Code of Ethics and Model 231. These documents establish guidelines and codes of conduct aimed at preventing, to the extent possible, the occurrence of crimes specified in the Decree, including corruption. The company’s processes are further governed by specific procedures that delineate roles, responsibilities, and control methods, ensuring process traceability and authorization clarity to uphold transparency and integrity in its operations. In 2023, the Board of Directors (BoD) confirmed the previous commitment to develop an anti bribery management system, confirming the external anti-bribery officer appointed in 2022 to oversee the development of the system in collaboration with relevant internal company departments. In 2023, following the appointment of a new Supervisory body, alignment activities began between the developing anti-corruption management system and the organizational management and control model for the purposes of Legislative Decree 231/01. These activities will continue into 2024 and its available on the company’s website ([www.cogne.com/governance](http://www.cogne.com/governance)). The Anticorruption policy, approved in 2022, is shared with all employees.



## CERTIFIED MANAGEMENT SYSTEMS

Cogne is committed to offer its customers service efficiency, effectiveness, economic convenience, and high quality, operating with expertise and professionalism in full respect of the environment and safety, contributing to the well-being of its personnel and the community. For this reason, over the years, Cogne has developed standalone certified management systems in the areas of Quality, Safety and Environment, with the aim to provide a management framework to improve the company's quality, safety and environmental performances and do so in line with socio-economic requirements.

The values of Cogne are expressed in the Quality, Occupational Health, Environment and Safety and Major Accidents Prevention Policy, which is acknowledged and shared by all personnel. Cogne's focus on customers and process quality is confirmed by the possession of the following certifications:

- Quality Management System ISO 9001:2015
- Environmental Management System ISO 14001:2015
- Occupational Health and Safety Management System ISO 45001:208
- Quality Management System for the aeronautical industry, space and defence EN 9100:2018 AS9100D JISQ 9100:2016
- Accreditation Certificate ISO/IEC 17025:2017 - Testing Laboratory

- Quality Management System for steel products for the automotive sector: wire rod and wire, rolled, peeled and ground bars IATF 16949:2016
- Energy Management System ISO 50001:2018

All the audits carried out by the Certification Bodies in 2023 were concluded with a positive outcome and confirmed the maintenance of the Certifications held.

## TRANSPARENT COMMUNICATION AND STAKEHOLDERS ENGAGEMENT

Cogne considers it fundamental to maintain a proactive exchange of information and dialogue with its stakeholders, also leveraging an honest and transparent management of its activities. The company involves its stakeholders in different ways, including active participation in initiatives and discussion tables. For instance, to provide a solid contribution to the stainless-steel industry, the Group has joined a number of national and international Trade Associations. To demonstrate the importance of transparency as a cor-

nerstone of the company's actions, Cogne regularly publishes and updates technical data sheets, safety data sheets and performance declarations for each product on its website. In addition to the annual publication of the Consolidated Annual Financial Report and the Sustainability Report, the Company communicates directly and promptly with its customers and stakeholders in various ways, including the website and social media. Moreover, keeping up with the times and to expedite prompt and effective communication of information, the Company has made the decision to rely predominantly on the digital channels for communication purposes.

Stakeholders	Key Topics	Engagement Initiatives
Shareholders and Financial Institutions	Corporate Governance Transparent communications M&A transactions Economic/financial results Sustainable growth strategies	Communication of results and possible future risks Shareholders' Meeting Participations in round tables and events Code of Ethics Materiality analysis
Customers	Quality and reliability of product Transparent communications Credit management Sustainable development	Back office and support Website and social media Customer satisfaction surveys Code of Ethics Materiality analysis
Environment	Water saving Circular Economy Emissions Energy saving Waste management Environmental, social and economic sustainability sources	Use of renewable energy sources Energy savings and efficiency District heating support Reduction of waste produced Reduction of water use Reduction of emissions Biodiversity Awareness Code of Ethics Materiality analysis
Employees	Health and Safety Enhancement of skills Remuneration Training Internal communication Welfare	Technical and soft skills assessment, training and development Work Life Balance Corporate Welfare program Initiatives for employees and families On-boarding program Smart Working Industrial relations Code of Ethics Materiality analysis
Suppliers	Supply chain management Transparent communications Contractual conditions Payments	Procurement portal and Supplier Register Code of Ethics Materiality analysis
Institutions and the Community (citizens, Local and National Authorities)	Attention to the local area Dialogue and involvement Creation of value for the local areas Transparent communications Investments and support for local initiatives Sustainable development	Participation in meetings with Institutions Collaboration in projects by Institutions Conferences, seminars and workshops Plant visits Code of Ethics Materiality analysis

Stakeholders	Key Topics	Engagement Initiatives
Future Generations (school and university)	Circular Economy Decarbonization of production processes Reduction of impacts Climate change Sustainable development	Guided tours Activation of apprenticeship and recruitment paths with Technical Institutes Materiality analysis

Stakeholders can interact with the company through the dedicated email address [sostenibilita@cogne.com](mailto:sostenibilita@cogne.com) for reporting negative events and/or complaints. Stakeholders can also use the whistleblowing channel for such purposes.

## RELATIONS WITH SHAREHOLDERS AND FINANCIAL INSTITUTIONS

Cogne has relations with leading Italian and international credit institutions in order to research the most suitable forms of financing for its needs and the best market conditions, implementing a management model focused on the resources and financial risk management with the objective of financial optimization. The sustainability of the financial profile has always been a strategic element for the Company. In 2023 there were no instances of fines or penalties for failure to comply with the regulations and laws for financial institutions.

## RELATIONS WITH PUBLIC AUTHORITIES AND INSTITUTIONS

As also indicated in its Code of Ethics, Cogne actively and fully cooperates with the Public Authorities, pursuing the objectives indicated by the relevant Public Institutions and Authorities. These are actions that Cogne pursues, combining them with its mission and with the need for managerial and or-

ganizational autonomy shared by all economic operators. The control of relations with institutional subjects is defined by an organizational model that assigns competences and responsibilities to the reference company structures. In particular, the Chief Executive Officer and the General Director oversee top-level relations at an institutional level, especially with international, national and local entities, in order to represent Cogne needs and proposals, in agreement with the relevant Departments and Business Units. The relevant department are responsible for handling the relation with authorities in the case of inspections, under the supervision of the Department Manager or Director.

## CONTRIBUTIONS TO POLITICAL INSTITUTIONS AND PARTIES

Cogne's Code of Ethics explicitly states that: "Cogne Acciai Speciali does not make contributions of any kind, directly or indirectly, to political parties, movements, committees and political and trade union

organizations and to their representatives and candidates except in the forms and ways provided for by current legislation”. The company collaborates with Institutions for specific projects that specifically contribute to the economic, social and environmental sustainability of the areas around the plant. These collaborations, however, are always implemented on the basis of clear documentation for the use of resources and refers to the Institution such as Comune di Aosta and not to the political institution connected to it.

framework in which the company operates. In particular, membership of associations and networks at national level, in line with objective 17 of the United Nations Agenda 2030 “to promote partnerships for sustainable development”, is of great importance to Cogne, both in terms of attention to sustainability policies and in terms of regulatory and technological updates.

## **ASSOCIATIONS AND NETWORKS OF WHICH THE COMPANY IS A MEMBER**

Cogne has chosen associative participation, which aims to put experience and knowledge at the service of companies and organizations that share a common path of sustainability and responsibility. Participation in networks and associations is focused on continuous updating, on information and comparison meetings to promote strategic issues, stimulating targeted and incisive intervention proposals and policies. The monitoring, analysis and comparison of emerging trends and regulatory issues are of great importance for the most correct and up-to-date understanding of the reference



Association	Description
Confindustria	The leading organization representing manufacturing and service companies within Italy that is tasked with contributing to the economic growth and social advancement of the country, alongside political institutions, and economic, social and cultural organizations.
FederAcciai	Federacciai is the Federation of the Italian Steel Companies and is part of Confindustria. The aim of Federacciai is to safeguard companies' interests, to support them and to favour contacts among the firms which produce, transform and distribute steel and related products, promoting industrial policies supporting the industry focusing on economics, politics and on techno-scientific issues.
AIM - Associazione Italiana Metallurgia	Non-profit cultural body organization aimed at spreading the diffusion of the science and technology of metallic materials and other materials for engineering.
AICQ - Associazione Italiana Cultura Qualità	Non-profit association, which aims to spread the Culture of Quality and the methods for planning, building, controlling and certifying the Quality of products, services and organizations.

Association	Description
Worldstainless Association	<p>Worldstainless is a not-for-profit research and development association to sustain stainless steels. Worldstainless has six working committees:</p> <p>Committee on Market Development - Promotion and market development by promoting stainless steel and its potential applications to decision makers.</p> <p>Committee on Health and Safety - Health concerns is one of the most pressing issues facing the world today. The Committee collects and spreads information on safety in the industry.</p> <p>Committee on Sustainability - Climate Change is a very important part of environmental protection and the objective of the committee is to reduce emissions by higher process efficiency, more recycling and a growing usage of durable (no corrosion), high strength (low weight) stainless steels.</p> <p>Committee on Economics and Statistics - worldstainless collects detailed economic and statistical data on the sector.</p> <p>Committee on Long Products - The Long Products Committee focuses on product-specific issues. This includes market statistics and market development activities for long products.</p> <p>Committee on Raw Materials - The Raw Materials Committee studies mega-trends and developments in the markets for stainless steel raw materials relating to the availability and quality of raw materials for the production of stainless steel.</p>
WorldSteel	<p>Worldsteel is the industry associations in the world, with members in every major steel-producing country. worldsteel represents steel producers, national and regional steel industry associations, and steel research institutes. The main goals are amongst other to act as the focal point for the steel industry providing global leadership on all major strategic issues impacting the industry, particularly focusing on economic, environmental and social sustainability and Deliver benchmarking analysis and drive global improvement initiatives in the areas of environmental protection, technology, safety and people development.</p>
ResponsibleSteel	<p>Not-for-profit organization, that is also the steel industry's first global multi-stakeholder standard and certification initiative.</p>
Federazione Aziende Italiane per l'Aerospazio, la difesa e la sicurezza	<p>AIAD is the Federation, member of Confindustria, that represents the Italian Companies for Aerospace, Defence and Security.</p> <p>As representative of the Italian Industry, it is a member of the equivalent European Association (ASD). In this context it acts as the point of reference for all the national and foreign institutions for the coordination of all those activities in which there is a need to represent the sector's national interest.</p> <p>AIAD provides through UNAVIA support for the activities of Standardization, Training and Qualification of Personnel. AIAD is a Founding Member of the National Aerospace Technology Cluster (CTNA) of which it manages the General Secretariat.</p>



## ACTIONS FOR SUSTAINABLE GROWTH

In 2023, we focused our attention on understanding processes and activities and identify the ways in which we want to focus our efforts in 2024. Sustainability in our sector is made of capex and commitment over the years, with projects that require an adequate amount of time to be designed and implemented. In 2023 we identified the pillars and purposes we want to work on in 2024 and in the following years.

Scope	Pillar	Purpose
ENVIRONMENT	Energy transition and climate change	Contribute to the fight against climate change by defining a path of progressive decarbonization of the Group, the supply chains in which it operates and its customers, with particular reference to production processes and asset consumption.
	Reduction of environmental impacts	Progressively reduce the impact of production processes on resources and the local ecosystem, with particular reference to water consumption, waste production and emissions of pollutants into the atmosphere, in order to prevent environmental degradation and the loss of biodiversity and protect the community health.
	Circular economy	Constantly strengthen the integration of the principles of the circular economy, both at the level of production processes and design, and promote innovative industrial symbiosis solutions along the supply chains in which the Group operates.
SOCIAL	Talent and Human resources development	Attract the best talents into the world of work, ensuring a stimulating and constructive work environment through the promotion of corporate welfare programs and active listening to employees. Guarantee equality of opportunity and combat all forms of discrimination. Support and strengthen workers' skills by providing high-quality training, improved performance and greater career development.
	Health and Safety	Guarantee a safe workplace in all the Group's activities, promoting structured safety and prevention management procedures and programs and disseminating the culture of safety in the workplace with reference to the activities carried out in the Group's factories and supply chains.
	Support for local communities	Promote initiatives with the aim of consolidating and developing relationships with the territory that can spread knowledge of the Group.  Promote the culture of sustainability among communities, through moments of discussion and engagement.  Establish research partnerships on the most cutting-edge topics in the reference sector, with high-impact initiatives on relevant sustainability areas.

Scope	Pillar	Purpose
GOVERNANCE	Sustainable sourcing	Building strong and lasting relationships with suppliers and business partners, based on a common vision of sustainability, integrity and transparency principles. Implement a structured procurement process consistent with the principles of free competition, equal treatment, as well as respect for human rights.
	Responsible and transparent business ethics and governance	Promote the dissemination of the Group's principles and respect for principles, values and ethical behavior within an industrial model based on sustainability.  Guarantee consistency between corporate behavior and strategies, constantly strengthening the safeguards aimed at preventing any episodes of non-compliance with the Group's code of ethics.

## AMONG THE VARIOUS PILLARS AND PROJECTS, THE MOST RELEVANT ARE LISTED BELOW

Energy transition and Climate change pillar develops through a series of projects that start from obtaining ISO 14064 and ISO 14067 certifications. These international standards provide guidelines for the measurement, management and reporting of the organization's direct and indirect GHG emissions. Obtaining these certifications will offer Cogne Acciai Speciali the possibility of defining a precise and timely efficient decarbonization plan, with the aim of implementing a strategy in line with the Science Based Targets Initiative (SBTi). The process for definition of SBTis will start in 2024. This pillar also develops through capex such as the installation of photovoltaic panels and the installation of a photovoltaic system on the roofs of buildings of the plant to be done in 2024. This will allow to satisfy a part of the energy consumption linked to lighting and production processes of the plant, contributing directly to the reduction of CO2 emissions. Green Hydrogen Investment is another stream of our decarbonization strategy. It is entirely financed by the National Recovery and Resilience Plan - PNRR and involves the installation of a hydroelectric power station along the Dora River, which runs alongside the Cogne Acciai Speciali plant. The energy generated by the power plant will be used in an electrolyser where, through the process of electrolysis of water, "green" hydrogen will be produced and stored. The green hydrogen can subsequently be used to power plant users. The project will start once the implementation guidelines will be approved.

Analysis on environmental impacts reduction in 2023 lead to commit the company on obtaining the ISO 14046 “Water Footprint” certification. The project plans to obtain the ISO 14046 “Environmental management - Water Footprint - Principles, requirements and guidelines” certification which will allow the definition of the set of water footprints of all phases of the production process which have a significant impact on the evaluation of freshwater consumption. The identification of the most critical points and the definition of improvement actions will allow the protection of the natural resource with contextual cost reduction.

Talent and Human resources development will continue in 2024 the strong process already in place; COGNE ACADEMY - Industrial School 2022 – 2024 will continue providing basic and transversal training for about 250 hours to potential future new hires, financed through the FormaTemp fund. The main objective of the training program is to train young people to successfully integrate them into the company context at the end of the course, providing them with the necessary skills so that they can carry out the tasks in a qualified and productive way once inserted into the work areas. COGNE ACADEMY will also provide training courses as auditors (EN9100 - IATF16949 – ASME) and will focus on internal company employees who will maintain or obtain certification as auditors for EN9100 - IATF16949 – ASME. The training activity is provided by certified external bodies. Finally, the Master, developed in collaboration with the Polytechnic of Turin, through Cogne Academy is name “Metallurgy 4.0: management of processes, technologies and sustainable innovation” and will end by May 2024. It is a strategic training path, in which technical classroom training alternates with on-the-job training in the various company areas, with the opportunity to progressively acquire the skills that can be used in technical

and management roles linked to Technologies, Maintenance, Quality, Environment and Safety.

Specifically, as per the Governance Scope, the pillar for sustainable sourcing is focused on better understanding our supply chain and work with our suppliers. In 2024 we will revamp our supplier management system developing a system based on two IT tools that monitor supplier performance not only from the point of view of operational performance but also of performance in ESG dimensions. The portal managed by an independent external third party will allow us to gain visibility on our suppliers’ information and develop improvement plans with them.

For responsible and transparent business ethics and governance 2024 will be a pivotal year as we plan to start the gap analysis to approach the ESRS and define the roadmap for approaching the EU Taxonomy Regulation as to carry out the Double Materiality analysis. In 2024 we will also plan to emit our first Diversity and Inclusion Policy and Human Rights Policy. Finally, we will for the first time engage directly with our stakeholders with a survey.



**THE MANY  
QUALITIES OF  
STAINLESS STEEL**

The many unique characteristics of stainless steel make it a compelling contender in material selection. Engineers and designers might overlook its values due to the higher initial cost of stainless steel. However, over the life of a project, stainless steel is often the best value option.

Stainless steel is in essence steel that contains chromium at 10% or more by weight. It is the chromium that grants steel its distinctive rust-proof and corrosion-resistant properties. The chromium contained in stainless steel triggers the development of an invisible and corrosion-resistant chromium oxide layer on the steel. Corrosion resistance and other valuable characteristics of steel are enhanced by increasing the chromium content and adding other elements such as molybdenum and nickel.

Corrosion Resistance – Chromium is the alloying element that grants to stainless steel its corrosion-resistant qualities. High-alloyed grades can resist corrosion in most acids, alkaline solutions, and chlorine bearing environments making their properties useful in process plants.

Fire and heat resistance – Special grades high in chromium and nickel resist fouling and maintain high resistance to high temperatures. Stainless steel is widely used in heat exchangers, superheaters, boilers, feedwater heaters, traditional valves and lines, as well as in aviation and aerospace applications. Special stainless steel grades have been en-



gineered to withstand high temperatures without melting or warping.

**Hygiene:** Stainless steel when specifically treated has a smooth, non-porous surface, easy to clean and maintain. It is commonly used in critical applications such as pharmaceutical, manufacturing, biotechnology, medical devices and cleanrooms and food and beverage processing. Its corrosion resistance further increases its longevity, making it an essential component in industries where hygiene, precision and sterility are non-negotiable.

**Long-Term Value** – In considering total cost, it is appropriate to consider material and production cost and the life cycle cost. When the total life cycle costs are considered, stainless steel is often the least expensive material option. The cost-saving benefit of a maintenance-free product having a long-life expectancy. It has a longer lifespan compared to carbon steel, which can corrode and degrade more rapidly under certain conditions.

**100% Recyclable** – Cogne's stainless steels comes from remelted stainless-steel scrap, thereby com-

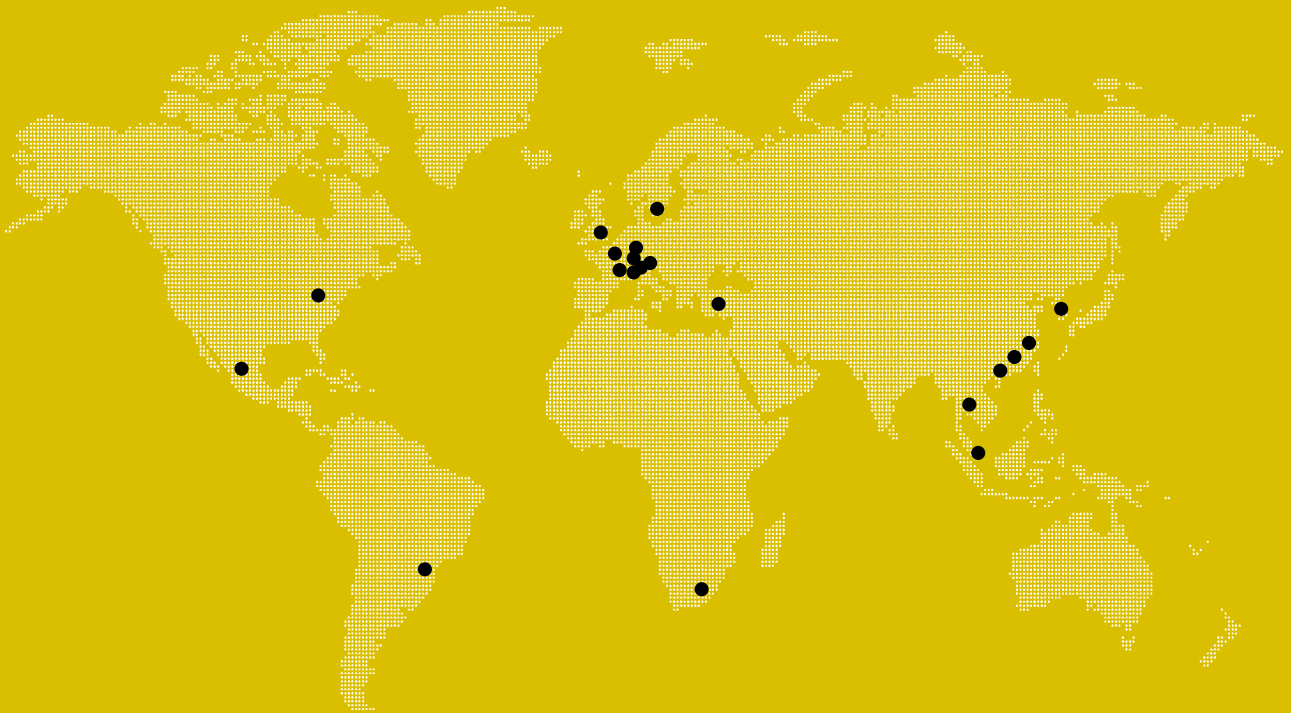
pleting the full life cycle. Recycling stainless steel reduces the demand for new materials, conserves energy and minimizes environmental impacts of mining and production. Because stainless steel is non-corrosive and durable, it can be recycled repeatedly without losing its inherent properties.





**COGNE  
WORLD**

# Discover Cogne World



Since its establishment, Cogne has grown and consolidated its reputation on international markets thanks to clearly defined International Expansion and Specialization strategy, continuous commitment to Know-How Development and Research of new solutions for several industries and sectors while never relenting on sustainability as a guiding principle. These principles have enabled Cogne to develop over time a broad array of products and end user sectors applications.

COGNE Group is made up of the following companies: Cogne Stainless Bars SA, based in Switzerland which carries out its activity through cold working of the products of the parent company which it sells and distributes then both within the group and to third party customers. Cogne Edelstahl GmbH, based in Germany; there subsidiary carries out its business from the two offices in Germany or from the headquarters of Neuss, where the legal and administrative headquarters are also located, and from the depot in the south of the country in Rudesberg. Cogne UK LTD located in Great Britain and organized into operating divisions based on the type of products distributed and operates from the warehouse in Sheffield for distribution to wholesalers and end customers. Cogne France S.A.; the subsidiary carries out its activity through the warehouses, where it is stored the goods intended for end customers of Eragny-Paris and of Lyon, to closely follow customers located in the south of France. Metalinox Cogne Aços Inoxidveis Especiais Ltda located in Brazil, deals with the distribution, throughout the national market, mainly of the products of the parent company made of stainless steel and has a warehouse for rent, in São Paulo. Cogne Hong Kong Ltd, owned by 100%, which it holds as a holding company, 100% of Dongguan shares Cogne Steel Products Co. Ltd, company operative site in China (Guangdong Province, Dongguan City and Changan Town) with manufacturing and sales activities stainless products on the local market e neighboring. Cogne Celik Sanayi ve Ticaret Limited, located in Türkiye in Istanbul, which operates through the distribution and sale on the market place of stainless products. Cogne Specialty Steel USA Inc., headquartered administration in Fairfield - New Jersey, which carries out distribution activities in the market US through localized deposits in Chicago - IL and Lyndhurst - NJ. Cogne Mexico, which is based in Mexico City and aims to produce and sell stainless products in the local market. Cogne

SG Pte sales products in selected countries in South-East Asia, India and the Middle East. Cogne Acciai Speciali SpA also has a “branch office” (Cogne Asia) in Seoul, South Korea, used for sales development of the Group’s products in the country and operates through a rented warehouse in the Busan area.

Aosta Servizi Generali Srl operates within the Group to support Aosta’s Plant operation in mechanical and electrical support activities as well as handling services. In 2023 were concluded two acquisitions regarding Degerfors and Storfors plants in Sweden specialized in the production of hot-rolled products, including steel bars, wire rods and rods. This acquisition brought a highly performing unit to the Group, strengthening the production of large bars and integrating and developing product distribution in the Nordic and Baltic region and Special Melted Products Ltd, located in Sheffield, UK, leading manufacturer of recast, forged and precision cold-worked products in stainless steels, specialty steels and nickel alloys, used for critical applications in the Aerospace, Oil & Gas and Nuclear industries.

Special Melted Products (SMP) has a rich and prestigious history in the industry of special steels and high-quality nickel-based superalloys. Founded in 1842 and headquartered in Sheffield, UK, SMP is a key operator to high-value customers operating in challenging industries such as aerospace, oil and gas, and civil nuclear. Its history is intimately linked to the city of Sheffield, renowned for being the birthplace of stainless steel.



**Cogne Acciai Speciali**

**Global supplier of choice  
for stainless steel long products  
and nickel alloys**

## PRODUCTS

Billets are transformed in the rolling mill in wire rod coils, that can be represented to the layman as a big coil of steel wire about 6 kilometers long. While processing the steel, the rolling mill can reach a speed 250 km/h, as fast as a high-speed train. Hot rolled wire rod coils have a diameter that goes from 5.5 to 32 mm and its section can be round or hexagonal with a smooth surface. Our wire rod undergoes further processing, and the main applications are molding, drawing into bars or wire or use for reinforced concrete. We also manufacture stainless steel bars that have a diameter from 3 to 1200 mm and length from 3000 to 6200 mm with round, hexagonal or square section. The bars can be turned, cold drawn, hot-drawn, rolled and peeled, among other processes. Semi-finished products include ingots (weighing 2 to 70 tonnes), blooms, semi-finished square or rectangular cross-section products that can be either forged (180 to 600 mm) or rolled (130 to 300 mm). We also manufacture billets that are rolled semi-finished square or cross-section products (50 to 120 mm). Our semi-finished products are intended for the molding, forging and hot extrusion. We also cater our customers special products that we design and manufacture to customer drawings and include spindles, rolling cylinders, axles for train and special product for suspended bridges.

No major changes have been made in 2023 to sectors, to the value chain and to other business relations of Cogne Acciai Speciali S.p.A., such as the opening, closing or expansion of production sites, changes in the structure of the supply chain of the company or to its relationships with suppliers or changes in the suppliers' locations.

## END-USE SECTORS

**Automotive** – This sector is currently facing the need to find solutions to limit fossil fuel consumption and harmful emissions. These two aims have been added to the many demands of the automotive industry in terms of quality and very high performance in the supply chain.

**Aerospace & Defence** – Since 2017 our products are also made for the aeronautical, space and defense sector in compliance with standard EN 9100. In addition, we are featured on the Online Aerospace Supplier Information System AQG-OASIS platform.

**Energy** – The energy sector is a key sector for the development of new technologies and applications to fight against climate change. Our products can be used in hydroelectric power plants for turbine couplings, fittings and valves and in water diversion systems. Stainless steel can be used in solar power plants for photovoltaic panel support structures, mirrors aiming systems and in dry air supply and cooling lines. In wind power plants stainless steel can be used in wind turbine blade control and positioning systems and in energy applications at sea it is crucial because of its intrinsic resistance to corrosion.

**Oil & Gas / CPI** – In the oil and gas industry, our stainless-steel products are used for cryogenic or high temperature applications.



Medical – The pharmaceutical and medical industry requires the materials used to have high levels of purity and cleanliness.

ABC – Our steel is synonymous with quality, guaranteed by traceability and product control. Quality, is above all a guarantee of performance over time and consequently of durability, is an issue of great importance in the field of infrastructure because it is linked to maintenance costs. Cogne's steel is resistance to damage caused by atmospheric agents, which postpones and reduces infrastructure maintenance.

Food & Beverage – Like the pharmaceutical sector, the food sector is a critical sector because it directly affects people's health; stainless steel is the ideal material for food applications because it is not susceptible to corrosion caused by acidic food and drinks, it does not affect the organoleptic properties or the coloring of food, it is easy to clean and guarantees maximum hygiene during the production and processing phases.

Watch Industry - The demand for stainless steel has seen substantial growth also in

the luxury business. Stainless steel is now used in accessories and watches, from wall clocks to the smart watches that you wear every day.

## MANAGING THE RELATIONSHIP WITH OUR CUSTOMERS

The customer is at the center of the attention and daily work of Cogne. Customer satisfaction, together with a high-quality level of service, are pillars that support Cogne's growth strategies. In its relations with customers, Cogne has transformed its role from a simple supplier to an expert in innovative products, adopting a relationship model that evolves over time and adapts to different markets and end-users, offering personalized solutions. Communications to customers comply with the principles of clarity and transparency provided by the Code of Ethics. Commercial and marketing activities are conducted in accordance with principles of fairness and transparency. Cogne considers a priority the communication related to its development products and strategy development, aiming to provide timely and transparent information through several channels.

Cogne has structured an annual monitoring system to evaluate the quality of the services supplied to its customer in order to identify actions for communication and operational interventions for continuous improvement. Customer satisfaction surveys are assigned to the Sales and Marketing Department, which periodically identify the market target of the survey and share the results.

In 2023 the Marketing department carried out a self-assessment of the customer satisfaction relating the performance for bars; in 2024 it will be focus on semis products. The Sales Direction is planning to develop a stronger approach to customer relationships management with also the support of digital tools.

## **EXHIBITIONS AND EVENTS**

The sharing of knowledge between players has become critical to progress in the sectors we operate, given its continual evolution. For this reason, Cogne supports customers participating in exhibitions and events to strengthen our presence in challenging markets such as Aerospace, Automotive, Energy and Oil&Gas/CPI providing them with adequate information regarding the performance of our products in terms of quality, durability and sustainability.

## AERO INDIA

### Bengaluru – India

Sector: Aerospace

Exhibitors: over 800 from more than 98 countries

Visitors: 500.000 from over 143 countries

Aero India exhibition is organized every alternate year. It is one of the major exhibitions for aerospace and defense industries with a public air show. It enables industry professional to gain market insights, announce new developments and gain media coverage. Aero India offers a unique platform to international aviation sector to bolster business. Aero India Exhibition which is organized every two years has already carved a niche for itself globally as a premier aerospace exhibition, with fourteen successful editions organized since 1996. Airshows of latest aircrafts from different countries are arranged at the venue during each day of the show for the benefit of visitors. Aero India 2023 provided a significant platform in bolstering business opportunities in the international aviation sector.

A rapidly growing economy and opening up of defense production to the private sector, have given a major fillip to the defense industry in India. It has also become a hub for defense businesses in Asia. Aero India 2023 had the slogan “The Runway to a Billion Opportunities”.

## MADE IN STEEL

### Milano - Italy

Sector: steel supply chain

Exhibitors: over 317 from 21 countries

Visitors: 18.467 from 81 countries

Made in Steel is the international Conference & Exhibition for the steel industry. It is the perfect balance between business and debate, hands-on operations and reflection. An industry showcase, Made in Steel also hosts a raft of meetings, forums and roundtables promoting the sort of in-depth sector knowledge that is key to company competitiveness.

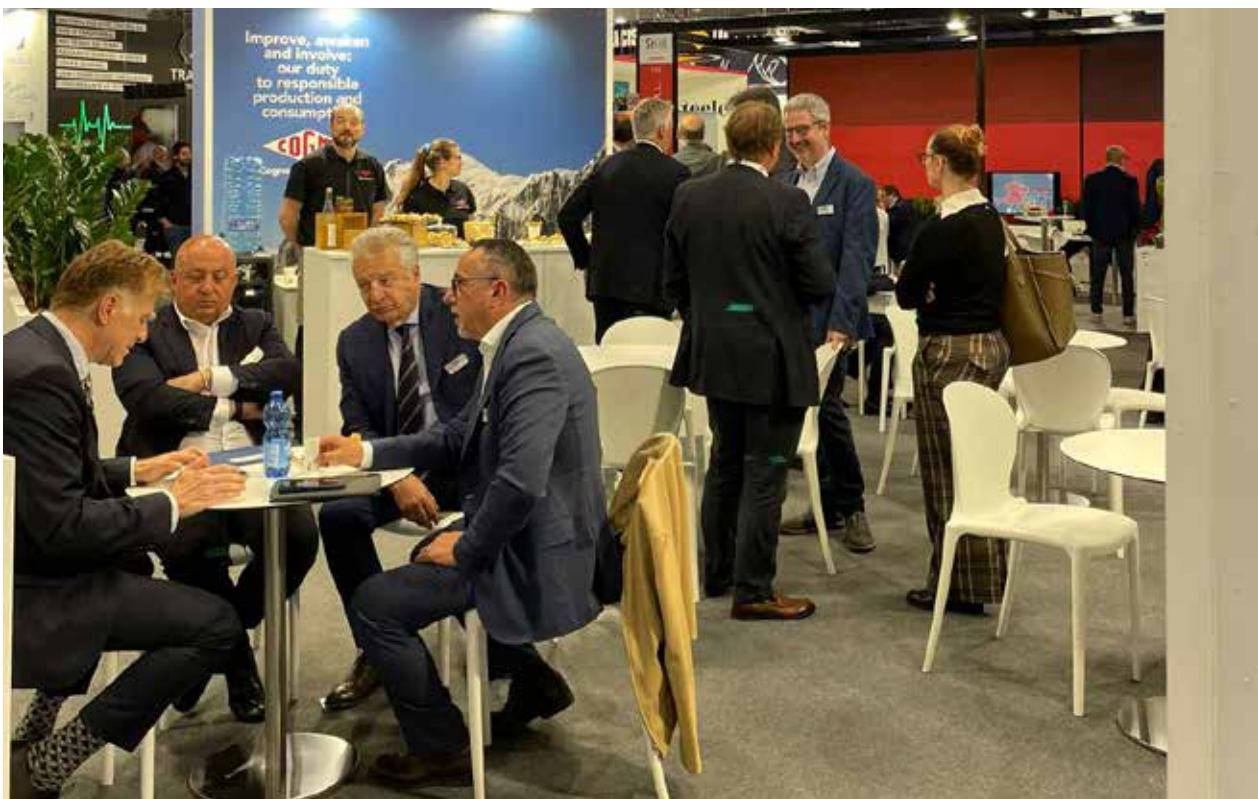
## STAINLESS

### Brno - Czech Republic

Sector: stainless steel

Exhibitors: over 127 from 28 countries

Visitors: 1.500 from 45 countries







This year's Stainless trade fair, which took place on 10 and 11 May 2023 in Brno, confirmed its position as an important platform for the meeting of stainless steel experts. The trade show enjoyed traditionally strong international attendance, with a full 85% of all exhibiting companies coming from abroad. In addition to the traditional exhibitors from Germany, the Czech Republic, Italy and India, new companies from Azerbaijan, Romania, the United Arab Emirates and Vietnam presented themselves. The Stainless fair covers a wide range of products and services focusing on the stainless steel industry, including raw materials, processing technologies, machinery and equipment, finished products, and surface treatments.

## **AEROSPACE & DEFENSE MEETINGS CENTRAL EUROPE**

### **Rzeszow – Poland**

Sector: Aerospace

More than 200 companies from 18 countries participated to the matchmaking program with a total of more than 3000 business meetings and 500 participants. BCI Aerospace pre-arranges meetings for the supply chain, procurement, technical teams, suppliers and contract manufacturers, through a unique platform which allows participants to pre-select and confirm the companies they would like to meet with: an outstanding tool which not only saves time but helps you to meet the right people.

## **INTERNATIONAL PARIS AIR SHOW**

### **Paris – France**

Sector: aerospace

Exhibitors: 2.498 from 48 countries

Visitors: 292.579 from 75 countries

The International Paris Air Show is organized by the SIAE, a subsidiary of GIFAS, French Aerospace Industries Association. Since its launch in 1909, the International Paris Air Show has constantly grown, and remains the largest aerospace event in the world. The Show is a special time for every company, providing an occasion to meet up with all the key players in the aerospace industry, seize fresh commercial opportunities, present their expertise and innovations to the world, and form technological and industrial partnerships.

## **OGA ASIA**

### **Kuala Lumpur – Malaysia**

Sector: oil&gas

Exhibitors: more than 2.000

Visitors: more than 25.000  
from 60 countries

As the largest industry event in South-east Asia, OGA provides excellent opportunities to access the vibrant and growing markets in the region. OGA attracts a



diverse range of industry professionals, from upstream exploration and production companies to downstream processing and transportation providers.

## STAINLESS STEEL WORLD

### Maastricht – Netherlands

Sector: stainless steel

Exhibitors: nearly 300 from 35 countries

Visitors: 8.100 visitors from 87 countries

This year, the exhibition floor was larger than ever, having been expanded to allow a limited increase in exhibitors from the global materials sector. Stainless Steel World is the most focused event for the materials community, with every exhibitor and visitor being involved in the production, supply or use of corrosion resistant materials, and this strong focus is greatly appreciated.

## AEROSPACE MEETINGS CASABLANCA

### Casablanca – Morocco

Sector: Aerospace

Morocco has been involved in the aerospace industry for more than 20 years and has embarked on a new phase of development focused on new technologies and engineering, the promotion of specialized aerospace professions and the establishment of major projects with international leaders in the sector. More than 250 companies has been involved in b2b meetings with a total of nearly 650 participants from 20 countries.

## AEROSPACE AND DEFENSE MEETINGS TORINO

### Torino – Italy

Sector: Aerospace

A&DM Torino has established itself as the only international matchmaking event for the aerospace and defense industry in Italy. Across three days, participating companies have the chance to meet, build targeted business relations and develop new projects with partners from all over the world. A&DM Torino connects OEMs and their Tier 1 & 2

suppliers with manufacturers and service providers from both civil and defense aviation, through a series of individually tailored one-to-one meetings. For the 2023 edition the organization registered 9.000 b2b meetings with 600 registered companies from 35 countries and a total of 2000 participants.

## **WORLD NUCLEAR EXHIBITION**

### **Paris – France**

Sector: Energy

Exhibitors: 780 from 88 countries

Visitors: 23.600

WNE is covering the whole nuclear supply chain. This unique offer makes it the reference event for the civil nuclear industry. WNE presents the leading French and international companies in the sector, as well as many young innovative companies. More than 780 exhibitors took part in 2023 edition and met 23,600 highly qualified international professionals, high-level decision-makers and buyers, creating new partnerships and present their technologies and innovations.



**FROM SCRAP  
TO BARS,  
INGOTS AND  
WIRE ROD**



The first stage of Cogne's production process is the proper choice of steel scrap to melt. The scrap, alloys and ferroalloys, categorized and divided based on chemical composition and size, are controlled and mixed following technical specifications. The cranes prepare the different baskets that are then loaded into the smelting furnace.

## REGEN'ART: FROM SCRAP MATERIAL TO ART

Scrap is collected and recycled into raw material for steel production.

This is then placed in baskets and transported to the electric furnace in the steelworks.

In the furnace, the scrap is melted and refined in the AOD converter, and sent to continuous casting for billet production.

The continuous casting billet is taken to the rolling mill, where it is heated to be rolled into wire rod.

Wire rod is transformed through a drawing process, where its diameter is reduced.

The semi-finished product undergoes heat treatment, whereby its mechanical properties are decreased.

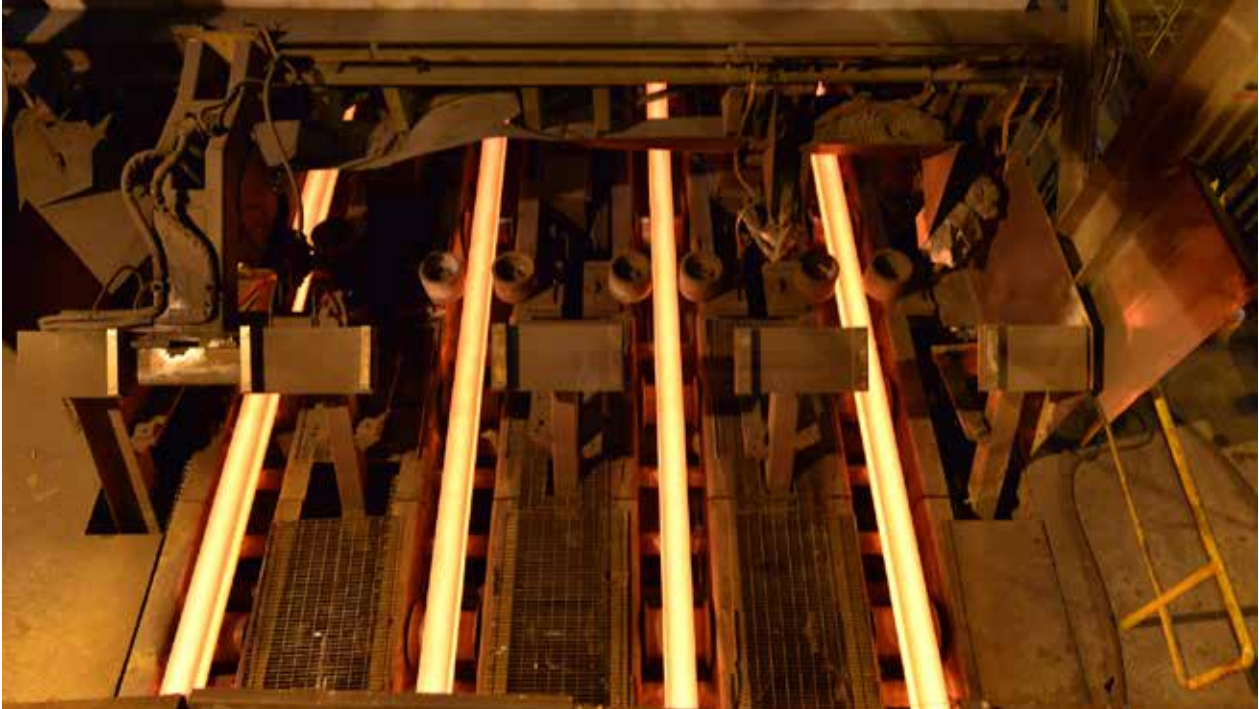
The wire can then be re-drawn, achieving the end finish and through a WAAM process, takes the shape of the various parts of the sculpture.

The moulded components are assembled and a work of art is born.

***WAAM stands for Wire Arc Additive Manufacturing and is a manufacturing process used to 3D-print or repair metal parts. It belongs to the direct energy deposition (DED) group of additive manufacturing processes. WAAM is performed by depositing wire, brought to a semi-liquid state, layer upon layer, until the desired 3D shape is created.***

The content of the different baskets is melted in the electric arc furnace (EAF) which uses three graphite electrodes. The EAF to minimize the noise impact, reduce dust emissions and energy consumption, is encapsulated in a special soundproof booth known as Doghouse. The molten steel is moved from the electric furnace into preheated ladles and then transferred to the AOD (Argon-Oxygen Decarburization) converter for refining. The AOD Area suction hood contributes to control emissions thus also improving working environment and impacts in adjacent areas. After the AOD refining phase, the steel may go through further processing before being cast into ingots or slabs. The LF (ladle furnace) and the Argon workstation enable the temperature of the liquid bath to be controlled and, where necessary, to further adjust the chemical composition through secondary metallurgy processes. After the AOD, LF and Argon Station, the liquid steel is ready for the casting phase. Cogne has three casting modes: continuous casting, casting in ingots (direct or source casting) and in electroslag remelting (ESR and VAR). ESR products are intended for direct sales, rolling mills or forging while VAR products are super alloys and high-end stainless steel specifically dedicated to strategic and high-tech applications for Aerospace, Oil&Gas and Power Generation sectors.

Forging is the hot forming process which involves applying repeated compression deformation to the semi-finished products obtained by continuous casting, ingot casting or ESR and VAR. The products are then blunted or processed into round bars, including large ones. COGNE disposes of presses (2000ton Press and 5000ton Press) and Rotating forging machine.



Lamination is the plastic deformation process that consists of reducing the height or changing a section of the material through pressure applied by rotating rollers. The semi-finished products obtained by continuous casting, in ingots or remelting, undergo a transformation of the microstructure to obtain a finer grain. COGNE operates a reversing mill or blooming train and a continuous wire rod mill. Heat treatments are used in our products to obtain specific mechanical and chemical properties (e.g. to improve corrosion resistance). During heat treatments several parameters such as duration, initial and final temperature, heating, and cooling rate are continuously monitored to control the correct execution of the process. We use annealing and stress-free annealing.





Furthermore, surface treatments are applied to the wire rod products to remove the oxide layer that forms naturally on the surface during previous activities. The pickling process is technically complex and requires careful means to protect the health and safety of workers and the environment and for these reasons all operations in this department are strictly monitored.

Our products undergo cold finishing process depending on the finish surface we need to achieve. We use peeling, turning and grinding machines and drawing machines, along with a straightener-polishing machine that guarantees the best performance in terms of surface straightness and roughness in response to specific needs of our customers.



The EGM1 : CAS's new grinding machine  
The EGM1 is the new grinding machine that Cogne Acciai Speciali has added to its production line in Aosta. First of its kind, it is 100% electric powered. Inaugurated in March, the new grinding machine is endowed with Artificial Intelligence and with its “intelligent grinding” it guarantees a high yield and an increased production planning efficiency. The machinery allows the recovery of kinetic energy and of processing residues. With this important asset, Cogne Acciai Speciali looks to the future, focusing above all on Health and Safety of its operators and on Environmental Sustainability.

"COGNE"



**ONE  
COGNE - LEAN  
TRANSFORMATION**



## EFFICIENCY IN PRODUCTION PROCESSES AND GENERAL CLEANING EVENTS

In 2023 the Lean Team continued to support the department in specific plant efficiency projects, with the aim of primarily increasing performance and availability of equipment to guarantee production outputs required by the market. The attention remained on machinery and equipment that were identified as bottlenecks or involved in production processes serving markets in which demand resulted growing.

General Cleaning became monthly events that through commitment and collaboration of employees, at all levels, became a positive constant that is promoting not only cultural change regarding attention basic working conditions of the equip-

ment and machinery but also impacted the whole plant visually, with a strong use of white as the distinctive color of the activity.

## PROBLEM SOLVING

A vigorous push to increase the corporate culture of continuous improvement was provided by the deployment of a training class aimed at the entire company population on Problem Solving techniques and methods. The chosen methodology is the 8Ds, a model recognized by our customers, which we chose to use as a common language for the entire CAS population and a reference tool to use when analyzing and identify solutions.

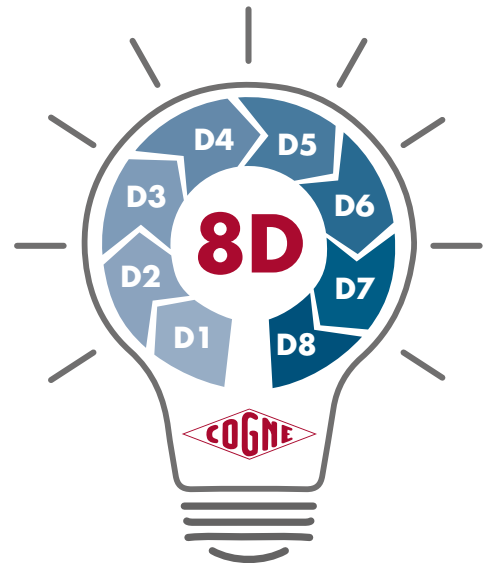
As a result, several groups worked in 2023 with 8Ds methodology, such as the construction area in the Quality area, which sees the group committed to increasing the internal performance of the quality laboratories to satisfy internal customers. For 2024 the challenge will be to drive the largest possible part of the working groups to use this tool, thus giving to all employees the opportunity to experience first-hand the benefits deriving from the adoption of a structured method for solving complex problems.

## “ONE COGNE” IN THE WORLD

2023 led to the completion of the dissemination of the 6S methodology in the company’s subsidiaries around the world: Germany, South Korea, USA and Turkey were joined by Brazil, France, Italy and UK, which had begun the same path in 2022.

The commitment and dedication led several specific activities to completion, thus laying the common foundations that will support the increasing of efficiency and internal integration through the years.

In 2023 we launched the first edition of the “One Cogne Lean Award”: a competition in which subsidiaries were requested to submit projects that were



then evaluated by a jury according to four drivers: use of Lean techniques, HSE, results and innovation. The projects submitted witnessed how continuous improvement is becoming part of common thinking, albeit at different levels of maturity, in all distribution locations.

Brazil presented the project that was proclaimed as winner by the jury. A specific award was created and customized for the occasion and then delivered personally by the CEO Massimiliano Burelli to the Country manager and the entire working group of the Brazilian branch.

In the second half of 2023, the 6S project was extended to the production branches of Switzerland, China, historically belonging to the Cogne Acciai Speciali reality, and to the newly acquired Special Melted Products Ltd. The target for 2024 is to increasingly broaden the scope of action of the Lean group and to increasingly spread the culture of continuous improvement for all Cogne subsidiaries around the world, starting from the 6S.



**ENVIRONMENT**



## WATER RESOURCES

Water is an essential resource for life, and we are therefore committed to using it efficiently, preventing risks, and minimizing impacts. As such, we sustainably manage water with the aim of seeking out new solutions at the operational level to minimize consumption, use it responsibly, and preserve the quality of the receiving bodies.

The World Economic Forum's Global Risks Report consistently lists water crises among the highest impact global risk. In the past, water was treated as a free raw material and only recently manufacturers realized that mismanagement of water can damage activities, reputation and even credit ratings and insurance costs. Water is a crucial resource for every business, whether in the food, electronic, clothing or other industry. Understanding our water footprint enables us to understand where water is more relevant to our activities and how it relates to the products we manufacture. We understand that we have to manage the risks related to water management just as we manage the carbon footprint. Water plays a crucial role in our industrial activities, and it's imperative that we use it responsibly. This responsibility poses a significant risk to an increasing number of companies.

Proceed to calculate our water footprint provides a sound foundation of quantitative analysis, which can be used to develop a water strategy and become a water steward.

Cogne monitors its water footprint and the efficient and conscious use of water in its pro-

duction processes. At the headquarters in Aosta the matter is tackled from all sides, with actions to improve the water efficiency of production processes, from purchase of machinery to the management of distribution networks. Particular attention is paid to the local contextualization of the use of this precious resource, with the use of specific analyses (e.g. "Aqueduct Water Risks Atlas" of the World Resources Institute) and action plans dedicated, for example, to the recirculation of drawn water. The management of water, relations with relevant stakeholders (primarily local communities) and the related potential impacts on the areas around the production plant is ensured by the Environmental Management System.

## WHAT IS A WATER FOOTPRINT?

A water footprint is an environmental indicator that measures the volume of fresh water needed to produce the goods and services demanded by society. More sustainable decisions can then be made to reduce the consumption of water and increase water efficiency. Due to the recognized importance of water issues globally, we decided to find a method to evaluate the impact of our activities related to water. We decided to proceed with a globally recognized method and we chose the International Organisation for Standardisation framework standard for calculating our water footprint (ISO 14046: 2014), published in July 2014. The standard is based on the ISO 14040-series for Life Cycle Assessment and defines what requirements are needed to complete a water footprint assessment, including local aspects related to both scarcity and quality. The certification achievement is expected by 2024.



## WATER CONSUMPTION

The year 2023 recorded an absolute withdrawal of approximately 11.356 million m<sup>3</sup>, with a decrease compared to 2022. 100% of the water withdrawn in 2023 was drawn from wells within the plants and authorized by the competent authorities. The total water withdrawal includes water withdrawal for industrial use and water withdrawal for firefighting and potable use. Moreover, COGNE does not take any part of its needs from surface water. The impacts associated with water discharges are managed through ISO 14001 and in compliance with current national standards.

A total of approximately 9.678 million m<sup>3</sup> of wastewater was discharged, 100% of which into surface water bodies. Prior to discharge into the final receptor, industrial water, suitably treated where necessary, is subject to periodic analyses to ensure compliance with applicable legal limits. The total water consumption (withdrawal - discharge) is 1,678.34 cubic meters. 0.004% of water is withdrawn from “third parties,” namely Mirano and Cornaredo.

## WASTE MANAGEMENT

Production processes and the disposal of products at the end of their life cycle generate waste. When materials are not recycled/reused/recovered but sent to landfills, this results in the occupation and pollution of the soil. To mitigate this impact, Cogne pays a great deal of attention to efficient waste management. For example, the company promotes activities that are

based on recovery and reuse, thus favoring the circularity of materials.

The improvement of environmental performance related to waste management is pursued through:

- innovation in production processes, with the aim of preventing production of waste at the source, increasingly reducing waste and replacing current raw materials with new ones that have a lower environmental impact;
- operational management of the waste produced, aimed at identifying and ensuring the selection of waste treatment channels in order to maximize recovery and recycling.

In 2023, Cogne produced approximately 83.488,37 tons of waste, down 14% year on-year. This decrease is attributable to reduced production compared to the previous year. Of this amount, nearly 87% is non-hazardous waste and the remaining 13% is hazardous waste. The main waste treatment methods are:

- recovery/recycle, accounting for approximately 24% of total waste in 2023;
- disposal in landfills or incineration, for the remaining 76% of the company's waste in 2023.



## SOIL AND SUBSOIL

The impacts associated with the material topic “soil and subsoil quality” are themselves managed by the 14001 management system and in compliance with current national regulations, and any additional information to support the management of the material topic.

## AIR QUALITY

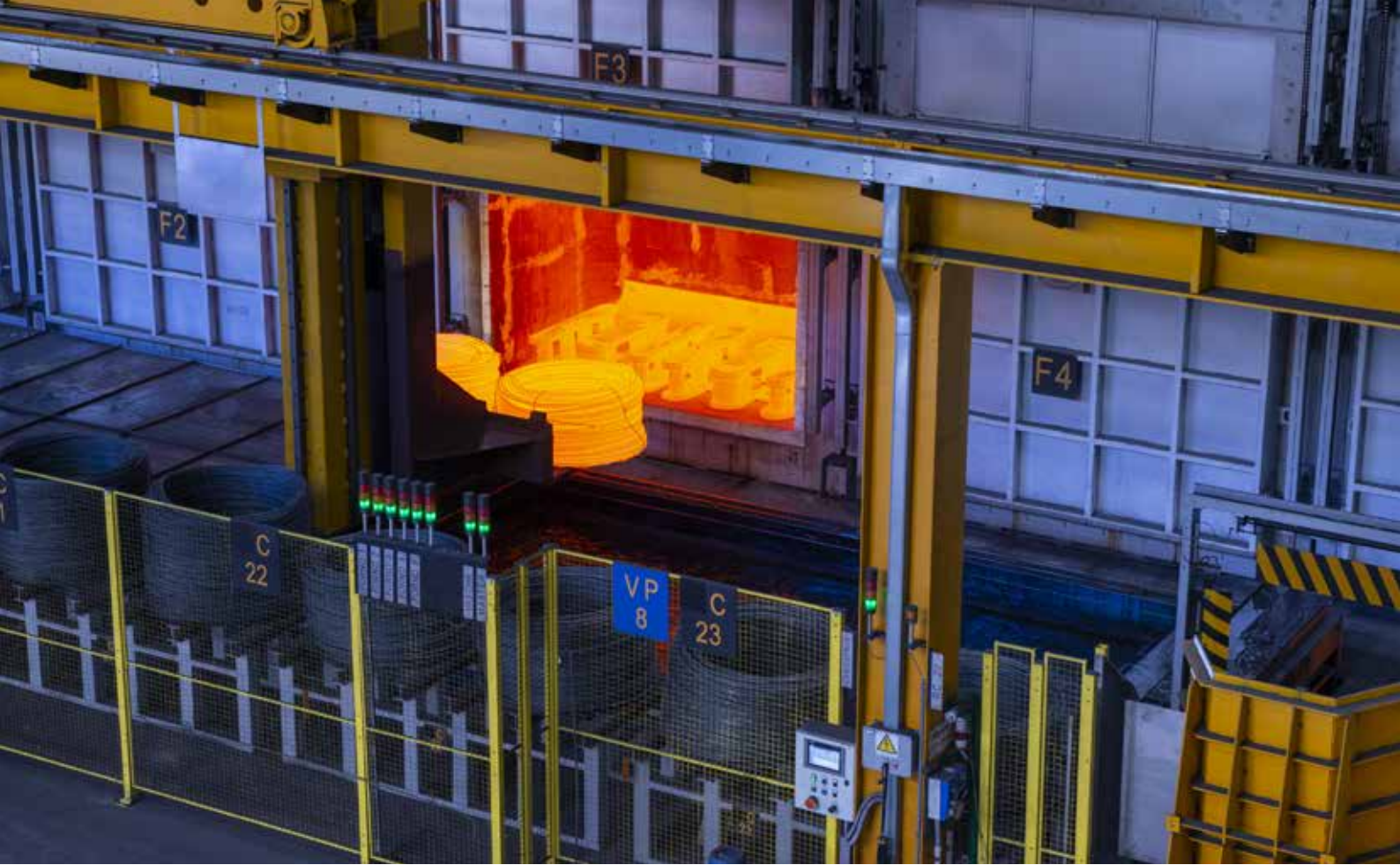
Atmospheric emissions are produced directly by production processes. Controlling atmospheric emissions is among the major areas at COGNE, as they directly impact the areas in the vicinity of the plant. Our plants are equipped with a complex system of specific pollutants abatement equipment in accordance with the technical standards which the company is required to follow. Moreover, with the support of a modern emission monitoring system, the steel pro-

duction activity carried out at the Aosta site is constantly transmitted to relevant Control Bodies. The annual values of pollutants’ emissions into the atmosphere are determined, in agreement with the Control Bodies, by taking as a reference the measurement for the worst performance in the year, then multiplying the figure by the plant’s hours of operation.





**CARBON EMISSION  
MANAGEMENT  
STRATEGY -  
DECARBONIZATION  
ROADMAP**



It is the responsibility of the steel industry not only to eliminate the carbon footprint by reducing or eliminating emissions, but also by demonstrating exactly how. Customers and end users have started to demand more and more data, increasing the pressure on steel producers. We experienced a growing demand for scientific methods of reporting CO<sub>2</sub> intensity, with a comprehensive description of the value chain covered. To give foundation and support to the answers to these requests, we launched ISO 14064 and ISO 14067 certification processes in 2023. The two standards aim to provide on a global, and therefore internationally comparable level, a tool that allows to quantify and monitor carbon dioxide emissions and guide policies to reduce them. The target of the certification is to increase the credibility and transparency of the quantification, monitoring and reporting of emission reductions, promoting the development and implementation of the various projects. Completed this first step, that is expected to be reached in 2024, we will be able to identify specific decarbonization projects based on CFP as well as targets and energy management and improvement plan that we will share with our customers and submit to SBTi evaluation. Our Carbon Management Strategy and Decarbonization Roadmap which will be defined in 2024 will enable us to progress rapidly and systematically in tackling climate change, which is among the top priorities of our sustainability strategy.

## ENERGY AND GHG EMISSIONS

At a company level, the Energy & Decarbonization Management function is responsible for monitoring the energy consumption of the company. The function centralizes the collection of data and performs specific analyses to identify any criticalities and is responsible for the correct deployment of the Energy Management System certified ISO 50001:2018, the international standard for energy management. The energy management system provides a robust framework for optimizing energy efficiency. ISO 50001:2018 certification, obtained in 2023, demonstrates Cogne's commitment to continual improvement in energy management.

The Policy on Quality, Health, Environment, Energy, Safety at work and Major Accident Prevention (available on [www.cogne.com/vision-e-valori](http://www.cogne.com/vision-e-valori) and approved by Cogne top management) formalizes Cogne's commitment to reducing and optimizing energy consumption. These objectives are reached both through ongoing activities to raise operators' awareness and audits. In this respect, Cogne implemented numerous energy efficiency initiatives every year. Overall, the company's energy consumption in 2023 amounted to 2.241.360,53GJ., down 12% from

previous year due to production cutback. The larger part (61%) is attributable to natural gas consumption, used to power production processes; electricity accounts for 38% and supports EAF production and lighting of buildings. Other energy sources include diesel oil, gasoline and LPG, used to power both internal handling vehicles and company cars. In addition, Cogne plans the installation of photovoltaic systems in 2024 to reduce the use of traditional energy sources. The project takes advantage of the opportunity given by the already planned replacement of the roof of the PRS (Special Product Department) department that will be refurbished and covered in photovoltaic panels and will conclude in 2024.

Throughout the years, a number of projects have already been completed, such as the replacement of traditional lamps with low-consumption LED alternatives and the operation of a system to control the switch-on time of some energy intensive machines in order to reduce the incidence of peak consumption. As a direct consequence of energy consumption and a cause of the climate change that we

are experiencing, greenhouse gas (GHG) emissions represent an impact that Cogne monitors constantly.

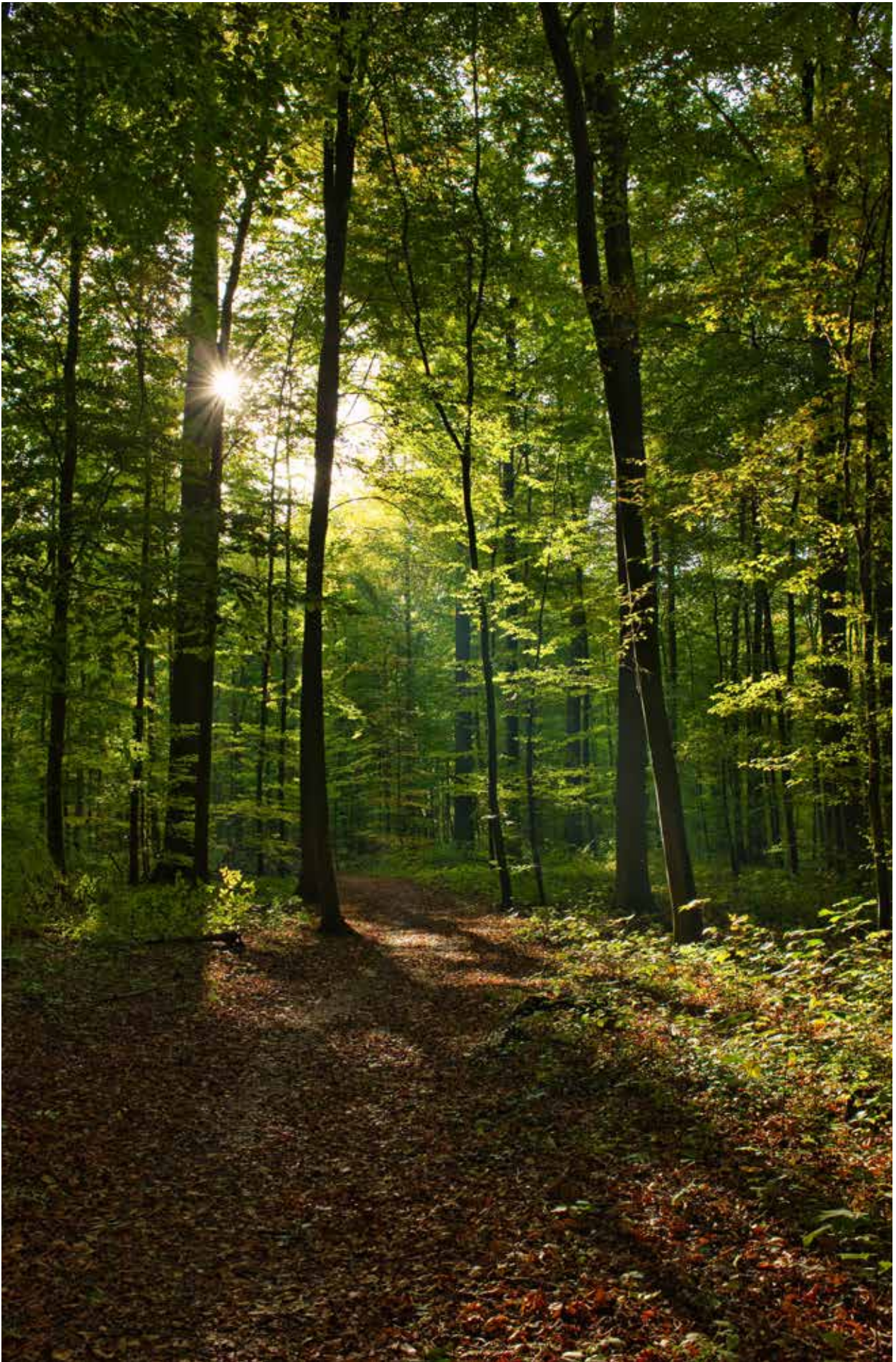
Cogne's activities are part of the European Union's Emission Trading Scheme (ETS), the CO<sub>2</sub> market on which the EU's climate change policy is based and an essential tool for cost-effective reduction of greenhouse gas emissions. In 2023, Scope 1 (direct emissions) amounted to 88.183,80 tonCO<sub>2</sub>eq and were mainly attributable to methane gas consumption. Scope 2 emissions (indirect emissions) refer to the purchase of electricity from the grid and are calculated according to the Location-Based (74.513 tons of CO<sub>2</sub> in 2023) and Market-Based (76.125,17 tons of CO<sub>2</sub> in 2023) approaches. The emissions of Scope 1 and Scope 2 decreased from previous year, due to production shrinkage. The site purchase part (approximately 30% of the total electricity consumed) from the Guarantee of Origin (GO) certified grid.

## **CITY DISTRICT HEATING SYSTEM**

The generation of heat in the production processes creates significant positive effects on the reduction of emissions and sustains the cogeneration framework (Cogne's thermal energy feeds the Aosta's

Municipality district heating network) and significantly contributes to containing specific greenhouse gas emissions. In 2023, Cogne helped to avoid the combustion of 1.871.249 m<sup>3</sup> of natural gas by transferring the heat generated by the production process to the Aosta's district heating generation plant. In August 2023, the heat recovery from the melting furnace circuit project was completed and allows heat recovery from the cooling water of the vault and the pipe-to-pipe circuit. This means that the primary fumes generated by the production process are partially cooled through indirect exchange with water in a closed circuit at 90°. The system transfers then the heat to Telcha power plant in Via Lavoratori Vit-time del Col du Mont. which support the city district heating circuit. The system, when fully operational, will be able to supply approximately 13 thermal Gwh to the Telcha system. This new contribution adds to what has already been in place since 2018 from the thermal recovery system on effluent water. The virtuous collaboration of two private entities will allow the Plaine of Aosta to see reduced CO<sub>2</sub> emissions overall. This is an example of an intervention that we have carried out that has no direct benefits on the production process.







**BIODIVERSITY:  
WHY SHOULD  
COMPANIES CARE  
ABOUT IT?**



foto archivio Regione Autonoma Valle d'Aosta

Biodiversity is the diversity of all life on Earth. Species depend on each other in a mutually beneficial relationship that is called an ecosystem, and healthy ecosystems generate clean water and air, regulate the climate, protect soil and provide us with food.

Healthy ecosystems supply with everything we need and make up the backbone of our economy and a significant chunk of global food production is dependent on pollinators, such as bees, whose numbers are declining at alarming rates all over the world.

Biodiversity loss is beginning to hamper the ability for businesses to build resilience towards future climate shocks in their supply chains, and to secure their social license to operate over the long-term. Pandemics and other health risks, for example, are no longer primarily a result of exposure to local sources of pollution, but due to broader pressures on ecosystems – from the depletion and degradation of

freshwater resources to the impacts of global climate change on local communities.

With biodiversity loss becoming of equal – if not greater – importance as climate change, the UN aims to provide biodiversity and ecosystems with the same international protection as the global climate. It is now standard practice for forward-thinking businesses to consider the risks and opportunities presented by tackling climate change. At the same time, biodiversity loss and ecosystem decline pose significant potential losses to companies, both now and in the future, as well as a risk for life on the planet. Looking ahead, business performance will be directly linked to the health of our natural world. Yet as ecosystems decline, companies are facing significant risks, including higher raw material costs, increased exposure to potential natural events (i.e. droughts, floods, landslides), and a backlash from communities and investors alike.

Industries are already feeling the financial impacts of biodiversity loss and inaction on corporate water stewardship is proving to be billions of dollars more expensive than “water action.” These signs are part of a larger trend where supply chain-driven corpo-

rate investments in nature are expected to increase significantly over the coming decade and this can be seen with a growing number of corporate funds for nature from also tech companies, which are typically underpinned by company-wide commitments related to net zero carbon emissions and/or biodiversity or nature-positive goals.

## **NEW STANDARDS FOR NATURE-RELATED CORPORATE DISCLOSURE AND ACTION**

Nature-related disclosure – whether voluntary or mandatory – is likely to become the norm over the next few years. These include Initiatives such as the Science Based Targets for Nature (SBTn) and the Taskforce on Nature-related Financial Disclosures (TNFD), which are laying out the methodologies and frameworks for companies in voluntary markets, and the EU Taxonomy, which will require the private sector to report publicly on nature-related risks and impacts. The EU Taxonomy – a new classification system to establish a list of sustainable economic activities – includes criteria linked to the “sustainable use and protection of water and marine resources,” as well as the “protection and restoration of biodiversity and ecosystems.”

## **WHY IS POLLINATION IMPORTANT?**

Nearly all of the world’s seed plants necessity to be pollinated. This is just as true for cone-bearing plants, such as pine trees, as for the more colorful and familiar flowering plants. Pollen, looking like insignificant yellow dust is a vital link in the reproductive cycle.

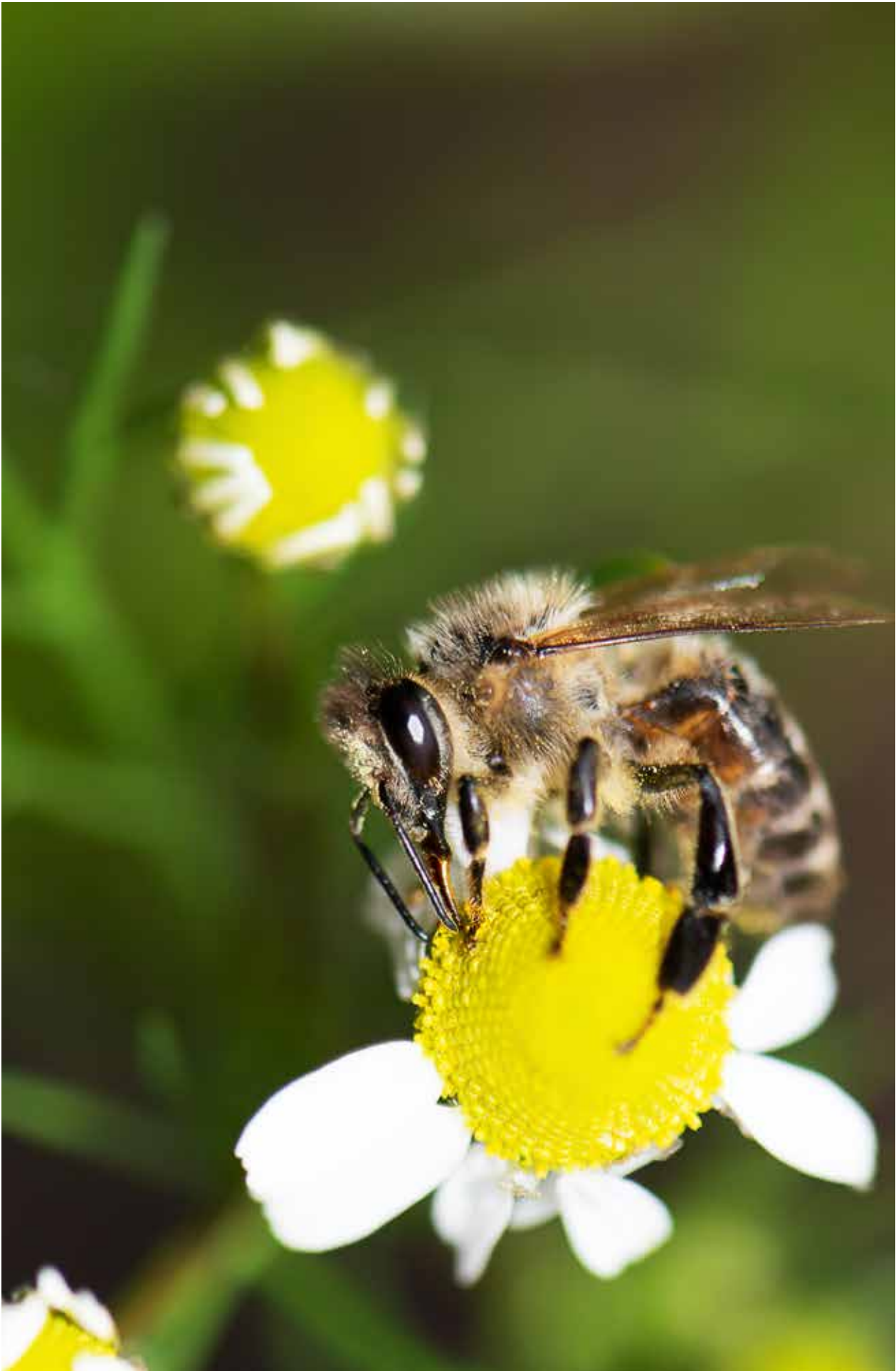
With adequate pollination, wildflowers:

- Reproduce and produce enough seeds for dispersal and propagation.
- Maintain genetic diversity within a population.
- Develop adequate fruits to entice seed dispersers.

Pollination is not just fascinating natural history. It is an essential ecological survival function. Without pollinators, the human race and all of earth’s terrestrial ecosystems would not survive. Crop plants grown around the world require largely pollination by animals. Visits from bees and other pollinators result in larger, more flavorful fruits and higher crop yields.

Numerous are environmental Benefits of Pollination such as:

Clean Air (Carbon Cycling/Sequestration)  
- Flowering plants produce breathable oxygen by utilizing the carbon dioxide produced by plants and animals as they



respire. Levels of carbon dioxide in the atmosphere have been rapidly increasing in the last century due to increased burning of fossil fuels and destruction of vital forests. Pollinators are key to reproduction of wild plants in our fragmented global landscape. Without them, existing populations of plants would decline, even if soil, air, nutrients, and other life-sustaining elements were available.

Water and Soils - Flowering plants help to purify water and prevent erosion through roots that holds the soil in place, and foliage that buffers the impact of rain as it falls to the earth. The water cycle depends on plants to return moisture to the atmosphere, and plants depend on pollinators to help them reproduce.

## OUR SWEETEST WORKERS

We directly support biodiversity and provide a living space for bees that can then fly to the fields around the plant in Aosta, full of blooming flowers in spring and summer as well in the nearby woods and vineyards. The honey produced by the bees of our hives is an authentic and pure expression of the area that surrounds the Aosta Plant; this year production is to be considered wildflower honey with a prevalence of chestnut and bramble blackberry and very rich in other botanical components.

The Bees “housing facility” is in the vicinity of the plant area and it homes a population that is developing beautifully since 2022. Their production in 2023 resented of unusual cold climate in the early spring and was less than last year. Nevertheless, all honey was gifted to Cogne employees.

Our bees, in addition to honey, have given us an example of how to work in team and how everyone has an essential role in the functioning of a system which in some ways recalls our company. And even if we are not a hive, we can learn so much from our pollinator friends.





**BUILDING A  
WINNING TEAM  
TOGETHER**



Cogne's global success is the result of several factors. One of the most important is undoubtedly its people, who contribute to making the company achieve their goals, leveraging their expertise. Cogne has always stood out for the attention dedicated to its personnel, implementing a human resources management method inspired by investments and initiatives that the company develops every year to protect the wellbeing of its employees. Cogne's employees have access to training courses covering a broad variety of requirements, including health and safety to minimize the risk of injuries in the workplace and professional illnesses. Moreover, in line with the spirit of unity, Cogne has dedicated time to listening to the needs of its people, guaranteeing support where necessary. Based on this philosophy, the company has progressively increased the corporate benefits dedicated to its employees to give them extra help to cope with difficult economic situations, including increased costs, growing inflation and the continuation, albeit in a reduced form, of the effects of the pandemic.



## CORPORATE CITIZENSHIP

Corporate culture and awareness are strategic elements for Cogne and their increase is one of the goals of the Internal Relations department. Internal Relations is developed in tune with the Public Relations department in order to enhance the results on the community and stakeholders, with the involvement of media. The main tools used in 2023 were Newsletters, Mailing lists, Video storytelling, signs and posters, Work procedures, the special Onboarding project for new hires along with guided tours of the Aosta reserved to employees and corporate events. New 2023: a dedicated section on the company website for the promotion of welfare initiatives.

Guided tours for Employees: in 2023 specific guided tours for employees were organized to allow workers and employees from all departments, including staff, to visit the plant as a whole and gain direct knowledge of what the company produce, of what other departments do and how big the whole plant is. This allowed not only to increase the sense of belonging to Cogne but also raised awareness about our reality to better understand the complex of the processes that characterize our production process.

At 31 December 2023, Cogne had 1.173 employees, up from the 1.065 employees in 2022. The average age of employees is 42 years old, 46% has compulsory schooling, 40% a high school diploma and 14% a degree. The main changes in workforce are due to

the start/termination of contracted services, including those of a seasonal nature. The majority of workers that are not employees generally work in production through agency contracts.

More than 93% of Cogne's employees are employed on permanent or apprenticeship contracts and 99% are full time contracts. This figure confirms that Cogne favors long-term working relationships, also offering opportunities for internships with the aim of giving young people, in particular, concrete professional experience. 65% of the employees fall within the 30 and 50 age group, while 12% in under 30 years of age.

In 2023, there were a total of 184 hires, vs 156 in 2022. The figure is affected by the stabilization of production volumes. 55%



of new hires are aged between 30 to 50 and 94% of the total are men. Hires under 30 represent 42% of the total hires demonstrating the attention that Cogne pays to hiring young people. The turnover index has dropped compared to 2022 and the number of employees who have left the company is 6,48%.

## **CORPORATE EVENTS & COMMUNICATION CAMPAIGNS**

In December 2023 for the first time ever, the company organized a meeting where all the Cogne people were invited. More than 700 employees joined the invitation at the Piccola Fucina. The company Chief Executive Officer, the General Director and the Industrial Director presented 2023 results and 2024 prospects. A lunch was subsequently organized to exchange Christmas wishes.

## **SURVEYS AND AWARENESS CAMPAIGNS**

Company canteen service survey - Cogne Acciai Speciali is constantly committed to improving the working and living environments in our plant. The objective is to offer greater usability and increasingly better quality of all the services available to our people. With this in mind, we ask the employees to evaluate the company canteen service by answering a few simple questions. We collected more than 600 feedbacks that we used to improve new solutions, such as new menus and a better selection of raw materials.

## **HUMAN RESOURCES ENHANCEMENT AND COMMUNICATION**

After the climate analysis carried out in November 2022, we asked again for the support of the entire company employees to delve deeper into specific topics such as people enhancement and communication. The over 960 feedbacks collected were analyzed using the 8D approach and lead to the creation of two focus groups formed by employees that worked outside mandatory time to identify improvement actions.



## SHARING AND SOLIDARITY INITIATIVES

Il panettone solidale – Croce Rossa Italiana - To support the activities of the Croce Rossa Aosta Committee we promoted the “Solidarity Panettone” campaign. Intervention fund for the Emilia-Romagna population - Following the floods that severely hit the population of Emilia-Romagna and its production system, Confindustria and CGIL, CISL, UIL signed a “Solidarity Agreement” activating the “Intervention Fund for the population of the affected territories”. The objective was the collection of voluntary contributions from workers, equal to one hour of work (net salary) and an equivalent contribution from Cogne Acciai Speciali.

## THE IMPORTANCE OF CORPORATE WELFARE

Among the initiatives aimed at employees with the aim of reconciling work-life times, for the year 2023, were developed the following initiatives. Scholarship program and financial aids Cogne supports its employees and the work balance thought a program of scholarships.

## FOCUS: SMART WORKING

After the “emergency phase” related to the Covid pandemic which ended in June 2022, the Company appraised the opportunity offered by the open negotiation for the renewal of the company supplementary contract, to “contractualize” the use of remote working. The Company, to be able to

offer a new tool, opted to include in the Local Collective bargain Agreement, the possibility for employees to use smart working that, compared to teleworking, allow for greater worker flexibility, also in logistical terms. The agreement signed in April 2023 and that will be valid till 2026, which applies to all subjects who hold tasks that can be carried out according to smart working methods, guarantees employees up to 2 day per week which can also be divided into four half days.

## SCHOLARSHIPS AND SUPPORT TO FAMILIES

SCHOLARSHIPS FOR EMPLOYEES AND THEIR CHILDREN - For the 2022/2023 academic year, Cogne promoted scholarships for its employees and employee sons who attend university and, in particular, the Faculty of Engineering. The scholarship is intended as a financial aid granted to eligible students, in order to support their study career and their university education, rewarding commitment and merit. Each student in good standing with the exams received a contribution of 5.000 euro.



**SUMMER CAMPS AND NURSERY SCHOOLS SCHOLARSHIPS** - During the summer period Cogne made available scholarships for summer camps attended by employees' children with a contribution on fees for camps held in the Aosta Valley. The scholarships covered the full costs with a maximum expenditure. Cogne, to support employees' families decided to refund the employees as well for part of the costs incurred for enrollment in nursery schools.

## **THE FACTORY OF LITTLE TALENTS**

After-school program full funded by Cogne for employees' children of elementary, middle and high school – Cogne continued in the 2023-2024 school year the after-school service aimed at the sons of employees with multidisciplinary learning environments based on a format whose objective is learning by doing, that embraces teaching skills and subjects in line with what future generations will encounter in a working context. Special program targeted to school children that allow them to learn a language while playing. The children won't learn sitting at

their desk reading a book, but by singing, dancing and playing. The program for teenagers is prepare them, while learning English, for today's global culture through music and videos.

**Pedibus Service** - In order to offer further support to families, Cogne activated a collaboration with Associazione Alpini Section of the Aosta Valley, that walked children from the school they are enrolled to the after-school Cogne Acciai Speciali program facilities. This service Cogne provides to families allow them to be sure their children are always looked after and do not require them to leave work to go pick them up after school to drive them to the after-school program.

## **BEYOND STAINLESS STEEL PRODUCTION**

**Stainless steel bridge team** - In 2023, the company, thanks to the support of an employee, who is also a qualified federated instructor, organized a free evening bridge course dedicated to its employees and their families. The first edition was attended by 12 employees, former employees and family members. Playing bridge is like a mental exercise as you can strengthen your memory and your ability to strategize.



## ROBOTICS LABORATORY AND LEGO® LEAGUE

To support a new approach to technologies through play Cogne supported a program that aimed to facilitate the learning of STEM subjects (Science, Technology, Engineering, Mathematics), develop critical thinking and a fresh approach to today's world and stimulates logic and development of computational thinking. The LEGO® League is an international robot tournament for boys and girls between the ages of 6 and 16, designed to inspire fun and excitement in favor of science and technology. Cogne supported a team of employees's children, the Steel Team that took part in the competition for the second time and qualified, after an intense work, for the national finals scheduled for March 2024 in Salerno.

Steel volunteers - Following a survey carried out in November 2022, the Company approved a training project addressed to the employees, who made themselves available on a voluntary basis, to participate in solidarity activities for the local community. The project has been developed in agreement with the main non-profit voluntary associations of the Aosta Valley Region and will continue in 2024. The company will donate a day's work for each Cogne Acciai Speciali volunteer to dedicate to solidarity activities.





## A TEAM THAT PROMOTES PROFESSIONAL GROWTH AND DEVELOPMENT

Training and professional development represent a further cornerstone of Cogne's human resources management as it plays a fundamental role in the evolution of employees, in the dissemination of company culture, strategies, values and principles and, therefore, in the overall growth of the company's value. It focuses on the maintenance and development of skills, promoting lifelong learning opportunities for all. Staff development is supported by creating experiences and opportunities where everyone can learn and train their skills and increase awareness of their role.

Onboarding program dedicated to new hires continues successfully, through participation in a mandatory three-day training, in which colleagues from the various areas and departments illustrate the specifics of their operational areas, with particular attention to training on Health, Safety and Environment, which includes a tour of the factory.

This shared moment is essential to get to know the company, its structure and the people who work there. In 2023, 10 Welcome Seminars were held (for a total of over **2,168 hours**) to welcome new hires. Learning at an individual level also develops through specific training available on the Cogne Web Academy company platform, where it is possible to find information and learning materials of the classes, as well as through new methods capable of offering a greater degree of flexibility, usability and personalization, such as virtual classrooms and webinars. Focusing on higher education, Cogne Academy has activated, in partnership with the Polytechnic of Turin, the master's degree "Metallurgy 4.0: management of processes, technologies and sustainable innovation" aimed at young graduates in engineering and scientific subjects which has led the hiring of **7 young engineers** in the role of Steel Engineer in addition to 2 young engineers already working at CAS. Overall, **8,313 hours** of training were provided in 2023, divided between classroom training and internships in the production areas. The training activity was carried out in synergy between the teachers of the Polytechnic of Turin and the various Cogne technicians, from the various departments of the company. In 2023, the company paid particular attention to Cyber security issues by activating a dedicated on-





line training course that involved all workers who have a company email account through which they access the internal network, with the aim of increasing attention and awareness of cyber risks. Through the Cyber Guru platform, a total of 2,422 hours were provided to the 384 participants, in the form of training pills lasting 10 minutes each.

In the Lean context, emphasis was placed on the theme of Problem Solving, through the provision of a course aimed at all the workers of the Plant in which the topic was approached through the 8D methodology, through examples and real cases. The teaching activity was carried out entirely by the Industrial Director with the support of the Lean Team and involved a total of 895 workers in 2023 for a total of **3,580** hours distributed in 41 editions.

In addition to the mandatory training in the field of Health and Safety at work, two training courses have been activated aimed at developing awareness of the behaviors to be adopted in order to make one's workplace as safe as possible, for oneself and for one's colleagues. In particular, two projects were launched: the first, which involved a total of 99 operators from the two production areas Steelworks and Rolled Line for a total of **1,880 hours**, focused on identifying and sharing the safety best practices to be adopted on site of work in carrying out their ac-

tivities. The second, in collaboration with the LiHS Foundation, launched an awareness program on the topic of safety which involved managers and a first part of the staff with the role of Supervisor in 2023 with the aim of training staff from a Leadership perspective in Health and Safety, for a total of **792 hours** provided and 99 people involved.

The process of assessing the knowledge and skills of the personnel is regulated by an internal procedure and the evaluation pursues the following purposes:

- trigger the self-development process of the worker in relation to productivity,
- increase his awareness of the areas for improvement,
- align performance with company objectives and regulate mutual expectations.

All employees are assessed in relation to their performance, provided they have carried out at least one semester of actual work during the reference year. Fixed-term and apprenticeship workers are assessed



with respect to the progressive acquisition of knowledge and technical skills foreseen by the role. The responsibility for the evaluation is of the Direct Manager of the worker. The Area Manager is responsible for ensuring fairness and balance in the assessments made in the structure he owns. HR defines the operational methodology of the assessment and ensures its methodological support in all phases of the process and acknowledges useful suggestions for improving the system.

Cogne runs a performance evaluation, through a questionnaire, based on:

- indicators of competence common to the entire company population,
- indicators based on roles and related competences,
- unification of roles in homogeneous professional “families”,
- elaboration of an evaluation form for professional “family”.

The performance review is planned for the year 2024 as the frequency has planned the employee performance review every two years, according to the internal procedure the last performance review was held in 2022.

## HEALTH AND SAFETY TRAINING

Among the primary objectives of Cogne’s training activity are the improvement of behavior and the strengthening of the culture regarding health and safety at work, which continue to have a predominant role in initiatives aimed at employees. In 2023, these topics recorded over **13,800** hours of training provided, per capita average of 11.8 hours and the involvement of 1,191 people in at least one initiative (including some employees not in force at the end of 2023). Therefore, all employees in force as of 12/31/2023 have carried out at least one training activity during 2023.

The main initiatives regarded:

- basic training and updating for all employees, regardless of role, emergency and first aid workers, on specific risks (e.g. electrical, chemical environment, use of specific instruments, etc.) and on the use of protective devices individual (for example working at heights);
- mandatory qualification and refresher courses for safety workers (RSPP/ASPP/RLS, fire prevention workers);
- training and refresher courses on the use of equip-

ment (e.g. forklifts, lifting platforms, cranes, tractors, etc.);

- specific internal procedures (e.g. emergency management, etc.).

The company training portal is integrated with the SOP-SGSSL, in order to allow the constant updating of training needs in relation to the risks for em-

ployees and the safety responsibilities assigned to them, as well as to monitor the deadlines of the related updates. The effectiveness of safety training is evaluated through tests or, as required by law, through practical evaluations.





**DEVELOPMENT  
OF SAFETY  
CULTURE: THE  
BBS PROTOCOL**



Cogne, that considers safe work as a basic human right, has always been strongly committed to promoting and encouraging a culture of safety at all levels of the company through a raft of initiatives, ongoing training activities and checks designed to ensure optimum performance, compliance with principles, respect for best practices and adherence to the highest national and international standards for safety in the workplace.

Injury trends in 2023 show a strong decreased in indices compared to 2022, dropping from 25 accidents in 2022 to 19 in 2023. The frequency index decrease to **10,38** (13,47 in 2022) while the severity index is **0,55** (0,54 in 2022). Injuries suffered by employees in 2023 refer to: falls, bone fracture, crushing, burns and sprain.



Cogne promotes a safety culture at all levels through training, sharing and verification of the effectiveness of its activities. Spreading a culture of safety is, in fact, a continuous action of research, training and creation of working conditions aimed at progressively reducing cases of emergency and accident for workers towards “zero incidental events”. In a mature and technologically advanced reality like that of Aosta site, the “human factor” becomes a key component of the occupational safety management system. It is, therefore, necessary to reduce risk behaviors (often the main cause of accidents and injuries), focusing on what people do and understanding why they do it, then identifying intervention strategies aimed at changing and modifying behaviors considered “at-risk” or otherwise wrong. This is the background to the implementation of the behavior-based Safety (BBS) protocol in Cogne Acciai Speciali. More precisely, according to behavioral theories, from which BBS derives, behaviors are the

result of learning through negative reinforcements (punishments) and, above all, positive reinforcements (rewards), in a sequence of “antecedents” (or activators) that induce “behaviors”, which in turn then lead to “consequences” (these three phases make up the “three contingency model: A-B-C”). In general, the BBS protocol involves the following steps: Definition of expected observable behavior; Observation and data collection; Feedback and address of behaviors towards those expected; Measurement of the results obtained.

In October 2023, another project was launched with the aim of maintaining and increasing the results achieved over the years and reducing the behaviors identified as contributors to incidental events. Leader in Health and Safety (LiHS) is a program that started in 2023 and will fully deploy in 2024, aimed at all employees in Aosta site, where all personnel can contribute to developing a culture of safety – the “Leadership in Health and Safety (LiHS) Programme”. Each member of the organization plays a fundamental role in the success of the program: managers, supervisors and employees, in operations as well as in the offices, with the sole aim of incorporating a culture of care and intervention, where each person understands that working safely is an intrinsic feature of Cogne Acciai Speciali.

## HEALTH AND SAFETY MANAGEMENT

In addition to promoting and developing an appropriate cultural approach to safety, proper operating methods must be established, and the necessary investments to make the workplace safe must also be made. Finally, an appropriate monitoring and surveillance system should be applied to verify that people’s behaviors



are consistent with the established procedures.

More specifically, in order to best protect the health and safety of all employees, the community, as well as any person who has access to production site, the Company has developed and adopted Policies, Guidelines, Procedures, Operating Instructions and good practices that regulate every aspect of health and safety, from updating plant safety requirements in accordance with regulatory developments, to periodic risk assessment, training, and promotion and awareness-raising activities both internally and in local communities.

Specifically, the Company's commitment is based on:

- Compliance with mandatory and voluntary regulations, implementation of the best international standards, sharing and comparison with industry peers;

- Design of workplaces/facilities as well as provision of equipment and tools suitable for carrying out work activities that ensure the best and safest conditions;
- Assessment of all health and safety risks and adoption of a systematic approach to eliminating them at source or, when not possible, minimize them while ensuring maximum protection for all workers (internal and external);
- Adoption of safe and responsible behaviors at all organizational levels, as well as the direct commitment of managers who must be safety leaders;
- Promotion and dissemination of a culture of health and safety and, in general, of organizational wellbeing, also shared with local communities;
- Implementation of health and safety management systems.

From an organizational point of view, Cogne, in line with the Code of Ethics, organizes its safety system, adopts policies and procedures, and implements its safety management systems, based on operational





## WORK HAZARD IDENTIFICATION PROCESS AND RISK ASSESSMENT

Cogne adopts a precise methodology for identifying hazards in the workplace to assess, mitigate, and manage residual risks carefully. In particular, the identification of hazards is carried out as part of the risk analysis and assessment process. The methodology involves the subdivision of the workplaces into homogeneous areas to analyze the dangers and the subsequent evaluation of the risks more precisely, punctual and focused. For each of the areas thus identified, an inventory of the risks and their sources is carried out and both the hazards due to the working environment and those associated with the operating methods adopted are identified. The inventory considers those potential hazards that the analysis and the experience, the historical data and the plant examination indicate as credible. For classification and codification, existing hazards within any industrial activity are clustered into five macro-categories:

- Ordinary (Sharp and/or injurious objects, working at heights, etc.);
- Ergonomic (Manual handling of loads, incongruous working postures, etc.);
- Specific (physical agents, microclimate, ionizing radiation);
- Process (Fire, explosion, etc.);
- Psychosocial (Work-related stress, gender and age differences, etc.).

In addition, depending on the type of work environment, an inventory of chemical, carcinogenic, and mutagenic agents that may be present is also conducted.

and business needs; company activities in the Aosta site are carried out within a ISO 45001 safety management system.

In detail, the workers covered by Health and Safety Protection Management System represent 98% of the entire population of the Company.

## LET'S SECURE OUR HEART

In 2023, the company completed the installation of 9 automated external defibrillator (AEDs) within our Aosta plant. The initiative aims to guarantee timely intervention in the event of a cardiac arrest occurring within the workplace.



All details are part of the Company Risk Assessment Documents (DVR) that is regularly prepared and periodically updated by the Company in accordance with Legislative Decree 81/2008. The Risk Assessment Document (DVR) contains:

- The assessment of all safety and health risks during the work activity, in which the criteria adopted for the assessment are specified;
- An indication of the preventive and protective measures implemented and the personal protective equipment adopted, as a result of the assessment;
- The program of measures deemed appropriate to ensure the improvement of safety levels over time;
- The identification of the procedures for implementing the measures to be carried out, as well as the roles in the company organization that must provide them, to which only individuals with appropriate skills and powers should be assigned;
- The identification of tasks that, if any, expose workers to specific risks that require recognized professional skills, specific experience, and adequate training and instruction.

## PARTICIPATION, WORKER CONSULTATION AND COMMUNICATION

Cogne respects the right of workers to have adequate representation and the freedom to form and/or join workers' organizations or trade union representatives without fear of retaliation or intimidation and promotes the consultation of workers, including through the social partners, in the definition of policies, processes and procedures aimed at improving the work environment and protecting health and safety. The involvement of all workers is ensured through:

- consultation with Workers' Safety and Environmental Representatives;
- meetings with relevant personnel;
- communications/communication to employees via intranet site, regulatory system, certified e-mail and otherwise.

In addition, in accordance with Legislative Decree No. 81 of April 9 2008, Legislative Decree No. 105 of June 26 2015 and Legislative Decree No. 138 of June 6, 2016, the Manager/Employer seeks the opinions, before making decisions, of Workers' Safety and Environmental Representatives (RLSAs) are charged by law with protecting workers' rights in the area of occupational safety, and they are elected by workers through the intermediary of company union representatives.

## WORKER HEALTH PROMOTION

For Cogne, health promotion and management are extremely relevant issues, and are carried out mainly through the following activities:

- The management of emergencies, through first aid services;
- mandatory health surveillance;

At Aosta site, compulsory health surveillance activities are carried out by the three competent physicians, one of whom is a coordinator (ref.art.41 of Legislative Decree 81/2008). Health surveillance activities are carried out by the competent doctors present at the Aosta industrial site.

## MANDATORY HEALTH SURVEILLANCE

Mandatory health surveillance includes medical examinations, blood chemistry tests, urinary metabolite testing, spirometry for respiratory function testing, eye examinations, audiometric tests and electrocardiograms. In accordance with current regulations on the protection of the Health and Safety of Workers, and in particular paragraph 1 art. 243 of Legislative Decree 81/08, workers exposed to carcinogens and mutagens, are entered in a special register in which is reported, for each of them, the activity carried out, the carcinogen or mutagen used and, where known, the value of exposure to that agent. This register, called the “Register of Exposures,” established by the Employer, is periodically updated through the competent physician.

## MAJOR ACCIDENT PREVENTION AND MANAGEMENT

In order to guarantee the health and safety of the community and mitigate the environmental impact due to the typical activities of the company’s production process, specific emergency management procedures (e.g. unplanned or uncontrolled release of hazardous material) have been implemented cal-

ibrated on credible risk scenarios. Aspects of environmental relevance are also monitored, such as:

- Air quality and management of emissions into the atmosphere;
- Water quality and discharge management;

Furthermore, the Aosta plant is classified as a site with major health and safety accidents risks due to the presence of dangerous substances.

Pursuant to the aforementioned Legislative Decree no. 105 of 2015, Cogne has:

- Prepared the Safety Report;
- Defined a Major Accident Prevention Policy;
- Implemented and maintained a Safety Management System for Major Accident Prevention (SGS-PIR);
- Defined an Internal Emergency Plan (PEI);
- Considered, in the evaluation of possible incidental events, the domino effect;
- Transmitted to the Prefecture of Cagliari the information useful for the elaboration of the External Emergency Plan (PEE).



**LOCAL  
COMMUNITY  
AND PUBLIC  
RELATIONS**



With a consolidated target to share with the general public and stakeholders, a in depth knowledge and visibility on the Company's activities, in 2023 Cogne consolidated its presence on traditional media and implemented communication activity on social channels and to keep up with new trends, our Tik Tok channel was activated. Full relevance was given to communicating the two acquisitions that took place in 2023: the Degerfors Long Products AB in Sweden, and Special Melted Products Ltd in Great Britain. This latest operation brought the company a share capital increase of 200 million euros. In 2023 we also continued with the "Al di là del Muro" activity, carried out in collaboration with RAI.

The department is the focal point for collecting ideas and proposals to develop new projects, enhancing the experience and knowledge of local communities to create shared value and generate growth for the Company and the territories in which we operate. Cogne manages through close collaboration with local authorities, non-profit associations and other local entities the projects that have specific local impacts, with which we have established solid relationships. In 2023 Cogne continued to develop several initiatives with the aim of consolidating relationships with the territory, which can spread knowledge of the company and the common thread we work with is the attention to the arts, solidarity and support to new generations. Schools and universities, associations and organizations in the area continue to ask Cogne to discover our world and to visit the factory; to respond to this interest, we created various initiatives that have allowed an increasing number of people to get to know us, directly and not through the lenses of a camera or the pages of a newspaper.



## COGNE AND THE ARTS

In 2023 Cogne decided to continue on the path towards renewing its commitment to bringing the world of art closer to that of steel, completing the initiatives dedicated to artistic exhibitions within the Aosta plant, and devising new ones.

## REGEN'ART THE MATTER THAT IS REBORN

Regen'Art project, which began in 2022, was completed in 2023 and then renewed again! Regen'Art project was conceived and structured by Cogne Acciai Speciali, developed in collaboration with the Forte di Bard Association and the Cracking Art artistic movement in 2022 and carried out till summer 2023. We hosted animals of all shapes and sizes around the industrial site of Aosta to highlight and share the importance and environmental impacts of regeneration and the circular economy. In this first occasion the Regen'Art project was structured si-

multaneously in two locations: the Cogne plant in Aosta and the exhibition area of the Forte di Bard. The exhibition in the Aosta plant was visited by over 400 people on the occasion of special visits. In December 2023, we decided once again to grant hospitality to plastic animals of relevant sized that were displayed in the Aosta plant, all visible from the outside to share the beauty of art with the city of Aosta and to add a pop color to our daily activities. Our guests will be in Aosta till June 2024.



## **INDUSTRY AND MUSIC - A TRIBUTE TO THE 40TH ANNIVERSARY OF PINK FLOYD'S ALBUM "THE DARK SIDE OF THE MOON"**

In the year of the 40th anniversary of the album "The Dark Side Of The Moon" by Pink Floyd, Cogne hosted, on 29 June in the Piccola Fucina area, the event entitled "Echoes : the eras of Pink Floyd in classic way". This was the second edition of "Forging the Music" and the songs of Pink were for the occasion in a classical version by the "Caronte" music group. Special relevance was once again given to solidarity as the amount of donations collected from the audience were entirely donated to the Aosta Committee of the Italian Red Cross.

## **AL DI LÀ DEL MURO - BEYOND THE WALL**

Cogne, in collaboration with Rai (Radiotelevisione Italiana - exclusive concessionaire of the public radio and television service in Italy) based in Aosta, continued the docu-series "Al di là del muro" - Beyond the Wall, started in 2022. The docu-series is structured into episodes, which takes the viewer into a journey to discover the past, present and future of the company that had and still has a strong productive, social and cultural influence on the Aosta territory and community. Each episode of the docu-series features interviews with company representatives and exclusive footage of the plant.





## COGNE MEETS THE COMMUNITY

In 2023 Cogne continued to open its doors to school visits. After a short introduction in the historical “Palazzo Direzione” the students board an electric train and the visit the plant. they are shown and explained the production cycle from the Raw Materials Management department, passing the Steel Mill, and then reach the Forgings Area, the Rolling Mills and the Cold Finishing Department. No visit is complete without a quick stop at the Maintenance workshop and at the Quality Metrological and Metallurgical Laboratories. In 2023 university students of Polytechnic of Turin and University of Valle d’Aosta took guided tours inside the plant, where they had the opportunity to closely witness the production process, to dialogue with our professionals, and to analyze eco-sustainable management practices. Not only students visited the plant in 2023. Cogne hosted plentiful visits from both public authorities and local and national community representatives. Among these were the visit of Maurizio Landini, General Secretary Confederazione Generale Italiana del Lavoro - Trade Union Organisation.

## CONFINDUSTRIA REGIONAL ASSEMBLY

On 17 July, the 78th regional assembly of Confindustria was held in the Piccola Fucina area, where representatives of the local community and public authorities gathered. A special video message from Carlo Bonomi, national president of Confindustria, was shared.



## COGNE SUPPORTS SPORTS

Cogne works alongside the local community and organization to promote the socio-economic development of the territory, supporting cultural and social initiatives and the diffusion of sport as a tool for cohesion. Social responsibility is a key factor in our success and growth and demonstrate our understanding of how we can positively impact the lives of the communities in which we operate. In 2023 we confirmed our support through sponsorships to Società Ginnastica Olimpia, CCS Cogne Aosta Volley, ADS Atletica Cogne, Società Gym Aosta, Associazione Cicli Benato and Gruppo Sportivo mountain bike Lupi which includes the young world champion Gaia Tormena and decided to support also Associazione Polisportiva Pollein and Volley Olimpia Aosta.

## AOSTA21K

The course of the AOSTA21K winds along the ancient Roman setting of Aosta, passes through the streets of the historic center touching the most famous monuments and honors the industrial tradition of the city by passing through the historic Cogne Acciai Speciali plant before wondering in the natural suggestions of the Plaine of

Aosta. Cogne was among the main sponsors of the Aosta21K Half Marathon, organized by the ASD Atletica Sandro Calvesi and the Ravenna Runners Club ASD, which also took place within our factory. The press conference took place in the conference room at the third floor of the Palazzo Direzione where the route was presented to journalists. On 28 May 2023 the noise of the heavy machinery was replaced by shout of encouragement to the runners that had entered our plant from the Palazzo Direzione and run westbound towards the finish line of the 5k run Buongiorno Aosta and the final finish line of the Aosta21k in Arco di Augusto square.







**SHARING THE  
ADDED VALUE  
WITH THE  
COMMUNITY**



Cogne is aware of the central role it plays in the development of the communities in which it operates as a result of its size and presence. For this reason, the Company is constantly committed to increasing the well-being of these communities through the implementation of initiatives and investments targeting the development of sports, cultural, charity and regional activities. In 2023, the economic value generated by Cogne amounted to € 709.412 thousand, down vs 2022 mainly due to the reduction in volumes and revenues due to the global economic slowdown. Of these, 97% (equal to about € 685.327 thousand) was distributed to the stakeholders. As the previous three years, also in 2023 no dividends were distributed to shareholders.

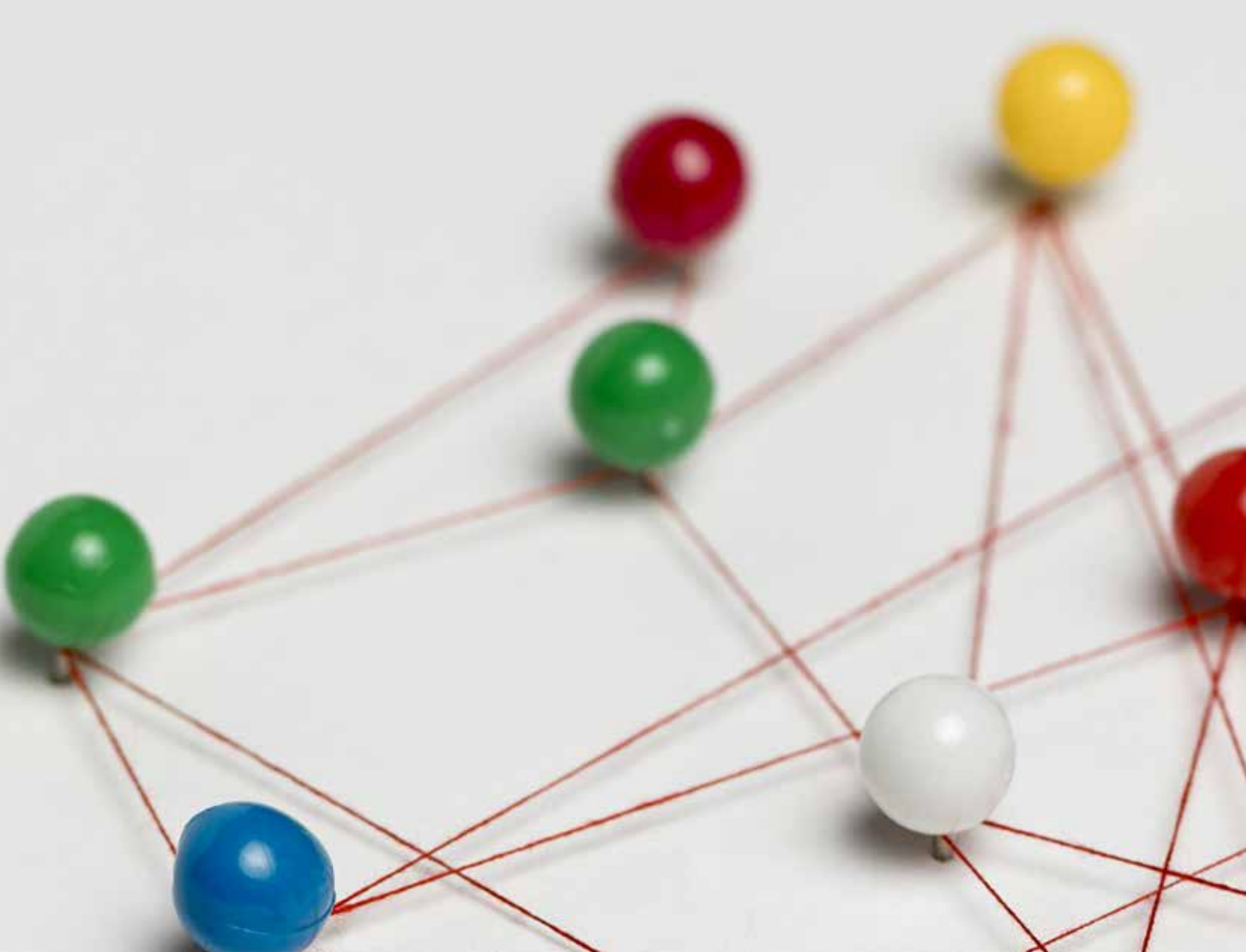


The economic value generated and its distribution to the stakeholders were calculated on the basis of the GRI Standards (201-1) and values used for the financial statements of Cogne Acciai Speciali S.p.A. In 2023, Cogne allocated € 237 thousand to supporting communities and promoting sports amongst the younger generations. The company's commitment is aimed at implementing projects related to the world of sports, promoting art and culture.





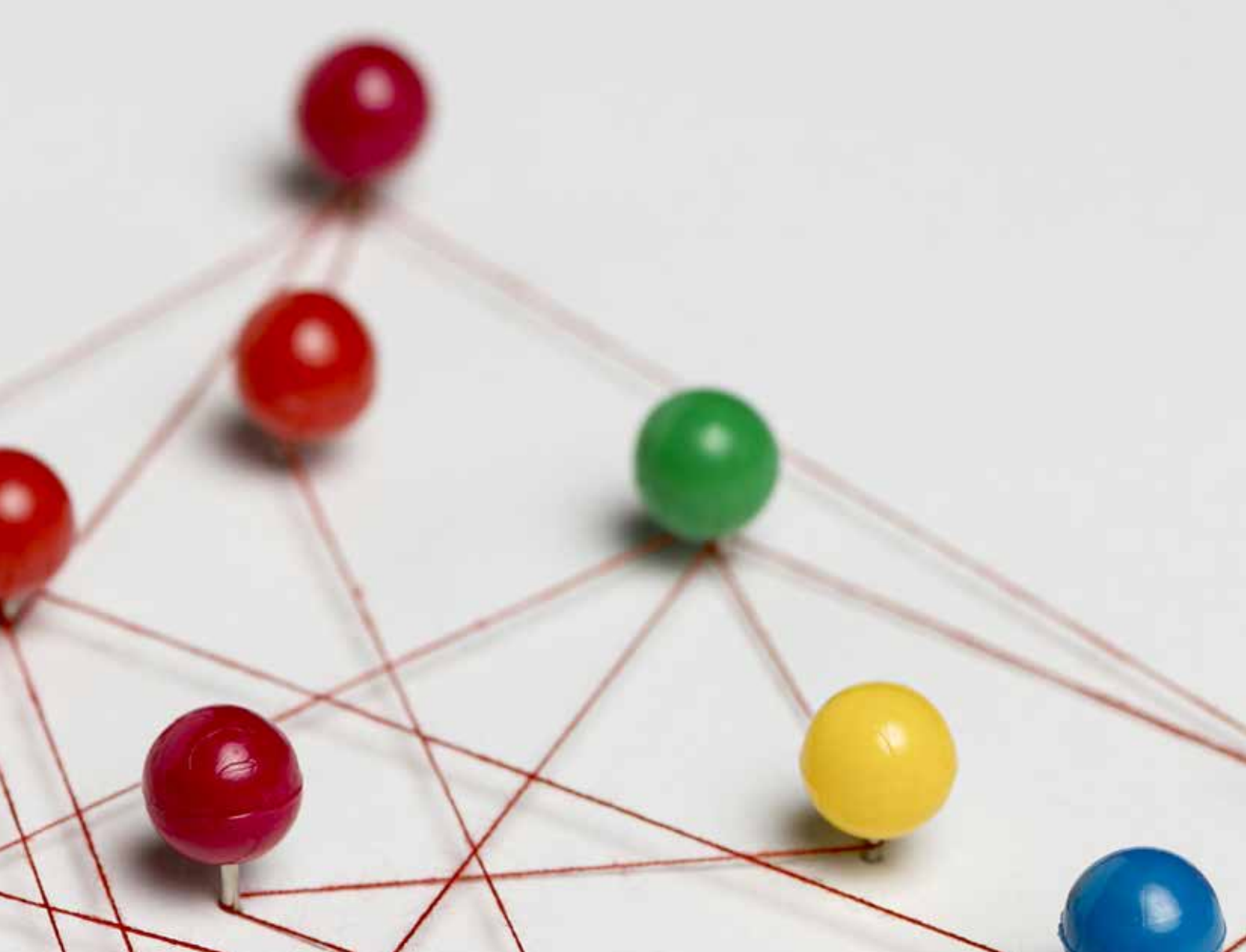
# **A HIGH-QUALITY SUPPLY CHAIN**



Cogne's success also stems from the organization of its own production cycle, which is based on a true integrated supply chain fed by a network of suppliers from all over the world, covering Cogne's needs of raw materials, services, spare parts, and transportation. Despite its international vocation, Cogne pursues the development of local suppliers where possible. This is meant both to foster the creation of value in the surrounding area and to facilitate a quick and efficient response to its needs, optimizing overall management of the production process, while at the same time reducing costs and environmental impact.

With the aim of pursuing a growth strategy based on the values of its Code of Ethics, the Company adopts a structured procurement process that is consistent with the principles of free competition, equal treatment, non-discrimination, transparency, proportionality and publicity, as well as inspired by compliance with regulations on human and workers' rights, health and safety, and environmental protection, to which the utmost importance is given. All parties involved in any capacity in the procurement process are required, each within the scope of their jurisdiction, to scrupulously comply with the provisions of the law, the Code of Ethics, Model 231 and Company procedures, particularly concerning the transparency and traceability of transactions and the confidentiality of any information they become aware..

At Company level, the share of procurement budget spent on local suppliers totaled 4% in 2023, in line with the previous year. The organization's geographical definition of 'local' refers to the Valle d'Aosta region (Italy) and the definition used for 'significant locations of operation' refers to Cogne Acciai Speciali S.p.A.'s sites.



## SUPPLIER RELATION MANAGEMENT

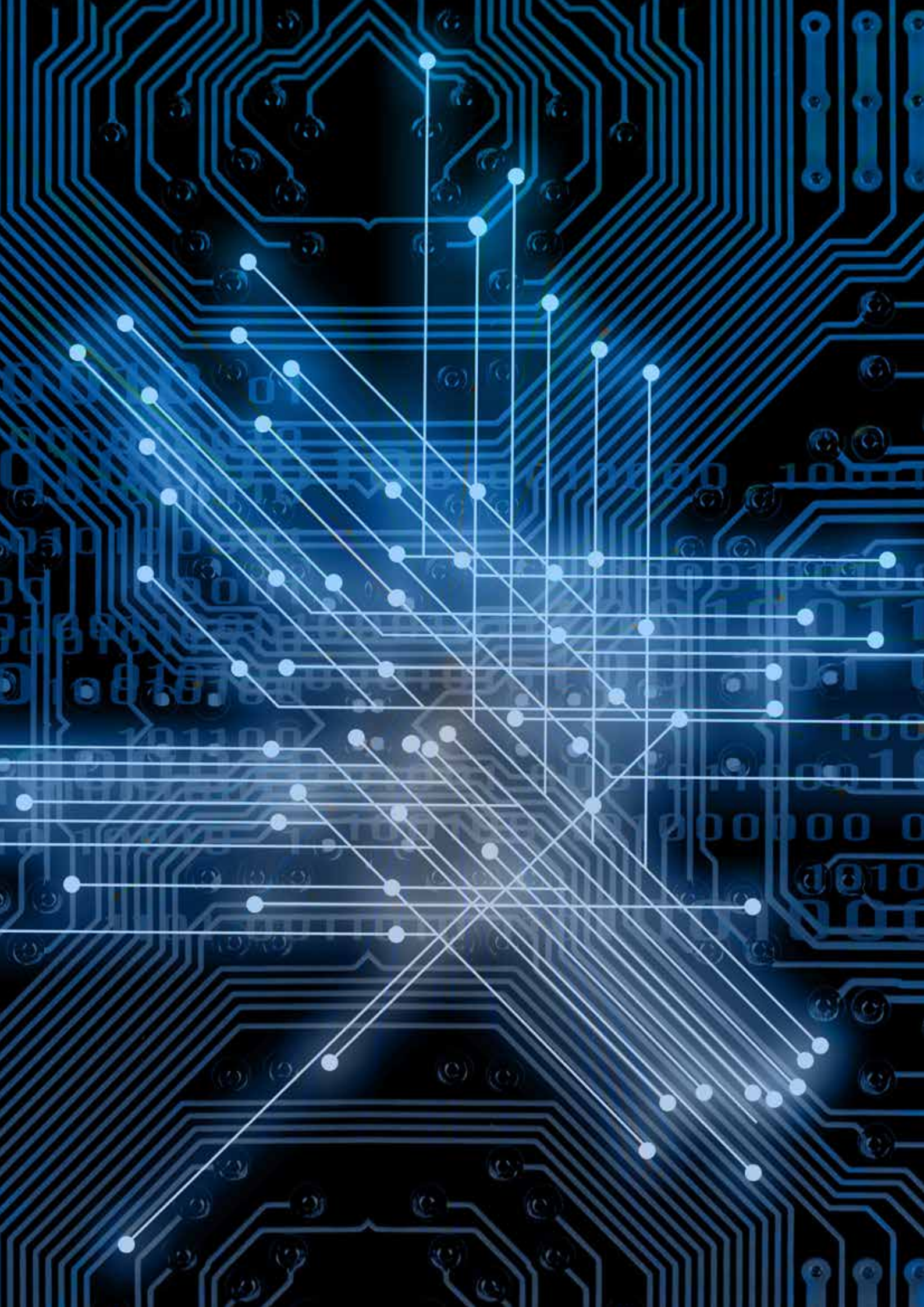
For supplier's selection and assessment processes, the Procurement Department drafted in 2023 the updated Sustainable Sourcing Policy, with the objective of aligning its suppliers with its long-term goals. As part of this Policy, the new assessment process of suppliers will contain a section dedicated to Sustainability Management, which will be included in regular audits (on-site and remote) conducted at suppliers' sites.

The new version, approved by CAS CEO in January 2024, is available on the company's website [www.cogne.com/](http://www.cogne.com/). <https://www.cogne.com/ambiente-pagina-1>. During 2023, there were no procedures in place for conducting due diligence to determine supplier selection based on social and environmental criteria. However, throughout 2023 and 2024, efforts have been made to implement the new re-

sponsible procurement policy, which also incorporates these criteria.

In 2023, Cogne decided to make bigger steps in this direction, to deepen our knowledge of our partners in the supply chain and, through collaboration with an outsourced sustainability management platform, design and develop a system that will manage suppliers' performance also under ESG drivers.

During 2023, suppliers were not selected based on environmental and social criteria, as reported in indicators 308-1 and 414-1.



# **DIGITALIZATION**



Digitalization and computerization are among the enabling levers that will allow Cogne to grow in line with the objectives stated in the Business Plan. Two important decisions have been taken in order to improve the group performances: the mother company's involvement in ICT processes and investments for each branch and the migration to a new ERP solution, SAP S4/Hana in private cloud, that will be used in all subsidiaries together with the company's BI and MES solutions, where needed.

In 2023, the main projects managed was:

- Revamping and harmonization of all branches IT infrastructure to the company's standard;
- Penetration Test and Vulnerability Assessment were carried out at the end of 2023 and will be repeated every year in order to constantly monitor the infrastructure and promptly correct any security issue;
- Onboarding on SAP ECC of Aosta Servizi Generali and completion of the application map of the Swiss CHSB branch;
- Digitalization: implementation on SAP ECC of the VIM (Vendor Invoice Management) solution that optimizes and simplifies the process of receiving, validating, managing, routing and monitoring of vendor invoices and facilitates easy collaboration with stakeholders within

the Procure to Pay process. The first step has been completed (adoption in Administration Dpt.), next step in 2024 (extension to other functional areas);

- Design and implementation of S4/Hana migration for those Group Companies that are already using SAP ECC: CAS, Aosta Servizi Generali, Cogne Edeltahl (DE), Cogne USA, Cogne Stainless Bars (CH), Dongguan Cogne Steel Products Co. (China). The project will be completed by the end of Q1-2024: the go-live of the new system is scheduled for April, 2nd 2024;
- Design and implementation of S4/Hana onboarding for Cogne Çelik, the Turkish branch. The go-live is scheduled for June, 1st 2024;
- Design of SAP S4/Hana onboarding Mexico, UK, France, Brazil. The go-live for those branches is scheduled by the end of 2024.
- Design of a new MES system has been completed, implementation in progress. The new software will be deployed in Cogne and productive subsidiaries in 2024, according to each branch needs, starting from branches and ACC Dept. In Swiss and Chinese branches the MES system will be extended to each single work center in order to enable the online update of production data, scheduled in 2024.

## CYBERSECURITY

Particular attention is paid by Cogne to activities in the field of cybersecurity, thanks to the definition and adoption of organizational models, procedures, security measures and technological tools to reduce vulnerabilities and mitigate threats. Given the importance of the issue, in 2023 Cogne has issued a cyber risk policy that applies to the mother company and to each subsidiary and defines the principles, provides guidelines on the subject and outlines roles and responsibilities in order to achieve an adequate level of protection of information, starting with the technical and organizational actions identified that concern:

- identification, classification, and management of information and assets;
- cybersecurity awareness and culture: A Cyber Security Awareness program for all colleagues using a company email address has been deployed. The system trains users and simulates phishing attacks (see HR chapter for further details). The extension of this platform to all branches is under evaluation;
- use of computing devices and software;
- access control;
- communications and systems security;
- information exchange and cooperation;
- cybersecurity incident management (to be done);
- relationships with third parties, also through periodic email to supplier also through periodic emails to suppliers with the aim of keeping attention high on cyber security issues.

Consistent with this approach, the ICT Department works to ensure the design of inherently secure

systems, as well as monitoring (24 hours a day) and analyzing all cybersecurity events to ensure timely interventions in case of issues. An external service (SOC) to enhance the monitoring and prompt response is under evaluation.

In addition, the implementation of an enhanced authentication system for access to systems (Multi Factor Authentication, MFA) has been successfully tested in 2023 and will be deployed to all employees in 2024.

## DATA BREACHES

Following the entry into force of EU Regulation 2016/679 (GDPR) relating to the protection of personal data (privacy), the term complaint means requests submitted by natural persons concerned by the processing of personal data to the Data Protection Authority, in the face of a possible violation of the law by the data controller. In 2023 no complaints were registered and we have no reports of loss or theft of customer information





**OUR JOURNEY  
TOWARDS A  
SUSTAINABLE  
FUTURE**



Cogne published its first voluntary Sustainability Report in 2018 (2017 data) with a scope covering Cogne Acciai Speciali S.p.A.. Since then, and for the subsequent years, Cogne discloses specific key indicators to continue on this journey: maintaining direct and transparent communication with its stakeholders by providing a truthful representation of its values and environmental, social and economic performance; developing a comprehensive vision, and increasingly monitoring its sustainability-related impacts.

Cogne Acciai Speciali S.p.A. 2023 Sustainability Report refers to the period 1 January – 31 December 2023 and the document was prepared in accordance with the Global Reporting Initiative (GRI) Standards (in accordance option). To guarantee the reliability of the information provided, the Report includes directly measurable quantities, thus limiting the use of estimates as much as possible. Estimated quantities are indicated as such. The calculations are based on the best information available or on sample surveys. It describes and analyses the main aspects related to social, environmental and economic issues that have characterized the company on a global level, retracing the initiatives undertaken and the results achieved in the three-year period of reference.

## THE MATERIALITY ANALYSIS

Cogne updated the materiality analysis in 2022 and considers the subsequent identification of material topics still applicable. The process followed to identify the material topics consists in three steps:

1. Analysis of the context in which Cogne operates and identification of the current and potential negative and positive impacts of the company's activities on the environment, the people (including human rights) and the economy throughout its value chain;
2. Assessment of the relevance of the impacts and their prioritisation;
3. Identification of material topics associated with the impacts identified in the previous steps.

More specifically, a desk analysis of Cogne's activities was conducted to gather information useful for the identification of the impacts generated (or potentially caused) by the company, with reference to the environment, the people and the economy. Subsequently, the main regulatory references, the global and sector-related sustainability trends, the sustainability reporting of companies operating in the same sector and the reports and articles

published in the media concerning the Cogne were analyzed. This analysis resulted in the identification of 14 positive or negative impacts that the Company has or could have along its value chain.

The relevance of the impacts was then determined through a separate analysis based on type. In particular, the relevance of a negative impact was determined by its level of severity, while the relevance of a potential negative impact took into account not only its level of severity but also its likelihood of occurrence. Based on the GRI standards, the following items were considered to determine the level of severity:

- Scale: how grave the impact is;
- Scope: how widespread the impact is;
- Irremediable character: how hard it is to counteract or make good the resulting harm.

Conversely, the severity of a positive impact was determined by taking into account only the parameters relating to scale and scope, in addition to likelihood of occurrence in the case of potential impacts. The level of severity and, where applicable, the likelihood of occurrence resulted in the definition of the materiality of each impact. All impacts were submitted to the Company's top management and CEO in a specific workshop and those above a specific identified materiality threshold, were grouped together in order to define the list of material topics.

Material Topic	Relevant Impact		GRI Disclosure
Energy and Climate Change	Greenhouse gas emissions The procurement of raw materials and the transport of materials and finished products generates significant direct emissions of greenhouse gases (GHG). Steelmaking is an energy-intensive activity.	Actual Negative Impact with High Probability	305 – Emissions 302 - Energy
Health and safety of employees	Risk to the health and safety of workers The lack of policies and procedures aimed at safeguarding health and safety could expose employees to risks to their health and safety.	Actual Negative Impact with High Probability	403 – Occupational Health and Safety
Water Management	Water pollution The use of water in the extraction of raw materials and production phases can pollute the wastewater with heavy and non-heavy metals, causing a potential danger to the environment.	Actual Negative Impact with High Probability	303 – Water and Effluents
	Impoverishment of the water resource The raw material extraction requires the use of large volumes of water for dust suppression, process cooling and material separation. Cogne consumes water for its cooling systems.	Actual Negative Impact with High Probability	
Air quality	Air pollution Steel production generates basic and hazardous pollutants and volatile organic compounds (VOCs), which can have a significant impact on local public health. Particularly relevant are sulfur oxides, nitrogen dioxide, lead, carbon monoxide and manganese, as well as particles such as soot and dust, which are released during the manufacturing process.	Actual Negative Impact with High Probability	305 – Emissions

Material Topic	Relevant Impact		GRI Disclosure
Consumption of raw materials	Consumption of raw materials The production of steel requires the use of large quantities of raw materials, both of recycled and virgin origin, as well as the use of accessory materials and products for the production phase.	Actual Negative Impact with High Probability	301 - Materials
Waste Management	Waste production The extraction of raw materials and steel production can generate waste which, if not properly managed, poses a risk to the environment	Actual Negative Impact with High Probability	306 – Water effluents and Waste
	Use of Recycled materials The use of SRM as the main raw materials leads Cogne to lengthen the life cycle of each product.	Actual Positive Impact with High Probability	Non GRI
Soil and subsoil quality	Soil Pollution The use and storage of chemicals and fuels can impact soil quality on site and in surrounding areas as a result of leaks and spills. The information and training activities carried out by Cogne provide employees with instructions on how to carefully manage substances that could lead to soil contamination.	Actual Negative Impact with High Probability	Non GRI
Development of employees' skills	Development of specific sector skills Cogne has developed the COGNE ACADEMY over the years, which allows internal and external information and technical and professional training.	Actual Positive Impact with High Probability	404 – Training and Education
Stable working relationships	Generation and consolidation of stable working relationships The company supports equal opportunity by ensuring that employment decisions are made without regard to race, creed, gender, disability, citizenship or sexual orientation. Remuneration is based on the tasks assigned, personal performance, skills and behavior of each person. Failure to build a good relationship with unions can have a negative impact on the company and on employee-employer relations.	Potential Positive Impact with high probability	202 – Market presence 401 – Employment 407 – Freedom of association and collective bargaining
Protection of human rights	Violation of human or labor rights The lack of policies and procedures aimed at protecting workers' rights could generate negative impacts on the value chain. Cogne respects the human rights of its employees and the communities in which it operates and is committed to promoting them with its suppliers.	Potential negative impact and with medium probability	402 – Labor/ Management Relation 405 – Diversity and Equal Opportunity 406 – Non-discrimination 409 – forced or compulsory labour

Material Topic	Relevant Impact	GRI Disclosure
Compliance with regulations and standards	Violation of regulations and standards Any conduct in contrast with laws and regulations on environmental, social and governance issues, including issues of corruption and business ethics, can have an impact both on the market in which the company operates and on the stakeholders associated with its activities.	Potential negative impact and with medium probability  204 – procurement practices 205 – anti-corruption 206 – anti-competitive Behavior 308 - Supplier Environmental assessment 416 – Customer Health and Safety 414 – Supplier Social Assessments 417 - Marketing and labelling
Supply Chain value	Supply Chain Value Cogne's business generates economic value in its value chain.	Potential Positive Impact with high probability  201 – Economic Performance

Following prioritization, the following topics obtained a final score lower than the materiality limit and are classified as not very relevant.

Non-material Topic	Impact	GRI Disclosure
Protection of Biodiversity	Biodiversity degradation  The phase of extraction of raw materials and the increase in global demand for resources threaten biodiversity in areas more and more remote. Cogne's procurement policy prioritizes activities that respect wildlife habitats in and around company sites	Potential negative impact and with medium probability
Noise protection	Noise pollution.  Production activities can generate an acoustic impact in the surrounding external areas. In order to improve the noise situation, all new operational plants are designed to meet site-specific technical criteria. Furthermore, many plants of the Aosta plant have emission containment systems and the design phases of additional soundproofing systems are currently underway	Potential negative impact and with medium probability
Protection of Diversity	Discrimination in the workplace  The business activity must be carried out with respect for diversity and the guarantee of equal opportunities for all employees. The company must correctly assess and deal with the risk of incurring episodes of discrimination in the workplace and in the selection of suppliers.	Potential and high probability negative impact

As per the forthcoming update of the European legislation on sustainability reporting which will impact the company and the reporting perimeter following the entry into force of the CSRD and all the related preparatory activities, it was decided for 2023 to maintain the results of the materiality analysis presented in 2022. More precisely, supply chain management and supplier relationship management were part of a specific analysis in 2023 and relevant implementation activities will follow in 2024. For any further details, please refer to the chapter regarding supply chain and supplier relationship management.

Cogne embodies the United Nations Sustainable Development Goals (SDGs) in its values and strategies. In this context, Cogne's Sustainability Report serves as a reporting tool to all stakeholders, detailing the activities undertaken and the achieved objectives.







# **METHODOLOGICAL NOTE AND CONTENT INDEX**

**This Sustainability Report is Cogne Acciai Speciali S.p.A. sixth edition and relates to year (from 1st January to 31st December) and it is the same of the financial statement.**

This document is prepared on an annual basis and published on the company's website after the Board of Directors approval in May 2024... . Cogne prepares a statutory financial statement and a consolidated financial statement at 31.12.2023. The scope of the Sustainability Report 2023 aligns with that of the statutory financial statements of Cogne Acciai Speciali S.p.A., and it includes the warehouses in Mirano and Cornaredo within its scope. The document also contains, where available, performance data for the three-year period 2021-2023 to provide a comparison with previous years. Cogne Acciai Speciali S.p.A. has its registered office in Aosta at Via Paravera 16

The document was prepared in accordance with the Global Reporting Initiative (GRI) Standard: in accordance option. The principles used to define the quality and the correct presentation of the information reported in this Report are the Reporting Principles defined by the Standard GRI 1: Foundation 2021 (accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness and verifiability). In order to guarantee the reliability of the information provided, the Report includes directly measurable quantities, thus limiting the use of esti-

mates as much as possible. Estimated quantities are indicated as such. The calculations are based on the best information available or on sample surveys.

This document contains restatement of information regarding 401-1, and a different methodology was adopted to represent 305-4. More info can be found in the relevant tables and paragraphs.

The Sustainability Report is prepared annually by the Sustainability and Corporate Affairs Department, in collaboration with all the several internal actors that manage material processes, and that reports to the General Director and the Chief Executive Officer.

**The document was audited by the appointed independent auditor EY S.p.A. based on the principles and indications contained in ISAE3000 (International Standard on Assurance Engagements 3000 – Revised)** of the International Auditing and Assurance Standards Board (IAASB). EY S.p.A. is also the company appointed to perform the legal audit of the Financial Statements of Cogne Acciai Speciali S.p.A.. the Independent auditor's report is at the end of this document. Quantitative indicators not referring to any general or topic-specific disclosure of the GRI Standards, shown on the pages indicated in the Content Index, are not subject to limited review by EY S.p.A..



# **DATA AND PERFORMANCE INDICATORS**

## ECONOMIC VALUE

GRI 201-1 Direct economic value generated and distributed			
K€	2021	2022	2023
<b>Direct economic value generated</b>	<b>650,460</b>	<b>957,559</b>	<b>709,412</b>
Revenues from sales and services	647,102	946,500	686,730
Other revenues and income	3,358	11,059	22,682
<b>Economic value distributed</b>	<b>589,150</b>	<b>903,201</b>	<b>685,327</b>
Operating costs	529,041	828,332	612,190
Employee wages and benefits	55,278	60,779	59,710
Payments to providers of capital	4,683	8,494	12,203
Payments to government	-	5,157	987
Community investments	148	439	237
<b>Economic value retained</b>	<b>61,310</b>	<b>54,358</b>	<b>24,085</b>

# OCCUPATIONAL HEALTH AND SAFETY

GRI 403-8 Workers covered by an occupational health and safety management system												
Occupational safety and health management system structure-employee and non-employee classification:	2021				2022				2023			
	n		%		n		%		n		%	
	Employee	Non-employee	Employee	Non-employee	Employee	Non-employee	Employee	Non-employee	Employee	Non-employee	Employee	Non-employee
<b>Unaudited</b>	-	-	0%	0%	-	-	0%	0%	-	-	0%	0%
<b>Internally audited</b>	1.047	391	100%	100%	1.065	337	100%	100%	1.173	314	100%	100%
<b>Audited or certified by an external organization</b>	1.024	391	98%	100%	1.044	337	98%	100%	1.148	314	98%	100%

GRI 403-9 Work-related injuries			
Employees (nr)	2021	2022	2023
Total hours worked	1.800.468	1.856.630	1.830.767
Total number of recordable accidents*	26	25	19
of which major accidents (accidents causing more than 6 months' absence)	-	1	1
Total number of fatal accidents	-	-	-
Accidents Frequency Index	14,44	13,47	10,37
Major accidents frequency index	-	0,54	0,55
Death rate due to occupational injuries	-	-	-
* Includes accidents that forced the worker to stay home for less than 3 days			
Figures relating to all employees	2021	2022	2023
Number of occupational illnesses reported	-	-	-
Number of occupational illnesses recognised	-	-	-
Number of deaths resulting from occupational illnesses	-	-	-
Workers who are not employees but whose work and/or workplace is controlled by the organization	2021	2022	2023
Total hours worked	679.172	632.543	581.397
Total number of recordable accidents *	12	22	16
of which major accidents (accidents causing more than 6 months' absence)	-	-	-
Total number of fatal accidents	-	-	-
Accidents Frequency Index	17,67	34,78	27,52
Major accidents frequency index	-	-	-
*Includes accidents that forced the worker to stay home for less than 3 days			

GRI 403-10 Work-related ill health			
Figures relating to all workers (excluding employees) whose work or place of work is controlled by the organisation	2021	2022	2023
Number of occupational illnesses reported	-	-	-
Number of occupational illnesses recognised	-	-	-
Number of deaths resulting from occupational illnesses	-	-	-

# EMISSIONS

<b>305-1 Direct (Scope 1) GHG emissions</b>			
<b>Unit: Metric tons of carbon dioxide equivalent</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
CO2	105.709	99.903	88.172
of which in ETS	104.847	99.021	87.962
of which not in ETS (Fuel for company vehicles, LPG for heating, and maintenance)	862	882	210
HFCs non it ETS	56	34	12
<b>Total Scope 1 GHG emissions</b>	<b>105.765</b>	<b>99.937</b>	<b>88.184</b>

<b>305-2 Energy indirect (Scope 2) GHG emissions</b>			
<b>Unit: Metric tons of carbon dioxide equivalent</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Scope 2 GHG emissions (Market-based)	93.230	92.225	76.125
Scope 2 GHG emissions (Location-based)	86.169	85.759	74.513

<b>305-4 GHG emissions intensity</b>			
<b>Category</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Scope 1	105.765	99.937	88.184
Scope 2 (market coefficient method)	93.230	92.225	76.125
Total (Scope 1 + Scope 2 )	198.995	192.162	164.309
<b>Ton Crude Cast Steel</b>	<b>209.819</b>	<b>214.846</b>	<b>168.882</b>
Greenhouse gas emission intensity ratio	0,95	0,89	0,97

\* Compared to the previous year Cogne decided to adopt a new approach for the calculation of the GHG emissions intensity using as the numerator, GHG emissions Scope 1 plus Scope 2 market-based instead of location based, and as the denominator tonnes of crude cast steel instead of tonnes of steel produced excluding trading. According to the new methodology the energy intensity as of December 31st, 2022 amounts to 0,89 tCo2eq/ tCrude Cast Steel compared to 1,07 tCo2eq/tsteel produced.

<b>305-5 Reduction of GHG emissions*</b>				
<b>Reduction of GHG emissions</b>	<b>Base year 2019</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Scope 1	3.461	1.252	-2.396	-2.718
Scope 2 (market coefficient method)	78.159	-18.808	-21.254	-30.296
<b>Total reduction</b>	<b>81.620</b>	<b>-17.556</b>	<b>-23.650</b>	<b>-33.014</b>

Reduction in direct emissions (Scope 1) is directly linked to the reduction of anthracite usage in steel making process starting from 2021. The reduction in indirect emissions (Scope 2) can be linked to increase in green electricity consumption by PPA agreement and Guarantee of Origins. To calculate the reduction of Scope 1 emissions, Cogne subtracted the CO2eq emissions associated with anthracite in 2023 from the CO2eq emissions associated with anthracite in 2019. To calculate the reduction of Scope 2 emissions, Cogne subtracted the CO2eq emissions associated with the consumption of electricity in 2023 from the CO2eq emissions associated with the consumption of electricity in 2019. The CO2eq emissions were calculated as described for the GRI 305-1 and 305-2. The source of the emission factors used is Terna, Confronti Internazionali 2019 (for the calculation of Location-based CO2 emissions) and Association of Issuing Bodies (AIB) - European Residual Mixes, 2022 (for the calculation of the Market-based CO2 emissions), the most recent versions of these sources.

GRI 305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions			
Type of pollutant (kg)	2021	2022	2023
NOx	278.086	226.149	162.627
SOx	1.149	853	1.284
Suspended particulates (PM)	6.863	5.477	5.401
Other significant emission categories (see AIA) (kg)	2021	2022	2023
HF	923	1.203	1.398
PCDD/F	-	-	-
Ni	6	15	3
Cr	9	17	6
Zn	56	60	29

The data correspond to elaborations for the 2021/2022/2023 AIA Monitoring and Control Plan and are include emissions reported for PRTR purposes. The data do not include the activities of the Cornaredo (MI) and Venice sites

## ENERGY

GRI 302-1 Energy consumption within the organization												
Consumption of fuel from non-renewable sources by type	2021				2022				2023			
		Unit		Unit		Unit		Unit		Unit		Unit
Natural gas Aosta	45.341.863	m3/year	1.599.706	GJ	43.668.818	m3/year	1.540.680	GJ	39.022.127	m3/year	1.376.740	GJ
Methane Cornaredo site (MI)	5.905	m3/year	208	GJ	5.689	m3/year	200	GJ	5.983	m3/year	211	GJ
Methane Padua site (PD)	-	m3/year	-	GJ	-	m3/year	-	GJ	-	m3/year	-	GJ
Diesel	265.104	l/year	9.725	GJ	287.807	l/year	10.558	GJ	270.400	l/year	9.919	GJ
Diesel fuel from company cars	56.600	l/year	2.038	GJ	63.616	l/year	2.291	GJ	72.117	l/year	2.646	GJ
Petrol from company cars	112	l/year	4	GJ	621	l/year	22	GJ	4.154	l/year	150	GJ
Petrol	1.783	l/year	56	GJ	2.854	l/year	90	GJ	1.082	l/year	34	GJ
LPG	9	Ton	404	GJ	2	Ton	91	GJ	2	Ton	82	GJ
Indirect energy consumption	2021				2022				2023			
		Unit		Unit		Unit		Unit		Unit		Unit
Electricity (from the grid) Aosta	273.386.883	kWh/year	984.193	GJ	272.075.859	kWh/year	979.473	GJ	236.392.893	kWh/year	851.014	GJ
Electricity Cornaredo (MI)	117.370	kWh/year	423	GJ	116.227	kWh/year	418	GJ	115.108	kWh/year	414	GJ
Electricity Padua	-	kWh/year	-	GJ	-	kWh/year	-	GJ	-	kWh/year	-	GJ
Electricity Venice	44.459	kWh/year	160	GJ	59.188	kWh/year	213	GJ	42.042	kWh/year	151	GJ
<b>Total electricity consumption</b>	273.548.712	kWh/year	984.775	GJ	272.251.274	kWh/year	980.105	GJ	236.550.043	kWh/year	851.580	GJ
<b>Total energy consumption</b>	NA	NA	2.596.917	GJ	NA	NA	2.534.035	GJ	NA	NA	2.241.361	GJ
<b>Total energy consumption from renewable energy (Guaranteed Origins)</b>	70.241.829	kWh/year	252.871	GJ	70.239.000	kWh/year	252.860	GJ	70.237.150	kWh/year	252.854	GJ
<b>Total energy consumption from non-renewable sources</b>	NA	NA	2.343.463	GJ	NA	NA	2.280.544	GJ	NA	NA	1.988.507	GJ



<b>GRI 302-4 Reduction of energy consumption</b>						
Product and service (GJ)	2021 (base year)		2022		2023	
	energy consumption	energy reduction	energy consumption	energy reduction	energy consumption	energy reduction
Furnace F70 - From Q2/2023, reference Furnace F69	45.163	-	NA	NA	42.375	-2.789
Ladle heatings IT UHP - from Q4/2022	11.684	-	11.594	-91	9.333	-2.351
New Air compression Unit ar Neutralization and PRS plant - from 2021	108.348	-	77.267	-31.082	91.784	-16.565
<b>Total</b>	<b>165.197</b>	<b>-</b>	<b>149.004</b>	<b>-31.172</b>	<b>143.492</b>	<b>-21.705</b>
base year 2021						

product and service	The standards, methodologies, assumptions, and/or calculation tools used by products and services to reduce energy consumption.
<b>Furnace F70 - From Q2/2023, reference Furnace F69</b>	Starting from the estimated annual savings expressed in equivalent tons of oil, the value of energy efficiency certificates related to the investment made is obtained. From the quantity of TEE, the annual savings in standard cubic meters (smc) of natural gas are derived. Since the intervention was carried out in the second quarter of 2023, the corresponding savings related to the installation of furnace 70 were evaluated as 75% of the estimated annual savings. For the evaluation of actual consumption in 2023, the consumption of the reference year (2021) was considered, from which the savings due to the installation of furnace 70 were subtracted. For the energy reduction evaluation in subsequent years, the natural gas consumption for year 2023 was considered and re-proportioned using the ratio of tons processed in the year 2021 (baseline) to the year under analysis. In this way, the assessment of energy consumption reduction was performed excluding the impact related to different production. Data were extracted from internal consumption monitoring tools (Energy & Decarbonization Team) and business performance monitoring software (Qlik). For this application, 2022 is not considered.
<b>Ladle heatings IT UHP - from Q4/2022</b>	For the evaluation of energy consumption of the Ladle heatings IT UHP, the year 2021 was taken as the baseline, considering the ratio of natural gas consumption to tons of steel produced by the UHP furnace. For the energy reduction evaluation reduction in subsequent years, the natural gas consumption for each year was considered and re-proportioned using the ratio of tons produced in the year 2021 (baseline) to the year under analysis. In this way, the assessment of energy consumption reduction was performed excluding the impact related to different production. Data were extracted from internal consumption monitoring tools (Energy & Decarbonization Team) and business performance monitoring software (Qlik).
<b>New Air compression Unit ar Neutralization and PRS plant - from 2021</b>	For the evaluation of energy consumption of the New Air compression Units, the year 2021 was taken as the baseline, considering the ratio of electricity consumption to the standard cubic meters of compressed air produced by the new units (Neutralization and PRS plant). For the energy reduction evaluation reduction in subsequent years, the electricity consumption for each year was considered and re-proportioned using the ratio of the standard cubic meters produced in the year 2021 (baseline) and the year under analysis. In this way, the evaluation of energy consumption reduction was performed excluding the impact related to different production. Data were extracted from internal consumption monitoring tools (Energy & Decarbonization Team) and business performance monitoring software (Qlik).

<b>GRI 302-3 Energy intensity</b>				
Energy Produced	Unit	2021	2022	2023
ton crude steel	ton crude cast steel	209.819	214.846	168.882
Total energy consumption	GJ	2.596.917	2.534.035	2.241.361
energy intensity	GJoules/ton crude cast steel	12,38	11,79	13,27

## WATER WITHDRAWALS AND DISCHARGE

<b>GRI 303-3 Water withdrawal</b>			
<b>Water withdrawal by source (in Mm3)</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Total withdrawal from surface water, including use of rainwater</b>	-	-	-
of which freshwater ( $\leq 1,000$ mg/L total dissolved solids)	-	-	-
of which other water ( $>1,000$ mg/L total dissolved solids)	-	-	-
<b>Total withdrawal from groundwater (e.g. wells)</b>	12.792	12.583	11.356
of which freshwater ( $\leq 1,000$ mg/L total dissolved solids)	12.792	12.583	11.356
of which other water ( $>1,000$ mg/L total dissolved solids)	-	-	-
<b>Total withdrawal from third parties (e.g. waterworks)</b>	-	1	-
of which freshwater ( $\leq 1,000$ mg/L total dissolved solids)	-	1	-
of which other water ( $>1,000$ mg/L total dissolved solids)	-	-	-
<b>Total Water Withdrawal</b>	<b>12.792</b>	<b>12.584</b>	<b>11.356</b>

<b>GRI 303-4 Water discharge</b>			
<b>Water discharge by destination (in Mm3)</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Water discharge to surface water	12.701	10.899	9.677
Water discharge to groundwater	-	-	-
Water discharge to third-party water	-	1	-
of which third-party water sent for use by other organisations	-	-	-
<b>Total water discharge</b>	<b>12.701</b>	<b>10.900</b>	<b>9.678</b>
<b>Water discharge (freshwater or other water) (in Mm3)</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
of which freshwater ( $\leq 1,000$ mg/L total dissolved solids)	12.701	10.900	9.678
of which other water ( $>1,000$ mg/L total dissolved solids)	-	-	-
<b>Total water discharge</b>	<b>12.701</b>	<b>10.900</b>	<b>9.678</b>
<b>Water discharge (treatment level) (in Mm3)</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
No treatment	96	57	2
Screening pre-treatment then sedimentation	12.605	10.842	9.675
Chemical precipitation	12.605	10.842	9.675
Instances when discharge limits were exceeded	-	-	-

<b>GRI 303-5 Water consumption</b>			
<b>Water consumption (in Mm3)</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Total water withdrawal	12.792	12.584	11.356
Total water discharge	12.701	10.900	9.678
Total water consumption	91	1.684	1.678

The data refers only to the Aosta site + Cornaredo and Mirano data for withdrawals are not available. Discharge data of Cornaredo and Mirano not available and therefore assumed to be equal to withdrawals. It should be noted that the total water withdrawal includes water withdrawal for industrial use and water withdrawal for fire fighting/drinking use.

Cogne's water withdrawal and Water discharge is fresh water ( $\leq 1,000$  mg/L total dissolved solids). Water withdrawal and discharge areas fall within water stress areas (Source: Aqueduct Water Risk Atlas (wri.org)).

## HUMAN RESOURCES

<b>GRI 2-8 Workers who are not employees</b>			
<b>Workers who are not employees by contract (nr.)</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Internship	10	6	2
Temporary workers	-	14	8
Self-employed	6	6	3
<b>Workers who are not employees</b>	<b>16</b>	<b>26</b>	<b>13</b>
“Numbers are reported in head count and to the end of the reporting period”			

<b>GRI 2-7 Employees</b>				
<b>Breakdown of employees by type of contract and gender at 31/12 (nr.)</b>	<b>gender</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
		<b>Italy</b>	<b>Italy</b>	<b>Italy</b>
Employees with permanent contracts	Men	906	949	1023
	Women	62	67	72
	<b>Total</b>	<b>968</b>	<b>1.016</b>	<b>1.095</b>
Employees with fixed-term contracts	Men	76	48	71
	Women	3	1	7
	<b>Total</b>	<b>79</b>	<b>49</b>	<b>78</b>
On-call	Men	-	-	-
	Women	-	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>		<b>1047</b>	<b>1.065</b>	<b>1.173</b>
Part-time employees	Men	-	-	-
	Women	2	1	2
	<b>Total</b>	<b>2</b>	<b>1</b>	<b>2</b>
Full-time employees	Men	982	997	1094
	Women	63	67	77
	<b>Total</b>	<b>1.045</b>	<b>1.064</b>	<b>1.171</b>
<b>Total</b>		<b>1.047</b>	<b>1.065</b>	<b>1.173</b>
“Numbers are reported in head count and to the end of reporting period.”				

<b>GRI 401-1 New employee hires and employee turnover</b>					
Disclosure	Gender	Age	2021	2022	2023
			Italy	Italy	Italy
Hires by age group and gender (nr)	Men	Under 30 years old	72	57	71
		30 to 50 years old	125	90	99
		Over 50 years old	6	2	3
	Total men		203	149	173
	Women	Under 30 years old	1	2	8
		30 to 50 years old	3	2	3
		Over 50 years old	1	3	-
	Total women		5	7	11
	<b>TOT</b>		<b>208</b>	<b>156</b>	<b>184</b>
Termination by age group and gender (nr)	Men	Under 30 years old	15	39	15
		30 to 50 years old	58	82	38
		Over 50 years old	39	13	22
	Total men		112	134	75
	Women	Under 30 years old	-	1	-
		30 to 50 years old	-	2	-
		Over 50 years old	1	1	1
	Total women		1	4	1
	<b>TOT</b>		<b>113</b>	<b>138</b>	<b>76</b>
<p>Employee turnover is calculated considering employees that terminates their employment relation during the reporting year 2021, 2022 and 2023. Those employees whose contract expires or terminates on December 31st of each year, are considered still in force and will be counted as terminated in the following year. Such methodology is different from the one adopted for the previous reporting periods. Thus, the company decided to revise the KPI for the years 2021, 2022, 2023. As a result, the number of hires in 2021 and 2022, respectively 206 and 154, were restated to 208 and 156. With regard to turnover in 2022, the number changed from 139 to 138</p>					

	Rate of new employee hires	Rate of employee turnover
2021	20%	11%
2022	15%	13%
2023	16%	6%

<b>GRI 401-3 Parental leave</b>			
item	2021	2022	2023
<b>Number of employees eligible to apply for parental leave</b>			
Men	355	351	360
Women	23	23	24
Total	378	374	384
<b>Number of employees applying for parental leave</b>			
Men	37	45	84
Women	7	4	5
Total	44	49	89

<b>GRI 401-3 Parental leave</b>			
<b>item</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Number of employees who returned to work in the reference period after the end of parental leave</b>			
Men	36	45	84
Women	7	3	5
<b>Total</b>	<b>43</b>	<b>48</b>	<b>89</b>
<b>Number of employees who returned to work after the end of parental leave and who were still employed 12 months after their return to work</b>			
Men	27	14	13
Women	8	4	1
<b>Total</b>	<b>35</b>	<b>18</b>	<b>14</b>
<b>Total number of employees who should have returned to work after taking parental leave</b>			
Men	36	45	84
Women	7	3	5
<b>Total</b>	<b>43</b>	<b>48</b>	<b>89</b>
<b>Return rate</b>			
Woman	100%	100%	100%
Men	100%	100%	100%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Retention rate</b>			
Woman	N/A	57%	33%
Men	N/A	39%	29%
<b>Total</b>	<b>N/A</b>	<b>42%</b>	<b>29%</b>

<b>GRI 405-1 Diversity of governance bodies and employees</b>							
<b>Breakdown of employees by category and gender at 31/12 (nr)</b>	<b>Gender</b>	<b>Age</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>%</b>	
<b>Directors</b>	<b>Women</b>	< 30	-	-	-	0%	
		30 to 50	1	1	1	0%	
		> 50	1	1	1	0%	
	<b>Total women directors</b>			<b>2</b>	<b>2</b>	<b>2</b>	<b>0%</b>
	<b>Men</b>	< 30	-	-	-	0%	
		30 to 50	5	6	6	1%	
		> 50	5	6	7	1%	
	<b>Total men directors</b>			<b>10</b>	<b>12</b>	<b>13</b>	<b>1%</b>
	<b>Total directors</b>			<b>12</b>	<b>14</b>	<b>15</b>	<b>1%</b>
	<b>-of which protected class</b>			<b>-</b>	<b>-</b>	<b>-</b>	<b>0%</b>
<b>Whitecollar</b>	<b>Women</b>	< 30	6	3	9	1%	
		30 to 50	40	45	45	4%	
		> 50	15	17	18	2%	
	<b>Total women whitecollar</b>			<b>61</b>	<b>65</b>	<b>72</b>	<b>6%</b>
	<b>Men</b>	< 30	13	15	24	2%	
		30 to 50	161	179	184	16%	
		> 50	59	55	57	5%	
	<b>Total men whitecollar</b>			<b>233</b>	<b>249</b>	<b>265</b>	<b>23%</b>
	<b>Total employee</b>			<b>294</b>	<b>314</b>	<b>337</b>	<b>29%</b>
	<b>-of which protected class</b>			<b>9</b>	<b>9</b>	<b>8</b>	<b>1%</b>

GRI 405-1 Diversity of governance bodies and employees							
Breakdown of employees by category and gender at 31/12 (nr)	Gender	Age	2021	2022	2023	%	
Bluecollar	Women	< 30	1	-	1	0%	
		30 to 50	1	1	4	0%	
		> 50	-	-	-	0%	
	Total women bluecollar			2	1	5	0%
	Men	< 30	106	69	104	9%	
		30 to 50	444	486	527	45%	
		> 50	189	181	185	16%	
	Total men bluecollar			739	736	816	70%
	<b>Total workers</b>			<b>741</b>	<b>737</b>	<b>821</b>	<b>70%</b>
-of which protected class			29	29	29	2%	
Total	Women	< 30	7	3	10	1%	
		30 to 50	42	47	50	4%	
		> 50	16	18	19	2%	
	Total women			65	68	79	7%
	Men	< 30	119	84	128	11%	
		30 to 50	610	671	717	61%	
		> 50	253	242	249	21%	
	Total men			982	997	1.094	93%
	<b>Total</b>			<b>1.047</b>	<b>1.065</b>	<b>1.173</b>	<b>100%</b>
-of which protected class			38	38	37	3%	
Governing Body	Men	< 30	-	-	-	0%	
		30 to 50	-	1	1	11%	
		> 50	5	6	6	67%	
	Total men			5	7	7	78%
	Women	< 30	-	-	-	0%	
		30 to 50	-	1	1	11%	
		> 50	1	1	1	11%	
	Total women			1	2	2	22%
<b>Total</b>			<b>6</b>	<b>9</b>	<b>9</b>	<b>100%</b>	

GRI 202-2 Proportion of senior management hired from the local community			
Number of people in overseas countries	2021	2022	2023
Number of senior managers	12	14	15
Number of senior managers who are locals	12	14	14
Proportion	100%	100%	93%

- The definition of 'senior-manager' is based on the Italian Civil Code (Art. 2095), providing a breakdown between executives, middle managers, employees and workers. The senior-managers considered in this KPI refers only to the category of executives.

- The organization's geographical definition of 'local' refers to executives with Italian nationality.

- The definition used for 'significant locations of operation' is Cogne Acciai Speciali S.p.A.'s sites

# TRAINING

<b>GRI 404-1 Average hours of training per year per employee</b>				
<b>Total hours of training by category (hours)</b>		<b>2021</b>	<b>2022</b>	<b>2023</b>
Executives		1.331	817	1.722
Managers		1.081	1.436	2.162
White collars		6.689	13.658	20.170
Blue collars		10.849	18.486	18.463
<b>Total hours of training</b>		<b>19.950</b>	<b>34.397</b>	<b>42.517</b>
<b>Total hours of training by gender (hours)</b>		<b>2021</b>	<b>2022</b>	<b>2023</b>
Woman		1.188	3.004	5.738
Man		18.762	31.393	36.779
<b>Total hours of training</b>		<b>19.950</b>	<b>34.397</b>	<b>42.517</b>
Women at 31/12		65	68	79
Men at 31/12		982	997	1.094
<b>Total employees</b>		<b>1.047</b>	<b>1.065</b>	<b>1.173</b>
Hour of training per capita for woman		18	44	73
Hour of training per capita for man		19	31	34
Hour of training per capita		19	32	36
<b>Average number of training hours by classification</b>	<b>UdM</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Hour of training per capita for executives	hours	111	58	115
Hour of training per capita for whitecollars	hours	26	48	66
Hour of training per capita for bluecollars	hours	15	25	23

<b>GRI 404-2 Programs for upgrading employee skills and transition assistance programs</b>			
	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Course category</b>	<b>Course Title</b>	<b>Course Title</b>	<b>Course Title</b>
Transversal training	N/A	N/A	2021 La Cultura della Sicurezza Nucleare
Transversal training	2021 La Cultura della Sicurezza Nucleare	2021 La Cultura della Sicurezza Nucleare	2022 Corso Consapevolezza del SGQ in CAS
Technical training	2021_Webinar MOCA	2022 Corso di formazione su Codice Nucleare ASME	2022 Corso di formazione su Codice Nucleare ASME
Transversal training	Accreditamento Lab. Chimico - UNI-EN-ISO/IEC 17025	2022 Corso TT Acciai Inossidabili	2022 Normativa MOCA - Gestione di materiali e oggetti destinati al contatto con gli alimenti

<b>GRI 404-2 Programs for upgrading employee skills and transition assistance programs</b>			
	<b>2021</b>	<b>2022</b>	<b>2023</b>
Transversal training	ADR - Aggiornamento normativo e ADR 2021 - Gestione Rifiuti	2022 Normativa MOCA - Gestione di materiali e oggetti destinati al contatto con gli alimenti	2023 Corso sulla consapevolezza - GDQ
Transversal training	Controlli pirometrici Aerospace - Lean Pyrometry - AMS2750F	Corso Accreditamento laboratori di prova e taratura - ISO/IEC 17025:2018	2023 Introduzione alle ISO 50001
Technical training	Corso Aerospace EN 9100 - Cornaredo	Corso analisi dei sistemi di misurazione in ambito automotive - MSA	2023 Mantenimento delle competenze AMS2750G - NADCAP
Technical training	Corso ambiente ETS	Corso Auditor aziendali secondo la UNI EN 9100:2018	ASME BPVC IIWG Section V, VIII, IX
Technical training	Corso ambiente PO-AMB.007	Corso auditor di I e II parte di Sistemi di Gestione per la Qualità IATF 16494:2016	Classificazione e gestione del trasporto ADR dei rifiuti pericolosi
Technical training	Corso Ambiente SI	Corso di formazione marchio UKCA	Conduzione vasca di collaudo - Casoni (PEL)
Technical training	Corso ambiente UT	Corso di formazione REACH e gestione rifiuti	Corso ADR
Technical training	Corso NADCAP-AMS2750F	Corso Gestione Laboratori secondo la Norma ISO IEC 17025	Corso ASTM A262
Technical training	Corso STL su RT-08 e ISO IEC 17025	Corso M4 APQP/PPAP (Norma IATF 16949)	Corso ASTM E45
Technical training	Corso UT EN ISO 9712 - liv.2	Corso REACH-CLP: Principi di base	Corso Codice RCCM Nuclear
Technical training	FMEA AIAG - VDA Ed. IV - Failure mode and effect analysis	Corso RX antimix - 1h teoria	Corso controlli e collaudi - FUCINA
Technical training	MSA - Measurement Systems Analysis	Corso RX antimix - parte pratica	Corso EL-M20 - rappresentante per la sicurezza e conformità del prodotto (PSCR)
Technical training	Normativa ADR - Trasporti interni	Corso tecniche di Audit UNI EN ISO 19011:2018 e UNI CEI EN ISO IEC 17021-1:2015	Corso Metrologia
Technical training	Regolamento 305/2011 (CPR)	Corso teorico - pratico nel metodo correnti indotte	Corso Metrologia - ed.2
Technical training	N/A	Corso teorico collaudi vergella + test	Corso pirometria AMS2750
Technical training	N/A	Corso trattamenti termici	Corso RX antimix - 1h teoria



<b>GRI 404-2 Programs for upgrading employee skills and transition assistance programs</b>			
	<b>2021</b>	<b>2022</b>	<b>2023</b>
Technical training	N/A	Il marchio UKCA nell'ambito delle costruzioni	Corso RX antimix - parte pratica + GDQ
Technical training	N/A	Introduzione alla pirometria secondo AMS2750E	Corso UNI EN ISO IEC 17025:2018
Technical training	N/A	M32 Core tools automotive per auditor di processo e di sistema	Corso UT9712
Technical training	N/A	Mantenimento accreditamento NADCAP - AMS2750	EL-S8Hm Upgrade da VDA 6.3:2016 a VDA 6.3:2023
Technical training	N/A	Pirometria e trattamenti termici - Ed 2	Formazione AMS 2315 - NADCAP
Technical training	N/A	Pirometria e trattamenti termici - Ed.1	Formazione collaudo rotoli - TTD
Technical training	N/A	VDA 6.3 2016 - Qualificazione degli auditor di processo	Formazione di base FMEA armonizzata IAG-VDA
Technical training	N/A	Workshop UNI 118116 - Rischio NaTech	Formazione vasca collaudo UT8000
Technical training	N/A	N/A	Informativa JIS Q 9100:2016 New requirements
Technical training	N/A	N/A	Nucleare: prospettive e criticità
Technical training	N/A	N/A	Ripasso correnti indotte (2022) + esame finale
Technical training	N/A	N/A	Analisi dei sistemi di misurazione - EL-M5 MSA
	<b>2021</b>	<b>2022</b>	<b>2023</b>
Transition assistance programs to support employees retiring or terminating their employment	N/A	N/A	N/A

## TRAINING ABOUT ANTI-CORRUPTION POLICIES AND PROCEDURES

205-2 Communication and training about anti-corruption policies and procedures						
Training on anti-corruption policies and procedures by classification area:	2021		2022		2023	
	n.	%	n.	%	n.	%
Executives	-	0%	-	0%	-	0%
Managers	-	0%	-	0%	-	0%
White collars	-	0%	-	0%	-	0%
Blue collars	-	0%	-	0%	-	0%
<b>Total</b>	-	<b>0</b>	-	<b>0</b>	-	<b>0</b>
Members of organizational governance units who have received anti-corruption training:	2021		2022		2023	
	n.	%	n.	%	n.	%
Italy	-	0%	-	0%	-	0%
<b>Total</b>	-	<b>0</b>	-	<b>0</b>	-	<b>0</b>
Training on anti-corruption policies and procedures by geographical area:	2021		2022		2023	
	n.	%	n.	%	n.	%
Italy	-	0%	-	0%	-	0%
<b>Total</b>	-	<b>0</b>	-	<b>0</b>	-	<b>0</b>

## COMMUNICATION ABOUT ANTI-CORRUPTION POLICIES AND PROCEDURES

205-2 Communication and training about anti-corruption policies and procedures						
Communications on anti-corruption policies and procedures by classification area:	2021		2022		2023	
	n.	%	n.	%	n.	%
Executives	0	0%	0	0%	0	0%
Managers	0	0%	0	0%	0	0%
White collars	0	0%	0	0%	0	0%
Blue collars	0	0%	0	0%	0	0%
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Members of organizational governance units who have communicated the organizations anti-corruption policies and procedures.	2021		2022		2023	
	n.	%	n.	%	n.	%
Italy	0	0%	0	0%	0	0%
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Communications on anti-corruption policies and procedures by geographical area:	2021		2022		2023	
	n.	%	n.	%	n.	%
Italy	0	0%	0	0%	0	0%
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## PERFORMANCE AND CAREER DEVELOPMENT REVIEWS

GRI 404-3 Percentage of employees receiving regular performance and career development reviews						
Total People evaluated by category (%)	2021		2022		2023	
	n	%	n	%	n	%
Executives	-	0%	0	0%	-	0%
Managers	-	0%	5	0%	-	0%
White collars	-	0%	226	21%	-	0%
Blue collars	-	0%	629	59%	-	0%
<b>Total</b>	-	<b>0%</b>	<b>860</b>	<b>81%</b>	-	<b>0%</b>
Total People evaluated by gender (%)	2021		2022		2023	
	n	%	n	%	n	%
Women	-	0%	46	4%	-	0%
Men	-	0%	814	76%	-	0%
<b>Total</b>	-	<b>0%</b>	<b>860</b>	<b>81%</b>	-	<b>0%</b>

Frequency: the Company Management has planned the employee performance review every two years, according to the internal procedure. the last performance review was held in 2022

## PROCUREMENT PRACTICES

GRI 204-1 Proportion of spending on local suppliers			
Spending on local suppliers (in euros and %)	2021	2022	2023
Total procurement budget spent on suppliers	537.381.196	594.013.169	453.933.223
Total procurement budget spent on local suppliers	20.825.685	27.076.199	19.997.507
Percentage of procurement budget spent on local suppliers	4%	5%	4%

## NEW SUPPLIERS THAT WERE SCREENED USING ENVIRONMENTAL AND SOCIAL CRITERIA

GRI 308-1 New suppliers that were screened using environmental criteria			
	2021	2022	2023
Percentage of new suppliers screened using environmental criteria	0%	0%	0%

GRI 414-1 New suppliers that were screened using social criteria			
	2021	2022	2023
Percentage of new suppliers screened using social criteria	0%	0%	0%

In 2023, Cogne decided to make bigger steps in this direction, to deepen our knowledge of our partners in the supply chain and, through collaboration with an outsourced sustainability management platform, design and develop a system that will manage suppliers' performance also under ESG drivers.

## COMPLIANCE WITH LAWS AND REGULATIONS

<b>GRI 2-27 Compliance with laws and regulations</b>			
<b>Description of the infraction (in euro)</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Industrial water discharge (cabina REMI)	-	2.500	-
Particulate air emission limits exceeded E19	6.500	-	-
Personal protective equipment UHP department	-	1.843	-
TVB railing inadequacy	-	-	1.658
Sandblasting system filter fire	-	1.597	-
The sanctions are of an administrative nature. In the three-year period 2021-2023 there were no non-monetary sanctions imposed and no legal actions taken against the organisation through dispute resolution mechanisms			

<b>GRI 206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices</b>			
<b>Total number of occurrences</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Anti-competitive conduct litigation	-	-	-
Antitrust Litigation	-	-	-
Litigation related to monopoly legislation	-	-	-

## MATERIALS

<b>GRI 301-1 Materials used by weight or volume</b>			
<b>Raw Materials (ton)</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Scrap	157.952	135.082	94.993
Coke	1.620	409	273
Alloys	21.396	25.690	28.420
Ferroalloys	37.138	34.407	23.500
Lime	23.114	23.685	19.505
<b>Materials used in the processes (ton)</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Fluxes	2.178	3.162	2.335
Oxygen	1.514	1.260	544
Inert gases (nitrogen and argon) m3	5.757	4.949	6.117
Materials that are needed for production processes but are not part of the final product, such as lubricants for machinery			

<b>GRI 301-2 Recycled input materials used</b>			
<b>Recycled input materials used (ton)</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Total input of raw materials	250.669	228.644	175.688
Total amount of recycled raw material (stainless steel scrap)	157.952	135.082	94.993
Proportion of recycled raw materials	1	1	1

# WASTE

<b>GRI 306-3 Waste generated</b>			
<b>Total Waste (ton)</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Total Waste Generated	90.580	96.652	83.488
Total non-hazardous	76.182	83.651	72.641
Total Hazardous	14.398	13.001	10.847
<b>Waste in ton</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Total hazardous waste generated</b>	<b>14.398</b>	<b>13.001</b>	<b>10.847</b>
<i>of which sent for recovery</i>	5.181	4.581	4.521
<i>of which sent for disposal (e.g. landfill, waste-to energy, etc.)</i>	9.217	8.420	6.327
<i>of which stored on site (temporary storage and/or storage activities)</i>	-	-	-
Temporary storage and/or storage from previous year	-	-	-
<b>Total non-hazardous waste generated</b>	<b>76.182</b>	<b>83.651</b>	<b>72.641</b>
<i>of which sent for recovery</i>	25.001	29.618	15.343
<i>of which sent for disposal</i>	51.181	54.033	57.298
<i>of which stored on site (temporary storage and/or storage activities)</i>	-	-	-
Temporary storage and/or storage from previous year	-	-	-
<b>Total hazardous and non-hazardous waste</b>	<b>90.580</b>	<b>96.652</b>	<b>83.488</b>
The figures include activities of the Cornaredo (MI), Padua and Venice sites			

## WASTE 2021

GRI 306-4 Waste diverted from disposal & 306-5 Waste directed to disposal								
Composition and type of waste (ton)	2021							
	Sent to recovery				Sent for disposal			
	Sent for reuse	Sent for recycling	Sent for other recovery activities	Total sent for recovery (306-4)	Sent for incineration (with energy recovery)	Sent to landfill	Sent for other disposal operations	Total sent for disposal (306-5)
<b>Total non-hazardous waste</b>	-	<b>7.877</b>	<b>17.124</b>	<b>25.002</b>	-	<b>51.181</b>	-	<b>51.181</b>
Paper	-	-	-	-	-	-	-	-
Plastic	-	37	-	37	-	-	-	-
Alluminium	-	8	-	8	-	-	-	-
Iron and steel	-	7.369	246	7.615	-	-	-	-
Wood	-	464	-	464	-	-	-	-
Steelshop Slug	-	-	-	-	-	289	-	289
Slug	-	-	10.000	10.000	-	50.829	-	50.829
Other	-	-	6.878	6.878	-	62	-	62
<b>Total hazardous waste</b>	-	-	<b>5.181</b>	<b>5.181</b>	-	-	<b>9.217</b>	<b>9.217</b>
Fume abatement particulate	-	-	5.068	5.068	-	-	356	356
Wastewater treatment sludge	-	-	-	-	-	-	7.204	7.204
Absorbents, filter materials	-	-	-	-	-	-	168	168
Sludge thickener TAF	-	-	-	-	-	-	197	197
Other	-	-	113	113	-	-	1.291	1.291
<b>Total</b>	-	<b>7.877</b>	<b>22.306</b>	<b>30.183</b>	-	<b>51.181</b>	<b>9.217</b>	<b>60.397</b>

## WASTE 2022

GRI 306-4 Waste diverted from disposal & 306-5 Waste directed to disposal								
Composition and type of waste (ton)	2022							
	Sent to recovery				Sent for disposal			
	Sent for reuse	Sent for recycling	Sent for other recovery activities	Total sent for recovery (306-4)	Sent for incineration (with energy recovery)	Sent to landfill	Sent for other disposal operations	Total sent for disposal (306-5)
<b>Total non-hazardous waste</b>	-	7.460	22.159	29.618	9	54.022	2	54.033
Paper	-	-	-	-	-	-	-	-
Plastic	-	36	-	36	-	-	-	-
Alluminium	-	-	-	-	-	-	-	-
Iron and steel	-	3.667	-	3.667	-	-	-	-
Wood	-	473	-	473	-	-	-	-
Steelshop Slug	-	-	11.702	11.702	-	54.015	-	54.015
Slug	-	3.283	50	3.333	-	-	-	-
Other	-	-	10.407	10.407	9	8	2	18
<b>Total hazardous waste</b>	-	-	4.581	4.581	-	-	8.420	8.420
Fume abatement particulate	-	-	4.444	4.444	-	-	400	400
Wastewater treatment sludge	-	-	-	-	-	-	6.450	6.450
Absorbents, filter materials	-	-	1	1	-	-	219	219
Sludge thickener TAF	-	-	7	7	-	-	185	185
Other	-	-	129	129	-	-	1.166	1.166
<b>Total</b>	-	7.460	26.740	34.199	9	54.022	8.422	62.453

## WASTE 2023

GRI 306-4 Waste diverted from disposal & 306-5 Waste directed to disposal								
“Composition and type of waste (ton)”	2023							
	Sent to recovery				Sent for disposal			
	Sent for reuse	Sent for recycling	Sent for other recovery activities	Total sent for recovery (306-4)	Sent for incineration (with energy recovery)	Sent to landfill	Sent for other disposal operations	Total sent for disposal (306-5)
<b>Total non-hazardous waste</b>	-	<b>6.506</b>	<b>8.837</b>	<b>15.343</b>	-	<b>57.202</b>	<b>96</b>	<b>57.298</b>
Paper	-	3	-	3	-	-	-	-
Plastic	-	29	-	29	-	-	56	56
Alluminium	-	-	0	0	-	-	-	-
Iron and steel	-	3.894	-	3.894	-	-	-	-
Wood	-	473	-	473	-	-	-	-
Steelshop Slug	-	-	-	-	-	-	-	-
Slag	-	65	-	65	-	56.592	-	56.592
Millscale	-	2.041	-	2.041	-	610	-	610
Other	-	-	8.837	8.837	-	-	40	40
<b>Total hazardous waste</b>	-	-	<b>4.521</b>	<b>4.521</b>	<b>0</b>	-	<b>6.327</b>	<b>6.327</b>
Fume abatement particulate	-	-	4.046	4.046	-	-	164	164
Wastewater treatment sludge	-	-	-	-	-	-	4.163	4.163
Absorbents, filter materials	-	-	3	3	-	-	95	95
Sludge thickener TAF	-	-	-	-	-	-	143	143
Other	-	-	471	471	0	-	1.762	1.762
	-	-	-	-	-	-	-	-
<b>Total</b>	-	<b>6.506</b>	<b>13.358</b>	<b>19.864</b>	<b>0</b>	<b>57.202</b>	<b>6.423</b>	<b>63.625</b>



# CONTENT INDEX

<b>Gri Standard / other Source</b>	Cogne Acciai Speciali S.p.A. has reported in accordance with the GRI Standards for the period 01/01/2023 - 31/12/2023.
<b>GRI 1 used</b>	GRI 1: Foundation 2021
<b>Applicable GRI Sector Standard(S)</b>	No applicable GRI Sector Standards

Gri Standard / other Source	Disclosure	Location	Omission		
			Requirement(s) omitted	Reason	Explanation
GRI 2 - General Disclosure 2021	2-1 Organizational Details	<b>Cogne World / Methodological Note and Content Index</b>			
	2-2 Entities included in the organization's sustainability reporting	<b>Methodological Note and Content Index</b>			
	2-3 Reporting period, frequency and contact point	<b>Methodological Note and Content Index</b>			
	2-4 Restatements of information	<b>Methodological Note and Content Index/Data and performance indicators</b>			
	2-5 External assurance	<b>Methodological Note and Content Index</b>			
	2-6 Activities, value chain and other business relationships	<b>Cogne World</b> - Products; End-Users Sectors; Managing the relationship with other customers / <b>A high-quality supply chain</b>			
	2-7 Employees	<b>Building a winning team together / Data and performance indicators</b>			
	2-8 Workers who are not employees	<b>Building a winning team together / Data and performance indicators</b>			
	2-9 Governance structure and composition	<b>A structured governance</b> - Board of directors; Sustainability governance; Board of Statutory Auditors			
	2-10 Nomination and selection of the highest governance body	<b>A structured governance</b> - Board of directors			
	2-11 Chair of the highest governance body	<b>A structured governance</b> - Board of directors			
	2-12 Role of the highest governance body in overseeing the management of impacts	<b>A structured governance</b> - Sustainability governance			
	2-13 Delegation of responsibility for managing impacts	<b>A structured governance</b> - Board of directors			
	2-14 Role of the highest governance body in sustainability reporting	<b>A structured governance</b> - Sustainability governance			
	2-15 Conflicts of interest	<b>A structured governance</b> - Board of directors			
	2-16 Communication of critical concerns	<b>A structured governance</b> - The code of ethics; Organization, management and control model; Whistleblowing channel			

Gri Standard / other Source	Disclosure	Location	Omission		
			Requirement(s) omitted	Reason	Explanation
GRI 2 - General Disclosure 2021	2-17 Collective knowledge of the highest governance body	During the reporting period 2023, there were no initiatives dedicated to advancing governance bodies' knowledge, skills and experience on sustainable development.			
	2-18 Evaluation of the performance of the highest governance body	<b>A structured governance</b> - Board of directors			
	2-19 Remuneration policies		a/b	Confidentiality constraints	The information is confidential and cannot be made public
	2-20 Process to determine remuneration		a/b	Confidentiality constraints	The information is confidential and cannot be made public
	2-21 Annual total compensation ratio		a/b/c	Confidentiality constraints	The information is confidential and cannot be made public
	2-22 Statement on sustainable development strategy	<b>Letter to stakeholders / A structured governance</b> - Actions for sustainable growth			
	2-23 Policy commitments	<b>A structured governance</b> - The code of ethics; Organization, management and control model; Whistleblowing channel / <b>Carbon Emission Management Strategy - Decarbonization Roadmap</b> - Energy and GHG emission / <b>A high-quality supply chain</b>			
	2-24 Embedding policy commitments	No training sessions have been provided on policies except for health and safety and whistleblowing.			
	2-25 Processes to remediate negative impacts	<b>A structured governance</b> - Transparent communication and stakeholders engagement			

Gri Standard / other Source	Disclosure	Location	Omission		
			Requirement(s) omitted	Reason	Explanation
GRI 2 - General Disclosure 2021	2-26 Mechanisms for seeking advice and raising concerns	<b>A structured governance</b> - Whistleblowing channel			
	2-27 Compliance with laws and regulations	Data and performance indicators			
	2-28 Membership associations	<b>A structured governance</b> - Associations and networks of which the company is a member			
	2-29 Approach to stakeholder engagement	<b>A structured governance</b> - Transparent communication and stakeholders engagement			
	2-30 Collective bargaining agreements	100% of non-executive employees are covered by the national collective labour Metalworker contract. For Executives, the National Contract for executives of Metalworking Companies applies			
<b>Material Topics</b>					
Gri Standard / other Source	Disclosure	Location	Omission		
			Requirement(s) omitted	Reason	Explanation
GRI 3 : Material Topics 2021	3-3 Management of material topics	<b>Our journey towards a sustainable future</b> - The materiality analysis			
	3-2 List of material topics	<b>Our journey towards a sustainable future</b> - The materiality analysis			
	3-3 Management of material topics	<b>Our journey towards a sustainable future</b> - The materiality analysis			
<b>Energy and Climate Change</b>					
Gri Standard / other Source	Disclosure	Location	Omission		
			Requirement(s) omitted	Reason	Explanation
GRI 3 : Material Topics 2021	3-3 Management of material topics	<b>Our journey towards a sustainable future</b> - The materiality analysis			
GRI 302 Energy 2016	302-1 Energy consumption within the organization	<b>Carbon Emission Management Strategy - Decarbonization Roadmap</b> - Energy and GHG emissions; City district heating system / <b>A structured governance</b> - Actions for sustainable growth / <b>Data and performance indicators</b>			
	302-3 Energy intensity	<b>Data and performance indicators</b>			
	302-4 Reduction of energy consumption	<b>Data and performance indicators</b>			

Gri Standard / other Source	Disclosure	Location	Omission		
			Requirement(s) omitted	Reason	Explanation
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	<b>Carbon Emission Management Strategy - Decarbonization Roadmap</b> - Energy and GHG emissions; City district heating system / <b>A structured governance</b> - Actions for sustainable growth / <b>Data and performance indicators</b>			
	305-2 Energy indirect (Scope 2) GHG emissions	<b>Carbon Emission Management Strategy - Decarbonization Roadmap</b> - Energy and GHG emissions; City district heating system / <b>A structured governance</b> - Actions for sustainable growth / <b>Data and performance indicators</b>			
	305-3 Other indirect (Scope 3) GHG emissions		a/b/c/d/e/f/g	Information not available / incomplete	Information not available
	305-4 GHG emissions intensity	<b>Data and performance indicators</b>			
	305-5 Reduction of GHG emissions	<b>Data and performance indicators</b>			
<b>Health and Safety of employees</b>					
Gri Standard / other Source	Disclosure	Location	Omission		
			Requirement(s) omitted	Reason	Explanation
GRI 3 : Material Topics 2021	3-3 Management of material topics	<b>Our journey towards a sustainable future</b> - The materiality analysis			

Gri Standard / other Source	Disclosure	Location	Omission		
			Requirement(s) omitted	Reason	Explanation
GRI 403 Occupational Health and Safety 2018	403-1 Occupational health and safety management system	<b>A structured governance</b> - Certified Management Systems / <b>Development of safety culture: the BBS Protocol</b> - Health and safety management			
	403-2 Hazard identification, risk assessment, and incident investigation	<b>Development of safety culture: the BBS Protocol</b> - Work hazard identification process and risk assessment			
	403-3 Occupational health services	<b>Development of safety culture: the BBS Protocol</b> - Worker health promotion; Mandatory Health Surveillance; Let's secure our health			
	403-4 Worker participation, consultation, and communication on occupational health and safety	<b>Development of safety culture: the BBS Protocol</b> - Participation, worker consultation and communication			
	403-5 Worker training on occupational health and safety	<b>Building a winning team together</b> - Health and safety training			
	403-6 Promotion of worker health	<b>Development of safety culture: the BBS Protocol</b> - Worker health promotion			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	<b>From scarp to bars, ingots and wire rod</b> - The EGM1: CAS' new grinding machine / <b>Development of safety culture: the BBS Protocol</b> - Major accident prevention and management			
	403-8 Workers covered by an occupational health and safety management system	<b>Building a winning team together</b> - Health and safety training / <b>Data and performance indicators</b>			
	403-9 Work-related injuries	<b>Development of safety culture: the BBS Protocol / Data and performance indicators</b>			
	403-10 Work-related ill health	<b>Development of safety culture: the BBS Protocol / Data and performance indicators</b>			
<b>Water Management</b>					
Gri Standard / other Source	Disclosure	Location	Omission		
			Requirement(s) omitted	Reason	Explanation
GRI 3: Material Topics 2021	3-3 Management of material topics	<b>Our journey towards a sustainable future</b> - The materiality analysis			

Gri Standard / other Source	Disclosure	Location	Omission		
			Requirement(s) omitted	Reason	Explanation
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	<b>A structured governance</b> - Actions for sustainable growth / <b>Environment</b> - Water resources			
	303-2 Management of water discharge-related impacts	<b>Environment</b> - Water resources			
	303-3 Water withdrawal	<b>Environment</b> - Water consumption / <b>Data and performance indicators</b>			
	303-4 Water discharge	<b>Environment</b> - Water consumption / <b>Data and performance indicators</b>			
	303-5 Water consumption	<b>Environment</b> - Water consumption / <b>Data and performance indicators</b>			
<b>Air quality</b>					
Gri Standard / other Source	Disclosure	Location	Omission		
			Requirement(s) omitted	Reason	Explanation
GRI 3 : Material Topics 2021	3-3 Management of material topics	<b>Our journey towards a sustainable future</b> - The materiality analysis			
GRI 305: Emissions 2016	305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	<b>Environment</b> - Air quality / <b>Data and performance indicators</b>			
<b>Consumption of raw materials</b>					
Gri Standard / other Source	Disclosure	Location	Omission		
			Requirement(s) omitted	Reason	Explanation
GRI 3 : Material Topics 2021	3-3 Management of material topics	<b>Our journey towards a sustainable future</b> - The materiality analysis			
GRI 301: Materials 2016	301-1 Materials used by weight or volume	From scrap to bars, ingots and wire rod - Regen'art: from scrap material to art / Data and performance indicators			
	301-2 Recycled input materials used	From scrap to bars, ingots and wire rod - Regen'art: from scrap material to art/ The many qualities of stainless steel / Data and performance indicators			
<b>Waste Management</b>					
Gri Standard / other Source	Disclosure	Location	Omission		
			Requirement(s) omitted	Reason	Explanation
GRI 3 : Material Topics 2021	3-3 Management of material topics	<b>Our journey towards a sustainable future</b> - The materiality analysis			

GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	<b>Environment</b> - Waste Management			
	306-2 Management of significant waste-related impacts	<b>Environment</b> - Waste Management			
	306-3 Waste generated	<b>Environment</b> - Waste Management / <b>Data and performance indicators</b>			
	306-4 Waste diverted from disposal	<b>Environment</b> - Waste Management / <b>Data and performance indicators</b>			
	306-5 Waste directed to disposal	<b>Environment</b> - Waste Management / <b>Data and performance indicators</b>			
<b>Development of employees' skills</b>					
Gri Standard / other Source	Disclosure	Location	Omission		
			Requirement(s) omitted	Reason	Explanation
GRI 3 : Material Topics 2021	3-3 Management of material topics	<b>Our journey towards a sustainable future</b> - The materiality analysis			
GRI 404 : Training and Education 2016	404-1 Average hours of training per year per employee	<b>Building a winning team together</b> - A team that promotes professional growth and development / <b>Data and performance indicators</b>			
	404-2 Programs for upgrading employee skills and transition assistance programs	<b>Data and performance indicators</b>			
	404-3 Percentage of employees receiving regular performance and career development reviews	<b>Building a winning team together</b> - A team that promotes professional growth and development / <b>Data and performance indicators</b>			
<b>Stable working relationships</b>					
Gri Standard / other Source	Disclosure	Location	Omission		
			Requirement(s) omitted	Reason	Explanation
GRI 3 : Material Topics 2021	3-3 Management of material topics	<b>Our journey towards a sustainable future</b> - The materiality analysis			
GRI 202: Market Presence 2016	202-2 Proportion of senior management hired from the local community	<b>Data and performance indicators</b>			
GRI 401 : Employment 2016	401-1 New employee hires and employee turnover	<b>Building a winning team together / Data and performance indicators</b>			
	401-3 Parental leave	<b>Data and performance indicators</b>			
GRI 407 : Freedom of association and collective bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	<b>A high-quality supply chain</b>			

Protection of human rights					
Gri Standard / other Source	Disclosure	Location	Omission		
			Requirement(s) omitted	Reason	Explanation
GRI 3 : Material Topics 2021	3-3 Management of material topics	<b>Our journey towards a sustainable future</b> - The materiality analysis			
GRI 402 : Labor/Management relations 2016	402-1 Minimum notice periods regarding operational changes	The minimum number of weeks notice generally given to employees and their representatives before significant operational changes has increased from 4 to 6.			
GRI 405 : Diversity and equal opportunity 2016	405-1 Diversity of governance bodies and employees	<b>Data and performance indicators</b>			
GRI 406 : Non Discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	No incidents reported in the reporting period.			
GRI 409 : Forced or compulsory labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	<b>A high-quality supply chain</b>			
Compliance with regulations and standards					
Gri Standard / other Source	Disclosure	Location	Omission		
			Requirement(s) omitted	Reason	Explanation
GRI 3 : Material Topics 2021	3-3 Management of material topics	<b>Our journey towards a sustainable future</b> - The materiality analysis			
GRI 204 : Procurement practices 2016	204-1 Proportion of spending on local suppliers	<b>A high-quality supply chain / Data and performance indicators</b>			
GRI 205 : Anti corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	<b>A structured governance</b> - Corruption prevention / <b>Data and performance indicators</b>			
	205-3 Confirmed incidents of corruption and actions taken	There were no known/reported cases of corruption in the reporting period.			
GRI 206 : Anti competitive behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	No legal action pending or closed in the reporting period./ <b>Data and performance indicators</b>			



Gri Standard / other Source	Disclosure	Location	Omission		
			Requirement(s) omitted	Reason	Explanation
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	<b>A high-quality supply chain /Data and performance indicators</b>			
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	<b>A high-quality supply chain / Data and performance indicators</b>			
GRI 416: Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	No incidents reported in the reporting period.			
GRI 417: Marketing and Labeling 2016	417-2 Incidents of non-compliance concerning product and service information and labeling	No incidents reported in the reporting period.			
	417-3 Incidents of non-compliance concerning marketing communications	No incidents reported in the reporting period.			
<b>Supply Chain value</b>					
Gri Standard / other Source	Disclosure	Location	Omission		
			Requirement(s) omitted	Reason	Explanation
GRI 3 : Material Topics 2021	3-3 Management of material topics	<b>Our journey towards a sustainable future</b> - The materiality analysis			
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Sharing the added value with the community / <b>Data and performance indicators</b>			
<b>Soil and subsoil quality</b>					
Gri Standard / other Source	Disclosure	Location	Omission		
			Requirement(s) omitted	Reason	Explanation
GRI 3 : Material Topics 2021	3-3 Management of material topics	<b>Environment</b>			

GRI 405-1 Diversity of governance bodies and employees

Percentage of employees by category and gender at 31/12 (%)	gender	age	2021	2022	2023	
Directors	Women	< 30	-	-	-	
		30 to 50	0%	0%	0%	
		> 50	0%	0%	0%	
	<b>Total women directors</b>			<b>0%</b>	<b>0%</b>	<b>0%</b>
	Men	< 30	-	-	-	
		30 to 50	0%	1%	1%	
		> 50	0%	1%	1%	
	<b>Total men directors</b>			<b>1%</b>	<b>1%</b>	<b>1%</b>
	<b>Total directors</b>			<b>1%</b>	<b>1%</b>	<b>1%</b>
<i>-of which protected class</i>			-	-	-	
Whitecollar	Women	< 30	1%	0%	1%	
		30 to 50	4%	4%	4%	
		> 50	1%	2%	2%	
	<b>Total women whitecollar</b>			<b>6%</b>	<b>6%</b>	<b>6%</b>
	Men	< 30	1%	1%	2%	
		30 to 50	15%	17%	16%	
		> 50	6%	5%	5%	
	<b>Total men whitecollar</b>			<b>22%</b>	<b>23%</b>	<b>23%</b>
	<b>Total employee</b>			<b>28%</b>	<b>29%</b>	<b>29%</b>
<i>-of which protected class</i>			1%	1%	1%	
Bluecollar	Women	< 30	0%	-	0%	
		30 to 50	0%	0%	0%	
		> 50	-	-	-	
	<b>Total women bluecollar</b>			<b>0%</b>	<b>0%</b>	<b>0%</b>
	Men	< 30	10%	6%	9%	
		30 to 50	42%	46%	45%	
		> 50	18%	17%	16%	
	<b>Total men bluecollar</b>			<b>71%</b>	<b>69%</b>	<b>70%</b>
	<b>Total workers</b>			<b>71%</b>	<b>69%</b>	<b>70%</b>
<i>-of which protected class</i>			3%	3%	2%	
Total	Women	< 30	1%	0%	1%	
		30 to 50	4%	4%	4%	
		> 50	2%	2%	2%	
	<b>Total women</b>			<b>6%</b>	<b>6%</b>	<b>7%</b>
	Men	< 30	11%	8%	11%	
		30 to 50	58%	63%	61%	
		> 50	24%	23%	21%	
	<b>Total men</b>			<b>94%</b>	<b>94%</b>	<b>93%</b>
	<b>Total</b>			<b>100%</b>	<b>100%</b>	<b>100%</b>
<i>-of which protected class</i>			4%	4%	3%	

Percentage of governance bodies by category and gender at 31/12 (%)	gender	age	2021	2022	2023	
	Men	< 30		-	-	-
		30 to 50		0%	11%	11%
		> 50		83%	67%	67%
	<b>Total men</b>			<b>83%</b>	<b>78%</b>	<b>78%</b>
	Women	< 30		0%	0%	0%
		30 to 50		0%	11%	11%
		> 50		17%	11%	11%
	<b>Total women</b>			<b>17%</b>	<b>22%</b>	<b>22%</b>
	<b>Total governing body</b>			<b>100%</b>	<b>100%</b>	<b>100%</b>



# AUDIT REPORT

## Independent auditors' report on the Sustainability Report

To the Board of Directors of  
Cogne Acciai Speciali S.p.A.

We have been appointed to perform a limited assurance engagement on the Sustainability Report of Cogne Acciai Speciali S.p.A. (hereinafter also "the Company") for the year ended on December 31, 2023.

### Responsibilities of the Directors for the Sustainability Report

The Directors of Cogne Acciai Speciali S.p.A. are responsible for the preparation of the Sustainability Report in accordance with the "*Global Reporting Initiative Sustainability Reporting Standards*" issued by GRI - *Global Reporting Initiative* (hereinafter "GRI Standards"), as described in the paragraph "Methodological Note" of the Sustainability Report.

The Directors are also responsible for that part of internal control that they consider necessary in order to allow the preparation of a Sustainability Report that is free from material misstatements caused by fraud or not intentional behaviors or events.

The Directors are also responsible for defining the commitments of Cogne Acciai Speciali S.p.A. regarding the sustainability performance as well as for the identification of the stakeholders and of the significant matters to report.

### Auditors' independence and quality control

We are independent in accordance with the ethics and independence principles of the International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) issued by the International Ethics Standards Board for Accountants, based on fundamental principles of integrity, objectivity, professional competence and diligence, confidentiality and professional behavior.

In the year to which this engagement relates, our audit firm have applied the International Standard on Quality Control 1 (ISQC Italia 1) and, as a result, have maintained a quality control system that includes documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable laws and regulations.

### Auditors' responsibility

It is our responsibility to express, on the basis of the procedures performed, a conclusion about the compliance of the Sustainability Report with the requirements of the GRI Standards. Our work has been performed in accordance with the principle of "*International Standard on Assurance Engagements ISAE 3000 (Revised) - Assurance Engagements Other than Audits or Reviews of Historical Financial Information*" (hereinafter "*ISAE 3000 Revised*"), issued by the *International Auditing and Assurance Standards Board (IAASB)* for limited assurance engagements. This principle requires the planning and execution of procedures in order to obtain a limited assurance that the Sustainability Report is free from material misstatements.

Therefore, the extent of work performed in our examination was lower than that required for a full examination according to the ISAE 3000 Revised ("reasonable assurance engagement") and, hence, it does not provide assurance that we have become aware of all significant matters and events that would be identified during a reasonable assurance engagement.

The procedures performed on the Sustainability Report were based on our professional judgment and included inquiries, primarily with the Company's personnel responsible for the preparation of the information included in the Sustainability Report, documents analysis, recalculations and other procedures in order to obtain evidences considered appropriate.

In particular, we have performed the following procedures:

1. analysis of the process relating to the definition of material aspects included in the Sustainability Report, with reference to the methods of analysis and understanding of the reference context, the identification, assessment and prioritization of actual and potential impacts and the internal validation of the process outcome;
2. comparison of economic and financial data and information included in the paragraph "Sharing the Added Value with the Community" of the Sustainability Report with those included in the Company's financial statement for the year ended on December 31, 2023;
3. understanding of the processes that lead to the generation, detection and management of significant qualitative and quantitative information included in the Sustainability Report.

In particular, we have conducted interviews and discussions with management of Cogne Acciai Speciali S.p.A. and we have performed limited documentary evidence procedures, in order to collect information about the processes and procedures that support the collection, aggregation, processing and transmission of non-financial data and information to the department in charge of the preparation of the Sustainability Report.

Furthermore, for significant information, considering the Company's activities and characteristics:

- at Company level
  - a) with reference to the qualitative information included in the Sustainability Report, we carried out inquiries and acquired supporting documentation to verify its consistency with the available information provided by the management;
  - b) with reference to quantitative information, we have performed both analytical procedures and limited assurance procedures to ascertain on a sample basis the correct aggregation of data.
  
- for the Aosta plant of the Company, which we have selected based on its activity and relevance to the performance indicators, we have carried out a site visit during which we have had discussions with management and have obtained evidence, on a sample basis, regarding the appropriate application of the procedures and calculation methods used to determine the indicators.

#### Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the Sustainability Report of Cogne Acciai Speciali S.p.A. for the year ended on December 31, 2023 has not been prepared, in all material aspects, in accordance with the requirements of the GRI Standards, as described in the paragraph "Methodological Note" of the Sustainability Report.

Turin, April 24, 2024

EY S.p.A.  
  
Roberto Grossi  
(Auditor)







**Cogne Acciai Speciali**