SIDENOR

WE ARE BUILDING **TOMORROW,** TODAY

Sustainability Report 2024

Table of contents

Visit our website

2001

Aeiforos SA Greece is established, in order to process Greek plants by-products and wastes and promote circular economy, by providing raw materials for other industries (e.g. cement industry).

2004

Aeiforos SA Bulgaria is established, in order to provide in Bulgaria similar services like in Greek plants.

2006

Installation of electric arc furnace direct scrap charging system (ConSteel) in Sovel plant, in order to reduce electricity consumption, by scrap preheating.

2009

Installation of New Compact Rolling Mill in Sovel plant, in order to reduce natural gas consumption, by directly feeding billets from the casting machine.

2014

Installation of Induction Furnace in Sovel Rolling Mill, in order to reduce natural gas consumption, by directly feeding billets from the casting machine.

2016

Installation of Induction Furnace in Sidenor Rolling Mill, in order to reduce natural gas consumption, by directly feeding billets from the casting machine.

2021

- Replacement of Reheating Furnace fuel in Dojran Steel plant, from heavy oil to natural gas, in order to improve carbon footprint.
- Photovoltaic panels installation of 4MWp capacity in Dojran plant, in order to increase energy consumption from renewables and reduce its carbon footprint.

2023

- Installation of a new air pollution control system at Sidenor plant (Thessaloniki) improving the air quality in and around facilities.
- Release of the first TCFD Report outlining the companies' strategic approach to managing climate-related risks and opportunities.

2024

- Revamping of the pumping station and water management network at Sidenor plant to improve functionality and energy efficiency.
- Installation of modern ladle preheaters at Stomana Industry and Sovel plants to reduce natural gas consumption.

"... We aspire to be at the forefront of steel industry's efforts for a better, circular, and safer future."

Resilience through **Sustainable Development**

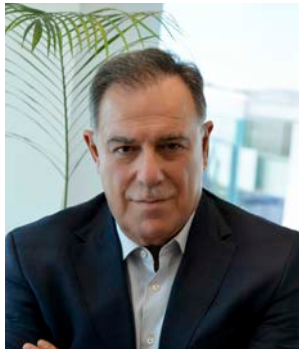
We seek flexibility and continuous expansion of our operations. We consolidate our strong presence in Greece and abroad with a wide network of industrial units and distribution points.

5 production sites

16 distribution centers

3 ports

CEO MESSAGE



Dear Stakeholders,
As a leading manufacturer of steel products in Greece and one of the largest in Southeastern Europe we recognize our responsibility in demonstrating leadership and facilitating cross sectoral collaboration.

Our approach to sustainability is driven by our commitment to meeting the expectations of all stakeholder groups, while strengthening our resilience and competitiveness. As a result, we endeavour to consistently improve our products and solutions by adopting cutting-edge technologies that maximize quality, while mitigating environmental impacts. To this end, we provide Environmental Product Declarations (EPDs), demonstrating full transparency on product life cycle impacts and offering environmentally focused solutions across all sectors in which we operate.

Currently we focus on optimizing energy management and promoting responsible water use, as we recognize the importance of efficient resource utilization. Our commitment to energy efficiency is demonstrated by the installation of Electric Arc Furnaces (EAF) at our plants since 2006, recognised by the EU as the Best Available Technique. This enabled operational efficiency, which, combined with the deployment of renewable energy, to the extent possible, minimizes our carbon footprint. Understanding the importance of renewable energy in climate change mitigation and adaptation, we have now increased the share in our energy mix through the installation of solar panels and the procurement of renewable electricity. By implementing water efficiency solutions in our plants, we actively reduce our reliance on water withdrawals, helping to safeguard this vital resource. Additionally, recognizing circular economy as a key competitive advantage in our sector, we steadily increase the use of secondary materials in our production process while establishing ourselves as the largest scrap metal recycler in Greece. Our ongoing efforts to increase the recycled materials in our products have led to the development of selected steel products that contain over 95% recycled content. Through this multidimensional and comprehensive approach, we increase energy efficiency, reduce the need for extracting virgin natural resources, and contribute to lower GHG emissions throughout our value chain.

Our people and expertise make up our competitive advantage and contribute to achieving our strategic goals and to the continuous growth of our organization. We continuously work to create an inclusive working environment, built on trust, transparency, and accountability. To support this goal, we implement policies that regulate our operations, and we invest in learning and development, at both the professional and personal level. At the same time, we place occupational health and safety as our main priority by identifying risks, implementing preventive measures, raising awareness among all employees at our facilities, and providing specialized training to our subcontractors to further ensure their safety. Aiming to protect workers throughout the value chain, we implement specific measures to safeguard human and labour rights, as well as health and safety in the workplace. At the same time, we remain committed to contributing to the society we operate in by creating employment opportunities and supporting those in need, thereby strengthening our positive social impact.

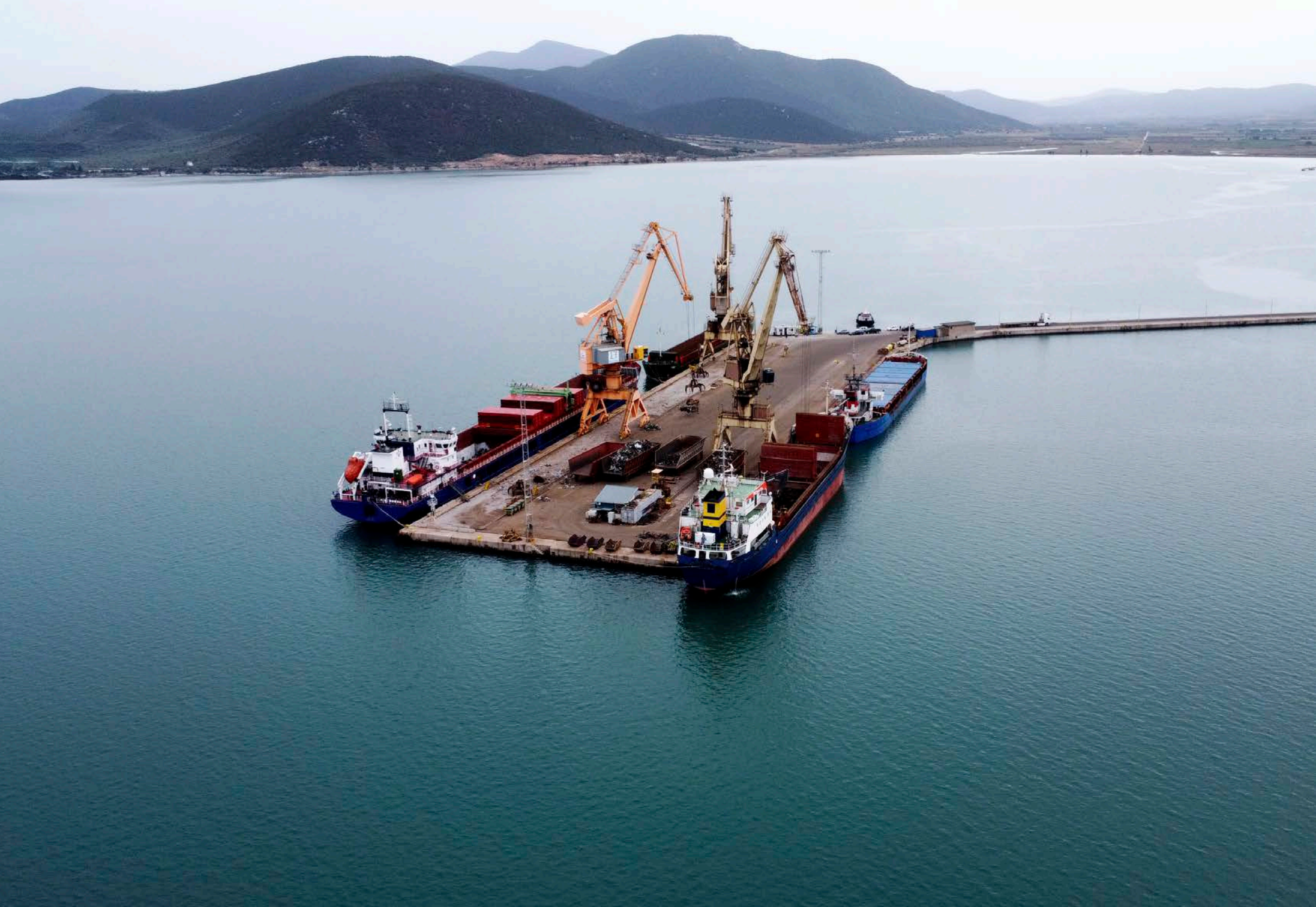
Strong corporate governance, innovative solutions, and our ability to adapt to evolving technology enable us to face the future with confidence and to effectively manage the challenges and changes of the external environment. By proactively aligning with the ESRS reporting standards following the new CSRD legislation, we strive to maximize our efforts towards a more sustainable future, to provide transparent reporting, and to respond effectively and with accountability to the expectations of our stakeholders and market requirements. All internationally recognized certifications that we have received for our operating systems, such as our Environmental and Energy Management Systems, showcase our commitment to responsible operations and production.

Finally, we are proud to present you our new Sustainability Report, which has been developed according to the new ESRS standards, although our Companies are not yet into the CSRD scope. It is our goal to promote transparency and support the transition to more sustainable practices along the value chain. Through the Double Materiality Assessment, we identified our material sustainability matters as well as relevant impacts, risks and opportunities. This process is enabling us to implement targeted actions and further enhances our performance.

Our roadmap towards sustainability and the creation of long-term value for the society is governed by our vision and principles and helps us to remain focused on the future we aspire to create. Through our efforts, we always aim at contributing to the development of our sector while protecting the environmental, social, and ethical responsibilities we stand for.

Best Regards,

Antonis Karadeloglou
CEO



The Foundations of our Sustainability Statement

Highlights

Our contribution to the United Nations Sustainable Development Goals

Voluntary adoption of the ESRS standards

Extensive industry and stakeholder networking

Responsible sourcing: initiative which targets the evaluation and engagement of major suppliers with regards to environmental, social and governance practices

Human Rights Due Diligence Process: development of thorough HRDD process including the assignment of a Human Rights Officer

Extensive R&D collaboration networks

Adoption of sustainability related incentive scheme

About the Sustainability Statement

This Sustainability Statement (hereinafter also referred to as the "Statement" or "Sustainability Report") has been voluntarily prepared by Sidenor, Stomana Industry and their subsidiaries (hereinafter also referred to as "the Companies") for the reporting period from 01.01.2024 to 31.12.2024. Although Sidenor, Stomana Industry, and their respective subsidiaries do not fall yet under the mandatory scope of the Corporate Sustainability Reporting Directive (EU) 2022/2464 (CSRD), this Statement has been developed to enhance transparency and accountability towards stakeholders and to facilitate the transition to the European Sustainability Reporting Standards (ESRS).

The Companies do not prepare consolidated financial statements at the sub-group level. Instead, the financial data of the companies in which Sidenor holds direct or indirect participation are consolidated at group level through Viohalco S.A., the Group's parent company listed on Euronext Brussels and the Athens Stock Exchange. Viohalco S.A. has published a consolidated CSRD-compliant Sustainability Statement in accordance with ESRS, that includes the activities of Sidenor, Stomana Industry and their subsidiaries.

The current Sustainability Statement covers the main operational and governance aspects of which Sidenor, Stomana Industry and their subsidiaries hold a direct or indirect interest. The scope of reporting includes:

Company	Relationship with Sidenor
Sidenor	
Sovel	Subsidiary
Stomana Industry	Associate
Dojran Steel	Subsidiary
Erlikon	Subsidiary

The Statement focuses on the core operations and material sustainability matters relevant to the Companies, including impacts, risks, and opportunities across the upstream, operational, and downstream stages of the value chain. It integrates information from primary operational data sources, internal assessments, and stakeholder engagement processes.

Scope and Approach to Consolidated Reporting
Sidenor presents a unified sustainability disclosure covering SIDENOR STEEL INDUSTRY S.A., STOMANA Industry S.A., and their respective subsidiaries. This approach reflects the strong operational, sectoral, and governance alignment across these entities, including shared policies, management systems, and strategic planning frameworks.

In practice, the companies operate in highly integrated steel manufacturing environments with comparable upstream and downstream value chains and face similar material impacts, risks, and opportunities (IROs). Many of the most significant risks identified -particularly climate-related transition risks, energy security concerns, and occupational health and safety- are common to all entities and have been assessed collectively in the double materiality assessment.

Consequently, planning for mitigation, resource allocation, and performance monitoring is developed on a consolidated basis, allowing for coherent decision-making and reporting. Where differences in material sustainability matters or performance indicators occur between entities, these are either minor or have been acknowledged in the detailed disclosures.

Time horizons, measurements, and data uncertainty
The analysis of sustainability related matters is organised around three distinct time horizons, as defined by the ESRS standards:

- Short-term: objectives with a time frame of less than one year
- Medium-term: objectives with a time frame of one to five years
- Long-term: objectives with a time frame of more than five years

However, for climate-related issues, the time horizons are different as the sustainability matter is considered to evolve more slowly. Hence, the applied time horizons for climate change are short-term 0-3 years, medium-term 3-10 years, and long-term: >10 years. No deviations from the ESRS definitions have occurred for the completion of the report, ensuring consistency, transparency, and comparability. This classification is consistently applied when setting objectives, analyzing risks and opportunities, and monitoring results.

Data collection primarily relies on primary sources obtained from the operational units of the companies. Where applicable, data from the value chain are also considered to enhance the accuracy and completeness of reporting.

Previous Sustainability Reports and data comparison
This Report represents the first formal attempt for full alignment with the ESRS of the CSRD, while Sidenor, Stomana Industry and their subsidiaries do not have a direct legal or compliance obligation to adhere to these standards, they are committed to voluntarily implement them to enhance transparency and sustainability in their operations, aspiring to incorporate best practices in sustainability reporting and emphasizing their alignment with the ESRS framework.

In previous years, sustainability metrics were monitored for performance, compliance, risk management and investment documentation purposes. The available historical data was used as a benchmark for trend analysis and comparisons.

While subsidiaries do not prepare separate sustainability reports, their operational performance, including material IROs, feeds into segment-wide disclosures and informs the overall strategy and

risk management framework of the Companies.

Sources of uncertainty in the estimation of results
Most quantitative indicators are based on operational data obtained directly from monitoring systems within the production facilities. In those cases where estimates or value chain data (upstream or downstream) are used -such as for Scope 3 GHG emissions and circularity indicators- this is clearly indicated in the relevant sections of the Statement.

Where actual primary data from the value chain is unavailable, proxies and industry-average emission factors (e.g. DEFRA, Ecoinvent) have been applied. These include assumptions regarding supplier activities, transportation modes, and recycled content inputs. While such estimations are based on recognized methodologies, they may involve inherent uncertainty due to limited primary data availability.

The information presented reflects the most recent and reliable data available at the time of publication, corresponding to the sustainability performance for the year 2024. SIDENOR is committed to continuously improving data accuracy and traceability across the value chain and will enhance disclosures on the magnitude of uncertainty in future reporting cycles.

Information on intellectual property
No information on intellectual property, knowhow or the results of innovation were omitted in the Sustainability statement.

Value chain estimations
Information on value chain has been disclosed in several sections of the Sustainability Statement. The information relates to the description of the Companies' upstream and downstream value chain, the due diligence in the value chain, the indirect Scope 3 Greenhouse gas (GHG) emissions, the resource inflows, the responsible sourcing program, the subsidiaries' product offerings. Any estimations are disclosed along with the respective metrics in the relevant section of the Sustainability Statement.

Project Team: Sidenor S.A., Stomana Industry, and their subsidiaries' Sustainability Team is responsible for collecting and recording all necessary data and information regarding Sidenor S.A., Stomana Industry, and their subsidiaries' performance in the pillars of Sustainable Development. The members of the Sustainability Team come from all departments of the companies.

The development of the Report was carried out with the support and scientific guidance (data collection, evaluation, and writing) of Grant Thornton (www.grant-thornton.gr).

Grant Thornton

Voluntary alignment with ESRS

Sidenor S.A., Stomana Industry and their subsidiaries voluntarily aligned their 2024 Sustainability Statement with the European Sustainability Reporting Standards (ESRS), and the scope of the CSRD Directive (EU 2022/2464).

Double Materiality Assessment-DMA

A Double Materiality Assessment was conducted identifying key environmental and social impacts, financial risks and opportunities, as well as critical business dependencies across their value chain.

Scope 3 GHG emissions

In 2024, the Companies broadened the scope of calculation of Scope 3 GHG emissions to include all 15 categories under the GHG Protocol, identifying 7 as material for reporting.

Strategy, business model, and value chain

Sidenor, Stomana Industry and their respective subsidiaries have developed a cohesive and forward-looking strategy that is aligned with key industrial megatrends shaping the future of the metallurgy and materials sector: circular economy, urbanization, and technological advancement. These trends are integrated across the Companies' business model and operations, from raw material sourcing to final product delivery.

Circular economy

The transition to a circular production model is a strategic priority for the Companies. Steel products are designed for high recyclability and durability, supporting the shift towards a low-emission and resource-efficient economy. As part of their circular economy approach, the Companies focus on the following aspects:

- Maximizing the use of recycled and secondary raw materials in production, to reduce dependency on virgin resources and enhance material circularity.
- Reusing and recovering production waste and by-products through collaboration with companies from various industries such as the construction industry.
- Maintaining high levels of recycled content in final products, with most exceeding 98%, in line with circular product design principles.

Urbanization

The Companies actively contribute to sustainable urban development by providing construction materials that meet strict performance and sustainability criteria.

These include:

- Reinforcing steel bars used in certified infrastructure projects.
- Concrete reinforcing steel and Sidefor prefabricated stirrup cages for high buildings and constructions.
- SD coils and high-strength products tailored for urban regeneration initiatives.

Technological advancement

The Companies continue to invest in technological modernization, automation, and digital transformation, enhancing operational excellence and customer experience.

To advance digitalization and operational excellence, the Companies focus on:

- Adoption of Industry 4.0 technologies across production lines.
- Automated quality control and digital production management systems.
- Smart warehouse operations and logistics monitoring platforms.
- Improved traceability, safety, and customer satisfaction.

The Companies' sustainability approach is structured around the full value chain of their operations, encompassing the sourcing of materials, the manufacturing of steel products, and the delivery of these products to customers. The "Source - Make - Deliver" approach reflects a systemic strategy that integrates sustainable production, responsible consumption, and the creation of environmental and social value across all stages of the business.

Strategy for sustainable development

The sustainability strategy of Sidenor, Stomana Industry and their subsidiaries is directly linked to the core areas of their industrial operations, including steel production, recycling via Electric Arc Furnace (EAF) technology, and regional distribution.

All operational activities are subject to defined sustainability objectives, which are monitored through key performance indicators (KPIs), internal control mechanisms, and external verification where applicable.

The strategy is fully integrated into the business planning process and supports the long-term competitiveness and resilience of the Companies, by aligning sustainability with industrial efficiency, regulatory compliance, and stakeholder expectations.

Key strategic enablers of the sustainability strategy

Strategic pillars and commitments

Focus area	Strategic commitment
 **Circular economy and waste management**	Reduce dependence on primary raw materials and maximize waste reuse and recycling across operations.
 **Climate change and energy**	Commitment to retain low carbon emissions by focusing at enhanced production efficiency and stringent energy consumption controls. Transition to Renewable Energy Sources (RES) when technically and economically feasible.
 **Water management**	Improve water efficiency through strategic infrastructure upgrades, including planned enhancements to the network aimed at reducing losses, and increasing water reusability and recyclability throughout operations.
 **Occupational Health and Safety**	Demonstrate top management commitment to Health & Safety by embedding continuous improvement (PDCA) into the company's sustainability strategy. Align H&S goals with the overall vision, promote a proactive safety culture, and set measurable long-term targets.
 **Responsible sourcing**	Continuously assess top-tier suppliers on various sustainability criteria such as environment, labor and human rights, ethics, and responsible procurement.
 **Training and employee development**	Design and implement customized employee training programs aligned with the companies' performance management framework.

Profile and international activity

Sidenor, Stomana Industry and their subsidiaries stand among the leading producers of steel products in Southeastern Europe and maintain a leading position in the field of steel recycling through Electric Arc Furnace (EAF) technology.

With more than 70 years of experience in the steel industry, the Companies have developed extensive manufacturing capacity and expertise, covering the production and distribution of steel products for both domestic and international markets. The product portfolio includes long and flat steel products, and downstream processing products, offering complete solutions for the needs of the construction, energy, and industrial sectors.

Production is carried out in five industrial facilities, strategically located in Greece, Bulgaria, and North Macedonia, which enhances operational flexibility, a wide geographical cover and the ability to serve customers on a European and international level. Through continuous upgrade of production units, commitment to quality, and the integration of circular economy principles, the Companies actively contribute to the formation of a modern, responsible, and technologically advanced industrial model within the steel manufacturing sector.

The Companies offer a comprehensive portfolio of steel products tailored to the needs of diverse industrial sectors and applications. The solutions provided are of high added value and serve critical uses in construction, transportation, shipbuilding, energy, and mechanical engineering.

Key product groups

Building and construction:
concrete reinforcement systems (SD), rebars and welded mesh, cut-to-length bars, stirrup cages, merchant bars, cut and bent steel, black and galvanized wire ropes, structural steel tubes.

Transportation, automotive and shipbuilding:
hot rolled steel plates, special bar quality steels (SBQs), wire and welding consumables, cast and forged parts for industrial and agricultural applications.

Mechanical applications:
merchant bars, wires and rods for hydraulic cylinders, forged components, and other demanding engineering uses.

Energy networks:
merchant bars, flats, and equal angle sections for high-voltage energy transmission networks, along with high-quality SBQs.

Other markets – mining and tunneling:
steel grinding balls for the mining and extraction industry.

Key markets and customer groups

Sidenor, Stomana Industry and their respective subsidiaries operate across Southeastern Europe, with export activity extending to countries within the European Union, the Balkans, and the Middle East. Key customer groups include:

- Construction companies and infrastructure contractors
- Equipment and component manufacturers for the automotive industry
- Shipbuilding companies and marine equipment manufacturers
- Energy producers and high-voltage transmission operators
- Mining and extraction companies
- Steel traders and distributors

Companies' strategy focuses on delivering sustainable, high-quality, and customized solutions, continuously adapting to market needs, maintaining rigorous quality controls, and fostering close collaboration with their customers.

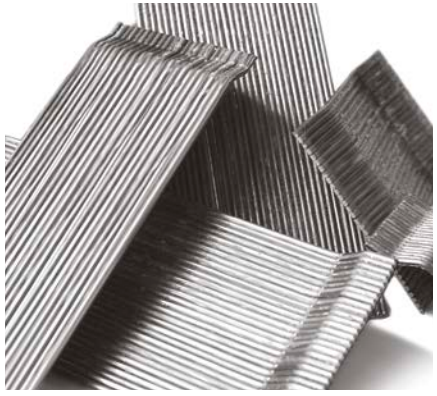
Geographical distribution of production activities and workforce

Sidenor, Stomana Industry and their subsidiaries operate five main production facilities, strategically located across three countries in Southeastern Europe:

Company	Location	Country	Annual production capacity (tn/year)	Main activities
SIDENOR	Thessaloniki	Greece	800,000 (meltshop & rolling mill)	Wire rod, SD concrete reinforcing steel (bars and coils), Casted billets, Merchant bars
SOVEL	Almyros		1,350,000 (meltshop) 1,200,000 (long products rolling mill)	Billets, SD concrete reinforcing steel, SD spooled coils, SD wire mesh, SD stirrup reinforcing mesh, Sidefit special mesh, Sidefor and Sidefor Plus prefabricated stirrup
ERLIKON	Thessaloniki		4,000 (electrodes) 1,300 (steel fibers) 3,000 (copper plated wires) 32,000 (galvanized wires) 40,000 (drawning machines)	Welding electrodes, Copper-plated wires, Galvanized wires, Galvanized steel wire armoring for power cables including, submarine power cables (round and flat wire), Galvanized mesh in rolls and sheets and gabions, Black hard and annealed and bright wires, Concrete reinforcing steel fibres
STOMANA INDUSTRY S.A.	Pernik	Bulgaria 	1,400,000 (meltshop) 600,000 (long products) 400,000 (plate products) 45,000 tons (welded hollow sections)	Hot rolled quarto plates,Special bar quality steels (SBQ), SD concrete reinforcing steel, Steel balls, Continuous cast semi-products (billets, blooms and slabs), Welded hollow sections
DOJRAN STEEL	Nikolic	North Macedonia 	120,000 (long products rolling mill)	Merchant bars, SD concrete reinforcing steel mill, Wire mesh, Double-twist hexagonal mesh (serasanetti), Galvanized mesh in rolls and sheets, Copper coated electrodes

These facilities are supported by 16 distribution centers and 3 ports under exclusive use, enabling efficient product delivery across EU markets, the Balkans, and the Middle East.







ISD




Workforce by geographical area[1]

The Companies' total workforce amounts to 2,462 employees, with the following allocation at the country level:

Company	Country	Number of employees
SIDENOR	Greece (Thessaloniki)	483
SOVEL	Greece (Almyros)	576
ERLIKON	Greece (Thessaloniki)	87
STOMANA INDUSTRY S.A.	Bulgaria (Pernik)	1,043
DOJRAN STEEL	North Macedonia (Nikolic)	273

All employees and workers are continuously trained and play a significant role in implementing the Companies' strategic goals, which are based on technological excellence, operational safety, and sustainable growth.

1. The values include all direct ("employees" as defined in the ESRS guidelines) and indirect employees ("non-employees" as defined in the ESRS guidelines) for the companies under scope. Direct employees (employees) are considered the full and part time employees with permanent or fixed-term contracts, wages-paid, salaried, interns/trainees, Board Members, freelancers, or consultants with a contract through external companies covering permanent needs. Headcount includes all employees regardless of maternity leave, long term absence, unpaid leave. Indirect (non-employees) are the ones that are not paid through company payroll or any other method, but through a third-party provider – covering fixed and permanent needs. The contract with the third-party provider/ contractor should be agreed on mandays/ manhours basis, not on a project basis. The number of both direct and indirect employees is calculated as a monthly average of the headcount, which is then averaged across all months.

Vision

To be the leading producer of steel products through our people and our technological excellence.

Values

- Accountability
- Integrity
- Excellence
- Collaboration
- Innovation
- Lifelong learning

Mission

To ensure safe steel production and deliver value-added services to customers, generate solid returns for investors, foster pride among employees, build lasting supplier relationships, and support environmental sustainability and local community development.

Towards a sustainable future

Sidenor, Stomana Industry and their subsidiaries provide certified, high-quality steel solutions that support critical sectors such as infrastructure, mechanical engineering, transportation, shipbuilding, mining, and energy. Through Environmental Product Declarations (EPDs), the Companies ensure full transparency on product life cycle impacts. This approach reflects our long-term commitment to innovation, responsible manufacturing, and a net-zero economy by 2050.

Sustainable operations and Sustainability-driven value creation

Sidenor, Stomana Industry, and their subsidiaries follow a value creation model based on sustainability, combining industrial expertise, technological innovation, and environmental responsibility. With operations throughout Southeast Europe, the companies develop and provide advanced steel solutions tailored to the evolving needs of the infrastructure, energy, and manufacturing sectors.

At the core of their production model is the use of secondary raw materials that are processed internally using electric arc furnace technology. This enables emissions reduction, a smaller environmental footprint, and alignment with circular economy principles. The products are designed to be durable, fully recyclable, and to support low-carbon value chains.

Beyond production, value is created through continuous investment in innovation, workforce training, and responsible sourcing. The Companies implement environmental product declarations (EPDs), maintain integrated management systems, and adhere to procurement practices that are consistent with sustainability criteria. Their governance model promotes transparency, ethical behavior, and operational excellence.

Procurement and supply chain operations are based on long-term partnerships with suppliers that have been assessed according to sustainability criteria, ensuring resilience, traceability. The facilities are strategically located near key industrial and logistics hubs, enhancing distribution efficiency and proximity to key markets.

How we create value

Megatrends

Circular Economy
- 100% recyclable products without losing properties
- Long duration of useful life

Urbanization
- Sustainable buildings and certification schemes

Technological advancements and operational excellence
- Digitalization
- Industry 4.0
- Participation in EU funding programs

Financial capital
- Financial capabilities
- Investments
- Lending
- Funding

Human capital
- 2,462 Highly specialized employees

Natural capital
- Natural and environmental resources that are necessary for producing all products and services

Social and relationship capital
- Stakeholder engagement
- Key partnerships
- Customer satisfaction
- Educational institutions

Manufactured capital
- Production sites across 3 countries, with an ongoing focus on modernization
- 16 distributions points
- 3 ports

Intellectual capital
- Systems and processes
- R&D, innovation
- Certifications

Strategic risks and opportunities

Business model

Sidenor, Stomana Industry, and their subsidiaries deliver integrated solutions and added-value steel products, contributing to a circular economy.

Value proposition

The companies add value by ensuring customer satisfaction through the provision of sustainable solutions and products. They are dedicated to investing in the development of innovative products, cultivating highly skilled human resources, and promoting responsible operations, all contributing to a sustainable future for everyone.

Key markets

- Energy power and network
- Building and construction
- Transportation automotive
- Shipbuilding
- Industrial applications
- Mining and tunneling

Value drivers

- By-products and waste recycling as raw materials from other industries
- High recycled content in products
- Steel is critical for transition to a low-carbon economy
- Sustainability Roadmap
- EPDs
- Profitable growth strategy
- Design of innovative solutions
- Ethics and Corporate Governance
- Return on customer's investment
- Talent and culture
- Integrated Management Systems
- Responsible sourcing

Creating value

for society at large and all stakeholders

Environmental impact

- 92% usage of secondary raw materials
- 18% renewable sources in total energy consumption
- 0.39 tnCO_2e/tn of total production

Societal impacts

- €67.2mil in remunerations and benefits (e.g. incl. life-health & pension insurance programs, summer camps, commuting expenses)
- 16,481 training hours
- 0 fatalities
- 9 R&D and collaboration initiatives
  - €2.9mil in budgeted participation

Economic impacts

- €34.3mil in investments
- €2.5mil in taxes payments
- 278 key suppliers
  - 10% of total spending supports local suppliers (within ~30km perimeter)

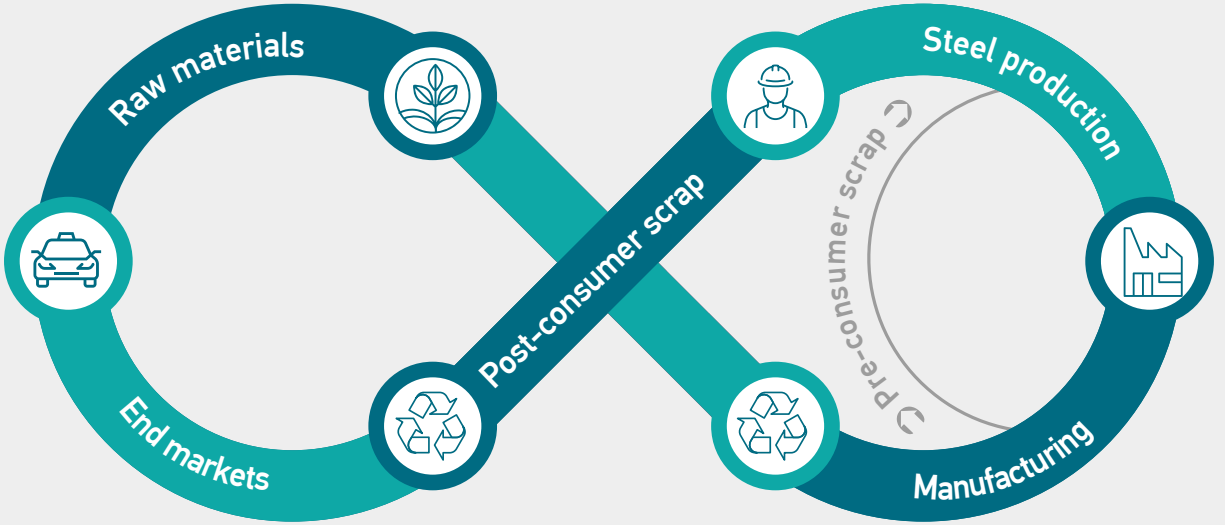
SUSTAINABLE DEVELOPMENT GOALS

Strategic risks and opportunities

Closing the loop in the steel ecosystem

Sidenor, Stomana Industry and their subsidiaries are committed to closing the loop in the steel value chain by embedding circular economy principles throughout operations. Recognizing the versatility and long lifespan of steel, efficient use of raw materials, recycling of post-consumer scrap, and the ongoing improvement of sustainable steelmaking practices are all prioritized.

This approach reduces dependencies on primary raw materials, lowers the carbon footprint, and supports the transition to a low-carbon industrial future. The model ensures that products reaching end markets return to the production cycle through advanced networking, sorting and remelting processes, reinforcing circularity. These efforts generate tangible environmental and economic benefits, both for the industry as well as society, largely fostering resource efficiency, resilience, and long-term value creation.



Value chain

Sidenor, Stomana Industry, and their subsidiaries have developed a fully integrated value chain model, which covers all stages of activity, from the supply of raw materials (upstream) to production (own operations) and the distribution of finished products to customers (downstream). This model ensures operational efficiency, responsible use of resources and a consistent supply of high-quality products.

Upstream (supply):

The upstream phase of the value chain involves the sourcing and management of raw and auxiliary materials from external suppliers. Emphasis is placed on the use of high-quality scrap steel as the primary input material, supporting the circular economy and significantly reducing the dependency on virgin raw materials. Key participants in this stage include scrap suppliers, transporters, general suppliers and intermediary partners that ensure the timely and efficient delivery of materials to the production sites.

Own operations (production):

The own operations phase includes the transformation of sourced raw materials into finished and semi-finished steel products. Manufacturing takes place in five production plants located in Greece, Bulgaria and North Macedonia. This stage is supported by skilled workforce, external partners, and production sites integrated into local economies and contributing to regional development. It is characterized by the integration of Industry 4.0 technologies, lean manufacturing techniques, and advanced operational systems. The aim is to optimize production processes, reduce energy consumption and material losses, and enhance environmental and safety performance across all operations.

Downstream (distribution and use):

The downstream stage of the value chain involves the distribution of finished products to customers and end users. This phase includes the transport, storage, distribution of the products, as well as after-sales technical support, ensuring timely and quality service to the markets in which the companies operate. Emphasis is placed on the responsible and efficient operation of the supply chain, as well as on the continuous evaluation of customer satisfaction, enhancing transparency, reliability and long-term cooperation.

Key participants in this stage include transport companies, commercial distribution networks, end users, manufacturers and dealers. Our downstream approach enhances sustainable development through the responsible supply of high quality and low environmental footprint products suitable for applications in construction, energy, transport, shipbuilding, engineering and specialized infrastructure projects.

Upstream

(External stakeholders)

- Suppliers of raw materials (scrap, alloys, electrodes, consumables)
- Energy and transportation providers
- Providers of technical equipment and machinery
- External partners / logistics providers
- Financial institutions
- Regulatory authorities & public licensing bodies
- Local communities / municipalities
- Academic and research institutions

Own operations

Steel production and processing
(Sidenor, Stomana Industry, Sovel, Dojran Steel)

- Scrap-based steelmaking
- Melting, casting, rolling
- Production of bars, plates, wire rods, reinforcement steel

Welding products (Erlikon)

- Electrodes and welding consumables
- Technical support and industrial applications

Support functions (Group-wide)

- R&D, quality control, engineering
- IT systems, sustainability and admin support

Downstream

(External stakeholders)
Direct customers: Engineering firms, industries, trading companies, consultants

End users:

- Construction
- Energy, networks and infrastructure
- Energy, networks and infrastructure
- Shipbuilding and specialized projects

Distribution networks / representatives
After-sales logistics and support
Partnerships with industrial associations

Source

- Delivery of primary and raw materials
- Steel scrap as primary material
- Other auxiliary raw material

Make

- Processing of raw materials for the production of steel products
- Manufacturing products for a variety of uses
- Disposition of products through a network of carriers
- Limiting losses

Deliver

Use of steel products for:

- Building and construction
- Transportation, automotive
- Industrial applications
- Defence
- Energy, power and network
- Shipbuilding
- Other markets: mining and tunneling

Stakeholder engagement

Sidenor, Stomana Industry, and their subsidiaries regard stakeholder engagement as a fundamental element of responsible business practices and sustainability performance. The creation of long-term value is intrinsically linked to the active participation of stakeholders, defined as all individuals and entities that can affect or be affected by the operations of the companies.

Engagement is approached systematically and strategically, ensuring that the interests, concerns, and expectations of stakeholders are identified, understood, and reflected in both strategic planning and daily business practices. Stakeholder mapping processes and value chain analysis have enabled the companies to identify the main stakeholder groups and assess both the significance and impact of its interactions with each of them. The main stakeholder groups include shareholders, employees, customers, suppliers, local communities and NGOs, governments and institutions, financial institutions, and academic and scientific community. Nature is identified as a silent stakeholder.

A variety of communication channels are used according to the nature of the relationship and the issues at stake. These include satisfaction surveys, bilateral meetings, structured consultations, grievance mechanisms, institutional cooperation platforms and community dialogue forums. All engagement mechanisms are adapted to the characteristics of each stakeholder group to enhance effective interaction and transparency.

Insights gathered through engagement activities are evaluated both qualitatively and quantitatively and are integrated into the Companies' strategic and operational decision-making processes. This continuous feedback loop supports the identification, validation and prioritization of material sustainability matters, and the respective impacts, risks and opportunities, as well as the alignment of the Companies' actions with evolving market and societal expectations and trends.

Engagement outcomes are regularly reported to senior management and relevant governance bodies, ensuring continuous alignment between business strategy and stakeholder expectations. Where necessary, insights from stakeholder feedback inform adjustments to enhance social acceptance, operational resilience, and ensure the continued relevance and impact of sustainability initiatives.

Looking forward, Sidenor, Stomana Industry, and their subsidiaries aim to strengthen stakeholder engagement using digital platforms and targeted consultation initiatives in significant geographical and thematic areas. These improvements are expected to increase stakeholder engagement, inclusiveness and trust, further incorporating stakeholder input into the overall sustainability performance of the companies and its value creation model.

Stakeholder group	Channels of communication	Key topics raised	Impact on operations, business model and strategy
Shareholders	Regular meetings, press releases, reports, corporate websites, social media	Economic growth, market expansion, competitiveness, governance, personal data protection	Enhances transparency and investor confidence, aligns business with governance standards
Employees	Internal platforms (e.g., SAP SuccessFactors), emails, bulletin boards, evaluation procedures, websites, social media	Career development, benefits, private insurance, equal opportunities, occupational health and safety, personal data protection	Improves employee retention, fosters a safe and inclusive work environment, drives operational excellence
Customers	Satisfaction surveys, trade fairs, conferences, direct communication, marketing campaigns, websites, social media	Product quality, certification, service reliability, customer support, regulatory and safety compliance, anti-corruption, data protection	Builds customer trust, ensures compliance, strengthens brand reputation
Suppliers	Procurement and accounting departments, trade events, supplier updates, websites, social media	Fair evaluation, support to local suppliers, market updates, responsible business criteria	Enhance supplier relationships, supports local economy, promotes responsible sourcing
Local communities and NGOs	Collaboration with local organizations, CSR initiatives, stakeholder events, participation in CSR Hellas, websites, social media	Support for local entrepreneurship, cooperation with NGOs, response to community concerns	Strengthens social license to operate, improves community trust and corporate image
Government and institutions	Policy dialogue (via SEV), participation in conferences, public consultations, state surveys, websites, social media	Regulatory compliance, support for exports, alignment with national initiatives, data protection	Ensures compliance, facilitates policy alignment, enhances international competitiveness
Financial institutions	Meetings with companies representatives, websites, social media	Sustainability, liquidity, strategic planning	Supports financial stability and long-term planning
Academic and scientific community	Conferences, partnerships with universities, knowledge sharing platforms, websites, social media	Innovation, research collaboration, internships for students	Promotes innovation, bridges research and practice, supports skills development

Collaboration with research and academic institutions

Sidenor, Stomana Industry and their subsidiaries actively collaborate with academic and research institutions in Greece and abroad, reinforcing their commitment to innovation, workforce development, and sustainability-driven transformation. These collaborations contribute to the Companies' technological advancement, the continuous upskilling of personnel, and the alignment of operations with circular economy principles and Industry 4.0 standards.

The tables below highlights key research collaborations, along with their thematic focus and country of origin, and research projects along with a brief description:

Research centre / institute	Collaboration focus	Country
ELKEME	Product/process development and improvement projects	Greece
National Technical University of Athens (NTUA)	Metallurgical engineering student internships and academic cooperation	Greece
RINA	Industrial trials to minimize wire rod surface defects	Italy
University of Chemical Technology and Metallurgy, Sofia	Training in metallography for laboratory staff	Bulgaria
Institute of Metal Science, Bulgarian Academy of Sciences, Sofia	Technical assistance in special steel processing	Bulgaria
University of Patras	EU FUNDING- HORIZON-CL4-2022-TWIN-TRANSITION-01-01-FLEX4RES/EITM EU FUNDING- ARMM-Predictive Maintenance	Greece
University of Thessaly	Joint research on product development	Greece
Laboratory for Manufacturing Systems and Automation (LMS)	Training and deployment of Industry 4.0 and advanced manufacturing technologies	Greece

Project	Description	Plant
FLEX4RES	Main outcome of the project is to be more resilient and as an industry to become more flexible to tackle any disruptions (e.g. pandemics etc).	Sidenor
CO2TRACE	Emissions management platform in view of the steel industry's significant role in global carbon (11%) and greenhouse gas (8%) emissions.	Sidenor
DETECT	Steel billet Rhomboidity tested before entering the reheating area of rolling mill to assure that the shape will not cause any delays or breakdowns to the stands at the main rolling mill area.	Sidenor
ARMM	AI-driven remote maintenance applications in manufacturing.	Stomana
FLEXINDUSTRIES	Pilot demonstration concerning the re-design, the modification, and control of existing processes in order to adapt optimally to the energy market pricing signals and monetize any existing flexibility into the market auctioning.	Stomana
SLAG2BUILD	The SLAG2BUILD project aims to proof, through the construction and operation of a large demonstrator, that the dry granulation process for the valorisation of Ladle Furnace Slag (LFS) generates a by-product that can effectively replace lime to produce mortars and plasters, hydraulic road binders, and cement diverting millions of tons of LFS from landfilling.	Stomana
LEONARDO	The project aspires to support the aggregation of diverse Energy Management Systems (EMSs) with the aim of optimizing collaborative demand flexibility from industries in physical proximity.	Stomana
Robs4Steel	The proposed solution is expected to address human safety related challenges in steel industry, by proposing the automation of demanding processes that are currently performed by humans.	Stomana

Participation in industry associations and stakeholder networks

Sidenor, Stomana Industry and their subsidiaries actively participate in a wide network of industry associations, chambers of commerce and stakeholder organizations at national and international levels. These memberships support the Companies' strategic engagement with industry developments, regulatory frameworks, innovation platforms and sustainability initiatives. They also facilitate knowledge sharing, policy dialogue and alignment with responsible business practices.

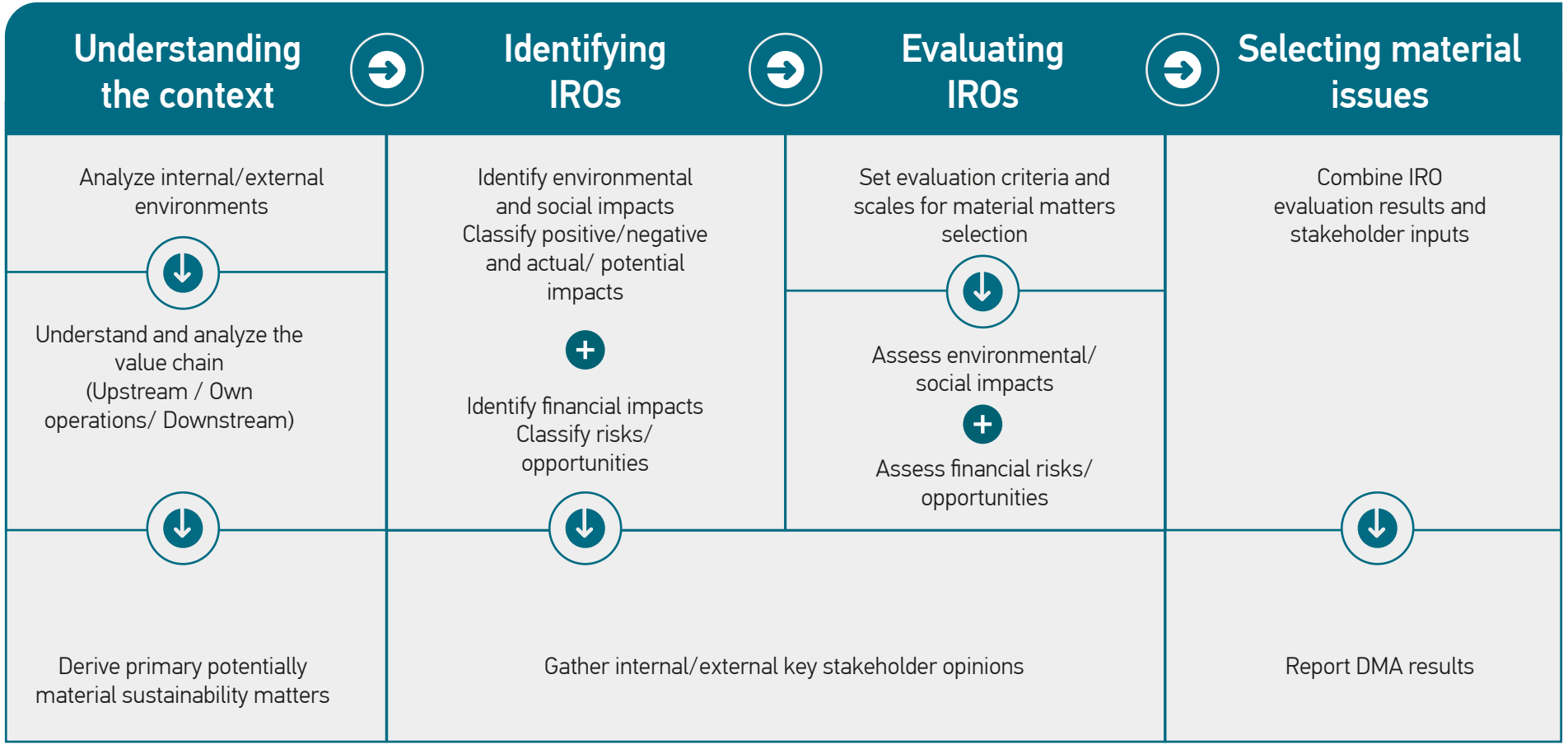
Through their participation, the Companies contribute to the industry dialogue on key issues such as sustainable steel production, recycling and resource efficiency, energy transition, circular economy, trade policy, responsible governance and market competitiveness.

The table below summarizes the main associations and networks in which the Companies are actively involved:

Organization	Scope and Focus
CSR Hellas	Promotion of sustainability and responsible business principles in Greek enterprises.
SEV – Hellenic Federation of Enterprises	National policy advocacy on competitiveness, entrepreneurship, and business regulation.
Athens Chamber of Commerce and Industry (EBEA)	Business development, representation, and stakeholder engagement.
Arab–Hellenic Chamber of Commerce	Promotion of trade and cooperation between Greece and Arab countries.
French–Hellenic Chamber of Commerce	Enhancement of economic relations between France and Greece.
Hellenic Bulgarian Business Council	Strengthening business and trade ties between Bulgaria and Greece.
Bureau of International Recycling (BIR)	Global platform promoting responsible recycling in industry.
BFIEC – Bulgarian Federation of Industrial Energy Consumers	Advocacy on energy policy, with focus on electricity and natural gas markets.
European Welding Association (EWA)	Harmonization of quality and sustainability standards in welding.
EUROFER – European Steel Association	Representation of the EU steel industry and policy advocacy.
SEPAN – Federation of Recycling and Energy Recovery Industries and Enterprises	Promotion of sustainable development in the recycling and energy recovery sector.
UNICEN – Hellenic Union of Industrial Consumers of Energy	Advocacy for industrial energy users and national competitiveness.
ICAP CRIF	Business risk assessment, market intelligence, and sustainability evaluation services.
WORLDSTEEL (World Steel Association)	Global representation of the steel sector, with focus on benchmarking, sustainability, and responsible business conduct.

The Double Materiality Assessment process

In 2024, Sidenor, Stomana Industry, and their subsidiaries conducted their first Double Materiality Assessment (DMA) in line with the European Sustainability Reporting Standards (ESRS). The process aimed to identify and prioritize both existing and potential environmental and social impacts (impact materiality), as well as the risks and opportunities related to sustainability topics that may affect business performance (financial materiality). The DMA was designed to strengthen Companies' strategic planning for sustainable development and align their operations with stakeholder expectations.



Methodological approach

The DMA followed a four-phase structure based on the ESRS and best practices:

1. Understanding the context
An extensive mapping of the value chain (upstream, own operation, downstream) was carried out, covering industrial activities in Greece, Bulgaria, and North Macedonia. The analysis included production facilities, product portfolio, key customer sectors (e.g., construction, energy, shipbuilding, mechanical engineering), as well as external macroeconomic trends. Key stakeholders were identified and categorized, forming the basis for identifying material sustainability topics.

2. Identification of Impacts, Risks and Opportunities (IROs)
Internal workshops and interviews with executives from various business functions were held to assess a long list of relevant environmental, social, and governance alongside emerging risks and opportunities. The evaluation process covered all operations and business relationships, including indirect impacts from suppliers and customers. The topics were drawn from ESRS 1 (par. AR16)[2], industry benchmarks, and best practices from similar companies.

3. Assessment and prioritization of material matters
Each material matter was assessed based on predefined criteria such as such as likelihood, scale, scope, severity, and irremediability. The significance of impacts was examined for both actual and potential effects, while financial significance was assessed based on the expected impact on revenue, costs, reputation, and operational performance. A scoring system was applied to support the prioritization. Key focus areas included energy efficiency, use of recycled raw materials, greenhouse gas emissions, water use, and employee health and safety.

Based on the previously defined scoring criteria, a sustainability matter was deemed material from an impact perspective, from a financial perspective or from both, when the average score -reflecting the type of impact (e.g. negative or positive, actual or potential), its severity, and/or likelihood- exceeded a predefined threshold.

4. Selection and integration
The final list of material matters was incorporated into the Companies' Sustainability Statement and used to support risk assessments, target setting, and control mechanisms. Afterwards, the executive management of the Companies validated and approved the results of the DMA. Although full strategic integration is ongoing, some sustainability matters (e.g., energy management) are already being monitored operationally. The companies are committed to gradually aligning all internal planning processes with the results of the DMA.

Key dependencies

During the assessment, special emphasis was placed on the relationships between sustainability-related impacts (both positive and negative) and the financial risks or opportunities these may generate. In addition, the analysis highlighted key dependencies that are critical to the Companies' business continuity and performance, including:

- The availability and cost of energy, especially electricity and natural gas for steel production operations.
- Access to clean water in sufficient quantity and quality, which is essential for cooling and recycling processes.
- Stable and affordable supply of steel scrap, as a core input material in the circular production model.
- The presence of a skilled and adequately trained workforce, necessary for safe and efficient operations.

Likely disruptions in any one of these areas could affect operational stability, regulatory compliance, cost structure, or reputation. Therefore, these dependencies are actively monitored and embedded in the Companies' risk management practices and strategic decision-making processes.

Key Dependencies	Description	Link to IROs
Energy supply	Steel manufacturing operations depend heavily on stable and affordable electricity and natural gas supply, especially due to the use of Electric Arc Furnace (EAF) technology.	Related to GHG emissions, energy consumption, and financial risks such as increased energy prices due to climate policies, ETS, and CBAM.
Water availability	Operations rely on a consistent supply of clean water for cooling, processing, and other critical functions. Water reuse and efficiency are key to ensuring operational continuity.	Closely linked to environmental impacts (e.g. water withdrawal), risks from water scarcity, climate change adaptation challenges, and cost increases related to water recycling.
Secondary raw materials	High dependency on scrap steel and other recyclable materials as input due to the use of EAF technology, which reduces the need for virgin raw materials.	Positive environmental impact (circular economy), reduction of natural resource extraction, and dependency on recycling market conditions and scrap availability.
Human capital	A skilled, trained, and safe workforce across all production sites and regions of operation is necessary for operations.	Related to social impacts and risks such as health and safety in the workplace, accidents, and financial impacts due to reduced productivity from insufficient training or upskilling.

2. https://xbrl.efrag.org/e-esrs/esrs-set1-2023.html#d1e134-3-1

Input parameters to the Impact, Risk and Opportunity Assessment process

The assessment was supported by value chain mapping, internal performance data (e.g., energy, emissions, water), regulatory analysis (e.g., EU Taxonomy, ESRS), and industry benchmarks. The use of both qualitative and quantitative criteria ensured the completeness and consistency of the evaluation across all segments of the business.

Material impacts identified through the Double Materiality Assessment

The table below summarizes the material impacts identified through the Materiality Assessment, along with the value chain (upstream, own operations, downstream) analysis.

ESRS	Impact from operations	Description	Impact type
E1	Climate change and energy	**Consumption of non-renewable natural resources (energy consumption)** Use of non-renewable energy leads to higher emissions and resource depletion, increasing climate impact and exposure to transition risks. Mitigation requires energy efficiency and renewable solutions.	Actual negative (Short, medium, and long-term) ← ● →
		Release of GHG emissions (Scope 1,2,3) Steel production remains energy- and emissions-intensive due to high electricity and natural gas use, with significant impact in carbon-intensive regions, despite lower Scope 3 emissions from EAF technology.	Actual negative (Short, medium, and long-term) ← ● →
E3	Water management	**Water withdrawal** High water consumption may strain local resources in water-scarce areas, highlighting the need for sustainable water management to reduce environmental and social impacts.	Actual Negative (Short, medium, and long-term) ●
E5	Circular economy	**Reduce needs for primary raw materials** Through high-volume scrap recycling using Electric Arc Furnace technology, demand for virgin raw materials is significantly reduced, contributing to resource conservation, and supporting the circular economy.	Actual positive (Short, medium, and long-term) ●
S1	Occupational Health and Safety	**Accidents in the workplace** Workplace accidents across the value chain may cause serious harm, particularly in heavy industry. Strong safety measures are essential to protect workers and prevent incidents.	Actual negative (Short, medium, and long-term) ← ● →
S2	Human Rights - Value chain	**Human rights violations in the value chain** Potential violations of human rights in the in the value chain, such as unsafe working conditions or treatment, can negatively impact worker well-being and the Companies' reputation, especially in regions with weak legal frameworks.	Potential negative (Short, medium-term) ← →
G1	Responsible sourcing	**Improper/absence of due diligence procedures in the supply chain** Inadequate due diligence in the supply chain can lead to serious social (e.g., child labor, unsafe conditions, unfair wages) and environmental impacts (such as deforestation and biodiversity loss), particularly in areas with low compliance standards.	Potential negative (Short, medium-term) ←

← Upstream, ● Own operation, → Downstream

Risks identified through the Double Materiality Assessment

The table below summarizes the key risks (R) identified through the Materiality Assessment, along with the value chain (upstream, own operations, downstream) analysis.

ESRS	Risk	Description	Classification
E1	Climate change and energy	**Increase in energy prices due to climate change policies** Decarbonization and renewable energy sources integration increase energy variability and costs, affecting operating expenses.	Risk (medium term) ●
		Effect of ETS The gradual reduction of free EU Allowances from 2026 will increase carbon costs. This directly affects steel production. Energy efficiency actions are considered to mitigate financial impact.	Risk (medium term) ●
		Carbon taxes (CBAM) CBAM may affect competitiveness due to potential circumvention of taxes by importers of competitive products. Companies are working with the EU and industry to ensure fair implementation and mitigate market distortions.	Risk (medium term) ●
E3	Water management	**Water availability** Water scarcity due to climate change may disrupt production continuity and increase operational costs, especially given water's critical role in the steel manufacturing processes. The Companies monitor consumption and invest in recycling and reuse solutions to mitigate the risk.	Risk (short, medium and long-term) ●
S1	Employee training and development	**Reduced productivity due to lack of training** Insufficient employee training reduces workforce efficiency, leading to lower output, higher error rates, and reduced product quality, directly impacting profitability and long-term operational performance. The Companies must prioritize employee development and training to remain competitive and meet evolving industry demands.	Risk (medium term) ●

← Upstream, ● Own operation, → Downstream

Impact of material negative and positive impacts on people and the environment

Through the DMA, companies have identified several material impacts on sustainability, with negative and positive consequences for people and the environment. The most significant environmental impact originates from the consumption of energy from non-renewable sources and the consequent GHG emissions. Additional impacts originate from water withdrawal for industrial use and potential weaknesses in responsible upstream sourcing. These impacts are linked to climate change, local water scarcity, and potential ecosystem degradation. From a social perspective, incidents related to occupational health and safety, particularly at production facilities, pose a risk of serious and irreversible consequences for workers. In addition, human rights risks in the value chain, particularly in areas with limited legal protection, may negatively affect the well-being and dignity of workers.

On the positive side, the Companies' strategic use of Electric Arc Furnace technology and recycling of large volumes of steel scrap significantly reduces dependency on raw materials. This practice supports resource efficiency, contributes to the circularity of the sector, and leads to reduced environmental burden from the perspective of extraction activities and emissions.

The Companies have established initiatives and targets for material topics that are further analyzed within the following sections. For material topics such as climate change and energy, water management, circular economy, or employee training and development, where no specific targets or forward-looking action plans currently exist, the absence may be due to ongoing policy development or low expected performance variability. In all areas the decision to publish or not actions and targets reflects the current stage of strategic planning and capacity development. SIDENOR's reporting remains aligned with best practices in transparency: any material matter identified through the double materiality assessment -whether in the environment, social, or governance domains- is addressed through qualitative and/or quantitative disclosures, and the presence or absence of forward-looking planning instruments is disclosed openly to stakeholders.

Connection of material impacts to the Companies' strategy and business model

The material impacts identified are directly linked to Sidenor, Stomana Industry and their subsidiaries' strategic approach and core business model, which is centered around steel manufacturing using Electric Arc Furnace technology. This process enables lower Scope 1 emission compared to traditional blast furnace-based routes, by relying on secondary raw materials and supports a circular, resource-efficient economy, and contributes to lower Scope 3 emissions across the value chain. However, this model also entails significant dependence on a stable supply of electricity, clean water, and a reliable flow of recycled waste.

At the same time, global supply chains, particularly upstream partnerships, both within and outside the EU, expose activities to substantial risks related to labor rights, compliance with environmental requirements, and weak governance frameworks. These risks require the implementation of a robust due diligence and monitoring mechanisms.

Furthermore, dependence on a skilled and safety-conscious workforce means that social impacts, such as training, health, and worker safety, are critical to operational effectiveness and the achievement of long-term strategic goals.

Description of the nature of activities or business relationships through which the Companies are involved with material impacts

The material sustainability impacts arise from core operational activities and value chain relationships. These include:

- Industrial steel production, a process inherently linked to high electricity and thermal energy consumption, with resulting GHG emissions (Scope 1 and 2).
- Sourcing and utilization of raw materials, particularly steel scrap and auxiliary materials sourced globally, may carry embedded environmental and social risks.
- Water use in production facilities for cooling and processing purposes, a key operational dependency in regions facing growing water stress.
- Employment and subcontracting arrangements, both within the Companies' direct operations and across upstream and downstream partners, especially in countries with weaker regulatory enforcement.
- Business relationships with upstream partners, which may lack strong governance frameworks on labor rights and environmental protection, potentially exposing the Companies to human rights, compliance, and reputational risks.

These activities constitute the operational interface through which Sidenor, Stomana Industry and their subsidiaries create value, while also directly links to the most significant sustainability impacts.

Current financial effects of material risks and opportunities on financial position, performance, and cash flows

The financial effects of material sustainability risks and opportunities are already evident across the operations of companies. Key current financial impacts include:

- Energy cost volatility and carbon pricing mechanisms (e.g., EU ETS), which directly affect production costs, margins, and cash flows, particularly in energy-intensive manufacturing sites.
- Water-related risks, where increasing scarcity or rising treatment and recycling costs may lead to elevated operational expenditure and impact continuity in water-dependent processes.
- Productivity constraints, particularly where insufficient

investment in workforce training and upskilling has contributed to lower efficiency, increased quality control issues, and cost overruns.

Resilience of the strategy and business model in terms of its ability to manage significant impacts and risks and opportunities

Sidenor, Stomana Industry and their respective subsidiaries have developed a resilient business model based on long-term value creation for all stakeholders. Their strategy incorporates sustainability at the core of steel operations, emphasizing responsible production, innovation and continuous stakeholder engagement.

The ability to respond to material environmental and social impacts is reflected in the operating model, which focuses on improving energy efficiency, the cyclical use of materials and the continuous upgrading of production facilities. This approach contributes to mitigating climate change-related transition risks (such as energy price volatility, ETS and CBAM implementation) while enhancing operational efficiency and competitiveness.

Resilience is also supported by solid partnerships with suppliers and public bodies, active engagement with local communities, and investments in human capital development and empowerment in response to relevant human capital risks. The strategic focus on innovation, flexibility in response to changing market trends and quality customer service enhances the ability to leverage on emerging sustainability-related opportunities, such as the growing demand for "green steel" and compliance with EU requirements.

Through this integrated approach, the Companies ensure their ability to mitigate and adapt to sustainability risks, maintain value creation and enhance their strategic flexibility in the face of regulatory, environmental and social challenges.

Governance

The role of the administrative, management and supervisory bodies

Sidenor Steel Industry, Stomana Industry and their subsidiaries have separate Boards of Directors / Administrators, responsible for overseeing their operations within the steel segment.

The Boards of Directors of Sidenor and Stomana Industry supervise the strategic direction of their respective subsidiaries, aiming to promote the long-term interests of the organizations and their stakeholders. The key responsibilities of the Boards include evaluating the effectiveness of corporate governance principles and decision-making processes, and overseeing a range of critical activities.

Regular meetings of the Boards ensure that the initiatives implemented align with the parent company's principles, policies, and overall strategy, addressing responsibilities and issues relevant to them. The respective Boards are tasked with overseeing all matters related to governance.

All Board members/Administrators possess the expected expertise relevant to the respective company's core areas of activity. These include the production, processing, and trading of steel products. Each Boards' expertise also extends to the geographic regions in which they operate, with a particular focus on Greece and Southeastern Europe.

With regard to sustainability-related impacts, risks, and opportunities (IROs), each Company has formed a dedicated Sustainability Team, coordinated by a Sustainability Coordinator, responsible for driving the sustainability agenda and ensuring internal alignment across departments. Members of these teams are drawn from across all departments of each Company, enabling a comprehensive understanding of sustainability performance for all material sustainability matters. The teams are tasked with collecting, recording, and evaluating relevant sustainability data, monitoring regulatory trends, and supporting the integration of sustainability principles into business practices.

In addition to company-level teams, more specialized teams operate at the plant level, focusing on specific sustainability topics through technical expertise. These include Environmental Teams, which are responsible for environmental compliance and performance monitoring, and Human Capital Development Teams, which promote workforce well-being, training, and inclusion. These teams support the structured identification and management of material IROs at the operational level.

At segmental level, representatives from the steel companies actively participate in the Sustainability Steering Committee of the affiliated company Steelmet SA, a strategic governance body that guides sustainability initiatives across the steel segment.

The above governance structures are complemented by internal controls and reporting procedures, which are embedded into the Companies' governance and risk management systems. These ensure that sustainability-related IROs are consistently monitored, escalated where necessary, and factored into strategic decision-making processes.

Target setting for material sustainability matters is led by the executive managers of the Companies, following proposals and technical input from the Sustainability Teams and plant-level specialists. Progress against sustainability targets is reviewed in dedicated executive sessions and contributes to performance evaluations at the senior management level.

The following tables provide information on the management bodies of Sidenor and Stomana Industry.

Composition and diversity of the Board of Directors of Sidenor	
Number of Board members	12
Number of executive Board members	6
Number of non-executive Board members	6
Representation of employees and other workers	There is currently no employee representation
Percentage of women on the Board	0%
Percentage of men on the Board	100%
Average ratio of female to male Board members	0 women :12 men
Percentage of independent Board members	0%

Composition and diversity of the Board of Directors of Stomana Industry	
Number of Board members	9
Number of executive Board members	3
Number of non-executive Board members	6
Representation of employees and other workers	There is currently no employee representation
Percentage of women on the Board	0%
Percentage of men on the Board	100%
Average ratio of female to male Board members	0 women :9 men
Percentage of independent Board members	0%

Integration of sustainability-related performance in incentive schemes

Sidenor, Stomana Industry, and their subsidiaries have linked executive management variable compensation packages to key sustainability-related objectives, incentivizing high performance and reinforcing the importance of sustainability across the organization. Recognizing the critical role of senior management in advancing sustainability initiatives, dedicated incentive schemes have been established, covering 20% of variable compensation.

For the three-year period between 2022 and 2024, the focus areas were health and safety improvements and environmental responsibility. Performance on environmental responsibility was evaluated using a set of indicators related to environmental management, environmental training and goal setting, and pollution prevention measures. Regarding health and safety, the incentive plan targeted the implementation of capital expenditure projects, development of health and safety competencies, safety governance practices, and the rollout of several high-priority standard operating procedures. Performance is assessed against clearly defined targets, which are based on the current performance of the subsidiaries in these areas.

The sustainability-linked variable compensation scheme is reviewed and adjusted annually, as needed, based on prior years' experience, current objectives, and relevant industry benchmarks. In this way, it is ensured that these schemes are aligned with clearly defined Key Performance Indicators (KPIs) and targets, industry best practices, and a framework that enables gradual, measurable progress over time.

Statement on due diligence

Sidenor, Stomana Industry, and their subsidiaries have embedded sustainability-related due diligence into their overall governance and management systems. During 2024, all their relevant policies, covering environment, energy and climate change, health and safety, labour and human rights, business conduct, and responsible sourcing, were updated to reflect the latest sustainability developments and to meet the ESRS framework's requirements.

Due diligence activities are coordinated in close collaboration with professionals from Steelmet. Experts from Steelmet's Sustainability Department carry out regular audits and on-site assessments at each production facility, including at least one comprehensive audit annually. These reviews cover key environmental topics and occupational health and safety. Evaluation is based on custom-designed assessment scorecards, adherence to internal procedures, and defined sustainability performance indicators. Corrective actions are determined according to the severity of risks, the nature of identified impacts, and available resources. These actions are implemented within defined timeframes. Company representatives are engaged throughout the due diligence process, including during structured business reviews that assess key sustainability impacts, risks, metrics, and progress on improvement measures. This ensures senior-level accountability and ongoing performance enhancement.

A dedicated human rights due diligence (HRDD) process has also been adopted and was further implemented in 2024. This includes internal human rights risk assessments and the application of mitigation measures. In the context of supply chain due diligence, companies apply a Suppliers' Code of Conduct and assess supplier sustainability performance through external evaluations carried out by EcoVadis. These evaluations cover criteria including environment, human rights, ethics, and responsible sourcing. Where risks are identified, appropriate mitigation measures are undertaken to address potential impacts on sustainability performance.

External auditors also conduct annual assessments of environmental, energy, and health and safety practices as part of the management system certification process.

Risk management and internal controls over sustainability reporting

Sidenor, Stomana Industry, and their subsidiaries are committed to identifying risks related to their respective sector by leveraging the holistic risk management system. They implement internal control processes to ensure the reliability and integrity of sustainability-related data and reporting. These processes cover the identification and assessment of risks such as the completeness and consistency of reported data, the accuracy of estimation methodologies, the availability and timeliness of information from upstream and downstream value chain partners, and alignment with sector-specific best practices.

To collect all the sustainability related data, a specialized cloud-based IT system with limited access rights is used to ensure that only authorized personnel can enter, modify, or review the data. The internal controls in place guarantee the accuracy and reliability of the collected data, which is crucial for the completeness, clarity, and comparability of sustainability disclosures. By maintaining robust internal

controls, the Segment ensures that its sustainability report presents information in a coherent manner, explaining the context and connections between related information. Such coherence becomes essential for stakeholders to understand the Companies' sustainability-related impacts, risks, and opportunities, and provides a comprehensive view of how sustainability initiatives contribute to the overall performance of the company. Furthermore, these internal controls support the transparency and accountability of the reporting process and enhance stakeholders' trust in the disclosed information. This approach not only improves the quality of the sustainability report but also aligns with commitment to continuous improvement and adherence to best practice in sustainability.

Overview of risk management approach

The Companies recognize that risk management is crucial, as it safeguards financial stability, ensures operational robustness, and as a result may protect its reputation. Due to the specifics of products and services, Sidenor, Stomana Industry and their subsidiaries follow a clear path of actionable steps, where potential risks are identified in advance, allowing for preventive actions to minimize any likely impact as well as to reduce the possibility of exposure.

The Management Team regularly reports on business risks and challenges to the Companies' Executive Management. They provide the Board and the Audit Committee with a detailed business review that analyzes risks and challenges. Alongside all business risks each subsidiary also identifies, assesses, and manages climate-related risks and opportunities across operations.

A more detailed analysis of IROs that Sidenor, Stomana Industry and their subsidiaries have recognized on a voluntary basis, is presented in ESRS 2. The management and specific actions related to each IRO, can be found in the separate sections of the current Sustainability Statement (for example E1 section, S1 section etc.).

Sidenor, Stomana Industry, and their subsidiaries follow a standardized data collection procedure and implement consistent methodologies for collecting sustainability data. All Key Performance Indicators (KPIs) are clearly defined in line with the relevant ESRS standards. The information is collected and verified by the subsidiaries on a regular basis and reported centrally on an annual or semiannual basis. The sustainability teams of each subsidiary ensure the accuracy and reliability of the data, maintaining detailed records and supporting documents for all data points reported, ensuring transparency and traceability.

Regular internal reviews by the sustainability teams of the subsidiaries are conducted to ensure the accuracy and completeness of the data prior to submission. In addition, training and workshops, with the participation of all employees involved in sustainability data collection and reporting, are conducted at least twice per year. This ensures the alignment between internal procedures and external reporting requirements.

All companies under the scope of the current Statement operate within an economic and social environment marked by a range of risks, both financial and non-financial. In response, procedures for identification, control, and the management of such risks are established. The main categories of non-financial risks encountered include environmental risks and risks related to occupational health and safety. Management considers the timely identification and response to such risks to be of critical importance, as they may directly or indirectly disrupt operations. The Internal Operating Regulation adopted by the Group clearly defines key risk areas and outlines specific procedures developed in accordance with the Principle of Prevention, regarding health, safety, and environmental issues.

Furthermore, as part of the certified Management Systems implemented, an annual assessment of relevant risks is conducted. To mitigate both the likelihood and potential impact of such risks, preventive measures are adopted, programs and initiatives are designed and implemented, while performance is monitored using established indicators in the areas of quality, environment, and occupational health and safety.


Strong by Nature,
Sustainable by
Design

Highlights

Our contribution to the United Nations Sustainable Development Goals

>90%

secondary raw materials input

100%

ISO 14001 and ISO 14064 certified facilities

98%

product recycled content

>90%

of produced waste diverted from disposal

Scope 3 Emissions Reporting: broadened the calculation of Scope 3 GHG emissions to all 15 categories of the GHG Protocol

80%

lower GHG emissions intensity compared to iron ore routes

Our path to environmental sustainability

Sidenor, Stomana Industry and their subsidiaries recognize sustainability as a key factor in their long-term success and resilience. They consistently implement measures to ensure their products meet customers' needs and exceed their expectations, while protecting the environment in which they operate. In 2024, the Companies carried out a double materiality assessment, mapping their value chain and identifying which aspects of their business model interact with the environment, assessing potential impacts, risks and opportunities related to the ESRS topics. The impacts, risks and opportunities identified through double materiality assessment are presented on the right.

The companies Sidenor, Sovel, and Stomana have additionally conducted life cycle assessments (LCAs) for a selected range of their products, in accordance with the ISO 14025 and EN15804 standards. This life cycle assessment has been externally verified, and the results were compiled and published in an Environmental Product Declaration (EPD). This process highlights the Companies' commitment to transparency in identifying and reporting the impacts of their products, while also facilitating sustainability solutions.

Climate change and energy use

Impact:	Type:	Time horizon:	Impact:	Type:	Time horizon:
Energy consumption	Actual Negative	Short, medium, long-term	GHG emissions	Actual Negative	Short, medium - term

Reduction of natural resources and overheating of the planet, mainly driven by human activities, have profound, interconnected, and global impacts. Although SIDENOR produces steel with a conservation of energy up to 90% compared to traditional iron ore routes, because of the utilized technology, it strives to further reduce its impact combining profound benefits for the environment with a reduction of the energy cost.

Global warming significantly impacts industries like steel manufacturing, which emits large amounts of CO_2, CH_4, N_2O, and fluorinated gases. Although SIDENOR's production processes emit significantly less CO_2 compared to traditional iron ore routes, it continues to pursue further reductions combining profound environmental benefits with the mitigation of risks related to the cost of carbon allowances.

Water management

Impact:	Type:	Time horizon:
Water withdrawal	Actual Negative	Short, medium, long-term

Water withdrawal could negatively impact operations at municipal or provincial levels as resources become scarcer. Companies may face regulatory pressure or community opposition, making investment in water reuse or alternative sources vital. Remediation efforts like desalination are costly and time-consuming, with added logistical and financial challenges.

Circular economy

Impact:	Type:	Time horizon:
Reduce needs for primary raw materials	Actual Positive	Short, medium, long-term

Scrap and slag recycling recovers by-products from industrial processes, reducing resource use and offering environmental, economic, and social benefits. It cuts the need for virgin resource extraction, conserving natural resources and supporting the circular economy.


Reinforcing
tomorrow
with recyclable steel

The Environmental footprint of our products

Resources

Driving circularity with high secondary raw materials (ferrous scrap) utilization in our production

Processing

Manufacturing

Leveraging Electric Arc Furnace technology for significantly reduced operational environmental footprint

Use

Creating long lasting and durable products

End of life

All products fully recyclable

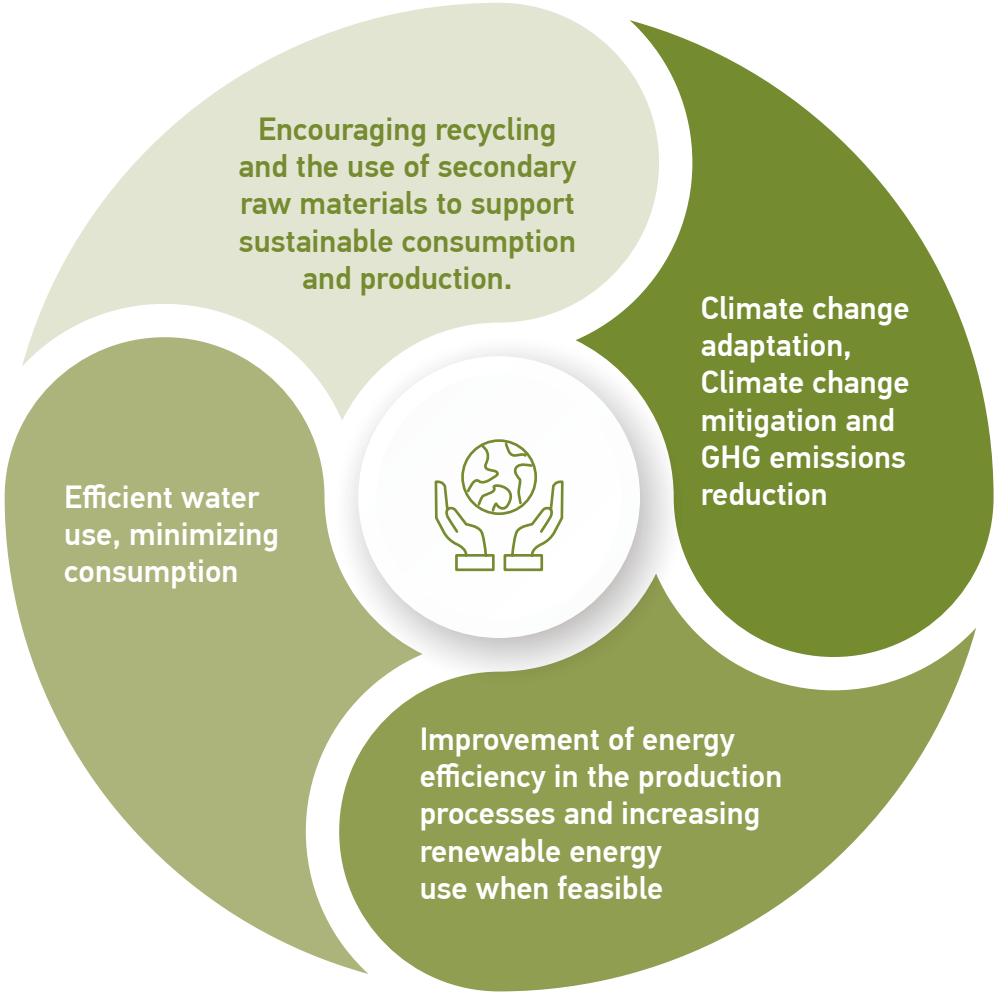
Sidenor plant products

Stomana Industry plant products

Sovel plant products

Our commitments for a sustainable future

In line with their commitment to sustainable development, Sidenor, Stomana Industry and their subsidiarieshave adopted environmental action plans to manage material impacts, risks and opportunities related to environmental topics. The Companies share a set of common commitments, including:



These commitments are developed within the framework of the ISO 14001:2015 management system, with which all Companies are certified. They align with ESRS requirements and contribute to the UN Sustainable Development Goals, covering the Companies' full range of operations. Additionally, the policies have taken into account the interests and concerns of key stakeholders, and they are signed and implemented by the most senior executives of the Companies. To enhance the effectiveness of their implementation, company management communicates the policies internally, and also makes them accessible to relevant stakeholders via their websites[1]. Moreover, the Companies remain committed to reducing their GHG emissions and are evaluating the adoption of a climate transition plan aligned with limiting global warming to 1.5°C, in-line with the Paris Agreement.

The policies followed by the Companies include, among others, commitments to:

- Implement strategies that promote climate change adaptation and mitigation,
- Prioritize sustainable sourcing and use of renewable resources,
- Efficiently use and minimize the consumption of water through increased reuse and recycling, especially in areas at water risk,
- Contribute to good ecological and chemical quality of surface water bodies and good chemical quality and quantity of groundwater bodies, to protect human health, water supply, natural ecosystems and biodiversity,
- Optimize and increase the use of secondary raw materials to reduce reliance on virgin resources, contributing to circular economy goals,
- Manage operational waste according to the principles of the circular economy.

1. https://stomana.com/sustainability/
https://sidenor.gr/en/sustainability/esg-policies/

Climate resilience and mitigation

Sidenor, Stomana Industry and their subsidiaries have recognized climate change as a shared global challenge impacting all industries and economic sectors. Acknowledging the steel industry's vital role in mitigating climate change and supporting the transition to a carbon-neutral economy, the Companies are taking steps to adapt their operations to both physical and transitional climate risks, while also working to reduce their GHG emissions. The Companies identify climate change related impacts through their double materiality assessment (DMA) process. Since 2022, the Companies have followed the TCFD guidelines, using climate scenario analysis to recognize significant physical and transitional risks, as well as opportunities.

The scenarios used to assess physical and transition risks rely on varying levels of greenhouse gas emissions (high and low emissions), and the relevant Representative Concentration Pathways (RCPs) developed by the Intergovernmental Panel on Climate Change (IPCC). The following two scenarios were selected:

- **RCP 4.5/SSP2/Nationally determined contributions – Moderate climate change scenario:** This intermediate scenario assumes GHG emissions peak between 2030 and 2050, followed by a decline that does not achieve net zero by 2100. In this scenario, the transition risks are relatively high, with governments meeting their current commitments to reduce climate impact, while economic development goals are achieved despite a slowdown in the growth of resource and energy consumption. Under this scenario, the climate policy is expected to boost metal demand by approximately 22%.

- **RCP 8.5/SSP5/Current policies – High climate change scenario:** This scenario assumes emissions continue to grow through 2100, with CO_2 emission tripling by 2075 compared to 2020. Although transition risks are relatively low in this scenario, because most countries implement limited policies and measures to reduce GHG emissions, the physical risks remain high leading to potential risks for selected Companies. Demand for metals remains strong in all cases, driven by population and GDP growth.

These scenarios are considered the most representative of the potential range of outcomes that climate change may have on the organizations' operations and assets. The analysis focused on the Companies' own operations and locations, while transitional risks were assessed within particular segments of the Companies' value chain. The time horizons considered were categorized as short term, representing periods of less than 5 years from the present, medium term as periods of 5-10 years and long-term covering periods of more than 10 years. The Companies chose to analyze their climate-related risks and opportunities up to 2050, considering the long-life cycle of their assets and their business planning.

The resilience analysis involved categorizing the identified climate-related hazards by combining their likelihood, magnitude, and duration. Based on the aforementioned methodology, the most significant climate-related identified risks and opportunities are:

Type	Description of Risks (R) and Opportunities (O)		Time horizon	Impact and management
Transition, market	R	Increase in energy prices due to climate change policies	Short/medium term 0-10 years)	Higher production cost due to the increase of the electricity price resulting from increased RES contribution and energy storage and higher cost of carbon allowances.
Transition, policy and legal	R	Carbon taxes (CBAM)	Short/medium term 0-10 years)	Potential for lack of competitiveness due to circumvention of taxes by importers of competitive products.
	R	Effects of ETS		Gradual increase of shortage regarding EU Allowances in 2026.
Physical, acute	R	Adverse weather events (flooding due to heavy rainfall)	Long-term (10+ years)	Adverse weather events (such as extreme low/high temperature, flooding due to heavy rainfall, heavy snowfall) may lead to significant disruptions in the production process, supply chain and transportation routes, and customer deliveries.
	R	Adverse weather events (heatwave)		
Physical, chronic	R	Water availability	Long-term (10+ years)	Increased electricity consumption for full recycling of water will increase cost. Shortage of water may hinder the company's production activities resulting from the changes in precipitation patterns in the long run due to climate change and warmer temperatures.
Energy source	O	Leverage energy price fluctuations in prices from RES	Medium term (5-10 years)	The steel segment has increased flexibility in intermittent operation, making it suitable for the intermittent production of RES. As such the steel segment subsidiaries can take advantage of the price fluctuations that arise from wider renewables deployment and operate during more favorable hours.

The transition risks are related to the increase in energy prices, carbon taxes and the impact of the European Union Emissions Trading Scheme (ETS) alongside the CBAM regulation. The physical risks are related to adverse weather events, and water availability expected to impact the Companies after 10 years (long-term). Finally, the analysis has also identified an opportunity related to energy prices and the fluctuation of renewable energy source (RES) prices. The opportunity lies in the flexible scheduling of steel production to align with the intermittent production of RES, making it possible to operate during more favorable hours, which results in both economic and environmental benefits.

The following table provides a breakdown of the risks and opportunities segmented by time horizon and scenario.

Type	Description of Risks (R) and Opportunities (O)		RCP 4.5 /SSP2-4.5		RCP 8.5 /SSP5-8.5	
			2030	2050	2030	2050
Transition, market	R	Increase in energy prices due to climate change policies	**High**	**High**	**Low**	**Low**
Transition, policy and legal	R	Carbon taxes (CBAM)	**Low**	**Low**	**Low**	**Low**
	R	Effects of ETS	**High**	**High**	**Low**	**Low**
Physical, acute	R	Adverse weather events (flooding due to heavy rainfall)	**Low**	**Low**	**Low**	**Low**
	R	Adverse weather events (heatwave)	**Low**	**Low**	**Low**	**Low**
Physical, chronic	R	Water availability	**Low**	**High**	**High**	**High**

The results reveal that energy prices, the effect of ETS, and water availability risks appear to be most impactful in the RCP 4.5 scenario while in RCP 8.5, water availability appears to be the most dominant risk. This is due to the water-intensive nature of the industrial sector, which could lead to potential disruptions to water supply and negatively impact plant operations.

Sidenor, Stomana Industry and their subsidiaries, through their holistic approach and the constant initiatives and measures they implement within the framework of the TCFD and associated environmental management systems, manage to effectively adapt and adjust their strategy to the challenges posed by climate change, highlighting the resilient business model they have implemented. Moreover, through the analysis conducted, no assets or business activities have been identified as incompatible or need significant efforts to be compatible with the transition to a climate-neutral economy.

Our initiatives for a climate neutral Future

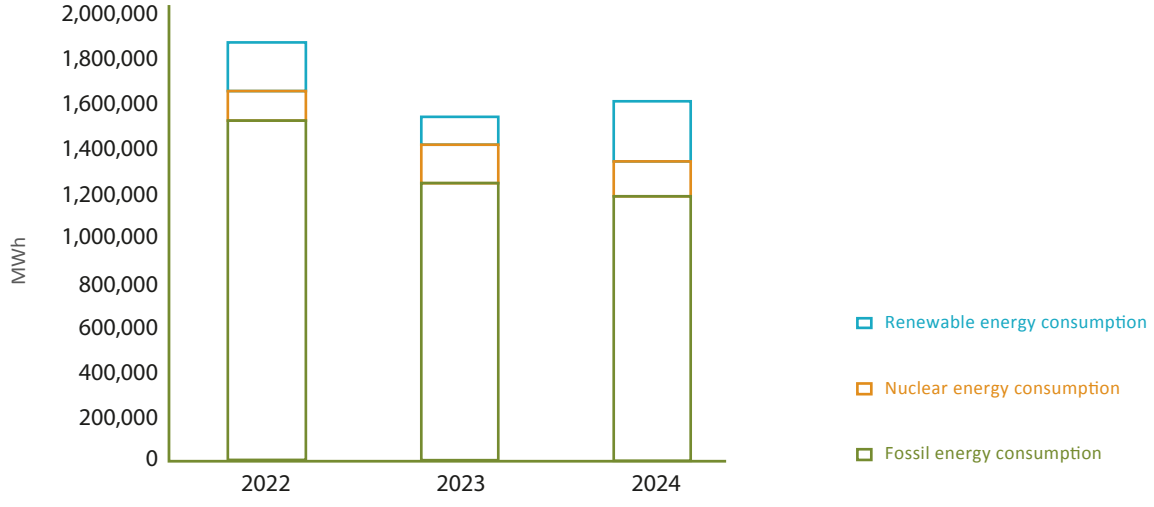
To mitigate the negative impacts identified through the double materiality assessment (as shown in the relevant tables in pages 33-34) relating to the consumption of energy from non-renewable sources, the industrial plants are implementing an externally certified Energy Management System according to ISO 50001:2018, while Sovel, Stomana, Dojran, and Sidenor plants have additionally conducted external energy audits. Through their developed framework, the Companies monitor their energy performance and continuously implement action plans to improve their energy efficiency. More specifically, since 2006 the plants have installed an Electric Arc Furnace (EAF) which is recognized as the Best Available Technique by the EU. The EAF utilizes electricity to generate heat via electric arcs between graphite electrodes, enabling the factory to adjust its operating hours. This advanced technology provides increased operational efficiency compared to traditional blast furnace technologies which typically require continuous operation. Additionally, the electricity used by EAF enables the deployment of renewable energy, while traditional blast furnaces utilize thermal energy from fossil fuels. Furthermore, the Stomana plant has switched natural gas/air combustion to a more efficient natural gas/oxygen system to preheat ladles, leading to annual savings of approximately 436,000 Nm^3 of natural gas.

Recognizing the importance of deploying renewable energy, Dojran Steel has installed solar panels with a capacity of 4.1 MW. This measure, in 2024, reduced the plant's electricity consumption from the grid by 4,183 MWh and its GHG emissions by 2,175 tn CO_2e. Furthermore, in 2024, Sovel has engaged in a Power Purchase Agreement (PPA) for the procurement of renewable electricity from specific PV and wind farms, actively reducing its GHG emissions. Through the contract, the company procured over 60,000 MWh of electricity, reducing its Scope 2 emissions by over 23,000 tn CO_2e. These measures enable the Companies to effectively manage their identified impacts, risks and opportunities, with no further actions or targets planned for 2024.

Energy management

In the years 2022-2024, most of the Companies' energy consumption was attributed to electricity used at their facilities. The figure below illustrates the breakdown of the total energy consumption by energy source. Between 2023 and 2024, the Companies' renewable energy consumption increased by over 100%, representing 18% of their total energy consumption, while fossil fuel consumption decreased over the same period. The efficiency of the Companies' approach is also highlighted by the decrease in energy intensity, which fell by 9.6% in 2024 compared to 2023.

Breakdown of energy consumption by source



Energy consumption and mix*	Unit	2022	2023	2024
(1) Fuel consumption from coal and coal products	MWh	0	0	0
(2) Fuel consumption from crude oil and petroleum products	MWh	12,256	11,211	15,292
(3) Fuel consumption from natural gas	MWh	617,917	490,837	503,644
(4) Fuel consumption from other fossil sources	MWh	128	97	98
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	MWh	880,032	738,544	666,339
(6) Total fossil energy consumption	MWh	1,510,333	1,240,689	1,185,372
Share of fossil sources in total energy consumption	%	80%	79%	72%
(7) Consumption from nuclear sources	MWh	150,813	186,456	173,066
Share of consumption from nuclear sources in total energy consumption	%	8%	12%	10%
(8) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.)	MWh	0	0	0
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	MWh	217,157	134,770	287,083
(10) The consumption of self-generated non-fuel renewable energy	MWh	3,380	5,225	4,183
(11) Total renewable energy consumption	MWh	220,537	139,995	291,266
Share of renewable sources in total energy consumption	%	12%	9%	18%
Total energy consumption	**MWh**	**1,881,682**	**1,567,140**	**1,649,704**
Specific energy consumption	**MWh/ tn of total production**	**1.18**	**1.25**	**1.13**

* The steel manufacturing sector is considered a high-climate impact sector based on Regulation (EC) No 1893/2006 of the European Parliament and of the Council. All energy produced by the Companies is directly consumed and comes from the photovoltaic (PV) panels installed at the Dojran plant, which is reported in line 10 of the table above.

Managing our GHG emissions

Since 2023, Sidenor, Stomana Industry and their subsidiaries report on specific categories relating to Scope 3 emissions, as part of their commitment to transparently disclose indirect emissions across their value chain.

To identify their most significant Scope 3 emission categories, the Companies have broadened the scope for calculating Scope 3 GHG emissions for their industrial operations to encompass all 15 emissions categories outlined in the GHG Protocol. This comprehensive assessment aimed to capture the full range of indirect emissions associated with the value chain and indicated that only 7 of these categories were material. The most significant categories identified are:

- Category 1: Purchased goods and services
- Category 2: Capital Goods
- Category 3: Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2
- Category 4: Upstream Transportation and Distribution
- Category 5: Waste Generated in Operations
- Category 9: Downstream Transportation and Distribution
- Category 12: End-of-Life Treatment of Sold Products

The remaining GHG Protocol categories were deemed non-material as, based on our assessment, their contribution to Scope 3 GHG emissions is considered negligible and therefore not relevant to the Companies' core activities. This approach enables the Companies to focus on the most significant categories, collaborate with value chain partners and implement practices that promote circularity which are essential for achieving meaningful reductions in overall GHG emissions and aligning with European and global climate goals. Moreover, Sidenor, Sovel, Stomana Industry and Dojran Steel have certified their emissions according to ISO 14064-1:2018, ensuring that they monitor and report their emissions using the best available techniques and guidance. The table below presents the Companies' total GHG emissions in line with ESRS requirements:

GHG emissions*	Unit	2022	2023	2024
Scope 1 emissions				
Gross GHG emissions – Scope 1	tCO_2eq	203,561	165,175	172,399
Share of Scope 1 GHG emissions falling under regulated Emissions Trading Schemes	%	94%	93%	92%
Scope 2 Emissions				
Gross GHG emissions – Scope 2 (Location-based)	tCO_2eq	533,470	375,511	312,069
Gross GHG emissions – Scope 2 (Market-based)	tCO_2eq	657,361	492,305	396,533
Scope 3 Emissions				
Total gross indirect GHG (Scope 3)	**tCO_2eq**	**-**	**701,254**	**843,846**
1 Purchased goods and services	tCO_2eq	-	115,856	216,860
2 Capital goods	tCO_2eq	-	7,346	6,679
3 Fuel -and energy- related activities (not included in Scope 1 or Scope 2)	tCO_2eq	-	128,551	134,067

GHG emissions*	Unit	2022	2023	2024
Scope 3 emissions				
4 Upstream transportation and distribution	tCO_2eq	-	56,329	68,556
5 Waste generated in operations	tCO_2eq	-	10,612	12,898
9 Downstream transportations	tCO_2eq	-	84,603	90,370
12 End of life treatment of sold products	tCO_2eq	-	297,956	314,417
Total GHG emissions				
Total GHG emissions (location-based)	**tCO_2eq**	**737,031**	**1,241,939**	**1,328,313**
Total GHG emissions (market-based)	**tCO_2eq**	**860,922**	**1,358,733**	**1,412,778**
Specific GHG emissions				
Specific GHG emissions (location-based)	**tCO_2eq/ tn of total production**	**0.46**	**0.99**	**0.91**
Specific GHG emissions (market-based)	**tCO_2eq/ tn of total production**	**0.54**	**1.08**	**0.97**

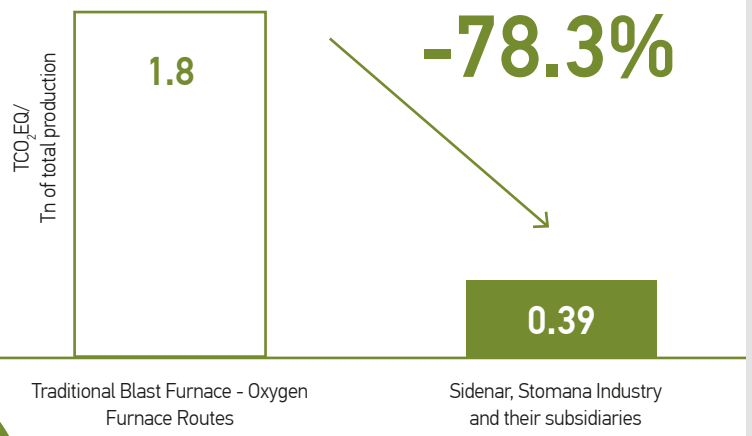
*Sidenor, Sovel and Stomana Industry participate in the EU Emissions Trading System (ETS) and based on the current applicable trading regulation, they hold fewer free emissions allowances than their actual emissions.
For the GHG emissions of Scope 1, the calculations were based on the latest National Inventory Reports (NIR) of each country and on the relevant emissions forms of EU-ETS for the relevant Companies. The CO_2eq emission factors related to gases as for CH4 and N2O the IPCC database has been used.
Scope 2 emissions for the location and market-based approach, the AIB European Residual Mix 2024 has been used for Greece and Bulgaria. More specifically, for the location-based approach the total supplier mix has been used while for the market-based approach the Residua Mixes. For the industrial plan of North Macedonia, the emissions were calculated using emission factors from LowCarbonPower (https://lowcarbonpower.org/region/North_Macedonia). The PPA that Sovel is engaged with and mentioned in the section above was included in the Scope 2 market-based calculations in line with GHG Protocol guidance.
Finally, for the estimation of the indirect Scope 3 emissions, the GHG protocol guidance was followed. For the calculations of Category 1 emissions the Companies engaged with the relevant suppliers and customers to identify the relevant emission factors while the data were enhanced with databases such as DEFRA and Ecoinvent to estimate emissions when supplier data collection was not feasible.
The Companies have not identified any significant biogenic emissions in their Scope 1, 2 or 3 thus they are considered zero. Finally, the Companies don't utilize or participate in GHG removal and storage activities or projects and no internal carbon pricing scheme is in place.
For specific Scope 3 indicators where direct data collection from value chain partners or facilities was not feasible, estimates were used based on industry-average emission factors (e.g. DEFRA, Ecoinvent), or extrapolation methods. These cases are clearly indicated within the underlying datasets. While care has been taken to ensure accuracy, the use of proxies may introduce a degree of uncertainty, particularly for categories such as Purchased Goods and Services, and Downstream Transportation.

The Companies reported slight fluctuation in their GHG emissions that are driven primarily by changes in the production volumes, with the overall market-based intensity decreasing by 10.7%. It's worth noting that the Companies' EAF based production has notably reduced emissions compared to traditional blast furnace – basic oxygen furnace emissions. In 2024 the Companies' Scope 1 and 2 emissions intensity was 0.39 tons of CO_2e per ton of total production, marking a 78.3% lower GHG emissions level when compared to the approximately 1.8 ton of CO_2e per ton produced by traditional blast furnace and basic oxygen furnace routes[23].

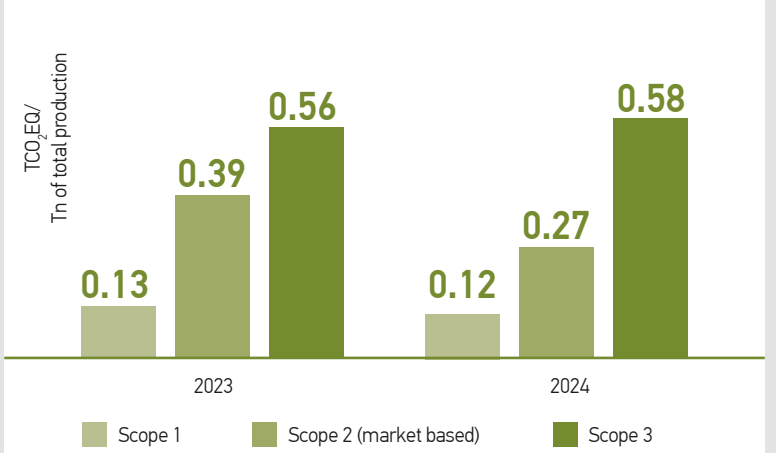
2. EU climate targets: how to decarbonise the steel industry
3. Greenhouse gas intensities of the EU steel industry and its trading partners

Our carbon footprint

Companies' emissions intensity compared to traditional production routes

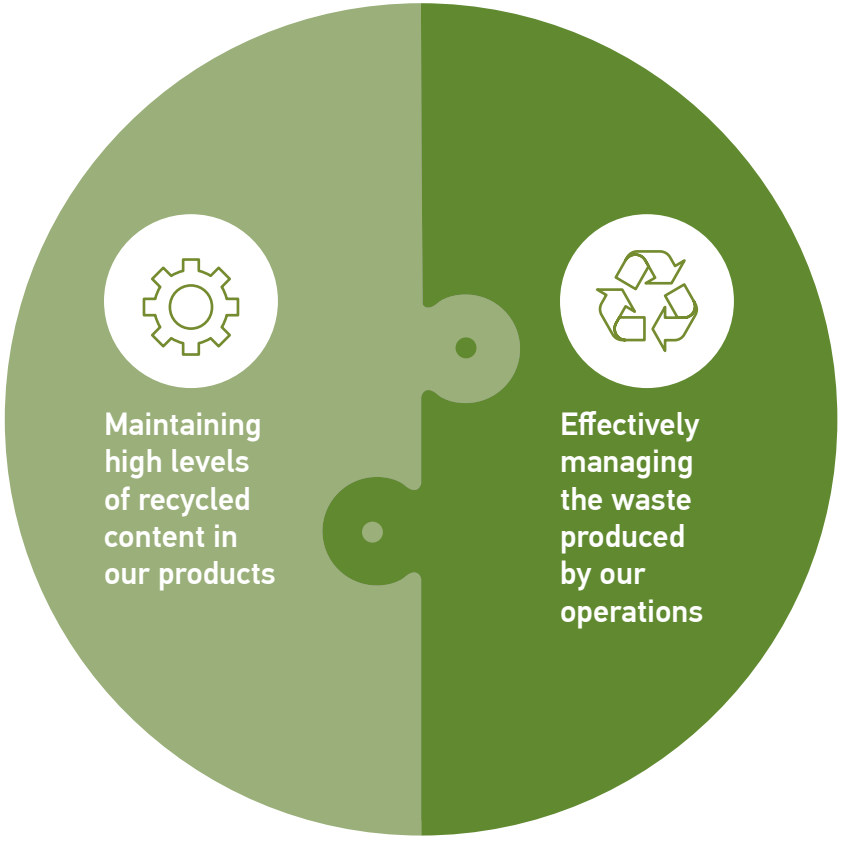


GHG emissions intensities per scope



Contributing to a circular future

Transitioning to a circular economy is a foundational component of a climate neutral future, as rethinking production processes in line with circularity principles provide solutions that address both resource depletion and the threat of rising GHG emissions. The steel industry plays a vital role in advancing this transition, as steel is a fully recyclable material that can be reused and recycled multiple times without any loss in quality. Thus, the circular nature of steel industry not only reduces the need for the extraction of new natural resources but also contributes to reduced energy consumption and lower carbon emissions.



Sidenor, Stomana Industry and their subsidiaries have fully integrated the circularity principles in their operations, consistently increasing the secondary raw materials in their products and effectively managing the waste they produce. Through the double materiality assessment (DMA), contribution to the circular economy was highlighted as a positive impact of the organization (as shown in the relevant tables in pages 33-34), as the Companies, through their innovative approach, provide customers with high-quality products that incorporate a high percentage of secondary materials.

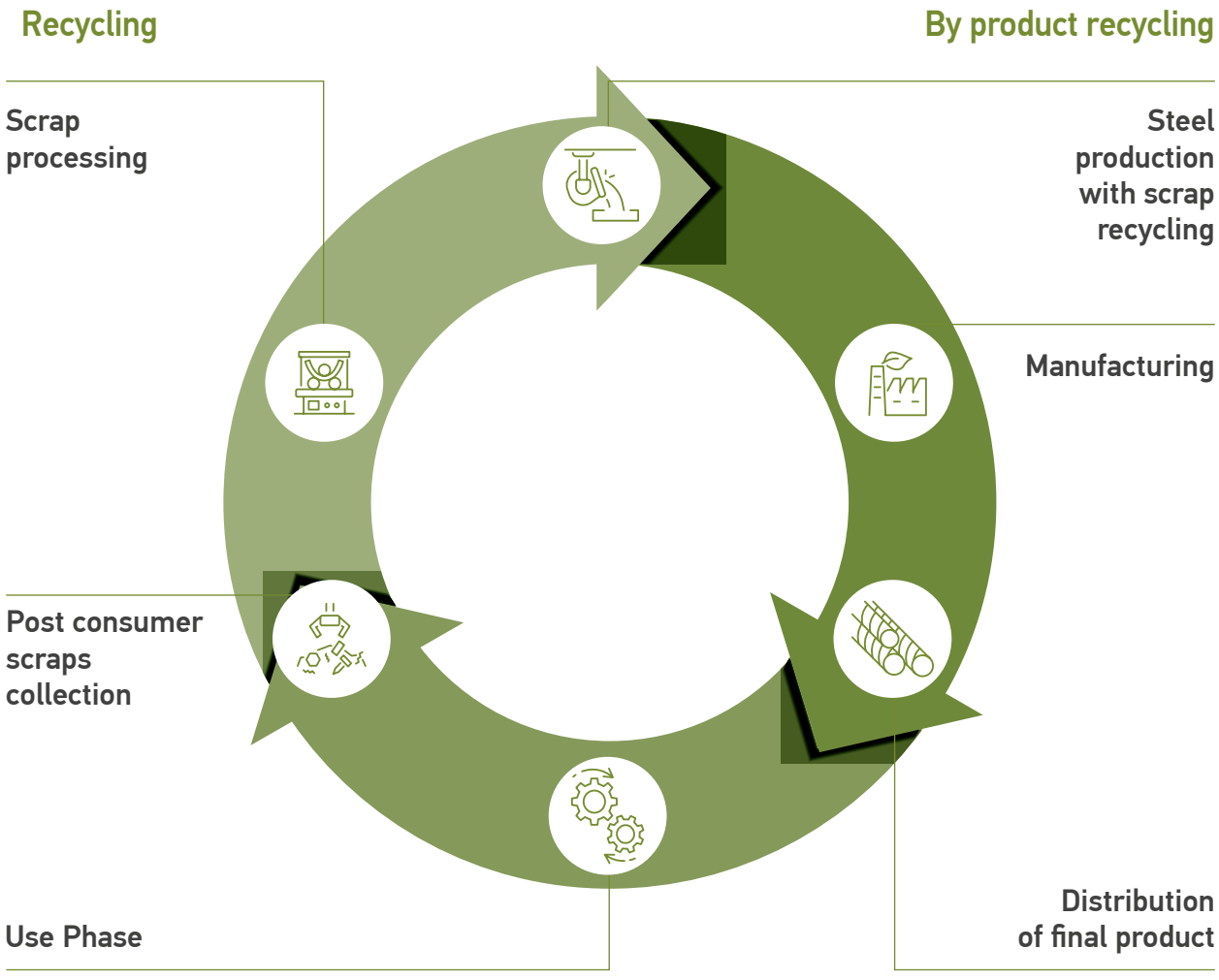
Through the commitments of the Companies, circularity has been embedded in both their operations and strategic planning. In addition to the aforementioned provisions, the Companies' environmental policy includes commitments to:

- Track and report metrics on resource efficiency, product lifecycle impacts, recycling rates, and resource optimization.
- Apply circular economy principles, focusing on waste minimization, recycling, and developing new technologies that allow for minimum generation of waste.
- Follow the waste hierarchy: (a) prevention; (b) preparing for re-use; (c) recycling; (d) other recovery, e.g., energy recovery; and (e) disposal.
- Prioritize the avoidance or minimization of waste (Re-use, Repair, Refurbish, Remanufacture and Repurpose) over waste treatment (Recycling).

Specifically for circularity, internal assessments reflect stakeholder expectations and are supported by plant-level teams. Key areas of focus include resource efficiency, landfill avoidance, and alignment with EU circular economy priorities.

The Companies' approach to circular economy focuses on closing the loop in the steel ecosystem, significantly contributing to the economy's transition towards a low-carbon, circular future. Through the Companies' production route, they utilize post-consumer scrap while simultaneously achieving high resource efficiency by utilizing pre-consumer scrap generated during the production process. The circularity of the Companies' production approach and their products is showcased in the graph below:

Toward a circular steel ecosystem



Our circularity initiatives

To fulfill the core commitments towards the circular economy and drive sustainable design, the Companies continuously implement actions that optimize resource use, increase the use of secondary materials along with the recycled content in their products and effectively manage the waste generated during production. The Companies' steel production facilities exemplify this approach by achieving high recycled content in their products, actively contributing to a more circular future.

Steel manufacturing site	Sidenor	Sovel	Stomana Industry
Recycled content in produced steel	97.4%	98.0%	98.1%

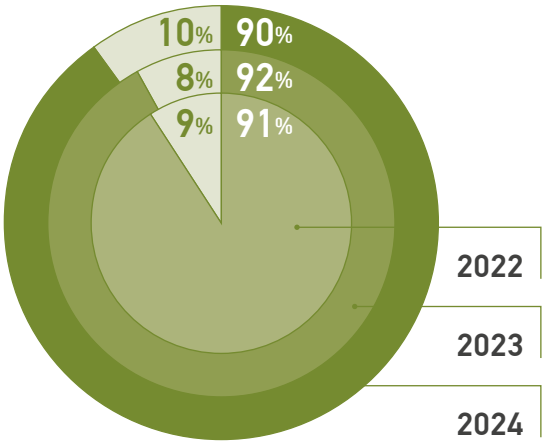
The high utilization rates of secondary and recycled materials of the Companies is also supported by the EAF production route, which enables them to utilize mostly steel scrap as raw material. Comparatively, traditional blast furnace based production routes can only use limited amounts of scrap to supplement raw materials relying heavily on extracted iron ores. Moreover, the operational flexibility of the EAF can support the optimal use of the recycled material as it can adjust their production according to the market needs. Overall, the Companies' production minimizes the need for virgin raw materials, conserving resources while also increasing recycling, thus aligning with global sustainability and circularity targets.

To further enhance its contribution to the circular economy, in Stomana Industry, tests were conducted in 2024 to evaluate the potential for increasing shredder output and enhancing the consumption of shredded material in the foundry, with promising results. The Company is examining the implementation of this project during 2025 to pre-process part of the input materials, aiming to improve efficiency and increase production capacity of the foundry. The associated operating expenses resulting from increased shredder production are expected to be offset by the benefits of higher production volumes and beneficial effects on the foundry performance.

Finally, the Companies place great emphasis on diverting their generated waste from disposal, focusing on achieving high recycling rates through effective waste separation at source. Given the effectiveness of the Companies' overall approach, and since this topic has been as an actual positive impact, no further actions or targets have been set by the Companies.

Our contribution to the circular economy

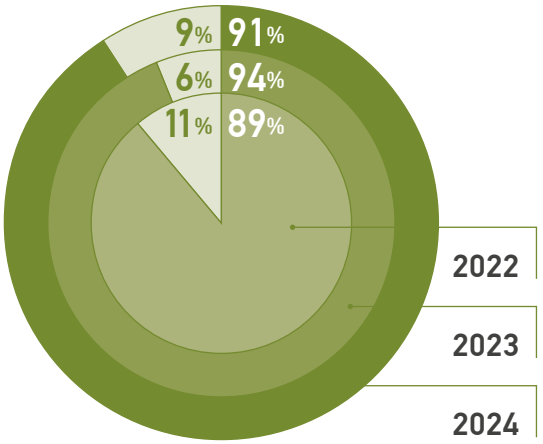
Material usage breakdown



Secondary raw materials

Non-secondary raw materials

Breakdown of waste Generated by management method



Waste diverted from disposal

Waste directed to disposal

Managing our resource inflows and outflows

Sidenor, Stomana Industry and their subsidiaries strive to incorporate circular economy principles by efficiently utilizing their material resources. The Companies' production model is centered on the secondary production of steel, which involves remelting primary and secondary steel into high-quality, added-value products. During the production process, in addition to steel, fuels, water and a variety of auxiliary products such as oil, lubricants etc. are used, while no biological materials or biofuels are utilized. The Companies continually invest in property, plants and industrial equipment to upgrade and maintain the infrastructure necessary to respond to market needs and uphold their overall commitments to quality and environmental sustainability. All products are added-value steel products that are designed and manufactured for longevity, meeting both industry standards and customer specifications. Although the key products of the Companies are not reused or repaired after their first lifecycle, they boast high recycled content of higher than 97%.

To calculate this percentage, the following guidelines are used:

- Post-consumer scrap is included.
- Pre consumer scrap that is strictly produced from a customer, from a downstream production process is included. Pre consumer scrap is any material diverted from the waste generated during a downstream manufacturing process excluding scrap generated in a process and being reincorporated in the same process that generated it. Due to the various subsidiaries within a segment, if scrap is generated within an affiliated company, then scrap does not count towards recycled content of the segment if it is an affiliated company.
- Any internal (run around) scrap does not count towards recycled content if it is generated within a downstream process (i.e. rolling) of the company and returned for remelting at the company's remelting process.

This calculation enables the Companies to transparently disclose the recycled content of their products, especially since different certification schemes allow for different interpretations of what constitutes a recycled product making comparison between products challenging.

Moreover, although recyclability is a core feature of the Companies' products and all of their products are recyclable, the actual end-of-life treatment depends heavily on how the products are used. At the end of their lifecycle, the products may require disassembly, which can influence how cost effective it is to separate, sort and recycle them.

The Companies' material usage for the years 2022-2024 is presented in the table below, highlighting that the majority of their resource consumption in sourced from secondary raw materials.

Materials	Unit	2022	2023	2024
Secondary Raw Materials	tn	1,537,425	1,214,364	1,185,290
Non-Secondary Raw Materials	tn	155,382	110,184	133,882
Total Raw Materials	tn	1,692,807	1,324,548	1,319,173
Percentage of Secondary Raw Materials	%	91%	92%	90%

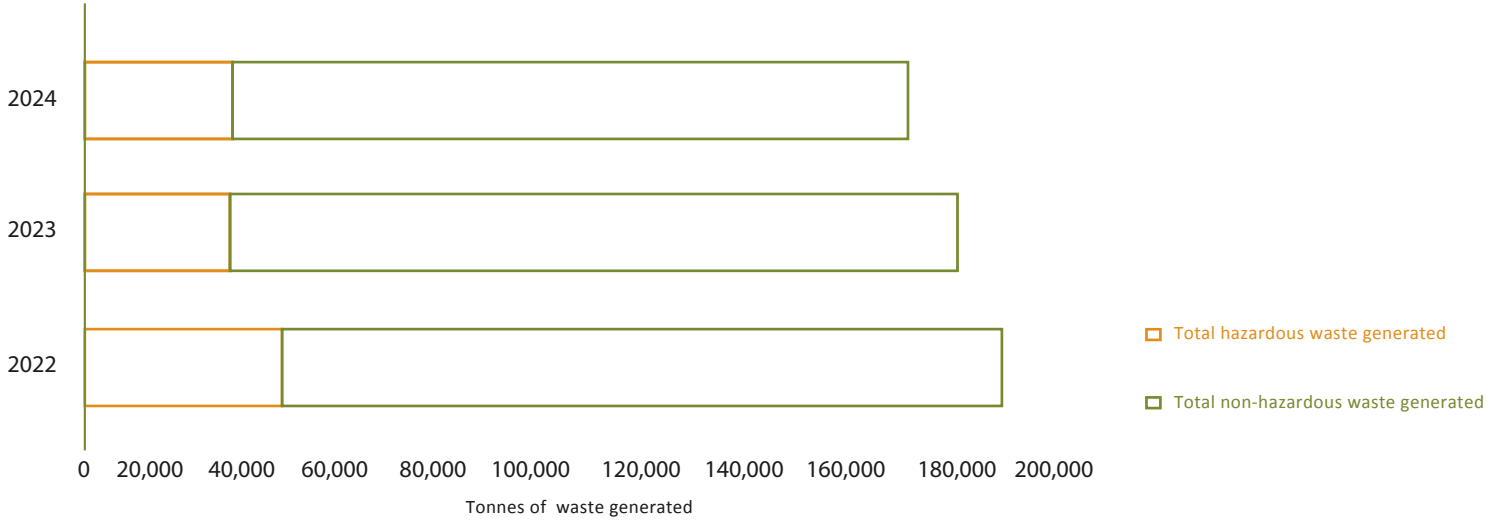
All data presented are actual values, monitored through the information technology systems used by the industrial subsidiaries. The raw materials included in the calculations encompass all products utilized in industrial production (e.g. anthracites, lubricants, metal scraps etc.). Secondary raw materials include metal scrap, as defined in the section above on recycled content. Additionally, other materials are classified as secondary raw materials only when there is sufficient evidence that they have completed at least one lifecycle and are being reused or recycled.

Steel production Companies are fostering robust waste management practices within their facilities as part of their broader efforts to enhance circular economy practices throughout all phases of their operations. Most of the waste generated concerns non-hazardous waste and consists of by-products from the production process. Smaller quantities of hazardous waste arise from the use of oils, lubricants and other materials during production, while no radioactive waste is generated by the Companies. Moreover, the Companies ensure that all waste is properly categorized and separated in accordance with European Waste Codes (EWC). Subsequently, the Companies have developed a network of specialized, licensed contractors, to effectively manage these waste streams in compliance with national legislation.

Over the last twenty years, our steelmaking plants' slags and scales have been used as alternative raw materials basically in road construction and clinker production, contributing to industrial symbiosis, circular economy and natural resources conservation. Especially in Greece, since 2020 our steel mills' electric arc furnace slags, ladle furnace slags and mill scales have been characterized as byproducts according to European Waste Framework Directive mainly for use in road construction and asphalt pavement manufacturing as well as in cement and concrete production, leading to reduction of waste management costs and environmental footprint and increase of recycling index.

The table in the following page presents a detailed breakdown of the waste generated by the companies as well as the treatment method. In 2024 the percentage of the hazardous waste that is diverted from disposal reaches 75%, while the percentage of total waste that is diverted from disposal reached 91%.

Total waste generated by the Companies



Resource outflows (tn)				
Waste management (tn)		**2022**	**2023**	**2024**
Hazardous waste	Incineration	0	2	1
	Landfill	11,651	5,566	7,334
	Other disposal operations	0	0	0
	Total waste directed to disposal	**11,652**	**5,568**	**7,335**
	Preparation for reuse	0	0	0
	Recycling	7,477	7,704	6,803
	Other recovery operations	20,686	16,027	15,688
	Total hazard waste diverted from disposal	**28,163**	**23,731**	**22,491**
	Total hazardous waste	**39,815**	**29,299**	**29,826**
Non-hazardous waste	Incineration	0	0	1
	Landfill	9,596	4,480	7,855
	Other disposal operations	0	0	0
	Total waste directed to disposal	**9,596**	**4,480**	**7,856**
	Preparation for reuse	0	0	0
	Recycling	6,234	1,681	1,227
	Other recovery operations	129,415	140,779	127,270
	Total non-hazardous waste diverted from disposal	**135,649**	**142,461**	**128,497**
	Total non hazardous waste	**145,245**	**146,941**	**136,353**
Total waste generated		**185,060**	**176,240**	**166,180**

Advancing sustainable water use

Water is a critical resource that requires responsible management to safeguard it and ensure its availability. Steel manufacturing process utilizes water for various stages of production, including cooling purposes (contact cooling, off-gas cooling, temperature regulation of furnaces and equipment), decaling, dust control, air pollution control (such as in wet scrubbers), acid neutralization, and cleaning operations. In line with sectoral trends, during our double materiality assessment, water withdrawal has been identified as an actual negative impact on the environment, connected to own operations and existing in short-, medium- and long-term time horizons (as shown in the relevant tables in pages 33-34). Within the Companies, water is withdrawn and then circulated within their facilities for the cooling needs of the production process, before it is ultimately discharged back to the environment or the water utility providers.

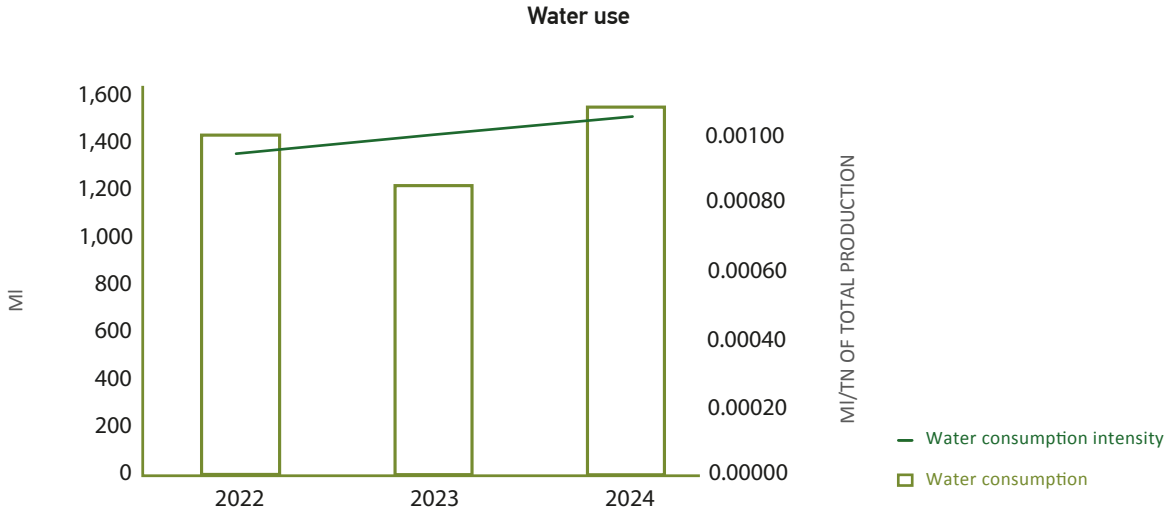
Through the Companies' policies, a comprehensive framework for water resource management has been established to continuously improve their performance and internal processes. In addition to the provisions mentioned above, the Companies' policy includes commitments to:

- Promote the reduction of water withdrawals and water discharges.
- Conduct water risk assessments to ensure the protection of water sources and ecosystems, prevent and abate water pollution resulting from the Companies' activities and establish targets for water use efficiency.
- Prevent further deterioration, protect and enhance the status of water bodies and aquatic ecosystems.
- Integrate water treatment to promote more sustainable sourcing of water.
- Take water management into account in the product design, evaluation of water-related issues and the preservation of marine resources.

Water-related stakeholder expectations were indirectly captured through environmental permit processes at the facility level. Any structured consultation processes with affected communities specifically on water and marine resource matters will be disclosed in subsequent reports.

Promoting water efficiency practices

Water management is a key environmental aspect of the Companies' operations. Sidenor, Stomana Industry and their subsidiaries focus on reducing their reliance on water withdrawals and have identified the need to implement water recycling and reuse solutions to support operational stability. To



facilitate efficient water use, the Sovel and Stomana industrial plants implement closed-loop cooling systems that reuse water for multiple cycles before discharge, reducing reliance on water withdrawals. Furthermore, in 2023, Stomana launched a rainwater recirculation project to further improve water efficiency in its operational activities. Finally, both Stomana and Sovel are constantly investing in projects aimed at reducing leakages in their water networks in an effort to reduce irrational water use. Taking into account the Companies' approach and their continuous initiatives to improve water use efficiency, no further actions or targets have been set for 2024.

Water resource management

The Companies' total water withdrawals, discharges and consumption along with the water intensity are showcased in the graph and table below. Driven by higher production volumes, the Companies recorded slightly higher consumption in their facilities.

Water consumption and intensity*	Unit	2022	2023	2024
Water withdrawl	Ml	2,385	2,194	2,582
Water discharge	Ml	994	1,008	1,100
Water consumption	Ml	1,391	1,187	1,482
Water consumption in areas at water risk, including areas of highwater stress	Ml	1,360	1,154	1,447
Water recycled and reused	Ml	2	2	2
Water stored	Ml	0	0	0
Water consumption intensity	**Ml/ tns of total production**	**8.7×10^{-4}**	**9.5×10^{-4}**	**10.2×10^{-4}**

*Most water use-related data are collected through direct measurements and invoices from the utility Companies. In plants where such information was not available, estimations and extrapolations were made to ensure the annual total reflects the actual water use of the Companies. The industrial plants of Sidenor, Sovel, Erlikon and Stomana Industry are located in areas characterized as high-water stress. All facilities were assessed for water stress using the Aqueduct Water Risk Atlas tool developed by the World Resources Institute (WRI). As areas of water risk and areas of high-water stress, are defined the regions where the percentage of total water withdrawn is high (40-80%) or extremely high (greater than 80%) according to the Aqueduct Water Risk Atlas tool of the World Resources Institute (WRI).
For specific water-related indicators where direct data collection from value chain partners or facilities was not feasible, estimates were used based on utility bills, or extrapolation methods. These cases are clearly indicated within the underlying datasets. While care has been taken to ensure accuracy, the use of proxies may introduce a degree of uncertainty, particularly for categories such as Water Withdrawals in high-stress areas.

Shaping the Future of Industry with our People

Highlights

Our contribution to the United Nations Sustainable Development Goals

26,289

Training hours in 2024

2,462

Employees in 2024

14,242

Health and Safety training hours in 2024

100%

Employees participated in performance appraisal

9

Average training hours per female employee in 2024

100%

ISO 45001 certified facilities

Our path to a fair work environment

Sidenor, Stomana Industry, and their subsidiaries place great emphasis on maintaining an open, inclusive, and diverse working environment for all our people. The aim is to provide a working environment free of any form of discrimination based on personal characteristics such as race, sex, gender, religion, while preventing any potential violation of human and labour rights and promoting equal opportunities for personal and professional growth. To this end, Sidenor's workforce-related strategy is grounded in its commitment to safe, fair, and inclusive employment conditions, aligned with long-term value creation and operational resilience. The identification of material topics such as occupational health and safety, employee development, and human rights was informed by the Double Materiality Assessment and reflects both the nature of Sidenor's industrial operations and the structure of its business model, including reliance on high-skill production staff and value chain partners.

Through the Double Materiality Assessment Sidenor, Stomana Industry, and their subsidiaries have identified material impacts on employees and workers in the value chain, namely workplace accidents, training needs, and human rights risks. Regarding health and safety, actual negative impacts relating to accidents in the workplace have been identified, due to the requirements and nature of the work. Health and Safety remains at the epicenter of approach, aiming at zero incidents and occupational illnesses. We prioritize the prevention of occupational risks and potential hazards, with a focus on employees who work at the production facilities. Effectively addressing these issues requires the implementation of a health and safety management system, training and awareness, as well as consistent monitoring, timely corrective actions, and strong leadership commitment. Furthermore, through this process potential negative impacts have been identified regarding human rights violations, at the upstream value chain. Recognizing the risks of violation, policies, procedures, and mechanisms have been implemented to prevent potential incidents and protect employees' human rights. In addition, through the Double Materiality Assessment, employee training and development have been recognized as a material sustainability matter, from a financial perspective, in the short and medium term. Lack of sufficient training programs for the development of employee skills may have a significant impact on productivity and effectiveness and at the end on the organization's overall performance. The aforementioned IROs are not incidental but structurally linked to Sidenor's operating context such as the intensity of production processes, the technical evolution of safety systems, and sourcing complexity. In response, Sidenor has embedded targeted policy frameworks (e.g. Health & Safety, Labour & Human Rights, Learning Management) and has launched long-term action plans such as the 2023–2027 Health and Safety Strategic Roadmap.

A **Sustainability Policy** has been implemented that applies to all employees, officers, directors, contractors, and agents as well as the subsidiaries controlled by the organization. The Policy applies to all operations and business activities, regardless of the country in which each company operates, as well as the upstream and downstream value chain, aiming at promoting transparency, and responsibility as well as respect for human and labour rights, including the promotion of their physical and mental health, diversity and inclusion, and equal opportunities for learning and development. The Policy ensures the equal treatment of all people, continuously working against discrimination and harassment in all its forms, and an inclusive organization which respects individual characteristics such as gender, age, sexual orientation, nationality, religious and political beliefs. The most senior executive of each company is responsible for the implementation of the Policy, which is available via intranet and the website.

Moreover, the **Responsible Sourcing Policy** further ensures collaboration with suppliers that promote sustainability, ensuring fair working conditions for their employees and fostering environmental awareness, safeguarding value chain workers' human rights and occupational health and safety. The Policy sets a collaborative framework that supports continuous improvement, ensuring that they are aligned with our principles and operate in a transparent way. The Policy applies to all companies regardless of the country in which each company operates and to all suppliers, contractors, agents, and business partners (upstream value chain). This Policy is aligned with applicable laws and recognized guidance, such as the OECD Due Diligence Guidance for Responsible Business Conduct, the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, the EU Conflict Minerals Regulation, and the UK Modern Slavery Act. The most senior executive is responsible for its implementation, while the policy is available at the website.

In 2024, Sidenor, Stomana Industry, and their subsidiaries employed 2,462 employees (average headcount), 2,382 direct employees and 80 indirect employees (non- employees), the latter of which 7 women and 73 men[1].

1. The values include all direct ("employees" as defined in the ESRS guidelines) and indirect employees ("non-employees" as defined in the ESRS guidelines) for the companies under scope. Direct employees (employees) are considered the full and part time employees with permanent or fixed-term contracts, wages-paid, salaried, interns/trainees, Board Members, freelancers, or consultants with a contract through external companies covering permanent needs. Headcount includes all employees regardless of maternity leave, long term absence, unpaid leave. Indirect (non-employees) are the ones that are not paid through company payroll or any other method, but through a third-party provider – covering fixed and permanent needs. The contract with the third-party provider/ contractor should be agreed on mandays/ manhours basis, not on a project basis. The number of both direct and indirect employees is calculated as a monthly average of the headcount, which is then averaged across all months.

Direct employee distribution by gender	2022	2023	2024
Men	1,914	2,070	2,000
Women	353	399	382
Total	**2,267**	**2,469**	**2,382**

Direct employee distribution by Company	2022	2023	2024
	Men	**Women**	**Total**
Sidenor	427	56	483
Sovel	558	18	576
Stomana	748	295	1043
Dorjan	182	11	193
Erlikon	87	2	87

Indirect employee distribution by gender	2022	2023	2024
Men	69	85	73
Women	9	15	7
Total	**78**	**100**	**80**

Permanent employee distribution by gender	2022	2023	2024
Men	1,865	2,056	1,982
Women	344	395	379
Total	**2,209**	**2,451**	**2,361**

Temporary employee distribution by gender	2022	2023	2024
Men	49	14	18
Women	9	4	3
Total	**58**	**18**	**21**

Human Rights

The approach regarding human rights is underpinned by policies aimed at ensuring a working environment where everyone is respected and feels safe to express themselves, showcasing the Companies' commitment to the prevention of discrimination, child and forced labour, and provision of descent working conditions.

Our policies

The **Labour and Human Rights Policy** applies to all employees, officers, directors, contractors, agents, and private security forces, as well as all the entities and subsidiaries controlled by the organization. The Policy applies to all operations and business activities, regardless of the country of operation, as well as the upstream and downstream value chain. The Policy is aligned with international standards such as the Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, and the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work, as well as the UN Declaration on the Rights of Indigenous Peoples and ILO Convention 169 on Indigenous Peoples. The Policy contains regulations against discrimination based on gender, race, color, ethnicity, nationality, religion, beliefs, age, marital status, disability, sex, sexual orientation, gender identity, political opinion, union affiliation, gender identity, or social and educational background. Moreover, the Policy sets a whistleblowing mechanism regarding violations in the implementation of this Policy and the Business Code of Conduct, including harassment, intimidation or discriminatory behavior to employees, serious health and safety risks that could threaten the health and safety of employees, as well as the public or customers. The Policy is available to all employees through the website, while the most senior executive of each company is responsible for its implementation.

The **Business Code of Conduct** establishes a set of rules that apply to all employees, officers, directors, contractors, and agents, as well as all entities and subsidiaries controlled by the organization. This Code applies to all operations and business activities, regardless of the country in which the company operates and is aligned with national recognized standards and more specifically with UN Guiding Principles on Business and Human Rights, OECD Guidelines for multinational enterprises and the International Standards on Occupational Safety and Health (ILO) and International Bill of Human Rights. The Code of Conduct sets in a clear way the values, ethical standards, and the general approach regarding health and safety, equal opportunities, information and assets management, as well as business partners. Furthermore, the Business Code of Conduct declares the organization's zero tolerance to any form of discrimination, child and forced labour. The person responsible for the implementation of the Code is the most senior executive of each company. The Code is available via intranet, website and announcement boards.

Business Partners' Code of Conduct plays a pivotal role by setting expectations for business partners including suppliers, contractors, consultants, and business associates. All business partners have to comply with the respective Code and promote its principles within their own supply chains. To this end, audits are conducted either by the organization or an external associate regarding the assessment of environmental, social and ethical criteria, the results of which are vital for the collaboration. Furthermore, the Code includes regulations about business ethics and anti-corruption, labour and human rights, environmental awareness, data protection and whistleblowing mechanism. More specifically, regarding human rights, according to the Code, business partners have an obligation to respect human rights and ensure their practices are aligned with the UN Guiding Principles on Business and Human Rights. The Code prohibits any form of discrimination while promoting the freedom of association and collective bargaining agreements, safe working conditions, adequate wages, acceptable leaving conditions, child and forced labour. The Business Partners' Code of Conduct is available at the website, and the most senior executive of each company is responsible for its implementation.

Whistleblowing mechanism further promotes transparency and integrity, by providing the opportunity to anyone who has knowledge of a potential incident to report it. More specifically, through the collaboration with an independent, externally hosted whistleblowing hotline system (EthicsPoint), employees, business partners, everyone that either has knowledge or has been made aware of information involving inappropriate, unethical, or illegal behavior related to our Companies' operations and that suspects harm to the public's interest related to our Companies' operations can submit reports. Via the whistleblowing mechanism, incidents regarding violence and harassment, corruption, bribery, occupational health and safety, anti-competitive practices, fraud, environmental pollution and personal data violations can be reported. The respective mechanism is available on the corporate website.

Our initiatives

Sidenor, Stomana Industry, and their subsidiaries have implemented specific actions in order to mitigate potential negative impacts regarding human rights. The ultimate goal is to create a work environment based on equal opportunities, where all employees have the opportunity to learn, evolve

and create their personal and professional path. To this end, Sidenor, Stomana Industry and their subsidiaries, leverage human rights assessment tools that support them to evaluate their performance regarding human and labour rights, identify risks, and assess potential hazards.

To this end, in 2022 Sidenor conducted a Minimum Safeguards gap assessment covering, regarding the minimum processes to ensure respect for human rights. Furthermore, a dedicated Human Rights Officer is responsible for conducting Human Rights Self-Assessment, recognizing potential risks. The officer is responsible for communicating the results to address the gaps, initiating measures to prevent any potential risk of violation of human rights, while overseeing the implementation of those measures. In 2024, there were no incidents of discrimination, severe human rights violations, or related complaints, nor were any fines or penalties imposed regarding employees or workers in the value chain.

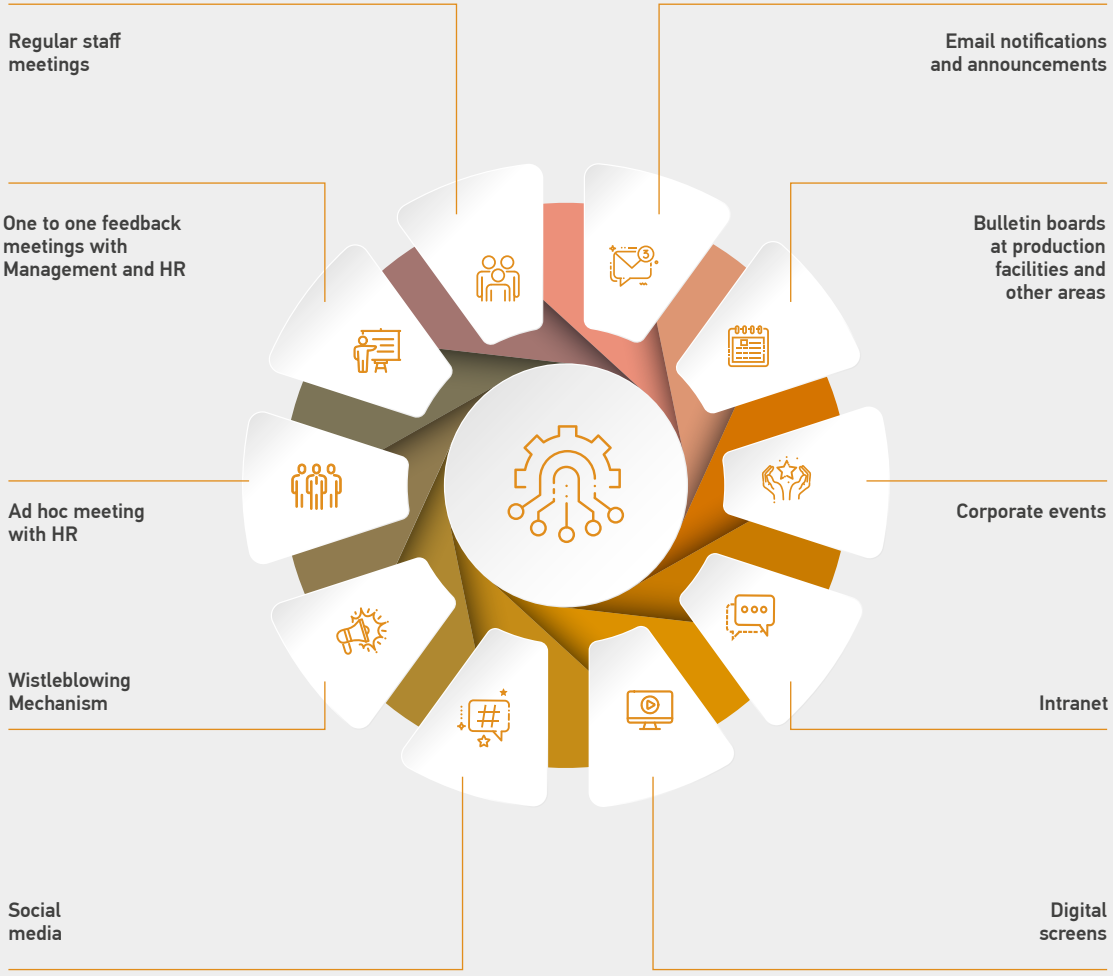
Staying focused on the commitment of respect of human rights, Sidenor has started to conduct Human Rights Due Diligence Assessment in 2024. This is an ongoing effort to further identify any potential risks and foster awareness regarding the material topic of human rights (as shown in the relevant tables in pages 33-34).

Moreover, in full compliance with each country's applicable legislation, it is ensured that all employees receive adequate wages and are covered by social protection including protection against sickness, unemployment, employment injury, acquired disability, parental leave, and retirement. In addition, all employees are covered by collective bargaining agreements. Sidenor, Stomana Industry, and their subsidiaries further offer employees additional benefits that extend legal

requirements, including private medical and hospital insurance, a psychological support line, and allowances for employees' children. Business partners must sign the Business Partners' Code of Conduct and commit to comply with the principles the Code establishes regarding, among others, respect for human rights, the provision of adequate wages, freedom of association, and safe working conditions.

Recognizing that respect for human and labour rights is a continuous process based on mutual trust and two-way communication, communication channels have been implemented, allowing all employees to freely express their expectations and needs. Through these channels, we attempt to strengthen engagement and commitment, and further support people to raise any concerns they may have. Employees have the opportunity to express their opinion and provide useful feedback, while evaluating our performance to track areas of improvement. The Human Resources Department is responsible for communication with employees. The channels include:

Communication channels




SIDENOR
SIDENOR

Focused on providing an open, diverse and respectful environment, we attempt to promote equal opportunities for training, development and recruitment, while striving to ensure that people grow with us. To this end, a total of 57 employees with disabilities are employed, including 42 men and 15 women. Recruitments are free of any form of discrimination based on personal characteristics, aimed at attracting experienced and high-skilled employees. Moreover, the Companies strongly encourage new professionals to join them and offer their knowledge and skills, shaping the sector's future. Collaboration with universities and technical institutes has a special place on our agenda, offering the opportunity to share the knowledge and experience with new professionals and providing a chance to exchange the expertise through workshops, internships, and mentoring programs. Our approach is further reinforced through participation in multiple career days and events, as well as through our support of initiatives such as Board of European Students of Technology (BEST). Moreover, when possible, we promote local employment, in order to strengthen engagement with local society and support local employment by offering opportunities for growth and development.

Direct employee distribution by age	2022	2023	2024
<30	205	238	191
30-50	1194	1265	1198
50+	868	966	993

Employee distribution by gender in top management level	2022	2023	2024
Men			
Number	107	71	65
Percentage	94%	87%	89%
Women			
Number	7	11	8
Percentage	6%	13%	11%

Direct employee departures	2022	2023	2024
	312	345	366

In 2024, employee turnover was 15.4%.

Employee family-related leaves	%
Employees that are entitled to take family-related leave	91%
Employees that are entitled to and make use of maternity leave (also called pregnancy leave)	
Men	
Women	4%
Employees that are entitled to and make use of paternity leave	
Men	1%
Women	
Employees that are entitled to and make use of parental leave	
Men	8%
Women	2%
Employees that are entitled to and make use of carers' leave from work	
Men	1%
Women	1%

Employee training and development

Training is a fundamental aspect in order to create and maintain a highly skilled, motivated workforce that can handle and adapt to the sector's increasing requirements and challenges. Offering a variety of training, regarding quality, health and safety, and environmental awareness, as well as tailor-made training programs based on the training needs identified from performance evaluation. The aim is to empower employees by motivating them to continuously expand their knowledge and respond effectively to the constantly evolving job requirements.

Our policies

Towards this end, the learning management system policy attempts to create a common framework of knowledge that supports the identification of learning needs and the preparation and centrally reporting of employee participation to learning activities. The Policy's aim is to develop employees' capabilities, skills, and competencies to create a more sustainable and successful organization. The Policy applies to all employees and is available internally upon request.

Our initiatives

Having implemented a well-structured induction training course for all employees, the Companies aim to support smooth employee incorporation into the organization, its values and culture. Furthermore, specific training is provided for new employees regarding their role in effectively responding to their new duties. Through this approach, the goal is to ensure employee continuous development of their hard and soft skills, strengthening their productivity and capability to adapt to the continuously evolving environment.

Average training hours by gender and employee	
Men	11.4
Women	9.0
Total employees	11.0

Trainings were conducted on the following categories:

- Business Software, IT
- Communication
- Creative
- CSR
- Environmental
- Equal Workplace
- Feedback
- Finance & Accounting
- Health and Safety
- Human Resources
- Languages
- Long- term educational programs
- Management & Leadership
- Operations
- Production & Manufacturing
- Productivity
- Project Management
- Quality
- Soft Skills (Negotiation skills, Presentation Skills, Time Management)
- Technical skills and Knowledge
- Well- being

The Companies recognize that the resilience and performance of their industrial activities depend on a healthy, capable, and engaged workforce. Training programs, inclusion efforts, and safety innovation are not only responses to risks but also investments in workforce productivity, employee retention, and company reputation.

Providing all employees with equal career development opportunities, through a meritocratic and transparent process, it is ensured that each employee receives the appropriate feedback regarding their performance, while supporting the identification of each one's training needs. The performance management system attempts to combine each employee's personal and professional development goals with the Companies' vision, mission, and strategic values. In 2024, the evaluation system has been implemented to all employees regardless of their hierarchical level, achieving 100% participation in the performance appraisal process.

Occupational health and safety

Sidenor is committed to providing a safe workplace and continuously promote Health and Safety for employees, partners, and any person/organization working under the Company's control, as well as other stakeholders, including customers, suppliers, contractors, subcontractors, and visitors. Achieving zero accidents, mitigating potential risks, and promoting a health and safety culture across the organization play a pivotal role for smooth and successful operation. To that end, a Health and Safety Management System certified according to ISO 45001:2018 that applies to all facilities has been implemented. Regular training sessions are conducted to keep the workforce well-informed and to support continuous improvement in safety culture. Moreover, conducting safety talks regularly is a vital leadership tool to reinforce this commitment.

Our policies

The **Occupational Health & Safety Policy** plays a vital role in the promotion of a health and safety culture across all employees and key stakeholders. The Policy aims to promote a safe and healthy working environment by establishing clear guidelines for identifying and managing health and safety risks by setting regulations regarding health and safety risks, compliance with relevant regulations, employee training and participation, continuous improvement, and monitoring. The Policy is available to all employees through the internal intranet as well as the website. The most senior executive of each company holds ultimate responsibility for the effective implementation of the Policy & Standards.

Our initiatives

External and internal audits are conducted to further ensure alignment with our standards and ensure that health and safety measures and actions are followed. More specifically, plant engineers conduct inspections on a monthly basis, while executives from the headquarters conduct annual audits. Finally, an annual external audit is conducted in terms of the Health and Safety management system in accordance with ISO 45001:2018 requirements. Audits' results are taken into serious consideration, and targeted actions are implemented in order to resolve any non-conformities, further strengthening health and safety culture across the organization.

Moreover, near misses or potential incidents can be communicated through the electronic platform that has been established, facilitating the immediate and detailed report of an incident, allowing the upload of useful material such as photos of the incident.

Hazard identification and risk assessment further promote health and safety approach, contributing to the on-time and focused implementation of preventive measures and actions. Risk assessment is conducted for every task and the process takes place in the facilities following specific steps:

- Identification of hazards and risks: Recognizing the potential sources of harm by performing a certain task.
- Analysis of the identified hazards and/or risks: For each of the recognized risks, the likelihood of occurrence and the severity of its consequences are assessed, and a score is calculated based on the two.
- Evaluation of controls: For the identified risks, the existing controls are evaluated and/or new controls are proposed.
- Introduction of new measures: New measures are introduced to reduce risk, such as new documentation, new work procedures, etc.
- Review and update: The risk assessment is reviewed every year in order to evaluate the effectiveness of the control measures in place.
- Permit to work: It is a formal authorization issued in workplaces for activities with higher safety risks. It helps to ensure that projects and specific tasks are done according to the established procedures and standards.

Staying focused on mitigating potential negative impacts on employee health and safety, further investigation is conducted for every accident and potential severity near miss by conducting a root cause analysis. More specifically, immediate action is taken in response to any ongoing hazard, and corrective measures are implemented as needed. At the same time, a multidisciplinary team, consisting of both employee representatives and experts, is established to identify the cause of the incident and propose prompt corrective actions and measures. To further identify the cause of the incident "5 Why's analysis" is performed to further examine the root cause of the incident. After that, corrective actions are implemented and monitored, while key lessons, findings, and actions taken are communicated to all stakeholders promoting a culture of continuous improvement.

At the same time, a psychological support line is available 24/7 for all the employees and an on-site infirmary is located at all the facilities, showcasing the Companies' commitment to both their physical and mental health. In this context, specific medical examinations are carried out depending on the employee's job role and its particular characteristics.

To prevent work related incidents, as well as illnesses, and mitigate potential occupational hazards, we invest in employee training, highlighting the importance of fulfilling all safety measures and regulations, and raising awareness and responsiveness to emergency situations. To this end, various types of training were conducted regarding first aid, as well as training for subcontractors, aiming at ensuring a safe workplace for all employees on the facilities. Trainings contain subjects such as Gas Flame cutting, training for chemicals and work at heights and rescue.

As group we have established a 5-Year Health & Safety Strategic Plan (2023–2027) that sets out clear objectives to enhance the protection of both employees and contractor personnel through systematic and measurable improvements.

Key strategic milestones include:

- Finalization of the Competence Matrix by the end of 2026
- Completion of Machinery Safety Implementation Studies by 2026
- Full Deployment of Machine Guarding Systems by 2027
- Finalization of the Lockout/Tagout (LOTO) Program by 2025
- Finalization of the Working at Height Program by 2025

This strategic roadmap reflects the commitment to building a proactive safety culture, driven by planning, training, and technological advancement.

Zero Man Around

"Zero" in the context of a steel furnace refers to the strict safety condition where no personnel are present in the immediate vicinity of the furnace during critical or hazardous operations.

In steel plants, particularly around electric arc furnaces (EAFs), stringent exclusion zones are enforced to prohibit workers from entering or remaining in these high-risk areas during activities such as tapping molten metal, charging the furnace, or other phases that carry significant risks of splashing, explosions, or exposure to extreme heat.

To support this safety approach, we are implementing the following automated and remote-controlled technologies:

- Automated Eccentric Bottom Tapping (EBT) filling
- Remote slag door cleaning
- Remote temperature measurement using a robotic arm
- Automated stirring coupling systems

These measures help ensure personnel safety by minimizing direct exposure to dangerous furnace operations.

Working at height

In 2024, the implementation of safe working-at-height practices was identified as a top priority due to the significant risks involved, particularly in industrial settings like ours. Acknowledging the critical need to prevent falls and related incidents, led to the introduction of a series of robust measures to protect our workforce. In partnership with an IRATA Level 3 certified competent trainer, specialized Working at Height training programs across the sites were conducted. These sessions equip employees with the practical skills and theoretical knowledge necessary to safely perform tasks at height, in full compliance with safety standards.

To reinforce these efforts, we have implemented a Working at Height Permit System that governs all relevant activities and ensures that only trained and authorized personnel are involved. In addition, regular inspections and maintenance of personal protective equipment (PPE), such as harnesses, lanyards, and anchorage systems are performed, to confirm their condition and usability.

Machinery safety

Machinery safety remains a core priority in the efforts to prevent workplace accidents and ensure a secure working environment. Updated safety assessments of the production lines are gradually conducted, focusing on identifying risks and modernizing protective measures.

As part of this ongoing initiative, we are systematically replacing machine guards, prioritizing interventions based on risk level and aligning them with the available annual budget. This structured

approach allows us to enhance safety in a targeted and cost-effective manner, while ensuring compliance with applicable regulations and reinforcing the overall safety culture.

Industry 4.0 technologies for Health and Safety

While climate and energy transition strategies are addressed under the environmental domain, their implications for the workforce -such as needs for digital literacy, retraining, and safety adaptation in new production setups-are increasingly relevant. Current safety initiatives incorporating Industry 4.0 technologies offer early examples of transition-aligned workforce transformation. These smart solutions are designed to enhance real-time monitoring, risk prevention, and employee training - ultimately accelerating the efforts to create safer working environments.

Key implementations include:

- AI-Powered Cameras (Fuchs Forklifts, Sidenor Thessaloniki): Installed to detect and identify the presence of workers around forklifts and heavy machinery, helping to prevent accidents by triggering automated safety responses when proximity thresholds are breached.
- VR-Based Safety Training (All Plants): Virtual Reality training modules simulate high-risk scenarios, such as working at height or confined spaces, allowing employees to practice safe responses in a controlled, immersive environment without exposure to actual danger.
- Smart Safety Curtains: Deployed around equipment with moving parts, these curtains warn the workers when a breach is detected, providing an additional layer of protection against accidental contact.
- Trolley Operator Awareness Systems: These systems increase situational awareness by alerting operators of nearby personnel or obstacles, reducing the risk of collisions and human error.

These technologies not only support regulatory compliance but also align with the broader goal of leveraging digital transformation to drive health and safety performance across all business units.

Subcontractors' training

In collaboration with the Institute of Industrial and Business Education and Training (IVEPE), prerequisite training is provided regarding health and safety for the subcontractors who work in the facilities, starting with the Sidenor plant in Thessaloniki. The aim is to cultivate health and safety and prevention culture among all contractor personnel, ensuring full compliance with safety protocols & standards across operations.

Performance management

Sidenor, Stomana Industry, and their subsidiaries monitor their health and safety performance through specific indicators in order to support their continuous improvement.

Health and Safety indicators	2022	2023	2024
Percentage of employees covered by Health and Safety Management System	100%	100%	100%
Number of fatalities in own workforce as result of work-related injuries and work-related ill health	0	0	0
Number of fatalities as result of work-related injuries and work-related ill health of other workers working on undertaking's sites	0	0	0
Number of recordable work-related accidents for own workforce	22	38	32
Rate of recordable work-related accidents for own workforce	4.4	8.0	6.0
Number of cases of recordable work-related ill health of employees	0	0	0
Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health related to employees	934	938	536

* The rate of recordable work-related accidents is calculated by dividing the respective number of cases by the number of total hours worked and multiplied by 1,000,000. Recordable accidents include the number of fatalities, lost time injuries, substitute work, and other injuries requiring medical treatment from a medical professional.

Commitment to Integrity and Sound Governance

Our contribution to the United Nations Sustainable Development Goals

Zero

discrimination cases reported

10%

of total spending supports local economies (30km radius)

989

key employees received training on Ethics, the Code of Conduct, and Anti-Bribery

Zero

data breach cases reported

50%

of category A suppliers are assessed through ECOVADIS

60%

of A and B suppliers signed the Business Partners Code of Conduct

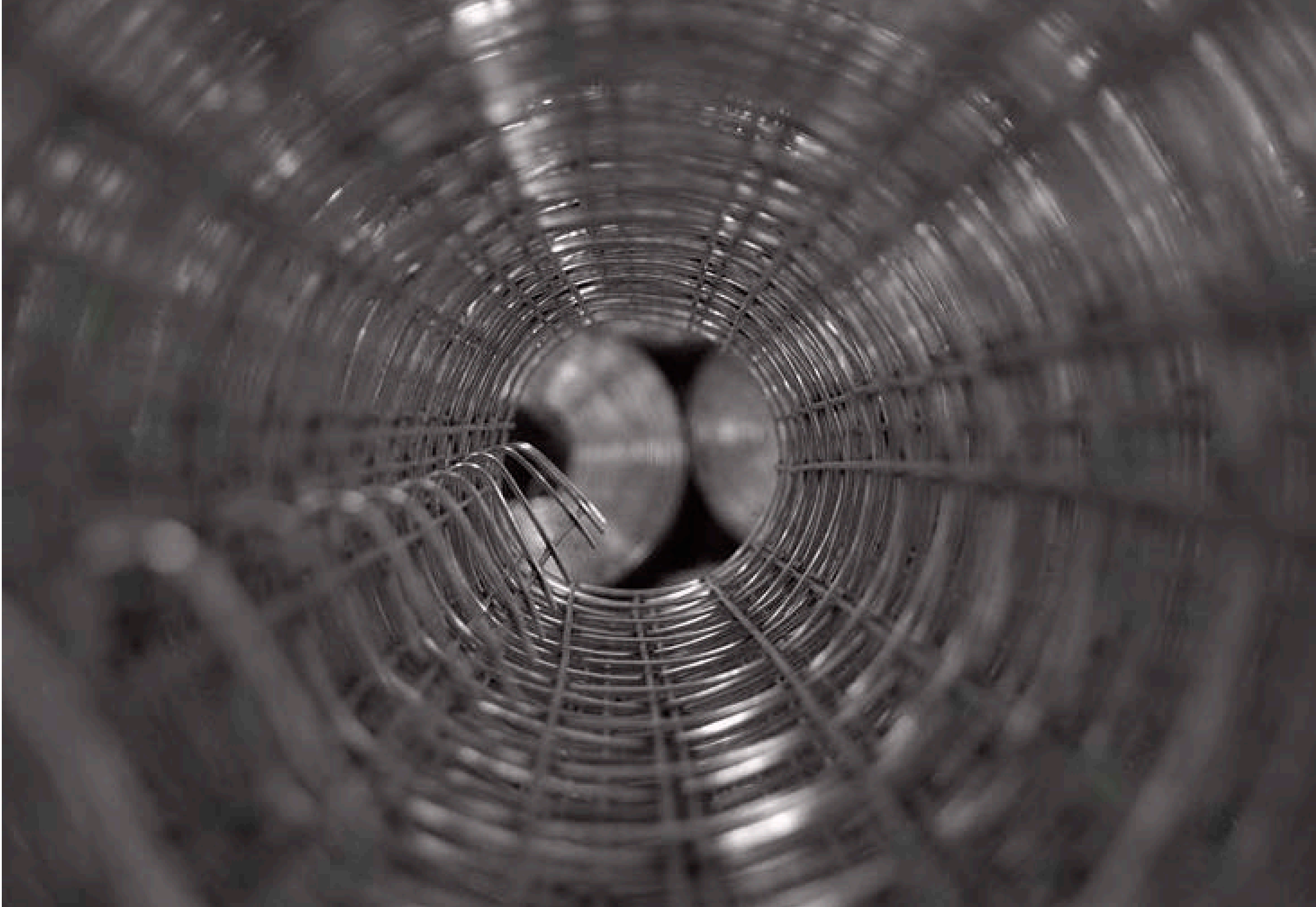
Business conduct

The role of the administrative, supervisory and management bodies

The Boards of Directors / Administrators of Sidenor Steel Industry, Stomana Industry, and their subsidiaries, are responsible for supervising the strategic direction, governance practices, and integrity of operations within the steel segment. They ensure alignment with policies, oversee business conduct-related matters, including corporate culture, ethics and compliance and possess collective expertise relevant to the steel industry and the regions in which they operate. The Companies also manage sustainability-related impacts, risks, and opportunities, with appropriate internal controls integrated across governance and reporting structures. For further information, see segment Governance on the section "The Foundations of our Sustainability Statement".

Impacts, risks and opportunities

As reflected in the Table of IROs in relation to business conduct matters solely, the steel segment Companies have identified a potential negative impact related to Responsible Sourcing, which may affect its relationships with key stakeholders. The identified impact stem from potential association with companies engaging in unethical practices or possessing deficient governance systems, which have the potential to impact employees, local communities, and national indicators, and disrupt the value chain. However, they have voluntarily chosen to align with the majority of ESRS G1 data points to enhance transparency, accountability, and comparability in their reporting, building on the disclosures they have historically shared with stakeholders under the GRI framework.



Business conduct policies and corporate culture

Sidenor, Stomana Industry, and their subsidiaries, establish business conduct policies cultivating a corporate culture which gives the tone and approach concerning the prioritization of business ethics, anti-corruption and a sound governance in general.

To ensure accountability and transparency with stakeholders, a range of Policies and Procedures have been implemented to ensure full alignment with applicable legislation and sustainability frameworks. In doing so, the aim is to mitigate potential negative impacts and risks, while also identifying and capitalizing on the relevant opportunities.

Policies

Sidenor, Stomana Industry, and their subsidiaries have established a comprehensive suite of Sustainability policies to guide their operations and ensure sustainable practices across all facets of their business. These Policies are consistently implemented across their operations. These Policies collectively reinforce dedication to ethical conduct, environmental and social responsibility, while aligning with the broader objective to maintain consistency and drive forward a unified approach. For more detailed information, refer to the official websites of Sidenor and Stomana Industry[1,2]. The monitoring of the application of the following Policies and Procedures lies with the most senior executive responsible for each company as appointed by the separate Boards of Directors/ Administrators. Oversight and implementation of each Policy/ Statement falls under the responsibility of the most senior executive accountable for each company.

1. https://sidenor.gr/en/sustainability/esg-policies/
2. https://stomana.com/sustainability/

Sustainability Policy

All companies under the scope of the current Statement are committed to sustainable development by addressing societal needs through the responsible and inclusive delivery of products and solutions, while creating long-term value for all stakeholders. The policy further embeds sustainability considerations into strategy, operations, and governance frameworks, minimizing negative impacts, and enhancing positive contributions by identifying and managing material risks and opportunities related to sustainability matters. The Policy applies to all employees, officers, directors, contractors, and agents, as well as to all subsidiaries and controlled companies, regardless of geographic location, and extends across the steel production and trading segments' upstream and downstream value chain. Responsibility for the implementation of the policy lies with the most senior executives of each entity within the steel segment, ensuring that sustainability is embedded in decision-making and that accountability is upheld at all organizational levels. When under development, the Policy was informed by, and was aligned with, key international standards and initiatives, including the ESRS, the SDGs, relevant applicable laws and regulations, and industry-specific best practice promoting circularity, climate resilience, and ethical business conduct. The views and expectations of key stakeholders, including employees, business partners, clients, and local communities, were also considered. The Policy is available to all employees and stakeholders via official websites and is reviewed on an annual basis to ensure its relevance, effectiveness, and compliance with emerging regulations and stakeholder expectations.

Business Code of Conduct

All companies under the scope of the current Statement are guided by the values of responsibility, integrity, transparency, effectiveness and innovation, coupled with strong respect for people and the environment, the desire for ongoing career development of employees and the promotion of ethical behaviour. The Business Code of Conduct that each separate entity implements applies to all operations and business activities, regardless of the country in which each entity operates. The Code applies to all employees, officers, contractors, and subsidiaries. It outlines expected behaviors, business conduct, and a commitment to sustainability, ethics, and respect for stakeholders. It covers areas like anti-corruption, fair competition, conflict of interest, and human rights, ensuring compliance with local and international laws.

All Companies are dedicated to creating a safe, inclusive, and responsible workplace, focusing on continuous improvement in sustainability, environmental protection, and health and safety. Employees must adhere to these ethical standards, with ongoing training as well as a whistleblowing mechanism in place for reporting violations. Disciplinary actions for non-compliance can range from warnings to termination of contract or legal action, depending on the severity of the violation. The Code is regularly reviewed to ensure alignment with business goals and evolving regulations and can be found in each Company's official website.

Business Partners' Code of Conduct

All companies under the scope of the current Statement adhere to a dedicated Business Partners' Code of Conduct, which sets out the principles and expectations for ethical, responsible, and sustainable behavior throughout their value chain, covering key areas such as anti-corruption, labour and human rights, environmental protection, personal data protection, and sound governance. The Code aims to mitigate sustainability-related risks (e.g. corruption, child labour, biodiversity loss) and ensure respect for internationally recognized standards, while promoting opportunities for enhanced sustainability performance through responsible partnerships. Business Partners are required to comply with applicable laws and the values of each entity, to participate in sustainability assessments, and to adhere to principles aligned with the UN Guiding Principles on Business and Human Rights; more specifically the ILO Declaration on Fundamental Principles and Rights at Work, the OECD Guidelines

for Multinational Enterprises, and any relevant EU legislation (e.g. GDPR, REACH, RoHS).

The scope of the Code includes all suppliers, contractors, consultants, and associated business entities operating across each Company's upstream and downstream value chain, without geographical exclusion, and considers potentially affected stakeholder groups such as local communities and vulnerable workers. In developing this Code, the companies within the scope of the current Statement have taken into account the interests of stakeholders, including local communities, employees, and society at large, with a view to building trust and ensuring sustainable development across the supply chain. The Code is communicated directly to all Business Partners, made publicly available on corporate websites, and requires formal acknowledgement from partners through signature.

Personal Data Privacy Statement

The Personal Data Privacy Statement adopted across all companies under the scope of the current Statement sets out the common approach on the processing and protection of personal data, in alignment with the General Data Protection Regulation (GDPR) and other applicable data protection laws. The Statement ensures that personal data is handled lawfully, fairly, and transparently, and only for specific, explicit, and legitimate purposes. These purposes include the performance of contracts, compliance with legal obligations, the safeguarding of legitimate business interests, or actions taken with the consent of the data subject. The scope of the Statement extends to data subjects such as individual customers, representatives of legal entities, collaborators, subcontractors, visitors, and job applicants.

Categories of personal data include identification and contact information, professional and employment-related data, as well as additional information necessary for recruitment or facility security procedures. Data processing is strictly limited to what is necessary and may be carried out by companies within the steel segment affiliated entities, or authorized third-party processors, located either within the EU/EEA or in selected third countries that ensure adequate protection.

Personal data is safeguarded through appropriate technical and organizational measures to prevent unauthorized access, alteration, disclosure, or loss. The Statement upholds the rights of data subjects, including the rights of access, rectification, erasure, objection, restriction of processing, and withdrawal of consent, in accordance with legal limitations. It is made publicly available to ensure transparency, and it is updated as needed to reflect changes in legal and regulatory requirements.

Contact information is provided to support data subjects in exercising their rights or submitting inquiries. Responsibility for the implementation and oversight of this Statement rests with the designated data protection function, which reports directly to senior management and ensures compliance across all companies in the steel segment.

Whistleblowing procedure

In order to prevent misconduct, unethical, or illegal behaviors, the companies within the scope of the current Statement have in place a whistleblowing mechanism to ascertain that any illegal behaviour can be reported without retribution to the person reporting. The mechanism is available for everyone, and the Companies are committed to investigating all incidents, promptly and objectively ensuring that anyone who suspects such issues within them has the opportunity to report them (maintaining anonymity if desired) without fear of retaliation in full alignment with the requirements of national law 4990/2022 transposing Directive (EU) 2019/1937 of the European Parliament and of the Council.

In this context, the Companies have partnered with an independent, external whistleblowing system, the EthicsPoint Whistleblowing Hotline[3], to facilitate reporting in a way that is easier, safer, and, most importantly, independent.

The EthicsPoint platform can receive reports by phone or online regarding illegal, unethical, or improper behavior from anyone connected with the Companies. All reports made to EthicsPoint will be kept strictly confidential, taken seriously, and handled in a fair and equitable manner.

Reports may relate to:

- Corruption
- Bribery
- Conflict of interest
- Fraud
- Harassment, bullying, discrimination, and prejudice
- Health and safety at work
- Environmental damage
- Unfair anti-competitive behavior
- Breach of personal data

Regardless of the method chosen to contact EthicsPoint, a unique number will be provided to receive a relevant response. Reports are submitted directly to the EthicsPoint portal, encrypted, and stored in a separate environment to avoid any security breach. The EthicsPoint portal displays these reports only to the independent ethics committee responsible for assessing the report based on the nature and location of the incident. The recipients of the reports have received specialized training for managing them with complete confidentiality.

No retaliation approach

All employees and stakeholders have the right and obligation to report circumstances indicating inappropriate or illegal behavior, including, but not limited to, corruption, bribery, and forced labor. Notifications and complaints may be made anonymously, in accordance with the relevant Whistleblowing mechanism through the established Integrity Hotline (publicly accessible platform on the corporate website, by phone, or email). Individuals will not be subject to reprisals or retaliation of any kind, in accordance with the applicable law transposing Directive (EU) 2019/1937 of the European Parliament and of the Council.

Training on Business Conduct

Ongoing training in ethical business conduct is considered essential to fostering a culture of integrity and accountability. In alignment with this commitment, structured and comprehensive training programs are made available to all employees.

Participation in such training is mandatory across all levels of the organizations, including senior management and BoD members. All personnel are expected to complete training on Ethics and the Code of Conduct at regular intervals, typically every three years. Employees in roles deemed more sensitive must also undergo targeted training on anti-corruption and business ethics within the same timeframe. Furthermore, employees are trained on information security issues that are explicitly covered in the Code of Conduct. It should be noted that personal and business-related data is protected against unauthorized access, loss, or manipulation. We make use of and constantly upgrade all available technical means and applicable organizational procedures, following the Information Security Framework for Sidenor in consideration of pertinent international, European, and national provisions.

Training content is tailored to reflect the nature and responsibilities of each role, ensuring that employees receive guidance relevant to their exposure and decision-making context.

Personnel training 2024-2023-2022[4]

Business Conduct subject	Number of employees
Ethics and Code of Conduct	655
Anti-bribery	334 (56 managers trained)
Total	**989**

3. https://secure.ethicspoint.eu/domain/media/gr/gui/108896/index.html
4. The training sessions on business conduct matters apply to the following Group entities: Sidenor, Sovel, Stomana, Dojran Steel and Erlikon.


STOMANA
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SIDENOR GROUP
SQ
1, Vladaisko Vastanie str.,
2304 Pernik, Bulgaria

Management of relationships with suppliers

Through their first Double Materiality Assessment, the Companies identified Responsible Sourcing as a material sustainability matter due to the steel industry's dependencies on resources, especially scrap metal (as shown in the relevant tables in pages 33-34). The main potential negative impact relates to the lack of due diligence in the upstream value chain, which could lead to associations with suppliers that do not meet robust environmental, social, and governance standards.

Specifically, the risks arise from potential relationships with suppliers engaging in unethical practices or having insufficient governance systems. They may affect employees, local communities, and broader societal indicators, potentially resulting in financial penalties, legal liabilities related to upstream human rights violations, supply chain disruptions, and damage to the Companies' reputation.

Hence, the Companies emphasize the importance of strategic partnerships with suppliers who uphold strong ethical, social, and environmental principles. Ensuring responsible sourcing is critical to mitigating upstream risks and safeguarding the integrity of the value chain.

Sidenor, Stomana Industry, and their subsidiaries proactively address this potential negative impact by carefully selecting and managing their suppliers in a responsible manner. Suppliers represent a key group of stakeholders, as they provide the raw materials, equipment, and services essential for product development. The steel production and trading segment, as the purchaser of these products and services, fulfills its responsibilities diligently and undertakes actions aimed at positively influencing the supply chain.

The handling of daily issues connected to supplies at Sidenor, Stomana Industry and their subsidiaries is carried out electronically, through an integrated application of the SAP platform. The use of this application has improved the time required for the processing of supplies and has allowed instant updating of their status. The possibilities for further improvement provided by the application are numerous, and it is expected that in the future these will be used even more effectively.

As to quantitative information about suppliers[5], the total number of A and B suppliers, accounting for 90% of total spending, is 278, of which 31 correspond to local suppliers, within a radius of 30 km from each of the Companies' premises. As a result, about 10 % of total spending supports local economies. This is an important amount considering the countries of operation and the necessity to retain access to international markets for raw materials and equipment.

It should be highly noted that a partnership with EcoVadis, a leading provider of sustainability and supply chain services, assesses the sustainability practices of all A suppliers of raw materials on sustainability matters. This evaluation includes various sustainability criteria such as environment, labour and human rights, ethics, and responsible procurement, and it is aimed at enhancing sustainability across our supply chain.

In this context, 60% of A and B suppliers have signed the Supplier Code of Conduct and 50% of category A suppliers have gone through a sustainability assessment.

Evaluation of suppliers and subcontractors

The evaluation of suppliers is an integral part of the efforts to continuously enhance products and services. Suppliers fall into two categories: suppliers of materials and equipment, and service providers (subcontractors). Having diverse evaluation approaches is considered very important, as it makes the evaluation process more relevant to each relationship and therefore more effective and efficient.

The basic steps followed in each case, irrespective of the type of supply involved, include the following:

5. A: top 20 suppliers, B: the rest up to 90% of total procurement spend..

The companies also adhere to a holistic and strict Policy about Responsible Sourcing as described below:

Responsible Sourcing Policy

The Companies apply Responsible Sourcing Policies which outline the integration of environmental, social, ethical, and economic criteria into procurement activities. Their Policies aim to create shared value for society, ensure regulatory compliance, and manage supply chain risks that could affect their continuity of operations and reputation. Key objectives include mitigating potential adverse impacts such as human rights violations, health and safety risks, and environmental harm, especially those linked to upstream suppliers. The Policies include clear processes for monitoring implementation, including annual reviews and updates at least every three years, subject to approval by the Supply Chain Director and Procurement Senior Director. The Companies' Policies apply across all functions involved in procurement (Procurement, Sustainability, Legal) and to all suppliers, contractors, agents, and business partners in the upstream value chain, regardless of geography. Relevant stakeholder interests were considered during policy formulation. Ultimate accountability for implementation lies with the most senior executives of each Company, including the Supply Chain Director and Procurement Senior Director, who oversee governance structures and ensure compliance across the organization. These Policies are aligned with internationally recognized standards such as the OECD Due Diligence Guidance for Responsible Business Conduct, the OECD Guidance for Minerals from Conflict-Affected and High-Risk Areas, the EU Conflict Minerals Regulation, and the UK Modern Slavery Act. Stakeholders, including affected suppliers and employees, are engaged through communication, collaboration, and training initiatives. The Policies are published on the intranet and website to ensure accessibility. The Companies commit to raising awareness among employees and procurement staff, offering role-specific training and integrating sustainability criteria into supplier engagement and incentives.

They also adhere to a dedicated **Business Partners' Code of Conduct**[6], which ensures that business partners (suppliers, contractors, consultants) of the companies uphold high ethical standards and sustainability practices. Business Partners are expected to comply with all relevant laws and regulations and engage in sustainability assessments covering all sustainability-related matters. By signing the Code, they confirm their commitment to comply with these principles and participate in sustainability assessments.

The Code requires that all Business Partners adhere to four sustainability pillars:

These pillars encompass various sustainability matters, including, but not limited to, the following:

- **Business Ethics:** Business partners are required to comply with all applicable local, national, and international laws, and to maintain formal compliance systems endorsed by senior management. The Code strictly prohibits all forms of corruption, including bribery, extortion, fraud, and money laundering, and mandates adherence to antitrust, fair competition, and trade laws, including applicable sanctions. Business partners must avoid conflicts of interest, refrain from offering or accepting improper advantages, and uphold the highest standards of integrity in all business activities.
- **Labour and Human Rights:** Business partners are expected to respect the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises. Its key commitments include respect for human and labour rights, including non-discrimination, prohibition of child and forced labour, fair wages and working hours, safe working conditions, and freedom of association. It also mandates decent living conditions where applicable and respect for local communities and indigenous rights.
- **Environmental Protection:** Business partners are required to comply with all applicable environmental permits and regulations and to continuously improve in areas such as pollution prevention, resource efficiency, and waste management. They are expected to actively reduce energy consumption and greenhouse gas emissions by identifying cost-effective solutions, promoting decarbonization initiatives, utilizing renewable energy and secondary materials where feasible, and setting emission reduction targets. Additionally, suppliers must comply with substance restrictions and product labeling laws, and support biodiversity protection in line with global and local conservation efforts. Through our

6. https://sidenor.gr/wp-content/uploads/2023/04/SDG-Supplier-Code-of-Conduct_02_2023-1.pdf

Business Partners' Code of Conduct, suppliers are engaged in climate action, and their progress on Scope 3 emissions is regularly monitored. For more information, please refer to the section "Managing our GHG Emissions."

- **Personal Data Protection:** Business Partners are required to comply with the General Data Protection Regulation (GDPR) 679/2016 of the European Union and national laws (e.g., Law 4624/2019), establishing strict procedures for the protection of personal data in line with international standards and best practices.

Regarding the use of conflict minerals, such as tin, tantalum, tungsten, and gold, the companies are not subject to related due diligence or reporting requirements, as these materials are not used in their operations. Nevertheless, the Companies are committed to promoting responsible sourcing practices throughout their value chain. The Business Partners' Code of Conduct explicitly requires business partners to take measures ensuring that no conflict minerals are present in their supply chains. Upon request, business partners must disclose the origin of any listed minerals and must avoid any involvement with illegal armed groups in mining, transportation, or related activities. In regard to supplier diversity, the Companies have not yet implemented a formal Supplier Diversity Program but plan to develop one in the near future. In the meantime, through their Code of Conduct, the Companies emphasize economic inclusion by prioritizing opportunities for small and local businesses. This approach ensures that supplier selection processes remain inclusive and contribute to local economic development.

Supply Chain Sustainability due diligence (Target for 2025)

By the end of 2025, the companies aim to fully implement a comprehensive Supply Chain Sustainability Due Diligence (SCSDD) process aligned with the EU Sustainable Finance Regulation, the upcoming Corporate Sustainability Due Diligence Directive (CSDDD), the UN Guiding Principles on Business and Human Rights (UNGP), and the European Sustainability Reporting Standards (ESRS).

The Due Diligence process will encompass:

- Establishing a structured, ongoing collaboration with all suppliers, contractors, and third-party providers to identify and mitigate environmental, social, governance, and human rights risks across all tiers of the supply chain.
- Completing a detailed procurement risk assessment and conducting an ABC classification of suppliers based on a two-step evaluation considering monetary spend and supplier criticality. All relevant suppliers will undergo sustainability screening through EcoVadis tools.
- Ensuring that all high- and medium-risk suppliers (classified as A and B) formally acknowledge and sign the Business Partners' Code of Conduct, thereby committing to continuous improvement in sustainable and ethical practices.
- Fully integrating human rights due diligence into supplier assessments, supported by enhanced monitoring and corrective action plans for high-risk suppliers.
- Maintaining transparent documentation, continuous monitoring, and regular updates of the due diligence process, with mandatory reporting and public disclosure in accordance with applicable regulatory requirements.
- Embedding sustainability risk management into procurement decisions to strengthen business continuity, improve supply chain visibility, and enhance overall sustainability performance.
- Providing comprehensive training to relevant personnel across Sustainability, Procurement, and Legal functions to ensure effective implementation and enforcement of sustainability and human rights standards throughout the supply chain.

The Companies acknowledge that material impacts on value chain workers originate from sourcing activities and operational dependencies, particularly in high-risk geographies and sectors. These findings, confirmed through our Double Materiality Assessment, inform our approach to responsible sourcing, supplier onboarding, and risk prioritization. As mentioned previously, we plan to integrate these insights into our strategic decisions, including the enhancement of supplier selection criteria and of long-term partnerships with suppliers who incorporate sustainability criteria into their operations.

Our strategy addresses key risks such as forced labor, unsafe working conditions, and limited access to grievance mechanisms among upstream workers. While our core business model remains industrial production, we increasingly adapt procurement and contractual practices to favor partners aligned with our human rights and safety expectations, as described in section Shaping the future of industry with our people.

Prevention and detection of corruption and bribery and incidents of corruption or bribery

Sidenor, Stomana Industry, and their respective subsidiaries are committed to business integrity, focusing on ethics, and the prevention and detection of corruption, bribery, or any other form of unethical behavior. The Companies are dedicated to maintaining the highest standards of business conduct, guided by their operational policies and Business Code of Conduct.

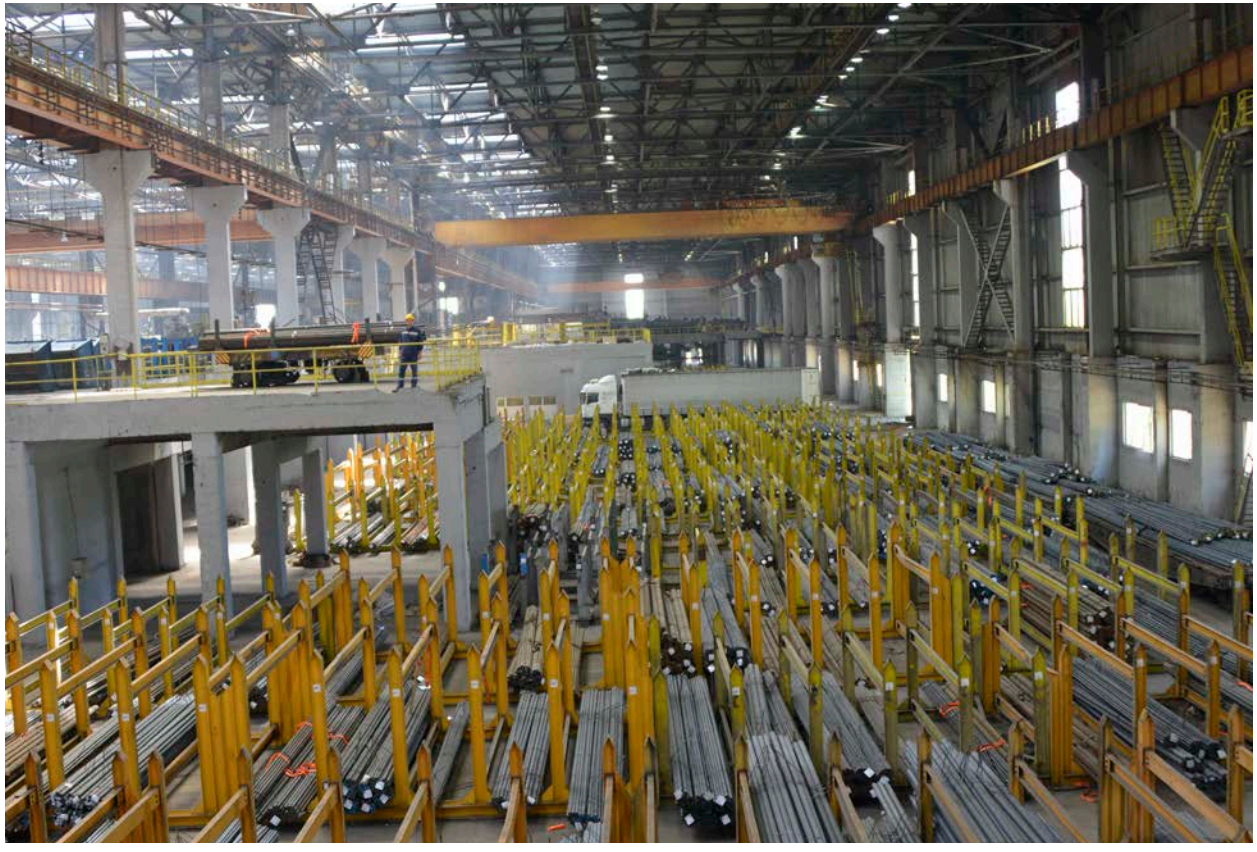
Commitment to anti-corruption and anti-bribery

Corruption and bribery are defined as any act of offering, giving, receiving, or soliciting items of value to influence the actions of individuals in positions of power for unfair advantage. The steel segment Companies maintain an explicit prohibition of corruption, money laundering, fraud, bribery, or any illegal or unethical activity. These acts are not only incompatible with their performance and competitiveness but are also detrimental to the integrity of the Group as a whole. The Companies firmly oppose all forms of unlawful behavior, and this stance is reinforced by a zero-tolerance policy towards corruption and bribery.

Anti-corruption and anti-bribery

The anti-corruption and anti-bribery issues are covered explicitly in the Companies' Code of Conduct and fully align with the United Nations Convention against Corruption (UNCAC). The following steps are implemented to ensure compliance:

Preventive Measures: Financial and audit controls, due diligence on third parties, and a whistleblowing mechanism are in place to prevent, detect, and address corruption-related risks.
Enforcement and Sanctions: Employees found violating anti-corruption policies are subject to disciplinary actions.
Transparency in Contracts: Full transparency in all contractual relationships is ensured, including procurement processes, to eliminate any potential for corrupt practices.




DIN

Data protection (company specific disclosure)

Companies place the highest importance on safeguarding all confidential and proprietary information. Confidential and proprietary information, including trade secrets, contracts, financial data, projects, and details related to customers, suppliers, and partners, must be handled with the utmost care and discretion. Such information is considered strictly confidential and is not disclosed externally or shared internally without appropriate authorization. Equally important is the commitment to protecting personal data, ensuring that the privacy of employees and all stakeholders is respected and safeguarded at all times.

To support this commitment, a structured Data Management System has been implemented to enhance the value and reliability of data, ensure compliance with regulatory requirements, and establish clear protocols for data handling and communication. Special attention has been given to reinforcing the mechanisms through which data is stored and secured, with systems in place to detect, address, and eliminate potential threats or malicious activity.

Data protection is considered an essential aspect of responsible business conduct and is integrated into all processes and transactions. Internal policies, security measures, and controls are designed to preserve the confidentiality, integrity, and availability of information. Third parties, including suppliers and service providers, are also expected to align with these high standards, maintaining consistency and accountability across all areas of cooperation. A dedicated Personal Data Privacy Statement[7] outlines the principles and procedures in place to ensure lawful and ethical processing of personal data.

Upholding data privacy not only prevents financial and reputational risks but also reinforces trust among customers and business partners. Demonstrating responsible data practices contributes to long-term relationships, enhanced credibility, and sustainable business outcomes. Protection of personal data goes beyond legal compliance, such as adherence to the EU General Data Protection Regulation (GDPR) and reflects a broader commitment to aligning with international best practices and delivering added value through ethical data use.

7. See above "Policies"

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External Assurance Statement for Sidenor Sustainability Report 2024 (No. 00.16.0016)

Information on the Assurance Statement
The External Assurance Provider **EUROCERT** has been engaged to provide external assurance on the disclosures published in the Sustainability Report 2024 ('the Report') of Sidenor, Stomana Industry and their subsidiaries (thereafter 'SIDENOR'). SIDENOR is exclusively responsible for the data and information within the Report. EUROCERT conducted the assurance process in terms of sample-based audits of data and information, as well as the inspection of the data collection systems and procedures.

Financial data were not verified. Instead, they were assessed concerning the information contained in the 2024 annual financial statement, which has been verified by other third parties.

The intended users of this Statement are all the stakeholders of the SIDENOR.

Scope and Criteria of Assurance
SIDENOR S.A. (hereinafter referred to as SIDENOR) has assigned **EUROCERT S.A**. (hereinafter referred to as EUROCERT) the limited external assurance of the Sustainable Development Report, which covers the period 1/1/2024-12/31/2024.

The reporting boundaries of SIDENOR include 5 steel production units:

- **Sidenor plant,** in Thessaloniki (Greece)
- **Erlikon plant,** in Thessaloniki (Greece)
- **Sovel plant,** in Almiros (Greece)
- **Stomana Industry plant,** in Pernik (Bulgaria)
- **Dojran Steel plant,** in Nicolic (North Macedonia)

EUROCERT undertook and implemented the following external quality assurance activities in June and July of 2025:

1. Review the Report against the requirements of the European Sustainability Reporting Standards (as found in the final version of 31 July 2023).
2. Use of combined onsite and remote audit techniques, including interviews with the Sustainability Team and the main executives of SIDENOR, and sampling inspections of records, to evaluate:
   - the reliability and accuracy of the numerical data and the performance indicators of the Sustainability Report, along with any estimates used in the absence of numerical data.
   - the reporting policies used by the executive directors to prepare the Sustainability Report.
   - the processes for generating, gathering, and managing information included in the Report, including

During our assurance process, we have conducted a limited assurance engagement on the contents of SIDENOR's Sustainability Report. The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement.

Limitations
1. The objective evidence was found via internal sources of the SIDENOR and not via contacting external stakeholders.
2. The verification of the information took place by using both combined onsite and remote audit techniques, including interviews and documentation examination.
3. The 2024 Sustainability Report presents the 2022 and 2023 comparative information, which have been prepared according to the GRI Reporting Standards and have been subjected to a limited assurance engagement.
4. The disclosures provided by the group about Scope 3 emissions are subject to more inherent limitations than those on Scope 1 and Scope 2 emissions, given the lack of availability and relative precision of information used for determining both qualitative and quantitative Scope 3 emissions information from the value chain.

Conclusions
During the assurance engagement, it was confirmed that the data and information of all the chapters of the Report are

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accurate and reliable. The accuracy of the disclosed statements and assertions was found to be within acceptable limits. SIDENOR provided a comprehensive and proper presentation of performance based on reasonably documented information as well as that there is an effective data gathering, management and reporting system in place for issues that pertain to the scope and the criteria of the Assurance. EUROCERT did not realize anything that would call into question the reliability and quality of the information related to the scope and the criteria of the External Assurance.

More specifically, nothing has come to EUROCERT's attention that causes us to believe that:

1. The Sustainability Report has not been prepared to fulfil the requirements of Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 (Corporate Sustainability Reporting Directive, CSRD).
2. The structure, presentation and contents of the Sustainability Report of SIDENOR for the reporting year 2024 does not comply, in all material aspects, with the requirements of the reporting standards endorsed by the European Commission pursuant to Directive 2013/34/EU (the European Sustainability Reporting Standards, "ESRS").
3. The process (Double Materiality Assessment) carried out by SIDENOR to identify the sustainability-related impacts, risks and opportunities (IROs) and the information to be included in the Sustainability Report is not, in all material respects, in accordance with the description set out in section Double Materiality Assessment of the Sustainability Report..

Opportunities for Improvement
Based on the observations and concluding remarks derived from the assurance engagement, EUROCERT's recommendations for the improvement of the SIDENOR's future Sustainability Report are as follows:

- Visits to more plants to achieve a higher level of assurance.
- Provision of information for additional ESRS Standards' disclosures related to non-material topics of the company.

Accreditation Status and External Assurance Disclaimer
As of the date of this statement, EUROCERT is a licensed and experienced assurance provider for sustainability information, operating in accordance with internationally recognized voluntary standards, including GRI and AA1000AS v3. EUROCERT is authorized to deliver independent assurance engagements aligned with current best practices and applicable requirements.

However, EUROCERT is not yet formally accredited under the Corporate Sustainability Reporting Directive (CSRD), pursuant to Article 34(1) of Directive (EU) 2022/2464 and Regulation (EC) No 765/2008. The Omnibus Directive (EU) 2024/825 amends Directive 2006/43/EC and related legislation to expand the statutory audit oversight framework, enabling a harmonized EU approach for authorizing and supervising both statutory auditors and independent assurance providers performing CSRD-related engagements.

Although Law 5084/2023 transposed the CSRD into Greek legislation in December 2023, the Hellenic Accreditation System (ESYD) has not yet issued the national accreditation criteria and procedures for certifying assurance providers under CSRD. Consequently, no certification body in Greece currently holds accreditation to perform statutory sustainability assurance.

While SIDENOR S.A. is not directly subject to CSRD assurance obligations due to its non-listed status, it is a subsidiary of Viohalco S.A.—a listed entity on Euronext Brussels (VIO) and the Athens Stock Exchange (BIO)—and therefore forms part of Viohalco's consolidated reporting perimeter under the CSRD. SIDENOR's voluntary alignment with ESRS serves a strategic group-level function by enhancing the quality, consistency, and assurance-readiness of the sustainability information reported by the Viohalco Group.

This assurance engagement was performed in accordance with the ESRS standards. Although this is not a statutory CSRD

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engagement due to the aforementioned facts, it provides a robust and relevant assessment of SIDENOR's sustainability governance, material topics, data quality, and disclosure maturity.

In conclusion, EUROCERT delivers high-quality external assurance in accordance with internationally accepted standards and the requirements of relevant EU legislation. Although formal accreditation under the CSRD is still pending, EUROCERT is fully aligned with the requirements and is preparing to obtain national accreditation as soon as the relevant framework is finalized.

Statement of Independence, Impartiality and Competence
EUROCERT is an independent professional services company that specializes in quality, environmental, health, safety, and social accountability. Its assurance team has extensive experience in conducting verification over environmental, social, ethical, and health and safety information, systems, and processes.

EUROCERT is an accredited certification body that operates a Quality Management System that complies with the requirements of several accreditation standards and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The external assurance conducted does not represent EUROCERT's opinion related to the quality of the Sustainability Report and its contents.

EUROCERT has implemented a Declaration of Impartiality and Independence and several relevant procedures which ensure that all employees who work for or on behalf of it, maintain high standards in their day-to-day business activities. We are particularly cautious in the prevention of conflicts of interest.

Our assurance team does not have any involvement in other projects with SIDENOR or other interested parties that would cause a conflict of interest and compromise the independence or impartiality of the findings and conclusions. Furthermore, EUROCERT has never provided any consulting services to SIDENOR and was not involved in the preparation of the text and data presented in its Sustainability Report.

On behalf of EUROCERT,
Athens, 1st of August 2025

Certification Director
Athanasia Chalkiopoulou

ATHANASIA
CHALKIOPOULOU

Lead Auditor
Nikolaos Sifakis

Appendix A: Disclosure requirements in ESRS covered in the sustainability statement

General disclosures

ESRS disclosure requirement		Section	Page
BP-1	General basis for preparation of sustainability statements	The foundations of our sustainability statement	8
BP-2	Disclosures in relation to specific circumstances	The foundations of our sustainability statement	8-9
GOV-1	The role of the administrative, management and supervisory bodies	The role of the administrative, management and supervisory bodies	36-37
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	The role of the administrative, management and supervisory bodies	36
GOV-3	Integration of sustainability-related performance in incentive schemes	Integration of sustainability-related performance in incentive schemes	38
GOV-4	Statement on due diligence	Statement on due diligence	38
GOV-5	Risk management and internal controls over sustainability reporting	Risk management and internal controls over sustainability reporting	38-39
SBM-1	Strategy, business model and value chain	Strategy, business model and value chain	10-25
SBM-2	Interests and views of stakeholders	Stakeholder Engagement	26-29
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Impact of material negative and positive impacts on people and the environment, Risks Identified through the Double Materiality Assessment	35-36
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	The Double Materiality Assessment Process	32-34
IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	Appendix A	102-105

Environment			
ESRS disclosure requirement		**Section**	**Page**
Climate change			
E1.SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Climate Resilience and Mitigation	46-50
E1.IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	Our path to environmental sustainability	46-50
E1-2	Policies related to climate change mitigation and adaptation	Our commitments for a sustainable future	45
E1-5, E1-3, E1-4	Energy consumption and mix	Energy Management	50-51
E1-6	Gross scopes 1, 2, 3 and Total GHG emissions	Managing GHG emissions	52-53
Water and Marine Resources			
E3.IRO-1	Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities	Our path to environmental sustainability	42
E3-1, E3-2, E3-3	Policies related to water and marine resources	Our commitments for a sustainable future Advancing Sustainable Water Use	45
E3-4	Water consumption	Water Resource management	65
Resource Use and Circular Economy			
E5.IRO-1	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	Our path to environmental sustainability	42
E5-1	Policies related to resource use and circular economy	Our commitments for a sustainable future Contributing to a Circular Future	45
E5-4	Resource Inflows	Managing our resource inflows and outflows	61
E5-5	Resource outflows	Managing our Resource Inflows and Outflows	62-63

Social			
ESRS disclosure requirement		**Section**	**Page**
Own workforce			
S1.SBM-2	Interests and views of stakeholders	Our path to a fair work environment	68
S1.SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Our path to a fair work environment	68
S1-1	Policies related to own workforce	Human Rights	70-75
S1-2	Processes for engaging with own workforce and workers' representatives about impacts	Human Rights	70-75
S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	Human Rights	70-75
S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce and effectiveness of those actions	Human Rights	70-75
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Human Rights	70-75
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Human Rights	68
S1-6	Characteristics of the undertaking's employees	Our path to a fair work environment	69
S1-7	Characteristics of non-employee workers in the undertakings own workforce	Our path to a fair work environment	69
S1-8	Collective bargaining coverage and social dialogue	Human Rights	71
S1-9	Diversity metrics	Human Rights	74
S1-10	Adequate wages	Human Rights	71
S1-11	Social protection	Human Rights	71
S1-12	Persons with disabilities	Human Rights	74
S1-13	Training and skills development metrics	Employee training and development	76

S1-14	Health and safety metrics	Occupational health and safety	80
S1-15	Work-life balance metrics	Human Rights	75
S1-17	Incidents, complaints and severe human rights impacts	Human Rights	71
Workers in the value chain			
S2.SBM-2	Interests and views of stakeholders	Our path to a fair work environment	68
S2.SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Our path to a fair work environment	68
S2-1	Policies related to value chain workers	Our path to a fair work environment, Human Rights	68, 70-75
S2-2	Processes for engaging with value chain workers about impacts	Human Rights, Occupational health and safety	70-75, 78-80
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	Human Rights, Occupational health and safety	70-75, 78-80
S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action	Human Rights, Occupational health and safety	70-75, 78-80

Business Conduct - Governance

ESRS disclosure requirement		Section	Page
G1.GOV-1	The role of the administrative, supervisory and management bodies	The role of the administrative, supervisory and management bodies	84
G1.IRO-1 G1-1	Description of the processes to identify and assess material impacts, risks and opportunities	Impacts, risks and opportunities	84
G1-2	Management of relationships with suppliers	Management of Relationships with Suppliers	90-92
G1-3	Prevention and detection of corruption and bribery	Management of Relationships with Suppliers	94

Appendix B: List of datapoints in cross-cutting and topical standards that derive from other EU legislation

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU climate law reference	Material	Section
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816 , Annex II		YES	The role of the administrative, management and supervisory bodies
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		YES	The role of the administrative, management and supervisory bodies
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex 1				YES	Statement on due diligence
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		NO	
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		NO	
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		NO	

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU climate law reference	Material	Section
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		NO	
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	NO	
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article12.1 (d) to (g), and Article 12.2		NO	
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		NO	
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				YES	Energy Management

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU climate law reference	Material	Section
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1				YES	Energy Management
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1				YES	Energy Management
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		YES	Managing GHG emissions
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		YES	Managing GHG emissions
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	NO	
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		YES	Climate Resilience and Mitigation

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU climate law reference	Material	Section
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk.			YES	Climate Resilience and Mitigation
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Banking book -Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral			NO	
ESRS E1-9 Degree of exposure of the portfolio to climate- related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		YES	Climate Resilience and Mitigation
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				NO	
ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex 1				YES	Our commitments for a sustainable future Advancing Sustainable Water Use

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU climate law reference	Material	Section
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 Table 2 of Annex 1				YES	Our commitments for a sustainable future Advancing Sustainable Water Use
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12 Table #2 of Annex 1				NO	
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex 1				YES	Water Resource management
ESRS E3-4 Total water consumption in m_3 per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex 1				YES	Water Resource management (water intensity is presented in different unit due to confidentiality constraints)
ESRS 2- SBM 3 - E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1				NO	
ESRS 2- SBM 3 - E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1				NO	
ESRS 2- SBM 3 - E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				NO	
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1				NO	
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1				NO	
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1				NO	

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU climate law reference	Material	Section
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1				YES	Managing our Resource Inflows and Outflows
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex 1				YES	Managing our Resource Inflows and Outflows
ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				YES	Human Rights
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				YES	Human Rights
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				YES	Human Rights
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		YES	Human Rights
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				YES	
ESRS S1-1 workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I				YES	Occupational health and safety

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU climate law reference	Material	Section
ESRS S1-3 grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				YES	Human Rights
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		YES	Occupational health and safety
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				YES	Occupational health and safety
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		NO	
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				NO	
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				YES	Human Rights
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD Guidelines paragraph 104 (a)	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		YES	Human Rights
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators number 12 and n. 13 Table #3 of Annex I				YES	Human Rights

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU climate law reference	Material	Section
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				YES	Human Rights
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator number 11 and n. 4 Table #3 of Annex 1				YES	Our path to a fair work environment
ESRS S2-1Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		YES	Human Rights
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		YES	Human Rights
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 Table #3 of Annex 1				YES	Human Rights
ESRS S3-1 Human rights policy commitments paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				NO	
ESRS S3-1 non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines paragraph 17	Indicator number 10 Table #1 Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		NO	

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU climate law reference	Material	Section
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex 1				NO	
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				NO	
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		NO	
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex 1				NO	
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1				NO	
ESRS G1-1 Protection of whistle-blowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1				NO	
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II)		NO	
ESRS G1-4 Standards of anti-corruption and anti- bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1				NO	

Certain datapoints required under other EU legislative acts are not disclosed in this Statement, as they have been deemed immaterial at the consolidated level. All information presented is in alignment with the provisions of ESRS 1, following the aforementioned double materiality assessment.


SIDENOR
SIDENOR S.A.
SD
PRODUCTION PLANT
SOVEL

DESIGN AND GRAPHICS

ACTION GLOBAL COMMUNICATIONS GREECE
www.actionprgroup.com

The photographs in this Report are by FBRH Consultants Ltd, Vasilis Nikolaou and Vyron Nikolopoulos.

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In case of any discrepancy, the English text shall prevail.

Sustainability Report 2024