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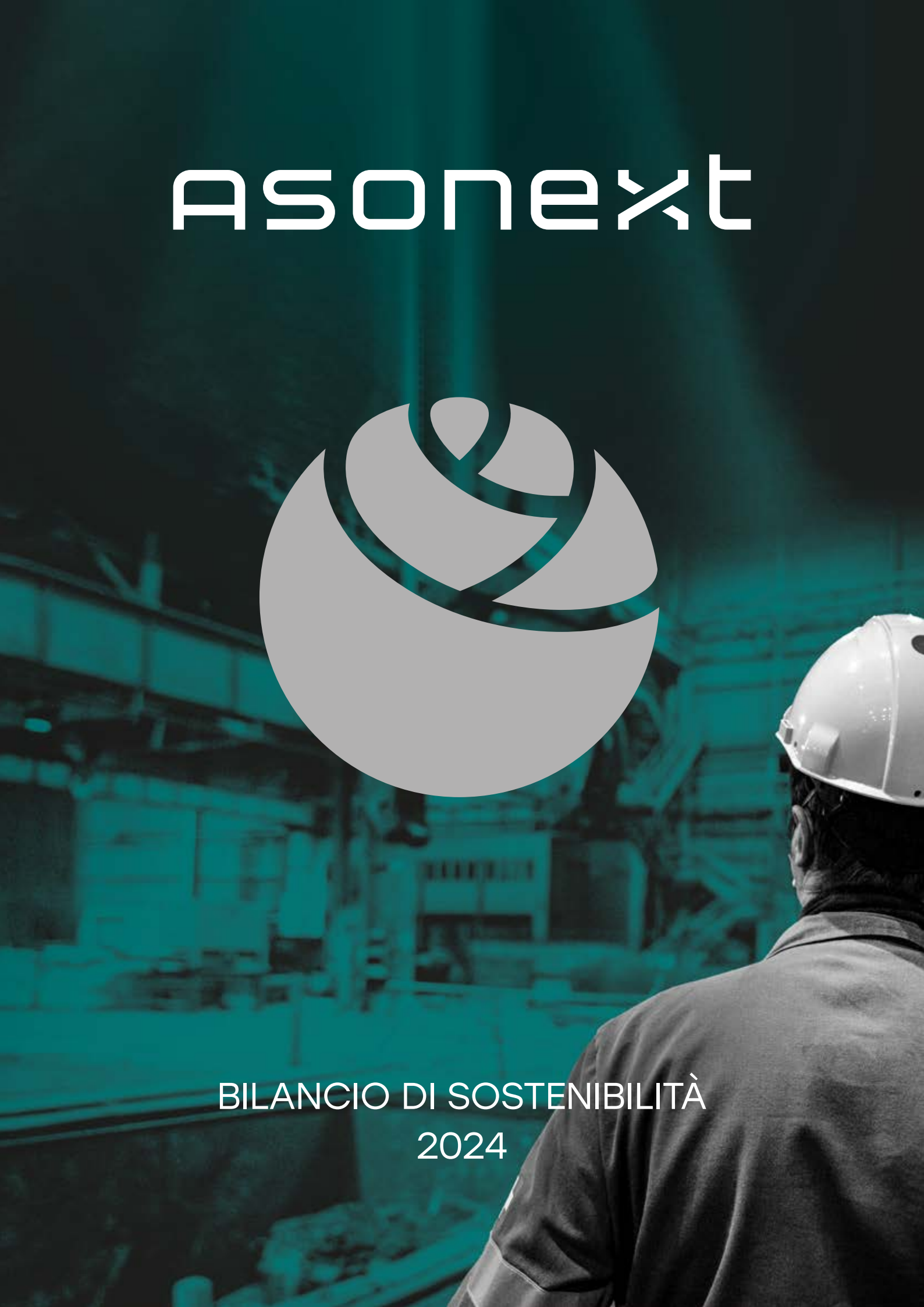


BILANCIO DI SOSTENIBILITÀ 2024

SUSTAINABILITY REPORT 2024

asonext

INDEX

SUSTAINABILITY REPORT 2024

COMMITMENT TO A **SUSTAINABLE** COMPANY

GRI 3-3, 2-22, 2-25
[ESRS 2 MDR-P]

1

1.1 LETTER TO STAKEHOLDERS

GRI 3-3, 2-22, 2-25
[ESRS 2 MDR-P]

Dear Stakeholders,
this is our third sustainability report, and the first report since we integrated our corporate purpose with the common benefit of the ecological transition, becoming a benefit corporation.

Being a benefits company, we believe, is not an easy challenge for a business operating in a segment as the steel industry, which, however, over the years has proven to be able to successfully address the issue of sustainability and the circular economy.

As you'll read in the following pages, our results highlight a steady improvement in the environmental and social impact of our activities on the local area through specific investments and technological innovation and digitalization projects.
In a time like this, first hit by the global pandemic, then by the war in Ukraine and the conflicts in the Middle East, and dominated by the speed of market changes and the uncertainty caused by geopolitical upheavals, we believe that remaining anchored to the values and principles, which have always inspired us is the only possible response to continue having points of reference on which to base our choices and decisions.

This is why we are committed to keep on the path already mapped out in our development programmes and in the pursuit of the United Nations 2030 Agenda goals of combating climate change, sustainable growth, reducing energy consumption and promoting human capital through the implementation of our ESG policies.

Inclusion, diversity, and equity are the foundation of our human resources development plan, where each employee, while respecting their individuality, is supported in their career through targeted training and the corporate support for their professional growth. We have, in fact, introduced a hiring policy that looks to the future, to talented young people, who today more than ever need to feel part of a project where they can test their skills and grow with a future they can believe in.

In terms of sustainability, we are renewing our commitment to decarbonisation and the good practices of recycling and reuse, as well as reducing the consumption of natural resources, believing that these are strategic objectives for our industry and that, furthermore, this is the most appropriate way to maintain our position in the market.

Concerning the investments, our “Business & “Sustainability Plan 2022-2025” has been almost completely implemented year after year through cutting-edge plant transformations and integrations with significant improvements also in environmental safety aspects.
We have also adapted our metallurgical processes to the increasingly sophisticated demands of end customers through ambitious research and development projects, which have led us to create new special steels and superalloys in new dimensional variables, intended for highly technological sectors, from power-gen to oil. & gas, from nuclear to petrochemical, from mechanical to aerospace.

In each of these sectors, where our products, as raw materials in the supply chain, are of key importance for the creation of value, as well as for the performance of end products, our metallurgical knowledge contribution aims to remain excellent and relevant for the success of our customers and end users in general, in a process where our actions become meaningful for the entire supply chain and contribute to progress.
I would therefore like to take this opportunity to thank all our customers for the trust they place in us, and I look forward to their continued appreciation of our efforts in this regard.

I also wish to thank all our Stakeholders for the encouragement and motivation they provide us to pursue sustainable development, and all our collaborators and members of the Board of Directors, the Board of Statutory Auditors and the Supervisory Body for their decisive contribution to the continued growth of our Group.

Ospitaletto, July 17, 2025

Knight of Labor
Paola Artioli
Chairman of the Board of Directors

1.2 HIGHLIGHTS IN 2024

53
YEARS OF HISTORY

19 HOURS
OF INDIVIDUAL TRAINING (+9.2 hours vs 2022)

75.320
TONS OF STEEL PRODUCED

20.049
TONS OF FORGED STEEL

+6%
COMMUNITY INVESTMENT (vs 2022)

100%
OPERATIONAL SITES COVERED BY UNI EN ISO 9001, 14001, 14064 and UNI ISO 45001

99%
WASTE SENT TO RECYCLING

-21%
GREENHOUSE GAS EMISSIONS vs 2022 (target 1+2)

32%
RENEWABLE ELECTRICAL ENERGY

-33%
INTERNAL WATER CONSUMPTION (vs 2022)

1.3 METHODOLOGICAL NOTE

GRI 2-2, 2-3, 2-4, 2-5, 2-14, 2-17, 2-29, 3-1, 3-2,3-3
[ESRS 2 BP-1] [ESRS 2 SBM-1]

The 2024 Sustainability Report, approved by the highest governing body of the Asonext Group[1], represents the main tool through which the Group communicates and reports its environmental, social and economic performance. This document is intended as a moment of transparency towards stakeholders, offering an integrated view of the organization's sustainability strategies and impacts.

The report was prepared according to the **GRI Standards** 2021 of the Global Reporting Initiative, having a "with reference" reporting level. At the same time, the document marks a first step towards alignment with the new ESRS standards introduced by the Corporate Sustainability Reporting Directive (**CSRD**). During 2024, indeed, Asonext updated its materiality analysis, conducting a double materiality analysis in line with the provisions of the CSRD. The corresponding **ESRSs** have been associated with the topics covered, where possible, even if not fully met, with a view to progressive adaptation to the new regulatory requirements (Appendix A).

Asonext has also intentionally chosen to include in this report the information required by the legislation on **EU Taxonomy**, pursuant to Regulation 2020/852, in relation to the eco-sustainable activities undertaken. For the 2024 financial year, this policy concerns the share of the Group's total revenue, investments, and operating costs attributable to eligible activities aligned with the Taxonomy, with specific reference to climate change mitigation objectives.

To ensure comparability and transparency, the budget refers to the calendar year 2024, with comparisons with the data for the two-year period 2022-2023. The information will be updated annually.
The submitted data is based on the best available sources and is the result of a structured process that involved various company functions:

- Human Resources
- HSE (Health, Safety, Environment)
- Management Control and Administration
- Supply Chain & Logistics
- Quality
- Energy Management

For the stakeholder engagement (carried out in 2022-2023), we collaborated with university professors and students of the master programs offered by the Graduate School for the Environment of the Università Cattolica del Sacro Cuore in Brescia.

1 Please note that in this document the term "Asonext Group" may be abbreviated to "Asonext". The specific reference to the two companies of the group is made by means of the terms Asonext SpA Società Benefit and Asoforge Srl.

Environmental and safety information comes from the Integrated Management System, certified according to the standards **EMAS, UNI EN ISO 14001 and UNI ISO 45001.**

Greenhouse gas emissions data were collected and processed with the support of the consultancy firm Alperia Green Future, which assisted the company in obtaining two new certifications in 2024:

- The standard **UNI EN ISO 14064-1** referring to the carbon footprint of the entire organization covered by this report
- The standard **UNI EN ISO 14067** relating to the product carbon footprint, initially applied to a cluster of steels identified as "CD".

Asonext plans to gradually expand carbon footprint certification to other product groups, with the aim of adopting a systematic approach to product emissions reporting.

The calculation of direct greenhouse gas emissions (EU Emission Trading System - ETS) is carried out according to the criteria set out in Regulation (EU) No. 601/2012, which establishes the guidelines for monitoring and reporting emissions pursuant to Directive 2003/87/EC.
The document includes the GRI Content Index, with specific references to the reported indicators and the related sections.
The Report was drafted strictly following the principles defined by the GRI: accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness and verifiability.

Finally, the management of the entire process of collecting, processing and validating information was verified by **Bureau Veritas Italia**, which certified the conformity of the path followed, documented and consistent with the principles mentioned above (Appendix B).

1.4 ANALYSIS OF DOUBLE MATERIALITY

GRI 3-1, 3-2,2-29
ESRS 2 IRO-1, [ESRS 2 IRO-2]

During 2024, Asonext conducted a double materiality analysis, adopting an approach that integrates two complementary perspectives.
On the one hand, impact materiality (inside-out) evaluates how the company's activities, products and services influence the external context – in both positive and negative terms – considering the environmental, social and economic impacts generated.
On the other hand, financial materiality (outside-in) examines how external factors – such as regulatory developments, climate change, market dynamics, and stakeholder expectations – can influence the company's performance and value over time.
This approach allows for a more precise identification of strategic priorities, focusing attention on those issues that are significant from both perspectives. These issues, which are significant in terms of both impact and financial risk/opportunity, require immediate and targeted action from the organization.

FINANCIAL MATERIALITY	Non-material	Significant	Crucial
Crucial			Circular Economy
Significant		Own workforce Workers in the value chain Innovation Business Conduct Water Consumers and end users	Climate change
Non-material	Biodiversity and Ecosystems	Affected communities Pollution	

IMPACT MATERIALITY

IMPLEMENTATION PROCESS

For the implementation and assessment of materiality in line with the ESRS principles, the process followed follows the approach promoted by EFRAG, divided into 4 steps:

Step A
Understanding the context

Step B
Identification of current or potential impacts, risks and opportunities related to sustainability issues

Step C
Assessment of mapped impacts, risks and opportunities

Step D
Determination of material topics

1.4.1 Step A: UNDERSTANDING THE CONTEXT

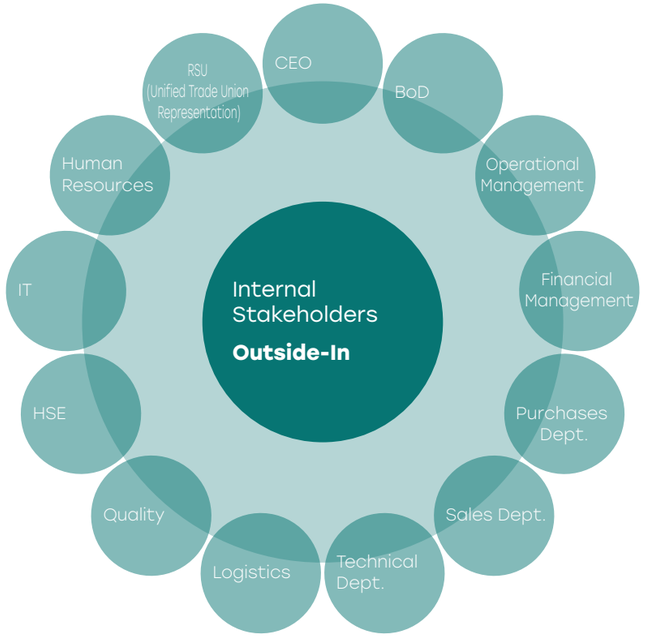
In STEP A of the process, Asonext outlined a comprehensive overview of its activities and business relationships, analyzing the operational context in which the company operates. This initial step provided the key inputs needed to identify impacts, risks and opportunities to be included in the sustainability report.

The analysis of the external context included the identification of the main stakeholders, an operation for which Asonext updated the work previously done. This choice is due to the fact that the business context and stakeholder relationships have remained stable, without major changes requiring a complete review of the process. The company has nevertheless carried out a detailed review to ensure the continued relevance and completeness of the stakeholder mapping. This refresher activity included, in detail, reconfirming the previously identified stakeholder groups to ensure that their inclusion remained appropriate in relation to the company's activities and value chain.

In light of this, the stakeholders were **identified according to two macro groups: internal and external.**

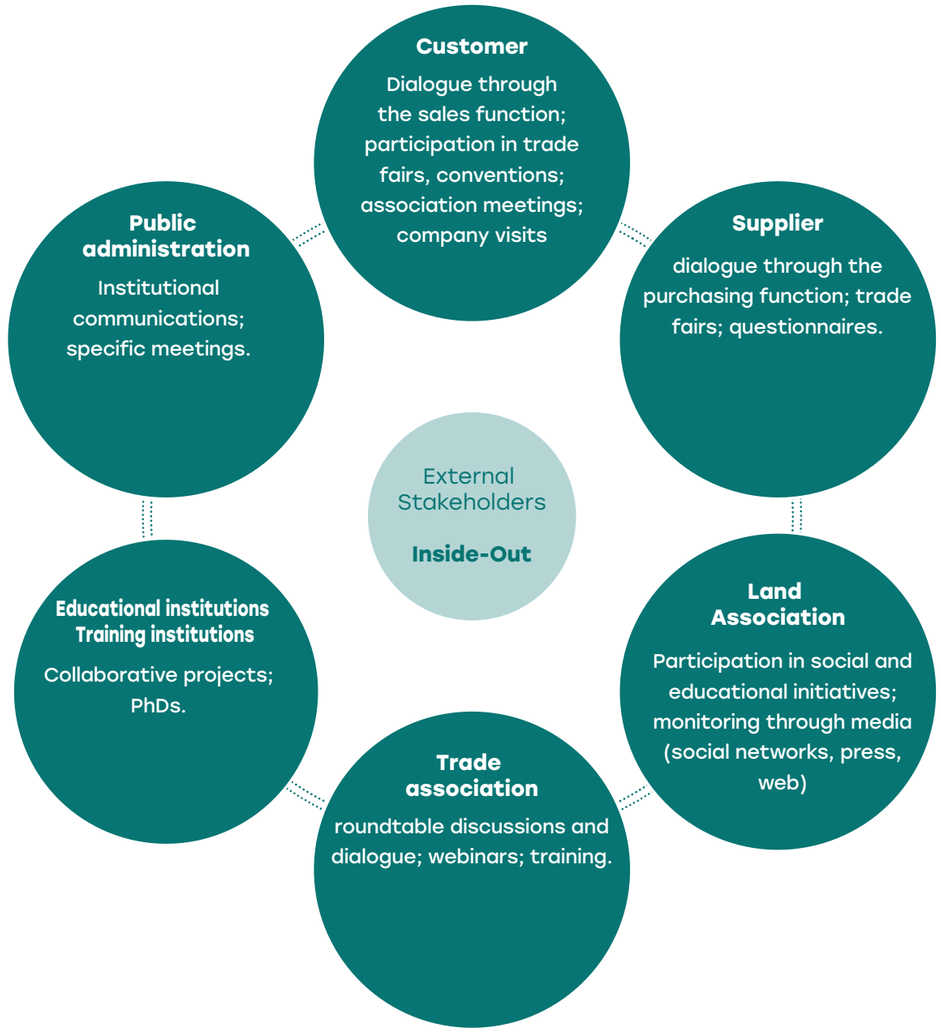
The **internal stakeholder** relates to all those internal subjects within the company who have a direct relationship with it and who are interested in knowing the impact of sustainability issues on Asonext's operations, therefore adopting an OUTSIDE-IN approach.

The internal stakeholders are shown in the following figure and have been identified based on an assessment of the company context, the company's Code of Ethics, the Organizational Model, and the Certified Integrated Management System. Asonext Group employees are involved through: regular meetings, Intelco apps, social media, dialogue through the Human Resources function, training courses, corporate welfare, and negotiating tables with trade unions.



The **external stakeholder** relates to all those who, although not belonging to the organization, come into contact with it and may be interested in knowing the impacts generated by its activities, according to an INSIDE-OUT approach. These stakeholders were identified through an evaluation of the company context, company policy, the market in which Asonext operates, and the trade associations to which Asonext is a member.

Thanks to their involvement, it is possible to gain a broader and more in-depth view of the consequences of the actions on the community and the territory, also identifying their expectations. External stakeholder input is collected through various engagement and dialogue methods, as shown at the ends of the graph.



After understanding its key stakeholders, Asonext examined the context in which it operates through an analysis of its business model. In doing this, it gained a holistic view of its value creation process. By considering the key elements of the process and the interconnections between the different functions, potential areas where sustainability issues can emerge and show up have been highlighted.

In order to expand the analytical perspective to consider how the organization creates, delivers, and captures value in terms of social well-being and environmental integrity, Asonext then chose, together with the industry experts with whom it collaborated, to analyze its business model from an environmental and social perspective, through the application of the Triple-Level Business Model Canvas (TLBMC), which adds the two levels of analysis mentioned above to the more traditional profit-related dimension of analysis.

1.4.2 Step B: IDENTIFICATION OF IROs RELATED TO SUSTAINABILITY ISSUES

This step focused on identifying current and potential impacts, risks, and opportunities related to sustainability issues. At this stage, Asonext identified relevant impacts, risks and opportunities related to ESG factors considering both its own activities and the operations upstream and downstream of the value chain. The result was a list that considered both the topics covered by the CSRD and the sustainability issues specific to the operating sector. The choice to consider the topics specific to the ESRS is intended to be a way to take into account a more complete panorama of sustainability issues than that provided by the GRI, and thus arrive at a more exhaustive materiality analysis.

At this stage, the company followed a dual approach, top-down and bottom-up.

In assessing its environmental activities, Asonext has started a reflection on the impact of its business decisions on the environment, analyzing the sustainability of the resources used and identifying solutions to reduce the impact of operational processes.

At the same time, it also examined its business model from a social perspective, evaluating how corporate activities influence the well-being of individuals and communities. Attention focused on issues such as working conditions, respect for the social context, and the value proposition's contribution to collective needs and inclusion.

The first, bottom-up approach allowed us to determine an initial list of impacts, risks, and opportunities from the context analysis, given the granularity achieved through the business model analysis, and from the integration of the themes derived from the analysis of the sector reference frameworks.

The second step of analysis was conducted following a top-down approach.

As a starting point, we used the CSRD theme list. This overview of sustainability issues provided by reporting standards allowed us to map the impacts, risks, and opportunities of the company's activities in relation to each regulatory topic.

This targeted approach, combined with active management participation, enabled in-depth and granular mapping of IROs.

1.4.3 Step C: PRIORITIZATION OF IROs

STEP C represented the final stage of the materiality assessment process undertaken by the company. In this final step, the list of previously determined impacts, risks, and opportunities was prioritized with the involvement of the company's C-level figures.

To assess materiality, both positive and negative impacts were considered, evaluating them separately according to current impacts, i.e. those already existing, and potential impacts, which have a probability of occurring.

In detail, the scoring criteria followed different logics based on the type of impact considered.

Negative impacts were assessed on the basis of three parameters: magnitude, scope, and irremediability, while positive impacts were assessed only on the basis of magnitude and scope, using a scale from 1 to 5, where lower values are associated with a lower scope or lesser magnitude, while higher values reflected, conversely, a high magnitude and magnitude.
The score thus obtained, in the case of impacts determined as potential, was then multiplied by the probability of their occurrence, using the same scale of values.

For the financial materiality analysis (outside-in perspective), risks, like opportunities, were assessed according to two parameters, such as severity and probability.

For completeness, below is a brief definition of what the evaluation parameters represent:

- **Entity**: represents the degree of severity of the impact
- **Flow rate**: represents the geographical extent of the impact
- **Irremediability**: represents the extent to which a negative impact cannot be remedied
- **Chance**: represents the probability that the impact will occur.

The scores thus obtained were normalized into a 5-level scale of importance, thus classifying the relevance of each IRO as very low, low, moderate, high or very high.

IMPACT MATERIALITY COMPANY IMPACT ON PEOPLE AND THE ENVIRONMENT

Negative impact	Positive impact
Severity by probability[2] • Scale • Scope • Irremediability of the impact	Relevance by probability[2] • Scale • Scope

FINANCIAL MATERIALITY EFFECT OF PEOPLE AND THE ENVIRONMENT ON THE COMPANY

Risks	Opportunity
Potential scale by probability	Potential scale by probability

2 If the impact is potential

1.4.4 STEP D: DETERMINATION OF MATERIAL TOPICS

A quantitative threshold mechanism was defined to determine the material topics, based on the previously performed relevance assessment.

Following the double materiality analysis process, the topics associated with impacts, risks, and opportunities that, based on the assessment, present a score above the expected quantitative threshold were considered material, identifying as material all IROs with a relevance level equal to or higher than moderate, therefore including the high or very high levels.

The material topics are reported in the materiality matrix previously presented, which highlights how the only topic considered non-material for the company is Biodiversity and Ecosystems. The topics of Pollution and Affected Communities were found to be relevant according to impact materiality, while the remaining topics envisaged by the CSRD were defined as material according to both impact and financial materiality. Special emphasis was placed on the topics of Climate Change and Circular Economy, considering them crucial for the company, as they are associated with IROs with a very high level of relevance.

The impacts, risks, and opportunities were then classified according to the time horizon to which they refer, highlighting the period of time in which their main effects are expected to manifest themselves or produce them.

The classification followed the following rules:

- Short term: refers to a period of time of 1-3 years;
- Medium term: extends from 3 to 5 years;
- Long term: refers to an extended period, beyond 5 years.

Each theme is associated with a Sustainable Development Goal as **Asonext intends to make an active contribution to achieving the objectives set out in the UN 2030 agenda.** on sustainable development (Sustainable Development Goals or SDGs).

IMPACT MATERIALITY

AREA	SDGs	GRI	TOPIC	DESCRIPTION	CLASSIFICATION	POSITION ALONG THE CHAIN	TIME STORM
E		302-4 302-1	Climate change	Optimization of consumption and self-production of energy from renewable sources	Current positive	Own operations	Short term
		304-1	Climate change	Introduction of emissions compensation activities and increase in the share of self-produced green energy	Positive potential	Own operations	Medium term
		305-1 305-2	Climate change	Production of CO_2 emissions	Current negative	Own operations	Short term
		303-3	Water and marine resources	Efficiency interventions and water recycling	Current positive	Own operations	Short term
		303-3	Water and marine resources	Consumption of water resources from the groundwater	Current negative	Own operations	Short term
		303-4	Water and marine resources	Discharge of waste water	Current negative	Own operations	Short term
		306-1 306-2 306-3 306,4 306-5	Circular economy	Reducing and recovering waste through the circular economy	Current positive	Own operations	Short term
		301-2	Circular economy	Production of by-products instead of waste thanks to the use of innovative technologies	Current positive	Own operations	Short term
		306-4 306-5	Circular economy	Commissioning of the plant for recycling black slag	Current positive	Own operations	Short term
S		401-2	Own workforce	Welfare and well-being of the employees	Current positive	Own operations	Short term
		2-24 404-1 404-2 403-5	Own workforce	People training	Current positive	Own operations	Short term
		2-13 2-16 2-17 403-1 403-2 403-4	Own workforce	Improving the leadership and communication style	Positive potential	Own operations	Medium term
		2-24 403-4 403-2	Own workforce	Involving people in business decisions	Positive potential	Own operations	Medium term

AREA	SDGs	GRI	TOPIC	DESCRIPTION	CLASSIFICATION	POSITION ALONG THE CHAIN	TIME HORIZON
S		204-1 414-1	Workers in the value chain	Promoting an ethical, legal and responsible supply chain	Current positive	Upstream operations	Short term
		2-23 406-1	Workers in the value chain	Human rights violations along the value chain	Potential negative	Upstream operations	Medium term
G		2-15 2-26 205-3	Business Conduct	Adoption of MOG 231	Current positive	Own operations	Short term
		2-15 2-26 205-3 418-1 2-27 207-1	Business Conduct	Promotion of an Ethical and Responsible Culture	Current positive	Own operations Upstream operations	Short term

FINANCIAL MATERIALITY

E		302-4	Climate change	Fluctuations in the price of electricity	Risk	Own operations	Medium term
		302-1	Climate change	Payback from investments in renewable energy production	Opportunity	Own operations	Medium term
		306-1 306-2 306-3	Circular economy	Little availability of facilities for the disposal of special waste produced	Risk	Downstream operations	Medium term
		306-1 306-2 306-4 306-5	Circular economy	Creation of new lines of recycled product	Opportunity	Own operations	Long term
S		2-16 2-23 2-24 403-1 403-2 403-7 403-9	Own workforce	Risks to employee health and safety. The risk of injury is present mainly for employees working in production facilities.	Risk	Own operations	Short term
		2-24 403-4 403-2	Own workforce	Improving the Company Climate and Employee Engagement	Opportunity	Own operations	Medium term
		2-23 406-1 413-1	Own workforce	Strengthening the company's reputation and image	Opportunity	Own operations Downstream operations	Short term
		2-7 2-8 401-1 405-1 401-2	Own workforce	Loss of know-how due to figures leaving the company	Risk	Own operations	Long term

AREA	SDGs	GRI	TOPIC	DESCRIPTION	CLASSIFICATION	POSITION ALONG THE CHAIN	TIME HORIZON
S		2-20	Own workforce	Strengthening an Inclusive Culture and Talent Fostering by creating an inclusive work environment that values diversity in all its forms. This leads to an enrichment of ideas and skills, increases attractiveness and facilitates	Opportunity	Own operations	Medium term
		2-20	Own workforce	Strengthening Reputation and Attractiveness by implementing policies and practices that ensure equal opportunities and fair treatment for all employees and candidates, regardless of their personal characteristics. This includes impartial selection processes, fair compensation policies and a formal commitment to diversity and inclusion.	Opportunity	Own operations	Medium term
		2-24 404-1 404-2 403-5	Equal treatment and opportunities	Improving Performance and Innovation through Diversity of Thought. Indeed, an environment that values diversity of thought, resulting from fair treatment, leads to more informed decisions, more innovative solutions and, ultimately, better business performance.	Opportunity	Own operations	Medium term
		2-6 2-12 2-17 2-22 2-24	Workers in the value chain	Building a Responsible and Resilient Supply Chain, through audits, the integration of environmental, social and governance (ESG) criteria in supplier selection and openness to dialogue and collaboration with supply chain partners	Opportunity	Own operations	Long term
		2-25 416-2	Workers in the value chain	Creating Reputational and Market Value Through a Transparent and Sustainable Supply Chain, as engaging in virtuous supply chains, selecting suppliers based on ESG criteria and promoting transparency with "open door" initiatives not only improves reputation, but also allows the company to effectively communicate its commitment to sustainability.	Opportunity	Own operations	Medium term
G		205-3 418-1 2-27	Business Conduct	Legal pressure and problems in relationships with stakeholders	Risk	Own operations	Short term
			Business Conduct	Threats to business continuity related to supply chain dynamics	Risk	Own operations	Medium term
		204-1 414-1	Business Conduct	Expansion and Diversification of the Market	Opportunity	Own operations	Long term
		204-1 414-1	Business Conduct	Operational Efficiency and Time Reduction	Opportunity	Own operations	Short term

AREA	SDGs	GRI	TOPIC	DESCRIPTION	CLASSIFICATION	POSITION ALONG THE CHAIN	TIME HORIZON
G		2-6 2-24	Business Conduct	Improved Communication and Stakeholder Relations, as clear and open communication can improve trust, collaboration and the company's reputation	Opportunity	Own operations Downstream operations	Medium term
		2-16 2-17 2-18 2-23 2-24 2-26	Business Conduct	Optimization of Management and Access to External Opportunities, linked to management system certification. This certification can simplify access to public funding	Opportunity	Own operations	Medium term

The UN agenda requires all sectors, companies and organizations to commit to contributing to the goals through their activities. Asonext has identified 13 objectives to contribute to, closely linked to the material themes identified, through the strategic choices that guide the company's activities.

1.5 EUROPEAN TAXONOMY

Regulation (EU) 2020/852, also known as the "Taxonomy Regulation" or simply "Taxonomy," is one of the measures adopted by the European Commission to support the achievement of the objectives outlined in the European Green Deal and lead the continent towards climate neutrality by 2050.
This regulatory instrument introduces a classification system to identify economic activities that can be considered environmentally sustainable.

Such activities must contribute significantly to at least one of the following six environmental objectives (EU Regulation 2020/852 - Art.9):

- climate change mitigation;
- adaptation to climate change;
- sustainable use and protection of water and marine resources;
- transition to a circular economy;
- pollution prevention and reduction;
- protection and restoration of biodiversity and ecosystems.

Although not currently subject to the reporting obligations set forth in Legislative Decree 125/2024, for the 2024 financial year, Asonext has decided to intentionally start an initial analysis of its activities in relation to the European Taxonomy.
The process involved mapping the activities according to the three foreseen categories:

NOT ELIGIBLE	ELIGIBLE-NOT ALIGNED	PERMISSIBLE-ALIGNED
Activity not recognized by the EU taxonomy as relevant for climate mitigation purposes and for which no technical criteria have been established.	**Economic activity that:** • is included in the EU taxonomy for its substantial contribution to climate change mitigation or adaptation • does not meet the Substantial Contribution Criteria (CSS), and/or does not comply with the Do No Significant Harm (DNSH) criteria and/or minimum safeguards.	**Economic activity that jointly satisfies the following requirements:** • is included in the EU taxonomy for its substantial contribution to climate change mitigation; • meets the substantial contribution criteria (CCS) associated with the specific economic activity; • meets all DNSH – Do No Significant Harm criteria and minimum safeguards.

The addressed steps are the following:

1. IDENTIFICATION OF ELIGIBLE ECONOMIC ACTIVITIES
2. ANALYSIS OF THE SUBSTANTIAL CONTRIBUTION
3. EVALUATION OF THE PRINCIPLE OF NOT CAUSING SIGNIFICANT DAMAGE TO OTHER OBJECTIVES (Do no Significant Harm - DNSH
4. CHECKING OF MINIMUM SOCIAL SAFEGUARD GUARANTEES
5. CALCULATION OF FINANCIAL METRICS

1 Eligibility analysis

The Asonext Group conducted an analysis of its activities to assess their eligibility under the EU Taxonomy, comparing the activities carried out with the descriptions contained in Delegated Regulations (EU) 2021/2139, 2023/2485 and 2023/2486. In relation to climate objectives, the company has focused its analysis on the objective of **climate change mitigation.**
Asonext spa, specializing in the production of special steel ingots for forging, has identified the activity corresponding to its NACE code C24.1 within the Taxonomy regulations. The following activity has been identified as eligible:

- **Activity 3.9:** Iron and steel production (climate change mitigation).

As regards the activity carried out by Asoforge, the group company responsible for forging the ingots produced by Asonext, there is currently no specific correspondence in the EU Taxonomy, as the Delegated Regulation does not include a NACE code relating to forging.

Alignment analysis

The following illustrates the methodological steps followed and the assessments conducted to establish the alignment of activity 3.9, identified as eligible with respect to the Taxonomy. The analysis concerned the verification of compliance with the substantial contribution criteria, the Do Not Significant Harm criteria and the minimum safeguard guarantees.

The Group is fully aware of the complexity and challenges associated with the objectives set by the EU Taxonomy. With this in mind, it is committed to progressively refining its analysis and reporting methodology in the coming years, with the aim of ensuring greater accuracy and consistency with the European regulatory framework.

2 Analysis of the criteria for substantial contribution

For the iron and steel production activity, an alignment assessment was carried out with respect to criteria a) and b) of Delegated Act I.
On the basis of the data collected by the Group, it was possible to note that, with reference to criterion a), the emissions associated with the activity of the Asonext steelworks exceed the expected thresholds (0.266 tCO_2/t and 0,209 tCO_2/t product), thus resulting in non-compliance with this requirement.
With regard to criterion b), which concerns the ratio between the quantity of ferrous scrap entering the electric arc furnaces (EAF) and the output product, the recorded performances largely exceed the 70% threshold for the production of alloy steels (96.2%) and 90% for carbon steels (97.6%).
These values make it possible to consider criterion (b), as defined in Delegated Regulation (EU) 2019/331, as fully met.

3 Criteria Analysis of Do Not Significant Harm

Adaptation to climate change: Each activity must meet the criteria set out in Appendix A of the Climate Delegated Act, which requires the organization carrying out the activity to implement an analysis to identify and assess the vulnerability of the activity to physical risks related to climate change, both chronic and acute, as listed in Section II of the same Appendix. In the case in question, some risks – such as water stress, heat waves, temperature variations and hydrological or precipitation variability – were partially assessed. Other risks, such as coastal or soil erosion, landslides and avalanches, are not relevant to the geographical features of the considered context. However, on a prudent and conservative basis, and in the absence of sufficient elements to complete an assessment fully compliant with the required criteria, Asonext has decided to classify the activity as non-aligned.

Sustainable use and protection of water and marine resources: The DNSH criterion set out in Appendix B requires the organization to identify and manage the risks of environmental degradation related to the conservation of water quality and the prevention of water stress, in accordance with Directive 2000/60/EC of the European Parliament and of the Council, and through the adoption of a Water Management Plan. The environmental analyses conducted by Asonext as part of the EMAS Environmental Declaration, together with the contextual analysis required for ISO 14001 certification, also consider territorial and geographical aspects related to water resources. Furthermore, the monitoring plan provided for by the Integrated Environmental Authorization (AIA) also requires the definition of an Environmental Management Plan, which sets the limits of environmental parameters, the actions to be undertaken, the monitoring methods and the verification of the results. Additionally, one of the goals of the S.P.A.C.E for Steel project is to improve the efficiency of the water management system: a reverse osmosis system has been installed to purify the cooling water, improving heat exchange, reducing water withdrawals and minimizing discharges. In light of the above, it is reasonable to conclude that the DNSH criterion is met.

Transition to a circular economy: Not relevant.

Pollution prevention and reduction: The DNSH criterion requires that the organization complies with the provisions of Appendix C and that the activity maintains emission levels equal to or lower than the values associated with the Best Available Techniques (BAT-AEL) ranges, as defined in the most recent relevant BAT Conclusions, as established by the Climate Delegated Act – Delegated Act I. Asonext operates in compliance with the monitoring plan provided for by the current Integrated Environmental Authorization (AIA), which defines emission limits in line with the BAT values. The company also undertakes to comply with applicable environmental regulations and to operate in accordance with the principles and objectives defined in the EMAS Environmental Declaration. The criterion is met.

Protection and restoration of biodiversity and ecosystems: The DNSH criterion requires that the organisation is able to comply with the provisions of Appendix D, which requires an Environmental Impact Assessment (EIA) or a review in accordance with Directive 2011/92/EU if the site under consideration is located in or close to biodiversity-sensitive areas (including the Natura 2000 network, UNESCO World Heritage sites, key biodiversity areas and other protected areas). Asonext carried out its own EIA with Authorization AD 2833 of 23/09/2017, subsequently reevaluating it in November 2023 during the administrative procedure for the authorization to build the waste treatment plant. Furthermore, the environmental analyses conducted as part of the EMAS Environmental Declaration and the context analysis for ISO 14001 certification take into account territorial, geographic, and ecosystem-related aspects. In the biodiversity section of this paper, the distance of the production facility from biodiversity-sensitive or protected areas was assessed, concluding that the production site is more than 5 km from these areas. The criterion has been reviewed and is deemed to be met.

4 Minimum safeguard guarantees

Asonext has conducted an in-depth analysis to assess the compliance of its economic activities with the Minimum Social Guarantees requirements set out in the EU Taxonomy, based on the criteria set out in Article 18 of the Taxonomy Regulation (2020/852). This allowed us to understand the level of regulatory compliance and identify areas for improvement.
The assessment considered nine categories of requirements, including human rights (including workers' rights), corruption, taxation, and unfair competition.
Asonext applies the principles of human rights protection in accordance with international documents such as the Universal Declaration of Human Rights, the UN Guiding Principles, the ILO Declaration and the Ten Principles of the Global Compact. To translate these commitments into concrete actions, the Group uses tools such as:

- Code of Ethics, which guarantees respect for human rights in the value chain, promotes ethical and responsible behavior, also towards stakeholders (Chap.3.4);
- Whistleblowing Procedure, for the management of reports of illicit conduct, both by people internal and external to the Company (Chap. 3.4);
- Internal data protection procedures to ensure the protection and privacy of personal data through the implementation of technical and organizational security measures (Chap. 5.4).

The Group is also committed to ensuring tax transparency by submitting complete and truthful declarations to the competent authorities, avoiding any form of tax evasion (Chap.3.7).

These initiatives will enable the Group to define and execute a Due Diligence process compliant with the Regulation. However, since these activities are still being implemented, Asonext believes, as a precaution, that it is partially aligned with the minimum safeguards, identifying room for improvement to ensure full alignment.
As a result, the eligible activity of Iron and steel production is currently considered not to be aligned with the requirements of the Taxonomy Regulation.

5 Calculating financial metrics

Based on the requirements of Art. 8 of the Taxonomy Regulation 852/2020, companies must use the same accounting principles for the calculation of KPIs as for the preparation of their consolidated annual financial statements, with the objective of comparability to the turnover reported in the consolidated financial statements.
For activity 3.9 Iron and steel production considered eligible, the percentage of turnover, capital expenditure and operating expenditure in relation to the total was calculated.

Calculating turnover share

According to the Regulation, the eligible turnover share represents the portion of net revenues deriving from services or products originating from economic activities aligned with the taxonomy divided by total net revenues.

Calculating the capital expenditure (CapEx) portion

The CapEx KPI represents the percentage of investments aligned with the Taxonomy requirements, which meet the technical screening criteria and DNSH conditions. To calculate this indicator, Asonext considered the increases in tangible and intangible assets – including capitalized research and development costs – related balance sheet items. The calculation was made gross of depreciation and any write-downs.

Calculating the operating expenses (OpEx) share

The operating expenses share represents the portion of total expenses attributable to sustainable economic activities. This share is calculated as the ratio between a numerator, which includes operating expenses aligned with the Taxonomy, and a denominator represented by total operating expenses. Specifically, to calculate the denominator of the OpEx KPI, Asonext took into account:

- internal manpower for maintenance staff;
- materials and maintenance related to the systems;
- maintenance contracts;
- non-capitalized research and development costs including materials/project consultancy, fees for consultancy relating to trials, studies and research;
- IT costs devoted to the maintenance department excluding IT manpower.

KPI TABLES[3]

TURNOVER

Financial year 2024

				CRITERIA FOR SUBSTANTIAL CONTRIBUTION			
ECONOMIC ACTIVITIES	CODE	ABSOLUTE TURNOVER	TURNOVER SHARE	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER AND MARINE RESOURCES	POLLUTION
A. ACTIVITIES ELIGIBLE FOR TAXONOMY							
A.1 ALIGNED ACTIVITIES							
IRON AND STEEL PRODUCTION	3.9	€0.00	0%				
A.2 ACTIVITIES NOT ALIGNED							
IRON AND STEEL PRODUCTION	3.9	€147,877,535	68%	ELIG	N/ELIG	N/ELIG	N/ELIG
TURNOVER FROM ELIGIBLE ACTIVITIES		€147,877,535	68%				
B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY							
TURNOVER FROM NON-ELIGIBLE ACTIVITIES		€68,235,052	32%				
TOTAL A+B		**€216,112,587**	**100%**				

CRITERIA FOR "NOT CAUSING SIGNIFICANT DAMAGE"							
CIRCULAR ECONOMY	BIODIVERSITY AND ECOSYSTEMS	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER AND MARINE RESOURCES	POLLUTION	CIRCULAR ECONOMY	BIODIVERSITY AND ECOSYSTEMS
N/ELIG	N/ELIG	Y	N	Y	Y	NOT RELEVANT	Y

CAPEX

Financial year 2024

				CRITERIA FOR SUBSTANTIAL CONTRIBUTION			
ECONOMIC ACTIVITIES	CODE	ABSOLUTE CAPEX	SHARE OF CAPEX	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER AND MARINE RESOURCES	POLLUTION
A. ACTIVITIES ELIGIBLE FOR TAXONOMY							
A.1 ALIGNED ACTIVITIES							
IRON AND STEEL PRODUCTION	3.9	€0.00	0%				
A.2 ACTIVITIES NOT ALIGNED							
IRON AND STEEL PRODUCTION	3.9	€5,742,858	63%	ELIG	N/ELIG	N/ELIG	N/ELIG
CAPITAL EXPENDITURE OF ELIGIBLE ACTIVITIES		€5,742,858	63%				
B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY							
CAPITAL EXPENDITURE OF NON-ELIGIBLE ACTIVITIES		€3,418,294	37%				
TOTAL A+B		**€9,161,152**	**100%**				

CRITERIA FOR "NOT CAUSING SIGNIFICANT DAMAGE"							
CIRCULAR ECONOMY	BIODIVERSITY AND ECOSYSTEMS	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER AND MARINE RESOURCES	POLLUTION	CIRCULAR ECONOMY	BIODIVERSITY AND ECOSYSTEMS
N/ELIG	N/ELIG	Y	N	Y	Y	NOT RELEVANT	Y

3
ELIG: eligible
N/ELIG: not eligible
Y: yes, respected
N: no, not respected

OPEX
Financial year 2024

				CRITERIA FOR SUBSTANTIAL CONTRIBUTION			
ECONOMIC ACTIVITIES	CODE	ABSOLUTE OPEX	OPEX SHARE	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER AND MARINE RESOURCES	POLLUTION
A. ACTIVITIES ELIGIBLE FOR TAXONOMY							
A.1 ALIGNED ACTIVITIES							
IRON AND STEEL PRODUCTION	3.9	€0.00	0%				
A.2 ACTIVITIES NOT ALIGNED							
IRON AND STEEL PRODUCTION	3.9	€4,724,551	72%	ELIG	N/ELIG	N/ELIG	N/ELIG
OPERATING EXPENSES OF ELIGIBLE ACTIVITIES		€4,724,551	72%				
B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY							
OPERATING EXPENSES OF NON-ELIGIBLE ACTIVITIES		€1,798,117	28%				
TOTAL A+B		**€6,522,667**	**100%**				

CRITERIA FOR "NOT CAUSING SIGNIFICANT DAMAGE"							
CIRCULAR ECONOMY	BIODIVERSITY AND ECOSYSTEMS	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER AND MARINE RESOURCES	POLLUTION	CIRCULAR ECONOMY	BIODIVERSITY AND ECOSYSTEMS
N/ELIG	N/ELIG	Y	N	Y	Y	NOT RELEVANT	Y

3
ELIG: eligible
N/ELIG: not eligible
Y: yes, respected
N: no, not respected

CORPORATE PROFILE

2

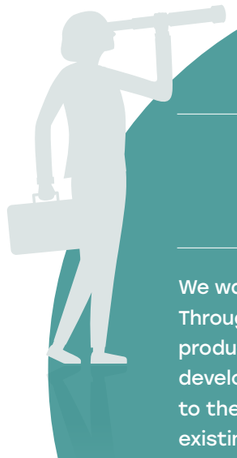
asonext

2.1 CORPORATE VALUES

GRI 2-23
[ESRS 2 MDR-P §65]

1 MISSION

Asonext is a leading steel producer and has maintained its leading market position thanks to a policy of continuous staff training, production process improvements, and significant investments, all this with a view to achieving the highest quality, in complete safety and with respect for the environment.



2 VISION

We want to remain a benchmark in the special steels sector. Through research and development of new complex steel products, we can make a significant contribution to the development of emerging industrial sectors–closely linked to the environmental transition–and to the improvement of existing ones.

We also want to achieve this goal through the steady development of human resources, the thrifty and conscious use of raw materials, the recycling of metals, the reuse of production waste, the recycling of process water, and the recovery of thermal energy.

3 VALUES

We embrace the values of a privately held company: taking responsibility and adhering to a high standard of performance based on honesty and reliability. Accepting challenges is in fact our winning motivation to offer our customers the most suitable solutions.

2.2 THE HISTORY

1971 ALDO ARTIOLI FOUNDED ASO

Aldo Artioli, a chemist and expert in metallurgy and a steel industrialist, founded ASO Acciai Speciali Ospitaletto in 1971, the first step that would lead to the creation of ASONEXT. With a greenfield project, he created a steel mill entirely dedicated to the production of high-quality steel, laying the foundations for a company that would stand out in the industry for the excellence of its products.

1972 INSTALLATION OF THE FIRST 10-TONNE FURNACE

In 1972, Asonext installed its first 10-ton furnace, marking the beginning of an ongoing process of innovation. Since then, the company has consistently invested in technology and human resources, regularly introducing new equipment to enhance its production capacity.

1990 INSTALLATION OF THE FIRST LADLE FURNACE AND VACUUM DEGASSING

In 1990 the company installed its first ladle furnace (LF) and its first vacuum degassing system (VD).

2002 INSTALLATION OF A NEW 50-TON FURNACE

At the beginning of 2002 the existing melting furnace was replaced with a new 30-50 ton variable capacity furnace (EAF). A second, more modern vacuum degassing system was installed in the same year. Thanks to the installation of the new furnace, ASONEXT was able to supply a very diverse range of ingots.

2006 START-UP OF THE THIRD LADLE FURNACE AND VACUUM DEGASSING SYSTEM

In 2006, a third ladle furnace (LF) and an adjacent vacuum degassing (VD) system were commissioned to increase ASONEXT's capacity and ensure excellent product quality through accurate control of furnace residence times.

2007 VACUUM ARC REFUSION INSTALLATION

In a continuous innovation process, in 2007 ASONEXT installed a vacuum arc remelting (VAR) system, mainly intended for steels for the aerospace industry.

2008 35-TON INDUCTION FURNACE STARTED UP

In 2008, ASONEXT started up a 35-ton induction furnace and a new exhaust gas extraction and purification system.

2010 FOUNDATION OF ASOFORGE AND INSTALLATION OF A 5,000 TON-PRESS

In 2010, the new ASOFORGE plant was inaugurated, equipped with a 5,000-ton press devoted to the production of forged bars starting from ingots made in the steel mill.

2011 CONSTRUCTION OF A NEW SLAG RE-MELTING PLANT

The Electric Slag Remelting (ESR) plant is used to remelt and refine steels and various superalloys, obtaining high-quality ingots.

2013 INSTALLATION OF THE AOD SYSTEM

In 2013, an AOD system was installed in order to extend the production range to stainless steels

2018 INSTALLATION OF A NEW 45-TON INDUCTION FURNACE

In 2018, ASONEXT installed a new 45-ton induction furnace.

2019 INSTALLATION OF A NEW 2,850-TON PRESS

Installation of a new 2,850-ton forging press, which offers the possibility of expanding the range of sizes of bars and plates.

2023 ASONEXT BECOMES A BENEFIT CORPORATION

In confirmation of its commitment to sustainability, ASONEXT has decided to become a benefit corporation, integrating environmental, social, and governance criteria into every aspect of its operations, with the common benefit of environmental transition.

2024 LAUNCH OF THE PROJECT FOR GREENFIELD PLANT OF SLAG RECYCLING

The executive design for the construction of the new warehouse that will house the electric furnace slag recycling plant, which will be transformed into inert recycled aggregates, has been completed. Work began in January 2025. Commissioning scheduled for October 2025.

2.3 IDENTITY OF THE GROUP

GRI 2-1, 2-2, 2-6
[ESRS 2 BP-1], [ESRS 2 SBM-1]

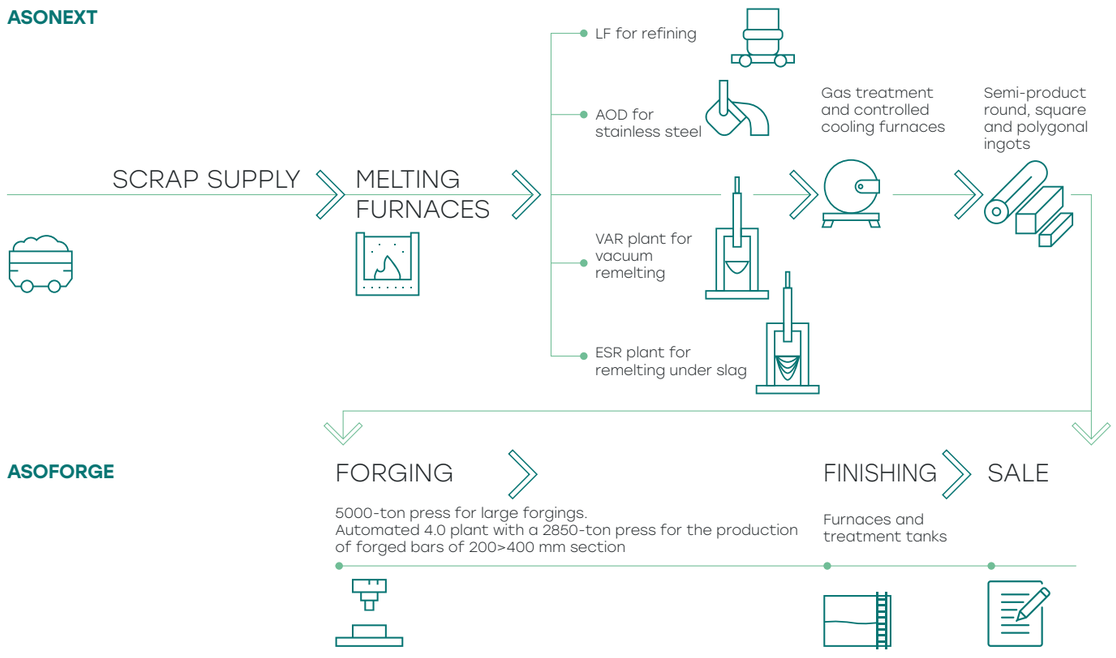
The steelworks has been operating in the iron and steel industry since 1971 and specializes in the production of special steel ingots for forging and rolling mills. Since 2010, the company Asoforge Srl has also been operating, dealing with the forging of ingots produced by the steelworks.

The company stands out for its wide product range and specializations in the following sectors: energy (wind, nuclear, traditional), aerospace, mechanical and petrochemical.

The Group has experienced constant growth in its reference markets, thanks to its organizational dynamism and continuous technological innovation.

Asonext's primary goal is to maintain leadership in its industry through ongoing staff training, constant improvement of the manufacturing process, and significant, targeted investments. These processes allow the company to achieve the highest quality while ensuring high standards of worker safety and minimizing environmental impacts. The Group, focusing on the production of high-tech steels and special alloys, offers customers a customized design and production service, processing materials based on the requirements of the final product for which they are intended.

During 2019, the company undertook a process of reorganizing its ownership structure, which led to its current structure: the newly established holding company Advanced Steel Solutions Srl owns 100% of the share capital of Asonext SpA Società Benefit, which in turn owns 100% of the share capital of Asoforge Srl.



Asonext Spa Società Benefit: it is located in Ospitaletto (BS). The steelworks' production capacity, with its current workforce (3 shifts), is currently 120,000 tons/year, but can be physically increased to 180,000 tons/year, in compliance with the limits set by Integrated Environmental Authorization No. 3848/2017.

Asoforge Srl: the forge is located in Castegnato (BS). Production capacity is currently 30,000 tons/year, which can be increased with additional volumes depending on specifications and dimensions. Asoforge Srl, in compliance with the provisions of the single environmental permit no. 4469 of 2018, processes the ingots produced by Asonext Spa Società Benefit.

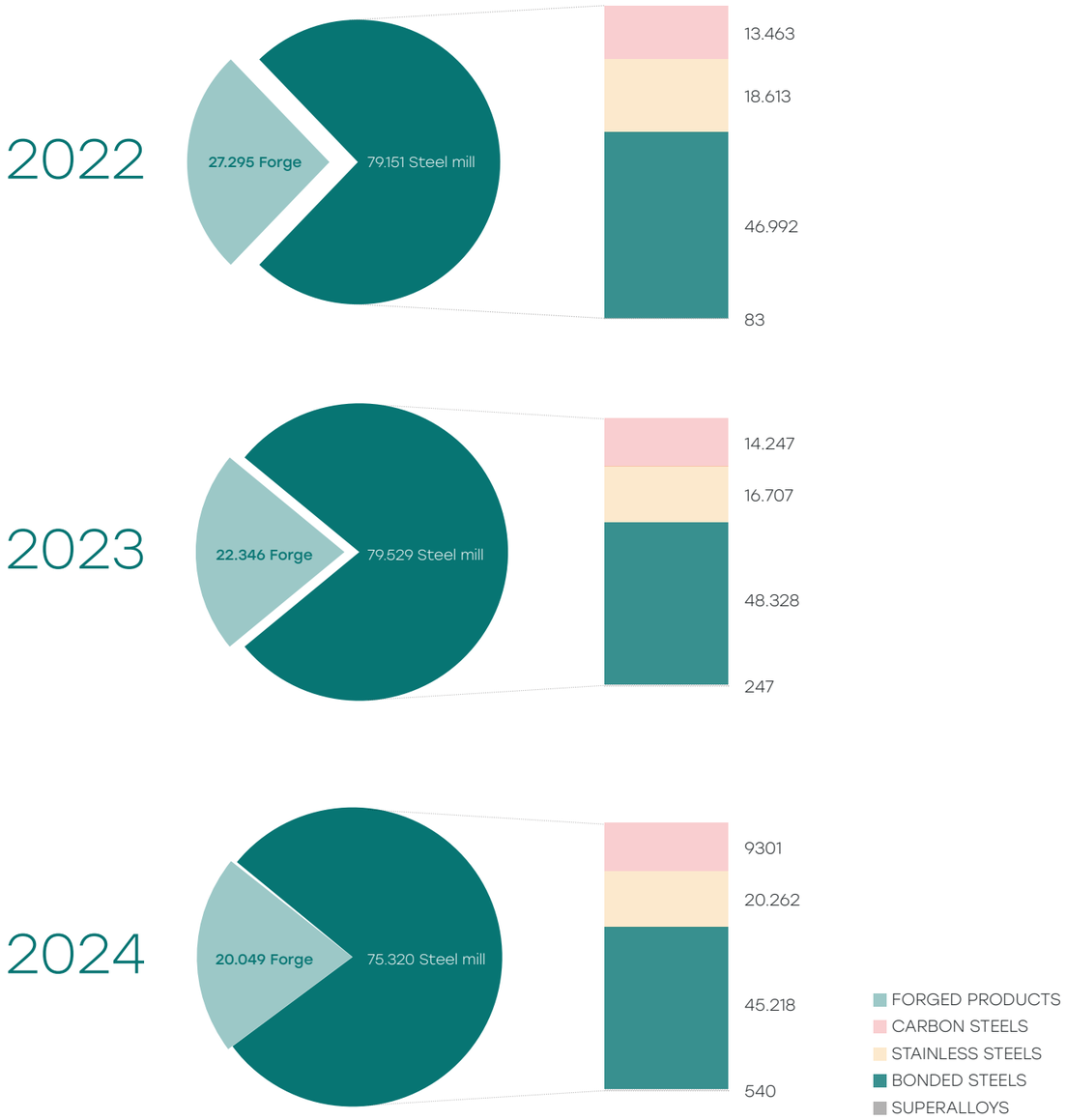
2.3.1 Activity Levels

	2022		
PRODUCTION / STEEL PROCESSING	ASONEXT	ASOFORGE'	TOTAL
	79,150 tons	27,295 Ton	106,445 tons
	2023		
	ASONEXT	ASOFORGE	TOTAL
	79,529 tons	22,346 tons	101,875 tons
	2024		
	ASONEXT	ASOFORGE	TOTAL
	75,320 tons	20,049 tons	95,369 tons

1 Asoforge Srl processes the steel produced by Asonext Società Benefit

The following graphs show the subdivision by macro-category of the steels produced/worked by Asonext Group.

Production Breakdown (TONNES)



2.3.2 Generated and distributed economic value

GRI 201-1
[ESRS 1 AR §16]

	CONSOLIDATED TOTAL		
	2022	2023	2024
REVENUES	€191,215,077	€176,434,028	€162,344,580
OPERATING COSTS	€147,328,598	€135,081,721	€139,740,869
EMPLOYEE SALARIES AND BENEFITS	€16,034,639	€16,475,491	17,059,771
PAYMENTS TO CAPITAL PROVIDERS	€2,090,985	+€270,970 [2]	654,763
PAYMENTS TO THE PUBLIC ADMINISTRATION	€3,118,475	€4,304,504	+573.340 € [3]
INVESTMENTS FOR COMMUNITIES	€52,829	€20,440	56.081
RETAINED ECONOMIC VALUE	€22,589,551	€20,822,842	5,406,435

The consolidated Value of Production (VoP) for the 2024 financial year was affected by:

- contraction in demand - which led to a further reduction in prices and quantities sold compared to 2023, which were already down on the previous year
- a stoppage at an Asonext smelting plant, caused by an accident on which expert investigations are underway to determine the causes.

The production shutdown, which lasted throughout the final quarter of the financial year, resulted in a reduction in production volumes for the Asonext Group and a deterioration in some industrial performance, resulting in the cancellation of some acquired orders and an increase in raw material procurement costs. The global macroeconomic context also negatively impacted the operating framework, impacted by the conflicts in Ukraine and the Middle East, the uncertainties linked to the European Parliament elections and the US political outlook. These factors have fueled market instability and slowed economic rebalancing in the post-pandemic period.

In light of the above, a “what if” simulation was performed, which highlighted how, under normal plant operation, the operating result could have been positive by approximately €1,400,000.

Revenues are projected to decrease by 8% in 2024 compared to 2023. The reduction in prices and quantities sold also negatively impacted operating costs, which were mainly variable in nature, exacerbated by the shutdown of the smelting plant, considered the most efficient at the production site. This trend resulted in a cost incidence equal to 79% of the Vdp, an increase of 3 percentage points compared to the 2023 financial year.

Despite the critical issues encountered, the Company confirmed its social responsibility policy, avoiding the use of social safety nets. Personnel costs therefore increased by 4%, with an impact on the Vdp rising from 9% in 2023 to 11% in 2024. This change is attributable both to the renewal of the National Collective Bargaining Agreement and to new hires aimed at meeting market challenges and opportunities.

The financial structure is considered strategic for pursuing the corporate purpose; even during 2024, despite the critical issues described, the optimization of financial management allowed debt to remain virtually unchanged.

As a Benefit Corporation, community relations are particularly important, including donations to foundations and schools, sponsorships of local sports activities, and events to enhance the local area, as detailed in Chapter 5.9, with an overall increase of 33% compared to the previous financial year.

2 During the 2023 financial year, also following the voluntary early repayment of the corporate loan, the group's financial management generated a profit of €270,970.
3 During the 2024 financial year the balance of this item is affected by the determination of deferred taxes.

2.4 MEMBERSHIP TO ASSOCIATIONS

GRI 2-28, 413-1
[ESRS 1 AR §16], [ESRS S3]

The Group is affiliated with some associations of the territory, with the aim of:

- sharing information and sector studies,
- developing partnerships,
- implementing new technologies,
- participating in working groups/technical commissions and conferences.

Confindustria Brescia: an association that represents and protects businesses in the Brescia area, offering an integrated system of relations with local stakeholders.

Federacciai: federation of Italian steel companies that aims to protect, support, and build relationships between steel producing and processing companies.

Ramet: a consortium of Brescia-based metallurgical companies that aims to study and monitor the impact of production activities on the workplace and the local area.

Centro Servizi Tecnici alle Imprese - AQM Srl: A non-profit company created in the Brescia area with the participation of both the public and private sectors, sees Asonext as its main private partner and founder. Specializing in services for metallurgical companies, it offers technical training and promotes excellence in industrial materials and production processes.

Unsider: Italian Iron and Steel Unification Body, whose purpose is aimed at standardization activities for the iron and steel sector and the sector dedicated to materials, equipment and offshore structures for the oil and natural gas industries.

AIM: Italian Metallurgical Association that aims to disseminate the science and technology of metallic materials and other engineering materials.

Fondazione I.T.S. Lombardia: collects public bodies and private individuals, with the aim at promoting technical and scientific dissemination and supporting measures and the development of the economy and active labor policies.

Fondazione Brescia Musei: the cultural agency of the Province of Brescia, which brings together numerous local businesses, contributing with donations to support the museum's cultural activities.

Fondazione AIB-ISFOR-CFAIB: established in 2012 to launch and manage the Liceo Guido Carli (High School), the Foundation also brings together the activities promoted by Confindustria Brescia in the education and training sector, through the "*Vocational Training and Employment Services Center*" And *ISFOR (Istituto Formazione Continua)*, from which Asonext draws its training courses and service "*Fondimpresa*" for the management of interprofessional fund practices.

GOVERNANCE
RESPONSIBLE MANAGEMENT

GRI 3-3

3

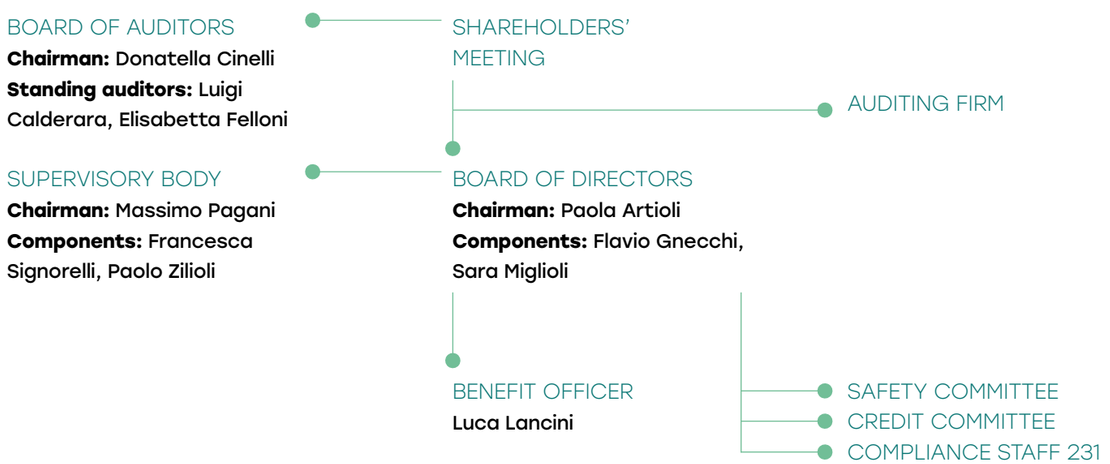
Asonext Group Code of Ethics expresses the values that guide responsible management, supported by a solid governance system. The company protects the environment, workers, and communities through concrete actions.

SUSTAINABLE DEVELOPMENT GOALS

TOPIC	ESRS	TARGET	TIMING
CORPORATE CONDUCT Code of Ethics, Management Model and Compliance	ESRS G1-1	Training 231 following the revision of the model	2025
		Creation and development of a new area	2025
COMPANY CONDUCT in compliance with the Machinery Directive	ESRS G1-1	Creation and development of a new area	2025

3.1 SYSTEM OF GOVERNMENT

GRI 2-10, 2-11, 2-18, 2-19, 2-20, 405-1
[ESRS 1 AR§16]; [ESRS 2 GOV-3]; [ESRS 2 GOV-1]



The Governance of Asonext SpA Società Benefit is characterised by the presence of the following corporate bodies[1]:

- Shareholders' Meeting, which in this case is represented by Advanced Steel Solutions Srl;
- Board of Directors, composed of 3 members, 2 of whom are independent;
- A managing director;
- Board of Auditors, composed of the president, 2 effective auditors and 2 substitutes;
- Auditing Firm;
- Supervisory Body pursuant to Legislative Decree 231/01, with collegial composition;
- Benefit Officer.

The Governance of Asoforge Srl is characterised by the presence of the following corporate bodies:

- Shareholders' Meeting, which in this specific case is represented by Asonext SpA Società Benefit;
- Board of Directors, composed of 3 members, 2 of whom are independent;
- A Managing Director;
- Single Auditor;
- Auditing Firm;
- Supervisory Body, pursuant to Legislative Decree 231/01, with a single member.

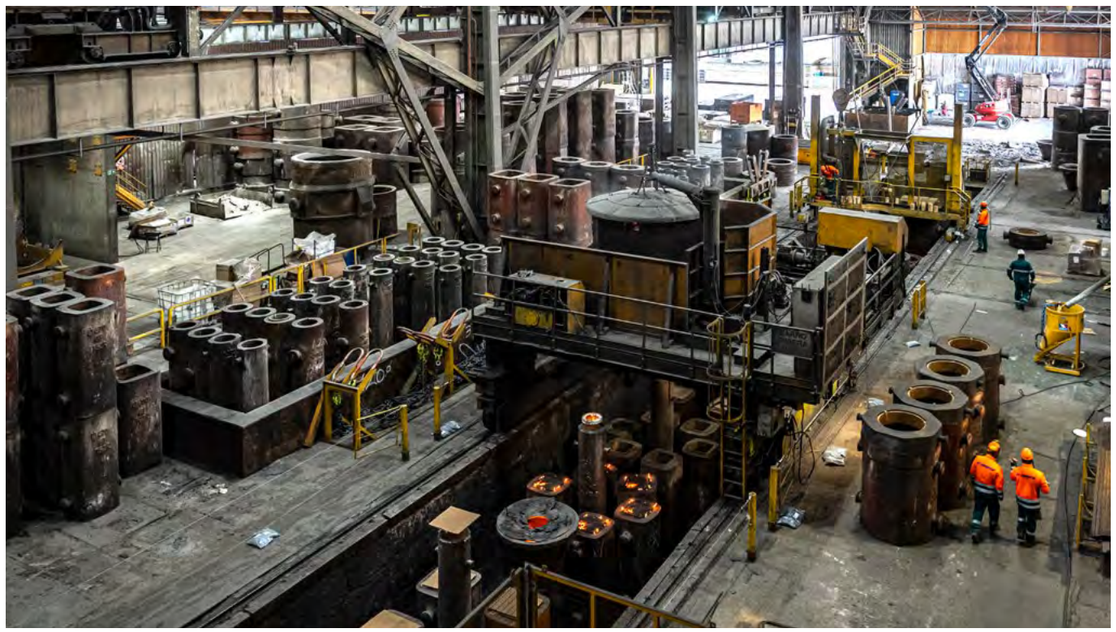
1. Based on the Code of Ethics, the Asonext Meeting takes care to appoint Board Members whose number and authority ensure that their judgment has a significant impact on Board decisions, contributing their specific expertise from different perspectives.

For both companies, representation is attributed to the Managing Director Knight of Labor Dr. Paola Artioli.

The Board of Directors of the two companies is composed of the Executive Chairman, Knight of Labor Dr. Paola Artioli, who is supported by two independent directors: Sara Miglioli, a lawyer specializing in corporate transactions and extraordinary finance, and Prof. Flavio Gnecchi, a certified accountant and professor of corporate strategy at the Università Bicocca in Milan.

The Board of Directors appoints the Supervisory Board, which helps integrate ESG (Environmental, Social, and Governance) aspects into the company's mission and receives any reported critical issues.

The remuneration of the members of the highest governing body is established by resolution of the Board of Directors and provides for a fixed annual compensation including fringe benefits and a severance pay. There are no established rules for defining notice periods. The members of the Board of Directors are in the over 50 age group.



3.2 ORGANIZATIONAL STRUCTURE

GRI 2-9, 2-11, 2-12, 2-13, 2-24
[ESRS 1 AR§16]; [ESRS 2 GOV-1];

The organizational structure is headed by the Executive President, Knight of Labor Dr. Paola Artioli, to whom the management body reports dealing with:

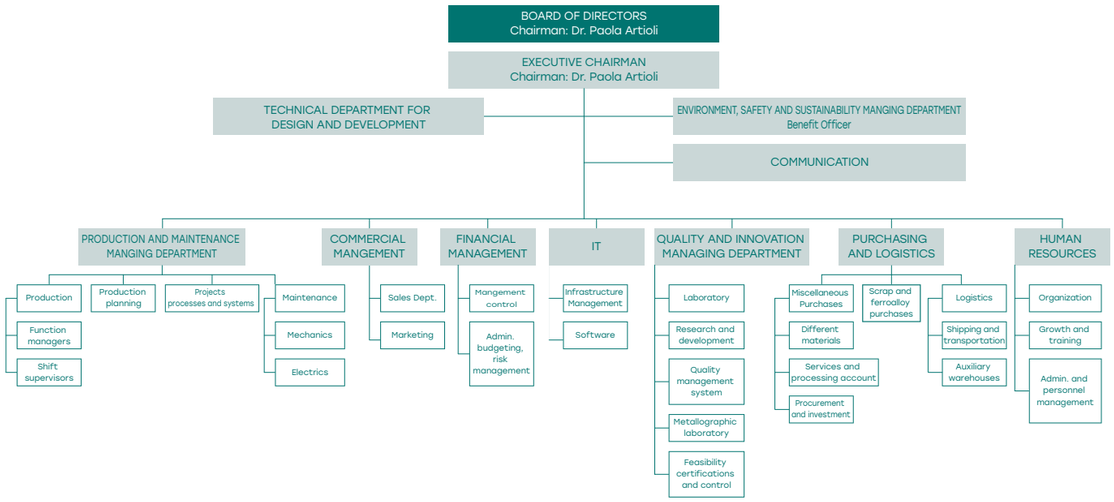
- Production and Maintenance;
- Administration, Finance, Management Control Risk Management;
- Sales and Marketing.
- Quality, Research and Development;
- Environment, Safety and Sustainability;

In addition to the management body, the following areas report directly to the Executive President:

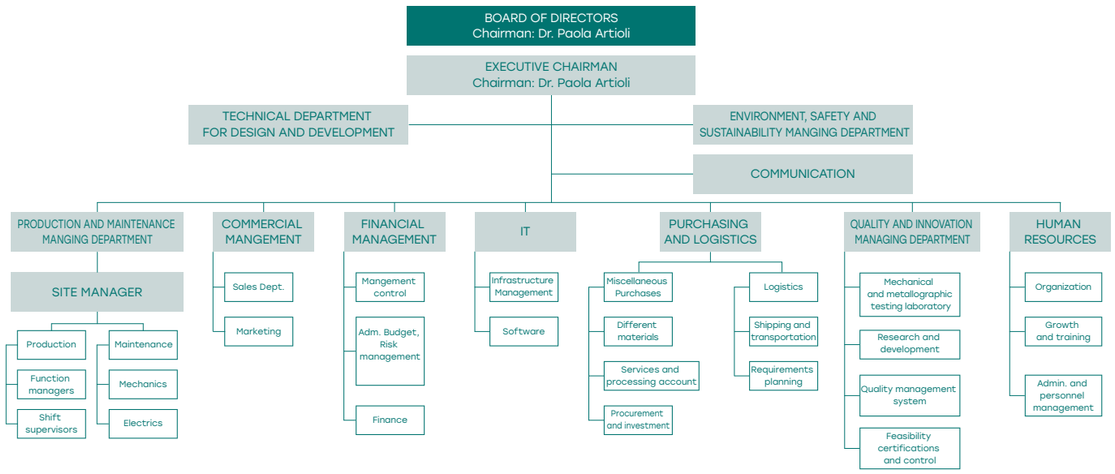
- Technical Office, Plant Development and Energy Manager;
- Human Resources and Training;
- Integrated Logistics and Purchasing;
- Information Communication Technology;
- Communication

The organizational charts of Asonext SpA Società Benefit and Asoforge Srl as of December 31, 2024 are shown below.

Asonext SpA Società Benefit Organization Chart



Asoforge Srl Organization Chart



In addition to the organizational structure outlined in the organizational chart, Asonext has formalized several working groups composed of collaborators from different areas, with different skills and training, to address important and relevant issues through teamwork and constant discussion, in order to ensure stable and shared results.
Notably, the following was established:

- The Safety Working Group: composed of the Operations Director, the Technical Office Manager, the RSPP, and the Safety, Environment, and Sustainability Director. The functions and purposes will be better described in chapter 5.
- The Credit Committee: composed of the Chief Executive Officer, the Financial Director and the Commercial Director. The committee meets monthly and its purpose is to define and review the rules for awarding credit and related exemptions, to validate the guidelines for recovering unpaid debts, and to undertake all necessary actions to avoid insolvency;
- Compliance Staff 231: composed of the Deputy Director of Finance, the head of Asonext's integrated management system (HSE), and the corporate training coordinator. The Compliance Staff 231 supports the Supervisory Body in gathering company documentation, information, and data necessary to carry out its duties, as well as in organizing activities, scheduling audits, training, and, more generally, for all activities related to the performance of the Supervisory Body's functions.

3.3 ASONEXT SPA SOCIETA' BENEFIT

In 2024, Asonext prepared its second Impact Report which, unlike the first, included monitoring of the KPIs defined when it transformed into a Benefit Corporation. This is a tangible evidence of the contribution to the common good, in this case the **"environmental transition"**. Since the transformation took place at the end of 2023, 2024 represented the first full year of monitoring and data collection.
Benefit Corporations (BCs) were introduced in Italy in 2016 with Law No. 208 of December 28, 2015, and have the unique feature of combining a dual purpose: profit and common benefit.

Asonext, becoming a Benefit Corporation, also has as its new purpose the shared benefit of the environmental transition, to the advantage of stakeholders. Asonext will pursue a strategy of integrating environmental, social and good governance criteria into all areas of its operations. Notably:

- Define a strategy for integrating environmental, social and good governance criteria into all areas of operation;
- Pursue the reduction of its impacts through continuous improvement of environmental performance and energy efficiency, also with a view to progressive decarbonization, pollution prevention and reduction, and mitigation of the causes of climate change;
- Operate by limiting waste production and maximizing the recycling, reuse, and recovery of materials used in the production cycle;
- Pursue the sustainable use of natural resources.

3.4 CODE OF ETHICS AND MANAGEMENT MODELS

The Asonext Group adopts an organizational and corporate governance model that defines specific tasks and responsibilities for corporate bodies, in order to integrate the various sustainability aspects within its processes and business plan.

The Group's Code of Ethics defines the company's ethical and social responsibilities – both internally and towards stakeholders – and the values it embraces. The document is publicly available on the Asonext website.

3.4.1. Organization, management and control model

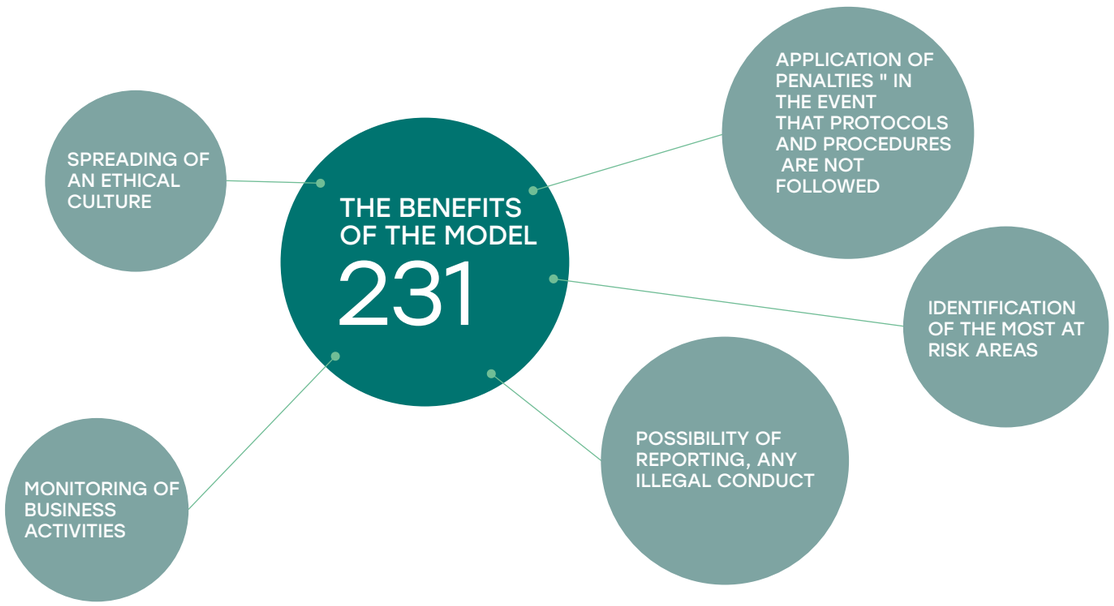
GRI 2-15, 2-26
[ESRS 1 AR §16]

In order to increase the effectiveness and efficiency of its internal control system and to pursue production activities in a correct and transparent manner, Asonext, in 2007, adopted the **Organization, Management and Control Model** implemented pursuant to Legislative Decree 231/2001 (MOD 231). This Model consists of a set of protocols and procedures adopted by the company, which govern and define its structure and the management of its sensitive processes. The MOG is subject to periodic reviews, always in step with any regulatory updates. The latest update was approved by Board of Directors on 11/25/2024.

The two Group companies (Asonext SpA Società Benefit and Asoforge Srl) have adopted their own Organizational, Management and Control Model to pursue their objectives through processes featured by honesty, legality, transparency and the absence of conflicts of interest.
The recipients of Model 231 are:

- the members of the Board of Directors;
- the members of the Board of Auditors;
- the employees;
- third parties (suppliers, customers, agents, transporters, consultants, collaborators, etc.);
- the Group companies;
- companies that have commercial relationships with Group companies.

The Group has always been aware of the need to determine - in the recipients of the Model - the consciousness of the criminal consequences arising from the commission of an offence, not only against them, but also against the company itself. Precisely for this reason, the recipients of the Model must be able to constantly read a clear and simple system, perfectly adapted to the Group's reality, which allows them to carry out their duties in compliance with the company rules set forth in the document itself. The Models of the Group companies are composed of a general part and a special part.
The purpose of this Model, therefore, is to spread a shared ethical culture, as well as implement continuous monitoring of company activities to identify the areas most at risk of crime, and to establish sanctions in the event that the protocols and procedures set forth therein are not followed.
The Group Companies have entrusted **to the Supervisory Body (OdV)**, equipped with autonomous powers of initiative and control, the task of supervising the functioning and compliance with the Model and ensuring that it is updated. For Asonext Spa, a benefit company, the Body is made up of three persons: two external professionals and one internal person. The Supervisory Body established by Asoforge Srl is instead a single member.
The Supervisory Body is also the recipient of any reports and can take action to carry out checks and investigations.
The rules of conduct contained in the Model are in addition to those of the Code of Ethics, which in turn integrates the control tools provided for in the aforementioned Legislative Decree 231/2001.
The Group adopts the **Code of Ethics** to ensure that all those who collaborate with the company organization (directors, employees, collaborators, agents, suppliers, customers, procurers and external stakeholders) carry out their work activities and conduct themselves in a correct and linear manner, avoiding the commission of crimes and offences. The Code of Ethics expresses principles of "corporate ethics" that are recognized as specific and which everyone must observe.



3.4.2. Whistleblowing

GRI 205-3
[ESRS S1 S1-3]

In compliance with Legislative Decree no. 24/2023 (the so-called Whistleblowing Decree), which implements Directive (EU) 2019/1937 on the protection of persons reporting violations of Union law and national regulations, in 2023 the Asonext Group created an internal channel for reporting wrongdoing.

Through this system, it is possible to report any significant unlawful conduct pursuant to Legislative Decree 231/01 or violations of the Organization, Management, and Control Model adopted pursuant to Legislative Decree 231/01; violations of provisions of national or European Union legislation that harm the public interest or the integrity of public administration or the Company, whether by individuals inside or outside the Company who have become aware of the unlawful conduct in the workplace.

The system adopted by Asonext – which allows written reports via an encrypted platform accessible from any device – guarantees the confidentiality of the whistleblower's identity and protection from any retaliation.

The procedure for managing reports and protecting the whistleblower is made known to all employees and interested parties through publication on the Group's website, in the "Whistleblowing" section.
During 2024, no reports were received relating to any “crime 231”, including the crime of corruption.

3.4.3. Privacy Management

The increase in cyber threats due to growing digitalisation has pushed the Asonext Group to constantly improve its systems and to implement and monitor internal procedures to ensure high levels of security in data management. The Group, having adapted to European Regulation 2016/679 (GDPR - General Data Protection Regulation), maintains constant attention to the protection of personal data.

Asonext implements technical and organizational security measures where necessary and constantly monitors developments in European and Italian legislation, practices, and best practices, also with the assistance of specialized consultants. Cybersecurity remains a constant focus: the Group is fostering a culture that views cybersecurity as a collective responsibility, making all its employees part of the security shield.

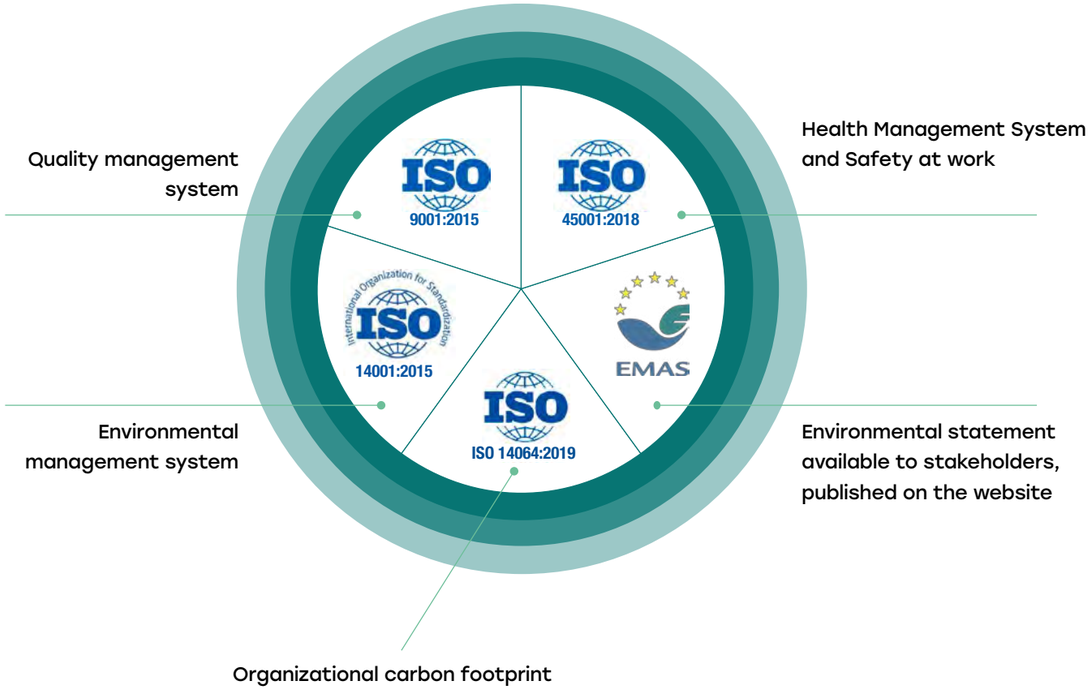
There were no reported complaints or privacy violations by suppliers, customers, employees, or affected third parties, nor any data breach-related events during 2024.

3.5 CERTIFIED MANAGEMENT SYSTEMS

GRI 2-16, 2-17, 2-18, 2-23, 2-24, 2-26
[ESRS E1]; [ESRS E2]; [ESRS E3]; [ESRS E5]; [ESRS S1]; [ESRS G1]

Asonext Spa Società Benefit and Asoforge Srl have identified the necessary processes and their interactions and, subsequently, have implemented **an Integrated Quality, Environment and Safety Management System** equipped with policy, manual and management and operational procedures.

The Management System is subjected to an annual Management Review, which allows the company's performance to be assessed and new strategies/objectives to be defined with a view to continuous improvement. No critical issues were reported to management during 2024.
Management systems have been **certified by accredited third-party bodies.**



3.6 LEGAL AND DISCIPLINARY ACTIONS

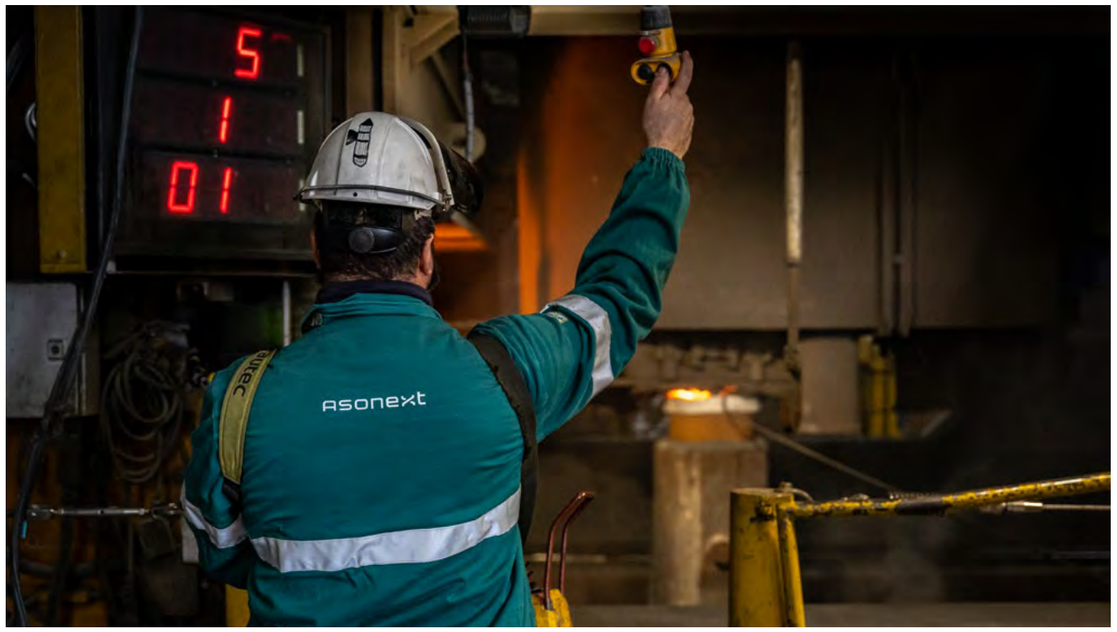
GRI 205-3, 418-1, 2-27

As of now **there are no legal proceedings underway** in matters of tax law, unfair competition, the fight against corruption, or violations of privacy regulations. During 2024, the company did not incur any fines or penalties.

The Group companies have not received administrative or judicial sanctions for non-compliance with environmental, social and economic laws and/or regulations.

As of December 31, 2024, legal proceedings against Aso Siderurgica SpA are pending before the Brescia Court of Appeal for administrative offenses pursuant to Article 25-septies, paragraphs 1 and 2 of Legislative Decree 231/01. The proceedings were contested following an accident that occurred in 2018, for which the then employer and an employee have already been held liable, and the cases have been decided separately.

Following the accident that occurred on August 31, 2024, a criminal proceeding is pending at the Public Prosecutor's Office of the Court of Brescia in the preliminary investigation step.



3.7 GROUP'S TAX APPROACH

GRI 207-1
[ESRS 1 AR §16]

For Asonext, participating in a country's economic and social development means not only investing in the local area and creating jobs, but also contributing through tax payments.

The approach to taxation adopted by the Group is therefore consistent with what is defined in the Code of Ethics and the Organization, Management and Control Model pursuant to Legislative Decree 231/2001, recently revised and approved by the Board of Directors with resolution dated 25 November 2024.

This approach is based on the principles of prudence, responsibility, consistency, and transparency towards the Company's stakeholders and, first and foremost, the Public Administration.

Asonext has always maintained ongoing and proactive collaboration with the Tax Authorities, based on principles of transparency and mutual trust. It believes it is of fundamental importance to adopt procedures aimed at promptly evaluating and responding to requests received from the Tax Authorities, providing - where necessary - always correct, accurate, and precise information.

Responsibility for tax matters and tax compliance lies with the Executive President, who has a management and coordination role. Tax matters and tax compliance are handled by the Administrative Department and external qualified professionals, who report to the Executive President himself.

This tax compliance management process allows for the correct definition of taxes to be paid to the Treasury and the content of all reporting obligations, minimizing the risk of disputes and, at the same time, contributing to the fair and sustainable development of the community.

ENVIRONMENTAL PERFORMANCES

GRI 3-3
ESRS [E1], [E2], [E3], [E5]

4

Asonext's production activity stands out for its attention to the environment, strengthened by its status as a Benefit Corporation, which pursues the objective of environmental transition. This commitment is enhanced by the intentional adoption of a UNI EN ISO 14001 certified Environmental Management System, EMAS registration, organizational and product carbon footprint measurement, and an integrated policy aimed at reducing environmental impact, optimizing resources, and engaging suppliers.

SUSTAINABLE DEVELOPMENT GOALS

Most of the objectives listed below are attributable to the SPACE for Steel (Sustainable Power And Circular Economy for Steel) project, which includes five projects:

- black waste recycling system;
- replacement of raw materials from fossil sources with recycled materials;
- projects aimed at reducing electricity consumption;
- construction of plants for the reduction of methane gas;
- implementation of technologies for water saving.

TOPIC	ESRS	TARGET	TIMING
CIRCULAR ECONOMY raw materials	ESRS E5-2	Replacing 50% of anthracite with recycled plastic material.	2025
CIRCULAR ECONOMY waste	ESRS E5-5	40% of black slag recycled internally thanks to an electric furnace slag recycling plant and transformed into inert recycled aggregates.	2026
CLIMATE CHANGE energy efficiency	ESRS E1-5	Revamping of the electrical substation and furnace panels.	2026
WATER RESOURCES	ESRS E3-4	Reduction in specific water consumption by 5% compared to 2020.	2025
CLIMATE CHANGE CO_2 emissions	ESRS E1-5	10% reduction in direct CO_2 from anthracite consumption thanks to the replacement with a recycled material.	2025
	ESRS E1-5	Purchase of 30% of electricity consumed from renewable sources with guarantees of origin.	2025
	ESRS E1-5	Installation and commissioning of a 5MW photovoltaic system, covering approximately 10% of the forge electricity consumption.	2024

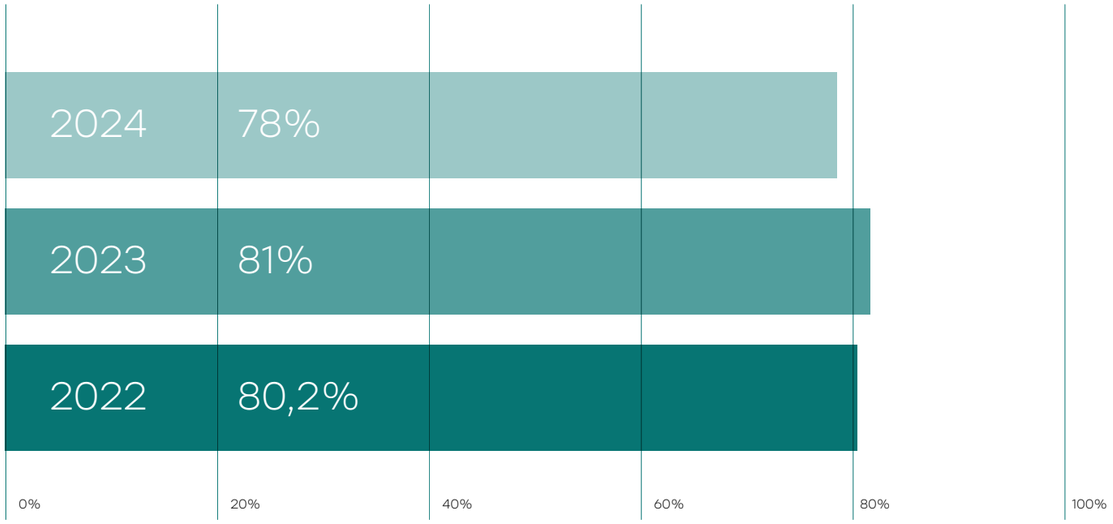
4.1 SCRAP AND OTHER RAW MATERIALS

GRI 301-2
ESRS E5-4

Asonext uses ferrous scrap as its raw material, an infinitely reusable resource making up the raw material for the production of steel through electric arc furnace and induction technology. Indeed, steel is an infinitely recyclable material that keeps its original properties unchanged. Compared to the integrated cycle technology (BF/BOF), the electric arc furnace and induction furnace technology uses recycled scrap, reducing the consumption of virgin and non-renewable natural resources. In this perspective, the production cycle of Asonext promotes **circular economy models**, using materials recovered from other sectors.
Generally speaking, incoming scrap can be classified as: waste, end-of-waste compliant with EU Regulation 333/2011, and by-product pursuant to art. 184 bis of Legislative Decree 152/2006.

It should be made clear that the contribution to the use of raw materials coming from recycling results exclusively from the steelworks, as the production cycle of Asoforge Srl provides for a mere transformation of the ingots produced by Asonext SpA Società Benefit.
It follows that the Group's policy has historically been aimed at purchasing and seeking out high-quality ferrous scrap on the market from suppliers selected for their reliability (see Chapter 6). Asonext Spa Società Benefit performs strict controls on scrap entering the plant, carrying out documentary, visual, chemical, and radiometric checks in accordance with current regulations.
The percentage of recycled raw materials used in the three-year period under review is shown in the following graph:

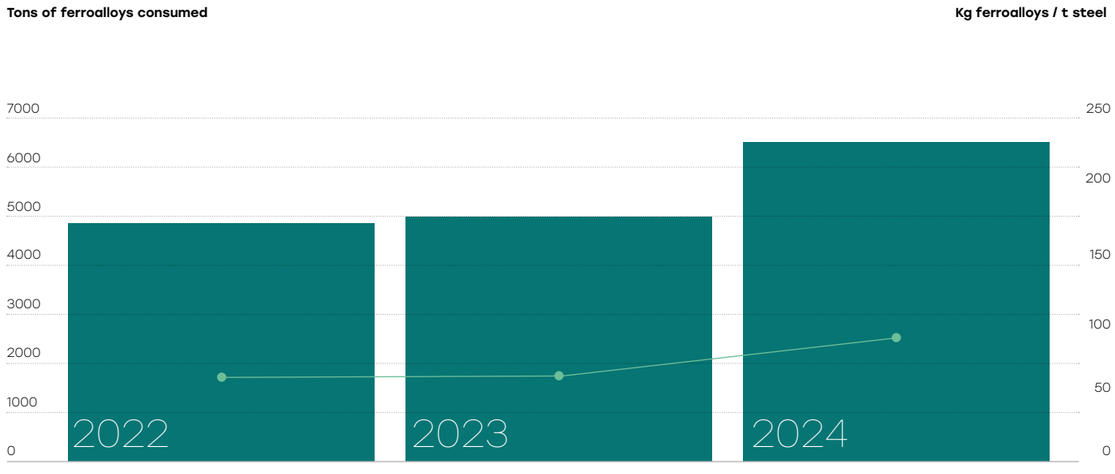
Percentage of purchased recycled materials [1]



1 The percentage of purchased recycled materials is calculated by comparing the purchased recycled materials with the production process (scrap) and the total purchased materials.

The percentage of purchased recycled materials in 2024 has seen a small decrease, mainly due to the widespread use of ferroalloys, a category of materials essential to the production process that provides steel with the chemical elements required in preset recipes. Asonext has indeed oriented its production towards steels with increasingly higher features, obtained through the optimised use of specific ferroalloys.
The purchased ferroalloys and their consumption during the three-year period are shown in the following graph:

Consumption of ferroalloys



	2022	2023	2024
TONS OF FERROALLOYS CONSUMED	4,742.0	4,991.1	6,448.3
KG FERROALLOYS / TON STEEL	59.9	62.8	85.6

The trend of ferroalloys consumed in the three-year period is growing, also due to the variation in the steels produced. The increase recorded is however modest thanks to the purchase of scrap certified and verified for compliance with specific chemical features. Steel is produced using ferrous scrap and adding other materials such as ferroalloys and auxiliary materials such as coal and slag.
The management control/supply chain office monitors and manages data relating to the purchase and consumption of materials used in the production process.

SUSTAINABILITY REPORT 2024
ENVIRONMENTAL PERFORMANCES

PROJECT SPACE

FROM FOSSIL TO RECYCLED

During 2024, silos containing recycled materials (SRA – Secondary Reducing Agent, compliant with the UNI 10667-17 standard) were installed, intended to partially replace anthracite in the steelmaking process.
The implementation of this system will bring several benefits, including:

A replacement of more than 50% of a fossil material

An energy saving

A reduction in consumption of the electrodes

Greater standardization of the chemical composition of the slag and the foaming process

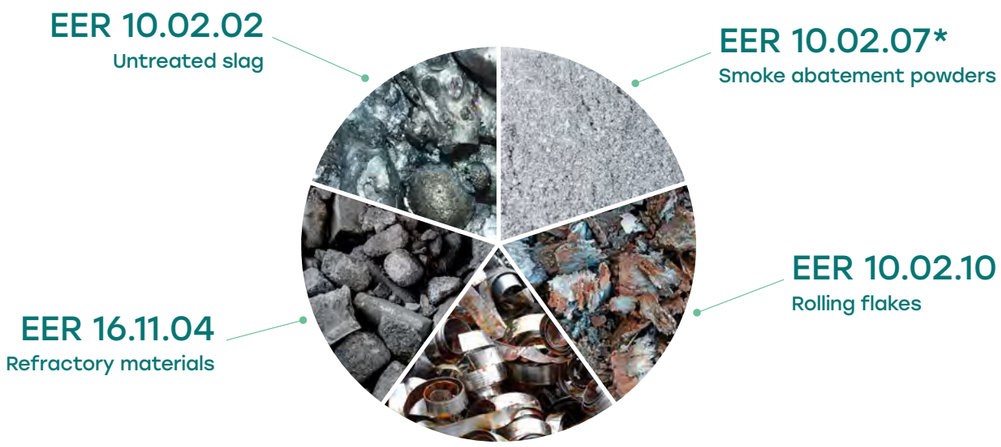
An overall reduction of CO_2 emissions.

4.2 WASTE AND CIRCULAR ECONOMY

GRI 306-1, 306-2
[ESRS E5 5-2, 5-4, 5-5]

Asonext embraces the principles of the circular economy, prioritizing practices that minimize waste production and promote its recovery. Disposal is considered only as a last option, in the absence of more sustainable alternatives.
The environmental impacts of waste are managed through specific procedures of the Integrated Management System, while document management is entrusted to dedicated software that ensures complete traceability of incoming and outgoing waste, as well as the automation of fiscal registrations (EER, MUD, ORSO., AIDA).
The waste generated in the production process is recovered at third-party plants and reintroduced into other production cycles, helping to fuel the value chain of other circular economies. From Asonext Group's production cycle **five main types of waste are resulting.**

- Steelworks slag 10.02.02: is non-hazardous waste resulting from the electric furnace melting cycle or from steel refining processes. They are materials rich in silicon, iron and calcium oxides that can be recycled at authorised recycling plants;
- The fume abatement dusts 10.02.07*: are hazardous wastes and result from the filtration of the fumes produced (“*” hazardous waste);
- Rolling scales 10.02.10: are iron oxides that originate from the forging of ingots;
- Shavings 12.01.01: titrated ferrous scrap, removed from surface processing on the forged ingot;
- Refractories from furnace and ladle refurbishment activities 11/16/04.



Other types of production waste are also produced, resulting from maintenance activities carried out at the plants described in the following paragraphs.

4.2.1 Produced waste

GRI 306-3
ESRS E5-5 §37, 38, 39, [40]

The waste produced by the plant results from both the production process and from plant maintenance and operation activities.

The following is a list of the waste produced and disposed of during the three-year period 2022-2024. The table shows the aggregate data of the Asonext Group, separated by EER and hazard.

CER	PRODUCT CATEGORY	UM	2022	2023	2024
TOTAL WASTE NOT DANGEROUS		t	22,630.26	23,572.06	26,501.83
10.02.02	Steelworks slag	t	17,523.58	19,028.23	21,993.09
10.02.10	Rolling flakes	t	858.35	863.82	717.46
12.01.01	Ferrous shavings	t	1,561.75	1,246.62	1,063.37
12.01.21	Tool bodies	t	2.49	0.00	1.19
15.01.01	Paper packaging	t	16.61	28.06	26.14
15.01.02	Plastic packaging	t	7.08	6.19	6.44
15.01.03	Wooden packaging	t	93.99	101.33	136.68
15.01.06	Mixed material packaging	t	28.99	31.08	36.05
16.01.22	Components not otherwise specified	t	0.00	0.00	0.07
02.16.14	Non-hazardous equipment	t	16.19	16.22	2.17
16.02.16	Electrical components	t	7.04	0.00	2.41
10.16.02	Aqueous liquid waste	t	0.00	2.00	4.19
16.11.02	Carbon-based refractories	t	0.00	0.00	0.00
16.11.04	Refractory materials	t	1,129.82	969.15	991.99
17.04.01	Copper and bronze	t	0.32	0.36	0.00
17.04.02	Aluminum	t	0.00	0.20	0.00
17.04.05	Iron and steel	t	1.147,92	1,177.78	1,520.42
17.05.04	Excavated soil and rocks	t	46.35	0.00	0.00
17.06.04	Insulating polyurethane	t	0.07	0.00	0.16
17.09.04	Demolition material	t	186.01	101.02	0.00
19.09.05	Water softener resins	t	0.00	0.00	0.00
20.03.04	Septic tank sludge	t	3.70	0.00	0.00

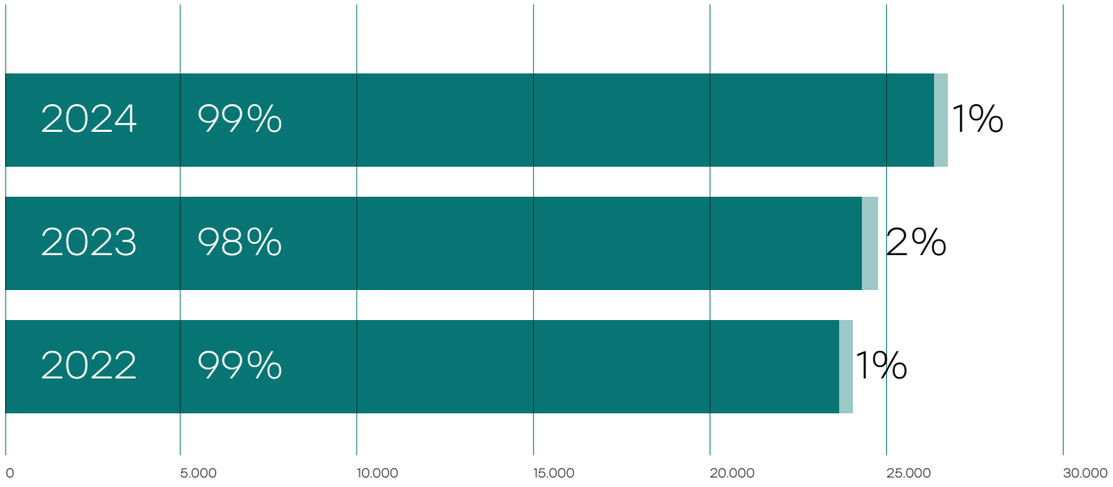
CER	PRODUCT CATEGORY	UM	2022	2023	2024
TOTAL WASTE DANGEROUS		t	1,077.40	1,074.14	1,419.49
06.04.04*	Waste containing mercury	t	0.00	0.00	0.01
10.02.07*	Abatement dusts	t	892.82	989.97	1.113,40
12.01.09*	Oily emulsions	t	0.00	22.63	23.51
12.01.12*	Waxes and fats	t	3.38	0.95	1,84
12.01.18*	Grinding sludge	t	10.89	6.06	9.58
13.01.10*	Mineral oils	t	6.44	6.68	8.65
13.08.02*	Oily emulsions	t	9.72	0.00	0.00
15.01.10*	Contaminated packaging	t	0.18	0.06	0.11
01/15/11*	Metal packaging	t	0.00	0.00	0.07
15.02.02*	Absorbents/filter sleeves	t	3.21	5.56	4.29
16.01.04*	End-of-life vehicles	t	137.22	5.78	229.92
16.01.07*	Oil filters	t	0.25	0.13	0.31
16.01.21*	Hazardous components	t	0.45	0.37	1.14
02.16.11*	Equipment with CFCs	t	1.01	0.00	1.69
16.02.13*	Hazardous equipment	t	1.11	0.10	1.07
02.16.15*	Hazardous components removed	t	0.00	0.00	1.59
03.16.03*	Hazardous inorganic waste	t	0.00	15.37	0.00
16.05.06*	Laboratory reagents	t	0.00	0.00	0.11
16.06.01*	Lead-acid batteries	t	0.00	0.41	0.00
07.16.08*	Waste containing oils	t	0.00	3.24	0.00
17.06.03*	Ceramic fibers	t	10.65	16.83	22.11
20.01.21*	Fluorescent tubes and other mercury-containing waste	t	0.07	0.00	0.09
TOTAL		t	23,707.66	24,646.20	27,921.33
SPECIFICATION PRODUCTION		t WASTE / t STEEL	0.223	0.242	0.293

4.2.2 Destination of produced waste

GRI 306-4, 306-5
ESRS E5-5

The Asonext Group's environmental policies prioritize the transportation of waste to final recovery facilities, in compliance with the principles set forth in Article 176 of Legislative Decree 152/2006. All waste produced by the Group is transferred to third-party plants. Below are the aggregate data demonstrating a recycling rate of 98%-99% of the produced waste.

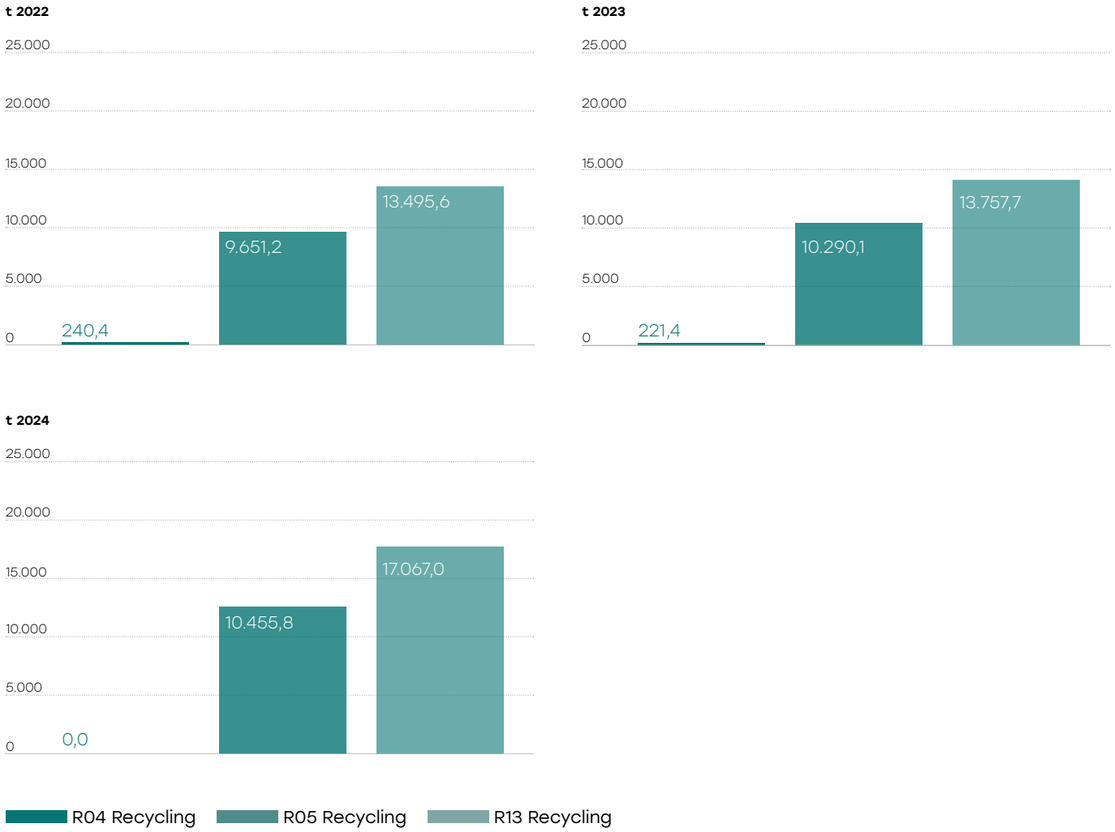
Waste management



TONS	2022	2023	2024
RECOVERY	23,387.2	24,269.2	27,522.8
DISPOSAL	320,5	377.1	398,5

Recovery operation

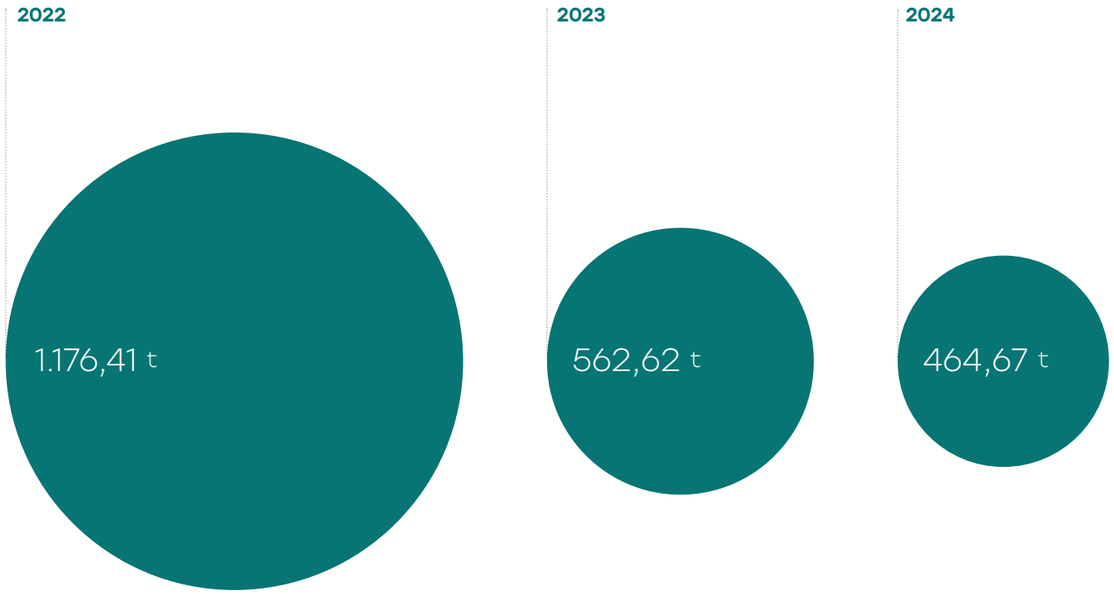
The following graph shows the main operations carried out on waste sent for recovery during the three-year period 2022-2024.



EER code 120101, produced by Asoforge Srl, results from the surface treatment operations carried out on the ingot delivered by the parent company Asonext Spa Società Benefit.

With a view to intra-group optimization and circularity, the above-mentioned waste - consisting of titrated steel - is returned with a form to the steelworks and subjected to a new melting, with operation R13 for R4.

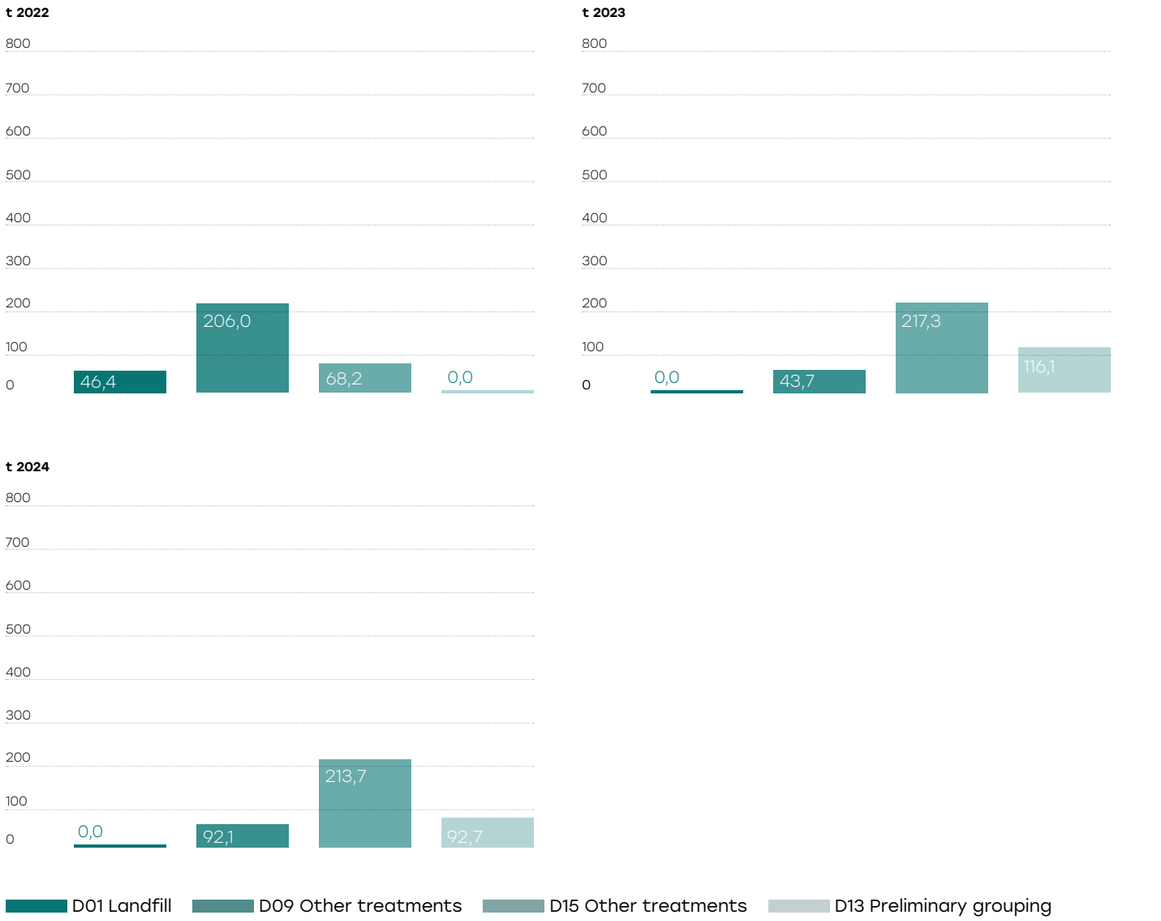
Manufacturer Asoforge Srl: EER 120101 remelted in steel mill (tons)



During 2024, 598.8 tons of waste 120101 were collected by a specialist external company (authorized to recycle with operation R13 for R4) which treated the material, transforming it into End of Waste, and then returned it to the Asonext Spa Società Benefit steelworks.

Disposal operation

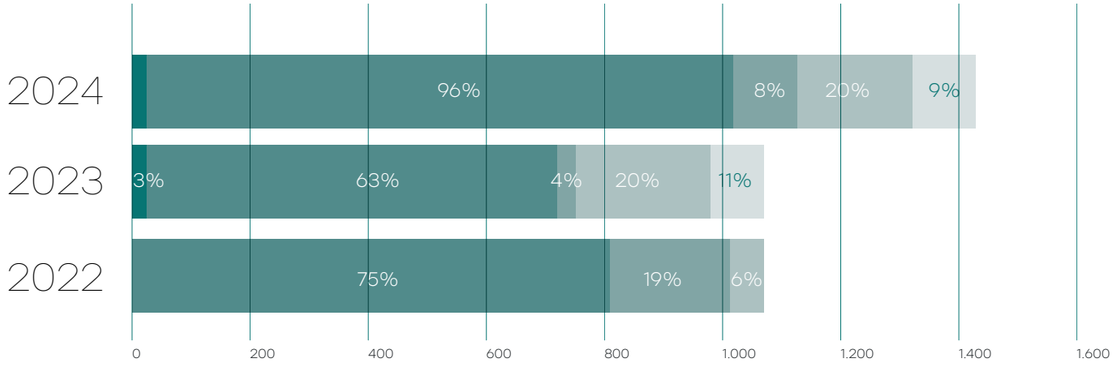
The remaining waste produced by the Group was sent for disposal. Please note that for some types of waste (e.g., some dust from the smoke abatement process produced by the stainless steel area), there are currently no recovery options.



As regards hazardous waste, management in the three-year period is divided as follows:

The glossary contains a description of the meaning of the disposal/recovery acronyms.

Hazardous waste management



Tons	2022	2023	2024
R04	0,0	27,5	0,0
R13	809,5	671,5	1.026,3
D09	202,3	43,7	90,1
D15	65,7	215,3	210,4
D13	0,00	116,1	92,7

PROJECT SPACE

SLAG RECYCLING

Following the executive planning and administrative procedures completed in 2023, agreements were finalized with suppliers in 2024 to begin construction of a plant focused to the development of an innovative waste recycling system, starting in 2025. This also helps mitigate the risk that the company will encounter difficulties in disposing of waste due to the lack of available management facilities.

The process will be aimed at enhancing the chemical-physical properties of the slag produced by the EAF furnace, with the goal of producing inert materials that can be reused in production. The different granulometric fractions obtained from the processing will be dosed on site with natural materials (such as minerals), recycled aggregates, cement and water, then mixed in special mixers for the production of cold-bonded conglomerates. The latter, subject to possible certification, may be placed on the market.

4.3 ENERGY EFFICIENCY

GRI 302-4
[ESRS E1]

Steel production requires a high level of electrical and thermal energy. Electricity is mainly used in steelworks for melting ferrous scrap and refining liquid steel, while methane is used both in the steelworks and in the forge for heating/maintaining the ladles, as well as for heating the ingots to be forged.
Since 2021, the commitment to energy efficiency has led to the adoption of process innovations that have generated concrete benefits, reducing both operating costs and environmental impact.
Asonext keeps to implement improvement programs to limit the environmental impact of its products, with special attention to energy efficiency. Among the investments implemented and still underway:

- **replacement or installation of machinery, systems and/or equipment** for energy efficiency (for example through revamping or installation of operational intelligence software aimed at monitoring and optimizing energy consumption);
- **installation of recuperative heating systems** which have allowed a reduction in methane gas consumption by approximately 12% compared to 2022;
- **SPACE for Steel project**, presented in the 2022 Budget. Among the interventions included in the project, a new highly energy-efficient annealing furnace (AFR) was designed and completed in 2024, saving approximately 50% of methane gas consumption.
- Logistics optimization, with the **transport of hot ingots in insulated semi-trailers**, reducing natural gas consumption. These transports, governed by the ADR regime, comply with rigorous safety standards.
- **Photovoltaic system installation** in Asoforge, allowing to cover approximately 8% of the forge's consumption with renewable energy.

Asonext's most significant initiative in 2024 is **the purchase of renewable electricity accompanied by guarantees of origin.**

23,000 MWh
asonext

1,900 MWh
asoforge

This strategic choice allows the company to contribute significantly to the reduction of CO_2 emissions of Scope 2, in a marked-based approach as required by GRI 305-2, thus supporting the decarbonisation objectives.

The adoption of energy from non-fossil sources represents an important step towards sustainability, allowing Asonext to reduce its environmental impact and align with global environmental protection regulations and policies.

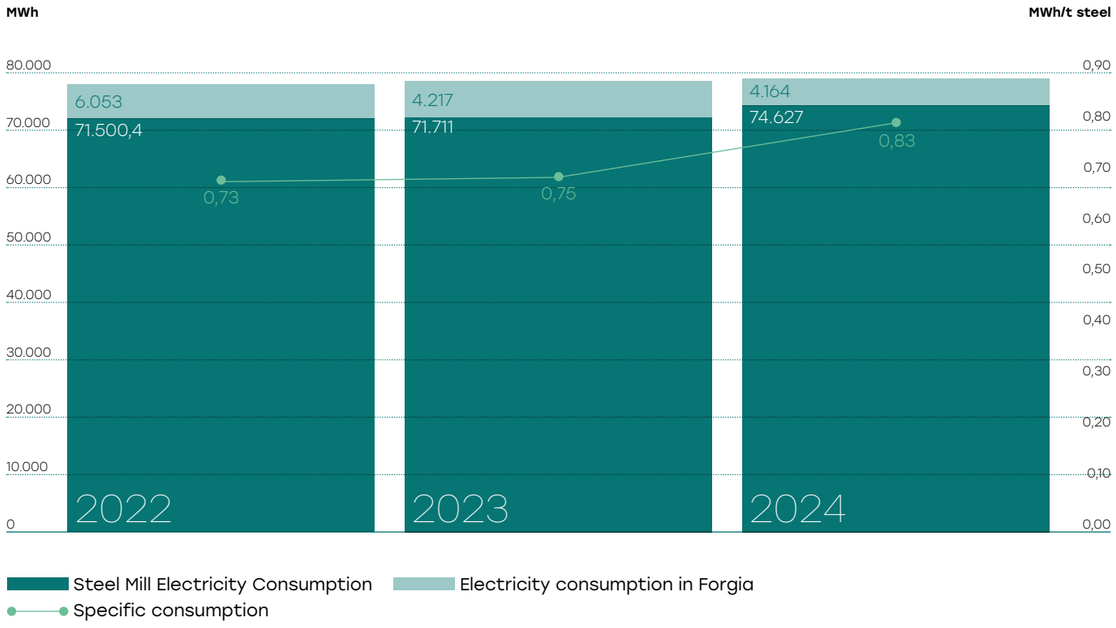
Overall, these initiatives help reduce energy dependence, thus increasing resilience to energy price fluctuations, which, in a highly volatile market, expose the company to significant financial risks.

4.3.1 Energy consumed within the organization

GRI 302-1
ESRS E1-5

Asonext constantly monitors the energy consumption resulting from its activities, adopting careful resource management and planning efficiency initiatives. To this end, it has appointed an Energy Manager, in charge for monitoring energy impacts, proposing energy-saving solutions, and monitoring consumption. The main production machinery is equipped with measurement systems and software for real-time monitoring, while electricity and natural gas consumption is monitored monthly and verified via supplier invoices.
The consumption of the main energy sources used by Asonext, electricity and methane, are shown in the following graphs.

Electricity consumption

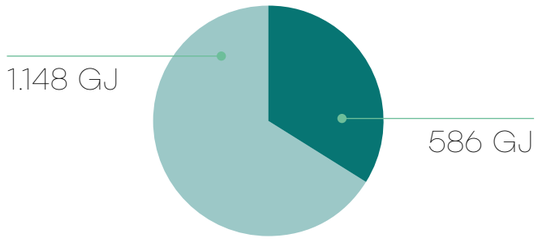


In the three-year period 2022-2024, absolute electricity consumption within the organization increased by 1.6%, from 279,191 GJ to 283,648 GJ. The largest increase was recorded by Asonext Spa Società Benefit, which sees both a decline in production and an increased use of energy-intensive refining treatments (VAR/ESR) which, through remelting, improve the quality features of the ingot. Despite this, 32% of the electricity consumed comes from renewable sources, mainly from the purchase of electricity with guarantees of origin and partly from the photovoltaic system located in the forge (31% for the steelworks and 53.3% for the forge).

	UM	2022	2023	2024
ELECTRICITY	MWh	77,553	75,928	78.791
OF WHICH RENEWABLE	MWh	31	302	25219
% RENEWABLE ELECTRICITY	MWh	0,04%	0,40%	32.01%

In 2024, the group produced a total of 481,618 kWh (1,733.8 GJ) of renewable energy through the Asoforge Srl photovoltaic system. During 2024, approximately 162,672 kWh (585.6 GJ) of renewable energy was returned to the electricity grid, equivalent to 33.8% of the renewable energy production produced by the photovoltaic system. Self-consumption from renewable sources 318,946 KWh (1148.2 GJ) covered 7.66% of the forge's energy needs.

Year 2024 Photovoltaic Asoforge Srl



PROJECT SPACE

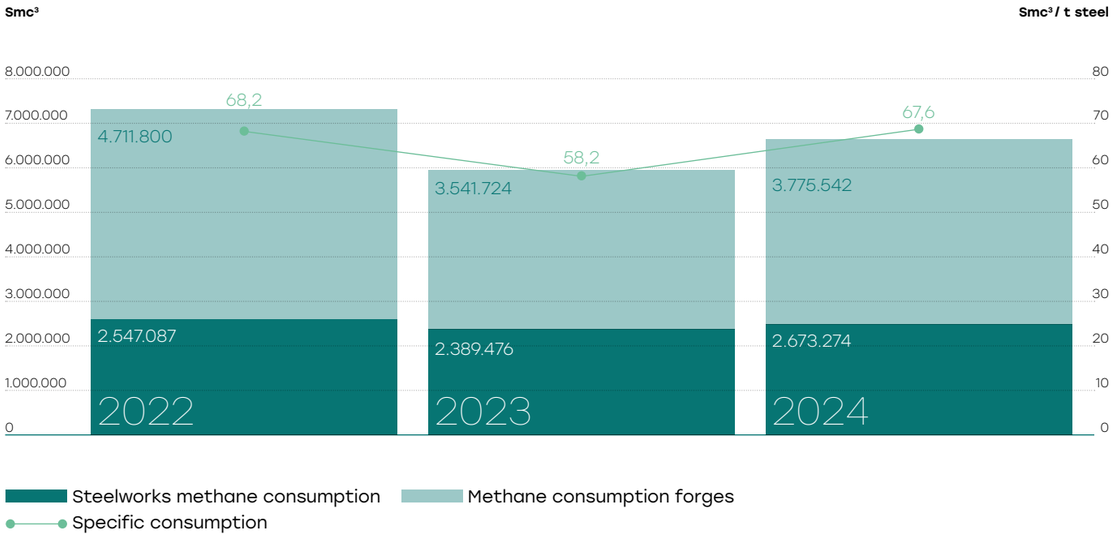
VOLTAGE STABILIZATION

The integration of the existing electrical system with new systems for controlling and improving consumption and stabilizing voltage on three-phase systems is planned for summer 2025.
The goal is:

- improve the steelworks' energy efficiency and reduce the environmental impact of electricity consumption;
- reduce the impact on the external network to avoid any electrical disturbances.

From an evaluation of the data, it can be seen that, in the three-year period 2022-2024, absolute natural gas consumption decreased by 10.2% (from 256,707 GJ to 230,540 GJ).

Natural gas consumption



The increase in consumption from 2023 to 2024 is always linked to the change in steels produced, of higher quality which require treatments thermal (+8.7%).

PROJECT SPACE

METHANE GAS REDUCTION

Development of technological solutions for improving methane gas consumption through:

- In 2023, the construction of a refractory temperature maintenance system located inside the AOD converter was completed. The system is equipped with recuperative technology that releases the heat from the combustion fumes to the combustion air. The heat released allows for savings in the consumption of fossil fuels;
- In 2024, an optimised system for carrying out annealing-stress relieving cycles for the treatment of ingots was completed. Interconnected system equipped with energy-saving technologies.

4.3.2 Total energy consumption and energy intensity.

GRI 302-1, 302-3
ESRS E1-5

The sum of the energy sources used by the two plants, i.e. consumption strictly internal to the organization, and the energy intensity are shown in the table below:

	UM	2022	2023	2024
TOTAL ENERGY CONSUMPTION[2]	GJ	535,898	485,481	514,188
ENERGY INTENSITY	GJ/t steel	5.03	4.77	5.39

The group's energy intensity increased by 13.1% since last year. In addition to a production more oriented towards high-performance steel ingots, with special applications and high added value, the increase in energy consumption is also attributable to the discontinuity of production.

2 Total energy consumption includes energy from fossil fuels, from renewable sources produced via photovoltaic in the factory and from guarantees of origin, in accordance with the calculation required by GRI 302-1.

4.4 WATER RESOURCES MANAGEMENT

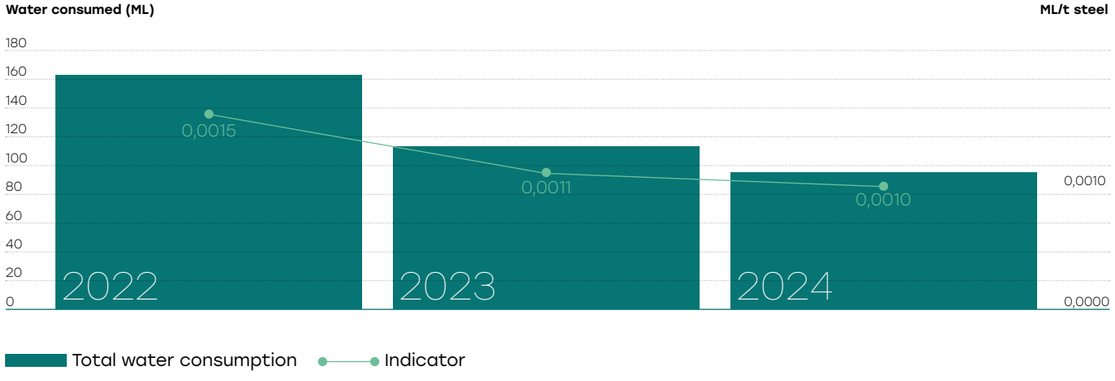
4.4.1 Water withdrawal

GRI 303-3
[ESRS E3-4]

Water resources are a significant factor in the steelmaking process, notably for conditioning hot gases in furnaces, lowering temperatures during scrap melting, cooling motor and mechanical components, and reducing dust during the slag wetting step. In the forge, water is also used to perform heat treatments on semi-finished products.
Water withdrawals related to hygiene and sanitation uses are a residual part.

The Asonext Group monitors its consumption and adopts rainwater collection, treatment, and recirculation systems. Water treatment plants undergo regular maintenance cycles. In both production sites - which do not fall within water stress areas[3] - the water comes both from the groundwater and from the public aqueduct. The following graph shows the aggregate data for the three-year period 2022-2024.

Water consumption



	UM	2022	2023	2024
DRINKING WATER CONSUMPTION	ML	11.1	3.9	3.7
WELL WATER CONSUMPTION	ML	150.8	106.2	93.5
TOTAL WATER CONSUMPTION	ML	161.9	110,1	97,1
SPECIFIC CONSUMPTION	ML/t	0.0015	0.0011	0.0010

3 Source: “Lo stato di severità idrica a scala nazionale”, (The state of water severity on a national scale), ISPRA

The graph also reports the specific consumption of the resource (ML H_2O/t steel). The indicator has declined over the years, mainly due to the interventions undertaken. The volume of water withdrawn is monitored monthly by maintenance workers by reading the meters.

4.4.2 Water discharges

GRI 303-4
ESRS E3

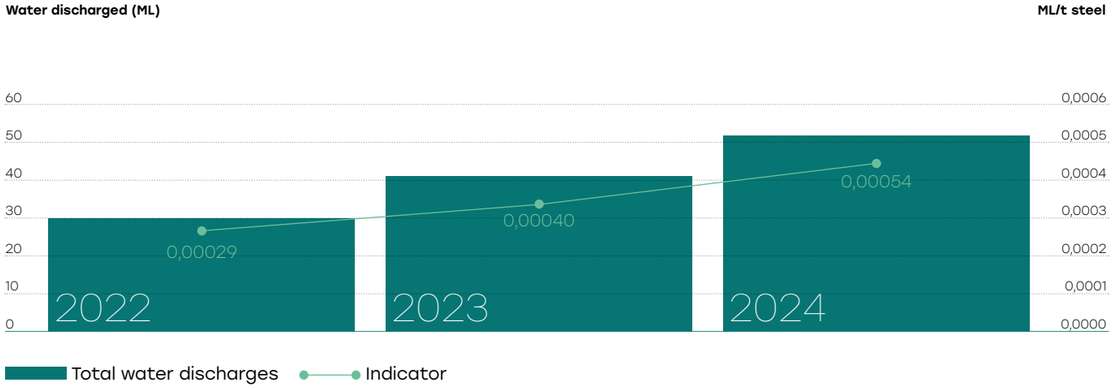
Water discharges mainly come from rainwater runoff from yards. The following table shows the authorized water discharges attributable to the Asonext Group plants. These are subject to periodic compliance checks, based on the authorised monitoring and control plan and depending on the receiving body: public sewer or CIS (surface water body).

SITE	EXHAUST CODE (from authorization)	TYPE OF DISCHARGED WATER	RECEPTOR
ASONEXT OSPITALETTO STEEL MILL	S1	Civil and meteoric of first rain	PUBLIC SEWERAGE
	S2	Civil and meteoric of first rain	PUBLIC SEWERAGE
	S3	“Overflow” / cooling	CIS
	S4A	Meteoric of second rain	CIS
	S4B	Meteoric of second rain	CIS
	S5	Meteoric of second rain	CIS
ASOFORGE CASTEGNATO	S1	Meteoric of first rain	CIS

The volume of water discharged is monitored monthly by maintenance personnel by reading the meters.

The graph represents the total volumes of wastewater discharged into public sewers or surface water bodies, expressed in absolute ML and related to the tons of steel produced and processed.

Water discharges



	UM	2022	2023	2024
SEWER DISCHARGES	ML	9.9	9.9	9.9
UNLOADING IN CIS	ML	20.6	30.7	41.3
TOTAL WATER DISCHARGES	ML	30.6	40.6	51.3
INDICATOR	ML/t	0.00029	0.00040	0.00054

An increase in the quantities released into water bodies is noted. Between 2022 and 2024, the indicator increased by +87%, mainly due to stormwater discharges.

Before being released into the receiving bodies, the water undergoes sand/oil removal treatments, if necessary. Downstream of the purification steps, the concentrations of the parameters sought comply with the limits imposed by current legislation.

SUSTAINABILITY REPORT 2024
ENVIRONMENTAL PERFORMANCES

PROJECT SPACE

WATER CIRCULARITY

In 2024, the project to replace the well water desalination system with a reverse osmosis system was completed, improving water quality by maximizing heat exchange and reducing circuit losses. The intervention allowed a reduction in water consumption by approximately 25%.

In 2024, work began on replacing the VAR plant's water cooling system to achieve circular use of water resources with:

- a more rational use of cooling water for the systems by improving the flexibility of the entire circuit with the aim of minimising withdrawals;
- the minimization of discharge.

4.5 FIGHT TO CLIMATE CHANGE

GRI 305-1,305-2

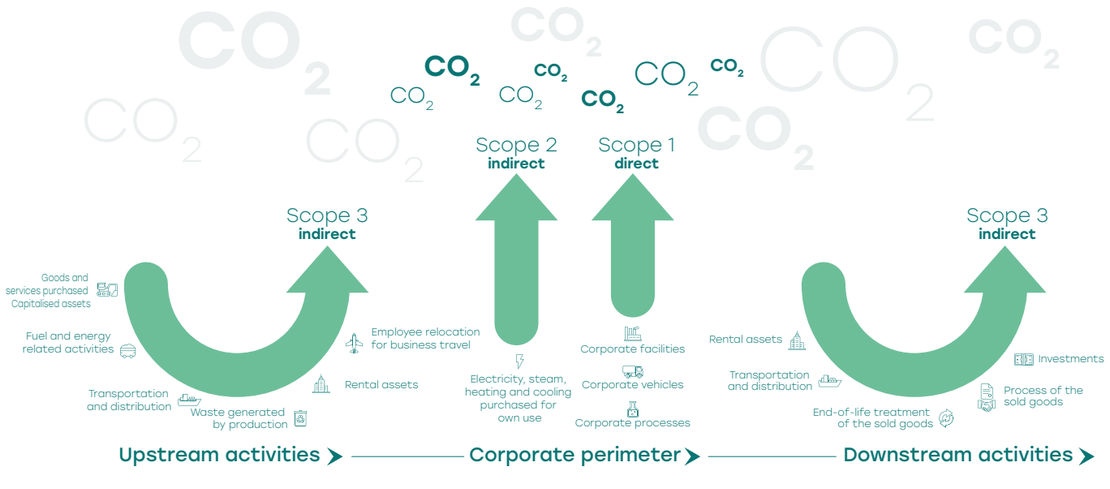
Fighting climate change is the 13th Goal of the UN 2030 Agenda, a growing challenge that permeates European Union policies and cuts across all major economic and production sectors, including the steel industry.

Asonext is actively engaged in this challenge through a **structured decarbonisation strategy and a targeted investment plan,** with the aim of improving - among other things - the energy efficiency of production plants. The path undertaken translates into tangible actions to protect the environment and the territory, with a transformation of the production model oriented towards a low-carbon economy.

The company pursues the goal of carbon neutrality through an integrated policy that involves every area of operations. As a Benefit Corporation, Asonext renews and strengthens its commitment to the ecological transition, in line with shared global objectives.

In 2024, Asonext achieved certification ISO 14064-1, by promptly detecting direct and indirect emissions associated with its activities. Furthermore, it calculated the carbon footprint of the first cluster of steels (belonging to the Chromium Molybdenum family) according to the ISO 14067 standard, continuing on the path towards increasingly transparent, traceable and verifiable environmental reporting.

This document reports direct emissions (Scope 1) and indirect emissions from energy consumption (Scope 2), according to the operational control approach and using the emission factors from the Ecoinvent/Ispra database. The Group is also refining the calculation methodology for indirect emissions (Scope 3), which in 2024 represent approximately 80% of total CO_2 emissions equivalent.



ISO 14067 CERTIFICATION
Product Carbon Footprint
Asonext has certified the first **cluster of steel ingots belonging to the Chromium Molybdenum family**, according to ISO 14067. This international standard defines the requirements for quantifying and reporting the carbon footprint of a product, based on the principles of Life Cycle Assessment (LCA).
Through this certification, Asonext strengthens its commitment to reducing emissions associated with its products, offering customers and stakeholders the guarantee of a transparent, scientifically based, and third-party verified analysis and measurement process.

ISO 14064-1 CERTIFICATION
Organization GHG Emissions
Asonext and Asoforge have obtained the ISO 14064-1 certification, which attests the adoption of a structured system for measurement, management and reporting **of greenhouse gas (GHG) emissions at the organizational level.**
This intentional choice demonstrates the willingness to operate with transparency and responsibility, guaranteeing objective, traceable, and repeatable results.

ENERGY FROM RENEWABLE SOURCES
In 2024, Asonext has decided to cover 30% of its energy needs with energy from **renewable sources with guarantees of origin**, considering the aggregate value of the Group, for both plants.
The energy used is certified with Guarantees of Origin and supplied by Enel Energia, showing a real commitment to reducing the environmental footprint. This choice is a further step towards more sustainable and responsible industrial production, in balance with environmental needs.

4.5.1 Scope 1 – Direct GHG emissions

GRI 305-1
ESRS E1-6

The companies of the Asonext Group fall within the scope of the **ETS regulation,** a market mechanism provided for by Directive 378/2003, which aims to monitor and reduce direct greenhouse gas emissions in various industrial sectors, including the steel industry. The ETS system provides, based on the company's production capacity, a certain annual quantity of CO_2 which can be issued and, once the presest threshold has been exceeded, the company must access the quota trading market and purchase the missing quotas (tons) of CO_2.

Among direct emissions, expressed in tons of CO_2 equivalents[3], are considered:

- stationary combustion due in particular to natural gas supplied from the national grid;
- diesel fuel used for fire pumps and generators;
- mobile combustion resulting from internal company vehicles (baskets, forklifts, company cars);
- process emissions (applicable to the steelworks only, see summary in the table below);
- fugitive emissions from fluorinated gases contained in chillers and refrigeration units.

The following table shows the contributions in terms of CO_2 emissions resulting from the individual product categories in question.

FLOW DESCRIPTION	CONTRIBUTION
SCRAP STEEL	POSITIVE
CAST IRON/SCRAP CAST IRON	POSITIVE
COMPONENTS FOR ALLOYS (E.G. FESI, FEMN)	POSITIVE
DUSTS	NEGATIVE
LIME (DOLOMITIC AND CALCIUM)	POSITIVE
SLAGS	NEGATIVE
MOLTEN STEEL	NEGATIVE
ELECTRODES	POSITIVE
GRAPHITE	POSITIVE
ANTHRACITE	POSITIVE
NATURAL GAS (CH4)	POSITIVE

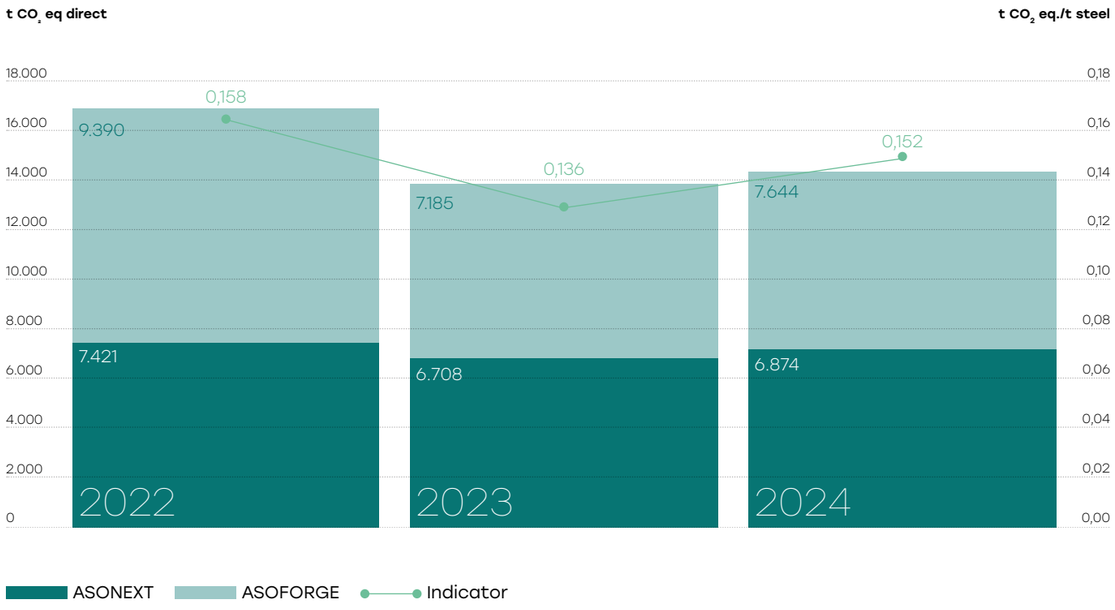
3 To convert emissions into CO_2 equivalent of the 100-year Global Warming Potential (GWP) defined by the IPCC were used.

In the three-year period 2022-2024 there was a significant decrease in direct CO_2 emissions equivalent (Scope 1). There are no biogenic CO_2 emissions resulting from the combustion or degradation of biomass.

Notably, the value passed from 16,811 tons in 2022 to 14,518 tons of CO_2 in 2024, with a decrease of 13.6%, achieved thanks to the following interventions:

- installation of new energy-efficient machinery;
- modification of operating practices;
- reduction and optimization of production, aimed at high-quality, niche products and consequently with greater added value.

Direct emissions of CO_2 eq (Scope 1)



The indicator for direct $tCO_2eq./t$ steel improved overall in the three-year period reported, with a special decrease in 2023.
The gaseous emissions generated by the production plants are controlled by means of appropriate extraction systems. They must therefore be conveyed and treated in order to comply with the limits imposed by current legislation. The two production sites have 32 atmospheric emission points, the monitoring of which is managed by the HSE office, in compliance with the authorization requirements.

Of the 32 installed atmospheric emissions, the most significant are emissions E1, E3, and E13 from the steelworks, respectively linked to the heating of the ladle furnaces, the EAF section, and the induction and AOD furnaces. The E3 emission is also equipped with an automated SME control system that records in real time the flow rate and dust level data of the fumes treated by the abatement systems. The monitoring data relating to the three-year period 2022-2024 are reported below.
The data relating to the monitoring plan are communicated to the Supervisory Authority on an annual basis, via the AIDA-Vispo portal.

E1 EMISSION FOR LF1-2 LADLE FURNACES, FERROALLOY SILOS					
CHEMICAL PARAMETERS	UNIT OF MEASUREMENT	AIA 2017 LIMIT	2022	2023	2024
DUSTS(pts)	mg/Nm³	10	<0.3	<0.3	0.3
NOX (EXPRESSED AS NO2)	mg/Nm³	300	9	<5	<5
PCDD/PCDF	ng I-TEQ/ Nm³	0.1	0.0009	0.0013	0.001

E3 EMISSION OF EAF ELECTRIC FURNACE					
CHEMICAL PARAMETERS	UNIT OF MEASUREMENT	AIA 2017 LIMIT	2022	2023	2024
DUSTS(pts)	mg/Nm³	5	<0.3	<0.3	<0.3
NOX (EXPRESSED AS NO2)	mg/Nm³	300	14	20	24
HF	mg/Nm³	2	<0.2	<0.2	<0.2
PCDD/PCDF (AVERAGE)	ng I-TEQ/ Nm³	0.1	0.0022	0.0012	0.0042

E13 EMISSION OF INDUCTION FURNACE 1 AND 2, LADLE FURNACE LF3, AOD SYSTEM					
CHEMICAL PARAMETERS	UNIT OF MEASUREMENT	AIA 2017 LIMIT	2022	2023	2024
DUSTS(pts)	mg/Nm³	5	<0.3	0.5	<0.3
NOX (EXPRESSED AS NO2)	mg/Nm³	300	<5	6	<5
HF	mg/Nm³	2	<0.2	<0.2	<0.2
PCDD/PCDF (AVERAGE)	ng I-TEQ/ Nm³	0.1	0,0679	0,00795	0,0271

4.5.2 Scope 2 - Indirect emissions of GHG from energy consumption

GRI 305-2
ESRS E1-6

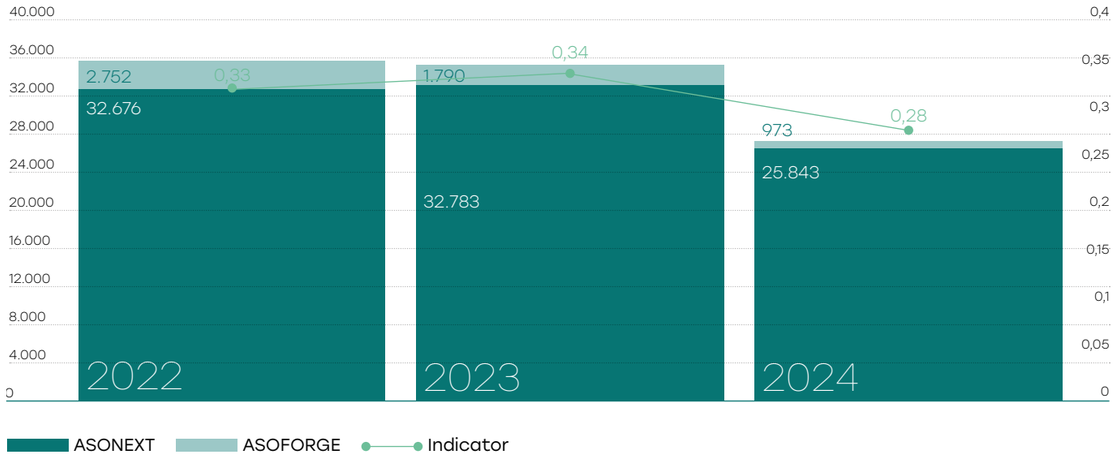
Indirect emissions from imported energy include those associated with the generation of electricity purchased and used in the Group's two plants. Within the organizational boundaries there are self-generation systems of electricity, including the photovoltaic system installed at the Forgia and some emergency systems.
During 2024, Asonext purchased electricity from renewable sources, certified through Guarantees of Origin. None of the plants use other imported energy sources, such as steam or thermal energy.

Emissions relating to purchased electricity are calculated according to two different approaches, as required by GRI 305-2:

- location-based: uses the average emission factor associated with the national energy mix, regardless of the actual origin of the energy;
- market-based: takes into account market instruments (such as green certificates or Guarantees of Origin) that certify the supply from renewable sources, thus allowing zero or lower emissions to be attributed to the energy purchased.

The following graph shows the indirect emissions of CO_2 related to the purchase of electricity, according to the market-based approach, highlighting Asonext's concrete commitment to the energy transition and to reducing the carbon footprint through the use of renewable energy.

Indirect emissions of CO_2 eq. (Scope 2)



In the three-year period 2022-2024, a reduction in indirect CO_2 emissions equivalent was recorded, from 35,428 tonnes to 26,816 tonnes, with a decrease of 24.3%. Purchasing energy from renewable sources with Guarantees of Origin has contributed significantly to the reduction of indirect emissions for both Asonext and Asoforge.

This also led to an improvement in the specific indicator, which dropped from 0.33 tCO_2 eq./t of steel in 2022 to 0.28 in 2024.
Indirect emissions also calculated according to the "location-based" approach[4] showed a decrease, thanks to the reduction of the national emission factor in 2024, which decreased by approximately 18%.

4.5.3 Scope 3 - Indirect GHG emissions

The emissions of the Asonext Group do not only depend on its own activities, but also on those **of the value chain.** Scope 3 emissions arise from the procurement of raw materials such as scrap, lime, and ferroalloys, from the end-of-life phase of the product, and from transport-related emissions (upstream and downstream).

Other significant emissions concern those associated with waste disposal and those generated during the processing of the ingot outside the Group's perimeter (i.e. customers). The calculation of emissions was performed by considering emission factors from databases.

	U.M.	2022	2023	2024
INDIRECT FROM TRANSPORT	t CO_2 eq.	14.962	6.511	9.272
INDIRECT FROM USED GOODS	t CO_2 eq.	60,649	72,305	81,228
INDIRECT ASSOCIATES TO THE USE OF PRODUCTS	t CO_2 eq.	21,898	25.492	28.881
TOTAL	t CO_2 eq.	97,509	104,308	119,381
INDICATOR	t CO_2 eq. / t steel	0.92	1.03	1,25

4 Emissions calculated using the location-based emission factor:

	2022	2023	2024
ASONEXT	18.233	21.011	18.047
ASOFORGE	1.536	1,147	930
TOTAL TONS OF CO_2 EQ.	19,768	22.158	18.977
INDICATOR	0,186	0,218	0,199

4.6 BIODIVERSITY

GRI 304-1
ESRS [E4-1], E4-5

Asonext adopts a **ecosystem protection policy** integrating the development of its business with the protection of biodiversity and habitats.

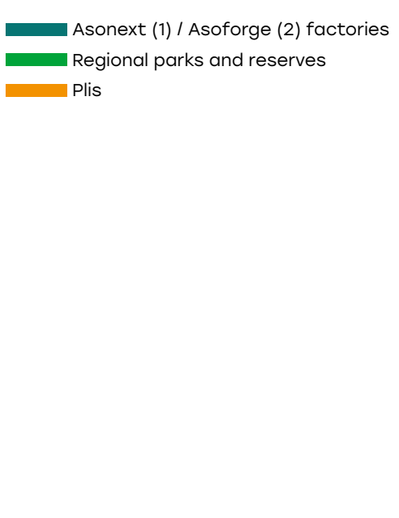
Among the actions implemented to reduce environmental impact and preserve biodiversity are the signing of renewable energy supply contracts with guarantees of origin, the replacement of internal combustion engine vehicles with hybrid and electric models, and the implementation of an environmental mitigation project.
Asonext constantly monitors the context in which its facilities operate and, regarding land use, a summary table of the surfaces is provided below.

FACILITY	TYPE OF ACTIVITY	TOTAL AREA	COVERED SURFACE	GREEN SURFACE
Asonext Spa	office + production activity (steel mill)	130,062 m²	30,962 m²	41,905 m² of which forest 14,847 m²
Asoforge Srl	office + production activity (forge)	45,700 m²	22,423 m²	2,759 m²

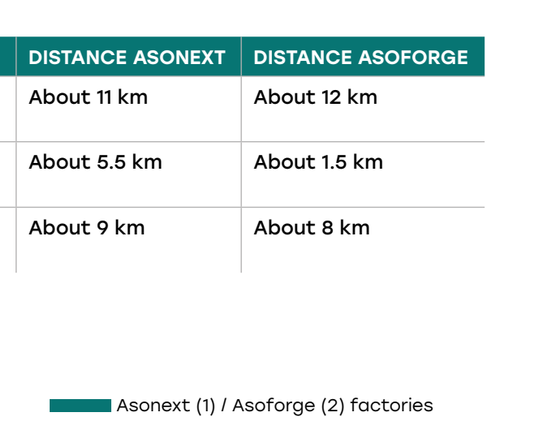
Before the construction of the steelworks and the forge, the area was used for agricultural activities.
During the construction step and during operations, no environmental incidents resulting in soil contamination occurred.
All tanks in the plants are equipped with containment basins adequate for their maximum capacity, designed to prevent accidental spills.
The risk of contamination is therefore reduced thanks to the preventive measures adopted, including the installation of adequate containment basins, specific training of personnel in risk management, and annual checks aimed at checking their hydraulic tightness.
Both Asonext group plants are located in areas designated for industrial use and are approximately 5 km from areas classified as protected areas or of naturalistic and landscape interest by the competent national and/or local authority.
According to the assessments conducted, based on regional cartography, the protected areas closest to the sites are part of the PLIS (Local Park of Supra-municipal Interest) of the Brescia Hills, located to the north/east and east of the factories.

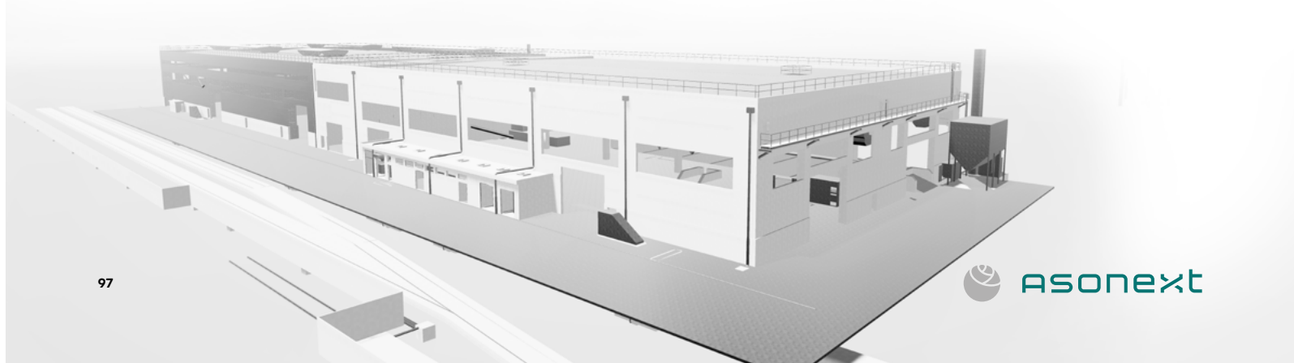
IDENTIFICATION	TYPE	DISTANCE ASONEXT	DISTANCE ASOFORGE
ZSC/ZPS IT2070020 (Sebino peat bogs)	Natura 2000 network of protected areas	About 11 km	About 12 km
PLIS (Recognition Act Dgr n.13877)	Local park of supra-municipal interest	About 5.5 km	About 1.5 km
Regional Law no. 11 of 2007 (Monte Netto Regional Park)	Regional Park	About 9 km	About 8 km

Fig. 1: Identification of protected areas or areas of naturalistic and landscape interest in the Province of Brescia



With the construction of the hall that will house the plant for waste recycling, Asonext has started an environmental mitigation project,**allocating approximately 20 thousand square meters to the creation of a green area** (with respect to a total surface area of 53 thousand square meters).
The project includes the **creation of a real forest within the urbanized area, with the planting of native species.** This initiative will help mitigate the visual impact of construction, will have a positive impact on local biodiversity, **will contribute to improving air quality.**





SOCIAL PERFORMANCES

GRI 3-3
ESRS S1, S2, S3, S4

5

Human capital is the foundation of corporate success: development, management participation, and workplace safety are strategic levers for production efficiency and the dissemination of ethical values.

SUSTAINABLE DEVELOPMENT GOALS

TOPIC	ESRS	TARGET	TIMING
EQUAL TREATMENT AND OPPORTUNITIES gender equality	ESRS S1-10	Obtaining the UNI PDR 125 certification	2026
Own workforce initiatives for workers	ESRS S1-5	Renovation of women's changing rooms	2026
	ESRS S1-5	Creation of a changing room for the quality area	2026
Own workforce training of the staff	ESRS S1-2	Maintaining the Steel Academy's training programs and introducing a new training program called Project for Steel	2025
Own workforce training/safety at work	ESRS S1-5	Continuation of the coaching program for production managers, aimed at developing leadership and workplace safety.	2026
Own workforce workplace safety	ESRS S1-5	Raising awareness on safety issues through an internal communications campaign	2026
	ESRS S1-5	Increased safety levels through concrete actions as per the UNI ISO 45001 improvement plan (e.g. increased automation in production departments)	2025

5.1 ASONEXT STAFF

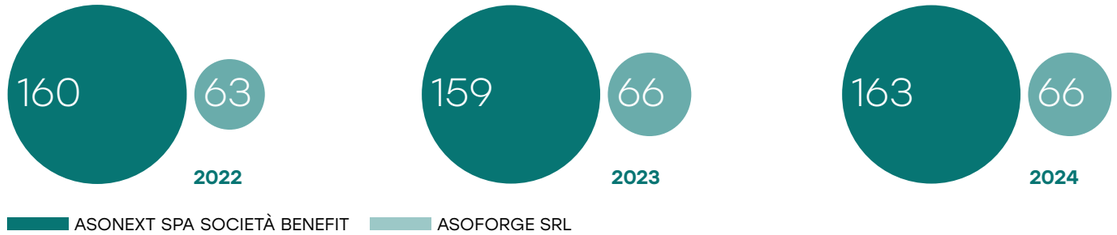
5.1.1 New hires and turnover

GRI 2-7, 2-8, 401-1, 405-1
ESRS S1-6, S1-7, [S1-9], [S1-12]

For Asonext, the contribution of all company staff is a strategic element for the continued development of the company and the territory.

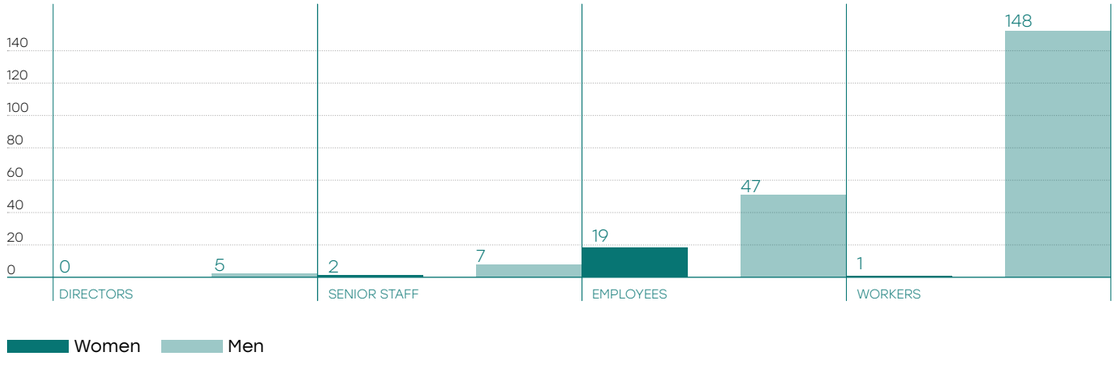
As of December 31, 2024, Asonext Group employed 229 people, an increase of 4 compared to 2023.

Staffing by Company



Asonext places great value on the Group's Human Resources, promoting the **stability and continuity of employment** of their people. In this way, the company can rely on a wealth of experience and reliability, essential elements for addressing the highly complex nature of its production processes. For these reasons, almost all of Asonext Group's employees – with the exception of one collaborator – are hired on permanent contracts, both full-time and part-time.

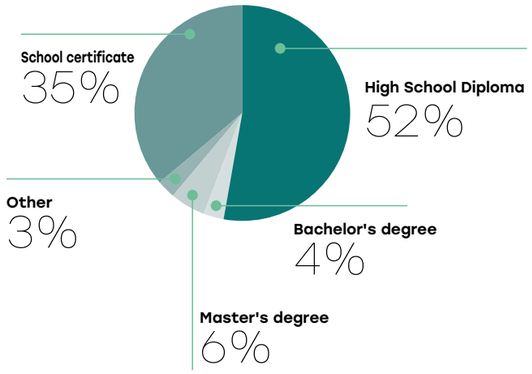
Staffing as of 12/31/2024



WORKERS	FULL TIME	PART TIME	FIXED-TERM CONTRACT	PERMANENT CONTRACT
Women	0	1	0	1
Men	147	1	1	147
EMPLOYEE	**FULL TIME**	**PART TIME**	**FIXED-TERM CONTRACT**	**PERMANENT CONTRACT**
Women	17	2	0	19
Men	47	0	0	47
SENIOR STAFF	**FULL TIME**	**PART TIME**	**FIXED-TERM CONTRACT**	**PERMANENT CONTRACT**
Women	2	0	0	2
Men	7	0	0	7
MANAGERS	**FULL TIME**	**PART TIME**	**FIXED-TERM CONTRACT**	**PERMANENT CONTRACT**
Men	5	0	0	5

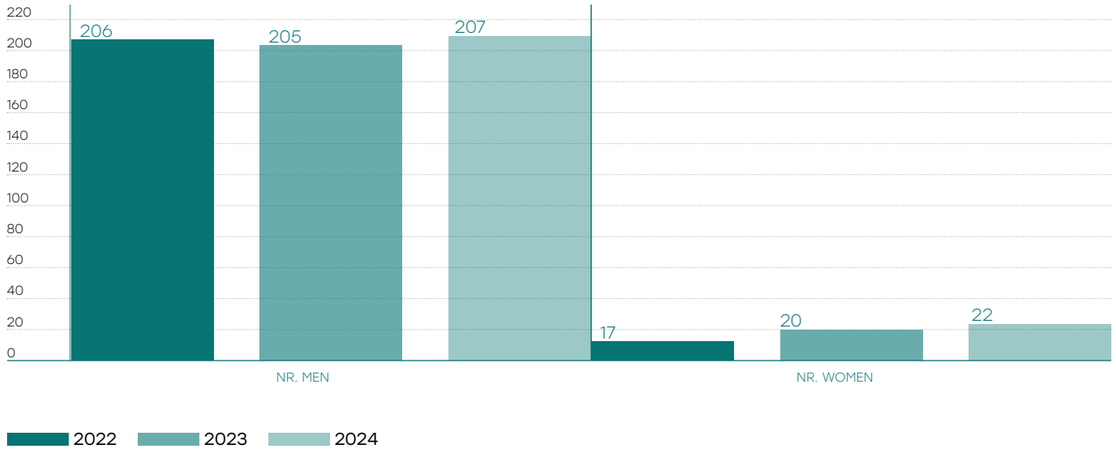
A statistical survey was conducted to study the distribution of Asonext employees by educational qualification level.
It turned out that the majority of Asonext employees have a high school diploma.

Asonext Employee Qualifications 2024



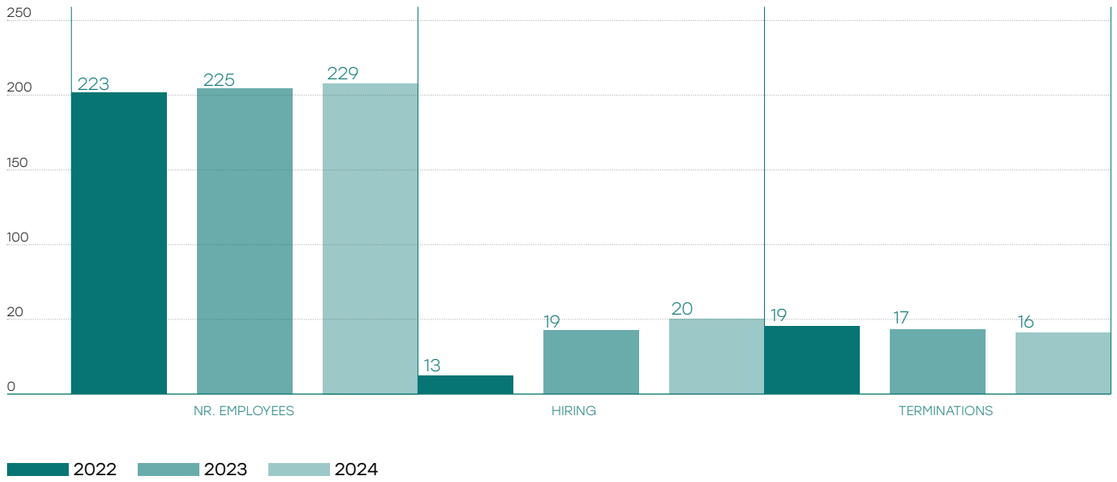
Despite a predominantly male presence in the above-mentioned professional categories – in line with the features of the steel sector – the three-year period considered saw a steady increase in the female workforce, with growth of +29% compared to 2022 and +10% compared to 2023. This increase also involved typically technical and production roles, confirming a path of valorization of skills and merit, regardless of gender.

Employee gender



In the three-year period 2022-2024, 52 hires were recorded, offset by an equal number of new employment terminations. Following the company reorganization initiated in the two-year period 2021-2022, the overall workforce has been growing since 2023, thanks to increased hiring and a reduction in terminations, a trend that will continue throughout 2024.

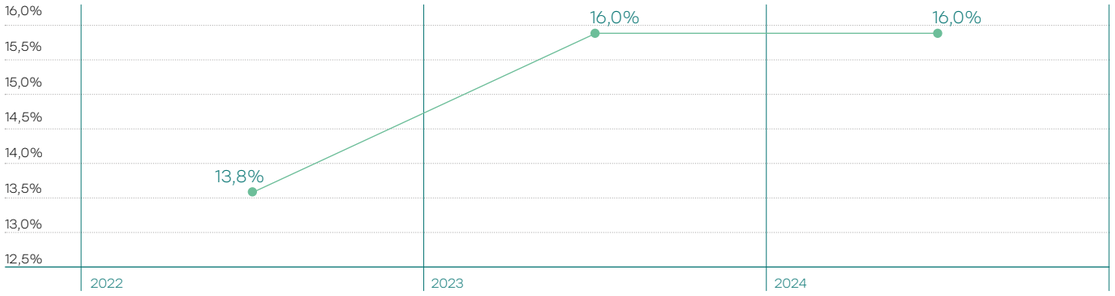
Hires/terminations



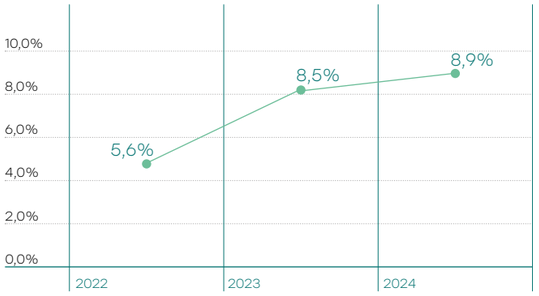
The turnover rate for the two-year period 2022-2023 went from 13.8% to 16%, a figure that was also confirmed in 2024.
It is worth noting that in 2024, as in 2023, the increase in turnover was mainly driven by increased hiring, resulting in a positive turnover increase compared to the previous year.

TURNOVER 2024		GENDER		AGE GROUP			GEOGRAPHICAL AREA	
		M	F	under 30	30 ≤ X >50	over 50	BRESCIA	OTHER PROVINCES
NEW HIRES	20	17	3	11	8	1	20	0
TERMINATIONS	16	15	1	7	4	5	16	0
SUM	36	32	4	18	12	6	36	0
TURNOVER RATE 2024	**16%**	**14%**	**2%**	**8%**	**5%**	**3%**	**16%**	**0%**

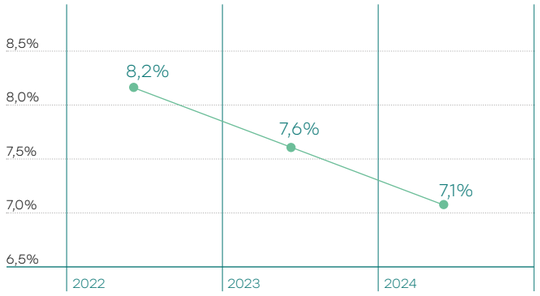
Turnover rate



Positive turnover rate

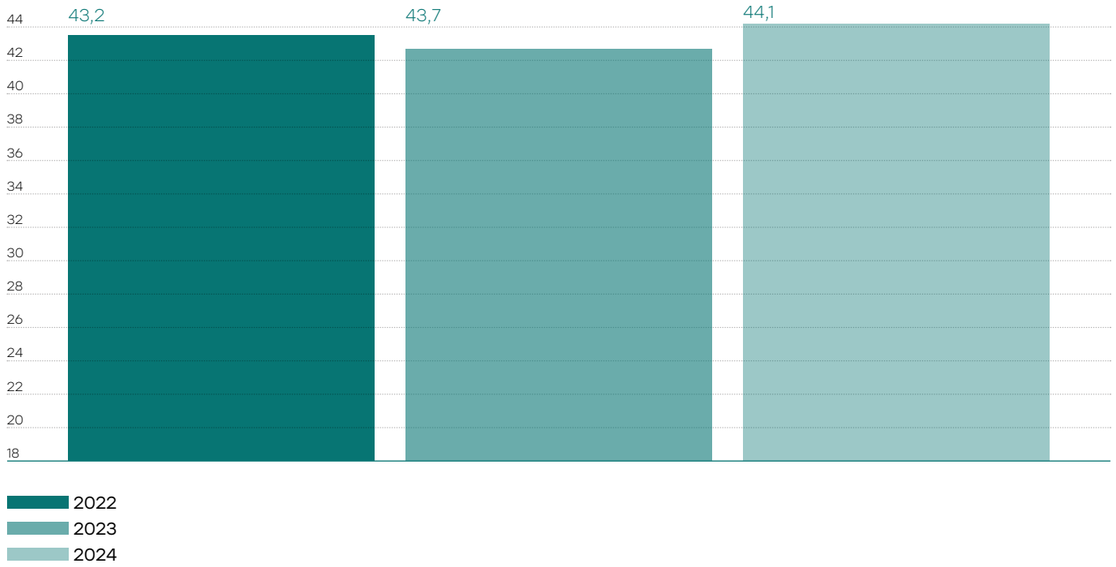


Negative turnover rate

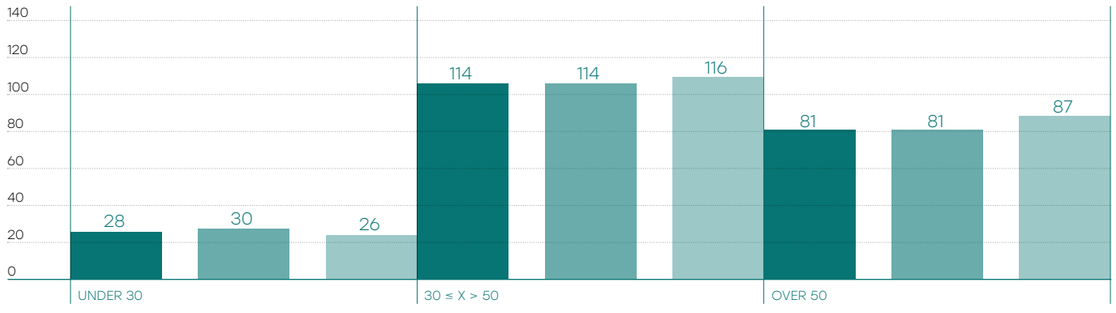


The company's reorganization in 2021-2022 significantly lowered the average age of the workforce, ensuring continuity and a significant investment in the future. Young talents with innovative skills, focused on technological/IT development and internationalization, were hired. Over the course of 2024, this experience was further consolidated, thanks also to the addition of trained and qualified personnel, capable of contributing even more effectively to the company's growth.

Average age of employees

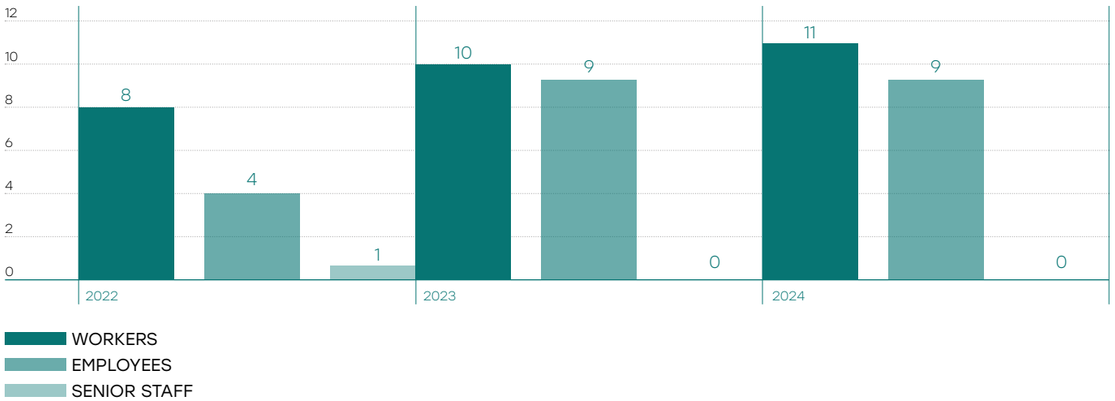


Workforce age



Protecting employment and, more generally, enhancing work are a strategic priority for Asonext, which translates into a constant commitment to maintaining stable employment levels. During 2024, 20 new employees were hired, with professional profiles diversified based on individual skills and specific organizational needs. The breakdown by gender, age and geographical area is shown in the following graphs.

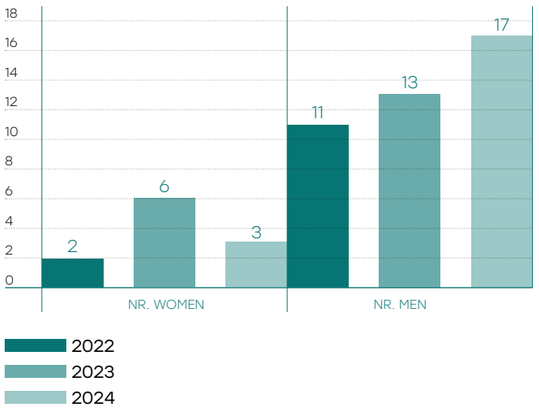
Qualification for new hires



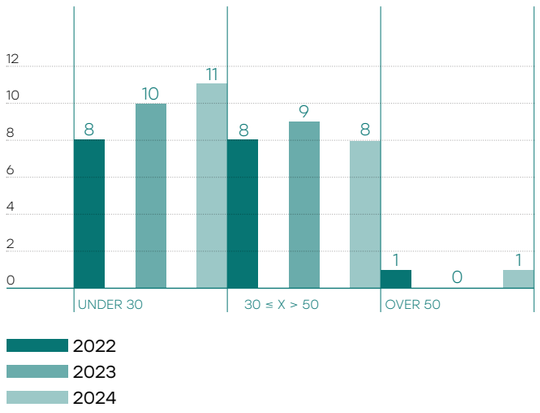
99.5% of employees are resident in the Lombardy region (with the exception of one full-time employee resident in Trentino Alto Adige). As in 2023, all new hires in 2024 are residents of Brescia and its province, demonstrating the Company's commitment to nurturing talent in the region where it operates.

The company's staffing efforts continue, featured by a progressive increase in female presence, with the addition of three new resources, and a balanced generational turnover, demonstrated by the hiring of 11 young people under 30 and eight people aged between 30 and 50.

Gender of new hires



Age of new hires



In addition to the directly hired employees, 22 workers were employed on temporary contracts in 2024, 9 of whom were subsequently made permanent during 2024.

TYPE OF CONTRACT	2022	2023	2024
Internship	2	1	1
Temporary workers	9	17	22

5.1.2 Benefits provided to employees

GRI 401-2
[ESRS S1-11]

Aware that the well-being of its people is a key factor in achieving corporate goals, the Group is constantly committed to improving the working environment and the quality of life of those who work within its facilities and offices.
Asonext offers its employees a range of corporate benefits, including insurance plans, healthcare, and tools to promote work-life balance. Notably, in addition to providing managers and executives with supplementary life and health insurance, Asonext offers all employees – as required by the National Collective Bargaining Agreement – a Supplementary Insurance Plan through the “Metasalute” fund. On a voluntary basis, the Group also provides access to the COMETA supplementary pension fund, with an additional contribution paid by the Company.

In view of **prevention**, the Company provides for mandatory visits to verify suitability for work and makes available to employees, once a month, a **corporate doctor**. It also organizes **flu vaccination campaigns** on a voluntary basis. To encourage the work-life balance of its employees, as well as in cases where staffing needs to be rescheduled, Asonext promotes smart working as a way of carrying out employment relationships. This procedure is governed by a specific company regulation, in force since May 2023.

Since 2018, a welfare portal has also been active for all employees, through which it is possible to allocate the variable bonus provided for by the supplementary contract, as well as the €200 provided for by the metalworkers' collective bargaining agreement.
The platform provides access to numerous services, benefits, and deals, such as medical reimbursement (including additional health insurance coverage), care for the elderly, childcare, training programs, study support, healthcare services, access to gyms and sports centers, travel, cinema and entertainment, theme parks, shopping vouchers, financing solutions, and supplemental pension plans.

Furthermore, starting from 2020, the Board of Directors has decided to recognize, as a donation, a financial contribution in favor of all collaborators who have achieved specific **company seniority milestones** (11, 16, 21, 26 and 30 years old), to be used through the Corporate Welfare Platform. With this initiative, Asonext intends to annually celebrate the important and growing contribution made by its employees to the pursuit of the company's mission: to build a solid company, oriented towards innovation and continuous development, attentive to the well-being of individuals and their families.

5.2 REMUNERATION POLICY

GRI 2-20
ESRS 2 GOV-3

Asonext's Compensation Policy, in line with corporate values and consistent with stakeholder norms and expectations, is defined to fulfill two main purposes:

- Design a compensation system based on the principles of ethics, gender equality, transparency, quality, proactivity, belonging, and appreciation. This system is effective not only in attracting but also retaining resources who, thanks to their high professional skills and abilities, can successfully manage and operate within the Company;
- Motivate these resources to achieve increasingly challenging performances, with the goal of continuous improvement, including through the use of incentive systems that can guide their behavior toward achieving the company's strategic objectives, with a view to creating value.

The Group's remuneration policy has been outlined by identifying three main areas:

- Production and maintenance;
- Management, human resources and services;
- Commercial purchasing and marketing.

This division arises from the need to highlight the differences in specialization, positioning, and job market availability of profiles belonging to the single areas.

Remuneration in Asonext is composed as follows:

- **Fixed Remuneration as per Contract:** it includes the remuneration set by the National Collective Labour Agreement and by the company-level collective bargaining agreement, based on the job classification level;
- **Individual Fixed Remuneration:** this refers to the attribution of an individual superminimum upon the achievement of skills and objectives, which for some profiles is a prerequisite for possible promotion to subsequent levels;
- **Individual Variable Remuneration:** This includes functional allowances, to be paid upon assignment of tasks other than those inherent to the specific job; one-off bonuses in recognition of specific efforts made in a specific period of time or for a specific task; and availability.

This policy allows the company to strengthen its reputation and attractiveness, ensuring equal opportunities and fair treatment for all, and valuing talent by creating a work environment that promotes diversity in all its forms.

5.3 STAFF TRAINING

GRI 2-24, 404-1, 404-2, 403-5
ESRS S1-13, S1-1 §AR 17 (h), [S1]

5.3.1 Average hours of training per year per employee

GRI 404-1
[ESRS S1-11]

The Asonext Group has always paid particular attention to **human capital valorization**, actively promoting the professional growth of its resources and the constant improvement of skills that contribute significantly to the company's development.
Continuous training and professional development are strategic levers for increasing staff motivation, fostering a positive corporate climate, and improving the efficiency and productivity of the whole organizational system.
These courses, in addition to strengthening technical skills, foster a sense of belonging to the company, stimulate critical thinking skills, and enhance interpersonal skills, which are key elements for building cohesive and collaborative work teams.
Over the three-year period under review, the Group provided not only technical training, but also individual and group courses for developing soft skills, essential for effective and productive interaction with colleagues. In particular, in 2024, external training focused on coaching, developing mindful leadership, communication, collaboration, and negotiation.
In other words, the focus on soft skills training aimed to improve interpersonal interactions and the ability to work together.

Since 2021 Asonext has been promoting training **coaching courses for managers and executives.**
In coaching, the learning process, which could be defined as maieutic, occurs through a close partnership based on a relationship of trust, experimenting with new actions and translating what has been learned about oneself into new behaviors, aimed at moving closer to achieving goals.

From 2021 to today, 7 Asonext executives and managers have already undertaken this path and, in 2023, a path of **group coaching** for two sales representatives, to support them in their career growth within the sales department and the company.
During 2024, a Sales Office manager undertook a personalized coaching program aimed at developing managerial and interpersonal skills.

The company plans to implement similar initiatives in 2025 for Asonext production managers, demonstrating the organization's commitment to this tool for professional growth and the development of its resources.

TRAINING FOR GREEN TRANSITION AND CIRCULAR ECONOMY.

A strategic training program supporting Green Transition and Circular Economy was launched in 2024 and will go on in 2025. The plan, called "ESG, resource efficiency and sustainable balance sheet", is part of the company's broader commitment to responsible and sustainable growth models.

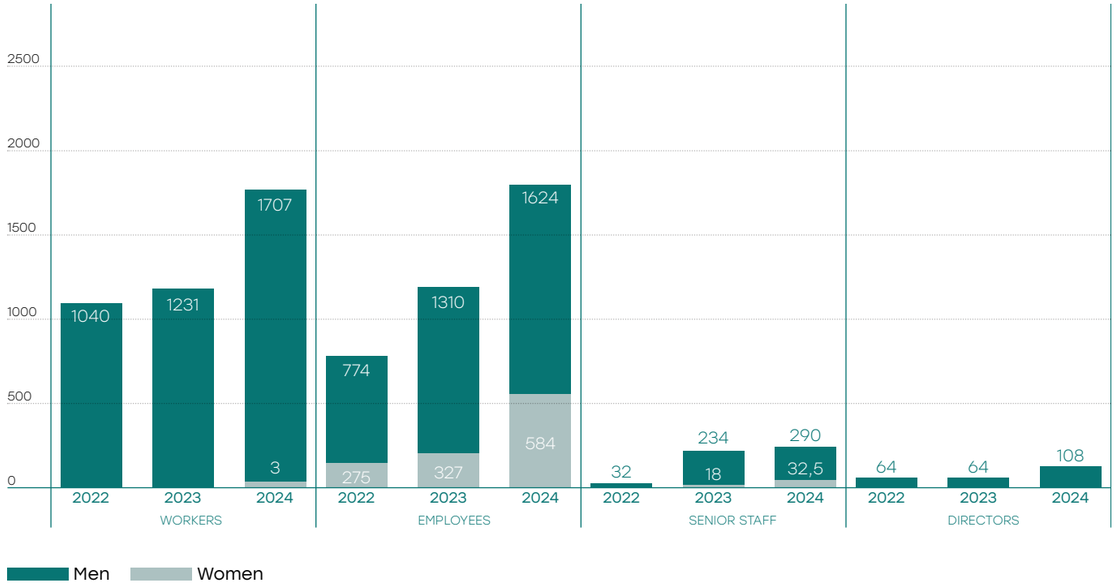
The program included courses on "ESG Strategy and Governance" and "Communicating ESG Strategy," with the aim of raising awareness of environmental, social, and governance issues, as well as providing a solid understanding of the relevant national and international regulatory framework.

In addition to soft skills, Asonext also aims to enhance its staff's technical skills through training in hard skills, partly acquired through studies and partly enhanced through specializations and experience in specific sectors.
To constantly stimulate the growth and development of its collaborators, the Group's employees regularly participate in qualified seminars, webinars, and conferences, covering a variety of topics, both specific to the steel sector and more general topics on economic and industrial trends.

Training relating to workplace safety will be discussed in more detail in paragraph 5.3.2.

In 2024, a total of 4,347 hours of training were provided, a figure that confirms the growth trend recorded in previous years (2022 and 2023) and reflects the company's ongoing commitment to strengthening internal skills. All employee categories benefited from more training hours than in 2022 and 2023, as we can see in the following graph.

Training hours

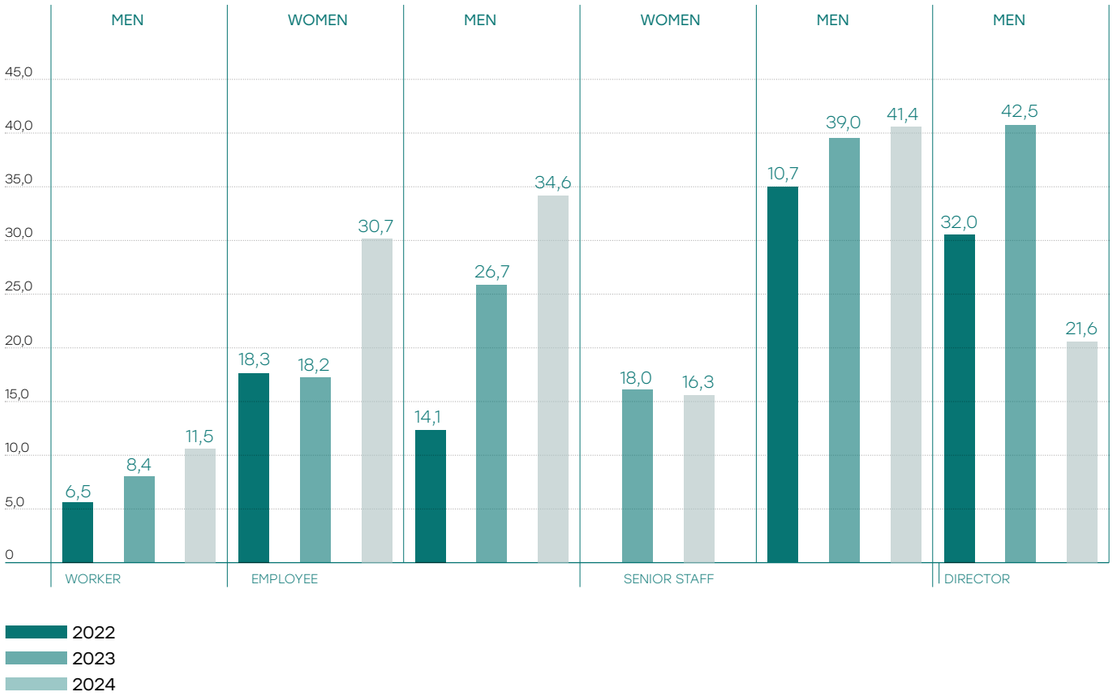


Even in terms of the average number of hours worked in 2024, we see an increase for almost every employee category and gender compared to 2022 and 2023, with white-collar workers confirming the highest average hours.

The following table and graph summarize the average hours of training.

AVERAGE HOURS OF TRAINING BY QUALIFICATION AND GENDER	GENDER	2022	2023	2024
WORKER	Women	0.0	0.0	0.0
	Men	6.5	8.4	11.5
EMPLOYEE	Women	18.3	18.2	30.7
	Men	14.1	26.7	34.6
SENIOR STAFF	Women	0.0	18.0	16.3
	Men	10.7	39.0	41.4
MANAGER	Men	32.0	42.5	21.6

Average training hours



5.3.2 Information and training

GRI 2-24, 403-5
[ESRS S1]

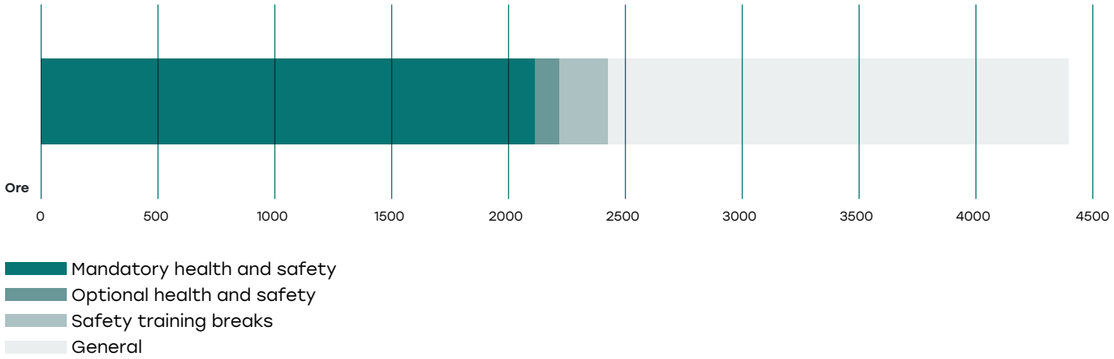
Asonext recognizes the importance of training regarding worker health and safety requirements. To this end, the most effective tool available to the company is to plan and provide specific "training breaks" for training courses capable of increasing risk awareness among all personnel involved.

TRAINING BREAK: A short practical safety training session, held directly in the department.

It is therefore of fundamental importance to ensure that all workers, supervisors, managers, and executives receive adequate training and preparation regarding the importance of the safety standards to be adopted in production processes.

In 2024, a total of 2,349 hours of training on worker health and safety were provided, which make up 54% of the total training hours in 2024. The hours indicated include mandatory and voluntary training on health and safety in the workplace, whether carried out internally, externally, and during training breaks.

Lineup breakdown in 2024



Asonext considers training as an investment and an opportunity: training courses help prevent accidents and the resulting costs related to them, contribute to creating a healthy and sustainable working environment, maintain a high level of quality, thus increasing the company's competitiveness.

5.3.3 Employee upskilling and transition assistance programs.
GRI 404-1, 404-2.
Skills management and development processes and activities support people throughout their careers within the company, encouraging ongoing training and reskilling in a work environment that allows them to best express their abilities, share experiences, and demonstrate professionalism.

Asonext is committed to supporting employees through retirement, assigning them suitable tasks based on their fitness for the job and providing severance pay as required by national legislation.

A strategy aiming at attracting and managing the profiles and skills needed to meet the new challenges posed by the market, first and foremost that of ongoing innovation.

Since 2019 Asonext has been part of the Academy Siderurgica, born from the collaboration between players in the steel industry such as Duferco Italia Holding, Feralpi Group, Gruppo Pittini, Acciaierie Venete and Ori Martin.

Management4Steel

The Academy's first training program offers a comprehensive vision and is designed to align the skills of women and men working in companies that are grappling with the increasingly technological and innovative landscape of industrial production. In this context, the promoting companies have developed a framework agreement to train their resources so that they can increase their technical, strategic, and organizational expertise.
The training course, developed in collaboration with Officina Pittini per la Formazione and ISFOR Formazione e Ricerca, **concluded the fourth edition in 2024** and provides a specifically structured program for developing the knowledge needed to foster a mindset open to innovation and foster collaboration between steel companies.

The Academy's goal is to transcend corporate boundaries and create shared paths aimed at providing transversal skills, soft skills, and additional technical knowledge. Some of the training courses organized by the Academy are:

Mechanical4Steel and Electrical4Steel

Courses for maintenance department staff aimed at exploring technical topics in depth with classroom sessions and practical training on the department.

Leadership4Steel

This training course, aimed primarily at Operations managers, aims to develop the managerial skills needed to coordinate a work group.

Future4Steel

The project, launched in October 2022, was born as an active response to the now well-known problem of skill mismatch, or the discrepancy between applicants' skills and those actually sought by companies. Focusing primarily on the role of steelworks maintenance technician, Asonext has selected four students, primarily from higher education programs in the technical field, with the aim of pairing them with the company's existing maintenance experts and developing new resources with the specific knowledge and skills required for the role of steelworks maintenance technician.
The course consisted of theoretical lessons (400 hours at the CNOS-FAP Istituto Salesiani Don Bosco in Brescia) and practical exercises carried out directly in the field, at the plants of the companies involved, concluding in June 2023.
All participants obtained the professional qualification as experts in installation and maintenance techniques for civil and industrial systems and were hired directly by the Asonext Group starting in July 2023.

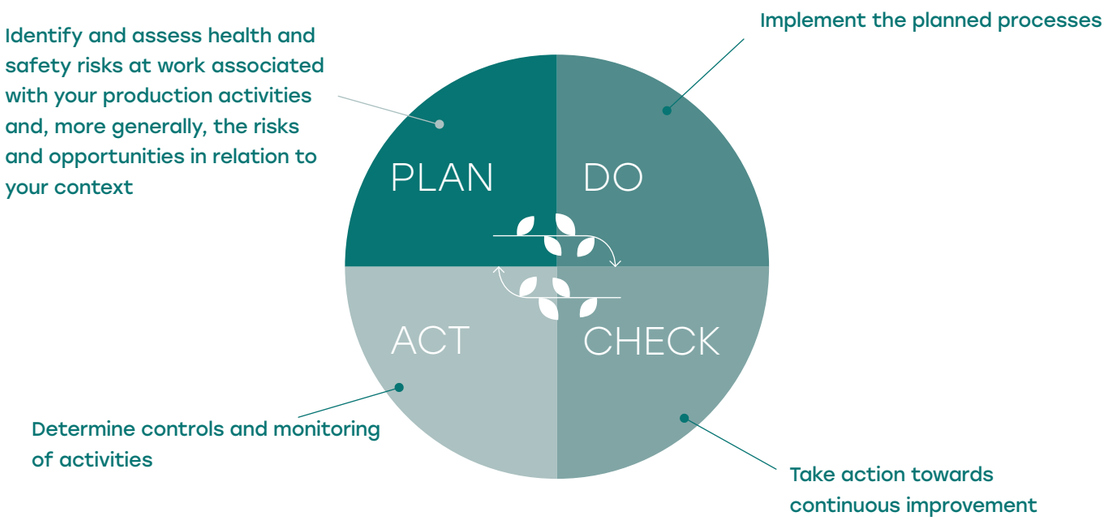
Given the success of the first two editions, the journey has restarted, for the third consecutive year, in 2024 with two new participants.
Through these staff training initiatives, Asonext ensures continuous improvement in performance and innovative capacity, promoting diversity of thought and strengthening its corporate reputation and image.

5.4 HEALTH AND SAFETY AT WORK

GRI 2-16, 2-23, 2-24, 403-1, 403-2, 403-7
ESRS 2 GOV-2, GOV-4, S1-1,21-3, S1-4, S2-4

Asonext places the utmost importance on the physical and moral integrity of its employees and collaborators, promoting working conditions that respect individual dignity and ensuring safe and healthy environments. The company is committed to promoting and strengthening a true Culture of Safety, based on risk awareness and the promotion of responsible behavior among all staff.
This commitment also translates into the activation of structured forms of internal dialogue: on the one hand, through increasingly widespread communication via dedicated tools, and on the other, through periodic meetings between the various company functions and the organization of training breaks promoted by the Prevention and Protection Service.

The Safety Management model adopted by Asonext complies with the UNI ISO 45001 standard and applies to all company processes. BAsed on **PDCA (Plan–Do–Check–Act)** cycle, it is certified by an accredited third-party body and represents a systemic approach aimed at continuously improving performance in the field of health and safety at work.
In addition to the adoption of the **Environment and Safety Policy**, which includes the principles and guidelines of business management in this area, a **Security Working Group**, chaired by the Chief Executive Officer (see §5.7), with the aim of coordinating initiatives and promoting continuous and structured discussion.



With the implementation of the Safety Management System, Asonext confirms its commitment to pursuing the objectives defined by Management. The system is based on the principle of risk-based thinking, which includes periodic contextual analyses, an ongoing assessment of risks and opportunities related to production activities, and an annual review based on the monitoring of indicators and KPIs. From these elements, corrective and preventive actions aimed at continuously improving safety conditions are derived.

Asonext, aware of the high level of risk, especially in the production department, is committed to reducing the risk of accidents for its employees as well as for third parties, such as contractors and external companies, through a structured, effective, and constantly monitored Safety Management System.

Furthermore, as a company at Risk of Major Accident (RIR) pursuant to Legislative Decree 105/2015, the steelworks has a specific management system subject to regular checks by a technical commission composed of ARPA Lombardia and the Fire Brigade. The last inspection, completed in December 2022, was successful.

5.5 INJURIES

GRI 403-9
ESRS S1-4, ESRS S1-14

Asonext adopts policies aimed at reducing the number of accidents, injuries and occupational diseases. The following is a summary of the accident history of Asonext Group employees:

ASONEXT GROUP EMPLOYEES	2022	2023	2024
TOTAL NUMBER OF INJURIES	6	3	6
TOTAL NUMBER OF SERIOUS ACCIDENTS (GRI STD.)	0	0	1
TOTAL NUMBER OF DEATHS AT WORK	0	0	0
TOTAL NUMBER OF HOURS WORKED	326,112	350,556	347,450
AVERAGE DURATION OF INJURIES	33	19	30
RECORDABLE ACCIDENT RATE (FI)	18.4	8.6	17.3

On August 31, 2024, a serious accident occurred at the steelworks involving a worker operating induction furnace no. 2. The event caused – during 2024 – an absence from work equal to 120 days.

At present, cases of occupational diseases are excluded.
The following is a report on the accident trend among non-employee personnel who work for the Asonext Group:

NON-EMPLOYEE WORKERS OF THE ASONEXT GROUP	2022	2023	2024
TOTAL NUMBER OF INJURIES	2	3	0
TOTAL NUMBER OF SERIOUS ACCIDENTS[1]	0	0	0
TOTAL NUMBER OF DEATHS AT WORK	0	0	0
TOTAL NUMBER OF HOURS WORKED	31.121	50,287	53,903
AVERAGE DURATION OF INJURIES	31.5	12.3	0
RECORDABLE ACCIDENT RATE (FI)[2]	64.3	59.7	0

Following each accident, the relevant offices analyze the event, the causes, and propose preventative or corrective actions. As required by the GRI, the main types of injuries recorded in the three-year period 2022-2024 are listed:

- stab wound;
- foreign bodies in the eye;
- bruises;
- distortions;
- crushing;
- fractures;
- burns of varying severity

To minimize residual risk, Asonext adopts a proactive approach to safety through various actions, including internal audits, drafting operational practices, targeted inspections, implementing corrective actions, and developing improvement projects based on worker observations. These activities are accompanied by additional training opportunities, including training breaks, in addition to those required by law.

Asonext promotes continuous comparison with other companies in the sector to analyse the main risk factors and, in this perspective, actively participates in the **"Security Observatory" project promoted by Federacciai.** As part of this initiative, Asonext shares data relating to injuries recorded throughout the year. Federacciai uses this information to develop an industry benchmark, delving into the dynamics of accident events through statistical analysis and identifying the most frequent causes. Particular attention is paid to accidents resulting from failure to comply with company procedures or operating instructions and/or failure to use personal protective equipment (PPE).

1 According to the definition provided by the GRI standard, an injury is serious when it results in an absence of more than 180 days.
2 (Frequency index) The index is calculated as the ratio between the number of recordable accidents and the hours worked, multiplied by 1,000,000.

5.6 EMPLOYEE PARTICIPATION

GRI 2-24, 403-4, 403-2
ESRS [2 GOV-2], S1-4, S1-3

In order to successfully pursue the objectives set for health and safety, Asonext believes it is essential that **all parties involved contribute actively, each within their own area of expertise.** The goal is to increase even more the level of involvement of all workers, so that all internal and external personnel can (and should) make their contribution. Asonext has therefore made worker participation the central focus of the adopted Management System.
Worker involvement is ensured through a series of measures, ranging from the organization of non-mandatory training courses aimed at raising staff awareness of safety issues, to participation in discussion sessions dedicated to analyzing recorded events, or the scheduling of dedicated on-site "training breaks" held in various production departments.

Among the tools adopted to streamline the management of all safety aspects within the plants, the company also uses the Alfagest management software. Introduced into the Asonext Group Management System since 2017, Alfagest is an IT system specifically designed to manage safety at all company levels and moves towards ever-increasing digitalization of production processes.
By creating credentials for web access, managers, supervisors and workers have the possibility to access all the information within their competence **and to report dangerous situations in the workplace, ensuring the safety of the reporting person.** In so doing, safety aims to become a shared and participatory process at all levels, starting with clear roles and effective corporate communication. The presence of the company RSU and RLS provides additional protection for workers who intend to report the situation.

5.7 MANAGEMENT INVOLVEMENT

GRI 2-13, 2-16, 2-17, 403-1, 403-2, 403-4
ESRS 2 [GOV-1], GOV-2, ESRS G1-1, S1-1, S1-3

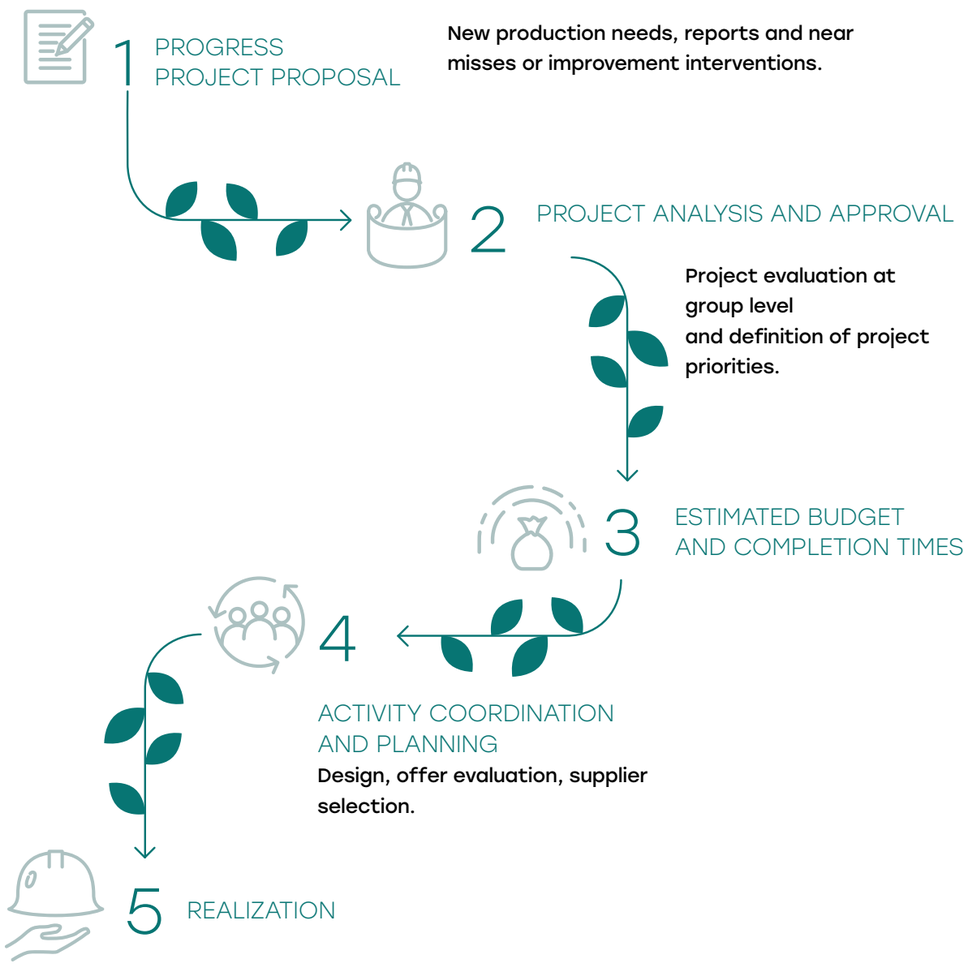
In 2021, a Safety Working Group was created to address worker health and safety issues. The working group is made up of:

GENERAL MANAGEMENT	EMPLOYER
SAFETY AREA	RSPP
HSE & SUSTAINABILITY AREA	ENVIRONMENTAL AND SAFETY DEPARTMENT
PRODUCTION AREA	OPERATIONS MANAGEMENT
TECHNICAL AREA	TECHNICAL OFFICE MANAGER

The main objectives of the working group are:

- improve health and safety conditions in the workplace;
- contribute to spreading greater awareness among workers;
- reduce injuries;
- minimize risks;
- reduce the direct and indirect impacts resulting from any injuries.

The technical functions of the working group meet weekly, while the Employer takes part in the meetings on a fortnightly basis. During 2024, 25 meetings were held for the steel mill and 17 for the forge. The working method applied can be summarized in the following image:



The improvement projects developed by the working group are incorporated into the “Safety and Environmental Improvement Plan”. Some of the interventions carried out in the two-year period 2023-2024 and included in the above-mentioned plan are:

- Improve the safety of transfer carts, possibly by replacing them and implementing lighting, acoustic signaling, and signage systems.
- Installation of new lifelines along the entire perimeter of the company's roof to ensure safe working conditions at height during maintenance or inspection activities.
- Adoption of illuminated signage on overhead cranes, aimed at projecting the area beneath suspended loads onto the ground, thus improving the safety of operators on the ground.
- Redesign of the bar quality control support to make operations more ergonomic and easier for operators.
- Modernization of the emergency sound and light evacuation system to ensure effective management of critical situations and improve staff response readiness.
- Automation of the LF1 ladle furnace fall protection system to ensure timely and continuous activation of the protections.

5.8 EQUAL OPPORTUNITIES AND ANTI-DISCRIMINATION

GRI 2-23, 406-1
[ESRS 2], [ESRS S1]

5.8.1 Incidents of discrimination and corrective measures taken

Asonext has always supported and respected human rights in accordance with the UN Universal Declaration of Human Rights.
Specifically, the Group promotes respect for the physical, cultural, and moral integrity of its employees, as well as ensuring working conditions that respect individual dignity, protecting workers from acts of psychological violence, and combating any discriminatory or harmful attitude or behavior.

In full compliance with the **Code of Ethics and Model 231 corporate** Asonext is committed to avoiding any discrimination based on age, gender, sexuality, health status, race, nationality, political opinions and religious beliefs, in all decisions affecting relationships with stakeholders.
In personnel management and development processes, as well as during the selection step, decisions are made based on the correspondence between the expected profiles and the profiles possessed by the collaborators and/or on merit considerations.
The elimination of discrimination in employment and occupation is supported by the fact that the Group's employees, who work in the production facilities, belong to different nationalities and operate in a climate of strong social integration and mutual respect.
This set of corporate rules and values ensured that no incidents of discrimination were detected during the reporting period.

5.8.2 Diversity management

Asonext has long implemented internal practices to facilitate maternity leave and retain female staff within the organization, even after the birth of newborns. The management models adopted include best practices for:

- prioritize work-family balance;
- use of smart working;
- planning of maternity leave for female staff, in order to be able to provide a replacement for the person who will be away;
- planning the return to work of new mothers, in order to ensure the necessary support and a gradual increase in hours and workload;
- creation of parking spaces reserved for female staff, located near the offices, in order to facilitate home-work travel;
- provision of “reduced and flexible” hours for mothers who require such facilities.
- changing rooms dedicated to the female staff working in the plant.

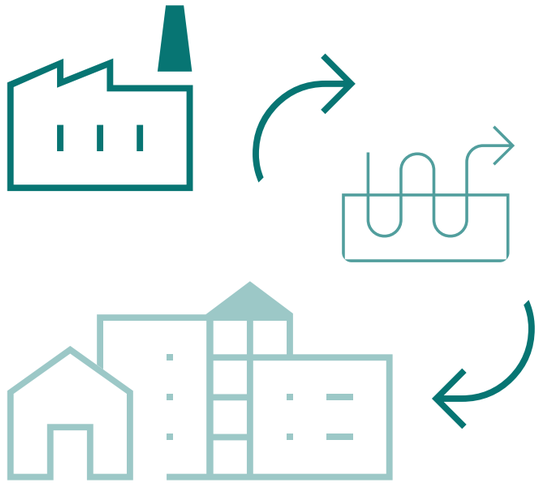
Asonext selects personnel by enhancing specific skills and assuming that candidates of different nationalities, genders, and ages can contribute to the cultural enrichment of the entire organization, ensuring diverse perspectives and experiences. Over the three-year period under review, the company hired people of different nationalities, genders, and ages. Regarding the management of people with disabilities, Asonext complies with regulations by ensuring the presence of people belonging to protected categories in various areas of the workforce. The company also has specific agreements with social cooperatives that employ vulnerable individuals to provide certain services (cleaning, laundry, etc.).

5.9 RELATIONS WITH THE COMMUNITY

GRI 413-1
ESRS [S3-2], [S3-3], [S3-4]

Asonext Group believes in the importance of establishing strong relationships and collaborations with the communities in which it operates in order to build shared and lasting value over time. This translates concretely into actions aimed at reducing and/or mitigating environmental impacts and initiatives for engagement and collaboration on social and governance aspects. Corporate decisions, investments, and business development in the territories where Asonext Group operates are geared toward promoting business growth, generating shared value among various stakeholders, and making a tangible contribution to local development. Attention to surrounding communities translates into mutual benefit, based on coexistence and mutual recognition. Special attention is paid to the population residing in the municipalities of Ospitaletto and Castegnato.

Since 2019, as part of an urban sustainability project by the Municipality of Ospitaletto, a system has been established to share the surplus heat present in the cooling circuits of the melting furnaces. **This excess thermal energy is supplied free of charge to the city's cold district heating network and used to power the heat pumps in the school buildings in Ospitaletto.** This initiative has provided the Ospitaletto community with, and continues to do so, a source of energy production that is free of carbon dioxide emissions. Furthermore, it allowed the elimination of all existing methane boilers, guaranteeing citizens a monetary saving.
In 2024, approximately 416 MWh of thermal energy was sold.



Cultural, medical and social projects are supported, such as:

- liberal donations to foundations: Brescia Musei, AIRC for cancer research, ETS, and Associazione Fulvia are with us in support of children with leukemia and their families.
- donations to non-profit organizations such as Vision+Onlus ETS, operating to prevent and treat eye diseases in Italy and developing countries.
- the liberal donation in favor of the Ospitaletto Rugby ASD
- the spontaneous fundraiser, based on the voluntary donation of working hours by Asonext and Asoforge employees, with the contribution of the Company, following the serious injury suffered by a colleague in 2024. The initiative, born from the discussion between the Company, Workers, Unitary and Territorial Trade Union Representatives, saw the active participation of all the parties involved and allowed a total amount to be donated to the family of the injured colleague of €32,672.16.

Asonext believes it is essential to promote new local talent through collaborations with high schools and universities. Scholarships and degree awards are now available for deserving students from the Municipality of Castegnato and for students participating in the Summer School organized by the Istituto di Studi Economici e per l'Occupazione (ISEO). Furthermore, in 2024, a donation was made through the Lombardy Group of Knights of Labor to support the right to education at the Lombardy Higher Technological Institute for New Mechanical and Mechatronic Technologies.

Alongside social and cultural initiatives, the company also supports the Franciacorta region by sponsoring events and supporting amateur sports associations in disciplines such as football and rugby. The total amount of sponsorships paid out is €83,350, in addition to a further €56,081 allocated to charitable donations, as previously indicated.

Asonext also participates in the **Fondazione della Comunità Bresciana (FCB),** organization established in 2001 on the initiative of Fondazione Cariplo, inspired by the model of US community foundations. The Foundation operates as an autonomous and independent entity, acting as an intermediary between donors and beneficiaries in the implementation of socially beneficial projects. Its mission is to promote modern philanthropy, foster local development, and encourage collaboration between organizations and associations to achieve broad-based goals.
A fund dedicated to the memory of **Aldo and Mara Artioli**, which aims to "support the various needs of the Province of Brescia, with special attention to social, cultural, artistic and scientific development and growth."

5.10 RELATIONS WITH TRADE UNIONS

Asonext has historically had a presence of Single Trade Union Representatives (RSU), whose relationships with the company have always been featured by transparency and a spirit of collaboration. Asonext recognizes the RSU as a key interlocutor for the management of Human Resources and for the development of issues related to OSH/Training and has always communicated with them regarding the issues of greatest interest to employees, in a transparent, open manner and with full respect for their roles.

5.10.1 Collective agreements

GRI 2-30

All employees are covered by collective bargaining agreements; the applicable contract for all employees is the National Collective Bargaining Agreement for Metalworkers and Industry, while for managers, the National Collective Bargaining Agreement for Managers of Companies Producing Goods and Services applies.

On July, 15 2022, the second level company contract was also renewed following negotiations with the RSU that began in the first few months of 2022.

In the **supplementary contract**, the Company and the RSU have renewed their mutual commitment to pursue objectives for the improvement o corporate **quality** and **safety** at work, aiming for greater worker involvement. To this end, an agreement has been signed that provides for the active participation of employees in improving product quality standards and in disseminating and consolidating a "safety culture" within the organization.

This shared approach is considered a key factor for the continuous improvement of company performance.

Notably, the parameters to be evaluated are:

- waste reduction
- improvement of the quality for the product manufactured and delivered to the warehouse
- process inefficiency and so-called “dilutions and deviations”
- annual participation in training
- understanding of training
- participation in health assessment sessions

By 2022, quality parameters had reached an excellent level, as had safety parameters. As in 2023, 2024 also saw excellent results in terms of safety parameters, with values close to 100%.

Regarding quality parameters, in 2024, there was a decrease in the premium paid, mainly due to the change in the "warehouse" parameter.

In addition to the variable bonus, the new supplementary contract signed in 2022 increased the economic values of fixed monthly bonuses, with particular attention to so-called "shift workers" in recognition of the commitment and flexibility they have consistently shown, especially in recent years.

FROM SUPPLY CHAIN TO **SALES**

GRI 2-12, 2-17, 2-22
[ESRS 2 SBM-1], [ESRS 2 GOV-1]

6

Asonext stands out for the high quality of its products, thanks to selected partners, an unwavering commitment to excellence, and continuous feedback to improve every day.

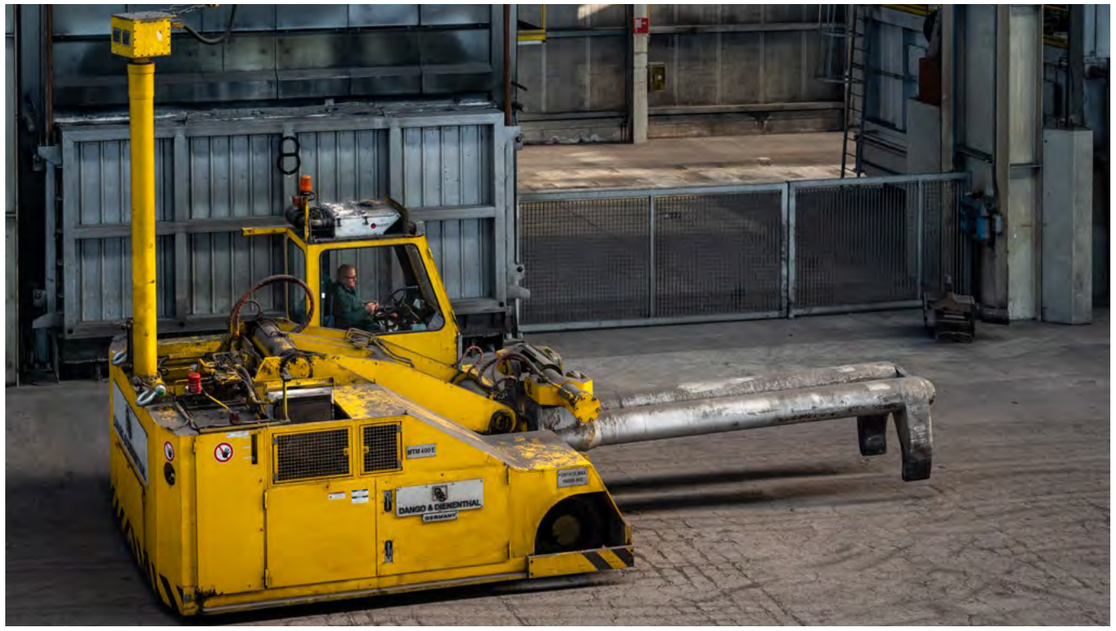
SUSTAINABLE DEVELOPMENT GOALS

TOPIC	ESRS	TARGET	TIMING
WORKERS IN THE VALUE CHAIN supply chain	ESRS S2-4	Involve suppliers representing at least 70% of purchasing turnover in completing the ESG questionnaire.	2025
	ESRS S2-4	At least 150 suppliers (approximately 25%) completed the ESG self-assessment questionnaire.	2025
	ESRS S3-5	Undertake an improvement action plan for strategic suppliers	2026
product quality	ESRS S3-3	Maintain a complaint monitoring system to continuously reduce the number.	2026
satisfaction of the customer	ESRS S4-2	Keep monitoring customer satisfaction through the existing measurement system, with the goal of maintaining a rating above 85%.	2026
certification of the product	ESRS G1-2	Implement a management system compliant with UNI ISO 19443	2026

6.1 STRATEGIC COLLABORATIONS WITH SUPPLIERS

GRI 2-6, 2-24

Asonext believes that achieving its sustainability and product and service quality objectives stems from careful selection and constant monitoring of collaborations with product and service suppliers. For this, they implemented **rigorous evaluation procedures,** which take into account qualitative, environmental, health and safety aspects at work, as well as compliance with their own ethical principles.
The selection criteria are designed to ensure reliability, long-term commitments, and the ability of suppliers to meet contractual and quality requirements. In this context, the technical-professional suitability and contribution compliance of the contractors are verified, including through the mandatory submission of the DURC (Single document for contribution regularity).
The assessment also covers the performance and compliance of products and services, with the aim of building a network of qualified, reliable, and competitive suppliers, also in terms of cost-effectiveness.
The partnership between Asonext SpA Società Benefit, Asoforge Srl and their suppliers is based on a shared commitment to excellence and ESG (Environmental, Social, Governance) values, with the aim of creating a responsible and resilient Supply Chain.



6.2 SUSTAINABLE MANAGEMENT OF SUPPLY CHAIN IN ASONEXT

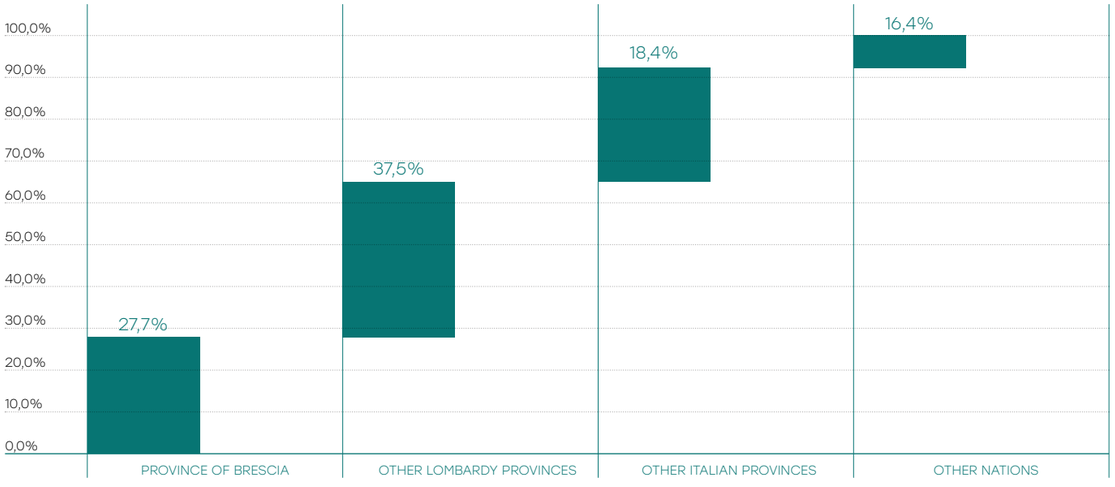
GRI 204-1
[ESRS S3]

Asonext Group adopts a responsible and values-driven approach throughout the entire supply chain, integrating environmental, social, ethical, and economic criteria right from the purchasing decisions. The training of Purchasing Office staff (225 hours completed between 2024 and 2025) was aimed at consolidating these principles, reinforcing behaviors consistent with company values.

Among the supplier selection criteria, in addition to economic and performance aspects, Asonext considers the following to be binding:

- Geographical location, favoring local suppliers' , with the same economic offer and qualitative and performance features of the purchased product/ service, to support the local economy. 65.2% of the purchase turnover comes from suppliers in the province of Brescia and Lombardy.

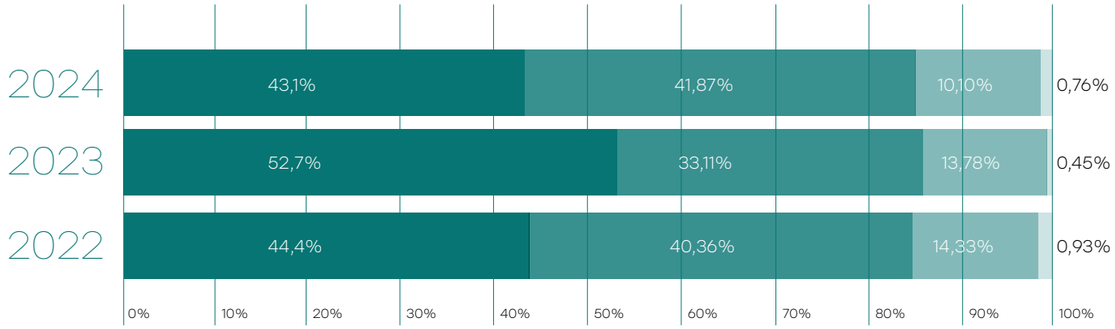
Proportion of spending by geographic area in 2024



1 A local supplier means a supplier based in the province of Brescia

Special attention is paid to the purchase of ferrous scrap, a strategic raw material and the main cost item, for which the share allocated to suppliers in the province of Brescia and Lombardy remained predominant in the three-year period under review.

Proportion of scrap expenditure by geographical area



	2022	2023	2024
BRESCIA	44,4%	52,7%	43,1%
REST OF LOMBARDY	40.36%	33,11%	41,87%
REST OF ITALY	14,33%	13,78%	14,10%
EUROPE	0,93%	0,45%	0,76%

In selecting suppliers, in addition to economic and commercial criteria and geographical location, the following requirements are relevant:

- **Compliance with human rights, labor, health and safety regulations**, together with the presence of initiatives in favor of the community;
- **The culture of environmental sustainability**, with attention to impact measurement, efficient resource management and internal dissemination of ESG principles;
- **Corporate governance**, the valorization of human capital and the drive for innovation.

To monitor and improve suppliers' ESG performance, the Group uses the Synesgy platform (CRIF Group), which allows it to collect, evaluate, and aggregate ESG data through a detailed questionnaire. As of 2024:

- 31% of suppliers completed the questionnaire (89 companies), with another 69 in the process of completing it;
- These suppliers represent 52.7% of the purchasing turnover;
- The average ESG rating weighted by turnover is 2.88 (between “Good” and “Sufficient”, on a scale from EXCELLENT = 1 to POOR = 5).

The average rating of the supplier base is, at present, as follows:

A EXCELLENT

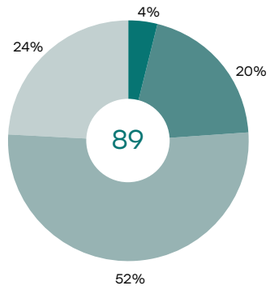
B GOOD

C SATISFACTORY

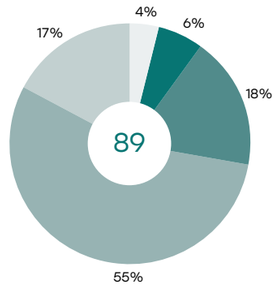
E SUFFICIENT

D LOW

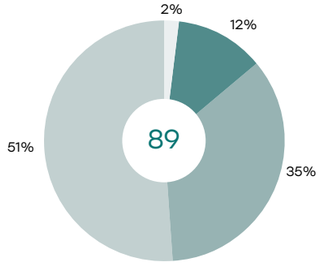
OVERALL SCORE



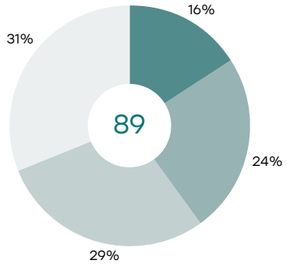
ENVIRONMENTAL SCORE



SOCIAL SCORE



GOVERNANCE SCORE



The platform generates, for each supplier, a report regarding their assessment and the related action plan - containing the strengths and weaknesses identified - to enable the adoption of measures aimed at improving ESG performance.
The project will go on with industry-specific analysis, performance evaluations of individual suppliers, and active support for strategic suppliers in their improvement efforts.
All the initiatives launched along the Asonext Group's supply chain represent a driver of sustainable growth for its partners, promoting a leaner, more resilient, and innovative supply chain capable of responding promptly to market developments.

To ensure financial and operational sustainability, strategic supply chain choices are based on clear criteria:

- diversification of suppliers for strategic products;
- preference for short and flexible supply chains;
- attention to environmental costs (recycling, transport, packaging);
- inclusion of ESG criteria in procurement contracts;
- Supplier valorization with certifications, sustainability reports and transparency on CO_2 emissions.

All these actions aim to make the supply chain more fluid, responsive, and sustainable, promoting shared development and innovation along the entire supply chain. Furthermore, reputational and market value is created by promoting a sustainable and transparent supply chain.

6.3 THE HOLISTIC VISION OF QUALITY

Suppliers are also assessed for quality, with particular attention to those providing raw materials for the production process, to ensure that the shared commitment to excellence is reflected throughout the entire production chain.
The qualification process begins with a preliminary analysis by the Purchasing Office, which examines the principles of environmental, social, and economic sustainability described above. At the same time, the supplier's suitability to meet the technical and operational requirements of production is verified. If the outcome is positive, a series of steps are carried out to confirm the qualification, including the execution of test orders, which are essential for verifying the materials' compliance with the required specifications.

6.3.1 The product

Quality is conceived holistically, as a founding value and guiding principle that runs through every company process. It's not just about regulatory compliance, but a constant commitment to generating sustainable value for all stakeholders.
Asonext Group adopts a product customization-focused approach, offering tailor-made steel grades based on specific customer needs, ensuring precise and value-driven solutions.
Through the use of quality indicators, Asonext monitors not only the operational effectiveness, but also the environmental and social impact of its activities, with the aim of innovating, reducing waste, and improving efficiency. Among the main indicators:

- waste (non-reusable material)
- stock (reusable material for other specifications)

The trend in the percentage of products classified as compliant, destined for storage and discarded is presented below.

Asoforge quality indicators

	2022	2023	2024
% WASTE	0.76%	0.76%	0.46%
% STOCK	0.33%	0.35%	0.03%
% COMPLIANT	98.92%	98.88%	99.51%

Asonext Quality Indicators

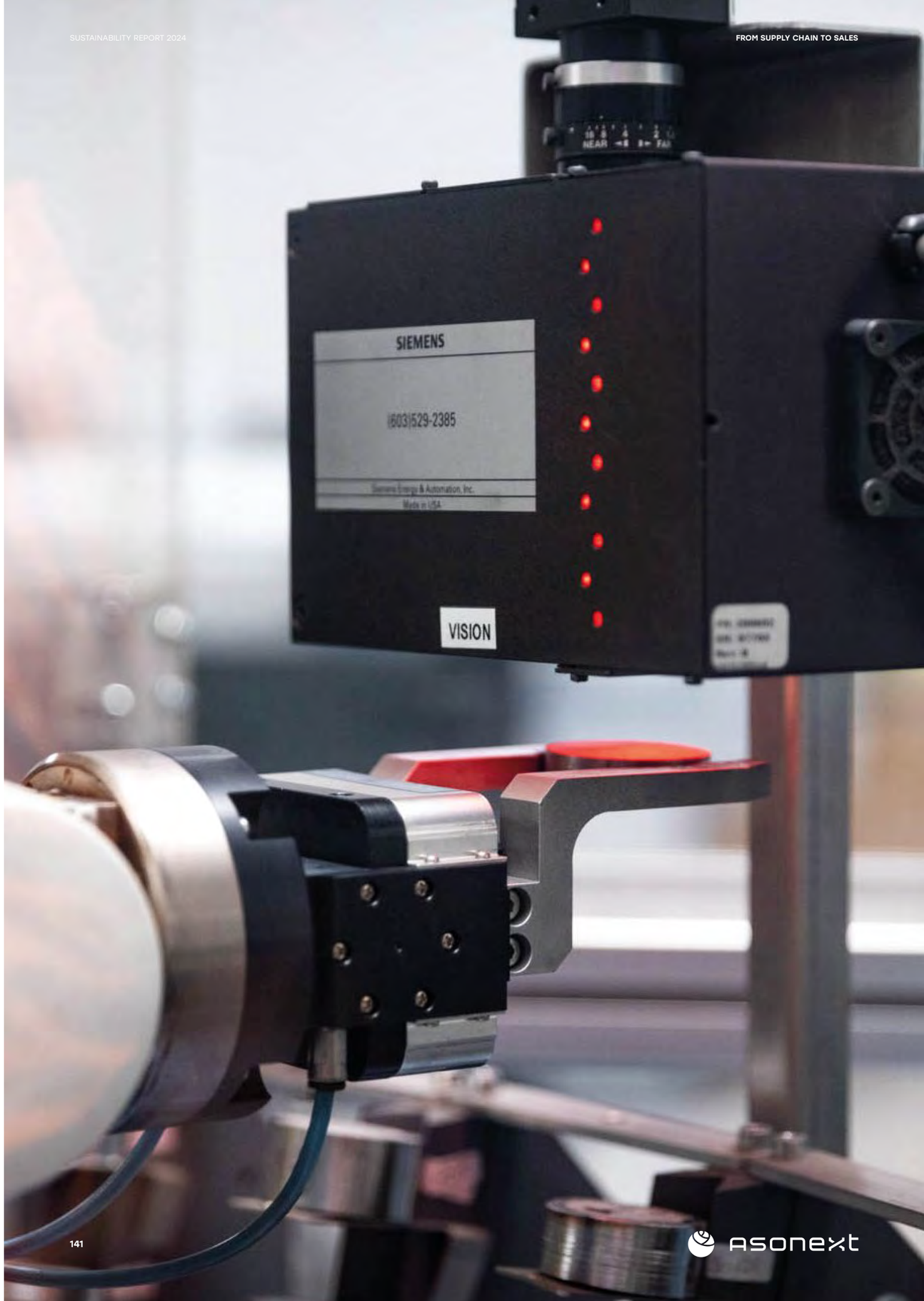
	2022	2023	2024
% WASTE	0.61%	0.40%	0.45%
% STOCK	0.20%	0.20%	0.44%
% COMPLIANT	99.19%	99.40%	99.11%

6.4 ONGOING QUALITY

GRI 2-25, 416-2
ESRS S4

Asonext Group's commitment to quality translates into a series of concrete actions throughout the supply chain:

- **Full traceability:** Each stage of the production process, from raw materials to the finished product, is documented and archived to ensure transparency and reliability.
- For effective control of production processes, Asonext uses **Stain** software, which allows for complete traceability of materials and optimization of consumption. Integrated with the new **Business Central** management system, introduced in 2024, the system ensures a seamless exchange of production and accounting data, improving management control and operational efficiency of the entire production chain.
- **After-sales support and ongoing improvement:** the relationship with the customer continues even after delivery, thanks to a dedicated team, an in-house laboratory for analysis, and rigorous complaints management. No non-conformities were recorded in relation to the health and safety of products and services during the reporting period.
- **Certifications and qualifications:** Asonext considers certifications not only as compliance tools, but **indicators of intangible value** of the company: trust, innovation, reputation and ethical commitment. They strengthen the company's competitiveness and give evidence of its sustainable and responsible vision.
- **Research and development:** Asonext promotes its growth through strategic partnerships with universities, research centers, and specialized consultants, which fuel innovation in organizational, technological, and sustainability fields, in line with ESG principles. Among the active collaborations: University of Brescia, AQM, Fondazione AIB, LENOVYS, and RINA Consulting.



IMPROVEMENT PLAN OF **SUSTAINABILITY**

GRI 2-17, 2-25

7

The definition and management of ESG objectives follow the PLAN-DO-CHECK-ACT cycle. Based on the analysis of impacts and relevant aspects, priority issues are identified and interventions are planned. The effects of the actions are then measured to evaluate their effectiveness and define any corrections.

The improvement plan for the 2024-2026 period is based on the three pillars of ESG sustainability: environment, human capital, and governance. The sustainable development strategy, inspired by material themes and the 2030 Agenda, guides Asonext towards a low-emission, innovative model centered on people and technology.

In December 2023, with a view to continuous improvement, Asonext updated its corporate purpose by becoming a Benefit Corporation. The company is thus committed to reducing its environmental impact and remaining competitive in the steel sector, with special attention to **ecological transition**.

Actions to improve processes and product quality integrate circular economy principles, aiming for sustainable and responsible development.

Asonext recognizes the strategic value of human capital, promoting inclusive, safe, and well-being-focused work environments. Continuous training, skills development, and talent development are at the heart of company policies, along with the promotion of diversity, equity, and active listening.

On the governance front, Asonext adopts a transparent, accountable and long-term oriented model. Integrity, ethics, and legality guide decision-making processes, along with stakeholder engagement and performance reporting, to strengthen trust and sustainability over time.

The sustainability objectives referred to in the previous chapters are listed below.

E - ENVIRONMENTAL

TOPIC	ESRS	TARGET	TIMING
CIRCULAR ECONOMY raw materials	ESRS E5-2	Replacing 50% of anthracite with recycled plastic material.	2025
CIRCULAR ECONOMY waste	ESRS E5-5	40% of black slag recycled internally through an electric furnace slag recycling plant to transform it into inert recycled aggregates.	2026
CLIMATE CHANGE energy efficiency	ESRS E1-5	Revamping of the electrical substation and furnace panels.	2026
WATER RESOURCES	ESRS E3-4	Reduction in specific water consumption by 5% compared to 2020.	2025
CLIMATE CHANGE CO_2 emissions	ESRS E1-5	10% reduction in CO_2 directly from anthracite consumption thanks to the replacement with a recycled material.	2025
	ESRS E1-5	Purchase of 30% of electricity consumed from renewable sources with guarantees of origin.	2025
	ESRS E1-5	Installation and commissioning of a 5 MW photovoltaic system that covers approximately 10% of the forge's electricity consumption.	2024

S - SOCIAL

TOPIC	ESRS	TARGET	TIMING
EQUAL TREATMENT AND OPPORTUNITIES gender equality	ESRS S1-10	Obtaining the UNI PDR 125 certification	2026
OWN WORKFORCE initiatives for workers	ESRS S1-5	Renovation of women's changing rooms	2026
	ESRS S1-5	Creation of a changing room for the quality area	2026
OWN WORKFORCE training of the staff	ESRS S1-2	Maintaining the Steel Academy's training programs and introducing a new training program called Project for Steel	2025
OWN WORKFORCE training/safety at work	ESRS S1-5	Continuation of the coaching program for production managers, aimed at developing leadership and workplace safety.	2026
OWN WORKFORCE workplace safety	ESRS S1-5	Raising awareness on safety issues through an internal communications campaign	2026
	ESRS S1-5	Increased safety levels through concrete actions as per the UNI ISO 45001 improvement plan (e.g. increased automation in production departments)	2025 and following

G - GOVERNANCE

TOPIC	ESRS	TARGET	TIMING
CORPORATE CONDUCT Code of Ethics, Management Model and Compliance	ESRS G1-1	Training 231 following the revision of the model	2025
	ESRS G1-1	Creation and development of a new area concerning legal compliance	2025
COMPANY CONDUCT in compliance with the Machinery Directive	ESRS G1-1	Creation and development of a new area	2025

INNOVATION

TOPIC	ESRS	TARGET	TIMING
WORKERS IN THE VALUE CHAIN supply chain	ESRS S2-4	Involve suppliers representing at least 70% of purchasing turnover in completing the ESG questionnaire.	2025
	ESRS S2-4	At least 150 suppliers (approximately 25%) completed the ESG self-assessment questionnaire.	2025
	ESRS S3-5	Undertake an improvement action plan for strategic suppliers	2026
product quality	ESRS S3-3	Maintain a complaint monitoring system to continuously reduce the number. Keep NC ingots/ bars below 1%.	2025
satisfaction of the customer	ESRS S4-2	Keep monitoring customer satisfaction through the existing measurement system, with the goal of maintaining a rating above 85%.	2026
certification of the product	ESRS G1-2	Implement a management system compliant with UNI ISO 19443	2026

GRI CONTENT **INDEX**

8

asonext

STATEMENT OF USE	Asonext has reported the information cited in this GRI content index for the period from 01 January 2024 to 31 December 2024, with reference to the GRI Standards
USED GRI 1	GRI 1 – Core Principles – 2021 version

GRI STANDARD	GRI INFORMATION DESCRIPTION (DISCLOSURE)	CHAPTER (LOCATION)
GRI 2: General Information 2021	2-1 Organizational details	2.3
	2-2 Entities included in the organization's sustainability reporting	1.3, 2.3
	2-3 Reporting period, frequency and point of contact	1.3
	2-4 Reviewing Information	1.3
	2-5 External Assurance	1.3
	2-6 Activities, value chain and other business relationships	2.3, 6.1
	2-7 Employees	5.1.1
	2-8 Non-employee workers	5.1.1
	2-9 Structure and composition of governance	3.2
	2-10 Appointment and selection of the highest governing body	3.1
	2-11 President of the highest governing body	3.1, 3.2
	2-12 Role of the highest governing body in overseeing impact management	3.2, 6
	2-13 Delegation of responsibility for impact management	3.2, 5.7
	2-14 Role of the highest governance body in sustainability reporting	1.3
	2-15 Conflicts of interest	3.4.1
	2-16 Communication of critical issues	3.5, 3.6, 5.4, 5.7
	2-17 Collective knowledge of the highest governing body	1.3, 3.5, 5.7, 6, 7
	2-18 Performance evaluation of the highest governing body	3.5, 3.1
	2-19 Rules concerning remuneration	3.1
	2-20 Procedure for determining remuneration	3.1, 5.2
	2-22 Declaration on the Sustainable Development Strategy	1.1, 6
	2-23 Policy commitment	2.1, 3.5, 5.4, 5.8
	2-24 Integration of policy commitments	3.2, 3.5, 4.5, 5.3, 5.3.2, 5.4, 5.6, 6.1
	2-25 Processes to remediate negative impacts	1.1, 6.4,7
	2-26 Mechanisms for requesting clarification and raising concerns	3.5, 3.4.1
	2-27 Compliance with laws and regulations	3.6
	2-28 Membership to associations	2.4
	2-29 Approach to Stakeholder Engagement	1.3, 1.4
	2-30 Collective agreements	5.10.1
GRI 3: Material Topics 2021	3-1 Determination of material topics	1.3, 1.4
	3-2 List of material topics	1.3, 1.4
	3-3 Management of material topics	1.1, 1.3, 3, 4, 5, 6
GRI 201: Economic Performance 2016	201-1 Directly generated and distributed economic value	2.3.2
GRI 204: Procurement Practices 2016	204-1 Proportion of expenditure on local suppliers	6.2
GRI 205: Anti-corruption	205-3 Confirmed incidents of corruption and actions taken	3.4.2, 3.6
GRI 207: Taxes 2019	207-1 Approach to taxation	3.7

GRI 301: Materials 2016	301-2 Materials used that come from recycling	4.1
GRI 302: Energy 2016	302-1 Energy consumed within the organization	4.3.1
	302-3 Energy intensity	4.3.2
	302-4 Reduction of energy consumption	4.3
GRI 303: Water and Wastewater 2018	303-3 Water withdrawal	4.4
	303-4 Water discharge	4.4.2
GRI 304: Biodiversity 2016	"304-1 Owned, leased, managed operating sites in (or adjacent to) protected areas and areas of high biodiversity value outside the protected areas"	4.6
GRI 305: 2016 Emissions	305-1 Direct GHG emissions (Scope 1)	4.5.1
	305-2 Indirect GHG emissions from energy consumption (Scope 2)	4.5.2
GRI 306: Waste 2020	306-1 Waste generation and significant impacts related to waste	4.2
	306-2 Management of significant impacts related to waste	4.2
	306-3 Produced waste	4.2.1
	306-4 Waste not intended for disposal	4.2.2
	306-5 Waste destined for disposal	4.2.2
GRI 401: Employment 2016	401-1 New Hires and Turnover	5.1.1
	401-2 Benefits provided to full-time employees, but not to part-time or temporary employees	5.1.2
GRI 403: Health and Safety at Work 2018	403-1 Health Management System and Safety at work	5.4, 5.7
	403-2 Hazard identification, risk assessment, and accident investigation	5.4,5.6, 5.7
	403-4 Worker participation, consultation and communication in health and safety at work	5.6, 5.7
	403-5 Worker training in occupational health and safety	5.3, 5.3.2
	403-7 Prevention and mitigation of occupational health and safety impacts within business relationships	5.4
	403-9 Accidents at work	5.5
GRI 404: Training and education 2016	404-1 Average hours of annual training per employee	5.3
	404-2 Employee Upskilling and Transition Assistance Programs	5.3
GRI 405: Diversity and Equal Opportunities 2016	405-1 Diversity in governance bodies and among employees	3.1, 5.1.1
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	5.8
GRI 413: Community 2016 venues	413-1 Activities involving local communities, impact assessments and development programmes	2.4, 5.9
GRI 416: Customer Health and Safety 2016	416-2 Incidents of non-conformity regarding health and safety impacts of products and services	6.4
GRI 418: Privacy of Customers 2016	418-1 Substantiated complaints regarding breaches of customer privacy and loss of customer data	3.6

APPENDIX

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APPENDIX A
GRI-ESRS CORRELATION INDEX

The tables below, organized by chapter, show the correspondence between the GRI and ESRS indicators.

CHAPTER 1. COMMITMENT TO A SUSTAINABLE COMPANY

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1.1 LETTER TO STAKEHOLDERS	3-3	[ESRS 2 MDR-P], [ESRS 2 SBM-1]
	2-22	/
	2-25	/
1.3 METHODOLOGICAL NOTE	2-2, 2-3, 2-4, 2-5, 2-14, 2-17, 2-29, 3-1, 3-2,3-3	[ESRS 1]; [ESRS 2 BP-1] [ESRS 2 SBM-1]; ESRS 2 IRO-1.
1.4 DOUBLE MATERIALITY ANALYSIS	3-1, 3-2, 2-29	ESRS 2 IRO-1, [ESRS 2 IRO-2]

CHAPTER 2. CORPORATE PROFILE

CHAPTER	GRI	ESRS
2.1 CORPORATE VALUES	2-23	[ESRS 2 MDR-P §65]
2.3 GROUP IDENTITY	2-1	
	2-2	ESRS 2 BP-1 §5 (A) AND (B)
	2-6	[ESRS 2 SBM-1 §40]
2.3.2 GENERATED AND DISTRIBUTED ECONOMIC VALUE	201-1	[ESRS 1 AR §16]
2.4 MEMBERSHIP TO ASSOCIATIONS	2-28	[ESRS 1 AR §16]
	413-1	[ESRS S3]

CHAPTER 3. GOVERNANCE

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3.2 ORGANIZATIONAL STRUCTURE	2-9, 2-11, 2-12, 2-13, 2-24	[ESRS 1 AR §16] [ESRS 2 GOV-1];
3.4.1 ORGANIZATION, MANAGEMENT AND CONTROL MODEL	2-15, 2-26	[ESRS 1 AR §16]
3.4.2 WHISTLEBLOWING	205-3	[ESRS S1 S1-3]
3.5 CERTIFIED MANAGEMENT SYSTEMS	GRI 2-16, 2-17, 2-18, 2-23, 2-24, 2-26	[ESRS E1]; [ESRS E2]; [ESRS E3]; [ESRS E5]; [ESRS S1]; [ESRS G1]
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	306-2	ESRS E5 E5-2 §17 AND §20 (E) AND (F); E5-5 §40 AND [§AR 33 (C)]
4.2.1 PRODUCED WASTE	306-3	ESRS E5 E5-5 §37 (A), §39 TO §40
4.2.2 DESTINATION OF PRODUCED WASTE	306-4	ESRS E5 E5-5 §37 (B), §39 AND §40
	306-5	[ESRS E5 E5-5 §37 (C)], §39 AND §40
4.3 ENERGY EFFICIENCY	302-4	E1 – GENERAL
4.3.1 ENERGY CONSUMED WITHIN THE ORGANIZATION	302-1	ESRS E1 E1-5 §37; [§38;]
4.3.2 ENERGY INTENSITY	302-3	ESRS E1-5
4.4.1 WATER WITHDRAWAL	303-3	E3 – GENERAL
4.4.2 WATER DISCHARGES	303-4	E3 – GENERAL
4.5.1 SCOPE 1 - DIRECT GHG EMISSIONS	305-1	E1-6 §44(A); §46; §50; §AR 39 (A) TO (D); §AR 40; AR §43 (C) TO (D)
4.5.2 SCOPE 2 - INDIRECT GHG EMISSIONS FROM ENERGY CONSUMPTION	305-2	ESRS E1 E1-4 §35 (C); E1-6 §45 (B); §46; [§49;] §50; §AR 40; §AR 45 (A), (C), (D), AND (F)
4.6 BIODIVERSITY	304-1	ESRS E4 §19 (A); E4-5 §35

CHAPTER 5. SOCIAL PERFORMANCE

CHAPTER	GRI	ESRS
5.1.1 NEW HIRES AND TURNOVER	GRI 2-7 GRI 2-8 GRI 401-1 GRI 405-1	ESRS E1-6 ESRS S1-7 §55 TO §56 ESRS S1 S1-6 §50 (C) ESRS S1 S1-6 §50 (A); S1-9 §66 (A) TO (B); S1-12 §79
5.1.2 BENEFITS PROVIDED FOR EMPLOYEES	GRI 401-2	[ESRS S1 S1-11]
5.2 REMUNERATION POLICY	GRI 2-20	[ESRS 2, GOV 3]
5.3 STAFF TRAINING	GRI 2-24	[ESRS S1] GENERAL
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	GRI 404-2	ESRS S1 S1-1 §AR 17 (H)
	GRI 403-5	S1 GENERAL
5.3.2 INFORMATION AND TRAINING	GRI 2-24, 403-5	[ESRS S1] GENERAL
5.4 HEALTH AND SAFETY AT WORK	GRI 2-16	ESRS 2 GOV-2 §26 (A)
	GRI 2-23	ESRS 2 GOV-4; MDR-P, ESRS S1-1 §19 TO §21
	GRI 2-24	ESRS 2 GOV-2 §26, ESRS S1 S1-4 §AR 35;
	GRI 403-1	ESRS S1 S1-1 §23
	GRI 403-2	ESRS S1 S1-3 §32 (B) AND §33
	GRI 403-7	[ESRS S2 S2-4 §32 (A)]
5.5 INJURIES	GRI 403-9	ESRS S1 S1-4, §38; S1-14 §88
5.6 EMPLOYEE PARTICIPATION	GRI 2-24	ESRS 2 GOV-2 §26, ESRS S1 S1-4 §AR 35;
	GRI 403-4	[ESRS S1] - GENERAL
	GRI 403-2	ESRS S1 S1-3 §32 (B) AND §33
5.7 MANAGEMENT INVOLVEMENT	GRI 2-13	[ESRS S1]
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	GRI 2-17	[ESRS 2 GOV-1 §23]
	GRI 403-1	ESRS S1 S1-1 §23
	GRI 403-2	ESRS S1 S1-3 §32 (B) AND §33
	GRI 403-4	S1 - GENERAL
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	GRI 406-1	ESRS S1 S1-17 §97, §103 (A), §AR 103
5.9 RELATIONS WITH THE COMMUNITY	GRI 413-1	ESRS S3 S3-2 §19; S3-3 §25; S3- 4 §AR 34 (C)
5.10.1 COLLECTIVE AGREEMENTS	GRI 2-30	ESRS S1 S1-8 §60 (A) AND §61

CHAPTER 6. FROM SUPPLY CHAIN TO SALES

CHAPTER	GRI	ESRS
6. FROM SUPPLY CHAIN TO SALES	GRI 2-12	[ESRS 2 GOV-1 §22 (C); GOV-2 §26 (A) TO (B); SBM-2 §45(D); ESRS G1 §5 (A)]
	GRI 2-17	[ESRS 2 GOV-1 §23]
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6.1 STRATEGIC COLLABORATIONS WITH SUPPLIERS	GRI 2-6	ESRS 2 SBM-1 §40
	GRI 2-24	[ESRS G1-2]
6.2 SUSTAINABLE MANAGEMENT OF SUPPLY CHAIN IN ASONEXT	GRI 204-1	[ESRS S3]
6.4 ONGOING QUALITY	GRI 2-25	[ESRS S4]
	GRI 416-2	[ESRS S4 S4-4 §35]

APPENDIX B GLOSSARY

ADR:	*Accord dangereuses Route,* European Agreement concerning the Carriage of Dangerous Goods by Road.
AOD:	*Argon Oxygen Decarburization.*
BF/BOF:	*Blast Furnace/Basic-Oxygen Furnace.*
CIS	Surface water body. Water waste collection.
CSRD:	*Corporate Sustainability Reporting Directive.*
D01:	Depositing waste in landfill.
D09:	Chemical-physical treatment of waste.
D13:	Preliminary waste grouping.
D15:	Preliminary waste storage (warehousing).
Dog house:	Structure inside which the electric furnace is installed and segregated.
EAF:	*Electric Arc Furnance*, melting furnace.
EER:	European Waste List.
ESG:	*Environment, Social and Governance.*
ESR:	*Electric Slag Remelting,* slag remelting plant that is used to remelt and refine steels and various superalloys, obtaining high-quality ingots.
ESRS	*European Sustainability Reporting Standards.*
FMEA:	*Failure Mode and Effect Analysis.*
GRI	*Global Reporting Initiative.*
HSE:	*Health Safety & Environment.*
KPI:	*Key Performance Indicator.*
LF:	*Ladle Furnace.*
MUD:	Environmental Declaration Form.
O.R.SO.:	Supra-regional Waste Observatory.
PDCA:	*Plan Do Check Act.*
Portal of AIDA-Vispo:	Integrated Self-Control Application, ARPA Lombardia Inspection Audit Management System.
R13 for R4:	Storage of waste (R13) for recycling/recovery of metals or metal compounds (R4).
R13 for R5:	Storage of waste (R13) for recycling/recovery of other inorganic substances (R5).
ETS Regulation:	*Emission Trading System.*
RSU:	Trade Union Representatives.
SDGs:	*Sustainable Development Goals.*
SME:	Continuous Emission Monitoring System.
VAR:	*Vacuum Arc Remelting.*
VD:	*Vacuum Degassing.*
8D:	(Eight Disciplines) is a step-by-step problem-solving methodology that, through a systematic approach, guides the organization in managing the problem and in its complete resolution.
5W:	(Analysis of the five whys). Problem solving methodology.
S.P.A.C.E.:	Sustainable power and circular economy for steel.

APPENDIX C
ASSURANCE STATEMENT

Assurance statement addressed to
ASONEXT Group stakeholders

1. INTRODUCTION

Bureau Veritas Italia S.p.A. ("Bureau Veritas") has been appointed by ASONEXT S.p.A. SOCIETÀ BENEFIT UNIPERSONALE ("ASONEXT Group") to conduct an independent audit (assurance) of its 2024 Sustainability Report, with the aim of providing conclusions regarding:

- *Accuracy and quality of the information made public on its sustainability performance;*
- *Degree of adherence to the reporting standards of the Global Reporting Initiative according to the level of application "with reference to the GRI Standards" provided for by the 2021 version of the GRI Universal Standards.*

2. RESPONSIBILITY, METHODOLOGY AND LIMITATIONS

The responsibility for collecting, analyzing, consolidating and presenting the information and data of the Report was exclusively of the ASONEXT Group. Bureau Veritas' responsibility was to conduct an independent audit against the identified objectives and to formulate the conclusions contained in this report.

The audit was conducted as a Limited Assurance under ISAE 3000, through the sample application of audit techniques, including:

- *Verification of policies, missions, values, commitments;*
- *Review of documents, data, procedures and methods of information collection;*
- *Interviews with members of the working group for the drafting of the Report;*
- *Interviews with company representatives from various functions and services, as well as members of Top Management;*
- *Overall verification of the information and in general review of the contents of the 2024 Sustainability Report.*

The verification activities were conducted at the company's headquarters in Via Seriola nr.12 in Ospitaletto (BS) and partly remotely. We believe that we have obtained sufficient and adequate evidence to support our conclusions.

The audit covered the entire Sustainability Report of the ASONEXT Group. For information of an economic-financial nature, Bureau Veritas limited itself to verifying its consistency with the Financial Statements. The information reported in the document refers to the fiscal year 2024 (01 January 2024 - 31 December 2024) and is compared with the data relating to the previous two-year period. Adopting the same reporting perimeter as the Financial Statements, the Sustainability Report describes the realities and performance of the ASONEXT Group.

3. CONCLUSIONS

As a result of the verification activities conducted and described above, no negative indications emerged regarding the reliability, accuracy and correctness of the information and data reported in the 2024 Sustainability Report. In our opinion, the document provides a reliable representation of the activities conducted by the ASONEXT Group during 2024 and the main results achieved. The information is generally reported in a clear, understandable and balanced manner; All data and indicators were collected and analyzed with precision and reported in a transparent manner. In illustrating activities and results, in particular, the ASONEXT Group has paid attention to adopting neutral language, avoiding self-referentiality as much as possible.

With regard to reporting principles, in our opinion, quality assurance principles such as: Balance, Clarity, Accuracy, Timeliness, Comparability, Completeness, Sustainability Context and Verifiability have been observed. It is also confirmed that the Report has been prepared with the option "with reference" to the GRI Standard and that our verification activities in turn meet the requirements of the Assurance Standard.

The ASONEXT Group reported in its Report the material issues identified following the double materiality analysis carried out taking into account the impact materiality process carried out in 2023. The recontextualization of the issues is clearly explained, the issues identified and considered relevant for the Group are consistent with the analysis reported.

It is also reported that in this report a first correlation exercise in the index between the GRI Standards and the ESRS was carried out and reported.

4. DECLARATION OF INDEPENDENCE, IMPARTIALITY AND COMPETENCE

Bureau Veritas is an organization specialized in independent verification, inspection and certification activities, with over 190 years of history, 82,000 employees and a turnover of over 6.2 billion euros (2024 revenues).

Bureau Veritas applies an internal Code of Ethics and we believe that there is no conflict of interest between the members of the verification group and the ASONEXT Group.

Bureau Veritas Italia S.p.A.
Milan, 04 August 2025

Gloria Focetola
Local Technical Manager

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