

SUSTAINABILITY REPORT 2025

BUILDING
TOMORROW,
TODAY

SUSTAINABILITY
REPORT 2025

WE ARE BUILDING
TOMORROW.
TODAY





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CEO Message



Antonis Karadeloglou
CEO

Dear Stakeholders,

In 2025, we continued to operate in a demanding and uncertain global environment shaped by geopolitical developments, volatility in energy and commodity markets, shifting trade dynamics, and growing expectations for industrial resilience and sustainability. At the same time, long-term trends such as electrification, infrastructure modernization, circular economy practices, and the transition to a lower-carbon economy continue to shape demand across the sectors we serve.

As a leading manufacturer of steel products in Greece and one of the largest in Southeastern Europe, we recognize our responsibility to operate responsibly, strengthen the resilience of our operations, and contribute to a more sustainable future. Our approach to sustainability remains firmly connected to our commitment to meeting stakeholder expectations, maintaining competitiveness, and creating long-term value through responsible operations.

Our strategic direction remains focused on four interconnected priorities that strengthen our resilience, competitiveness, and long-term sustainability.

We continue investing in our people and in improving work quality across our operations. Our employees' expertise, dedication, and continuous development remain essential to achieving our goals and sustaining long-term growth. We therefore continue fostering a working environment built on trust, transparency, accountability, and inclusion, while investing in learning and development opportunities that support both professional and personal growth. Occupational Health and Safety remain our highest priority. Through risk identification, preventive measures, awareness initiatives, and specialized training for employees and subcontractors, we continuously work to strengthen a safety culture across all our facilities and throughout our value chain.

Additionally, we remain committed to sustainable steel production and to minimizing our environmental footprint through responsible resource management, energy efficiency, and circularity. By producing steel exclusively from scrap and leveraging our Electric Arc Furnace (EAF) technology, we continue supporting efficient, lower-emission steel production. Today, our production model positions our Companies among the steel producers with the lowest carbon footprint in Europe, reflecting the long-standing investments and strategic choices we have made towards sustainable manufacturing.

We remain focused on improving energy efficiency and optimizing resource use across our operations, while increasing the share of renewable electricity in our energy mix through installed solar panels and renewable electricity procurement, to the extent possible. At the same time, we continue promoting responsible water use and strengthening circularity by increasing the use of secondary raw materials in production. Looking ahead, we are confident that the continued implementation of our sustainability plan, including further electrification and renewable energy integration, will enable us to further reduce our carbon footprint in the coming years and reinforce our position among Europe's lowest-carbon steel producers.

As the largest scrap metal recycler in Southeastern Europe, we continue contributing to resource efficiency and lower emissions across the value chain, while providing Environmental Product Declarations (EPDs) to enhance transparency and support more sustainable choices for our customers.

We continue strengthening supply chain management to enhance resilience, efficiency, and risk management in an increasingly volatile external environment. By maintaining close cooperation with suppliers and partners and strengthening oversight across sourcing, logistics, and operational processes, we seek to ensure continuity,

reliability, and responsible practices throughout the value chain, including respect for labour and human rights as well as workplace health and safety.

We remain committed to developing value-added products that respond to evolving customer needs by combining high quality, cost competitiveness, reduced environmental impact, and operational efficiency. Through ongoing investments in production and continuous process optimization, we continue offering products designed to reduce material waste, improve project efficiency, and support increasingly complex technical applications.

Strong corporate governance, transparency, and accountability continue to guide our actions and decision-making. Building on the work initiated in previous years, we further align our reporting approach with the requirements and principles of the European Sustainability Reporting Standards (ESRS) and the Corporate Sustainability Reporting Directive (CSRD), despite not yet formally falling within the scope of the legislation. Through our Double Materiality Assessment, we continue to identify the sustainability matters most relevant to our operations, stakeholders, and long-term strategy, enabling us to implement targeted actions and further strengthen our performance.

The internationally recognized certifications of our operating systems, including our Environmental and Energy Management Systems, continue to reflect our commitment to responsible operations, operational excellence, and continuous improvement.

As we look ahead, uncertainty in the broader environment is expected to persist. Nevertheless, we remain confident in the long-term fundamentals shaping our sector and in the essential role of steel in supporting resilient infrastructure, industrial development, and the transition to a more sustainable economy.





6 production sites

16 distribution centers

3 ports

Building a stronger network, responsibly



Basis for the preparation of the Sustainability Statement

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About the Sustainability Statement

This Sustainability Statement (hereinafter also referred to as the “Statement” or “Sustainability Report”) has been voluntarily prepared by SIDENOR STEEL Industry S.A., STOMANA Industry S.A., as well as their respective subsidiaries (hereinafter also referred to as “Sidenor, Stomana Industry, and their respective subsidiaries” or “the Companies”) for the reporting period from 01.01.2025 to 31.12.2025.

Although Sidenor, Stomana Industry, and their respective subsidiaries do not yet fall under the mandatory scope of the Corporate Sustainability Reporting Directive (EU) 2022/2464 (CSRD), this Statement has been developed to enhance the levels of transparency and accountability towards stakeholders, and to facilitate the transition to the European Sustainability Reporting Standards (ESRS). The Sustainability Statement focuses on the core operations and material sustainability issues relevant to the Companies, including impacts, risks, and opportunities (IROs) across the entire value chain (upstream, operational, and downstream). The Sustainability Statement integrates

information from primary operational data sources, internal assessments, as well as processes that originate from stakeholder engagement.

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

As such, planning for mitigation, resource allocation, and performance monitoring is developed and managed on a consolidated basis, allowing for coherent decision-making and reporting. Any differences in material sustainability matters or performance indicators among entities are either of minor importance or have been acknowledged and addressed in more detail in the relevant disclosures.

Key Sustainability Initiatives



Integrated GHG emissions management system supporting decarbonization efforts.



Development of thorough Human Rights Due Diligence (HRDD) process and assignment of a Human Rights Officer.



Established engagement with customers, suppliers and other key stakeholders across the value chain.



Continuous product and process innovation supported by technical expertise and industry collaboration.



Integration of sustainability metrics in variable remuneration incentive scheme.



Targeting, engaging and evaluating major suppliers on sustainability criteria.

Our History and Milestones of Growth

2001

Aeiforos SA Greece processing by-products and wastes and providing raw materials to other industries (e.g. cement industry).

2004

Aeiforos SA Bulgaria replicating the Greek model in Bulgaria.

2014

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

2016

Installation of Induction Furnace in Sidenor Rolling Mill.

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 strategic approach to managing climate-related risks and opportunities.

2024

- Revamping 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 gas consumption.

Our history shapes a more sustainable future

2006

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

2009

Installation of New Compact Rolling Mill in Sovel plant, to reduce 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, to improve carbon footprint.
- Photovoltaic panels installation (4MWp) in Dojran plant, to provide renewable energy and reduce carbon footprint.

2025

SOVEL Steel Plant as the first in Europe to permanently introduce octagonal billets, enabling increased production, energy savings, and reduced CO₂ emissions.

Scope of the Sustainability Report

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. This approach reflects the high degree of operational, sectoral, and governance alignment across

these entities, including shared policies, management systems, processes, and strategic planning frameworks.

More specifically, the scope of the report includes:

Company	Relationship with Sidenor
Sidenor S.A.	
Sovel S.A.	Subsidiary
Stomana Industry S.A.	Associate
Dojran Steel LLCOP	Subsidiary
Erlikon S.A.	Subsidiary

ESRS 2 Table 1: Group's Companies

The Companies do not prepare consolidated financial statements at the sub-group level, but are consolidated at a group level through Viohalco S.A., the Group's parent company, which is listed on Euronext Brussels and the Athens Stock Exchange. More specifically, Viohalco S.A. has published a consolidated CSRD-compliant Sustainability Statement in accordance with the ESRS standards, which includes the activities of Sidenor, Stomana Industry and their subsidiaries.

Consequently, the scope of Viohalco's Steel Segment is broader than that of the current Report, as it includes additional companies alongside Sidenor, Stomana Industry and their subsidiaries. Consequently, certain metrics and performance indicators disclosed under Viohalco's Steel Segment may differ from those presented herein.

Time Horizons, Measurement, and Data Uncertainty

Sidenor has adopted the following time horizons, as referred to within the ESRS standards for short-, medium- and long-term perspective:

- *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;

Yet, for climate-related issues, the time horizons are different, since climate related issues evolve in different timescales. Hence the applied time horizons are as follows: short-term with a time frame of 0 to 3 years, medium-term with a time frame of 3 to 10 years, and long-term with a time frame of more than 10 years.

Data collection mainly relies on primary sources obtained from the operational units of the respective companies. Where applicable, data from the value chain are also considered to elevate the accuracy and the completeness of reporting. Additionally, no deviations from the ESRS definitions have occurred in the completion of the report, ensuring consistency, transparency, and comparability. This classification is consistently applied when setting objectives, analyzing risks and opportunities, and while monitoring results.

Changes in the Preparation and Presentation of Sustainability Information Compared to the Previous Reporting Period

Following the preparation of the first Sustainability Report by taking into consideration the European Sustainability Reporting Standards (ESRS) in the previous year, this Report has been prepared on the same basis. While the Companies do not have a direct legal or compliance obligation to adhere to the aforementioned standards, this approach reflects their commitment to enhancing transparency and consistency in sustainability disclosures. In previous years, sustainability data and information were primarily collected for regulatory compliance, risk management, performance evaluation and investment documentation, with corresponding metrics developed to monitor performance. The historical data was used as a point of reference (benchmark) for trend and comparative analysis across the different reporting periods. While subsidiaries do not prepare standalone sustainability reports, their operational performance, including material impacts, risks, and opportunities (IROs), are integrated into the consolidated disclosures. Any changes to certain reported metrics from the previously published sustainability reports are explained in further detail in the relevant sections of this Report.

Sources of Uncertainty

There are no indicators or metrics subject to high level of uncertainty while no additional sources of uncertainty, assumptions, approaches or judgments have been used on the estimation of any of the currently presented metrics.

Most quantitative indicators are derived from operational data obtained directly from monitoring systems within the production facilities. In cases where estimates or value chain data (upstream or downstream) are used, such as for the Scope 3 GHG emissions this is clearly stated in the relevant sections of the Sustainability Statement.

When there was no available primary value chain data, proxy data and industry-average emission factors (e.g. DEFRA, Ecoinvent) were applied. While such estimations are based on established methodologies, they may involve inherent uncertainty.

Information on the value chain is reported in several sections throughout the Sustainability Statement. The specific information covers the description of the

Group's upstream and downstream value chain, the due diligence process within the value chain, indirect Scope 3 Greenhouse gas (GHG) emissions, resource inflows, the responsible sourcing program, and the subsidiaries' product portfolio. The Group controls and provides primary data for all related metrics. Only certain Scope 3 GHG emissions disclosures rely on value chain information and estimation methodologies, which are described in the relevant section of the Sustainability Statement.

The information included in the current Statement reflects the most recent and reliable data available at the time of the publication, corresponding to the sustainability performance for the year 2025. The Group 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 related to intellectual property, knowhow, or the results of innovation has been omitted in the current 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 include representatives from all business units across the Group.

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

Strategy, Business Model and Value Chain

Sidenor, Stomana Industry and their respective subsidiaries have developed a robust and proactive strategy that is fully aligned with major industry trends that shape and highly define the future of metallurgy and the materials sector, namely circular economy, urbanization, and technological advancement. These mega trends are integrated in the Group's business model and operations, and across the entire lifecycle of products, from raw material sourcing to product delivery.

Circular Economy

The transition to a circular production model remains a key strategic focus. Steel products are developed for high durability and recyclability, contributing to a low-emission and resource-efficient economy. Within this approach the following priorities are emphasized :

- Increased use of recycled and secondary raw materials in the production process, reducing reliance on virgin resources
- Reuse and recovery of production waste and by-products through partnerships with companies across different sectors, including the construction industry
- Maintenance of high recycled content in final products, with the majority containing more than 98%, in line with circular design principles

Urbanization

The Group actively supports sustainable urban development, by supplying construction materials that comply with high performance and sustainability standards:

- Reinforced steel bars used in certified infrastructure projects
- Concrete reinforcing steel and Sidefor prefabricated stirrup cages¹ for high buildings and constructions
- SD coils and high-strength products tailored for urban regeneration initiatives

Technological Advancement

Investment in technological modernization, automation, and digital transformation is ongoing, strengthening operational efficiency and enhancing customer experience. To further support digitalization and operational excellence, the Group remains focused on the:

- Adoption of Industry 4.0 technologies throughout production operations
- Use of automated quality and digital production management systems
- Use of smart warehouse operations and logistics tracking platforms
- Enhancement of traceability, workplace safety, and customer satisfaction levels

The Group adopts an approach that spans the entire lifecycle of operations, from the sourcing of materials and the manufacturing of steel products, to the delivery of these products to customers. This "Source-Make-Deliver" approach represents a systematic scheme that aims to embed sustainability throughout all business stages, from production and responsible consumption, ultimately creating environmental and social value.

Sustainability Strategy

The sustainability strategy of Sidenor, Stomana Industry and their subsidiaries is directly linked to the core areas of all industrial operations, including steel production, recycling via Electric Arc Furnace (EAF) technology, and regional distribution. All operational activities are subject to pre-defined sustainability objectives monitored through key performance indicators (KPIs), followed by internal control mechanisms, and verified through external verification where applicable. Additionally, the sustainability strategy is incorporated into the business planning process, contributing to the Group's long-term resilience and competitiveness.

Key Strategic Priorities

The key pillars and their respective commitments shape the approach towards sustainability.

¹ <https://sidenor.gr/en/products-and-solutions/sd-concrete-reinforcing-steel/sidefor-prefabricated-stirrup-cages/>



Strategic Priorities

Commitment

Circular economy and waste management	- Minimize reliance on primary raw materials by increasing waste recovery, reuse, and recycling practices across operations.
Climate change and energy	- Support low-carbon emissions through improved production efficiency measures and stricter energy consumption controls. - Gradual adoption of Renewable Energy Sources (RES) where technically and economically viable.
Water management	- Enhance water efficiency through infrastructure improvements, and initiatives for the reduction of losses and the increase of water reuse and recyclability across operations.
Occupational Health and Safety	- Demonstrate Health & Safety commitment at management level, by integrating continuous improvement practices (PDCA) into the company's sustainability strategy. - Align H&S goals with the overall vision. - Foster a proactive safety culture and establish measurable long-term objectives.
Responsible sourcing	- Evaluate key suppliers on sustainability-related criteria (environmental performance, labor and human rights, ethical business conduct, and responsible procurement practices).
Training and employee development	- Develop and implement tailored employee training initiatives aligned with the Group's performance management framework.

ESRS 2 Table 2: Key Strategic Priorities

Aligning our Strategy with Industry Megatrends

Industry Shift

The steel industry is transitioning toward low-emission production due to climate regulations, carbon targets, and the increasing demand for “green” steel.	Steel producers are increasingly focused on scrap recycling, waste valorization, and circular material flows.	Rising energy costs and sustainability pressures are driving efficiency upgrades and industrial modernization.	The industry is adopting automation, data-driven systems, and smart manufacturing technologies.	Stakeholders and regulators demand stronger Sustainability reporting, transparency, and sustainable construction materials.
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Sidenor's Response

Sidenor invests in Electric Arc Furnace (EAF) technology, induction furnaces, fuel switching, renewable energy, and CO ₂ reduction initiatives to lower emissions and boost mitigation measures.	Sidenor prioritizes steel scrap recycling to enhance the use of secondary raw materials and strengthen circular value chains. In addition, through the affiliated companies Anamet and Aeiforos and their resource recovery operations, it further recovers and reintegrates by-products into production processes.	Sidenor improves energy performance through upgraded rolling mills, reheating systems, pumping stations, and installation of photovoltaic systems.	Sidenor modernizes operations with digital tools, process optimization systems, and improved environmental and production monitoring.	Sidenor enhances Sustainability governance through voluntary adoption of ESRS, integrates climate risk into strategy through TCFD assessment, and supports demand for low-carbon steel in construction markets.
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ESRS 2 Graph 2: Alignment of Strategy and Megatrends

Profile and International Activity

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

With more than 7 decades of experience in the steel industry, the Companies have developed extensive manufacturing capability and technical expertise, covering the production and distribution of steel products at local, regional and international levels. The product portfolio includes long and flat steel products, as well as downstream processing products, offering holistic solutions in addressing the needs of the construction, energy, and industrial sectors.



Production is conducted across industrial facilities strategically located in Greece, Bulgaria, and North Macedonia. Their distribution over a wide geographical area enhances operational flexibility, and their ability to serve customers across Europe and connect with international markets efficiently. Through continuous optimization and technological advancement of production units, commitment to quality, and the incorporation of circular economy principles, the Group actively contributes to the creation of a modern, responsible, and technologically advanced industrial model within the sector. This commitment to quality is further reinforced by ISO 9001 certification across all steel companies of the Group, demonstrating adherence to internationally recognized quality management standards and a culture of continuous improvement.

A broad range of steel products designed to meet the requirements of various industrial sectors and applications are offered. The product portfolio delivers high added value and supports essential applications across the construction, transportation, shipbuilding, energy, and mechanical engineering industries.

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:

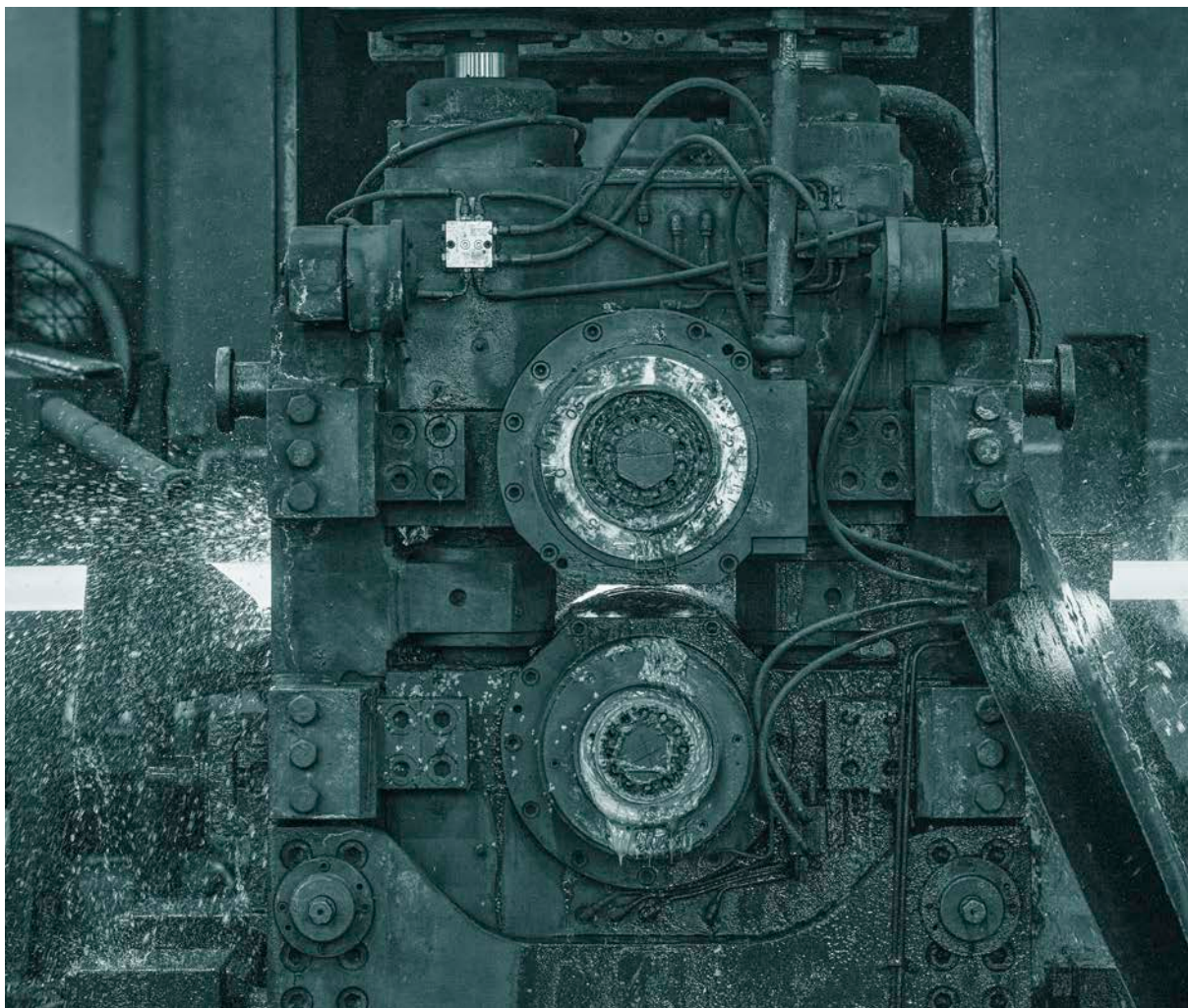
Steel grinding balls for the mining and extraction industry.

Geographical Distribution of Production Activities

Sidenor, Stomana Industry and their subsidiaries operate 5 main production facilities, across 3 countries in Southeastern Europe. These facilities are supported by 16 distribution centers and 3 ports of exclusive use - a structure that enables efficient product delivery across EU markets, the Balkans, and the Middle East.

Company	Location	Annual production capacity (tn/year)	Main activities
Sidenor	Greece (Thessaloniki)	- 800,000 (meltshop & rolling mill)	Wire rod, SD concrete reinforcing steel (bars and coils), Casted billets, Merchant bars
Sovel	Greece (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	Greece (Thessaloniki)	- 4,000 (electrodes) - 1,300 (steel fibers) - 3,000 (copper plated wires) - 32,000 (galvanized wires) - 40,000 (drawing 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	Bulgaria (Pernik)	- 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	North Macedonia (Nikolic)	- 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

ESRS 2 Table 3: Geographical Distribution of Production Activities



Customer Segmentation

The Group's export activity extends to countries within the European Union, the Balkans, and the Middle East. The Group's principal customer base comprise companies operating across a broad range of industrial sectors, including:

- 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

Mission, Vision and Values

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.



VISION

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



VALUES

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





Building lasting value through a shared purpose,
a clear vision, and strong values.

How we Create Value

Mega Trend	Companies' Respose	Capital Category	Key Resources, Relationships & Capabilities	
Circular Economy	- 100% recyclable products without losing properties - Long duration of useful life	Financial capital	- Financial capabilities - Investments	- Lending - Funding
		Human capital	- 2,457 Highly specialized employees	
Urbanization	- Sustainable buildings and certification schemes	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
Technological advancements and operational excellence	- Digitalization - Industry 4.0 - Participation in EU funding programs	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	

ESRS 2 Table 4: Value Creation

Business Model

Business Model

Value Proposition We add value by ensuring customer satisfaction through the provision of sustainable solutions and products. Dedicated to investing in the development of innovative products, cultivating highly skilled human resources, and promoting responsible operations, contributing to a sustainable future for all.	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 - Customer satisfaction - Talent and culture - Integrated Management Systems - Responsible sourcing	Creating value for society at large and all stakeholders Environmental Impact - 93% use of secondary raw materials - 15% renewable sources in total energy consumption - 0.4 tnCO₂ e/tn of total (including Scope 2 emissions) Societal Impacts - €82 mil. in remunerations and benefits (e.g. incl. life-health & pension insurance programs, summer camps, commuting expenses) - 36,632 training hours - 0 fatalities - 12 R&D and collaboration initiatives - €4.2 mil in budgeted participation Economic Impacts - €40.7 mil in CAPEX - €8.4 mil in taxes payments - 278 key suppliers - 6% of total spending supports local suppliers (within ~30km perimeter)
Key Markets - Energy power and networks - Building and construction - Transportation automotive - Shipbuilding - Industrial applications - Mining and tunneling		

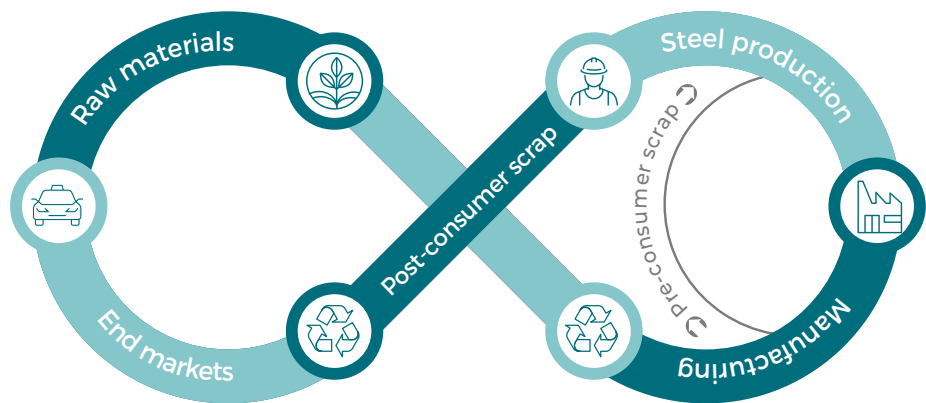
ESRS 2 Graph 3: Business Model



Advancing Circularity in the Steel Ecosystem

Sidenor, Stomana Industry and their subsidiaries recognize that steel has exceptional versatility and a long life-span, making it a fundamental material for circular economy. Committed to closing the loop across the steel value chain, the Group integrates circular economy principles throughout operations by optimizing raw material use, increasing the recycling of post-consumer scrap, and improving steelmaking practices.

By prioritizing efficient raw material use, post-consumer scrap recycling, and the continuous advancement of steelmaking practices, the Companies support the transition towards a low-carbon and resource-efficient industrial model. The reintegration of end-of-life steel products into the production cycle through advanced collection, sorting, and remelting processes strengthens circularity across the value chain. At the same time, these initiatives help minimize the reliance on virgin raw materials and contribute to lower carbon emissions, while generating long-term environmental, economic, and societal benefits through improved resilience and resource efficiency.



Sustainable Approach to Growth

Through Environmental Product Declarations (EPDs), the Group ensures full transparency, in terms of the environmental impacts of its products throughout the entire life cycle. The specific approach demonstrates long-term commitment and strong focus to innovation, responsible manufacturing and continuous improvement in environmental performance.

Sustainable Operations and Value Creation

Sidenor, Stomana Industry, and their subsidiaries operate under a sustainability-oriented value creation model that combines industrial know-how, technological innovation, and environmental responsibility.

A key element of the production model is the use of secondary raw materials (ferrous scrap) processed internally through Electric Arc Furnace technology. This approach enables lower emissions, reduced environmental footprint, and alignment with circular economy principles, with the specific steel products manufactured to be designed for durability, full recyclability, and contribution to low-carbon value chains.

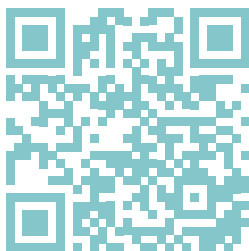
Among the most significant developments is the introduction of octagonal billets at the Sovel Steel Plant - the first steel plant in Europe to permanently implement this geometry in its production process. The specific technology enables production increases of up to 40% compared to conventional square billets, thereby contributing to improved productivity and operational efficiency. The specific process results in energy savings, reduced CO₂ emissions, and improved steel microstructure quality. Their production in Greece brings new momentum to the Group's industrial activity and once again confirms the Companies' commitment to innovation and the continuous upgrading of the quality of its products.

Value creation extends beyond manufacturing activities through ongoing investments in the fields of innovation, employee development, and responsible sourcing practices. Further the companies maintain integrated management systems and implement procurement procedures aligned with sustainability standards and criteria, strengthening supply chain resilience and traceability. The established governance framework supports transparency, ethical conduct, and operational excellence.

The locations of the production facilities are strategically placed near key industrial and logistics centers to facilitate both distribution and access to key markets.



Sidenor plant products



Stomana Industry plant products



Sovel plant products



Value Chain

Sidenor, Stomana Industry and their subsidiaries operate through a fully integrated value chain model encompassing every stage of their activities, from raw material sourcing (upstream) to production (own operations) and the

distribution of finished products to customers (downstream). This integrated approach facilitates operational effectiveness, promotes the responsible management of resources, and ensures consistent delivery of high-quality products.

Upstream value chain	Own Operations	Downstream value chain
(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	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	(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	Make	Deliver
- Delivery of primary and raw materials - Steel scrap as primary material - Other auxiliary raw material	- 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	Use of steel products for: - Building and construction - Transportation, automotive - Industrial applications - Defence - Energy, power and network - Shipbuilding - Other markets: mining and tunneling

ESRS 2 Graph 4: Value Chain Mapping

Stakeholder Engagement

Stakeholder engagement plays a central role in supporting sustainable growth, operational resilience, and long-term value creation. The Group seeks to always gain better understanding, as well as clearer insights from stakeholders' expectations, needs, and priorities. This drives informed decisions and improved long-term stability and organizational performance.

Stakeholder mapping and value chain analysis are two vital processes that enable the Group to recognize those stakeholders that are most closely connected to operations, while also assessing the significance and level of impact of these interactions.

All information gathered through the stakeholder engagement process is assessed on a qualitative and quantitative basis and subsequently incorporated into the companies' strategic and operational approach. Through continuous flow of communication, the Companies identify, assess and prioritize material sustainability matters

and any relevant impacts, risks and opportunities, while ensuring that actions remain aligned with evolving market conditions, stakeholder expectations, and societal needs. The findings of the process are regularly communicated to senior management and relevant governance bodies, while stakeholder feedback, if and when necessary, leads to refinements or adjustments, to ensure resilience and facilitate societal acceptance.

Looking ahead, to strengthen stakeholder engagement, Sidenor, Stomana Industry, and their subsidiaries aim to foster a more meaningful approach, through more dynamic interaction including the use of digital engagement channels along with targeted consultation initiatives tailored to key geographic and thematic priorities. Building on this approach, these actions are expected to support a more constructive dialogue and a stronger and more meaningful collaboration among all interested parties, while incorporating all information collected into sustainability initiatives that support long-term value creation.

Interest and Views of Stakeholders

Stakeholder Group	Communication Channels	Key Topics of Interest	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	Enhances 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

ESRS 2 Table 5: Stakeholder Engagement

Collaboration with Research and Academic Institutions

Sidenor, Stomana Industry, and their subsidiaries collaborate with a wide range of research and academic institutions in Greece and abroad, through partnerships that support their commitment to sustainability and innovation. Through these collaborations, the Group strengthens capacity in terms of innovation and employee upskilling and aligns

operations with circular economy principles and Industry 4.0 standards to the extent possible.

The tables below highlight 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 - HORIZON-CL4-INDUSTRY-2025-01-MATERIALS-62-TiBeRIUM (accepted project)	Greece
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 Thessaly	Joint research on product development - Business Partnerships of the Region of Thessaly	Enhances
with Research Institutions (proposal)	Greece	Enhances
Teaching Factory Competence Center (TFCC)	Training and deployment of Industry 4.0 and advanced manufacturing technologies / Quality improvement / On-line billet rhomboidity monitoring / Detection & Quantification of surface defects in Coils using AI Vision System/ Dynamic Lightning Corridors system	Greece
Teaching Factory Competence Center (TFCC)	H&S/ Installation of AI cameras to heavy vehicles to detect human presence/ Smart light corridors and crane for optimizing pedestrian - vehicles interaction in mixed zones / Ergonomic assessment using exoskeleton devices/ VR scenarios for upskilling employees based on real industrial cases/ First Aid trainings using AI AED	Greece
Technion Research and Development Foundation (TRDF) Ltd.	Product/process development and improvement projects	Israel
Aristotle University of Thessaloniki (AUTH)	Research on corrosion protection of reinforcing steels	Greece
RINA CONSULTING SPA	EU FUNDING-HORIZON-CL4-2021-TWIN-TRANSITION-01-21-FLEXIndustries	Italy
ETHNIKO KENTRO EREVNAS KAI TECHNOLOGIKIS ANAPTYXIS (CERTH)	EU FUNDING-HORIZON-CL4-2021-TWIN-TRANSITION-01-21-FLEXIndustries , HORIZON-CL4-2026-02-DIGITAL-EMERGING-53-two-stage (proposal), HORIZON-CL4-2026-01-MAT-PROD-04 (proposal), HORIZON-CL5-2026-03 (proposal)	Greece
University of Patras / Laboratory for Manufacturing Systems and Automation (LMS)	EU FUNDING- HORIZON-CL4-2022-TWIN-TRANSITION-01-01-FLEX4RES/EITM EU FUNDING- ARMM- Predictive Maintenance	Greece
Technical University of Vienna (TU Wien)	EU FUNDING- HORIZON-CL4-2022-TWIN-TRANSITION-01-01-FLEX4RES	Austria
Aston University	HORIZON-CL4-2026-01-MAT-PROD-04 - METAMORPH (proposal)	UK
Hellenic Mediterranean University	HORIZON-CL4-2026-01-DIGITAL-EMERGING-51two-stage-NEUROFACTORY (proposal)	Greece
CIRKO, Mechanical University of Skopje	Product/process development and improvement projects	North Macedonia

ESRS 2 Table 6: Key Research and Academic Collaborations

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
TiBeRIUM	Fe-Ti alloys trials in a lab scale - provide feedback about suitability of the proposed material.	Stomana

ESRS 2 Table 7: Key Research Projects

Participation in Industry Associations and Stakeholder Networks

The Group maintains an active industry presence, through participation in numerous industry associations, chambers of commerce and stakeholder organizations at both national and international level. Involvement in these bodies helps

strengthen industry collaboration and allows follow up with developments affecting the sector. This networking supports the exchange of knowledge, participation in policy discussions and alignment with responsible business practices.

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 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.
WORDSTEEL (World Steel Association)	Global representation of the steel sector, with focus on benchmarking, sustainability, and responsible business conduct.

ESRS 2 Table 8: Industry Associations and Networks



Our partnerships strengthen the path toward a more sustainable future.

Endorsements

Sidenor, Stomana Industry, and their subsidiaries are committed to maintaining high standards of operational excellence, responsible business conduct and sustainable development. Through various recognitions, the Companies continuously strengthen their performance and demonstrate their commitment to creating long-term value and sustainability throughout their operations. Through internationally recognized certifications, participation in industry sustainability initiatives and independent Sustainability assessments, Sidenor, Stomana Industry, and their subsidiaries demonstrate their commitment to quality, transparency, continuous improvement and sustainable value creation.



The Group’s steelmaking facilities actively participate in the SUSTSTEEL (eSUST) initiative, a voluntary European sustainability certification scheme that promotes responsible, transparent and sustainable

steel production. The scheme provides an independent framework for assessing and verifying sustainability performance across environmental, social and governance dimensions, based on defined technical requirements, key performance indicators and third-party verification. By participating in SUSTSTEEL, the Group demonstrates its commitment to internationally recognized sustainability practices, continuous performance improvement and transparent communication with customers and other stakeholders. The initiative further supports the creation of a more sustainable and resilient steel value chain by promoting responsible production, corporate responsibility and sustainable value creation.

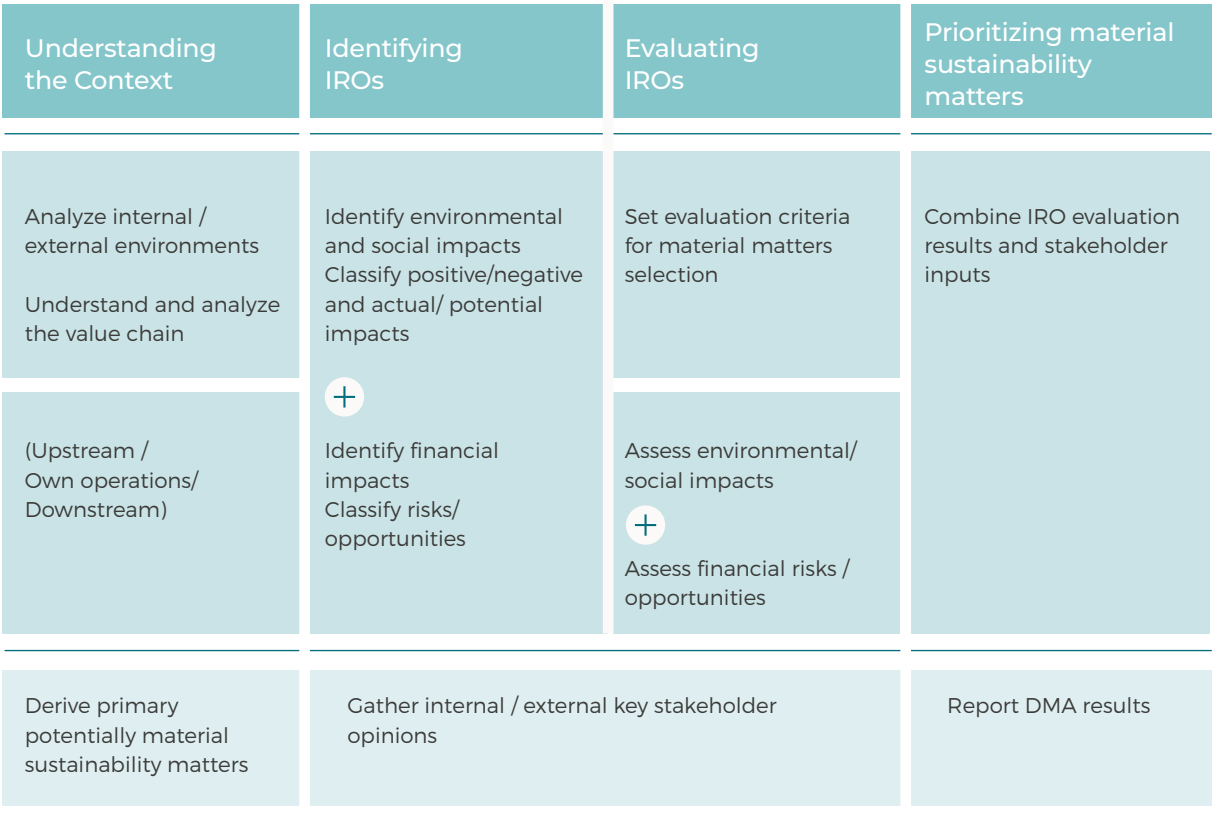
Additionally, in 2025, the Company improved its EcoVadis sustainability rating, achieving a Silver Medal (up from Bronze in 2024), as further described in the Governance section of the Sustainability Statement.



Double Materiality Assessment Process

In 2024, the Company conducted its first Double Materiality Assessment (DMA) as part of its alignment with the European Sustainability Reporting Standards (ESRS). The assessment identified and prioritized existing and potential environmental and social impacts (impact materiality), as well as sustainability-related risks and opportunities that could influence business performance (financial materiality). Additionally, the DMA process supported the Group’s strategic approach to sustainable development and ensured alignment with stakeholder expectations.

Since no significant changes occurred in the business operations or business model in 2025, Sidenor, Stomana Industry, and their subsidiaries considered whether any triggering events or circumstances indicated the need for a reassessment of the Double Materiality Assessment (DMA) and concluded that no reassessment was required. As such, no updates were made to the DMA during the reporting period. As a result, the sustainability matters and related impacts, risks, and opportunities (IROs) considered and addressed by the administrative, management, and supervisory bodies in FY2025 remained as in FY2024.



ESRS 2 Graph 5 : Materiality Assessment Process

Methodological Approach

The Double Materiality Assessment consists of 4 phases and is based on the relevant ESRS guidelines².

1. Understanding the context

- Value chain mapping covering upstream, own operations, and downstream activities across industrial operations in Greece, Bulgaria, and North Macedonia.
- Analysis of production facilities, product portfolio, key customer sectors (e.g., construction, energy, shipbuilding, mechanical engineering), and external macroeconomic trends.
- Identification and categorization of key stakeholders forming the basis for the identification of material sustainability topics.

2. Identification of Impacts, Risks and Opportunities (IROs)

- Internal workshops and interviews with executives from various business functions to develop a long list of relevant environmental and social topics, emerging risks and opportunities.
- Assessment of operations and business relationships, including indirect impacts associated with suppliers and customers.
- Identification of topics from ESRS 1 (par. AR16), industry benchmarks, and best practices from similar companies.

3. Assessment and Prioritization of Material Topics

- Assessment of each material topic against predefined criteria, including likelihood, scale, scope, severity, and irremediability.
- Evaluation of impact significance for both actual and potential impacts.
- Assessment of financial significance based on potential effects on revenue, costs, reputation, and operational performance.
- Application of a scoring methodology to support topic prioritization.
- Focus on key sustainability matters including energy efficiency, recycled raw materials, greenhouse gas emissions, water use, and employee health and safety.
- Determination of materiality thresholds based on average scores reflecting impact type (positive or negative, actual or potential), severity, and likelihood.

4. Prioritization and Integration

- Incorporation of the final list of material matters into the Group's Sustainability Statement to support risk assessments, target setting, and control mechanisms.
- Validation and approval of the DMA results by Executive Management.
- Ongoing strategic integration of DMA outcomes across the Group's activities, alongside operational monitoring of selected sustainability matters, such as energy management.
- Commitment to the gradual alignment of internal planning processes with the DMA results.

ESRS 2 Graph 6 : DMA Methodological Approach

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

Key Dependencies

Emphasis was placed on the interconnection between sustainability-related impacts - both positive and negative - and the financial risks or opportunities that may arise. In the process, critical dependencies were identified essential for business continuity and overall performance.

- Availability and cost of energy, particularly electricity and natural gas used in steel production.
- Access to clean water of adequate quantity and quality, which is vital for cooling and recycling operations.
- Stable and cost-effective supply of steel scrap, which

serves as a key input material within the circular production model.

- Availability of skilled and sufficiently trained workforce to support safe and efficient operations.

Potential disruptions in any of these areas could adversely impact operational stability, regulatory compliance, cost efficiency, and reputation. As a result, these dependencies are monitored and integrated into the Group's risk management framework and strategic decision-making processes.

Key Dependencies	Description	Link to Impacts, Risks, and Opportunities
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.	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.

ESRS 2 Table 9: Key Dependencies

Impacts, Risks and Opportunities (IROs)

The assessment was based on value chain mapping, internal performance indicators (such as energy, emissions, and water), regulatory analysis (including the EU Taxonomy and ESRS requirements), and industry benchmarks. The

combination of qualitative and quantitative evaluation criteria ensured a complete and consistent assessment across all companies.

Material impacts identified through the DMA

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 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 and 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 and medium-term) ←

* ← Upstream ● Own operations → Downstream

ESRS 2 Table 10: Material impacts identified through DMA

Risks identified through the Double Materiality Assessment

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. Companies must prioritize employee development and training to remain competitive and meet evolving industry demands.	Risk (Medium term) ●

* ← Upstream ● Own operations → Downstream

ESRS 2 Table 11: Risks Identified through the DMA

Impact of Material Negative and Positive Impacts on People and the Environment

Through the Double Materiality Assessment (DMA), a range of material sustainability impacts, having both negative and positive effects on people and the environment, have been identified. The most significant environmental impact arises from the consumption of non-renewable energy sources and the associated greenhouse gas (GHG) emissions. Additional environmental impacts relate to water withdrawal for industrial operations and potential weaknesses in responsible sourcing practices within the upstream value chain. These impacts are linked to climate change, local water scarcity, and potential ecosystem degradation.

From a social perspective, occupational health and safety incidents, particularly within production facilities, may result in severe and irreversible consequences for workers. Human rights risks across the value chain, especially in regions with limited legal safeguards, may negatively affect workers' well-being, rights, and dignity.

At the same time, the Group generates positive impacts through the strategic use of Electric Arc Furnace (EAF) technology and the recycling of substantial volumes of steel scrap. This approach reduces dependency on primary raw materials, enhances resource efficiency, supports circular principles within the steel sector, and lowers the environmental footprint associated with extraction activities and related emissions.

Initiatives are established and targets are set, for a number of material topics to be further discussed in the following sections.

Sidenor's reporting approach remains aligned with best practices for transparent reporting. All material matters identified through the Double Materiality Assessment - whether regarding environmental, social, or governance topics - are addressed through qualitative and/or quantitative disclosures, while the existence or absence of forward-looking plans and targets is communicated openly to stakeholders.

Connection of Material Impacts to the Companies' Strategy and Business Model

The material impacts identified are closely connected to the strategic approach and core business model of Sidenor, Stomana Industry, and their subsidiaries, which are centered on steel production through Electric Arc Furnace (EAF) technology. Compared to traditional blast furnace-based routes, this process enables lower Scope 1 emissions³, by utilizing secondary raw materials, while also promoting circularity, improving resource efficiency, and contributing to lower Scope 3 emissions throughout the value chain. Yet, this operating model also has significant dependence on a stable electricity input, clean water, and a consistent flow of recyclable waste.

In parallel, global supply chains (particularly upstream partnerships both within and outside the European Union) expose the Group to risks associated with labor rights, environmental compliance, and weak governance practices. Addressing these challenges requires the implementation of robust due diligence procedures and effective monitoring mechanisms. The Group's dependence on a skilled, well-trained, and safety-oriented workforce makes social factors such as employee training and workplace safety critical to operational effectiveness and the successful delivery of long-term strategic goals and objectives.

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

The material impacts that have been identified originate from core operational activities and value chain relationships:

- Industrial steel production processes that are inherently linked to high electricity and thermal energy consumption, with resulting GHG emissions (Scope 1 and 2).
- Sourcing and use of raw materials (particularly steel scrap and other auxiliary materials sourced globally), which may involve environmental and social risks.
- Water consumption within production facilities for cooling and processing activities, which is an important

3. <https://op.europa.eu/en/publication-detail/-/publication/b70de3e7-fda3-11ec-b94a-01aa75ed71a1/language-en>

operational dependency, particularly in regions that experience increased water stress.

- Employment and subcontracting practices across both own operations and upstream and downstream value chain partners, especially in jurisdictions with weak regulatory oversight and enforcement.
- Business relationships with upstream partners that may operate under insufficient governance frameworks related to labor rights and environmental protection, potentially exposing the Group to human rights, regulatory compliance, and reputation risks.

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

The financial effects of material risks and opportunities are already reflected across operations and include:

- Volatility in energy cost and carbon pricing mechanisms (such as the EU ETS), which directly influence production costs, margins, and cash flows, particularly at energy-intensive manufacturing facilities.
- Water-related risks, where increasing scarcity, as well as higher treatment and recycling costs, may result in increased operational expenses and disrupt the continuity in water-dependent processes.
- Productivity-related challenges, particularly in cases where insufficient investment in employee training and upskilling has contributed to reduced operational efficiency, higher 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

Over the years a resilient business model has been established, supporting the creation of long-term value for all stakeholders. The strategy incorporates sustainability at the core of steel operations, with a strong emphasis on responsible production, innovation, and continuous engagement with stakeholders.

Material environmental and social impacts are addressed through gradual evolutions in the operating model which prioritizes energy efficiency improvements, circular use of materials, and the continuous upgrading of production

facilities. This approach supports the mitigation of climate-related transition risks (including energy price volatility, the EU ETS, and CBAM implementation), while also strengthens operational efficiency and market competitiveness.

Business resilience is further supported and reinforced through strong collaborations with suppliers and public institutions, active engagement with local communities, and investments in employee development and empowerment, also detecting human capital-related risks. In addition, the strategic focus on innovation, flexibility in response to changing market trends, and high-quality customer service enhances the Group's ability to capitalize on emerging sustainability-related opportunities, including the increasing demand for "green steel" and alignment with evolving EU regulatory requirements.

Through this integrated approach, the Group's ability to prevent, mitigate, and adapt to sustainability-related risks and maintain long-term value creation is strengthened while ensuring that the necessary flexibility in response to regulatory, environmental, and social challenges is maintained.

Sustainability Governance

The role of the administrative, management and supervisory bodies

Sidenor, Stomana Industry and their subsidiaries have separate Boards of Directors/Administrators responsible for overseeing their operations.

The Boards of Directors of Sidenor and Stomana Industry oversee the strategic direction of their respective subsidiaries, aiming to support the long-term interests of the organizations and their stakeholders. Their responsibilities include supervising governance processes, evaluating decision-making procedures and overseeing a range of critical operational and strategic matters, including sustainability-related impacts, risks and opportunities (IROs).

Regular Board meetings support the alignment of business activities with the principles, policies and overall strategy, while also addressing governance-related matters and key business priorities.

Board members and Administrators possess expertise relevant to the core areas of activity, including steel production, processing and trading, as well as knowledge of the geographical regions in which the Companies operate, with particular focus on Greece and South-Eastern Europe.

Each Company within the Group has established a dedicated Sustainability Team coordinated by a Sustainability Coordinator. These teams are responsible for supporting the sustainability agenda, promoting internal alignment across departments and monitoring sustainability-related developments and data. Their responsibilities also include coordinating the implementation of due diligence processes, facilitating sustainability-related actions, identifying and managing material sustainability-related IROs, and reporting progress on selected sustainability metrics on a regular basis. The individuals assigned to these roles are employees with relevant experience and expertise in sustainability-related matters.

In addition, specialised teams operate at plant level, focusing on areas such as environmental compliance,

performance monitoring, employee well-being, training and inclusion. These teams contribute to the management of sustainability-related IROs across the Companies' operations.

At segmental level, representatives from the steel companies participate in the Sustainability Steering Committee of the affiliated company Steelmet, which supports the coordination of sustainability initiatives across the steel segment of the parent company Viohalco. The Committee consists of representatives from various corporate functions and industrial segments and is responsible for supporting the implementation of the sustainability strategy, monitoring sustainability-related developments and best practices, contributing to the identification and assessment of material IROs, and supporting the development and monitoring of sustainability-related KPIs and targets. The Committee also promotes the integration of sustainability principles into operational and business processes and engages with internal and external stakeholders on sustainability matters.

The above governance structures are supported by internal controls and reporting procedures integrated into the Companies' governance and risk management systems. These mechanisms support the monitoring, escalation and integration of sustainability-related IROs into the strategic decision-making processes. In parallel, the Companies apply standardized sustainability reporting procedures aligned with the CSRD and ESRS requirements, supporting the accurate, consistent and transparent disclosure of sustainability-related information. These procedures include standardized data collection methodologies, clearly defined roles and responsibilities, internal control mechanisms and documentation practices supporting the traceability and reliability of reported data.

The process for setting sustainability-related targets is led by the executive management of the Companies, following input from Sustainability Teams and plant-level specialists, with the support of the Sustainability Department of Steelmet. Progress against sustainability targets is monitored through dedicated management reviews and contributes to performance evaluation processes at senior management level.



Building a resilient future through responsible governance.

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	11
Number of Board members with delegated authority	5
Number of Board members with non-delegated authority	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 : 11 men
Percentage of independent Board members	0%

COV Table 1: Composition of the BoD of Sidenor

Composition and diversity of the Board of Directors of Stomana Industry

Number of Board members	8
Number of executive Board members	3
Number of non-executive Board members	5
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 : 8 men
Percentage of independent Board members	0%

COV Table 2: Composition of the BoD of Stomana Industry

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, thereby 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, accounting in 2025 for 20% of variable compensation, of which 16% relates to health and safety targets and 4% to environmental and energy-related targets.

Performance relating to environmental responsibility is currently focused on selected energy-related investments and energy consumption intensity per tonne of production indicators, applied to relevant industrial subsidiaries based on operational criticality and material environmental impacts of each subsidiary. These indicators support the monitoring of progress in energy management and efficiency actions through clearly defined internal requirements and reporting processes. The incentive plan is designed to balance feasibility with the level of ambition required to support continuous improvement, taking into consideration the specific operational context of each participating subsidiary.

As far as health and safety is concerned, the incentive plan focused on the implementation of capital expenditure projects, the development of health and safety competencies, safety governance practices, and the rollout of several high-priority standard operating procedures. Performance was evaluated against clearly defined targets, primarily linked to the implementation of the annual Health and Safety Improvement Action Plan (IAP). These targets were determined based on the companies risk profile and annual priorities and included actions relating to key high-risk areas such as Machinery Safety, Lockout/Tagout (LoTo), Work at Heights controls, contractor onboarding and safety management initiatives, and alignment with internal operational safety standards.

The sustainability-linked variable compensation scheme is reviewed and, where necessary, adjusted annually based on experience from previous years, current objectives, and relevant industry benchmarks. This process ensures alignment with clearly defined Key Performance Indicators (KPIs) and action-based targets, industry best practices, and a framework that supports gradual and measurable progress over time.

Due Diligence

Sidenor, Stomana Industry, and their subsidiaries have integrated sustainability-related due diligence into their overall governance and management systems. The Companies have adopted several policies covering sustainability, environmental management, energy and climate change, health and safety, labour and human rights, business conduct, and responsible sourcing, in line with evolving sustainability developments and the requirements of the ESRS framework. Responsibility for the implementation and oversight of these policies rests with the senior management of each Company, supporting the integration of sustainability principles into day-to-day operations and decision-making processes. All Company policies are publicly available on the Company's website⁴.

Due diligence activities are coordinated in close collaboration with professionals from Steelmet. Experts from Steelmet's Sustainability Department conduct regular audits and on-site assessments across all production facilities, including at least one comprehensive annual audit per facility, followed by support visits to identify and address areas for improvement. These assessments address key environmental topics as well as occupational health and safety matters. Evaluation is based on tailored assessment scorecards, compliance with internal procedures, progress against improvement action plans, and defined sustainability performance indicators. Corrective actions are prioritized according to the severity of identified risks, the nature of impacts, and available resources, and are implemented within defined timeframes. Any identified instances of non-compliance or areas requiring improvement are addressed through verifiable corrective actions and continuous monitoring processes.

Company representatives and relevant stakeholders participate throughout the due diligence process, including during structured business reviews assessing key sustainability impacts, risks, performance metrics, corrective actions, and progress against improvement measures. This approach supports senior-level accountability and continuous performance improvement, while embedding due diligence processes into the Companies' broader governance and operational framework.

A dedicated human rights due diligence (HRDD) process also remains in place and was ongoing throughout 2025. The process includes internal human rights risk assessments and the application of mitigation measures aimed at addressing identified risks. In the context of supply chain due diligence, the Companies apply a Suppliers' Code of Conduct and assess supplier sustainability performance through external evaluations conducted by EcoVadis. These assessments cover areas including environmental performance, labour and human rights, ethics, and responsible sourcing practices. This process supports the identification and mitigation of sustainability-related risks within the supply chain, particularly where suppliers may present risks to the Companies' sustainability performance and credibility.

⁴ <https://sidenor.gr/en/sustainability/esg-policies/>.

In parallel, external auditors carry out annual assessments of environmental, energy, quality, and occupational health and safety practices as part of the management system certification process. The certified management systems implemented across the Companies define operational responsibilities and practices and support the regular monitoring of compliance through both internal

and external audits. In addition, Steelmet professionals cooperate with management teams and relevant personnel across all companies to establish targeted improvement actions and performance benchmarks within designated implementation timeframes, supporting a continuous improvement approach across operations.

Due diligence process
Core elements of due diligence

Pages in the Sustainability Statement

a) Embedding due diligence in governance, strategy and business model	12-14, 38-41
b) Engaging with affected stakeholders in all key steps of the due diligence	25, 41
c) Identifying and assessing adverse impacts	31-37
d) Taking actions to address those adverse impacts	42, 52, 54-55, 58-64, 68, 72-74, 77-84
e) Tracking the effectiveness of these efforts and communicating	38-42, 52, 54-55, 58-64, 68, 72-74, 77-84

GOV Table 3: Due Diligence Process

Risk Management and Internal Controls

Sidenor, Stomana Industry, and their subsidiaries operate in an environment characterized by both financial and non-financial risks. The companies apply a structured approach to risk management to support the timely identification, assessment, monitoring, and mitigation of risks that may affect business performance, operational resilience, regulatory compliance, and corporate reputation. The Management Team regularly reports on business risks and challenges to Executive Management, while the Board of Directors and the Audit Committee receive detailed business reviews covering key risks and operational challenges. Alongside broader business risks, each subsidiary identifies, assesses, and manages sustainability-related impacts, risks, and opportunities, including climate-related risks and opportunities across its operations.

The Group’s Internal Operating Regulation defines key risk areas and outlines procedures developed in accordance with the Principle of Prevention, while annual risk assessments are conducted through the certified Management Systems implemented across the Companies. To reduce both the likelihood and potential impact of identified risks, preventive measures are adopted, targeted initiatives and programs are implemented, and performance is systematically monitored through established indicators relating to quality, environmental management, and occupational health and safety.

Internal control processes are in place to ensure the reliability, integrity, consistency, and traceability of sustainability-related data and reporting. These controls

address risks linked to data completeness, comparability, estimation accuracy, timeliness, the availability of information from upstream and downstream value chain partners, and alignment with ESRS requirements and sector practices.

The Group regularly assesses risks related to sustainability reporting to support ESRS compliance and maintain data quality, prioritizing key areas such as data accuracy, reporting timelines, methodological consistency, and integration across the reporting scope. Emphasis is placed on ensuring the comparability, verifiability, reliability, and transparency of sustainability disclosures.

To support data management, the Companies use a cloud-based IT system with restricted access rights, ensuring that only authorized personnel can enter, modify, review, and validate information. In parallel, a structured Sustainability Reporting Procedure is applied across all companies and covers all material sustainability matters. The procedure includes clearly defined roles and responsibilities for data owners, reviewers, and approvers, standardized methodologies and reporting templates, automated validation checks, manual review controls, and supporting documentation practices designed to ensure traceability and consistency of reported information.

These controls enhance the accuracy, completeness, and transparency of sustainability disclosures, strengthen accountability, and support stakeholder confidence. Regular internal reviews, training sessions, and workshops support the consistent application of reporting methodologies across the Companies and contribute to the continuous improvement of sustainability reporting practices.



Building trust through effective risk management
and reliable sustainability disclosures



Environmental Responsibility

Building a Sustainable Future	45
Commitment Towards the Environment	48
Climate and Energy Performance	52
Resource Use and Circular Economy	58
Enhancing Sustainable Water Management	64



Building a Sustainable Future

Sidenor, Stomana Industry, and their subsidiaries view sustainability as a fundamental pillar of their long-term growth, competitiveness, and operational resilience. The Companies continuously invest in initiatives and practices that not only ensure their products consistently satisfy and surpass customer expectations, but also support the responsible stewardship of the environment and the communities in which they operate.

Supporting their commitment to continuous environmental and energy performance improvement, Sidenor, Sovel, Stomana Industry and their subsidiaries maintain certified Environmental Management Systems in accordance with ISO 14001 and Energy Management Systems in accordance with ISO 50001. These internationally recognized standards provide a structured framework for managing environmental impacts, improving resource efficiency, reducing energy consumption, and enhancing the Companies' environmental performance and operational resilience.

Sidenor, Sovel, and Stomana have also carried out Life Cycle

Assessments (LCAs) for selected products in line with the requirements of ISO 14025 and EN 15804 standards. The assessments were independently verified by external party, and the findings were documented and published through Environmental Product Declarations (EPDs).⁴ Through this process, the Companies strengthen transparency in assessing and communicating the environmental impacts of their products while advancing sustainable solutions.

During 2024, the Companies conducted a double materiality assessment in-line with the European Sustainability Reporting Standards (ESRS) methodology to better understand the interaction between their business activities and environmental matters across the value chain. This process included mapping the full value chain and evaluating how the Companies' operations may create or be affected by relevant impacts, risks, and opportunities. The assessment enabled the Companies to identify and prioritize the most significant environmental-related impacts, risks, and opportunities relevant to their business model and long-term strategy, as outlined in the following graph.

Highlights

78%

Lower GHG emissions intensity compared to iron ore routes⁵

95%

Waste diverted from disposal

100%

ISO 14001, ISO 50001 & ISO 14064 certified facilities

>98%

Product recycled content

93%

Secondary raw materials input

17%

of employees corresponding to 421 key employees trained on specific environmental issues

⁵ <https://sidenor.gr/en/sustainability/epds/>

Climate Change & Energy Use

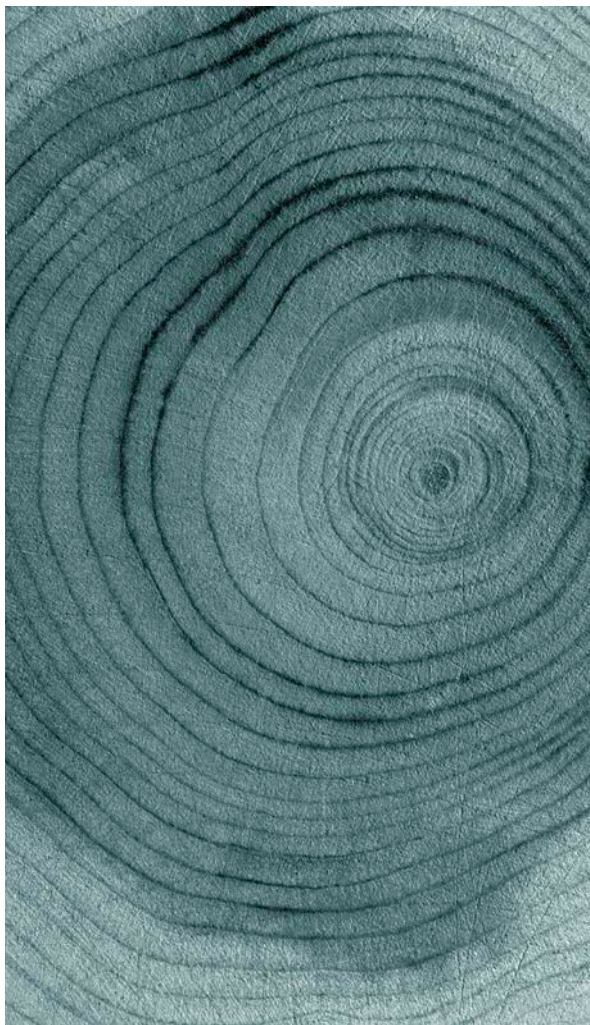
Impact:	Type:	Time horizon:	Impact:	Type:	Time horizon:
Consumption of non-renewable energy	Negative, Actual	Short, medium, long-term	Release of GHG in the atmosphere	Negative, Actual	Short, medium-term, long-term
The industrial activities of Sidenor, Stomana Industry, and their subsidiaries, along with the metals processing value chain, are closely linked to the release of GHG into the atmosphere. These operations, although the Companies produce steel with a conservation of energy up to 90% compared to traditional iron ore routes, because of the utilized technology, are still highly energy-intensive, both in thermal and electrical energy, relying to a large extent on non-renewable energy sources. This contributes to the depletion of finite resources but also increases carbon emissions, directly contributing to climate change and causing long-term global warming.					
					

Water Management

Impact:	Type:	Time horizon:
Water withdrawal	Negative, Actual	Short, medium, long-term
Water withdrawal from natural resources has a significant negative impact on the environment, especially as water scarcity intensifies due to climate change. In the production of steel, substantial amounts of water are required for cooling and other key processes, especially in thermal metallurgy. As water resources become increasingly scarce, companies may face operational challenges. This makes effective water management to increase savings and reusability crucial for long-term operational stability.		
		

Resource Use and Circular Economy

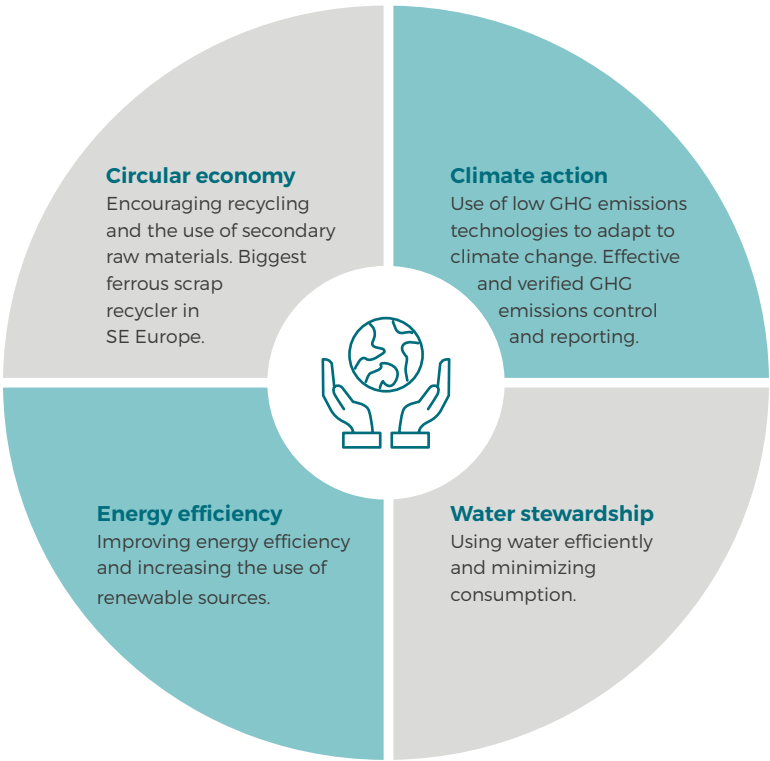
Impact:	Type:	Time horizon:
Reduced needs for primary raw materials	Positive, Actual	Short, medium, long-term
Scrap and slag recycling enables the recovery and reuse of by-products from industrial processes, reducing the reliance on virgin raw materials. By limiting the need for resource-intensive activities such as mining and primary metal production, the companies lower the environmental footprint of their operations while supporting circular economy practices. These efforts help reduce environmental impacts and contribute to a more sustainable and low-carbon future globally.		
		



Advancing resource efficiency and environmental stewardship for future generations

Commitment Towards the Environment

Driven by a strong focus on sustainability, Sidenor, Stomana Industry, and their subsidiaries have established strategic environmental initiatives designed to identify, reduce, and manage the environmental risks and opportunities arising from their operations. The Companies are united by a common set of environmental principles and objectives that guide their approach to responsible growth and long-term value creation, while also reinforcing their commitment to reducing greenhouse gas emissions.



These commitments are embedded within an environmental management framework certified under ISO 14001:2015 across all Companies. Designed to support alignment with the European Sustainability Reporting Standards (ESRS), they also contribute to the achievement of the United Nations Sustainable Development Goals throughout the entire scope of the Companies' operations.

The Companies are committed to environmental stewardship and to playing an active role in addressing

global environmental challenges, including climate change. To this end, they have adopted an Environmental Policy and an Energy and Climate Change Policy. The policies have been shaped with consideration for the expectations and priorities of key stakeholders and are formally endorsed by the Companies' highest levels of leadership. To ensure broad awareness and consistent application, management actively promotes these policies internally while also making them publicly available to stakeholders through the Companies' official websites.

The Companies' Policies Include, Among Other Things, Commitments to:

1. Climate Action

Implement strategies that promote climate change adaptation and mitigation.

2. Renewable Resources

Prioritize sustainable sourcing and use of renewable resources.

3. Energy Efficiency

Reduce energy consumption and improve operational efficiency through optimized processes, technologies, and energy management practices.

4. Water Stewardship

Efficiently use and minimize the consumption of water through increased reuse and recycling, especially in areas at water risk.

5. Water and Chemical Quality

Contribute to the good ecological and chemical status of surface waters and the good chemical quality and quantity of groundwater, safeguarding human health, water resources, ecosystems, and biodiversity.

6. Responsible Use of Resources

Maximize the use of secondary raw materials to reduce dependence on virgin resources and advance circular economy objectives.

7. Waste Management

Manage operational waste according to the principles of the circular economy.

In view of the performance across all material environmental topics, including climate change, energy use, water management, resource use and circular economy presented herein, the Companies will further evaluate the adoption of relevant quantitative targets and the development of a corresponding transition plan for inclusion in future reporting periods.

Environmental Training and Awareness

Environmental awareness is strengthened through continuous training and education programs covering environmental and waste management, spill management and marine pollution emergency response, with a total of 1,192 environmental training hours delivered during the reporting period. Monthly Health, Safety and Environment meetings (HSE) across all plants and business units support the monitoring of environmental performance, knowledge sharing, and the implementation of continuous improvement actions. In parallel, participation in industry conferences such as Green Steel 2025⁶ enhances understanding of emerging sustainability and decarbonization practices.

Climate Resilience Analysis

Sidenor, Stomana Industry, and their subsidiaries recognize both the growing impacts of climate change and the steel sector's critical role in supporting the transition to a low-carbon economy. In this context, they have conducted an assessment of the resilience of their business model to climate-related risks and opportunities. The assessment covered all operations and facilities in Greece, Bulgaria, and North Macedonia, while also considering impacts across the broader value chain.

As part of this analysis, chronic and acute physical risks related to temperature, water, wind, and solid matter were identified and assessed, alongside transition risks and opportunities associated with policy and regulatory developments, technological advancements, market dynamics, and reputational factors. Particular emphasis was placed on identifying the most material risks and opportunities that could impact the Companies' operations, financial performance, and long-term sustainability.

The Companies identify climate change-related impacts, risks, and opportunities through their Double Materiality Assessment (DMA) process. Since 2022, they have aligned their approach with the recommendations of the TCFD, applying climate scenario analysis to evaluate significant physical and transition-related risks, as well as climate-related opportunities. The insights derived from the TCFD assessment also supported the DMA process, ensuring a consistent and integrated approach to evaluating climate-related matters, while the results of the climate scenario analysis were incorporated to strengthen the Companies' understanding of climate-related impacts, risks, and opportunities.

⁶ <https://ecvinternational.com/3rd-european-green-steel-summit-2025>

The analysis of physical climate risks is conducted using climate scenarios based on the Representative Concentration Pathways (RCPs) developed by the Intergovernmental Panel on Climate Change (IPCC). The Companies conducted an assessment under the RCP 4.5 and RCP 8.5 scenarios and plan to update their climate scenario analysis within the next two years. The key assumptions and projections of each scenario² in relation to physical and transition-related risks are presented below.

- RCP 4.5/SSP2/Nationally Determined Contributions - Moderate emissions scenario – Intermediate scenario
- CO₂ emissions peak by 2050.
 - Temperature increase of approximately 2.5–3°C by 2100.
 - Development of renewable energy sources.
 - Increase in metal demand driven by climate policies, estimated at approximately 22%.
 - Moderate transition risks and moderate to high physical risks.

- RCP 8.5/SSP5/Current Policies - High emissions scenario - Hot house world
- Strong dependence on fossil fuels.
 - Temperature increase exceeding 3°C by 2100.
 - Limited use of renewable energy sources.
 - Metal demand remains high.
 - High physical risks.

The aforementioned scenarios are assessed across three time horizons: short-term (0-1 years), medium-term (2-10 years), and long-term (beyond 10 years), with the analysis extending to 2050. These time horizons are defined based on the lifecycle of the Companies' assets, as well as the characteristics of their business models and operations, taking into consideration that climate-related risks evolve progressively and become more pronounced over time.

The resilience analysis included the classification of identified climate-related hazards based on the assessment of their likelihood, magnitude, and duration, taking into consideration the results presented in E1 Table 1 and 2.

Climate-related risks

Type	Description	Time horizon	Impact and management
Transition, Technology	Increase in energy prices due to climate change policies	Short/medium term (0–10 years)	Higher production cost due to the increase of electricity prices resulting from increased RES contribution, energy storage costs, and higher carbon allowance costs.
Transition, Policy and Legal	Carbon taxes (CBAM)	Short/medium term (0–10 years)	Potential loss of competitiveness due to the circumvention of taxes by importers of competing products.
	Effects of ETS	Short/medium term (0–10 years)	Gradual increase in shortages regarding EU Allowances.
Physical, Acute	Adverse weather events	Long-term (10+ years)	Adverse weather events (such as extreme low/high temperatures, flooding due to heavy rainfall, and heavy snowfall) may lead to significant disruptions in the production process, supply chains, transportation routes, and customer deliveries.
	Adverse weather events	Long-term (10+ years)	Adverse weather events (such as extreme low/high temperatures, flooding due to heavy rainfall, and heavy snowfall) may lead to significant disruptions in the production process, supply chains, transportation routes, and customer deliveries.
Physical, Chronic	Water availability	Long-term (10+ years)	Increased electricity consumption for full water recycling will increase costs. Water shortages may hinder the Companies' production activities due to changes in long-term precipitation patterns and rising temperatures caused by climate change.

E1 Table 1: Climate-related risks.

Climate-related opportunities

Type	Description	Time horizon	Impact and management
Energy source	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.

EI Table 2: Climate-related opportunities.

Type	Category	Tittle	RCP 4.5 /SSP2-4.5		RCP 8.5 /SSP5-8.5	
			2030	2050	2030	2050
Transition	Technology	Increase in energy prices due to climate change policies	High	High	Low	Low
	Policy and legal	Carbon taxes (CBAM)	Low	Low	Low	Low
	Policy and legal	Effects of ETS	High	High	Low	Low
Physical	Acute	Adverse weather events (flooding due to heavy rainfall)	Low	Low	Low	Low
	Acute	Adverse weather events (heatwave)	Low	Low	Low	Low
	Chronic	Water availability	Low	High	High	High

EI Table 3: Breakdown of the risks and opportunities segmented by time horizon and scenario.

The climate scenario analysis identified key transition risks related to rising energy prices, carbon taxation, the European Union Emissions Trading Scheme (EU ETS), and the implementation of the Carbon Border Adjustment Mechanism (CBAM). Transition-related risks are expected to be more pronounced under the RCP 4.5 scenario, driven by stricter climate policies, higher carbon costs, and accelerated regulatory and market changes associated with the transition to a lower-carbon economy.

In parallel, the analysis identified significant physical risks primarily associated with extreme weather events and water availability. Water-related risks are considered particularly significant due to the water-intensive nature of industrial operations, as potential disruptions in water supply could adversely affect plant performance, operational continuity and financial performance. Physical risks are projected to

be more severe under the RCP 8.5 scenario, reflecting the increased exposure to climate-related impacts under a higher-emissions pathway, particularly with regard to water stress and extreme weather conditions.

Sidenor, Stomana Industry, and their subsidiaries enhance the resilience of their business model through an integrated climate change management approach and the implementation of initiatives aligned with the TCFD framework and their environmental management systems. This enables the Companies to effectively address evolving climate-related challenges and integrate climate considerations into their strategy and operations. Based on the analysis performed, no assets or business activities were identified as being incompatible with, or requiring substantial transformation to support the transition to a climate-neutral economy.

Climate and Energy Performance

Given the highly energy-intensive nature of steel production, particularly across thermal metallurgy and downstream processing activities, the Companies place significant emphasis on improving energy efficiency throughout their operations, as reductions in thermal and electrical energy consumption play a critical role in lowering their overall carbon emissions.

To address the negative impacts associated with energy consumption from non-renewable sources identified through the Double Materiality Assessment (DMA), the Companies implement a range of measures aimed at improving energy efficiency and reducing the environmental footprint of their operations. Their industrial facilities operate under externally certified Energy Management Systems in accordance with ISO 50001:2018, while additional external energy audits have been carried out at the Sovel, Stomana, Dojran, and Sidenor plants.

Through this structured energy management framework, the Companies continuously monitor energy performance and implement targeted initiatives to optimize energy use and improve operational efficiency. A key component of this approach is the use of Electric Arc Furnace (EAF) technology, which has been implemented since 2006 and is recognized by the European Union as a Best Available Technique (BAT). Unlike conventional blast furnace production routes that rely heavily on fossil fuels and continuous operation, EAF technology uses electricity to generate heat and offers greater operational

flexibility, allowing production schedules to better adapt to operational and energy market conditions. In addition, the electrified nature of the process facilitates the integration of renewable energy sources into steel production.

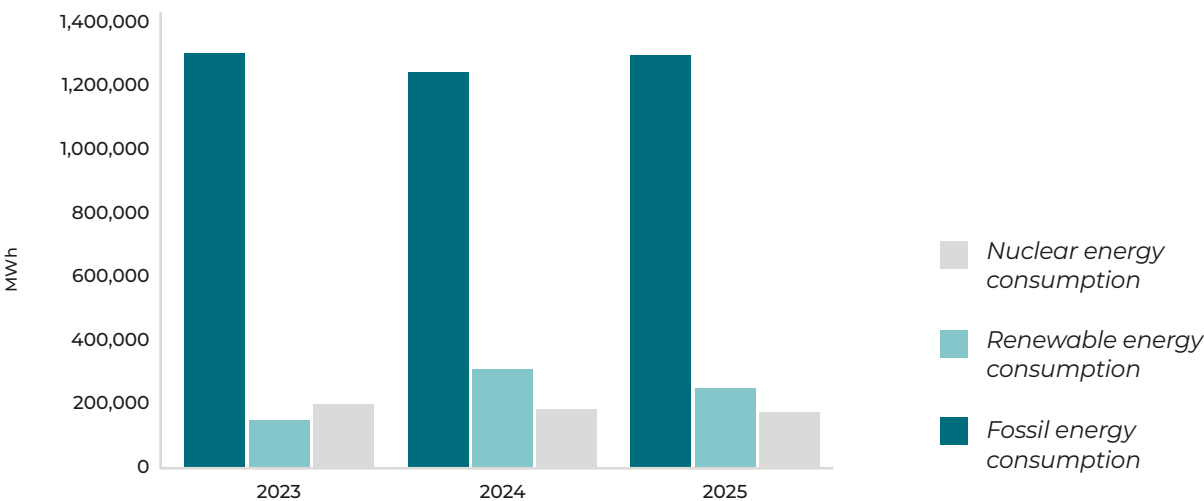
Furthermore, by optimizing production processes and upgrading production equipment, the Company aims to reduce electricity consumption per unit of product produced by 0.5% across all manufacturing facilities. In 2025, the Sovel Steel Plant permanently introduced octagonal billets into production. This innovation enables the implementation of an endless casting-rolling process, resulting in improved energy efficiency, reduced energy consumption, and lower associated CO₂ emissions, thereby contributing to the Company's decarbonization efforts and the reduction of its environmental footprint.

Recognizing the importance of renewable energy deployment, Dojran Steel has installed a 4.1 MW solar power system, which in 2025 reduced the plant's electricity consumption from the grid by 3,643 MWh and avoided approximately 1,895 tCO₂eq in GHG emissions.

Energy consumption

During the period 2022–2025, the majority of the Companies' energy consumption was associated with electricity used in their facilities. The total energy consumption is presented in the E1 Table 4, while E1 Graph 1 illustrates the breakdown of energy consumption by source. In 2025, renewable energy accounted for 14% of the Companies' total energy consumption.

Energy Consumption by Source



E1 Graph 1: Energy consumption by source.

Energy consumption and mix*	Unit	2023	2024	2025
(1) Fuel consumption from coal and coal products	MWh	0	0	0
(2) Fuel consumption from crude oil and petroleum products	MWh	11,211	15,292	11,656
(3) Fuel consumption from natural gas	MWh	490,837	503,644	504,193
(4) Fuel consumption from other fossil sources	MWh	97	98	115
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	MWh	738,544	666,339	718,732
(6) Total fossil energy consumption	MWh	1,240,689	1,185,372	1,234,697
Share of fossil sources in total energy consumption	%	79%	72%	76%
(7) Consumption from nuclear sources	MWh	186,456	173,066	165,070
Share of consumption from nuclear sources in total energy consumption	%	12%	10%	11%
(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	134,770	287,083	231,666
(10) The consumption of self-generated non-fuel renewable energy	MWh	5,225	4,183	3,643
(11) Total renewable energy consumption	MWh	139,995	291,266	235,310
Share of renewable sources in total energy consumption	%	9%	18%	14%
Total energy consumption	MWh	1,567,140	1,649,704	1,635,076
Specific energy consumption	MWh/tn of total production	1.25	1.13	1.11

EI Table 4: Energy consumption and mix.

* All the information on energy consumption performance relates to actual measurements from invoices from the energy provider companies, as well as energy meters installed in specific subsidiaries.

The metrics relating to consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources, nuclear sources and renewable sources is calculated based on the relevant AIB residual mix reports available for each reporting period.

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. The consumption of self-generated non-fuel renewable energy relates to the electricity production from photovoltaic (PV) panels installed at the Dojran plant and is directly consumed by the company.

Greenhouse Gas Emissions

Scope 1 emissions are generated from direct operational activities, including the combustion of natural gas in high-temperature steel production, the use of carbon-based materials in electric arc furnaces, process emissions arising from steel manufacturing and other industrial processes, including fugitive emissions where applicable, and fuel consumption by company-owned mobile and stationary equipment. Additionally, Scope 2 emissions consist of indirect emissions from the generation of purchased electricity used to power steelmaking processes and other site operations. The companies consume electricity from the national grids of the respective countries in which they operate, therefore, the source of the electricity consumed reflects the residual grid mix of each country.

Sidenor, Stomana Industry, and their subsidiaries have calculated Scope 3 greenhouse gas (GHG) emissions arising from both upstream and downstream activities across their value chain, in accordance with the GHG Protocol criteria. As part of this process, all Scope 3 categories were assessed in order to determine their relevance and materiality to the Companies' operations. Based on this assessment, categories 1-5, as well as categories 9 and 12, were identified as material and relevant to the nature of the Companies' activities. The remaining GHG Protocol categories were

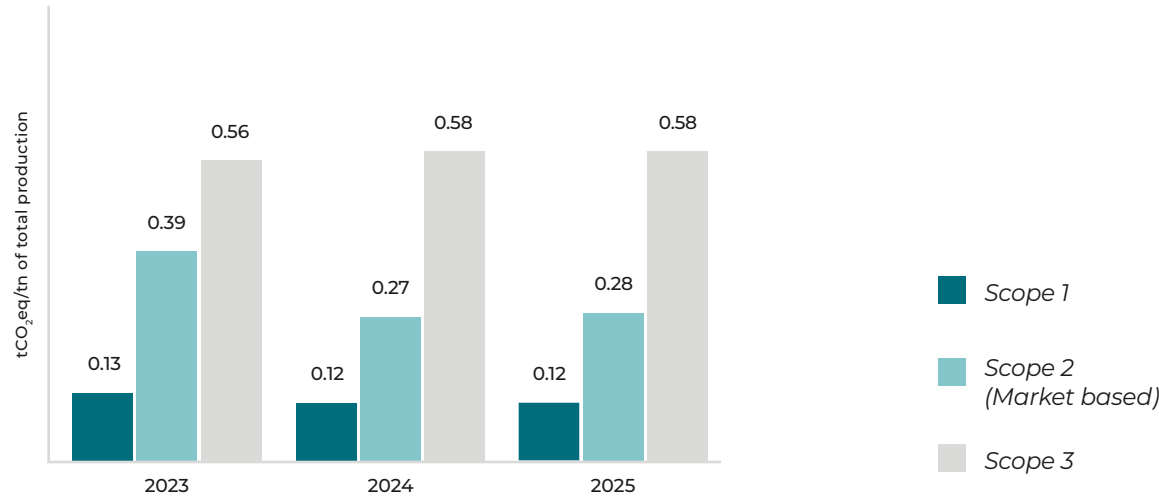
considered non-material, as their contribution to total Scope 3 emissions was assessed as negligible and not significant to the Companies' core operations.

This assessment enables the Companies to identify and prioritize the most significant emission sources across the value chain, strengthen collaboration with suppliers and other business partners, and support effective Scope 3 GHG emissions reduction initiatives, thereby contributing to meaningful decarbonization targets aligned with European and global climate objectives.

In addition, Sidenor, Stomana Industry, and their subsidiaries have verified their greenhouse gas emissions in accordance with the ISO 14064-1:2018 standard, ensuring that emissions are monitored, quantified, and reported using the best available techniques and internationally recognized guidance.

The Companies' total Scope 3 emissions remained at broadly similar levels during the reporting period, although variations were observed across specific categories. Emissions from category 4 (upstream transportation and distribution) increased by 33%, primarily driven by higher volumes of steel procured from international suppliers.

GHG Emissions Intensities by Scope

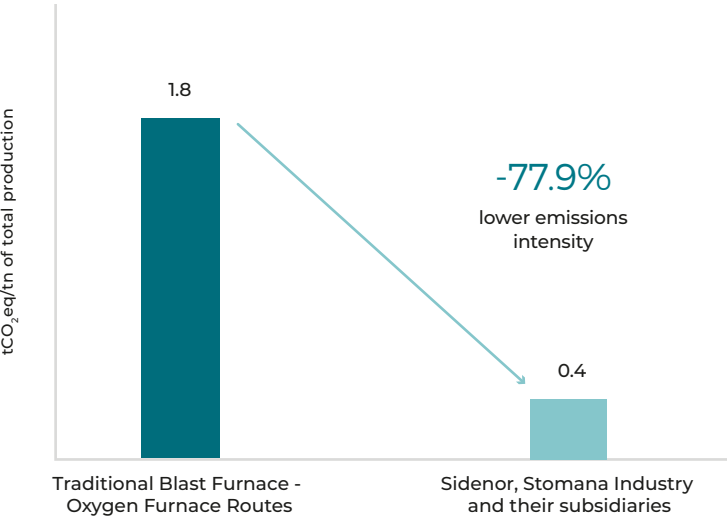


EI Graph 2: GHG emissions intensities by scope.

The Companies' steel production route, based on electric arc furnace (EAF) technology, delivers substantially lower greenhouse gas emissions compared to conventional blast furnace-basic oxygen furnace (BF-BOF) steelmaking. In 2025, the Companies' combined

Scope 1 and Scope 2 emissions intensity amounted to 0.4 tCO₂eq per ton of total production, representing a 77.9% reduction compared to the approximately 1.8 tCO₂eq per ton associated with traditional BF-BOF production routes⁷.

Companies' emissions intensity compared to traditional production routes



EI Graph 3: Companies' emissions intensity compared to traditional production routes.

⁷ Greenhouse gas intensities of the EU steel industry and its trading partners - Publications Office of the EU <https://op.europa.eu/en/publication-detail/-/publication/b70de3e7-fda3-11ec-b94a-01aa75ed71a1/language-en>

The following Table presents the Companies' total GHG emissions.

Greenhouse gas emissions	Unit	2023	2024	2025
Scope 1 emissions				
Gross GHG emissions – Scope 1	tCO ₂ eq	165,175	172,399	174,581
Share of Scope 1 GHG emissions falling under regulated emissions trading schemes	%	93%	92%	93%
Scope 2 emissions				
Gross GHG – Scope 2 (Location-based)	tCO ₂ eq	375,511	312,069	304,608
Gross GHG emissions – Scope 2 (Market-based)	tCO ₂ eq	492,341	396,571	411,545
Scope 3 smissions				
Gross indirect GHG (Scope 3)	tCO ₂ eq	701,254	843,846	857,547
Cat 1. Purchased goods and services	tCO ₂ eq	115,856	216,860	202,010
Cat 2. Capital Goods	tCO ₂ eq	7,346	6,679	6,740
Cat 3. Fuel- and Energy-Related Activities (not Included in Scope 1 or Scope 2)	tCO ₂ eq	128,551	134,067	134,814
Cat 4. Upstream transportation and distribution	tCO ₂ eq	56,329	68,556	89,587
Cat 5. Waste generated in operations	tCO ₂ eq	10,612	12,898	7,460
Cat 9. Downstream transportations	tCO ₂ eq	84,603	90,370	93,979
Cat 12. End of life treatment of sold products	tCO ₂ eq	297,956	314,417	323,137
Total GHG emissions				
Total GHG emissions (location-based)	tCO ₂ eq	1,241,939	1,328,313	1,336,736
Total GHG emissions (market-based)	tCO ₂ eq	1,358,769	1,412,816	1,443,673
Specific GHG emissions (location-based)	tCO ₂ eq/tn of total production	0.99	0.91	0.91
Specific GHG emissions (market-based)	tCO ₂ eq/tn of total production	1.08	0.97	0.98

E1 Table 5: GHG 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 CO₂eq 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 2025 has been used for Greece and Bulgaria. Specifically, the location-based approach was calculated using the total supplier mix, while the market-based approach was based on the Residual Mixes. For the industrial plan of North Macedonia, the emissions were calculated using emission factors from LowCarbonPower (https://lowcarbonpower.org/region/North_Macedonia).

The calculation of indirect Scope 3 emissions was carried out in accordance with the GHG Protocol guidance. For the calculation of the emissions, the Companies utilized internationally recognized databases, such as DEFRA and Ecoinvent. Although every effort has been made to ensure the accuracy of the calculations, the use of proxy data and estimation methodologies may introduce a degree of uncertainty, particularly in categories such as Purchased Goods and Services and Downstream Transportation.

The Companies have not identified any significant biogenic emissions within Scope 1, Scope 2, or Scope 3 emissions and therefore consider such emissions to be negligible. Furthermore, the Companies do not currently engage in greenhouse gas (GHG) removal or carbon storage activities or projects, nor have they implemented an internal carbon pricing mechanism.



Driving sustainable progress through responsible environmental management

Resource Use and Circular Economy

Circularity is a fundamental pillar of the Companies' sustainability strategy and is embedded across the entire value chain. The Companies' circular approach extends from the use of scrap as a key raw material to the recovery, reuse, and beneficial use of waste streams and by-products in other industrial applications. By keeping materials in productive use for longer, the Companies' reduces waste, conserves natural resources, and supports the transition towards a more circular economy.

In the steel industry, circular economy practices are particularly important, as steel is a permanently recyclable material that can be reused multiple times without loss of quality. As a result, the sector plays a key role in supporting the transition to a low-carbon and resource-efficient economy by enabling high recycling rates, improving material efficiency, and reducing overall environmental impacts.

Sidenor, Stomana Industry, and their subsidiaries incorporate circular economy principles throughout their operations through the increased use of recycled and secondary raw materials, alongside practices aimed at improving waste management and resource efficiency. The Double Materiality Assessment (DMA) identified contribution to circular economy as a significant positive impact of the Companies' activities, highlighting their role in supporting more sustainable production patterns and responsible resource use across the value chain.

Reflecting this commitment, the Companies' environmental policy includes a range of initiatives and commitments aimed at further advancing circularity practices across their operations, including:

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



Resource efficiency



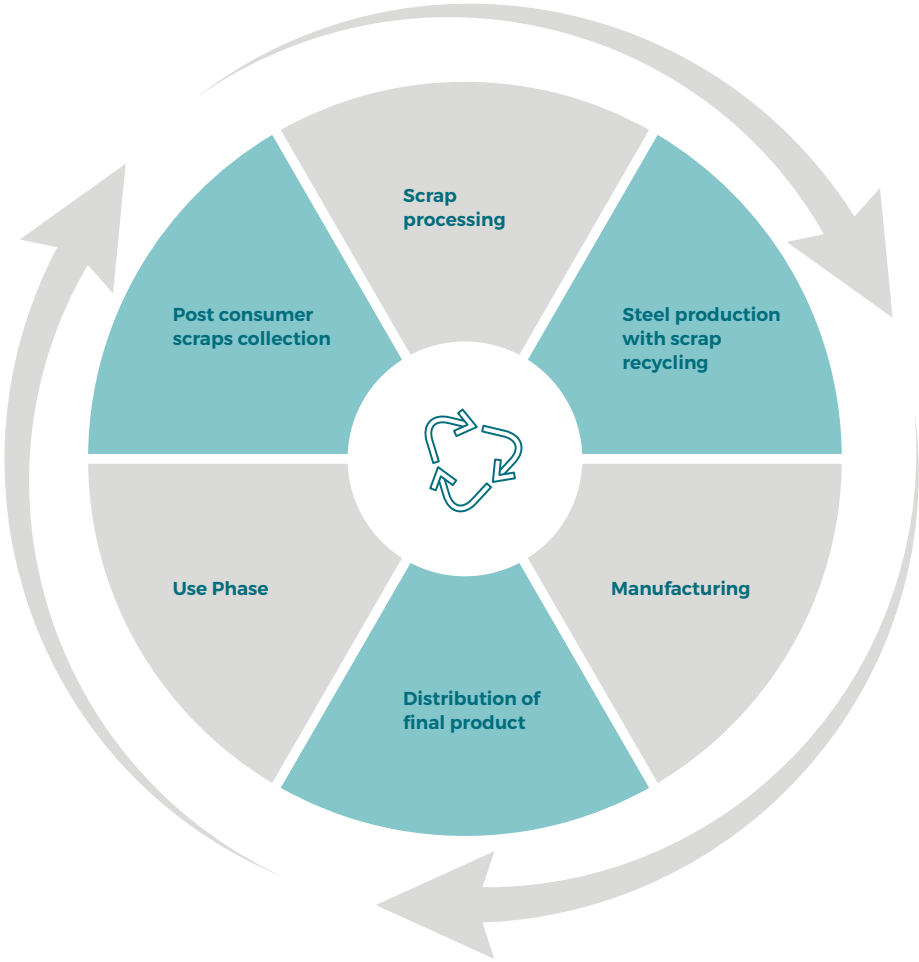
Landfill avoidance



Alignment with eu circular economy priorities

The Companies' circular economy approach is centered on promoting closed-loop steel production. Their production processes incorporate post-consumer scrap, while also maximizing resource efficiency through the reuse of pre-

consumer scrap generated during manufacturing. The circular nature of the Companies' production model and products is illustrated in the graph below.



Circularity and Waste Management Initiatives

To support their circular economy objectives and advance sustainable production practices, the Companies continuously implement initiatives aimed at improving resource efficiency, increasing the use of secondary raw materials, recycled content in their steel products, and enhancing the management and recovery of waste generated throughout the production process.

The Electric Arc Furnace (EAF) production route lies at the heart of the Companies' circular production model, which primarily utilizes steel scrap as a raw material, significantly enhancing the use of recycled content in the manufacturing process. In contrast, conventional blast furnace production methods rely predominantly on virgin raw materials, such as iron ore, and allow for only limited scrap utilization. In addition, the flexibility of EAF technology enables production to be more easily adjusted in response to market demand, supporting the efficient and optimized use of recycled materials within the production process.

As part of its commitment to circular economy, Stomana Industry launched a project to enhance shredder performance and improve material processing efficiency. During the reporting period, the project delivered encouraging initial results, including a 4.5% increase in shredder production compared to 2024. Nevertheless, prevailing market conditions and the specific production requirements for the scrap qualities concerned remain under review. Further analysis is being conducted to determine the optimal level of shredder utilization. Although the project is expected to result in additional operating costs related to increased shredder activity, these are anticipated to be compensated by higher production output and improved overall foundry performance.

Finally, the Companies prioritize minimizing waste disposal by promoting waste recovery and maximizing recycling across their operations through efficient segregation and management practices at the source. These practices contribute positively to the Companies' circular economy performance and support the efficient use of resources.

Products Recyclability

Steel recycling significantly lowers the demand for primary raw materials and energy-intensive production processes, which are associated with high carbon emissions. Sidenor, Stomana Industry, and their subsidiaries produce steel products that can be highly recovered and reused at the end of their use, depending on their final application. The extent to which materials are ultimately recovered is influenced by product design, downstream processing, and the technical and economic feasibility of sorting and separating materials efficiently after use. The use of secondary⁸ steel production, compared to the primary production route, offers several environmental benefits to the steel industries, including:

- Recycling steel saves 72% of the energy needed for primary production.
- Recycling one tonne of steel saves 1.4 tonnes of iron ore, 0.8 tonnes of coal, 0.3 tonnes of limestone and additives, and 1.67 tonnes of CO₂.
- Using recycled steel to make new steel reduces air pollution by 86%, water use by 40%, and water pollution by 76%.

Optimizing Resource Inflows

Sidenor, Sovel and Stomana Industry produce steel through a secondary production model, using steel scrap as the main raw material to manufacture high-quality, value-added steel products with recycled content exceeding 98%.

Year	2024	2025
Sidenor	97.4%	99.0%
Sovel	98.0%	98.5%
Stomana Industry	98.1%	98.2%

E5 Table 1: Recycled content in produced steel.
The recycled content percentages have been calculated in accordance with ISO 14021.

The production process involves the use of steel scrap, fuels, water, and auxiliary materials such as steel alloys and lime, while no biological materials or biofuels are utilized. To maintain high standards of product quality, operational efficiency, and environmental performance, the Companies continue to invest in industrial facilities,

equipment, and infrastructure upgrades aligned with evolving market and sustainability requirements. Designed for durability and long-term use, the Companies' steel products can be efficiently recycled and reintroduced into the production cycle at the end of their useful life.

8 Metal Recycling Factsheet – EuRIC
https://circulareconomy.europa.eu/platform/sites/default/files/eu-ric_metal_recycling_factsheet.pdf

The recycled content percentage calculation enables the Companies to transparently report the recycled content of their products, while ensuring consistency in the assessment process. This is particularly important given that different certification schemes may apply varying definitions and approaches to recycled content, making direct comparisons between products more complex. The calculation is based on the following guidelines:

1. Post-consumer scrap is included in recycled content

Post-consumer scrap refers to material recovered from products that have completed their intended use and have been discarded by end users, households, commercial users or industrial users. The material must be collected and returned for recycling or remelting rather than being disposed of as waste.

2. Pre consumer scrap

Pre consumer scrap that is strictly produced from a customer, from a downstream production process is

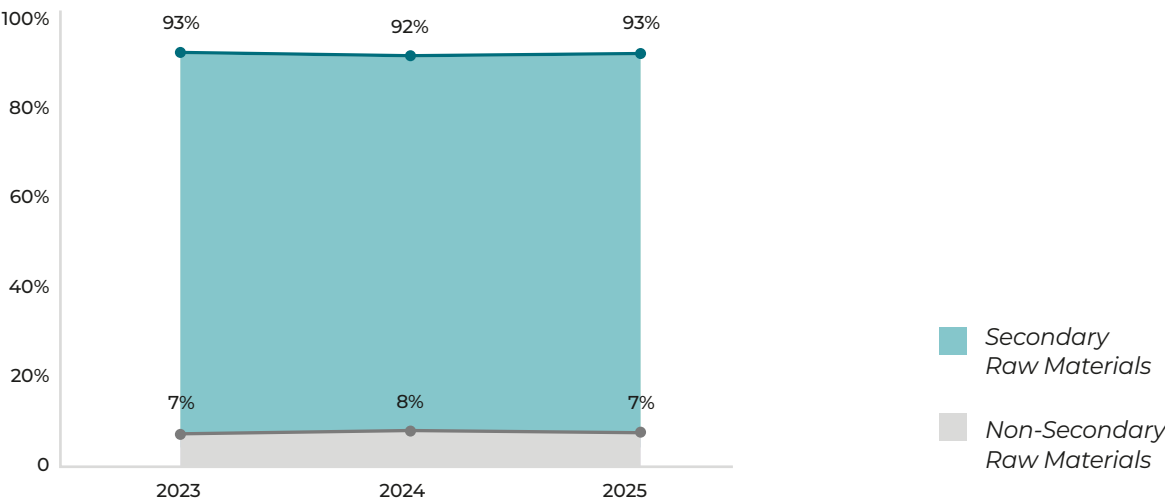
included. Pre consumer scrap is any material diverted from the waste generated during a downstream manufacturing process excluding scrap generated in a process and being reincorporated in the same process that generated it. Due to the various subsidiaries within a segment, if scrap is generated within an affiliated company, then scrap does not count towards recycled content of the segment if it is an affiliated company.

3. Internal (run around) scrap is excluded

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.

The Companies' material consumption for the period 2023-2025 is presented in E5 Table 2 below, demonstrating that the majority of the resources used in their production processes originate from secondary raw materials.

Material usage breakdown



E5 Graph 1: Material usage breakdown.

Materials	Unit	2023	2024	2025
Secondary raw materials	tn	1,477,368	1,497,005	1,653,355
Non-secondary raw materials	tn	111,857	134,121	131,598
Total raw materials	tn	1,589,225	1,631,126	1,784,953
Percentage of secondary raw materials	%	93%	92%	93%

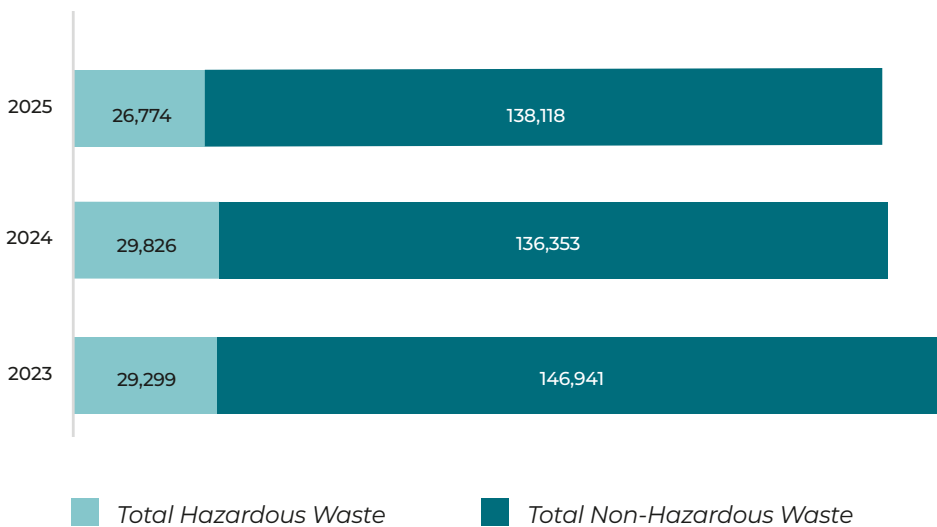
E5 Table 2: Raw materials.
The data reported for the previous years have been revised compared to the previous reporting period due to a misstatement in the consolidation approach. The revision reflects the correction of quantities that had previously been subtracted from the total, resulting in a more accurate presentation of the Companies' performance.

Optimizing Resource Outflows

Waste management and recovery are integral components of the Companies’ circular economy approach and operational practices. Across their facilities, the Companies implement structured waste management procedures aimed at maximizing material recovery minimizing disposal throughout the production process, and contributing to the mitigation of relative impacts to the environment.

The majority of waste generated consists of non-hazardous materials associated with steel manufacturing activities, while limited quantities of hazardous waste arise mainly from the use of oils, lubricants, and other auxiliary materials. No radioactive waste is generated through the Companies’ operations.

Total Waste Generated in Tonnes



E5 Graph 2: Total waste generated

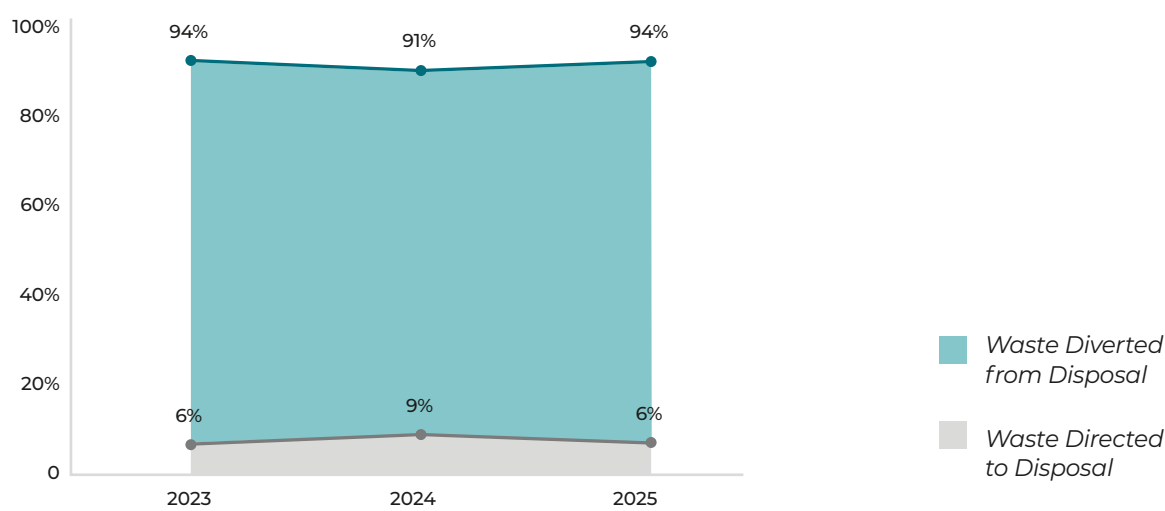
To ensure compliance with applicable environmental requirements, all waste streams are identified, classified, and segregated in line with the European Waste Catalogue (EWC). The Companies also collaborate with authorized and specialized waste management contractors for the collection, treatment, recovery, and disposal of waste in accordance with national regulatory frameworks. This action is implemented on an annual basis and does not require significant financial resources for its execution.

In Greece, since 2020, electric arc furnace slags, ladle furnace slags, and mill scales produced by the steel mills have been officially classified as by-products in accordance with the European Waste Framework Directive. These materials are mainly used in road construction, asphalt mixtures, and cement and concrete production, contributing to

increased material recovery, reduced waste management requirements, and a lower environmental footprint. This approach supports industrial symbiosis, promotes circular economy practices, and contributes to the conservation of natural resources.

As presented in E5 Table 3, the Companies provide a detailed breakdown of the waste generated and the corresponding treatment methods applied. In 2025, the share of waste diverted from disposal remained at particularly high levels, further supporting the Companies’ contribution to circular economy practices. Specifically, the percentage of hazardous waste diverted from disposal reached 93%, while the corresponding percentage for total waste amounted to 95%.

Waste Management Performance



E5 Graph 3: Waste management performance.

Resource outflows (tn)	2023	2024	2025
Hazardous Waste			
Incineration without energy recovery	2	1	2
Landfill	5,566	7,334	1,744
Total hazardous waste directed to disposal	5,568	7,335	1,746
Preparation for reuse	0	0	0
Recycling	7,704	6,803	6,707
Recovery, including energy recovery	16,027	15,688	18,322
Total hazardous waste diverted from disposal	23,731	22,491	25,029
Total hazardous waste	29,299	29,826	26,774
Non-Hazardous Waste			
Incineration without energy recovery	0	1	3
Landfill	4,480	7,855	7,359
Total non-hazardous waste directed to disposal	4,480	7,856	7,363
Preparation for reuse	0	0	0
Recycling	1,681	1,227	3,521
Recovery, including energy recovery	140,779	127,270	127,234
Total non-hazardous waste diverted from disposal	142,461	128,497	130,755
Total non hazardous waste	146,941	136,353	138,118
Total Waste			
Total waste diverted from disposal	94.3%	90.9%	94.5%
Total waste generated	176,240	166,180	164,892

E5 Table 3: Resource outflows

Enhancing Sustainable Water Management

Water is an essential resource for steel manufacturing and effective water management is necessary to ensure its sustainable use and long-term availability. Across the production process, water is used in a wide range of operational activities, including cooling systems, equipment temperature control, decaling, dust suppression, emissions control systems, cleaning processes, and treatment applications.

Consistent with industry-specific challenges, the Double Materiality Assessment (DMA) identified water withdrawal as an actual negative environmental impact associated with the Companies' own operations across the short-, medium-, and long-term time horizons. To mitigate these impacts, the Companies operate water circulation systems within their facilities, allowing water to be recirculated for production and cooling purposes before being appropriately discharged to the environment.

Water Stewardship Commitments

Reflecting this commitment, the Companies' environmental policy includes a range of commitments aimed at improving water efficiency, reducing water-related impacts, and promoting sustainable water management practices across their operations, including:

1. Promote reduction

Promote the reduction of water withdrawals and water discharges.

2. Assess and protect

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.

3. Protect and enhance

Prevent further deterioration, protect and enhance the status of water bodies and aquatic ecosystems.

4. Integrate

Integrate water treatment to promote more sustainable sourcing of water.

5. Consider

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 concerning water and marine resources will be disclosed in future reports.

Water management remains a priority environmental consideration across the Companies' operations. Sidenor, Stomana Industry, and their subsidiaries continuously implement measures aimed at improving water efficiency, minimizing withdrawals, and strengthening the resilience of their production processes through increased water reuse and recycling.

As part of these efforts, the industrial facilities of Sovel and Stomana operate closed-loop cooling systems that allow water to be recirculated and reused multiple times before discharge, significantly reducing dependence on water withdrawals. In addition, Stomana initiated a rainwater recirculation project in 2023 to further enhance water efficiency within its operations. Both Stomana and Sovel also continue to invest in infrastructure improvements and water network upgrades focused on minimizing leakages and reducing unnecessary water losses. In addition, the companies commenced the implementation of an online water management monitoring system in 2025, with completion expected in 2026. The system is designed to strengthen water management practices by providing real-time monitoring of water consumption, supporting the identification of inefficiencies, and enabling more informed decision-making. Complementing this initiative, the deployment of advanced telemetry technologies and the application of water mass balance analysis will enhance the Company's ability to detect losses, monitor performance, and identify potential operational issues at an early stage. Together, these measures form part of the Companies' ongoing commitment to improving water efficiency, reducing water losses, and optimizing the sustainable management of water resources.

Water Consumption

E3 Table 1 presents the Companies’ total water withdrawals, discharges, consumption, and water intensity indicators.

Water	Unit	2023	2024	2025
Water withdrawal	ML	2,194	2,582	2,401
Water discharge	ML	1,008	1,100	1,028
Water consumption	ML	1,187	1,482	1,373
Water consumption in areas at water risk, including areas of highwater stress	ML	1,154	1,447	1,333
Water recycled and reused	ML	2	2	0
Water stored	ML	0	0	0
Water consumption intensity	ML/tn of total production	0.00095	0.00102	0.00093

E3 Table 1: Water management.

** The majority of water-related data are obtained through direct measurements and invoices received from water utility providers. In cases where direct data were not available, estimations and extrapolation methodologies were applied to ensure that the reported annual figures accurately reflect the Companies’ actual water use.*

The industrial facilities of Sidenor, Sovel, Erlikon, and Stomana Industry are located in regions identified as areas of high-water stress. All production sites were assessed using the Aqueduct Water Risk Atlas developed by the World Resources Institute (WRI). According to this methodology, areas classified as facing water risk or high-water stress are those where total water withdrawals are considered high (40–80%) or extremely high (above 80%).

A full-page background image showing three workers in a large industrial facility, likely a steel mill. Two women and one man, all wearing hard hats and high-visibility work clothes, are walking through the facility. The man on the right is pointing towards the right side of the frame. The background is filled with industrial structures, including large steel beams, pipes, and stacks of materials. The lighting is dramatic, with bright spots from overhead lights and natural light from large windows on the right side.

People at the Core of our Progress

Our Approach
Our Workforce
Inclusion, Development
and Fair Working Conditions

67
70
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Our Approach

Sidenor, Stomana Industry, and their subsidiaries remain committed to building an open, inclusive, and diverse working environment for all employees. Sidenor seeks to maintain a workplace free from discrimination or unequal treatment based on personal characteristics such as race, sex, gender, religion, nationality, age, sexual orientation, disability, or political beliefs, while promoting equal opportunities for professional growth and development. Sidenor’s approach to its people is grounded on its commitment to fair, safe, and inclusive employment conditions and supports long-term value creation and operational resilience. Material topics related to occupational health and safety, employee development, and human and labour rights continue to be informed by the Double Materiality Assessment and reflect the nature of operations, the business model, and our collaboration with value chain partners.

Through the Double Materiality Assessment, Sidenor, Stomana Industry, and their subsidiaries have identified material impacts related to workplace accidents, employee training and development, and human rights considerations across operations and the value chain. Health and Safety remains a key priority due to the nature of industrial activities and production processes. The prevention of occupational risks and potential hazards

continues to be supported through the implementation of health and safety management systems, employee training and awareness initiatives, monitoring processes, and corrective actions, reinforced by leadership commitment across the organization.

Potential human rights-related impacts within the upstream value chain have also been considered. In this context, policies, procedures, and relevant mechanisms are in place to support the prevention and mitigation of potential adverse impacts and to promote the protection of workers’ rights. In addition, employee training and development continue to be recognized as important contributors to productivity, operational effectiveness, and workforce resilience. Insufficient employee development and training opportunities may negatively affect organizational performance in the medium and long-term. As such, the identified impacts, risks, and opportunities are closely linked to the Companies’ operational environment, including production intensity, evolving safety requirements, and supply chain complexity. In response, the Companies are continuously implementing related policy frameworks and long-term initiatives, including Health & Safety, Labour & Human Rights, and Learning Management actions, as well as the 2023-2027 Health and Safety Strategic Roadmap.

Highlights

36,632

Training hours

14

Average training hours per female employee

92%

Employees participated in performance appraisal⁹

2,457

Employees

100%

of operational sites covered by an employee health and safety risk assessment

100%

of operational sites assessed for human rights impacts or risks

⁹ In line with the Group’s performance management cycle, the 2024 performance appraisals were completed during the first quarter of 2025. Therefore, the reported participation rate of 92% relates to evaluations conducted in early 2025 for employees’ performance during 2024.

Human and Labour Rights Governance, Policies and Practices

Sidenor, Stomana Industry, and their subsidiaries remain committed to respecting and promoting internationally recognized human and labour rights across their operations and value chain. The Companies' approach is supported by policies and practices aimed at fostering a respectful, inclusive, and safe working environment, while preventing incidents related to discrimination, child or forced labour, harassment, and unequal treatment, and promoting fair working conditions for employees and business partners.

The Labour and Human Rights Policy applies to all employees, officers, directors, contractors, agents, private security forces, subsidiaries. The Policy applies across all operations and business activities, regardless of geography, including the upstream and downstream value chain. It is aligned with internationally recognized frameworks and principles, including the Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, the UN Declaration on the Rights of Indigenous Peoples, and ILO Convention 169 on Indigenous and Tribal Peoples.

The [Policy](#) establishes the principles of equal treatment and non-discrimination irrespective of gender, race, colour, ethnicity, nationality, religion, beliefs, age, marital status, disability, sexual orientation, gender identity, political opinion, union affiliation, or social and educational background. It also addresses harassment, intimidation, discriminatory behaviour, and practices that may adversely affect employees' health, safety, wellbeing, or dignity at the workplace.

[The Business Code of Conduct](#) sets out the ethical principles and standards applicable to employees, officers, directors, contractors, agents, subsidiaries, and business partners across all operations and business activities. The Code is aligned with internationally recognized frameworks, including the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, the International Bill of Human Rights, and relevant International Labour Organization conventions. It promotes ethical business conduct, equal opportunities, safe working conditions, and a zero-tolerance approach to discrimination, child labour, and forced labour.

[The Business Partners' Code of Conduct](#) defines the principles and expectations applicable to suppliers, contractors, consultants, and other business associates. Business partners are expected to operate in compliance with applicable laws and internationally recognized principles regarding human rights, labour rights, environmental responsibility, anti-corruption practices, data protection, and occupational health and safety. Compliance with these principles forms part of the Group's collaboration framework with business partners and

may be assessed through audits or evaluation processes performed either internally or by external associates.

Due Diligence and Engagement

Sidenor, Stomana Industry, and their subsidiaries continue to implement actions aimed at identifying, preventing, and mitigating potential adverse human rights impacts across their operations and value chain. To support this approach, the Companies apply operational human rights due diligence processes and procedures to evaluate performance, identify risks, and assess potential impacts related to human and labour rights.

Following the Minimum Safeguards gap assessment, a dedicated Human Rights Officer remains responsible for conducting Human Rights self-assessments, communicating identified issues, supporting the implementation of corrective actions, and monitoring potential human rights risks. In addition, the Companies initiated a Human Rights Due Diligence Assessment in 2024, which remains an ongoing process to further strengthen awareness, identify potential risks, and support continuous improvement regarding human rights management practices.

The Companies also maintain whistleblowing and reporting mechanisms that support transparency, integrity, and accountability across their operations and business relationships. Through an externally hosted whistleblowing platform, employees and business partners may report potential incidents or concerns related to unethical or unlawful behaviour, discrimination, harassment, corruption, occupational health and safety, anti-competitive practices, environmental matters, or personal data violations. The relevant reporting mechanisms are publicly available on the corporate [websites](#).

Recognizing that respect for human and labour rights requires continuous dialogue and employee engagement, the Companies maintain multiple communication and reporting channels that enable employees to express concerns, share feedback, and raise issues related to their working environment and professional development. The Human Resources Department is responsible for supporting employee communication and engagement processes. The available communication channels include:

- Regular staff meetings
- One-to-one feedback meetings with Management and HR
- Ad hoc meetings with HR
- Social media
- Email notifications and announcements
- Bulletin boards at production facilities and other areas
- Corporate events
- Intranet
- Digital screens

Moreover, at the end of 2024 Sidenor conducted a comprehensive employee engagement survey in collaboration with Korn Ferry, providing employees with a structured and confidential channel to express their views



on the workplace environment, organizational priorities, and areas for improvement. The survey results, analyzed in early 2025, offered valuable insights that informed targeted action plans aimed at strengthening engagement, supporting employee well-being, and enhancing overall organizational effectiveness. As part of Sidenor's commitment to continuous dialogue and improvement, a follow-up "Pulse" survey was

announced for mid-2026 to assess progress made since 2024, capture employee feedback on implemented actions, and identify further opportunities for improvement. This ongoing engagement approach reflects the Company's objective to systematically monitor employee sentiment and co-create a more supportive working environment in collaboration with its employees.

In 2025, no incidents of discrimination, including harassment, human rights violations, or related complaints were recorded in relation to employees or workers in the value chain.

Our Workforce

In 2025, Sidenor, Stomana Industry, and their subsidiaries employed 2,457 employees on an average headcount basis, including 2,420 direct employees ("employees" under

the ESRS definitions) and 37 indirect employees ("non-employees" under the ESRS definitions).

Direct employee distribution by gender	2023	2024	2025
Men	2,070	2,000	2,023
Women	399	382	397
Total	2,469	2,382	2,420
Direct employee distribution by Company	2023	2024	2025
Sidenor			
Men	462	427	397
Women	73	56	62
Total	535	483	459
Sovel			
Men	569	558	577
Women	19	18	19
Total	588	576	596
Stomana			
Men	758	748	750
Women	293	295	298
Total	1,051	1,043	1,048
Dojran			
Men	192	182	214
Women	12	11	16
Total	204	193	230
Erlikon			
Men	89	85	85
Women	2	2	2
Total	91	87	87

HR Table 1: Direct employee distribution by gender per Company.

Indirect employee distribution by gender	2023	2024	2025
Men	85	73	36
Women	15	7	1
Total	100	80	37

HR Table 2: Indirect employee distribution by gender.

Permanent direct employee distribution by gender	2023	2024	2025
Men	2,056	1,982	2,012
Women	395	379	392
Total	2,451	2,361	2,404

Temporary direct employee distribution by gender	2023	2024	2025
Men	14	18	11
Women	4	3	5
Total	18	21	16

HR Table 3: Employee distribution by contract type.

Direct employees include full-time and part-time employees under permanent or fixed-term contracts, including wage-paid and employees on a salary, interns/trainees, Board Members, freelancers, and consultants engaged through external companies to cover permanent operational needs. Headcount figures include employees irrespective of maternity leave, long-term absence, or unpaid leave. Indirect employees refer to individuals covering fixed and permanent needs who are not remunerated through the Companies payroll systems, but through third-party providers or contractors under man-day/manhour-based agreements rather than project-based contracts. The reported figures are calculated as a monthly average headcount during the reporting period and subsequently averaging across all months of the year.

Inclusion, Development and Fair Working Conditions

Sidenor, Stomana Industry, and their subsidiaries continue to promote equal opportunities in recruitment, training, and professional development, aiming to foster an open, diverse, and respectful working environment. Recruitment and evaluation processes are conducted without discrimination based on personal characteristics, while initiatives are implemented to support employee development and long-term employability.

In 2025, 80 employees (3% of the Group's workforce) were persons with disabilities, comprising 61 men (3% of the male workforce) and 19 women (5% of the female workforce).

The Companies also continued to support the attraction, retention, and development of young professionals and highly skilled employees through collaborations with universities and technical institutes, internships, workshops, mentoring initiatives, and participation in career events and educational programmes.

In compliance with 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:

Insurance & Wellbeing • Insurance Program • Private Health Insurance Program • 24/7 Psychological support hotline • Nutritional support and counselin	Financial Rewards & Bonuses • Production Bonus for Operations Staff & Foremen • Annual Performance Bonus for Administrative Personnel • Saving Plan (depending on position/job role)	Family Support Benefits • Marriage Allowance • Childbirth / adoption allowance • Kindergarten Allowance • Summer Camp Allowance • Award for employees' children admitted to higher education • Christmas party for employees' children • Christmas gift voucher for employees' children
Learning & Development • Funding Academic Studies (Personal & Professional Development) • Study Leave Support for Higher Education • Employee Training & Development Programs	Daily Work-Life Benefits • Employee Commuting support • Reserved Parking Spots • Meal Vouchers • Eat Light meals • Hybrid Work (for positions where applicable) • Company Car (depending on position/job role)	

Business partners are required to comply with the principles set out in the Business Partners' Code of Conduct, including commitments related to fair working conditions, adequate

wages, freedom of association, respect for human rights, and safe working environments.

Direct employee distribution by age	2023	2024	2025
<30	238	191	184
30-50	1,265	1,198	1,184
50+	966	993	1,052

HR Table 4: Direct employee distribution by age.

Employee distribution by gender in top management level	2023	2024	2025
Men			
Number	71	65	66
Percentage	87%	89%	86%
Women			
Number	11	8	11
Percentage	13%	11%	14%

HR Table 5: Employee distribution by gender in top management level.

Departures	2023	2024	2025
Direct employee departures	345	366	265
Employee turnover rate	14%	15%	11%

HR Table 6: Departures.

Employee family-related leaves 2025 (%)	Men	Women
Employees that are entitled to take family-related leave	89%	100%
Employees that are entitled to and make use of maternity leave (also called pregnancy leave)	0%	5%
Employees that are entitled to and make use of paternity leave	1%	0%
Employees that are entitled to and make use of parental leave	12%	8%
Employees that are entitled to and make use of carers' leave from work	0%	5%

HR Table 7: Employee family-related leaves.

Learning and Professional Development

Sidenor, Stomana Industry, and their subsidiaries continue to invest in employee learning and professional development, recognizing that a skilled, motivated, and adaptable workforce is essential for responding to the evolving requirements and challenges of the industrial sector. Training programmes are designed to strengthen employees' technical and professional competencies, while also promoting awareness regarding quality, occupational health and safety, environmental responsibility, and operational excellence. In addition, targeted training initiatives are developed based on training needs identified through performance evaluation processes, supporting employees in continuously enhancing their knowledge and responding effectively to changing operational requirements.

Learning and development approach

The *Learning Management System (LMS) Policy* supports the establishment of a common framework for identifying training and development needs, organizing learning activities, and monitoring employee participation in training programmes. The Policy aims to further develop employees' capabilities, skills, and competencies, contributing to individual growth and the long-term sustainability of the organization. The Policy applies to all employees and is communicated internally through Companies' communication channels.

Training and development initiatives

The Companies continue to implement structured induction and training programmes aimed at supporting employees' effective integration into the work environment, organizational culture, and operational practices. In

parallel, specialized training initiatives are provided to support employees to effectively respond to their roles and responsibilities, while continuously strengthening their technical, digital, and interpersonal skills.

During the reporting period, training programmes covered a broad range of topics, including:

- business software, IT
- communication
- creative
- CSR
- environmental
- equal workplace
- feedback
- finance and accounting
- health and safety, well-being
- human resources
- languages
- long-term educational programs
- management and leadership
- LinkedIn learning courses
- operations, production and manufacturing
- productivity
- project management
- quality
- soft skills (negotiation skills, presentation skills, time management)
- technical skills and knowledge

Companies recognize that employee development, inclusion initiatives, and safety awareness contribute to workforce resilience, operational performance, employee engagement, and long-term business sustainability. Training and development initiatives are therefore considered an important component of employee retention, professional growth, and continuous improvement across the organization.

Average training hours by gender and employee	2023	2024	2025
Men	14.0	11.4	15.4
Women	14.0	9.0	14.0
Total Employees	14.0	11.0	15.1

HR Table 8: Employee's average training hours by gender.



Employee Evaluation

Providing employees with equal opportunities for career development through transparent and merit-based processes remains an important priority. The performance management system supports regular performance and career development reviews, enabling the identification of individual training and development needs aligned with employees' professional objectives and the Companies'

operational priorities. In 2025, the performance and career development review process achieved high participation rates among eligible employees¹⁰, reaching 99% of eligible men and 96% of eligible women. Considering the total direct workforce, 93% (1,885) of male employees and 87% (344) of female employees participated in regular performance and career development reviews.

¹⁰ Eligible employees are defined as employees agreed with management to undergo an appraisal.

Health and Safety Rooted in Our Values





Occupational Health and Safety

Sidenor, Stomana Industry and their subsidiaries maintain a prevention-focused approach to Health and Safety management, continuously strengthening operational safety standards, accountability, and employee awareness across all activities. Health and Safety risks are managed through structured governance mechanisms, operational controls, risk assessment procedures, and continuous monitoring processes integrated into daily operations.

Employee participation and consultation in workplace Health and Safety matters is supported through Health and Safety Committees operating across most production facilities, while all Companies maintain certified Health and Safety Management Systems in accordance with ISO 45001. To support the consistent implementation of Health and Safety practices across production facilities, structured Health, Safety and Environment (HSE) meetings are conducted on a monthly basis at plant, Business Unit, and Executive Committee levels. These meetings support the monitoring of Health and Safety performance, the review of operational risks and incidents, the follow-up of corrective and preventive actions, and the dissemination of best practice across operations. The governance mechanisms in place also support management oversight of operational Health and Safety performance and a structured and risk-based approach to hazard identification, risk assessment, and incident prevention is applied. Health and Safety risks are continuously monitored through inspections, workplace observations, near-miss reporting, and operational monitoring processes. Through these processes, the Companies continue to strengthen prevention-focused operational practices,

improve workplace safety conditions, and reinforce a consistent Health and Safety culture horizontally.

The ultimate objective remains the achievement of “No Accidents, No Occupational Illnesses” across all operations, reinforcing the commitment to prevention-focused operational practices and the continuous improvement of workplace safety conditions. The approach to occupational Health and Safety also includes consideration of employee well-being and psychosocial risks as part of the broader workplace health protection practices.

Occupational medical examinations are performed based on the risks associated with each job position and operational activity, while on-site medical units operate across production facilities. Measurements and monitoring of harmful workplace factors are also conducted, and risk assessment studies are revised where necessary following the implementation of corrective actions. Occupational health monitoring is supported through periodic medical examinations conducted by occupational physicians, workplace exposure monitoring and health surveillance programs aligned with applicable legal requirements. Findings from these processes are considered in risk assessments and preventive health measures where relevant.

The Health and Safety practices applied throughout the Companies are aligned with applicable legislation and internationally recognized standards and frameworks, including the OECD Guidelines for Multinational Enterprises and the ILO Declaration on Fundamental Principles and Rights at Work.

17,500

Health & Safety training hours in 2025

7.12

Health & Safety training hours per employee in 2025

100%

of installations covered by ISO 45001

Occupational Health and Safety Policy

A single Occupational Health and Safety Policy directs all operations and reflects commitment to providing safe and healthy working conditions for employees, contractors, partners, and all individuals working under the Companies' control.

The Policy plays a vital role in promoting a strong Health and Safety culture across employees and key stakeholders by establishing clear principles and guidelines for the identification, assessment, management, and monitoring of occupational related risks.

The Policy includes commitments related to:

- risk prevention and continuous improvement
- compliance with applicable legislation and international frameworks
- incident reporting and investigation
- employee participation and competency development
- stakeholder communication and transparency
- workplace health protection and well-being

The Policy is communicated across the organization through internal communication channels and is publicly available through the Companies' [websites](#). The most senior executives per company hold ultimate responsibility for the effective implementation of the Policy and related Health and Safety standards.

The Occupational Health and Safety Policy is reviewed periodically to ensure continued alignment with operational requirements and evolving Health and Safety practices.



2025–2029 Health and Safety Roadmap

A five-year Health and Safety roadmap for the period 2025–2029 is established, focusing on further strengthening employee technical competencies, machinery safety, and preventive operational controls across all production facilities.

The Companies implement an annual Health and Safety Improvement Action Plan (IAP), which serves as a structured, risk-based program designed to reduce occupational health and safety risks and strengthen workforce well-being across manufacturing sites. The IAP translates the companies' health and safety strategy into measurable operational initiatives, focusing on high-risk activities, engineering controls, competency development, and compliance with established standards.

The roadmap is updated each year and includes

specific targets and actions to be completed within the annual cycle. For 2025, industrial plants aim for full implementation of the approved health and safety budget, including initiatives such as Hazop studies and fire safety improvements. Plants also target full safety training compliance for the applicable workforce population, based on role-specific risk assessments (excluding employees hired late in the year, who complete training in the following cycle). In machinery safety, the roadmap includes completion of implementation studies for all relevant equipment and the installation of mechanical guarding on at least 70% of machinery. For working at heights, the objective is the consistent application of the Permit to Work (PTW) system and full implementation of related standards. In addition, plants aim to issue Lockout/Tagout (LoTo) equipment-specific instructions across plant operations.

The strategic objectives of the roadmap

2025	2026	2027	2028	2029
Initiation of LOTO instructions. Implementation of 8 machinery safety studies. 30% of competency matrix completion.	65% completion of LOTO. Additional machinery safety studies for 24 production lines. 56% of competency matrix completion.	Finalize Lockout/Tagout (LOTO).	Finalize competency matrix. Finalize machinery safety implementation studies.	Finalize zero access.

Health and Safety Initiatives

Health and Safety initiatives focused on competency development, operational discipline, contractor safety management, machinery safety, emergency preparedness, and the reduction of employee exposure to high-risk operational activities, were all ongoing throughout 2025. These initiatives support the broader Health and Safety roadmap of the Companies and contribute to the continuous strengthening of preventive controls, operational safety standards, and workplace risk management practices across all production facilities.

Health and Safety Competency Development

In 2025 Sidenor, Stomana Industry and their subsidiaries continued to strengthen employee competencies and operational awareness in Health and Safety through structured, risk-based training and competency development initiatives.

Training programs are developed based on the specific risks associated with each job position and operational activity, following a structured Health and Safety Competency Matrix which covers employees, contractors, supervisors, engineers, operators, maintenance personnel, emergency response teams, and mobile equipment operators.

The Competency Matrix defines mandatory training requirements according to responsibilities, operational activities, and risk exposure associated with each role and incorporates legally required qualifications and

certifications targeting technical and operational positions. Training topics include emergency preparedness, fire safety, first aid, personal protective equipment (PPE), working at heights, confined spaces, hazardous substances, Lockout/Tagout (LOTO), machinery safety, lifting and rigging operations, electrical safety, hot works, manual handling, and safe mobile equipment operation.

Particular emphasis is placed on high-risk operational activities associated with industrial steel production environments. Specialized training programs are implemented for personnel involved in maintenance activities, heavy mobile equipment operations, crane operations, electrical works, welding, oxy-cutting, and emergency response interventions.

In parallel, preventive safety awareness is strengthened through induction programs, toolbox talks, operational safety briefings, emergency drills, and targeted refresher training sessions.

Training performance is monitored through dedicated Health and Safety indicators and competency-based performance metrics, including Health and Safety training hours per employee, relevant training completion rates, and competency per job position.

Training effectiveness is evaluated through competency assessments, completion rates and ongoing monitoring of operational performance indicators.



17,500

Health and Safety training
hours in 2025

↑ 22.9%
in relation to 2024

7.12

Total Health & Safety training hours
per employee in 2025

↑ 23.2%
in relation to 2024

In 2025, ten Safety Engineers successfully received the internationally recognized NEBOSH International General Certificate in Occupational Health and Safety

The certification is considered one of the most recognized international qualifications in the field of occupational Health and Safety and provides specialized knowledge in occupational risk identification and management, accident prevention, and the implementation of internationally recognized safety practices.

The certification process included approximately 80 hours of in-person training and practical and theoretical assessments, further strengthening the Companies' internal Health and Safety capability.

Participation in Health and Safety Conferences and Industry Forums

In 2025, the Companies participated in international and regional Health and Safety conferences and industry forums, including the Green Steel Conference, the 18th Annual HSE Excellence Europe Forum, the Worldsteel Health & Safety Conference, the 7th Occupational Health & Safety Conference (Boussias), and the 17th Safety Gala 2025 organized by Management Force.

Contractor Health and Safety Management

A strong focus on contractor Health and Safety management is maintained, since contractors and external partners form an integral part of operational activities.

In 2025, a mandatory Health and Safety training program for external contractors was launched in collaboration with SEV-IVEPE. The program also applied to employees of external partners who worked within the GroupCompanies's facilities or on behalf of them. Participation was a prerequisite for contractors to access operational areas and to ensure contractual agreement. Participants are required to complete an evaluation test assessing their understanding of the training material.

The initiative includes structured Health and Safety training modules, dedicated informational sessions, and the implementation of a digital platform through which contractors can schedule training sessions and monitor the completion status.

A transitional period was established to support the timely certification and alignment of contractor personnel with the Companies' Health and Safety requirements. During 2025, on average, 90% of the individual contractor participants successfully completed the training. Contractor evaluations

rated the program 9.6/10, indicating a strong contribution to improved understanding of safety requirements at production sites. In 2026, the Companies will assess opportunities to extend the program to facilities outside Greece.

All contractor incidents are reported, assessed, investigated, and monitored following the same principles and methodologies applied to in-house personnel.

"No Man Around" Initiative and Industrial Automation

Operating in an industrial environment characterized by high-risk production processes and operations of heavy machinery, Sidenor, Stomana Industry and their subsidiaries continue to prioritize the reduction of workforce exposure to high-risk areas.

Emphasis is placed on activities performed in proximity to Electric Arc Furnaces (EAFs), where personnel may be exposed to potential explosion, thermal radiation, spills or splashes of molten material, dust, fumes, and heavy mobile equipment movements.

In line with the "No Man Around" approach, investments in automation technologies and remote-controlled operations continued in 2025, to reduce human presence within hazardous production zones while improving operational reliability and equipment availability.

In 2025, the MOTANK system was introduced, a remotely operated slag-door cleaning system for the Electric Arc Furnace. The system enables critical activities to be completed without requiring the presence of an operator directly in front of the furnace, significantly reducing exposure to hazardous conditions.

An Automatic Argon Coupling system was also introduced within the year, enabling the automatic and remote connection of argon supply systems without requiring manual intervention by personnel in high-temperature operational areas.

AI-based camera systems are also utilized in selected facilities to identify pedestrian movement in any proximity to heavy machinery and to support the early detection of likely risks.

Through these initiatives preventive operational controls are strengthened and exposure to high-risk industrial activities is reduced.

Machinery Safety and Lockout/Tagout (LOTO)

Machinery safety and energy isolation controls across production facilities were strengthened in 2025 through targeted risk reduction initiatives and operational safety improvements.

Emphasis was placed on operational activities involving heavy industrial equipment, rotating machinery, electrical installations, and maintenance works requiring strict energy isolation procedures.

As part of the long-term Health and Safety roadmap, machinery safety implementation studies continued during the year, supporting the implementation of additional safeguarding and operational risk reduction measures. Machinery guarding improvements were applied strengthening the application of Lockout/Tagout (LOTO) procedures across operations.

Preventive measures include:

- physical guarding systems
- restricted access controls
- permit-to-work procedures
- equipment isolation requirements
- standardized maintenance protocols designed to reduce exposure to hazardous energy sources and equipment transfers

Employees and contractors performing maintenance activities, electrical works, machinery interventions, and equipment operation, receive specialized Health and Safety training covering hazardous energy isolation, operational controls, and safe intervention practices.

Working at Height" Safety Management

Strengthening controls and preventive measures related to working at height activities were reinforced in 2025, since they constitute one of the most critical occupational safety risks within industrial environments.

Activities involving maintenance works, inspections, equipment interventions, and infrastructure projects are managed through structured risk assessment procedures, permit-to-work processes, specialized training programs, and preventive protection measures to minimize exposure to fall-related hazards.

Personnel working at height are required to use appropriate personal protective equipment (PPE), including fall arrest and restraint systems, while regular inspections and maintenance checks are performed on the relevant equipment and infrastructure.

Training programs for employees and contractors include both theoretical and practical modules focusing on hazard recognition, safe access procedures, fall protection systems, emergency response preparedness, and safe work practices associated with activities performed at height.

Emergency Preparedness and Response

Emergency preparedness and response mechanisms are reinforced and maintained to ensure the timely and effective management of emergency situations that may arise during industrial operations.

Emergency preparedness procedures are integrated into the Health and Safety Management System and cover operational scenarios including fire incidents, equipment failures, hazardous substance releases, and process-related incidents associated with industrial production activities.

Dedicated emergency response teams operate across all facilities and receive specialized training covering firefighting, first aid, evacuation procedures, incident response coordination, and emergency management practices. Emergency drills and preparedness exercises are conducted regularly to assess operational readiness and verify the effectiveness of emergency response procedures, including annual exercises with the local Fire Brigade as well as annual Civil Protection exercises to test emergency plans.

Health and Safety Maturity Assessment

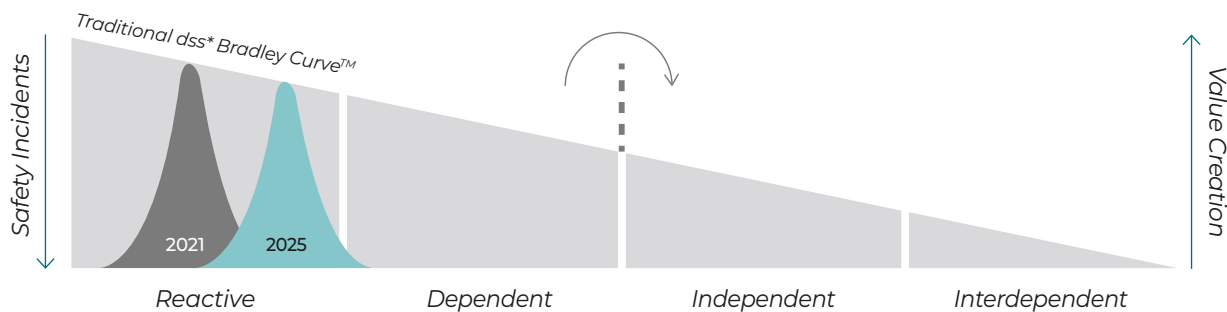
A Health and Safety maturity assessment in collaboration with dss+ was carried out in 2025, to evaluate the effectiveness and maturity of Health and Safety management systems, operational discipline practices, and preventive risk management processes across all production facilities.

The assessment included process reviews, workshops, field observations, interviews, and evaluation of operational safety practices related to high-risk activities, machine safety, Lockout/Tagout (LOTO), contractor management, work at heights, incident investigation, and emergency preparedness.

Particular emphasis was placed on the evaluation of leadership engagement, employee participation, operational discipline, safety communication practices, and the effectiveness of preventive controls implemented across operations.

The assessment confirmed the continued strengthening of Health and Safety management practices and operational discipline across production facilities, while also identifying additional opportunities for further improvement and standardization.

Cultural Bridge



The findings of the assessment are incorporated into the Companies’ broader Health and Safety roadmap and continuous improvement initiatives, reinforcing the long-term operational safety performance.

Through this assessment process, the Companies’ commitment to continuously improving Health and Safety standards and risk prevention practices across operations was reinforced.

Digital Health and Safety Reporting and Performance Monitoring

Sidenor, Stomana Industry and their subsidiaries continued to strengthen the monitoring and management of Health and Safety performance in 2025 through standardized reporting procedures and digital performance management tools.

Intelix, a centralized Health and Safety reporting platform, continued to be utilized across operations to support the recording, monitoring, validation and analysis of Health and Safety data and performance indicators. Over time, the platform has contributed to improving the quality,

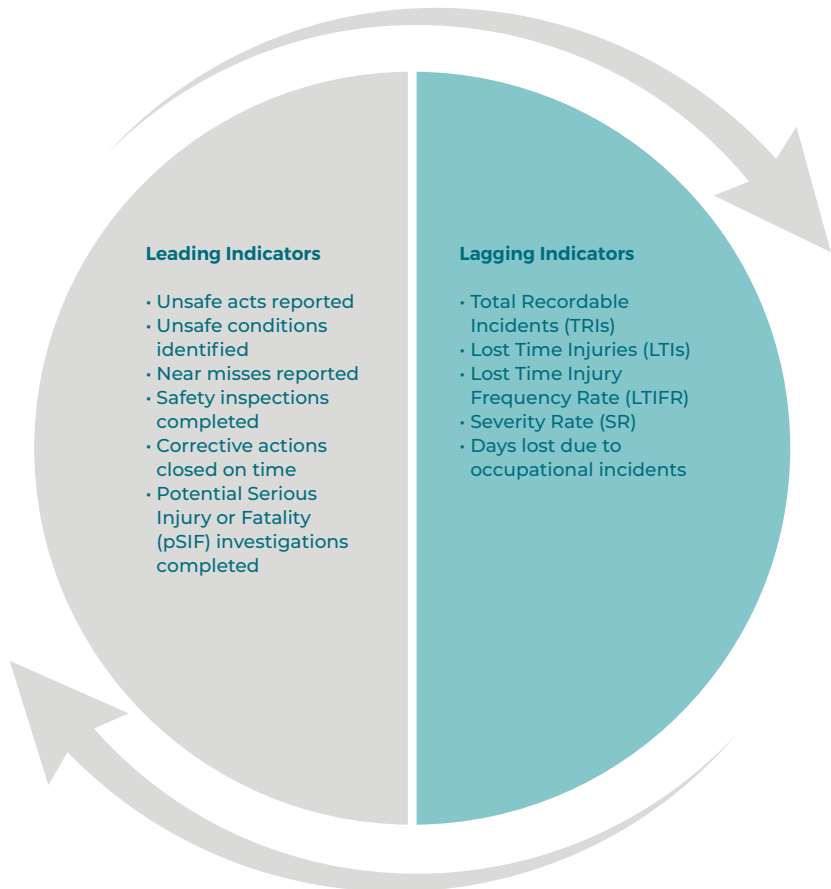
consistency and reliability of Health and Safety reporting across production facilities. The platform supports the management of incidents, unsafe acts, unsafe conditions, near misses, inspections, corrective actions, and monitors Health and Safety performance indicators through standardized reporting workflows and controlled access rights.

Health and Safety performance is now monitored through a combination of Leading and Lagging Indicators that strengthen prevention-focused operational practices, improve safety culture maturity, and evaluate operational performance across production facilities.

Leading Indicators contain guidance about future results and reflect the safety programs, preventive measures, and operational actions all to improve safety performance and avoid recurrences. Lagging Indicators measure past performance and reflect actual incidents, workdays lost, and related performance ratios.

The platform also supports the tracking and closure of corrective actions arising from incidents, inspections and audits.

Particular emphasis is placed on Leading Indicators, recognizing their key role in improving the maturity level of Health and Safety culture across operations.



The Health and Safety reporting process includes defined validation and review responsibilities involving Health and Safety Coordinators, reporting users, management personnel, and sustainability teams. Internal controls and review procedures support data accuracy, consistency, and traceability.

In parallel, structured incident reporting and escalation procedures for significant operational, environmental, and Health and Safety incidents are applied. Incident investigations are conducted using standardized

methodologies, including “5 Why” root-cause analysis, to identify underlying causes so as to implement corrective actions, and to prevent recurrence. Key findings, lessons learned, and corrective measures are communicated across operations to support continuous improvement, strengthen preventive safety practices, and reinforce organizational learning across production facilities.

Safety alerts are also issued for operational situations requiring immediate corrective action to prevent potential serious or fatal incidents.

Performance Management

The Group monitors Health and Safety performance through quantitative indicators that evaluate operational performance, support prevention-focused practices, and strengthen workplace safety conditions across operations.

Health and Safety Indicators	2023	2024	2025
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	38	32	41
Rate of recordable work-related accidents for own workforce	8	6.0	7.8
Incident severity rate	186	119	176
Number of cases of recordable work-related ill health of employees	0	0	0
Lost Time Injury Rate	6.7	5.2	7.0
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	1,176	743	1,124

S1 Table 1: Health and Safety Indicators

Rate of work-related injuries: the rate of recordable work-related accidents is calculated by dividing the number of recordable work-related accidents by the total hours worked and multiplying the result by 1,000,000. Recordable accidents include fatalities, lost time injuries, restricted work cases, substitute work cases, and other injuries requiring medical treatment.

LTIR: Lost time injury rate is calculated by dividing the number of LTI incidents per million working hours.

Severity rate=number of days away from work per million working hours. In the metric, days away from work refer to the total number of days an employee is absent from work because of a work-related injury or illness. These days are counted starting from the day after the incident and include scheduled workdays, weekends, holidays, and other days off that the employee would normally work.

Number of days lost: The number of days lost refers to calendar days and includes the first full day and the last day of absence, as well as any days on which the affected individual was not scheduled to work, such as weekends, days off and public holidays. This reflects a change in the consolidation approach compared to the previous year's report, therefore, the corresponding figures have been restated accordingly.

The increase observed in certain Health and Safety indicators during 2025 reflects the multifactorial nature of occupational safety performance. While the continuing enhancement of reporting culture and incident identification processes contributed to increased visibility of safety events across operations, performance indicators were also influenced by the occurrence and characteristics of individual incidents recorded during the reporting period. All significant incidents were investigated using structured root-cause analysis methodologies, and the resulting corrective actions were incorporated into the Group's Health and Safety improvement initiatives.

Employees and contractors are encouraged to report all incidents, unsafe conditions, unsafe acts, and near misses, including low-severity events and minor operational deviations. As a result, transparency and sensitivity of the Health and Safety monitoring system is increased, supporting earlier identification of risks and the implementation of preventive actions.

Accordingly, changes in reported incidents should be assessed in conjunction with the broader set of Health and Safety performance indicators, as well as the ongoing development of monitoring, reporting and prevention-focused operational practices.



Sound Governance



Business Conduct

The role of the administrative, supervisory and management bodies

The Boards of Directors/Administrators of Sidenor, Stomana Industry and their subsidiaries oversee the strategic direction, governance framework and operational integrity of the Companies. The BoD & administrators are responsible for supervising business conduct matters, including corporate culture, ethics and compliance, while ensuring alignment with all policies and procedures. They possess the experience and expertise required for the steel industry and the relevant markets in which the Companies operate.

The Companies oversee the management of sustainability-related impacts, risks and opportunities, supported by internal control and the reporting mechanisms which are integrated into the overall governance structure. Further information is provided in the ESRS 2 Sustainability Governance section, earlier in the report.

Impacts, risks and opportunities

As reflected in the table of material impacts, risks and opportunities related to business conduct matters, a potential negative impact has been identified which is associated with insufficient due diligence procedures within the supply chain and may affect upstream business relationships over the short, medium and the long term time horizons.

The Companies recognise that inadequate assessment of suppliers' governance and business practices may expose the value chain to operational and reputational risks, while potentially affecting stakeholders connected to the supply chain.

Highlights

0

Data breaches reported

94%

of employees completed Ethics & Code of Conduct (CoC) and Antibribery training accounting for a total of 849 employees

Silver Medal

distinction achieved in the EcoVadis sustainability assessment

0

corruption incidents

60%

of Top 20 suppliers assessed by ECOVADIS

Supply chain

due diligence to expand including EcoVadis IQ Olus tool

External Recognition of Sustainability Performance

The Companies' commitment to responsible business conduct and the integration of sustainability considerations into their business activities is further reflected through their participation in the EcoVadis sustainability assessment.

EcoVadis is a globally recognized sustainability assessment platform that evaluates companies across four sustainability themes:

- Environment,
- Labour & Human Rights,
- Ethics and
- Sustainable Procurement.



Top 15% of Companies Assessed within the same Industry

The assessment examines the existence and quality of sustainability-related policies, actions, management systems, certifications and reporting practices, supported by evidence demonstrating their implementation. The methodology is tailored to each company based on its industry, size and geographical footprint, enabling the assessment of sustainability management practices against sector-specific criteria.

In 2025, the Companies were awarded an EcoVadis Silver Medal, placing them among the top 15% of companies assessed within the same Industry. EcoVadis medals are awarded based on a company's percentile ranking among all companies assessed by EcoVadis during the preceding twelve-month period.

The Silver Medal reflects the Companies' performance relative to other organizations assessed under the same methodology and indicates that they met the eligibility criteria established by EcoVadis across the evaluated sustainability themes. The assessment provides an independent external evaluation of the Companies' sustainability management practices and the supporting documentation demonstrating their implementation.

According to the assessment results, the Companies were further recognized as a "Company with comprehensive elements of a GHG management system, advanced decarbonization commitment, actions and reporting". This recognition reflects the existence of documented greenhouse gas management processes, climate-related initiatives, emissions reduction commitments and reporting practices supporting the Companies' approach to climate change management.

Beyond the assessment of their own sustainability management practices, the Companies continued to leverage the EcoVadis platform to strengthen sustainability oversight across their supply chain.

During 2025, the Companies continued the implementation of supplier sustainability assessments through EcoVadis. Through this process, suppliers are evaluated against environmental, social, ethical and sustainable procurement criteria, enabling the Companies to enhance supply chain transparency, identify sustainability-related risks and promote responsible business practices throughout the value chain.

12 suppliers out of 20 top suppliers, based on annual procurement spend, were assessed through EcoVadis, representing approximately €289 million of procurement spend.

Supplier engagement through the EcoVadis assessment process is complemented by the Companies' Business Partners Code of Conduct (BPCoC), which establishes the sustainability and ethical standards expected from suppliers and business partners.

As part of this process, suppliers are encouraged to formally acknowledge and adhere to the BPCoC, which outlines the Companies' expectations regarding business ethics, human rights, labour practices, environmental responsibility and integrity.

In parallel, approximately 57% of suppliers within the scope of the assessment had formally acknowledged the BPCoC. The slight decrease compared to the previous reporting period was primarily attributable to the completion of the three-year validity cycle (2022–2025) applied to supplier acknowledgements and the ongoing renewal process.

Going forward, the Companies intend to further strengthen sustainability due diligence across their supply chain by extending the scope of EcoVadis assessments to suppliers identified as high or very high risk through the sustainability risk screening process, thereby supporting enhanced sustainability risk management and responsible sourcing practices throughout the value chain.

G1-1– Business conduct policies and corporate culture

Sidenor, Stomana Industry and their subsidiaries have established business conduct policies that promote ethical behaviour, anti-corruption practices and sound governance across all operations. These policies support transparency and accountability towards stakeholders and ensure alignment with applicable legislation and sustainability frameworks, while contributing to the management of sustainability-related impacts, risks and opportunities.

The Companies have also implemented a set of Sustainability Policies and Procedures applicable throughout their operations, supporting a consistent and responsible approach to business conduct. These policies reinforce commitments related to ethics, environmental responsibility and social accountability. Further information is available on the official websites of Sidenor and Stomana Industry.^{11, 12}

The monitoring of the application of these Policies and Procedures lies with the most senior executive

appointed by each Board of Directors / Administrator, while responsibility for their implementation rests with the relevant management functions of each company.

Policies, statements and procedures

Sustainability Policy

The Sustainability Policy sets the principles through which the steel segment companies integrate sustainability considerations into their strategy, operations and governance processes. It supports the management of sustainability-related impacts, risks and opportunities, while promoting responsible business practices and long-term value creation. The Policy applies to all employees, officers, directors, contractors, subsidiaries and controlled companies across the steel production and trading segments, including the upstream and downstream value chain, regardless of geographic location. Responsibility for its implementation lies with the senior management of each entity. The Sustainability Policy has been developed in alignment with applicable legislation, the ESRS, the SDGs and relevant international standards and industry practices related to circularity, climate resilience and ethical business conduct. The views and expectations of key stakeholders, including employees, business partners, customers and local communities, were also considered during its development. The Policy is publicly available through the Companies' [websites](#) and is reviewed periodically to ensure continued relevance and alignment with regulatory developments and stakeholder expectations.

¹¹ <https://sidenor.gr/en/sustainability/esg-policies/>

¹² <https://stomana.com/sustainability/>

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 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](#).

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

To prevent misconduct, unethical or illegal behaviour, the companies within the scope of the current report have established a whistleblowing mechanism through which incidents may be reported without retaliation against the whistleblower. The mechanism is available to all stakeholders and allows concerns to be raised anonymously, where desired, in line with the requirements of Law 4990/2022 transposing the Directive (EU) 2019/1937. The Companies remain committed to investigate all reported incidents promptly, objectively and confidentially.

In this context, the Companies cooperate with the independent external whistleblowing platform EthicsPoint Whistleblowing Hotline¹³, which enables reports to be submitted online or by phone by any person connected to any of the companies.

The EthicsPoint platform can receive reports by phone or online on illegal, unethical, or improper behavior from anyone connected to any of the companies. All reports made to EthicsPoint are kept strictly confidential, all taken seriously, and are 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 reporting channel used, a unique reference number is provided to enable follow-up and communication regarding the report. Reports submitted through the EthicsPoint platform are encrypted and stored in a separate secure environment to minimise the risk of security breaches. Access to reports is restricted to the independent ethics committee responsible for their assessment, based on the nature and location of the incident. Individuals responsible for handling reports receive specialised training and are required to manage all cases with strict confidentiality.

¹³ <https://secure.ethicspoint.eu/domain/gr/gui/108896/index.html>



A culture of integrity strengthens trust, accountability,
and responsible business conduct

No Retaliation Approach

All employees and stakeholders have the right and are expected to report circumstances indicating inappropriate or illegal behavior, including, but are 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 reporting in good faith 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 on ethical business conduct supports the promotion of a culture of integrity, accountability and compliance across the steel segment companies. Relevant training programmes are provided to employees at all organizational levels, including senior management and Board members.

Training on Ethics and the Code of Conduct is assigned on a regular basis, typically every three years, while employees in higher-risk roles also receive targeted anti-bribery and business ethics training. In addition, employees receive training on information security matters covered by the Code of Conduct and the Information Security Framework. Training content is tailored to the responsibilities and exposure of each role.

During the reporting period, the completion rate for Ethics and the Code of Conduct training across the Companies reached 94.5%, while the completion rate for Anti-Bribery training reached 94.7%.

Personnel training 2025¹⁴

Business Conduct Training	Employees Assigned	Employees Completed	Completion Rate
Ethics & Code of Conduct (CoC)	596	563	94.5%
Anti-Bribery	302	286	94.7%
Total	898	849	94.5%

G1 Table 1: Personnel training 2025

Forty five managers were among the employees assigned Anti-Bribery training, of whom 41 completed the programme, corresponding to a completion rate of 91.1%.

¹⁴ The training sessions on business conduct matters apply to the following Group entities: Sidenor, Sovel, Stomana and Dojran Steel.

G1-2 – Management of Relationships with Suppliers

Through the Double Materiality Assessment (DMA), the companies identified Responsible Sourcing as a material sustainability matter. Responsible sourcing is considered material primarily from an impact perspective, as insufficient due diligence procedures across the upstream value chain may result in relationships with suppliers that do not operate in accordance with adequate environmental, social and governance standards. Potential impacts may include labour and human rights violations, inadequate health and safety practices, unethical business conduct, corruption-related incidents and environmental degradation associated with suppliers’ operations and sourcing practices. Suppliers constitute a key stakeholder group, providing the raw materials, equipment and services necessary for the continuity of production and operational activities.

In this context, responsible sourcing practices are considered essential for safeguarding the integrity, resilience and sustainability performance of the supply chain. The Companies therefore seek to progressively strengthen supplier selection, sustainability screening, supplier monitoring and engagement practices, while integrating sustainability considerations into procurement and supply chain management processes.

The management of procurement and supplier-related processes is supported through integrated SAP applications, enabling more effective monitoring of procurement activities, supplier information and supplier-related assessments across the Companies.

The Companies also seek to support local economies through cooperation with local suppliers and business partners, provided that the required technical qualifications, product quality standards, safety requirements and commercial criteria are met.

Policies

Business Partners’ Code of Conduct

The companies have adopted a Business Partners’ Code of Conduct (BPCoC)¹⁵, which outlines the expectations for suppliers, contractors, consultants and other business partners to align with the Companies’ principles relating to ethics, sustainability, labour and human rights and responsible business conduct.

The Code requires compliance with applicable local and international laws and regulations and adherence to high standards of business integrity, including zero tolerance for bribery, corruption, fraud, money laundering and unfair competition practices. Business partners are also expected to avoid conflicts of interest and conduct business activities with integrity, transparency and accountability.

The BPCoC establishes expectations relating to labour and human rights in line with internationally recognised frameworks, including 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. The Code covers matters including non-discrimination, prohibition of child and forced labour, fair working conditions, health and safety, freedom of association and respect for local communities and human rights.

The Code also addresses environmental responsibility and requires suppliers and business partners to comply with applicable environmental legislation, maintain the required permits and support continuous improvement in areas such as pollution prevention, waste management, resource efficiency and emissions reduction. Business partners are further encouraged to support decarbonisation initiatives and responsible resource use practices throughout the upstream value chain.

In addition, business partners are expected to comply with applicable personal data protection legislation, including the General Data Protection Regulation (GDPR), and implement appropriate measures for the lawful processing and protection of personal data.



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

Responsible Sourcing Policy

The Companies have also established a Responsible Sourcing Policy designed to integrate sustainability and economic criteria into procurement processes and supplier relationships. Through the Policy, the Companies are committed to fair and transparent supplier selection processes, the systematic incorporation of sustainability considerations into procurement decisions and the promotion of continuous improvement of sustainability performance across the supply chain.

The Policy further supports economic inclusion by considering opportunities for local suppliers and business partners, where the required technical qualifications, product quality standards, safety requirements and commercial criteria are satisfied. Continuous supplier engagement and communication are promoted to strengthen sustainability awareness and responsible sourcing practices across the upstream value chain.

The Responsible Sourcing Policy applies across procurement-related functions, including Procurement, Sustainability and Legal functions, and extends to suppliers, contractors, agents and business partners operating within the upstream value chain, regardless of geographical location. Responsibility for the implementation of the Policy and the BPCoC lies with the relevant senior management functions overseeing procurement and supply chain management activities.

The Responsible Sourcing Policy is aligned with internationally recognised standards and frameworks, including 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.

The Responsible Sourcing Policy includes a specific focus on conflict minerals, requiring suppliers to adhere to the

Companies' conflict minerals policy and conduct due diligence procedures regarding the sourcing and origin of minerals. Business partners are also expected to take appropriate measures to ensure that no conflict minerals are present within their supply chains and, upon request, disclose the origin of minerals and demonstrate that no involvement with illegal armed groups exists in relation to mining, transportation or related activities.

Both, the Responsible Sourcing Policy and the Business Partners' Code of Conduct are aligned with internationally recognised frameworks and guidance relating to responsible mineral sourcing, including the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and the EU Conflict Minerals Regulation.

The Companies also seek to support economic inclusion by considering opportunities for local suppliers and business partners, provided that the required technical qualifications, product quality standards, safety requirements and applicable commercial criteria are met.

Supply Chain Sustainability Due Diligence

The Companies have developed a Suppliers' Due Diligence Procedure. The purpose of the procedure is to assess risks and impacts relating to the supply chain in line with the Companies' sustainability policy, human and labour rights commitments and the overall principles relevant to the UN Guiding Principles and OECD Guidelines for Multinational Enterprises.

The procedure applies to suppliers, contractors and third-party service providers and covers initial supplier evaluation and sustainability screening, the ongoing monitoring of higher-risk suppliers through enhanced sustainability assessments and the implementation of corrective actions to address potential non-compliance with sustainability and human rights standards.

Suppliers' Due Diligence Procedure



The procedure consists of a series of structured steps starting with the prioritisation and ABC classification of suppliers on an annual basis, using procurement spend and supplier criticality criteria. This is followed by the communication of the Business Partners' Code of Conduct to suppliers and the collection of signed acknowledgements from category A and B suppliers.

The suppliers ABC classification is a two-step process that incorporates a ranking (1-3) based on procurement spend and a ranking (1-3) based on supplier criticality. Supplier criticality relates to whether the supplier is essential in relation to supply continuity and substitution possibilities. The combination of the two rankings results in the procurement risk and the ABC classification of suppliers.

Based on the combined scoring:

- Category A suppliers are considered high procurement risk suppliers when scoring between 5-6,
- Category B suppliers are considered medium procurement risk suppliers when scoring between 3-4,
- Category C suppliers are considered low procurement risk suppliers when scoring between 1-2.

Suppliers are mapped and assessed in terms of sustainability risk and procurement risk.

Sustainability risk is assessed through four risk categories:

1. environmental risk, assessed by industry and country,
2. labour and human rights risk, assessed by industry and country,
3. ethics risk, assessed at industry and country level,
4. sustainable procurement risk, assessed at industry level.

Procurement risk is assessed based on supplier spend and supplier criticality as defined in the ABC classification process. The combination of sustainability risk and procurement risk results in the overall supplier risk assessment.

Preliminary supplier sustainability screening and supplier risk assessments are supported through EcoVadis IQ Plus tools and related evaluation methodologies.

Suppliers identified as higher sustainability risk, as well as top 20 suppliers in terms of procurement spend, are invited to complete the EcoVadis self-assessment analytical rating. This invitation is based on the results of the initial supplier risk screening through the previous step of the procedure.

Top suppliers are identified annually, taking into consideration supplier spend during the reporting year. The EcoVadis self-assessment provides a comprehensive evaluation of supplier performance against recognised sustainability and human rights standards and enables the identification of potential gaps.

The results of the evaluations provide the Companies with valuable insights to support informed procurement decisions and supplier monitoring practices throughout the supply chain.

Where the assessment indicates insufficient performance, suppliers may be required to develop and implement corrective improvement plans, which are monitored by Procurement and Sustainability functions and may be considered in future sourcing and contractual decisions.

During the reporting period, the analytical self-assessment process was implemented for top 20 suppliers in terms of procurement spend. Going forward, the scope of supplier sustainability assessments is expected to progressively expand to include suppliers identified as high or very high sustainability and procurement risk through the EcoVadis IQ Plus platform.

The Companies have established a target to progressively strengthen supplier sustainability assessment coverage and increase visibility regarding supplier sustainability performance across strategically important and higher-risk suppliers.

The analytical assessment remains valid for three years, after which reassessment procedures are required. Although EcoVadis ratings are formally valid for one year, the Companies may extend acceptance for up to three years based on a risk-based approach. In addition, the assessment validity period reflects the fact that core sustainability management systems and practices typically evolve gradually rather than annually, while significant risks or changes are addressed through ongoing monitoring.

It is noted that supplier sustainability ratings do not currently affect procurement decision-making processes. The current focus is on collecting the necessary information, which will later support the integration of sustainability considerations into procurement decision-making processes.

All suppliers are expected to adhere to the principles and requirements set out in the Business Partners' Code of Conduct. In the event of serious violations of the Business Partners' Code of Conduct principles, including confirmed human rights incidents, the Companies may initiate enhanced due diligence procedures based on materiality and risk exposure considerations. Such procedures may include fact-finding activities, interviews, internal review processes and additional supplier assessments, following the logic of whistleblowing procedures. If the incident is confirmed and deemed serious, the Companies may decide to terminate the supplier relationship.

The due diligence process is implemented across Procurement, Sustainability and Legal functions in order to support the integration of sustainability considerations into procurement decisions, strengthen supply chain visibility and enhance overall sustainability performance and business continuity.

G1-3 & G1-4– Prevention and detection of corruption and bribery and Incidents of corruption or bribery

Sidenor, Stomana Industry and their subsidiaries are committed to conducting business with integrity, transparency and accountability, with a strong focus on ethics and the prevention, detection and mitigation of corruption, bribery and other unlawful or unethical practices. The Companies seek to maintain high standards of business conduct through the implementation of operational policies and the Business Code of Conduct.

Commitment to Anti-Corruption and Anti-Bribery

Corruption and bribery refer to any act involving the offering, giving, receiving or solicitation of undue benefits or items of value in order to improperly influence decisions or obtain unfair advantage. The Companies explicitly prohibit corruption, bribery, fraud, money laundering and any other illegal or unethical activity across all operations and business relationships. Such practices are considered incompatible with the Companies' values, integrity and responsible business conduct principles.

All Companies apply a zero-tolerance approach towards corruption and bribery, which is reflected in their operational policies and internal procedures. Anti-corruption and anti-bribery principles are explicitly incorporated into the Companies' Code of Conduct and are aligned with the United Nations Convention against Corruption (UNCAC). The following measures and controls are implemented to support compliance with these principles:

- **Preventive Measures:** Implementation of financial and audit controls, third-party due diligence procedures and whistleblowing mechanisms to prevent, identify and address corruption-related risks.
- **Enforcement and Sanctions:** Any likely breach of anti-corruption and anti-bribery policies are subject to disciplinary actions in accordance with the applicable internal procedures and the severity of the violation.
- **Transparency in Contracts:** Transparency across contractual relationships and procurement activities is required to minimise the risk of corrupt or unethical practices.

Data Protection

The Companies place significant importance on the protection of confidential, proprietary and personal data. Confidential information, including trade secrets, contracts, financial data and information relating to customers, suppliers and business partners, is handled with appropriate care and is not disclosed or shared without proper authorisation. The Companies are also committed to safeguarding the privacy and personal data of employees and stakeholders.

To support this commitment, the Companies have implemented a structured Data Management System aimed at enhancing data reliability, supporting regulatory compliance and establishing clear procedures for data handling and communication. Relevant systems and controls are in place to strengthen data storage and security mechanisms and to protect information against unauthorised access, disclosure, loss or malicious activity.

Data protection principles are integrated into business operations, processes and transactions through internal policies, procedures and security controls designed to preserve the confidentiality, integrity and availability of information. Suppliers, contractors and other third parties are also expected to comply with these standards. In addition, a dedicated Personal Data Privacy Statement¹⁶ outlines the principles and procedures governing the lawful and ethical processing of personal data.

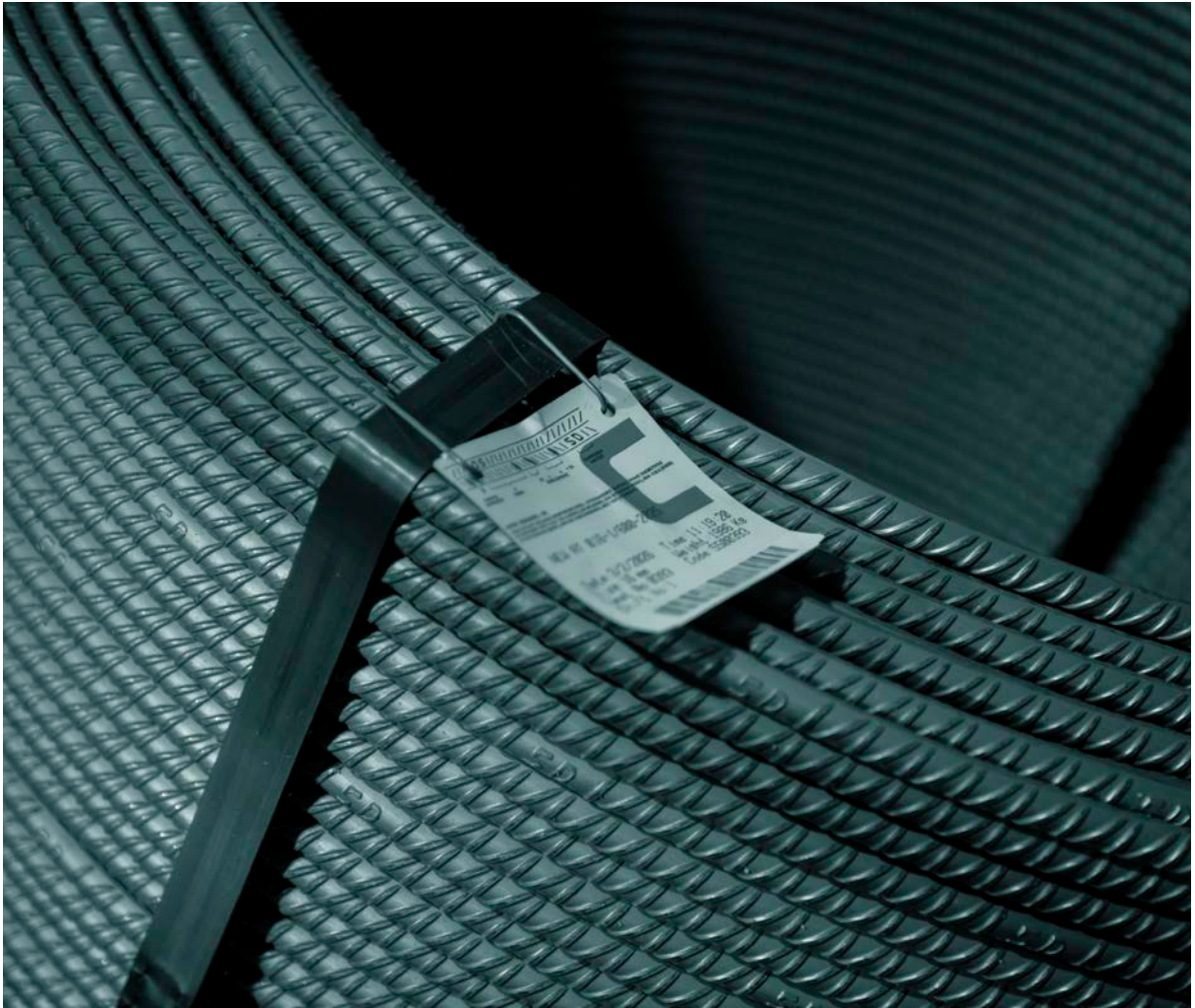
Responsible data management is considered essential for maintaining stakeholder trust, mitigating operational and reputational risks and ensuring compliance with applicable legislation, including the General Data Protection Regulation (GDPR), while aligning with international best practices on data protection and ethical data use.

Zero data breach incidents and related fines reported during 2025

No incidents of violation of anti-corruption and antibribery laws were identified during 2025.

No incidents of corruption, bribery or data privacy breaches were reported in 2025 through the whistleblowing mechanism

¹⁶ See above "Policies"



Our values are reflected in every action we take.



EUROPEAN INSPECTION AND CERTIFICATION COMPANY S.A.

89 CHLOIS & LYKOVRISEOS, 144 52 METAMORFOSI, ATHENS, GREECE

TEL. +30 210 6252495, 6252495

INTERNET SITE: www.eurocert.gr

e-mail: info@eurocert.gr

External Assurance Statement for Sidenor Sustainability Report 2025

(No. 00.16.0019)

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 2025 ('the Report') of Sidenor, Stomana Industry and their subsidiaries (hereafter '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 2025 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 01/01/2025 – 31/12/2025.

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 Nicolice (North Macedonia)

EUROCERT undertook and implemented the following external quality assurance activities in May and June of 2026:

1. Review the Report against the requirements of the European Sustainability Reporting Standards (as found in the final version of 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 the materiality assessment process.

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 2025 Sustainability Report also includes 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.
2. The structure, presentation and contents of the Sustainability Report of SIDENOR for the reporting year 2025 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.

Conclusions

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

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



EUROPEAN INSPECTION AND CERTIFICATION COMPANY S.A.

89 CHLOIS & LYKOVRISEOS, 144 52 METAMORFOSI, ATHENS, GREECE

TEL. +30 210 6252495, 6252495

INTERNET SITE: www.eurocert.gr

e-mail: info@eurocert.gr

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 amended 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. In December 2025, EFRAG published the draft amended "Simplified" ESRS standards, greatly limiting their scope and requirements.

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 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, 30th of June 2026

Athens, 30th of June 2026
Certification Director
Athanasia Chalkiooulou

A circular blue ink stamp of EUROCERT. The outer ring contains the text "ΕΥΡΩΚΕΡΤ ΕΠΙΧΕΙΡΗΣΙΑ ΕΛΕΓΧΩΝ ΚΑΙ ΠΙΣΤΟΠΟΙΗΣΕΩΝ Α.Ε." in Greek. The inner part features the word "EUROCERT" in a stylized font, with a star above it.

Lead Auditor
Nikolaos Sifakis

A handwritten signature in black ink, appearing to read "N. Sifakis".

Appendix A: Disclosure Requirements in ESRS Covered in the Sustainability Statement

General Disclosures			
ESRS disclosure requirement		Section(s)	Page(s)
BP-1	General basis for preparation of sustainability statements	About the Sustainability Statement	7
BP-2	Disclosures in relation to specific circumstances	About the Sustainability Statement	7-11
GOV-1	The role of the administrative, management and supervisory bodies	The Role of the Administrative, Management and Supervisory Bodies	38-40
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	38
GOV-3	Integration of sustainability-related performance in incentive schemes	Integration of Sustainability-Related Performance in Incentive Schemes	41
GOV-4	Statement on due diligence	Due Diligence	41-42
GOV-5	Risk management and internal controls over sustainability reporting	Risk Management and Internal Controls over Sustainability Reporting	42
SBM-1	Strategy, business model and value chain	Strategy, Business Model and Value Chain	12-24
SBM-2	Interests and views of stakeholders	Stakeholder Engagement	25-30
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Material Impacts Identified Through the Double Materiality Assessment, Risks Identified through the Double Materiality Assessment	36-37
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	The Double Materiality Assessment Process	32-35
IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	Appendix A	102-105
Environment			
ESRS disclosure requirement		Section(s)	Page(s)
Climate Change			
E1.SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Climate Resilience Analysis	49-51
E1.IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	Climate Resilience Analysis	49-51
E1-2	Policies related to climate change mitigation and adaptation	Commitment Towards the Environment	49
E1-5	Energy consumption and mix	Climate and Energy Performance	52-53
E1-6	Gross scopes 1, 2, 3 and Total GHG emissions	Greenhouse Gas Emissions	54-56

ESRS disclosure requirement		Section(s)	Page(s)
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	Enhancing Sustainable Water Management	46
E3-1	Policies related to water and marine resources	Water Stewardship Commitments	64
E3-2	Actions and resources related to water and marine resources policies	Water Stewardship Commitments	64
E3-4	Water consumption	Water Consumption	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	Resource Use and Circular Economy	46
E5-1	Policies related to resource use and circular economy	Resource Use and Circular Economy	58
E5-4	Resource inflows	Optimizing Resource Inflows	60-61
E5-5	Resource outflows	Optimizing Resource Outflows	62-63
Social			
ESRS disclosure requirement		Section(s)	Page(s)
Own workforce			
S1.SBM-2	Interests and views of stakeholders	Our approach, Occupational Health and Safety	67, 77
S1.SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Our approach, Occupational Health and Safety	67, 77
S1-1	Policies related to own workforce	Human and labour rights governance, policies and practices, Occupational Health and Safety Approach	68, 78
S1-2	Processes for engaging with own workforce and workers' representatives about impacts	Due Diligence and Engagement, Occupational Health and Safety	68-69, 77-78
S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	Due Diligence and Engagement, Occupational Health and Safety	68-69, 79-84
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	Our approach, Inclusion, development and fair working conditions, Learning and Professional Development, Health and Safety Initiatives	67, 72-74, 79-84

Social

ESRS disclosure requirement		Section(s)	Page(s)
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Human and labour rights governance, policies and practices, Due Diligence and Engagement, 2025–2029 Health and Safety Roadmap	68-69, 78-79
S1-6	Characteristics of the undertaking's employees	Our approach	70-71
S1-8	Collective bargaining coverage and social dialogue	Inclusion, Development and Fair Working Conditions	72
S1-9	Diversity metrics	Inclusion, Development and Fair Working Conditions	73
S1-10	Adequate wages	Inclusion, Development and Fair Working Conditions	72
S1-11	Social protection	Inclusion, Development and Fair Working Conditions	72
S1-12	Persons with disabilities	Inclusion, Development and Fair Working Conditions	72
S1-13	Training and skills development metrics	Learning and Professional Development	74
S1-14	Health and safety metrics	Performance Management	75
S1-15	Work-life balance metrics	Inclusion, Development and Fair Working Conditions	73
S1-17	Incidents, complaints and severe human rights impacts	Due Diligence and Engagement	68
Workers in the Value Chain			
S2.SBM-2	Interests and views of stakeholders	Our approach, Occupational Health and Safety	67, 78
S2.SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Our approach, Occupational Health and Safety	67, 78
S2-1	Policies related to value chain workers	Our approach, Human and labour rights governance, policies and practices, Occupational Health and Safety Policy	68, 78
S2-2	Processes for engaging with value chain workers about impacts	Due Diligence and Engagement, Occupational Health and Safety	68, 72-73, 81
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	Due Diligence and Engagement, Occupational Health and Safety	68, 81-84
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	Our approach, Human Rights, Inclusion, Development and Fair Working Conditions, Learning and Professional Development, Health and Safety Initiatives	67, 72-74, 79-84

Business Conduct - Governance

ESRS disclosure requirement		Section(s)	Page(s)
G1.GOV-1	The role of the administrative, supervisory and management bodies	The Role of the Administrative, Supervisory and Management Bodies	87
G1.IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	Impacts, Risks and Opportunities	87
G1-2	Management of relationships with suppliers	Management of Relationships with Suppliers	93-95

Appendix B: List of Datapoints in Cross-Cutting and Topical Standards that Derive From Other EU Legislation

Disclosure Requirement and related datapoint	SFDR ¹⁷ reference	Pillar 3 ¹⁸ reference	Benchmark Regulation ¹⁹ reference	EU Climate Law ²⁰ reference	Material	Section(s)
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 (27), 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 (28) 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 (29) , Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		NO	
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	

Disclosure Requirement and related datapoint	SFDR ¹⁷ reference	Pillar 3 ¹⁸ reference	Benchmark Regulation ¹⁹ reference	EU Climate Law ²⁰ reference	Material	Section(s)
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, Article 12.1 (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 Consumption
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1				YES	Energy Consumption

Appendix B: List of Datapoints in Cross-Cutting and Topical Standards that Derive From Other EU Legislation

Disclosure Requirement and related datapoint	SFDR ¹⁷ reference	Pillar 3 ¹⁸ reference	Benchmark Regulation ¹⁹ reference	EU Climate Law ²⁰ reference	Material	Section(s)
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	Greenhouse Gas 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	Greenhouse Gas 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 Analysis

Disclosure Requirement and related datapoint	SFDR ¹⁷ reference	Pillar 3 ¹⁸ reference	Benchmark Regulation ¹⁹ reference	EU Climate Law ²⁰ reference	Material	Section(s)
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 Analysis
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 Analysis
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	

Appendix B: List of Datapoints in Cross-Cutting and Topical Standards that Derive From Other EU Legislation

Disclosure Requirement and related datapoint	SFDR ¹⁷ reference	Pillar 3 ¹⁸ reference	Benchmark Regulation ¹⁹ reference	EU Climate Law ²⁰ reference	Material	Section(s)
ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex 1				YES	Enhancing Sustainable Water Management
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 Table 2 of Annex 1				YES	Water Stewardship Commitments
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 Consumption
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 Consumption (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 ¹⁷ reference	Pillar 3 ¹⁸ reference	Benchmark Regulation ¹⁹ reference	EU Climate Law ²⁰ reference	Material	Section(s)
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex I				YES	Optimizing Resource Outflows
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex I				YES	Optimizing Resource 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, Due Diligence and Engagement
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				YES	Human Rights, Due Diligence and Engagement
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	A Fair and Inclusive Workplace, Human Rights
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 Approach
ESRS S1-3 grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				YES	Due Diligence and Engagement

Appendix B: List of Datapoints in Cross-Cutting and Topical Standards that Derive From Other EU Legislation

Disclosure Requirement and related datapoint	SFDR ¹⁷ reference	Pillar 3 ¹⁸ reference	Benchmark Regulation ¹⁹ reference	EU Climate Law ²⁰ reference	Material	Section(s)
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	Performance Management
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	Performance Management
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	Due Diligence and Engagement
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	Due Diligence and Engagement
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	A Fair and Inclusive Workplace, Due Diligence and Engagement
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex I				YES	Human Rights
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator number 11 and n. 4 Table #3 of Annex I				YES	A Fair and Inclusive Workplace, Human Rights

Disclosure Requirement and related datapoint	SFDR ¹⁷ reference	Pillar 3 ¹⁸ reference	Benchmark Regulation ¹⁹ reference	EU Climate Law ²⁰ reference	Material	Section(s)
ESRS S2-1 Non-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	Due Diligence and Engagement
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	A Fair and Inclusive Workplace, 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	Due Diligence and Engagement
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	
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	

Appendix B: List of Datapoints in Cross-Cutting and Topical Standards that Derive From Other EU Legislation

Disclosure Requirement and related datapoint	SFDR ¹⁷ reference	Pillar 3 ¹⁸ reference	Benchmark Regulation ¹⁹ reference	EU Climate Law ²⁰ reference	Material Section(s)
ESRS S4-1 Non-respect of UN-GPs 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.

17. **SFDR Reference:** Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (Sustainable Finance Disclosures Regulation) (OJ L 317, 9.12.2019, p. 1).
18. **Pillar 3 Reference:** Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (Capital Requirements Regulation "CRR") (OJ L 176, 27.6.2013, p. 1).
19. **Benchmark Regulation Reference:** Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171, 29.6.2016, p. 1).
20. **EU Climate Law Reference:** Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law') (OJ L 243, 9.7.2021, p. 1).



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DESIGN AND GRAPHICS

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