



ORI
MARTIN



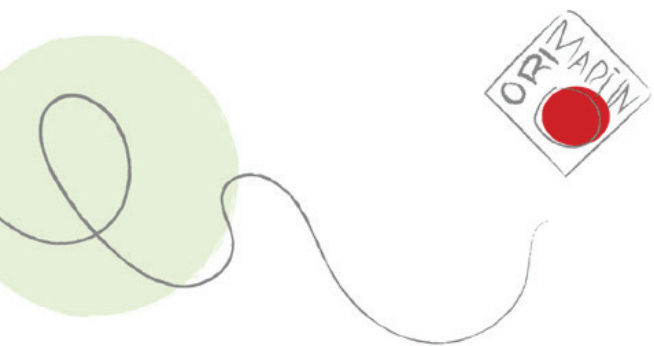
Sustainability Report
Financial year 2020





ORI
MARTIN

Sustainability Report
Financial year 2020



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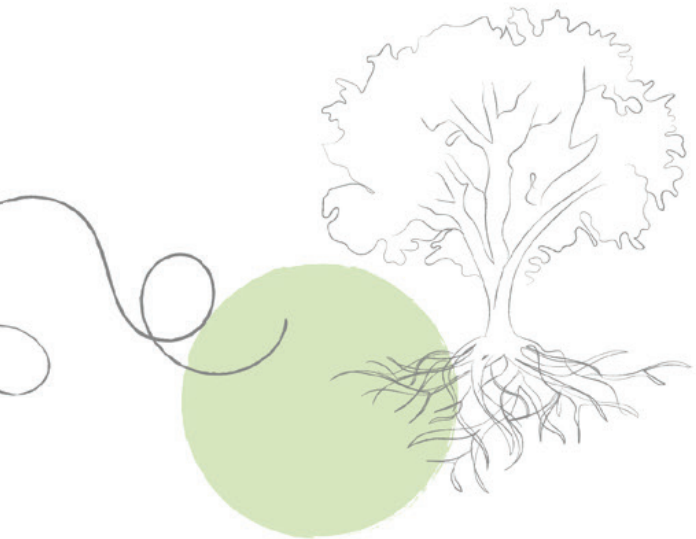
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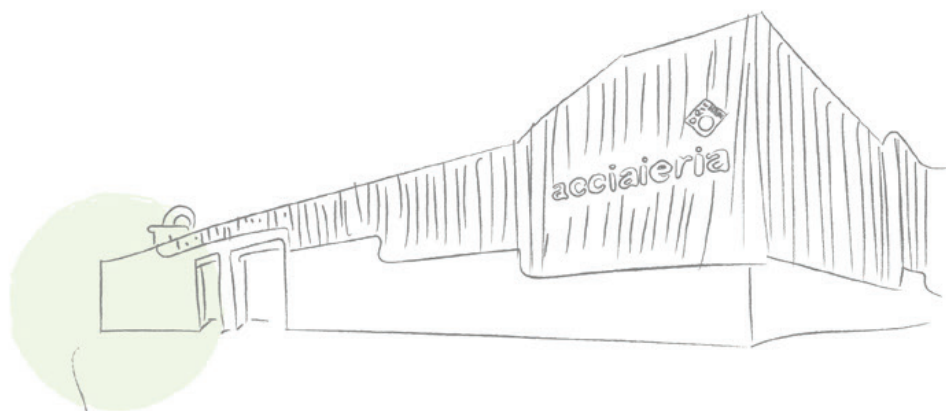
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Our roots,
our **history**
are linked to the city of **Brescia**.

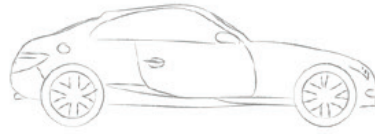
Every year, we work to mitigate the environmental impact of our plants,
because **investing in the future** means creating
innovative projects for the common good,
starting from **our territory**.

Innovation
and **sustainability**
are two founding elements
of our DNA.
Our goal is to produce quality,
technological, safe steel
that is, above all, **sustainable**.





We produce **special steels** for the mobility of the future.



We do this by **recycling scrap**, included in a circular **economy model**.



With **i-Recovery[®]** we **recover** the exhaust fumes of the steel plant to supply electricity and heat to **2,000 families** in our city every year.

Letter to the Stakeholders

Dear Stakeholders,
We are delighted to present you our **second sustainability Report**, the first to be audited.

This document sees the light in a complex context.

The **Covid-19 pandemic** is still very much a global protagonist and has generated an unprecedented challenge for our companies, for the global economy and society in general.

Our territory bears the signs. Our city was hit badly. The **“great ORI family”** lost the sensitivity and view of our Vice Chairman, **Annamaria Magri**.

I cannot but express my **thanks** to the people of ORI Martin and for how they responded to such an exceptional **challenge**. From the temporary interruption of production and the supply chain, to management of **health** and **safety**, on to the prompt introduction of remote working methods, our **people** have displayed strength and resilience to handle a **rapid, significant** change.

ORI Martin is well placed to succeed through periods of uncertainty with a strong balance sheet and highly capable people, ready to adapt and respond to emergencies. In fact, despite the serious global recession, in 2020 the Company achieved positive revenue results.

This Sustainability Report was drafted pursuant to international reference standards and enables the Company to **clearly** and **transparently** communicate its performance, the **commitment** and **effective** contribution on **environmental, social** and **economic** matters: a further step forwards, in view of



shared, participated growth, certifying Company prospects and vision for the expanded stakeholder community.

We are convinced that **corporate social responsibility** is a value to be built through **concrete actions, shared** and communicated to all the players involved.

Those preceding us passed these values down, teaching us the importance of **relations** with **employees** and the **community**, a long time before sustainability was even mentioned.

The reporting scope is limited to the results of the parent Company ORI Martin S.p.A..

Based within the actual City of **Brescia**, the Company considers its relations with the town as fundamental. Every year commitment, resources and investments are used to **mitigate environmental impact** and territorial repercussions.

Aimed at **ongoing innovation**, processes and products are improved continuously. Despite the spread of the pandemic, this year the Company maintained its investment plans.

The steel we produce is a **fundamental material** for **progress**, for the **future** and for the **next generations**. Our production system, which **uses scrap** as its raw material, makes us perfectly compliant with the virtuous **circular economy model**.

In this year's uncertainty, what remains is the tension moving our steps and building our story. **A thread ties ORI Martin to Brescia**, today's protagonists to future generations.

Annamaria left us when the **Vittoria Alata**, symbol of our town, was away for restoration, something she strongly supported. Now that **symbol**, the fundamental icon of Brescia's culture, has been returned to its original splendour, as a perfect union between art and technology.

Enjoy reading

The Chairman

Uggero de Miranda



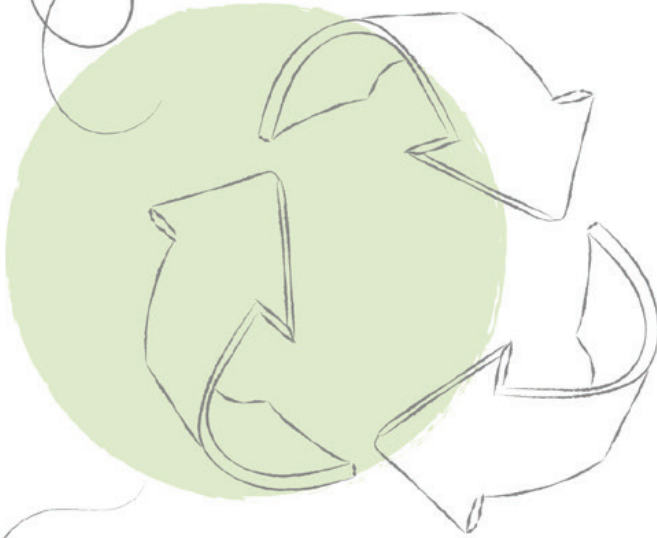
ORI Martin: Red Hot Passion for steel

1.1 Highlights 2020

344
million
euros of
**generated
value**

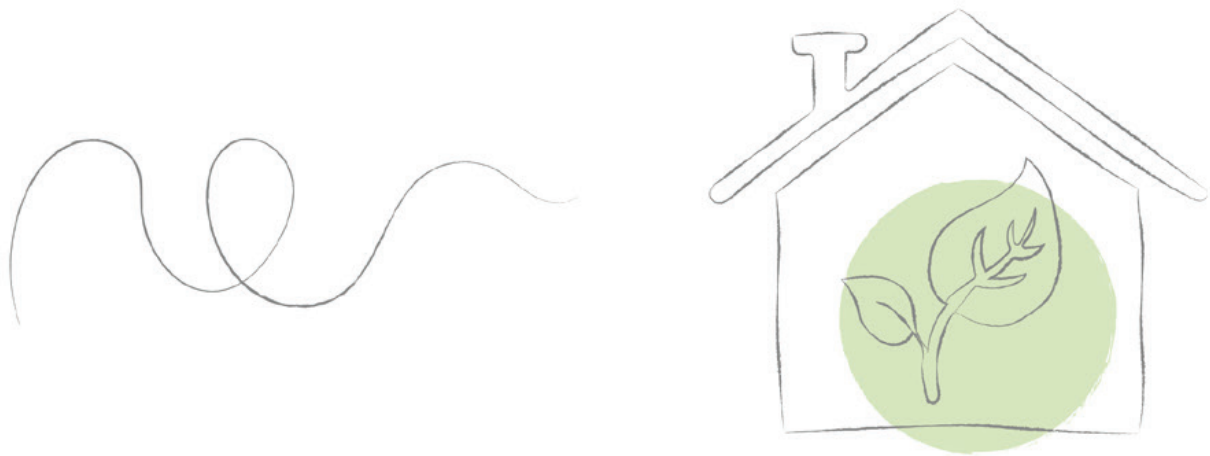


312
million euros
of
**distributed
value**



620,228
tons of
**steel
produced
by recycling
scrap.**



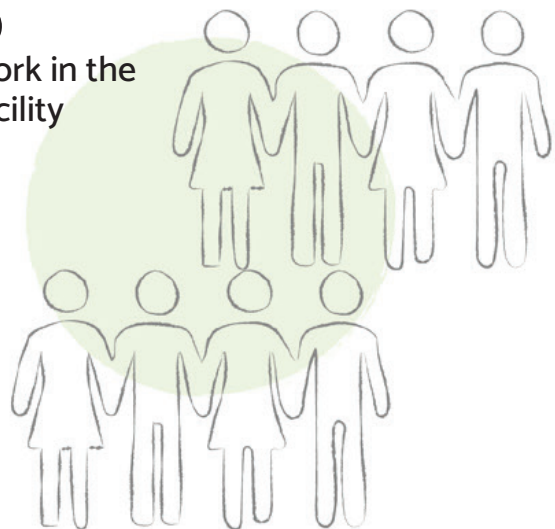


52,111 GJ
of **thermal energy recovered**
transferred to the district
heating of Brescia

74%
of **waste recycled**

435
people work in the
Brescia facility

96.3%
of their
contracts are
permanent



1.2. ORI Martin's identity

1.2.1 About us

ORI Martin is a modern steel plant **with an electric furnace, considered** one of the most advanced companies in technological and innovative terms. Thanks to farsighted investments in Research and Development, over the years it has become a benchmark for the steel sector.

It produces **special steels** to be mainly used for mechanical, energy and construction industries. Most of the produced steel supplies the automotive and railway sector.

The main **raw material** used to produce steel is **scrap**. Accordingly ORI Martin is part of the **circular economy model**.

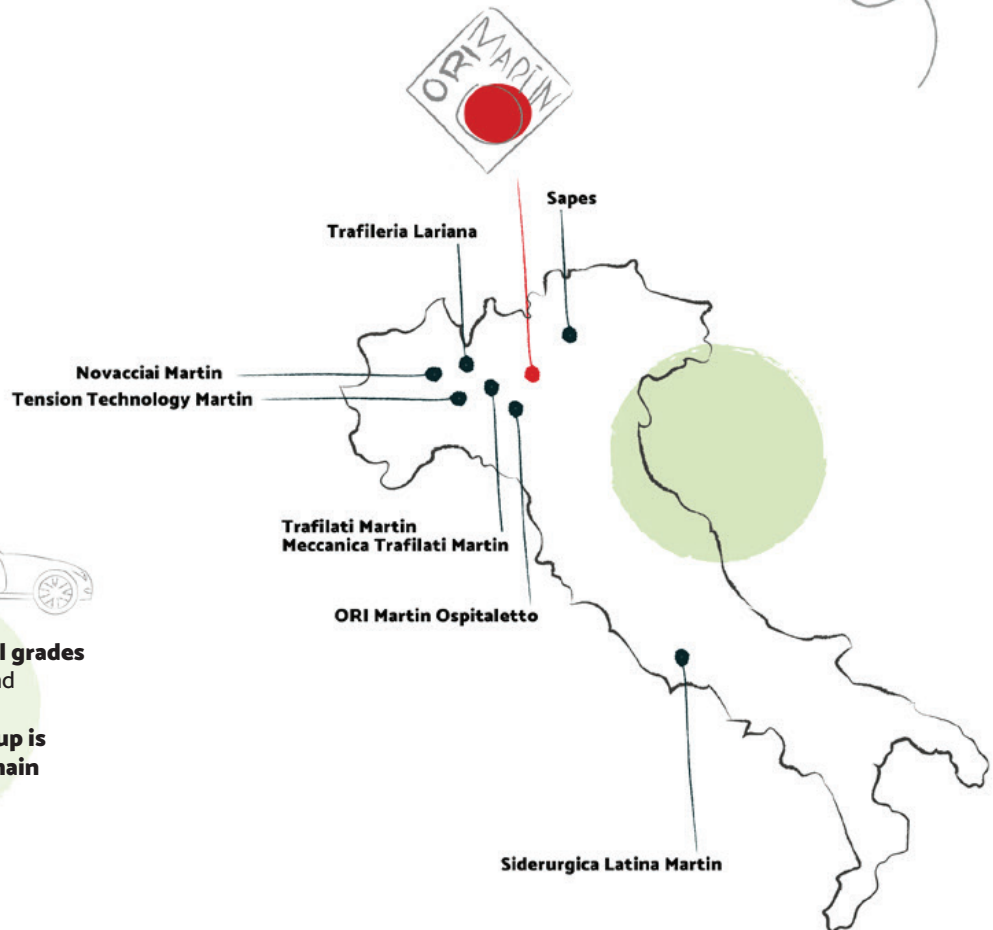
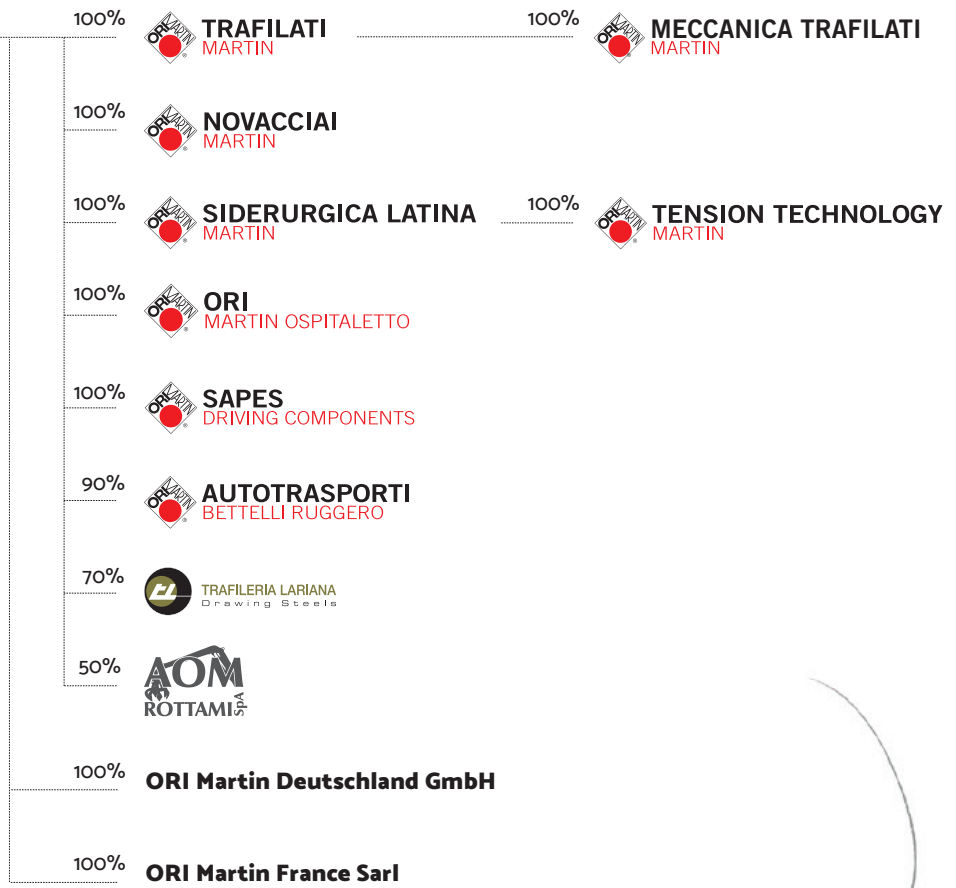
The Group's current composition is the result of a diversification strategy **that began in the 1960s** which led to the internalisation and consolidation of various companies operating at different levels of the steel industry.

This strategy is much appreciated by customers because it guarantees full **traceability**, end-product quality and punctual deliveries along the entire transformation chain.

Today the Group is composed of **eleven companies**, where ORI Martin is present with either equal shares or as majority shareholder.

The **sustainability performances** presented in this document have, as their reporting scope, the parent ORI Martin S.p.A., including the **Brescia** plant (steel plant, rolling mill and heat treatment plants).






More than 200 steel grades for the mechanical and automotive industry. The **ORI Martin Group is present on all the main European markets.**

The **story** of **ORI Martin** began in **1933** with the founding of Ferretti and Martin **in the San Bartolomeo district of Brescia** by **Oger Martin**, a Belgian engineer who arrived in Italy in 1911.

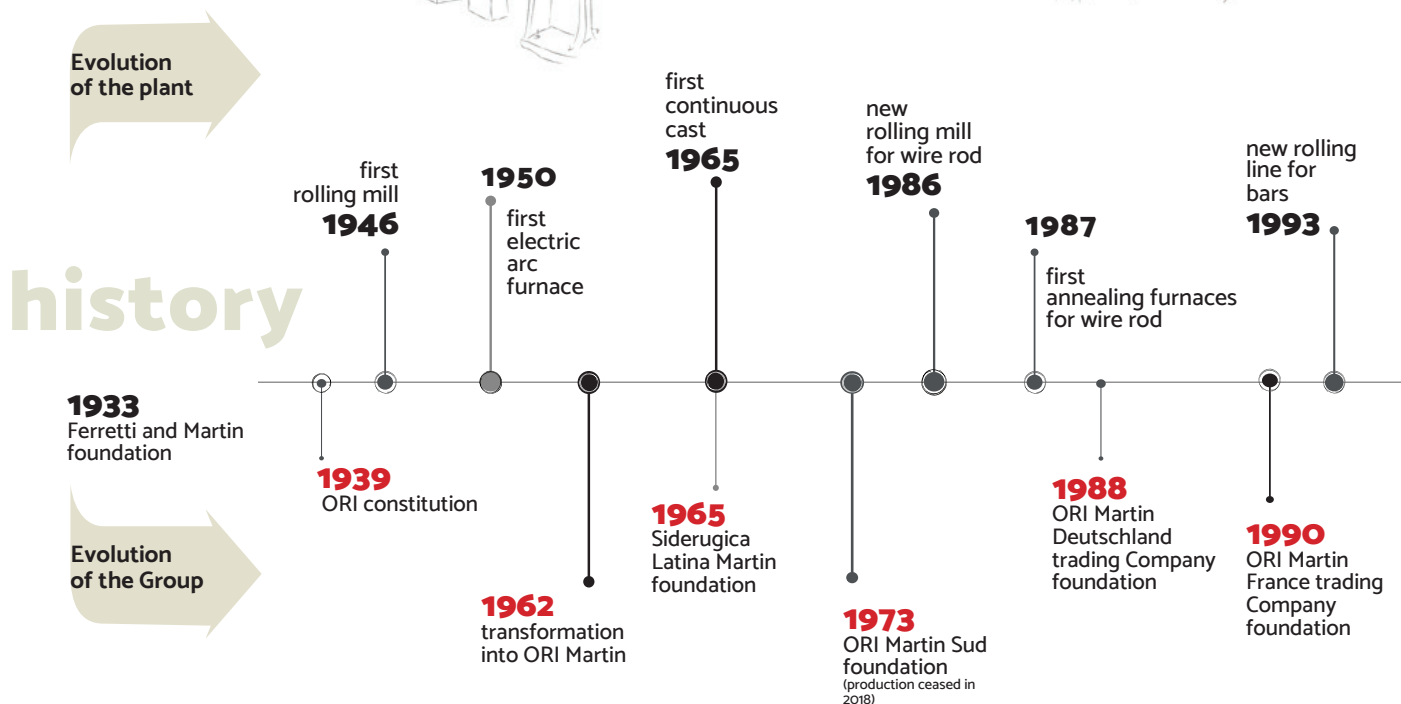
The initial business consisted in the production of **agricultural tools** by means of a **trip hammer**, water-powered by the river Fiume Grande, one of the several streams of the Mella River around which most of the historical industrialisation process of Brescia took place.

With the end of the war **in 1946**, a rolling mill was launched due to the great demand for **rebar** for **post-war reconstruction**.

The plant consisted of a heating furnace powered by fuel oil and the material to be rolled was prepared by a trip hammer starting from sections of train rails and other war remnants.

In **1950** the Company began its **expansion** with the installation of its first electric melting furnace for the production of **steel from scrap**, thus feeding the rolling mill with **higher quality semi-finished products**, ingots and **eliminating the trip hammer**.

This change represented the first evolution towards the current plant that now covers a total area of about 246,000 m² (87,000 m² indoors); it is equipped with a steel plant run by electric arc furnace, a rolling mill for wire rod and bar products and a heat treatment department (annealing, hardening and tempering).

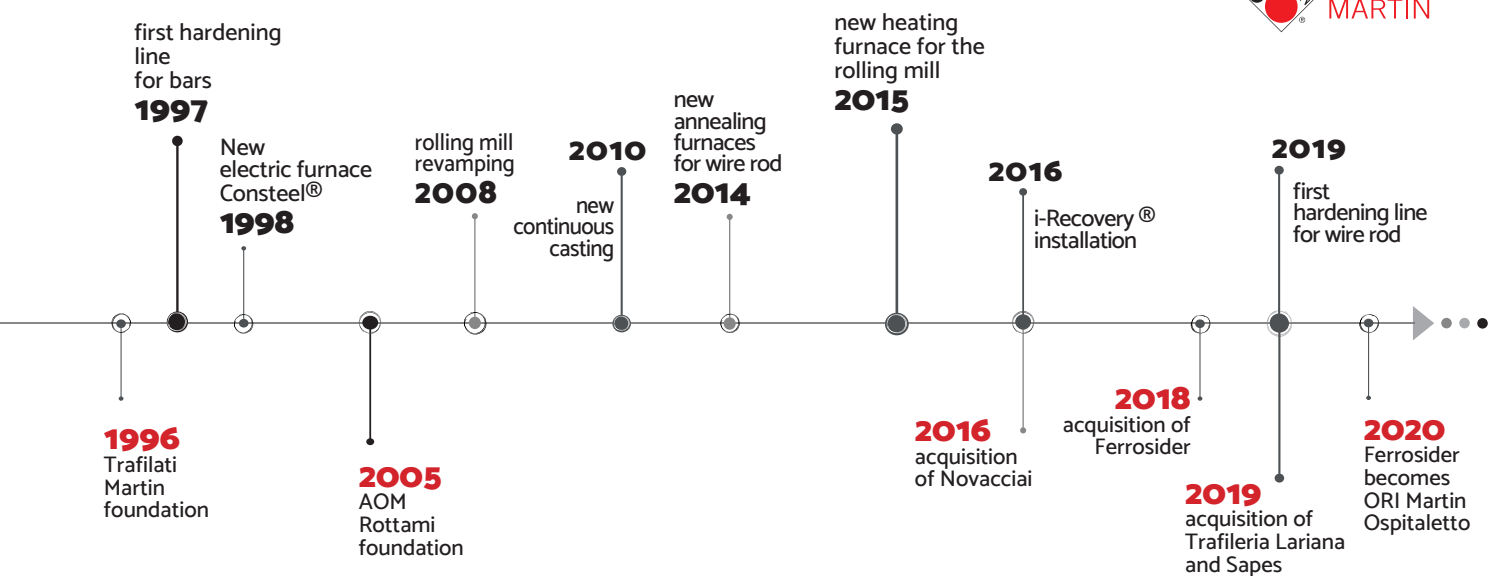


Now, with **more than 200 steel grades** for special uses in the mechanical and automotive industries, the Group **is present in all the main European markets**, thanks to its strategic geographical position and a wide commercial network in all of the main markets of special steels.

The ORI Martin Group operates in Italy, France, Germany, England, Poland, Romania, Spain, Sweden,

Turkey, Austria, Finland, Greece, Slovenia, Switzerland, Czech Republic, Netherlands, Lichtenstein and Bosnia through sales offices and agents spread throughout Europe.

Outside Europe, the Group also exports to China, South Korea, India, Algeria, Brazil, and Argentina.

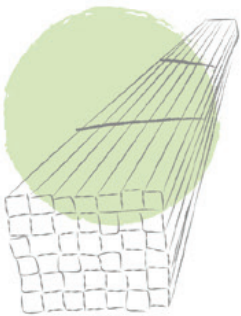


1.2.2 What we do

The ORI Martin **Brescia** facility produces **steel** billets which are mainly **rolled into wire rods or bars**. These products are mainly used in the **automotive** and **railway sector**. Suspension springs, components, bolts and bars generally supply the mechanical, energy and construction industries.

The increasing specialisation required to meet the demands of the European industry inspires the growth and development of ORI Martin.

The Company pursues these objectives through great attention to **innovation, sustainability** and **research**.



Billets

The semi-finished product in steel with square cross-section. Billets are produced in the **steel mill** starting from the **melting of scrap** by the electric furnace. Then casting takes place and solidification in the **continuous casting plant**. ORI Martin billets feed the Group's rolling mills and to a small extent are also marketed.

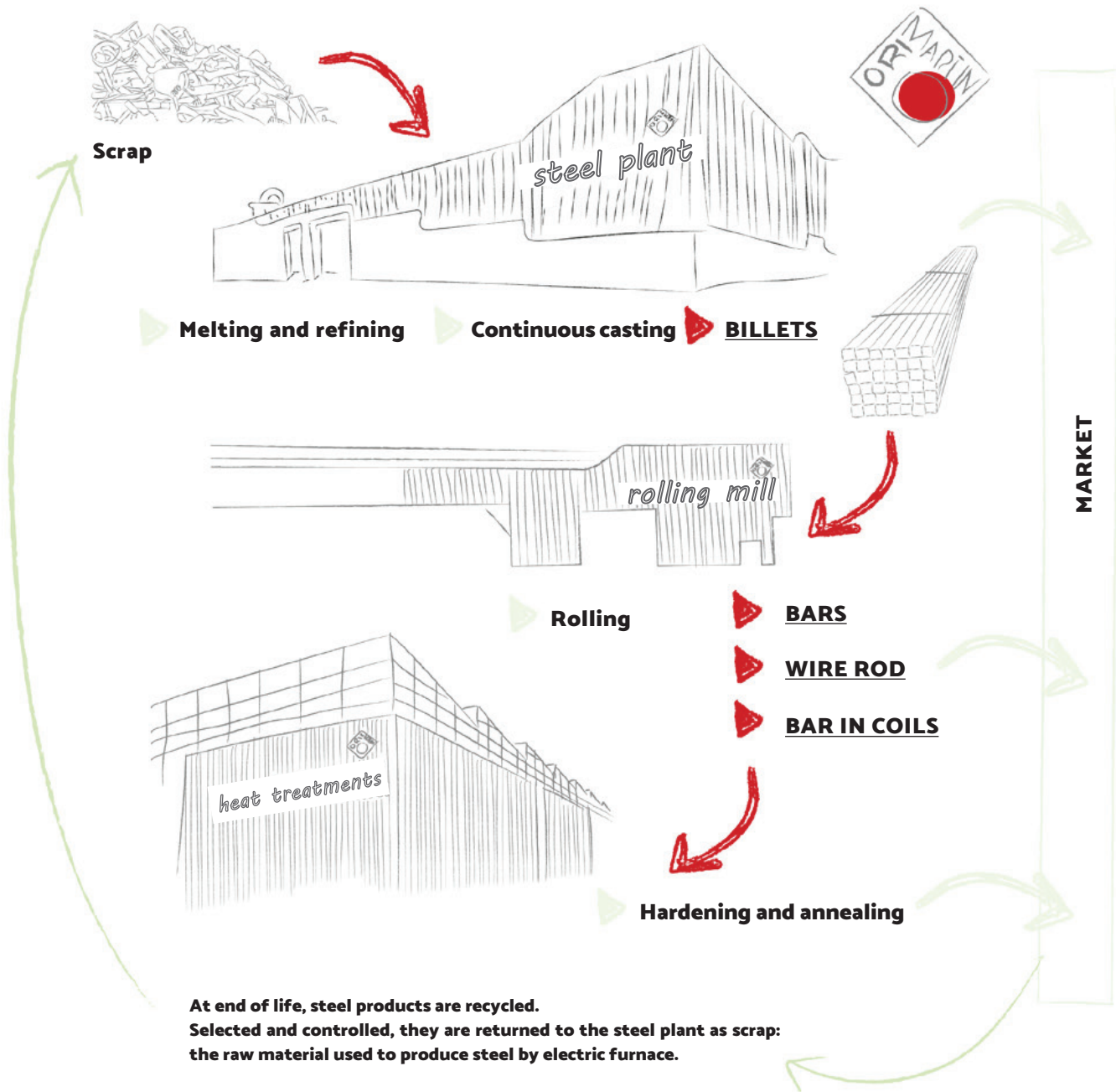
Rolling mills

The rolling process begins with **heating the billets** in a methane gas furnace; in just a few hours this takes them to the temperature required to be turned into wire rod or bars of the diameter required, and then packaged. The **hot rolled products** can then be subjected to other heat treatments to obtain specific mechanical characteristics through:

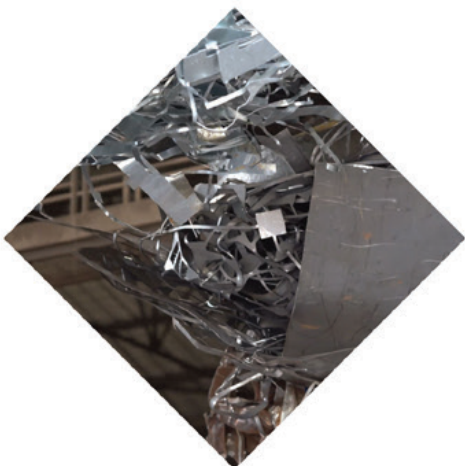
- annealing treatment of the wire rod;
- hardening and tempering of bars followed by cutting to size;
- hardening and tempering of wire rod;
- annealing treatment of bars.



The Brescia plant is divided into three areas dedicated to as many production phases: **steel plant, rolling mill** and **heat treatments**.



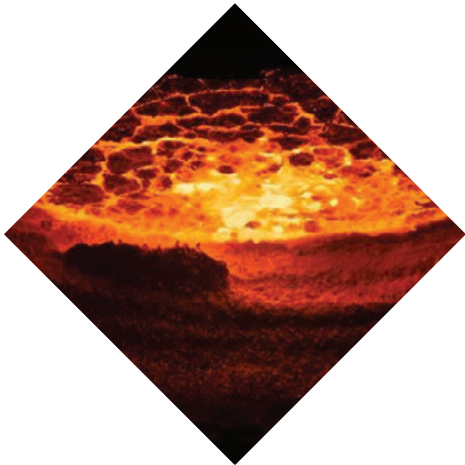
Steel shop



Scrapyard. The purchased scrap is then stored in indoor warehouses in the steel shop. The scrap is added to the furnace either through an automated **mechanical feeding system**, (CONSTEEL®) or by scrap buckets. The production of special steel for the automotive sector requires **top quality scrap**.



Electric Arc Furnace (EAF). At the time of production, a mix of scrap is loaded into the EAF (acronym for “*Electric Arc Furnace*”), **selected** based on the quality of the steel to be produced. Due to the electric arc in the furnace, the scrap reaches the melting temperature (about 1,600°C). In this step, **the fumes** generated by melting **are extracted** and sent to a treatment plant before being released into the atmosphere. In 2016, the **heat recovery system** of the primary fumes of the melting furnace started up (I-Recovery). This produces the heat energy to be transferred to Brescia’s existing, urban district heating network, managed by A2A and, alternatively, produces electricity for the facility. Lime is also added to the furnace to encourage the formation of slag which removes impurities that would otherwise be detrimental to the properties of the steel. Once the melting temperature and the chemical composition required is reached, the casting is **poured into the ladle** (refractory-lined steel container) through a special tapping hole (called EBT, Eccentric Bottom Tapping) while the **slag** is poured through a side door of the furnace **into a slag pot**. To contain the increased noise generated in this stage, the **furnace** operates in a **sound-proofed shed**.



Steel Refining Furnaces (LF). The molten steel contained in the ladle is taken to the LF (*Ladle Furnace*) for metallurgical fine-tuning. In the LF station, **alloys** and fluxes are added to the molten steel until the chemical **composition** and metallurgical properties **fulfil** the quality targets.

Some steel grades destined for particularly heavy duties are subjected to subsequent degassing treatment at the VD (*Vacuum Degassing*) station. The ladle is then placed in a special container, the atmospheric air is removed in order to obtain a vacuum condition, thus removing the gases dissolved in the molten steel.



Continuous casting. Once the metallurgical set-up has been completed, with or without degassing, the ladle is brought into continuous casting where the **transformation** from liquid to solid **takes place**. The end product of this process are billets, the semi-finished product of the steel plant. The continuous casting machine at ORI Martin has 5 lines. The billets produced are cooled on a special cooling bed and then stored in the warehouse in dedicated crates.

Rolling mill department

The **billets** in the rolling mill department are loaded into a so-called walking **beam furnace**, fuelled by natural gas, where the rolling temperature is reached (about 1200 ° C).

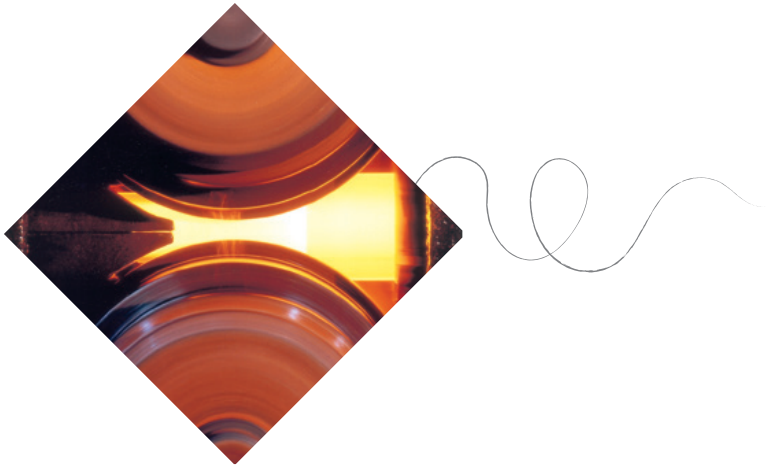
The billets are extracted from the heating furnace and then conveyed to the rolling line.

This line is made from a set of rolling stands where the billet undergoes a sequential **reduction in diameter**, obtained through the passage and consequent crushing between two suitably calibrated cylinders.

All rolls (made of cast iron or tungsten carbide) are water cooled to avoid excessive heat build-up due to the high temperature of the billets being processed.

Once the desired diameter is obtained, at the end of the rolling train the product undergoes controlled air cooling to obtain specific mechanical properties. The material can be **produced in coils** for diameters from 5.5 to 42 mm (wire rod or bar in coils) **or in bars**, with a diameter between 15 and 65 mm.

The wire rod coils are then compacted into pairs to form a bundle ready for storage and shipping. The bars are cold cut according to specified lengths and packaged into bundles. A part of the rolled bars undergoes a subsequent cold process aimed at improving straightness of the final product.



Heat treatment department

Rolled products, either coils or bars, can undergo a further **treatment** called **annealing** which improves formability for subsequent processing by the customers. The treatment consists of **heating** the product in special furnaces with an inert gas atmosphere followed by controlled cooling. Another treatment is **quenching** and **tempering** of the rolled bars and wire rod coils and involves a sequence of two heating and cooling cycles, of variable duration, aimed at giving the steel **higher strength and toughness**.



Sustainability for ORI Martin

2.1 The Stakeholders

ORI Martin has always considered the **dialogue with Stakeholders** an essential **prerogative**, an element of considerable strategic and managerial importance.

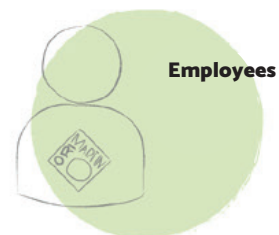
Over the years the Company has continuously cultivated a culture aimed at the **co-existence** between Company, environment and community, for the **progressive integration** between **town and industry**.

For ORI Martin, in fact, **sustainability** is mainly expressed in nurturing solid, lasting relationships with the Stakeholders, **creating value and shared growth** in daily interaction with them. Relations founded on **collaboration, trust and transparency**.

To draw up the second Sustainability report, ORI Martin surveyed its main Stakeholders.

From this analysis, **the twelve most relevant stakeholder classes** emerged due to their level of influence and mutual dependence on ORI Martin.

Stakeholders of particular importance are the **employees**, the main asset on which ORI Martin relies to uphold and improve the quality and reliability standards so far achieved. For this purpose the Company involves its workforce through continuous training on the main issues of safety, environment and quality. A variety of welfare initiatives, renewed every year, have also been implemented to foster a stimulating and sociable work environment.





Customers, mostly Italian and European players in the automotive, mechanical, railway and construction industries, represent the beginning and the end of each project for ORI Martin. Working exclusively on custom orders, each product is the result of close collaboration with the Customers aimed at understanding and satisfying their needs. The Company also carries out regular surveys to measure *customer satisfaction* in collaboration with specialised companies.

Significant influence on ORI Martin is exercised by the **local community** (citizens, local associations and foundations), towards which the Company is engaged in a relationship of transparent dialogue, based on coexistence and mutual respect. The main engagement channel is the ORI Martin Observatory, a tool for communicating with citizens set up on the initiative of the Municipality of Brescia.

Regarding the relationship with **shareholders and investors**, the management bases its growth strategies and sustainable development choices on the basis of full harmony and uniformity of vision with the owners.

For its **suppliers**, the Company considers strategic, the careful selection of reliable partners, in particular for the purchase of scrap as it is the most important raw material. For this reason, it prefers to opt for relationships bound to a yearly assessment that considers all aspects of the supply chain with a focus on product quality.

Relations with the **Public Administration and control bodies** (ARPA, Inspectorate of Labour, ATS, Ministries, Regional Government, Provincial Government, Municipal Government and European Institutions) are based on maximum collaboration and transparency.

In regard to **trade associations and standardisation bodies**, ORI Martin is an active member of the main sector bodies: (Federacciai, Industrial Association of Brescia and AIM - Italian Metallurgy Association) with the objective of contributing to the sustainable development of the steel sector through the research and development of solutions; those increasingly strengthen

the circular economy aspects and control impact on the environment deriving from manufacturing. The participation in RAMET (Consortium for Environmental Research for Metallurgy) falls within this framework. In addition, the Company is a member of UNSIDER (Ente Italiano di Unificazione Siderurgica - Italian Steel Unification Body).

In Europe ORI Martin belongs to ESTEP (European Steel Technology Platform), based in Bruxelles.

With regard to the **service providers** (Contractors and Subcontractors) and **collaborators** (Consultants, Representatives, Agents), the Company builds relationships on solid professional bases and mutual respect.

For ORI Martin the **financial community**, made up of banks and institutional investors, is an important lever for the process of consolidation and expansion, based on a relationship of credibility acquired through timely, accurate and complete information on results achieved.

2.2 Material topics

In full compliance with the GRI Standards, ORI Martin has identified the topics to be addressed in the Sustainability Report through a materiality analysis: those topics reflect the economic, environmental and social impact of the Company and deeply influence the assessments and decisions of Stakeholders.

The material topics result from an analysis that takes into account both the **external** relevance of the topics (in turn the summary of an analysis of the global macro-trends of

With regards to the **media** (newspapers, social media, television networks) the Company pays close attention to the ways in which its brand is conveyed.

Lastly, ORI Martin has found fundamental allies in its **business partners for research**, to achieve its results and continue promoting sustainable innovation. These include both Research Centres and Universities, especially Brescia University and the Polytechnic University of Milan, and private parties that the Company collaborates with, creating synergy for common projects, such as third party companies and technological clusters, like AFIL (Intelligent Factory Association Lombardy), the cluster Lombardo della Mobilità (Lombard Mobility), CSMT (Centre of Multi-sectorial and Technological Services) and Rina Consulting - Centro Sviluppo Materiali.

From April 2020 ORI Martin participates in the JRC MATT - Metal And Transformation Technologies, a research center shared between Politecnico di Milano, A. Agrati SpA, Growermetal Srl, Mario Frigerio SpA and ORI Martin SpA on issues regarding technologies of steel transformation.

sustainability, steel sector trends, an analysis of benchmarks compared to competitors and a media analysis focused on the communication of ORI Martin's activities) and **internal relevance**, surveyed through questionnaires and interviews administered to the entire first line. For further details, please refer to the Methodological Note in this document.

By combining the results of this analysis with those relating to the context analysis, the following list of material topics was obtained.

Topic area	Material topic	Description
Environmental	Compliance with environmental legislation	Operate in compliance with current environmental laws and regulations, legally and with the limits imposed by law.
	Energy efficiency and the fight against climate change	Operating on a mindset aimed at reducing carbon footprint and limitation of the impacts deriving from ORI Martin activities linked to climate change through initiatives that favour the monitoring and reduction of energy consumption and greenhouse gas emissions. Streamlining production processes and adoption of solutions with low energy and climate impact such as the use of renewable energy sources.
	Polluting emissions and air quality	Contributing to the improvement of air quality through the adoption of specific pollutant abatement systems and effective control of emissions.
	Limitation of environmental impacts and circular economy	Promoting a culture of resource management based on the principle of circular economy by minimising the impacts related to the production and disposal of waste deriving from the production process; lowering water consumption by optimising use, using sustainable raw materials and favouring the use of recycled materials.
	Noise pollution	Monitoring noise pollution generated by manufacturing activities and limiting the propagation of noise by implementing advanced and innovative technologies.
Social	Occupational health and safety	Ensuring employees work in healthy, safe conditions that protect the physical well-being of workers by adopting adequate safeguards to reduce potential health and safety risks and through effective and constant training.
	Staff development and training	Guaranteeing all human resources with the development of their skills thanks to continuing professional development which boosts progress and improves performance.
	Employment and staff relations	Creating an attractive working environment for young talents and maintaining a high level of employee <i>retention</i> , ensuring a proper work-life balance through open, consistent and transparent communication.
	Attention to the local community	Maintaining constant communication and actively interacting with the local community in favour of its development and protection through the promotion, organisation and sponsorship of events or initiatives that meet the needs of the territory.
Economic and Governance-related	Business integrity	Operating according to the ethical principles of fairness and transparency, promoting the fight against active and passive corruption and preventing anti-competitive behaviour to the detriment of the corporate reputation.
	Product quality and traceability	Ensuring high product quality in terms of performance and durability by implementing cutting-edge technologies that favour product traceability at all stages of the process by providing the market with complete, secure data.
	Sustainable development and innovation	Focusing on Research and Development to ensure the continuity and quality of the product offered in the long term, and promote efficiency and innovation throughout the production process.
	Economic performance and the creation of value	Ensuring business continuity by guaranteeing the solidity of financial assets to generate value to be distributed among the various Stakeholders.

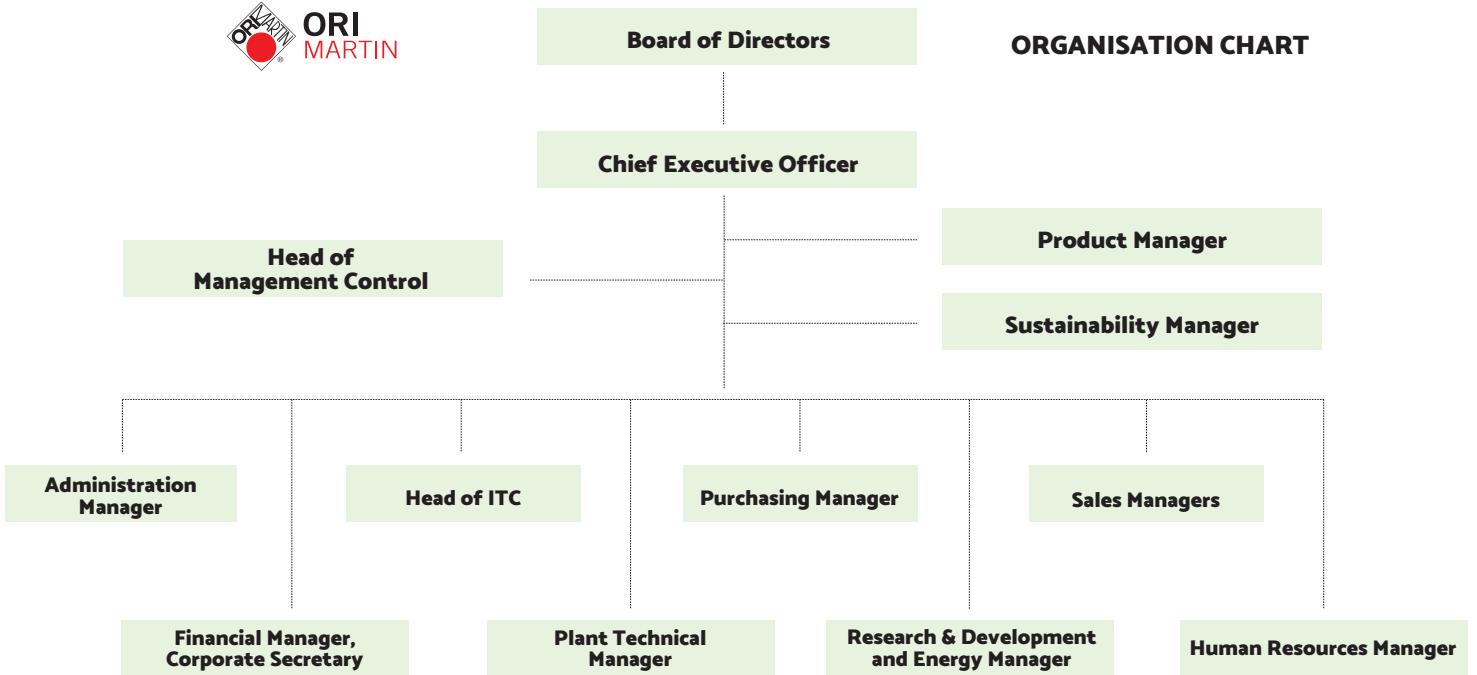
Responsible management

Optimisation in the use of **natural** and **energy resources** also through the adoption of the best technologies available for updating production and management processes; **constant improvement** of **employee working conditions** in terms of **health, safety** and **environmental** protection and maintenance of **financial balance**: these are the fundamental aspects of responsible management according to ORI Martin.

On the basis of these concepts the Company operates according to high quality standards and responsibly manages its business activities. To achieve this three-fold purpose, ORI Martin has structured a procedural body based on the principles established in the **Code of Business Conduct**.

This document defines the preventive approach adopted by ORI Martin for the management of negative impacts, in particular relating to the environment and employee safety. This is achieved through a risk assessment which allows us to identify and implement mitigation actions in favour of the environment around the community in which the Company operates and of its employees.

In 2019, the Company established the role of **Sustainability Manager**, reporting directly to the CEO with regard to the management and coordination at a centralised level of all the Group’s sustainability activities, from reporting to the definition, implementation and monitoring of projects related to **sustainability**.



3.1 Governance

Company structure

ORI Martin has implemented an organisational structure based on a system of proxies that report to a **Board of Directors** at the top, responsible for managing the Company.

The Board is appointed by the Shareholders Meeting and can nominate between 3 and 11 members who are vested with the broadest powers and have the rights to carry out all acts deemed appropriate to implement and achieve corporate objectives.

The Board appoints the President and the Vice President if the Shareholders Meeting has not done so and elects the Chief Executive Officer.

In 2019, the Company renewed the Board of Directors for the 2019-2021 three-year period. ORI Martin then established an **Executive Committee**, including the President, Vice President, CEO and two directors (Roberto de Miranda and Giovanni Comboni). The organisational structure of ORI Martin is divided into different functions which report hierarchically to the Chief Executive Officer, each led by a manager. The Head of Control and Management, the Sustainability Manager and the Product Manager hold a cross-functional role with regard to other specific departments.

The ORI Martin 2020 Board of Directors

* Member of the Executive Committee



Governance tools

The principles that inspire ORI Martin when managing its daily activities are contained in the **Code of Business Conduct**, adopted in 2009 and applied to all the Group companies. That document confirms the importance of ethical-social responsibility when conducting business, with the commitment to **comply with the interests** of all its **Stakeholders** and the **community**.

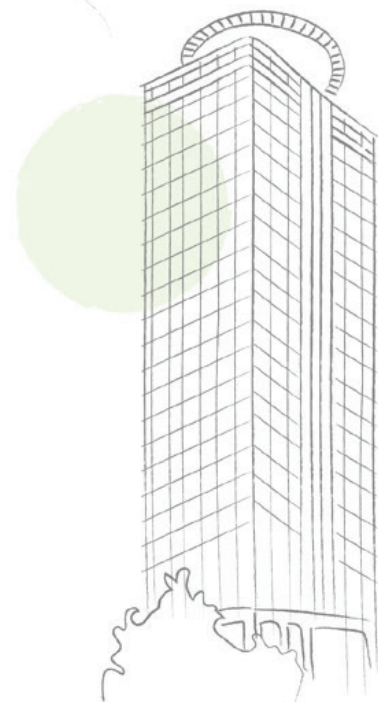
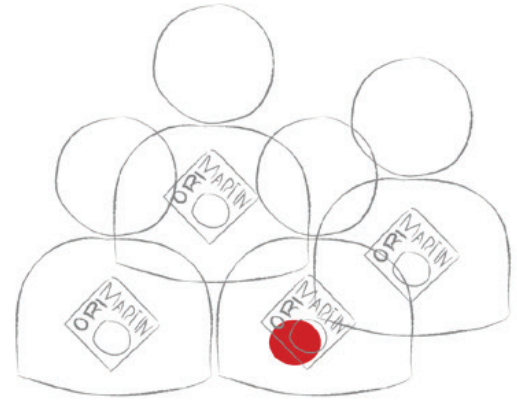
All the players interacting with the Company are required to comply with the Code of Business Conduct and its principles.

This document constitutes an essential element of the **Organisation, Management and Control Model** (pursuant to Legislative Decree 231/2001 or Model 231) **of the Group**, which defines the rules, responsibilities, control measures and mitigation actions to be implemented having identified certain areas of risk.

A **Supervisory Body (SB)**, an independent body with three members, has been established to control Company management. The SB performs the supervisory, monitoring and control functions established in Model 231 and must be promptly notified of any instances, conduct or events that could cause the Model to be breached.

In this regard, there is a *whistleblowing* procedure which guarantees confidentiality for the reporting of any misconduct.

The SB also draws up a report every six months submitted to the Board of Directors and the Board of Statutory Auditors containing a summary of the activities carried out, the problems encountered and a highlight of the reports received by the Supervisory Body during the period.



Particular attention is paid to integrity in relations with external parties, with specific reference to the prevention of cases of crimes such as corruption, money laundering and unfair competition.

All employees and external collaborators are obliged to report to the Supervisory Body on any behaviour they have come to know of directly or indirectly that falls within the cases against the Code of Business Conduct.

During the reporting period, there have been no ascertained cases of corruption or anti-competitive behaviour.

In 2020, the dispute started by the sanction inflicted on ORI Martin and other steel firms in 2017 for presumed price fixing was finally settled in favour of the Company. The Council of State did in fact reject the counter-appeal lodged by the Antitrust, after the Lazio Regional Administrative Court had in 2018 accepted the Company's appeal against the sanction.

In the context of general compliance and alignment to the Code of Business Conduct/ Model 231 the activities within the plant are governed by specific policies aimed at defining procedures and Company policies in the main areas of activity.

In particular, ORI Martin has adopted a **quality policy**, placed at the basis of the Company strategy, which reflects the attitude to pursue qualitative excellence and continuous and sustainable improvement.

The quality standards of ORI Martin are

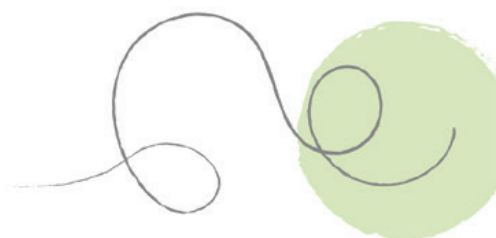
implemented through a quality management system certified according to UNI EN ISO 9001: 2015, and the IATF 16949:2016, a standard referring to the automotive sector.

The cornerstone of ORI Martin's Governance is the **policy for occupational health and safety** and for the **environment**.

The Company has a Management System certified according to UNI EN ISO 14001: 2015 for environmental management.

Regarding Health and Safety, the transition process from the BS OHSAS 18001 standard to the UNI ISO 45001 standard was completed in 2019.

Furthermore, with the introduction of Legislative Decree 105/15, the Company has been qualified as a major accident risk in relation to storage, beyond the thresholds outlined by the decree, of smoke abatement powders containing dangerous substances, in particular zinc oxide and lead compounds.



In this regard, through the **major accident prevention policy**, ORI Martin outlines its commitment to prevent and monitor any dangers that could cause episodes with serious repercussions on health, environment and goods.

Efficient energy management is considered fundamental when conducting plant activities.



To this end, the Company has introduced an **energy policy** that sets various objectives defined in specific implementation programs.

The Company adopts an energy management system compliant with UNI CEI ISO 50001:2018 **certified during 2020**.

ORI Martin has defined a personal data protection model consistent with the provisions of EU Regulation 2016/679 *General Data Protection Regulation* (GDPR).

The Company has set up a *Data Protection Committee*, coordinated by the *Data Protection Officer*, which reports every six months to the CEO about the Model validity, any necessary amendments, additions, as well as opinions, decisions and events that have taken place regarding the protection of personal data.

When setting up Model 231, ORI Martin was supported by professional consultants to identify risks associated with the offences

outlined in Model 231, as defined by Confindustria guidelines: these are related to the construction of organisational, management and control models and contain methodological indications to identify risk areas and adapt them to the specific needs and peculiarities of the Company.

Furthermore, Ori Martin is engaged in **constant monitoring** of regulatory changes with an impact on Model 231, and proceeds with the necessary updates or additions to the Model according to the same criteria, therefore identifying the risks. This is achieved through document analysis, specific interviews with key people responsible for the activities, process analysis, evaluation of the control measures in place and defining specific mitigation actions if necessary.

The **risks related to environmental and health and safety aspects** are identified, evaluated and monitored according to the internal model adopted in line with the Environmental and Safety Management Systems in order to improve their performance.

As for all other types of risks specified by Model 231, the approach used is based on processes and includes the analysis of external and internal factors that can influence the Company's ability to achieve the expected results, the fulfilment of applicable legal requirements and the needs and expectations of its Stakeholders.

3.2 Creation of value

In 2020 the **global economic situation** was deeply affected by the **Covid-19 pandemic** and the measures introduced by governments to restrict the spread of infection.

This had a negative influence on the production performances of advanced Countries, except for China, which increased its output of steel in 2020 by 5% compared to 2019.

All the other countries slowed down more than 8%.

In this context, **the Italian steel production** was 20.4 million tons, with a **contraction of 11.9%** against 2019, which had already been affected by persistent geopolitical tensions, by uncertain international trade and limited global growth.

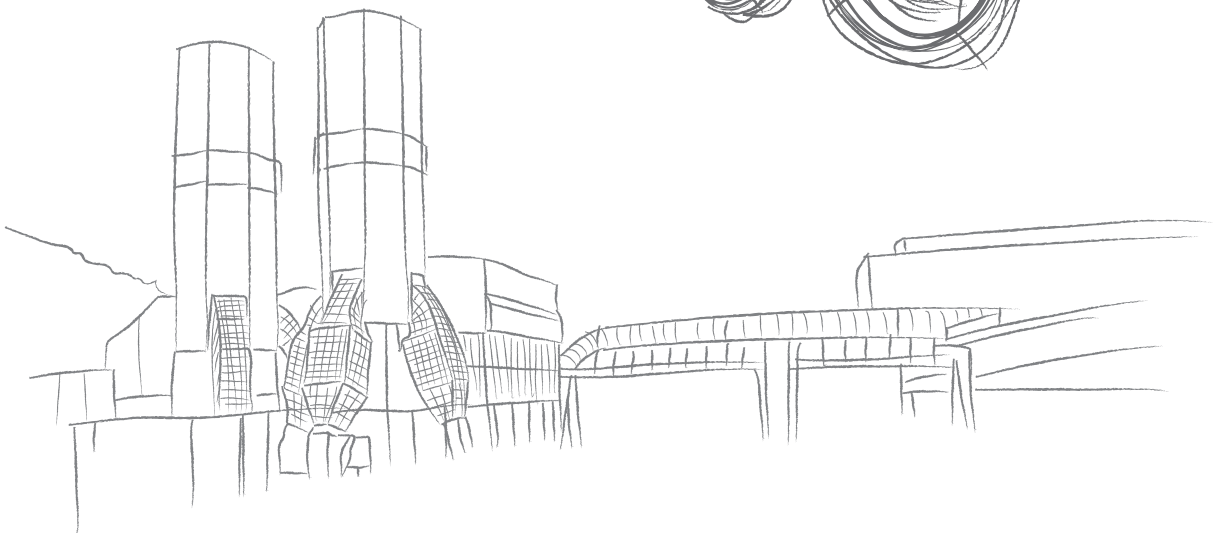
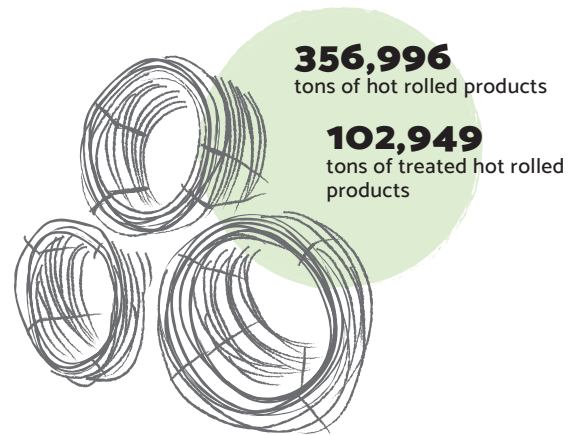
This difficult situation also reflected on the **value generated** by ORI Martin in 2020, equal to **more than 344 million euro**.

In this complex global context, ORI Martin

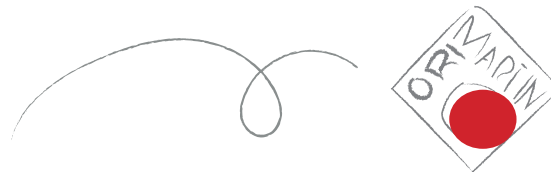
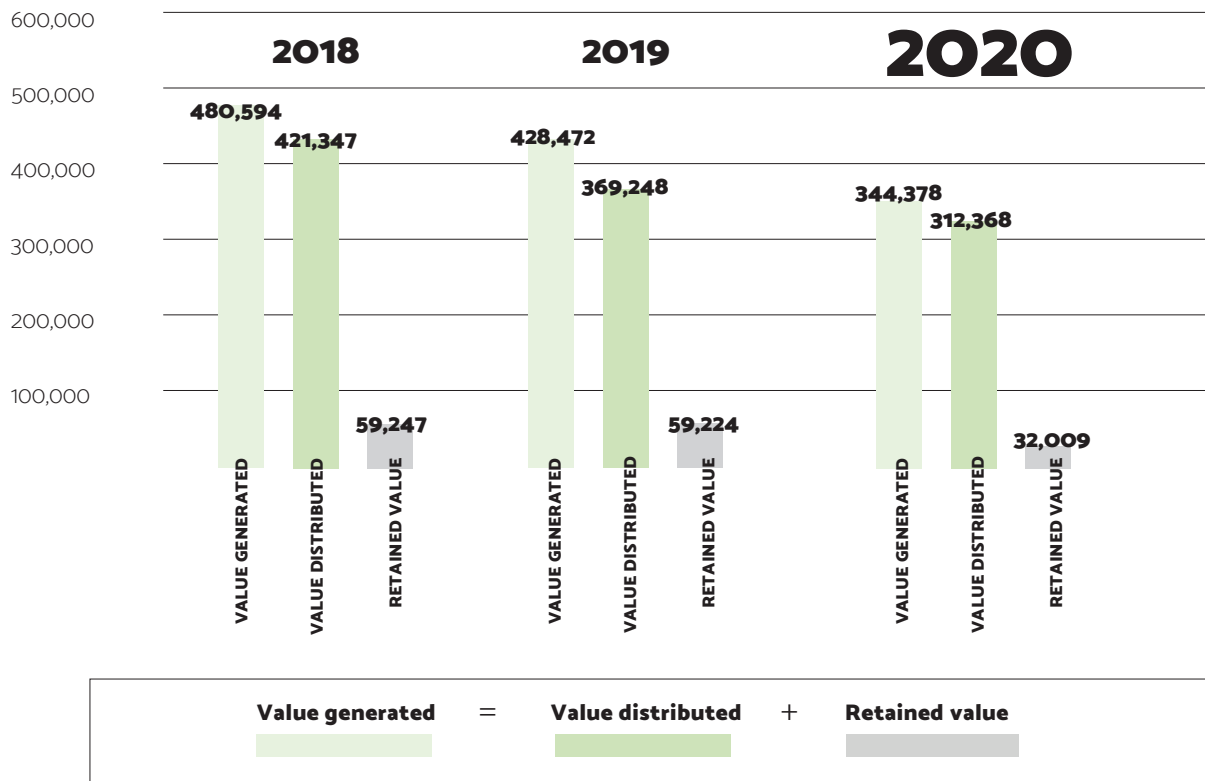
recorded a 20% drop in turnover, mainly due to the reduction in marketed volumes, also due to a temporary interruption of activities.

Despite the widespread reduction in the demand from product application sectors, the **Company** worked to consolidate its strong presence on the **European market**; especially **in the production of special steels** for the **automotive sector**.

620,228
tons
of steel
produced in 2020
using scrap



Value generated (thousands of euros)



The absolute figure of the value distributed in 2020 was influenced by the effects of the pandemic crisis, with a drop of around 15% against the previous year.

Most of the value generated is distributed to **suppliers** (287.6 million euro in 2020), mainly for the raw materials needed to produce steel.

Net of suppliers, the value distributed amongst the other Stakeholders in 2020 was transferred for 30.1 million to **employees** (share including

remuneration, benefits, social security costs and severance indemnity), more than one million euro to **remuneration of capital supplied** whereas 728 thousand euro was for the **community** and the territory, adhering to various initiatives to manage the health, social and work emergency.



We produce **quality, technological** and **increasingly greener steel.**

We are thinking about the **steel** of the **future** with daily attention to the **environment** and the **community**, in a logic of **integration** between **city** and **industry.**

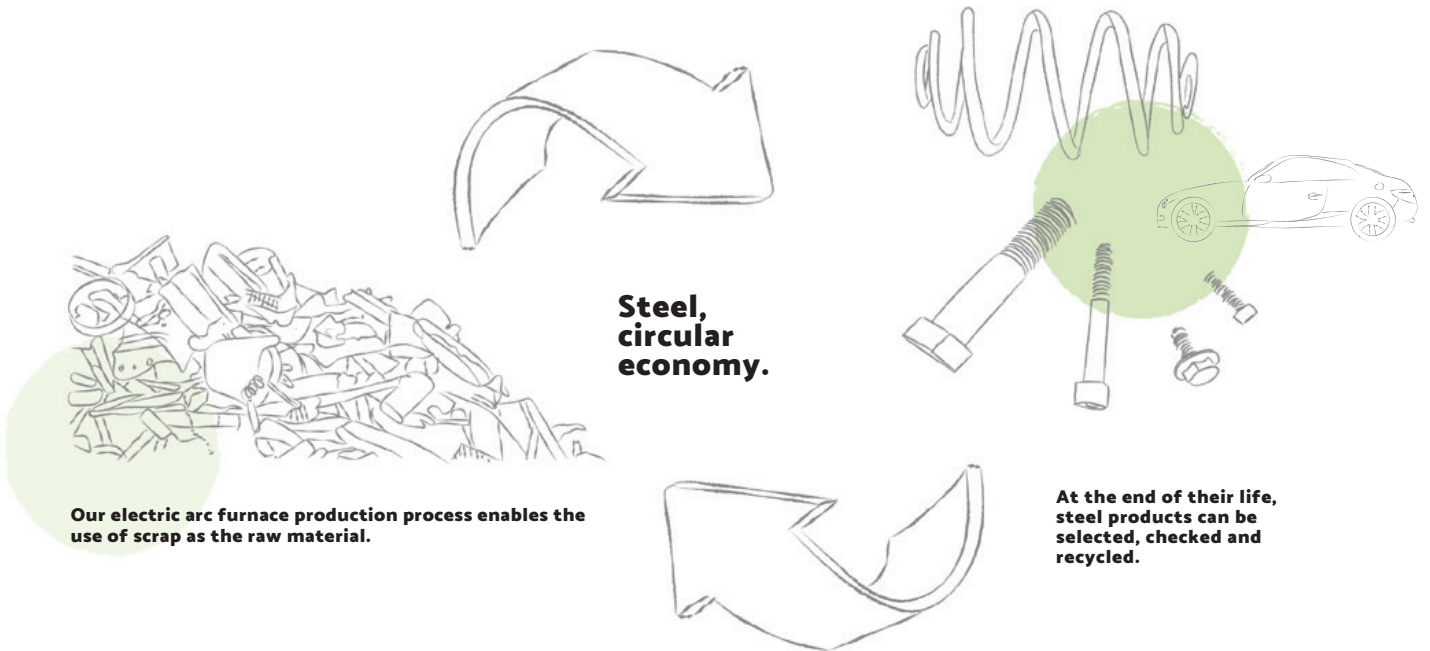
This is **our idea of sustainability.**



Carolina de Miranda
Sustainability Manager



Sustainable innovation and quality



4.1 Sustainability in the plant

ORI Martin is located in an **urban context**, close to **the residential area** in the north of **Brescia**. The facility's urban location has been a stimulus over the years, motivating the Company to implement a series of projects dedicated to the district's well-being and to invest in the search for **new solutions** for **sustainable innovation**. Producing steel sustainably means **integrating** with the **setting** and cultivating relations that aim for **symbiosis** between **industry** and **territory**, mitigating the environmental impact to respect the quality of life of the neighbouring area.



In this context, the sustainability and innovation policies of ORI Martin aim at strengthening the **circular economy** model which the Company considers as the basis of its production process.

The choice to produce **steel** starting from **electric arc** melting, in fact, allows for the use of ferrous scrap as a raw material with the **double effect** of **reducing the use of natural resources** and **lowering the amount of industrial waste** that would otherwise be disposed of.

This process is made possible by the **ability of steel** to maintain all of its **properties** unchanged throughout the process of melting and re-solidification.

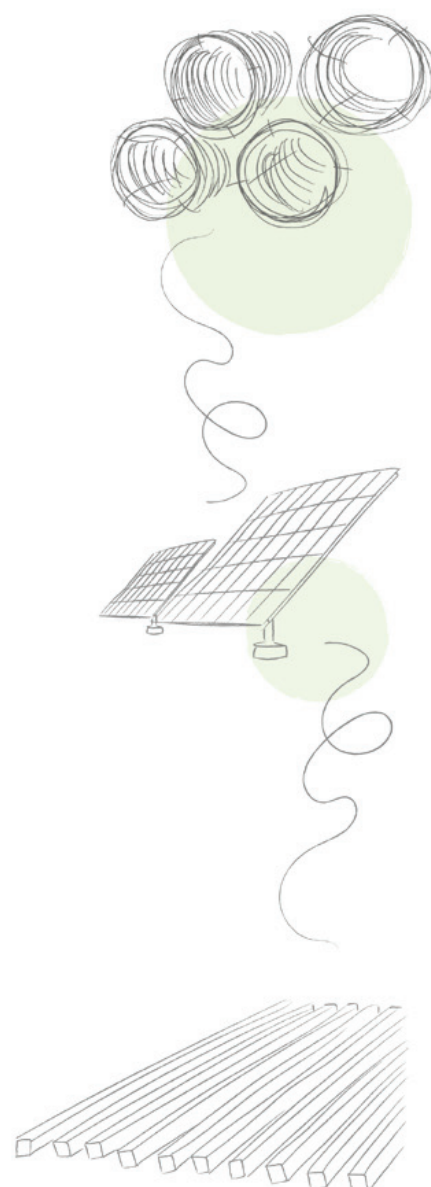
ORI Martin is also involved in an **energy** and gradual transition project of **decarbonisation** of the production processes; with the progressive increase of the use of renewable energy sources and contextual containment of greenhouse gas emissions by plant activities.

In this regard, the Company certifies the **carbon footprint** of **its products**, in order to communicate the impact generated by the components produced in the factory and identify the critical variables where action is needed (details in chapter 5.2.1).

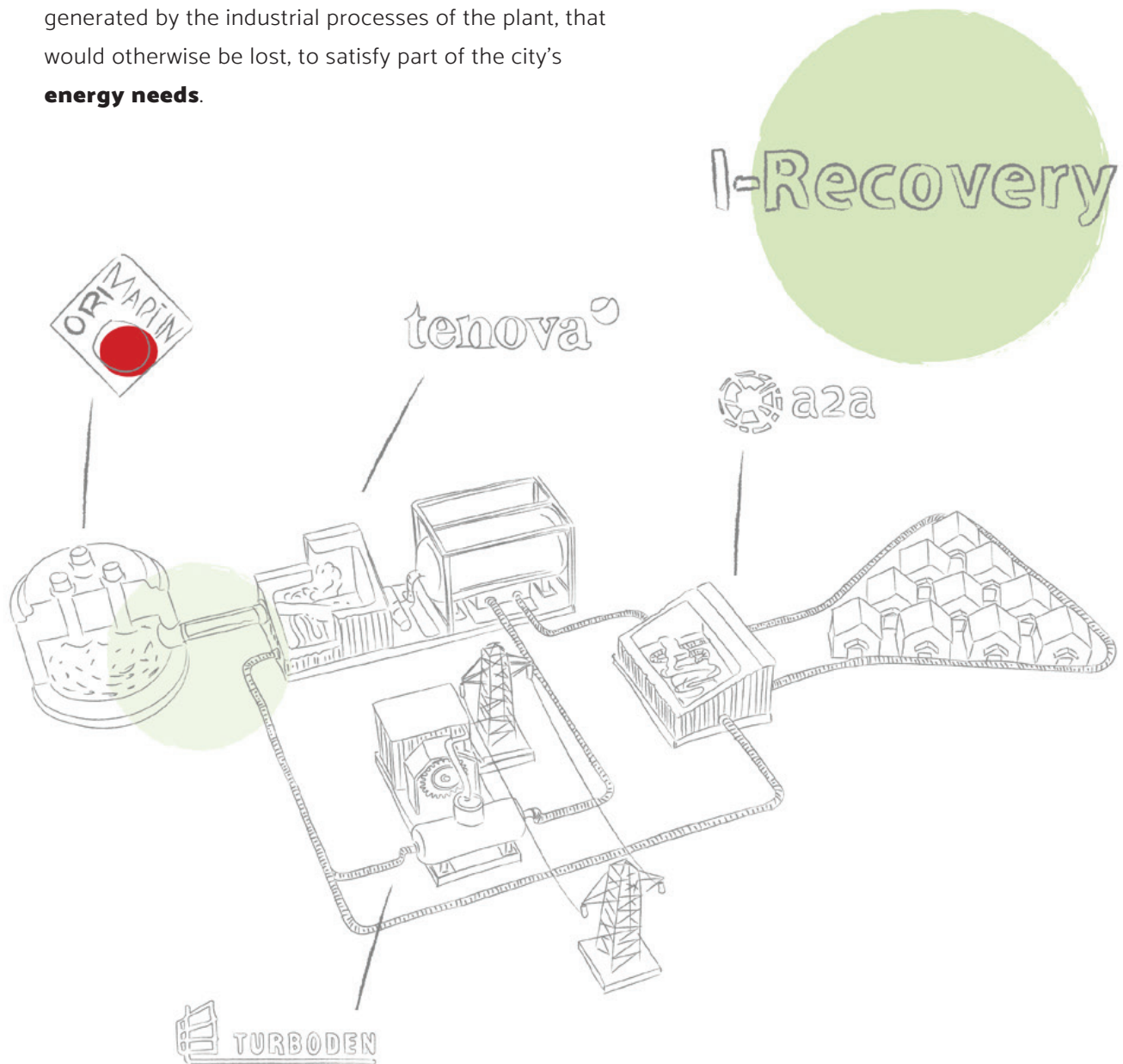
Since November 2020, there has been an agreement in force for the purchase of **renewable energy (PPA - Power Purchase Agreement)**, that will enable the Company to guarantee that about 10% of the plant's electricity supply comes from renewable sources. On this point, the project is described in more detail in chapter 5.2.3.

On issues such as decarbonisation and circular

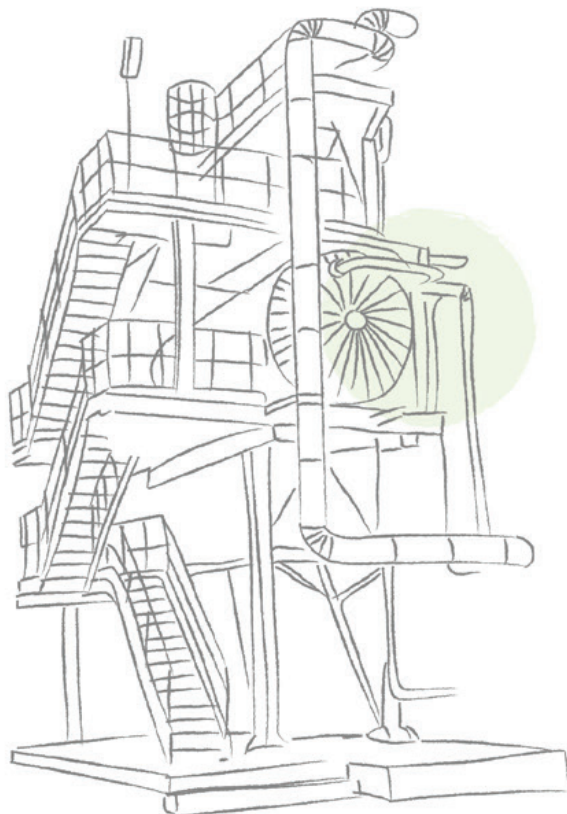
economy, since 2020 the Company has been taking part in the activities of **ESTEP** (*European Steel Technology Platform*) a no-profit organisation that promotes research activities in the technological field at European level to **improve the sustainability of steel processes**. In particular, through the **“Clean Steel”** project, guidelines for the production of sustainable steel from electric arc furnace at European level have been defined.



This is the framework containing the **I-Recovery**® project, aimed at **exploiting the heat** generated by the industrial processes of the plant, that would otherwise be lost, to satisfy part of the city's **energy needs**.



The **ORI Martin** production process brings **value** to the **community**, thanks to an innovative project, created in synergy with strategic partners.



I-Recovery®

The **furnace** heat is conveyed, avoiding dispersion into the atmosphere.

This **heat** is turned into **steam** to generate thermal energy.

This **energy powers the district heating** of the **city** of Brescia.

Heat Leap

In 2020, the European project called **Heat Leap** was launched; it recovers heat from the cooling water of the melting furnace and the Consteel®. Thanks to a special, large heat pump, the heat is recovered at a low temperature (about 70°C) and then taken up to an adequate temperature (about 120°C) to then be put into the town district heating network.

I-Recovery® is a project worth over 12 million euro, active since 2016 and the first of its kind in Italy, implemented with a number of technical partners: **Tenova**, **Turboden** and **A2A**.

The **I-Recovery®** system enables conveying the large amount of **heat** contained in the fumes of the **steel plant's** electric arc furnace into a system that avoids its dispersion.

In fact, the heat is recovered through the generation of steam, which is stored and used for a dual purpose: it is either transformed into thermal energy to be fed into **Brescia district heating** network or into electricity through an organic fluid turbine (ORC).

CORALIS

ORI Martin has adhered to and launched the project **CORALIS**, financed by the European Community, for industrial symbiosis in the territory and to reduce waste through recovery in industrial processes.

Thanks to this **technology**, I-Recovery supplies about 10MWt for heating in the winter period, equivalent to the annual needs of about **2,000 families**. In summer, it produces clean electricity (about 1.8 MWe), equivalent to the needs of about 700 families.

4.2 Continuous innovation

The strategic vision of ORI Martin has always tended **strongly towards innovation**.

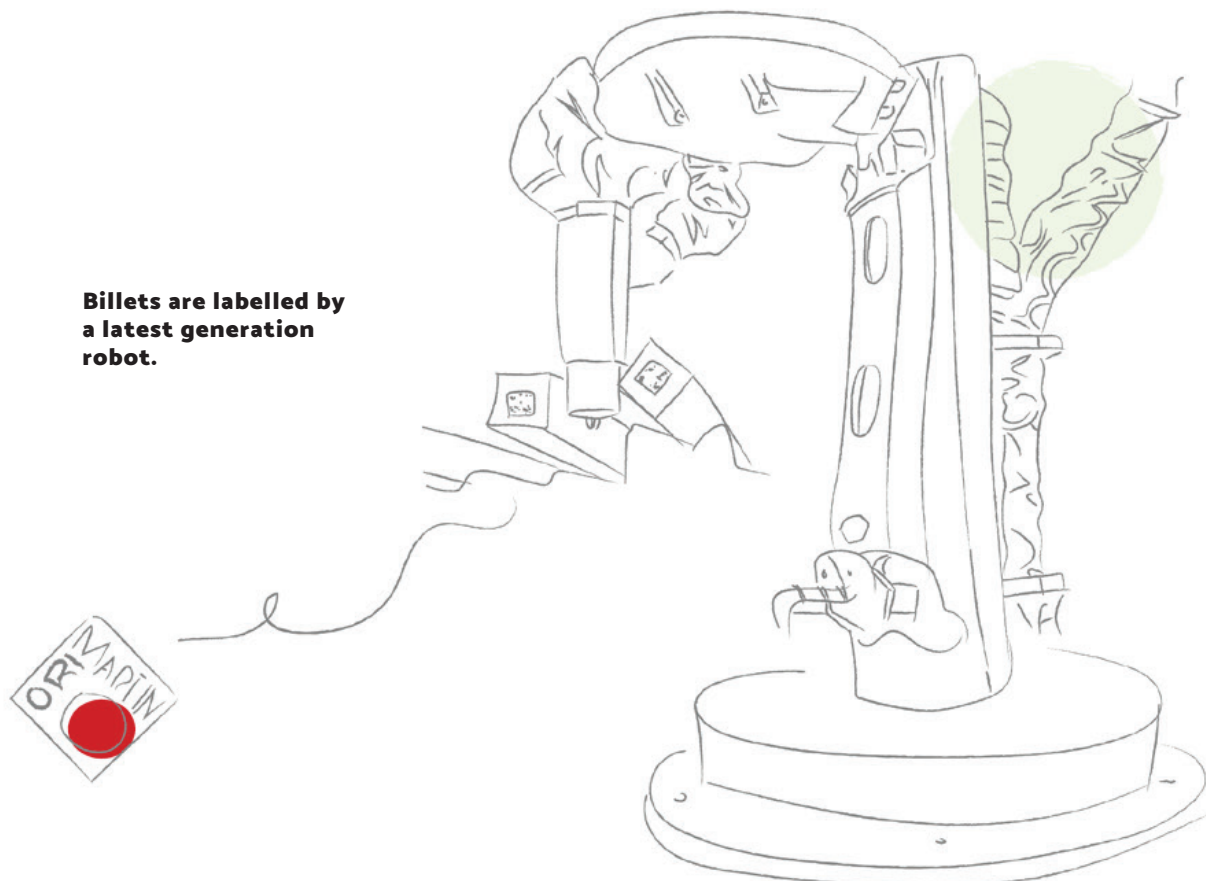
With this in mind, over the years the activities of several Company departments have developed considerable know-how and specific experience able to guarantee **product quality** even through a number of controls formalised in operating procedures and practices, foreseeing a presence of trained, responsible, competent personnel.

At the same time, the high quality standards required to satisfy market requests impose continuous **technological innovation** on the Company; needed to improve and continuously streamline the work and use of resources.

It is on the skilful integration of these two components, **know-how and innovation**, that ORI Martin bases its conception of **development** based on **continuous improvement**.

To follow up on and make this vision effective, strategic investments are concentrated on two pillars: digital transformation and circular economy.

Focusing on these levers, ORI Martin has invested more than **31 million** euro for **research and development** in the last five years, 8 million euro in 2020 alone, and **1.2 million** euro in the last 4 years in **robotics alone**.



As part of these investments, the Company has started a **digitalisation process**, focused on **valorising data** in particular in the steel production stage, and a growing robotics process project: the first robot appeared in the steel department in 2000 for an experimental billet labelling station.

Today there are 5 operational robots and another two are arriving in 2021.

Then, the growing **integration of artificial intelligence** is applied to several production cycle activities and stages: from supporting operators with managing the scrap cycle, facilitating correct classification and enabling full, automatic filing of useful information, to the

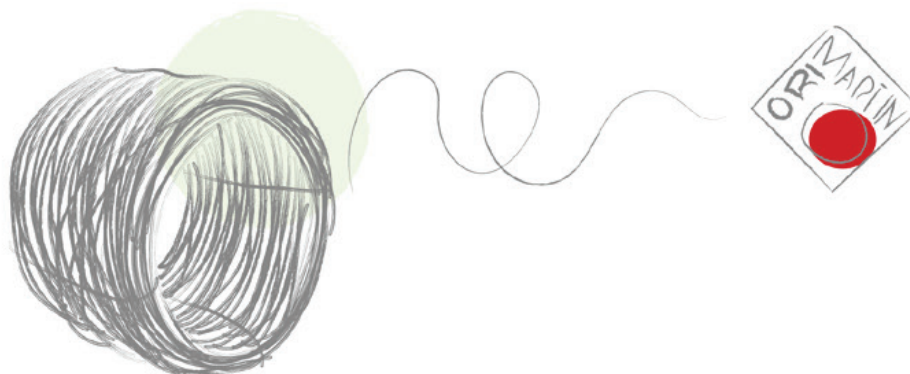
analysis of images to classify defects, on to the management of **energy consumption** in the different production departments, to analyse flows and times in the steel plant.

These are **technological improvements** that have a significant impact on operator **safety**, on the **quality** of production, on the **repeatability** and **reliability of processes**: the fundamental pillars of the ORI Martin vision.

Research and development: ORI Martin investments since 2016

(figures expressed in millions of euro)

2016	2017	2018	2019	2020
6	5.3	4.2	7.5	8



This innovation project includes the “**Steel 4.0**” project.

In partnership with **Tenova**, it is in fact one of the four projects selected within the **Lighthouse - Industry 4.0 program proposed by the CFI** (Intelligent Factory Cluster), developed by the Italian **Ministry for Economic Development** to stimulate and encourage massive, systematic introduction of digital media in the production processes.

More specifically the project aims to enhance the transversal **digitalisation** process of the entire plant, involving the steel plant, the rolling mill, warehouses and centralised data collection, to create a real *Cyber Physical Factory* of steel. The project, launched in June 2019, is based on

two main phases: the first phase involved the introduction of robots in some steps of the production process and the digitalisation of scrap yard management systems.

The actual research phase on these technologies will be developed in coming years; based on a development programme that also involves external partners and research centres of excellence such as the Multi-sectoral and Technological Services Centre (CSMT), the University of Brescia, the CNR of Milan and the Polytechnic University of Milan.



Another digitalisation direction is **predictive maintenance**. In this regard, the Company has strengthened its **collaboration with Danieli** by starting a project for monitoring the critical aspects of the rolling mill.

chapter 5

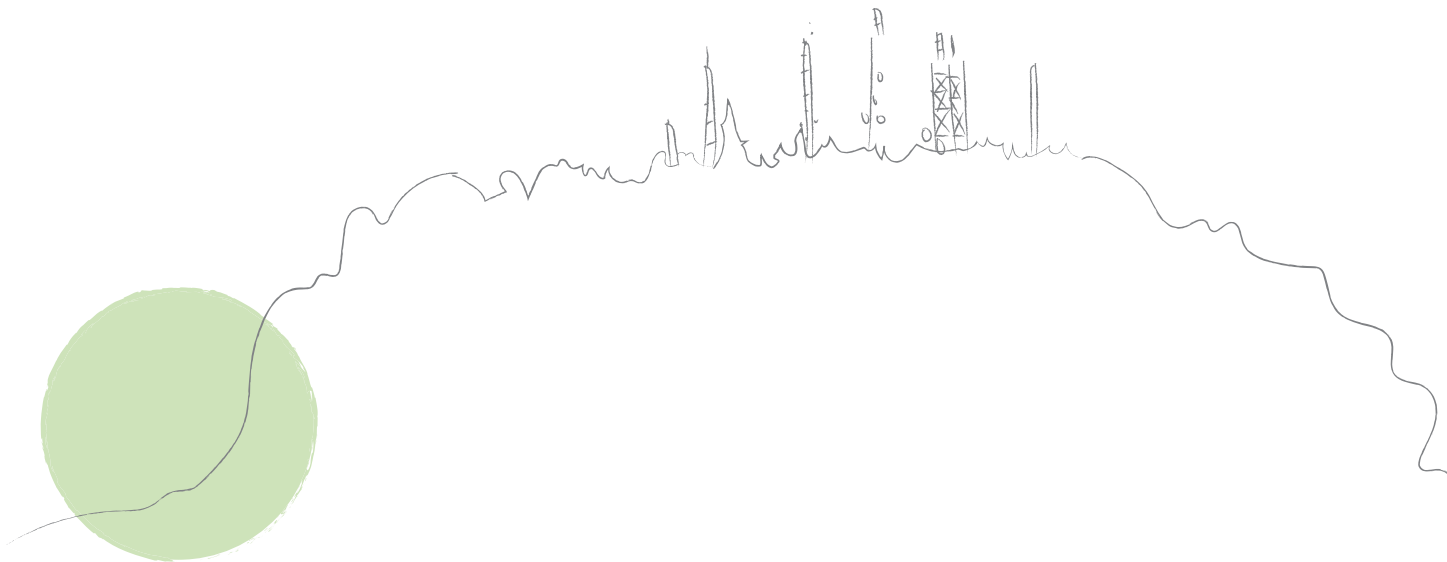
Environmental responsibility

ORI Martin is an advanced Company on **environmental matters**.

For several years, **daily commitment** has focused on continuous improvement towards a **healthy, sustainable** and **collaborative** coexistence with the area in which the steel mill operates.

Environmental protection is one of the objectives of the ORI Martin Code of Business Conduct, a firm principle guiding factory activities.

In terms of operations management the Company is committed to promoting **technological development** aimed at **reducing polluting emissions** and **improving energy efficiency** and also by developing the skills of its staff.

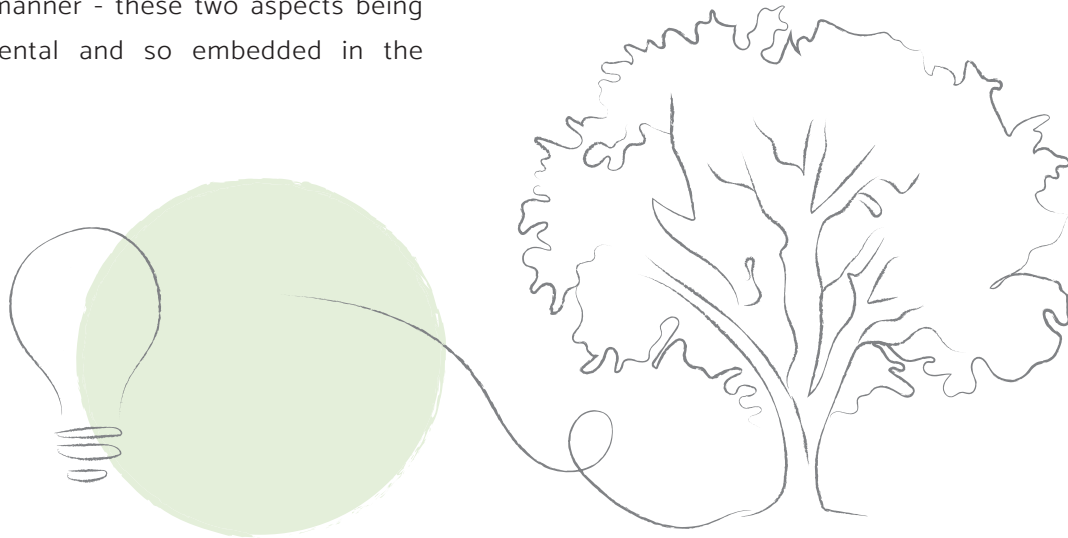


5.1 Environmental management

In 2002, ORI Martin had already provided itself with an **Environmental Management System** certified UNI EN ISO 14001 and an integrated policy for environmental protection highlighting the Company's commitment to safeguarding both the environment and occupational health and safety in a combined manner - these two aspects being so fundamental and so embedded in the

Company activities.

The Company has also implemented an **Energy Management System** compliant with UNI EN ISO 50001, with certification attained in 2020.



As for the environmental impact, plant activities are authorised and regulated by the **Integrated Environmental Authorisation (AIA)** issued first of all in 2006 and renewed in 2017.

In compliance with AIA provisions, ORI Martin adopts a **plan to monitor** and **control** the **environmental impacts**, with special reference to atmospheric emissions, water discharge and noise, periodically checked by the Regional Agency for environmental protection (ARPA).

In addition, AIA provides for the need to use **the best available techniques** to reduce pollution (**BAT - Best Available**

Technologies) defined at European level.

ORI Martin's approach is also reflected in actions to improve the environmental impact.

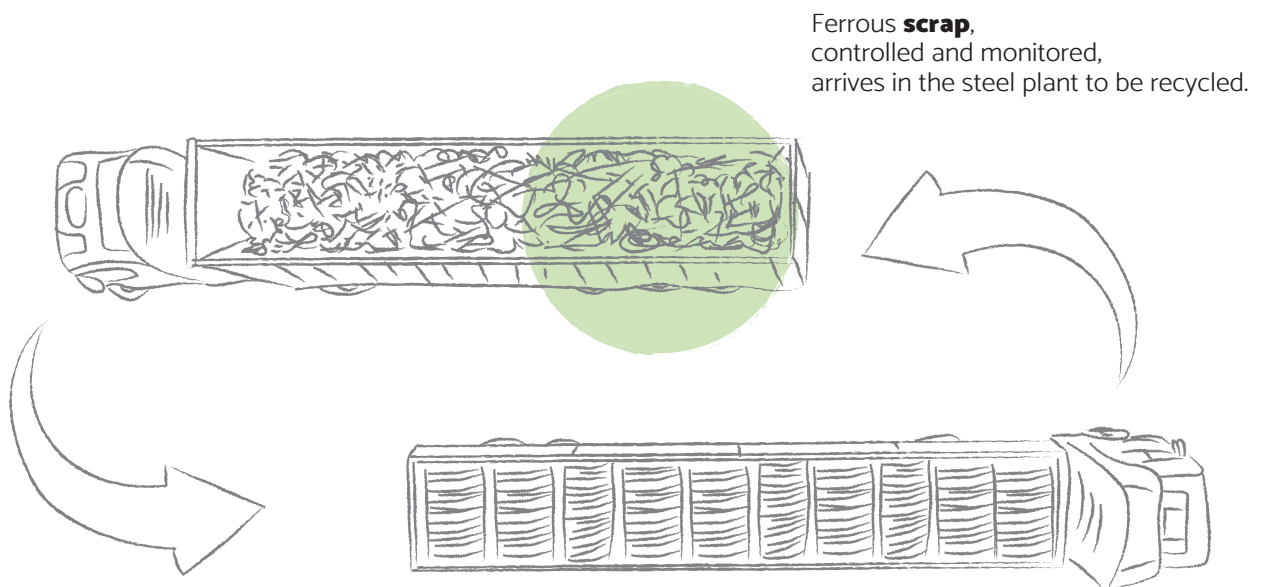
Confirming the commitment in environmental terms are the investments the Company has made: **since 2016** investments of **more than 14 million** euro in **environment and safety**, 23% of total investments in the last five years.

5.2 The resources employed

5.2.1: Materials used

Electric arc furnace steel production involves the use of ferrous **scrap** as a **raw material**, consisting of steel elements recovered from other sources and then melted to be processed again in a potentially infinite cycle.

This circular aspect makes the **production cycle** of **ORI Martin** an important lever not only for developing **circular economy** models, but also for the transition to production models with less impact in terms of energy consumption and CO₂ emissions.



Billets, wire rods and bars

produced using **scrap** leave the steel plant for new applications. At the end of their life cycle, they will become scrap again.

The scrap is put through systematic checks to exclude the presence of radioactive or contaminated material and eliminate the risk of melting those substances.

The procedure includes a radiometric detection phase at the entrance, a visual inspection phase when the material is unloaded, integrated with a digital system, as well as further monitoring during the production process by means of fixed detectors installed throughout the plants.

In **2020** almost **650 thousand tons** of ferrous scrap were **melted** in the **steel plant's electric furnace**, covering a fundamental role in the production process, with a percentage of around 95% compared to the total raw materials used at input.

The other non-renewable raw materials are used in lesser percentages: alloys for 2% and pig iron 3%.

Other non-renewable materials are also used during the process.

The highest percentages are lime, used as flux, and coal, used as a reducing and swelling agent.

Other materials are electrodes, graphite and refractories as well as gases such as oxygen, nitrogen and to a lesser extent argon. Please refer to table “301-1: Materials used by weight or volume” in the Appendix for details of the quantities.



5.2.2 Water resources

Water is amongst the most monitored resources by ORI Martin as a **vital asset to be preserved**.

Large amounts of water are required to cool the furnaces in steelmaking.

Further consumption is added by offices, the canteen and the changing rooms.

In ORI Martin, given the different destinations of water, two different water sources are used.

For potable use, a dedicated network connects the plant to the municipal water supply.

The other is for industrial use whereby water is drawn from three wells located within the perimeter of the plant.

To reduce water hardness and related scale

problems, part of the water taken from the wells is treated with a reverse osmosis system.

To limit its consumption, the water is recirculated and cooled with evaporative towers or unit heaters.

Water that comes into direct contact with steel during the cooling phase requires treatment to eliminate metal scales and oils.

In that case, water **is** conveyed **to special collection tanks** to be sent to the purification **plants** (one for the steel plant and one for the rolling mill), equipped with settling tanks and sand filters.

The treated water effluents are delivered to surface waterways (Fiume Grande Superiore

and Roggia Fiumicella) and, as outlined in the AIA monitoring plan, the Company checks the quantity on a monthly basis and quarterly for the discharged water quality.

In the Appendix, the analysis of discharge points is reported in the tables “Water discharge analysis”.

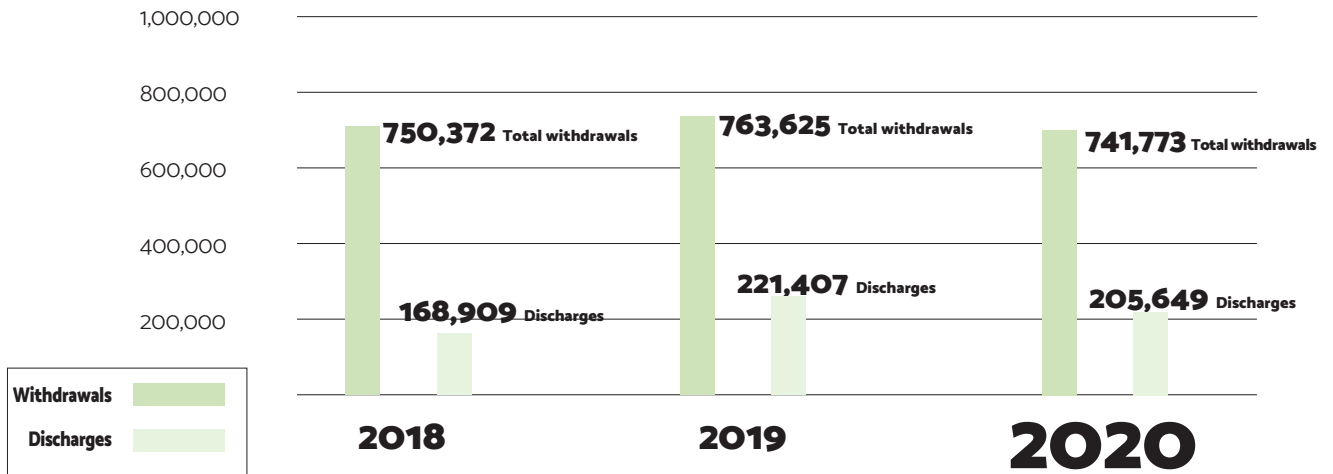


For ORI Martin water is precious.

Collection tanks enable the recycling of water used in the industrial process.



Water withdrawals and discharges (m³)



During 2020, 731,396 m³ of water were withdrawn from the three different wells in addition to 10,377 m³ of water from the city aqueduct, for a total of 741,773 m³.

5.2.3 Energy consumption

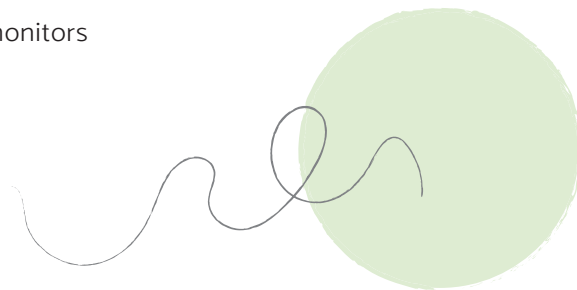
Energy consumption, characteristic of steel production, is another important topic and requires ORI Martin to manage energy accurately by committing to an **efficient use of energy resources**.

This commitment is outlined in the **Energy Policy** where it sets out some objectives of continuous improvement and staff training as well as involvement, dialogue and consultation across all Stakeholders such as employees, suppliers and contractors.

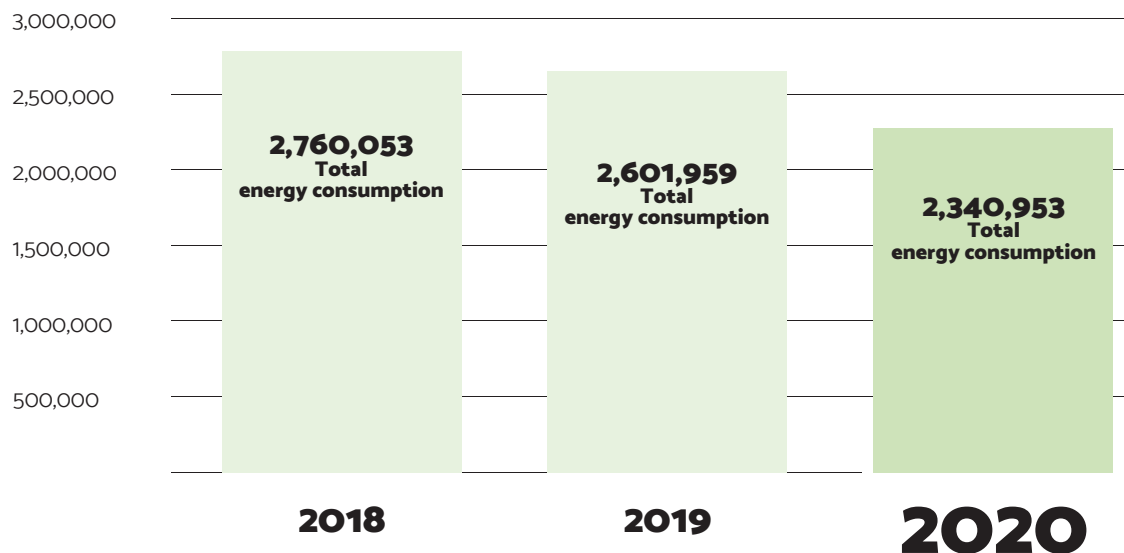
With this in mind, the Company monitors

energy consumption and plans investments aimed at **reducing** its **usage** and therefore lowering **greenhouse gas emissions**.

The energy spent by ORI Martin in 2020 amounted to 2,340,953 GJ, a decrease of 10% compared to the previous year² in line with the decrease in production.



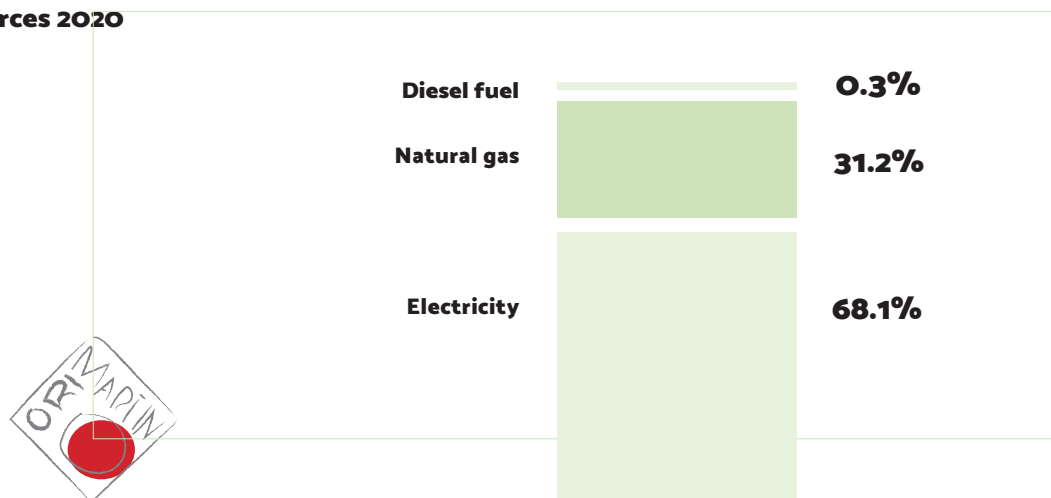
Energy consumed in the last three years (values expressed in GJ)



²For the calculation method, please see the “Methodological note”.

The energy sources employed are mainly **electricity**, **natural gas** and for a minor percentage **diesel** fuel used to power the Company car fleet and for transiting within the plant.

Energy sources 2020



Electricity is the main energy source used for most production processes and accounted for 68.1% of total consumption in 2020: it is mainly used to power the melting furnace, the ladle furnaces and the rolling mill as well as all services and auxiliaries.

The energy supply comes from the Terna high voltage network and from power produced by the I-Recovery plant during the summer.

In 2020, the energy recovery system enabled self-production of about 9,123 GJ.

Natural gas is mainly used to power the furnace for heating the billets in the rolling mill, the furnaces for heat treatments and the steel

plant burners.

The gas supply is provided by the Snam network.

Furthermore, during the winter period thanks to the I-Recovery project ORI Martin injects heat recovered from the steel plant fumes into the district heating network of the city of Brescia, managed by A2A.

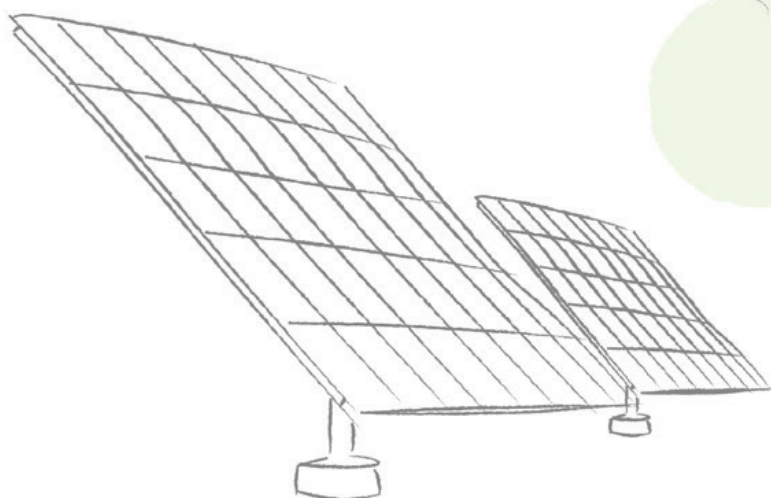
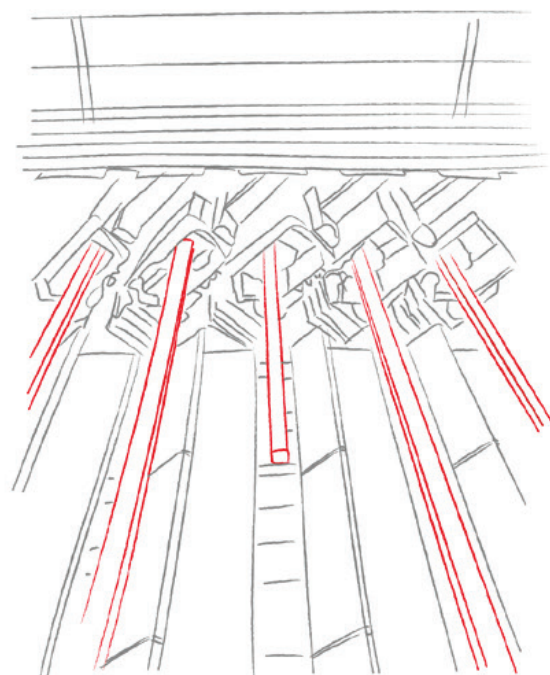
52,111 GJ were transferred in 2020.

The Ori Martin Green Energy

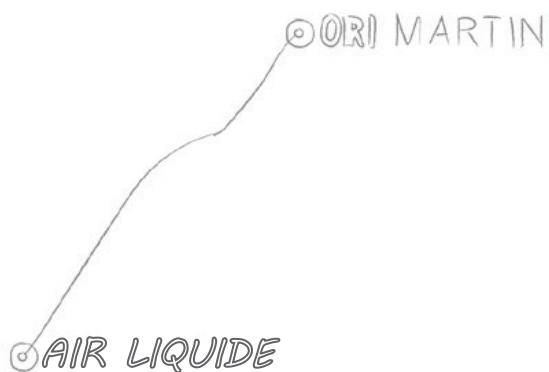
In October 2019, ORI Martin finalised a 5-year **Power Purchase Agreement (PPA)** with a Swiss energy trader (DXT Commodities) and a German investment fund (KGAL Investment Management).

That agreement foresees energy production through a 53 MW photovoltaic power station installed in Sardinia and launched in November 2020.

Signing a PPA is a long-term commitment that allows KGAL to invest in the power station, ensuring the sale at a fixed price without depending on the public incentive system and therefore without burdening the state.



10%
of the facility's energy needs will
come from renewable sources,
exploiting solar energy.



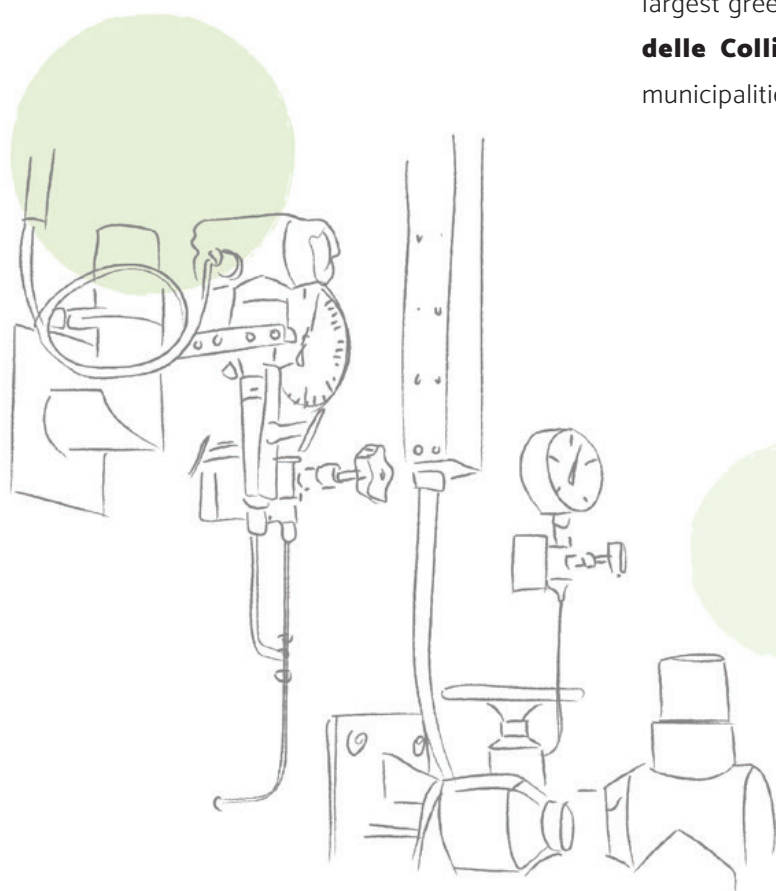
The Air Liquide oxygen pipeline

Since 2018 the ORI Martin plant has been connected to the Air Liquide oxygen pipeline that spans across the municipalities of Brescia and Ospitaletto through an underground pipeline about **5 km** long for a direct supply of gaseous oxygen.

Implementing the project has enabled ORI Martin to avoid liquefaction of the oxygen used, **thus saving** approx. **4,000 tons of CO₂ per annum**.

There is also a tangible advantage for the territory since the infrastructure **avoids** the transit of approx **1,250 trucks a year** which saves **CO₂** (about 270 tons per year), nitrogen oxides and particle emissions.

Finally, as part of the project, Air Liquide financially supported extraordinary **reforestation and maintenance activities** in the area of the Mella river and on the city's mountain "La Maddalena", the town's largest green area (4,000 hectares) belonging to "**Parco delle Colline**" which involves Brescia and six other municipalities.



The 5km long oxygen pipeline saves CO₂ and avoids the transit of 1,250 trucks a year.

5.3 The management of impact

The material resources used in the production process, water and energy, generate external outcomes that have an impact on the environment globally and on the neighbouring territory locally.

Aware of the consequences that this impact has

on nature, the surrounding environment and the people who live in it, **ORI Martin** adopts a **strategy of continuous monitoring** and at the same time a **constant effort** to develop innovative solutions **to act directly at the root of impact**.

5.3.1 The greenhouse gas emissions (GHG) and the CO₂ footprint

In the current global context we are witnessing the diffusion of initiatives undertaken by companies to limit their impact linked to **climate change**, such as the reduction of **GHG** emissions generated directly and indirectly by their activities.

The Brescia facility is part of the **Emission Trading System (EU - ETS)**, an instrument set up by the European Union Directive 2003/87, aimed at monitoring and progressively reducing greenhouse gas emissions from the highest energy-intensive industrial sectors.

The ETS system, designed to tackle climate change, is founded on a mechanism called “*cap and trade*”.

This mechanism caps the presence of a maximum limit of tons of CO₂ that industrial plants subject to the ETS system can emit.

Based on the actual quantity emitted and declared annually, the subjects receive or purchase emission quotas that can be exchanged through a sale on the global CO₂ market.

In addition to the regulatory compliance required by the ETS Directive and in line with the commitment undertaken towards the environment and the continuous fight against





climate change, the Company has decided to calculate the **carbon footprint of** its products to communicate the impact generated by the products made in the plant and identify the critical variables that require intervention in terms of organisation and management of production and business processes. The aim is a continuous reduction of its GHG emissions in absolute and relative terms with respect to the different types of products.

Following an initial energy consumption analysis recorded in 2016, the carbon footprint study was repeated in 2018, 2019 and 2020, reflecting the continuity shown that the **Company undertakes to guarantee in monitoring its greenhouse gas emissions.**

The 2020 study, has been validated by an external body which certifies its compliance to ISO 14064-1: 2018 for the quantification and reporting of gas emissions and their removal.

The analysis considers the energy consumption and the materials used in the production process to calculate the total tons of CO₂eq and per activity and establishes emissions in three categories.

Inventory of GHG emission based on ISO 14064-1

Guidelines require that the **GHG emissions** be estimated by distinguishing between direct and indirect ones. According to the GHG Protocol, emissions are divided into three categories:

Emission category	Definition
Scope 1 - Direct	Direct emissions coming from use of fossil fuels and other materials in the factory's in-house processes.
Scope 2 - Indirect	Indirect emissions associated with the consumption of electric energy supplied from outside.
Scope 3 - Indirect	Indirect emissions from transport, from products and services used in the plant; emissions generated outside the plant linked to the use of products.

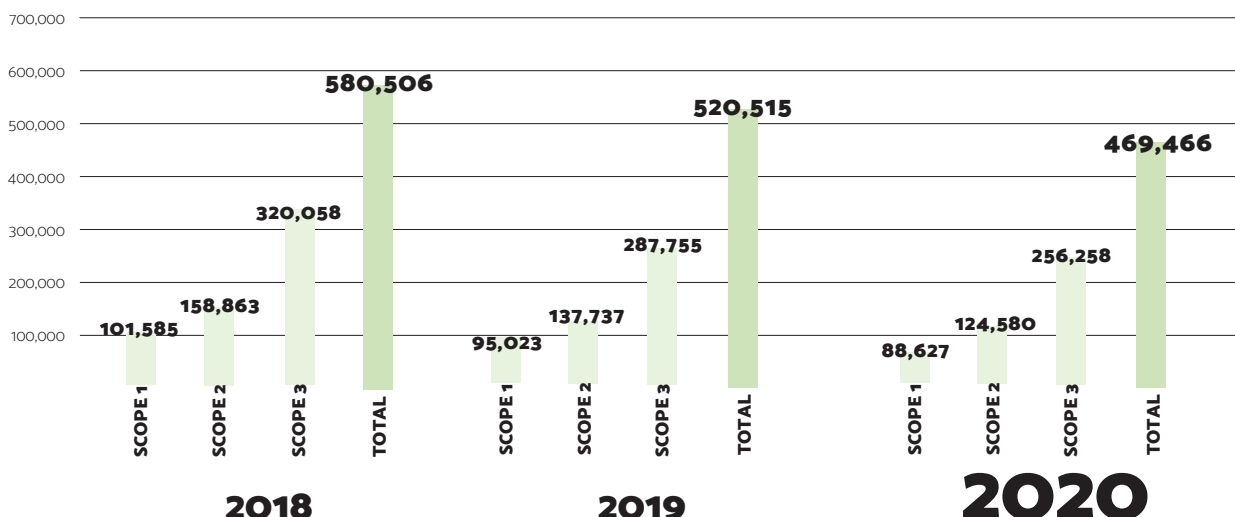
In 2020 469,466 t CO₂eq were emitted. Of these the main contribution (54.6%) comes from indirect emissions *Scope 3*, amounting to 256,258 tCO₂eq.

Direct (*Scope 1*) and indirect emissions from electricity (*Scope 2*), contribute to just over 45% of the organisation's emissions and

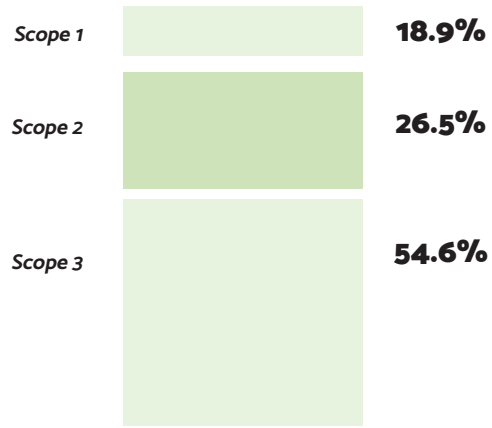
constitute the scope of action for direct efficiency improvements by ORI Martin.

The comparison with **emission data** of the previous years highlights a **general drop**, also partly due to the plant stoppages during the lockdown period.

GHG emissions (tCO₂eq)



GHG emissions in 2020



Specific emissions per product unit

Thanks to the carbon footprint study, ORI Martin was able to determine the **emission intensity** attributable **to each product** generated in the different production phases (steel plant, rolling mill or heat treatments).

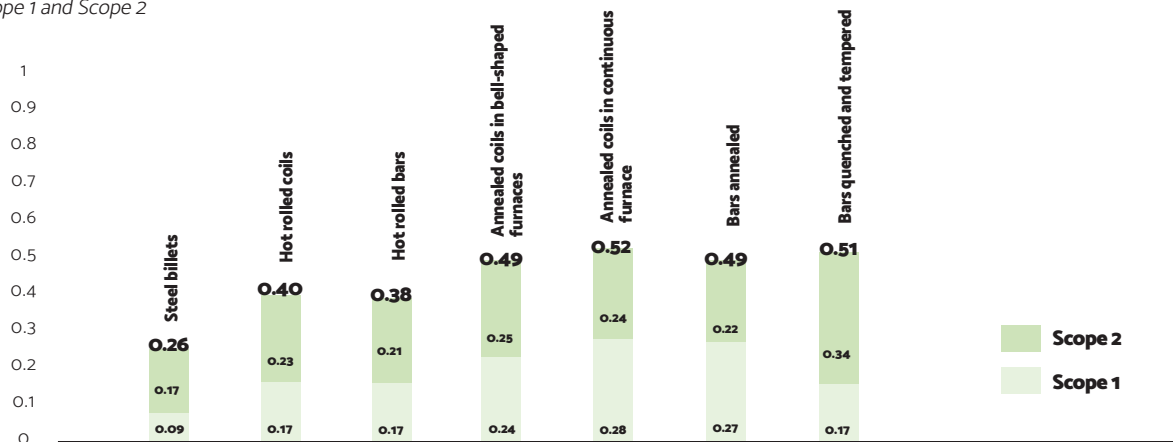
The results of the study also brought to light the contribution of each single emission category which

then enabled the identification of actions aimed at reducing the impacts on individual products.

The data below relates to 2020 in tons of CO₂eq per ton of product (*Scope 1 and Scope 2*):

Emissive intensity 2020 (tCO₂eq/t product)

Scope 1 and Scope 2



Specific emissions increase as the industrial processes associated with the processing steps linked to each individual product increase. In fact, the processing of steel billets requires fewer steps than the production of rolled products (for example, hot rolled bars) or products subject to rolling and further special processing (for example, quenched and

tempered bars). This level of analysis allows the Company to identify **actions targeted** at **reducing** impact both at the process level, acting on Scope 1 and Scope 2 emissions, and at the level of the entire value chain, taking action on Scope 3 emissions through initiatives jointly with suppliers, customers and other external Stakeholders.

5.3.2 Emissions into the atmosphere

The protection of air quality is an important issue for ORI Martin, which uses the **best available technologies (BAT)** to **limit emissions** into the atmosphere below thresholds that could have negative consequences on the surrounding community and to comply with the requirements imposed by AIA.

There are **16 emission points** in the plant. The most significant emission comes from the fumes abatement system of the steel plant, where there are two side-by-side bag filters.

In order to limit the release of micropollutants into the atmosphere, in **2012** the Company installed a dosing **system for activated carbon**. The injected carbon is then retained by the filters and delivered with the dusts to the treatment and recovery plants.

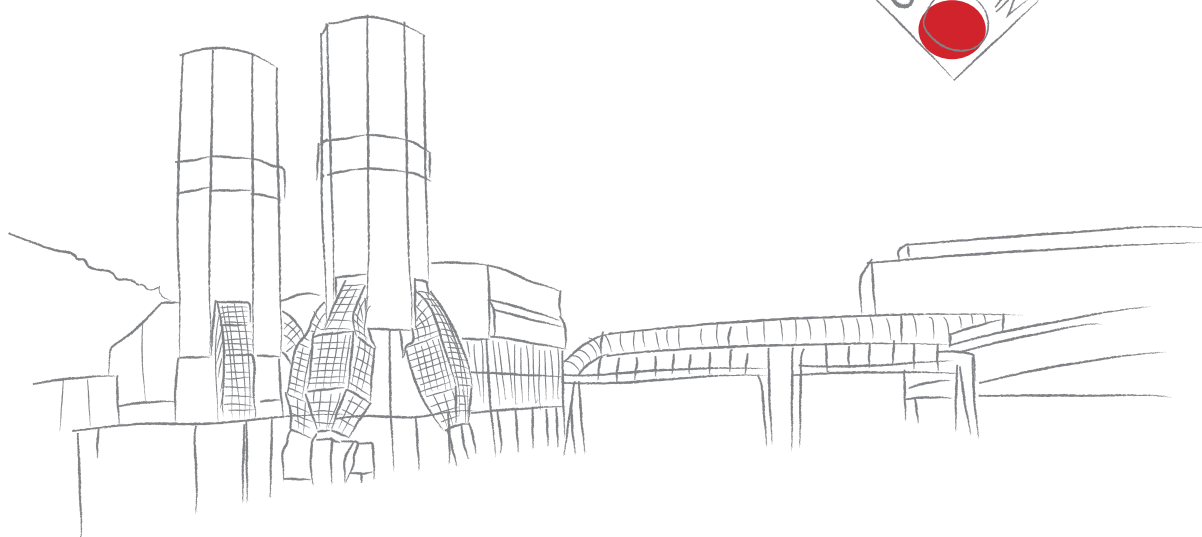
Furthermore, with regards to the emissions produced by the rolling mill, the Company

intervened introducing low NOx (nitrogen oxides) burners on the billet heating furnace, installed in 2015.

The **monitoring** of pollutant **emissions** released into the atmosphere involves **annual or six-monthly sampling** of the outfeed flows from the chimneys which makes it possible to measure the concentration values of the pollutants subject to limitations.

The Appendix shows the values referring to the concentration detected on the samples taken from the two main emission points (the chimneys E1 and E1-bis of the steel plant fumes abatement system), compared with the respective minimum thresholds.

As shown by the data, the concentrations always remain much **lower** than the prescribed **limits**.



5.3.3 Waste

Waste is one of the main consequences of the steel production process and ORI Martin manages it within its own **certified ISO 14001 management** system and in compliance with AIA provisions.

The adoption of a **circular economy model** also involves proper and effective management of production processes with the aim of **minimising the amount** of unusable industrial **waste** and favouring its recovery as much as possible.

In 2020, waste sent for recovery represented 74% of the total.

The main **waste** produced by the plant is untreated **slag**, an inert material that develops during the melting of scrap in the electric arc furnace (black slag) and during the treatment of steel in the ladle (white slag).

The black slag, following a process of separation and recovery of steel fragments, is sent to authorised platforms specialised in the reuse for road foundations and bituminous conglomerates.

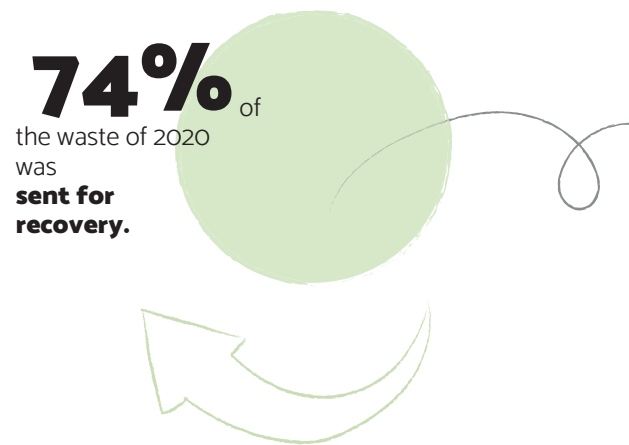
The white slag is instead sent to approved landfills for disposal after separation and recovery of any steel fragments.

Production also generates a significant amount of **scale**, a surface layer of iron oxide that is produced when the billets are cooled or rolled.

This substance is collected and sent for recovery to be used in the production of cement.

Finally, **solid waste** produced from fumes treatment is separated through filtration from the fumes extraction systems in the hot area of the steel plant.

The dust is stored in special silos and then loaded onto trucks to be transferred to authorised companies specialised in the recovery of zinc.



**ORI Martin: type of waste and allocation
(expressed in tons)**

Type of waste	2018	2019	2020
Non-hazardous and recovered waste	83,748	96,783	86,032
Non-hazardous waste sent to landfill	30,869	32,264	29,797
Total non-hazardous waste	114,617	129,046	107,572
Hazardous waste recovered	7,724	7,916	8,243
Hazardous waste sent to landfill	182	57	14
Total hazardous waste	7,906	7,973	8,257
Total waste	122,522	137,019	115,829

The **total** of the **waste** generated in 2020 by ORI Martin activities was 115,829 tons, **down 15%** compared to the total of 137,019 tons in 2019.

Another interesting aspect is that of the total hazardous waste, **only 0.17%** was sent to **landfills**, the rest was recovered.

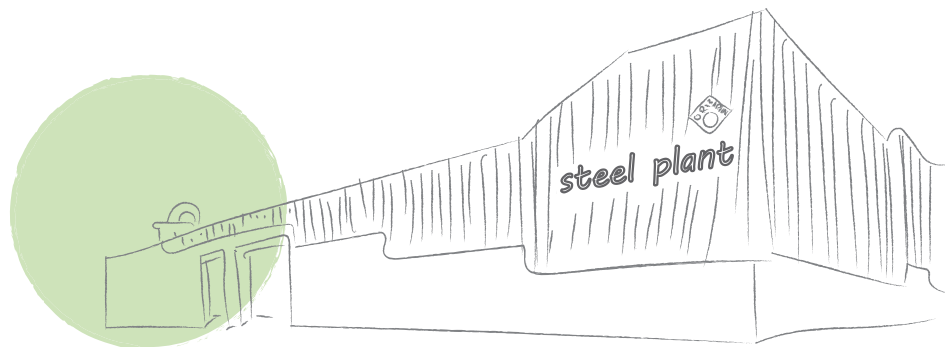


5.3.4 Noise pollution

ORI Martin pays **great attention** to **the acoustic impact** caused in the surrounding area by the activities of the plant and the movement of heavy vehicles.

For several years, the **Company** has been **intervening** in the **most critical areas** of the plant by installing **soundproofing** walls and doors with the aim of containing the noise produced by the systems.

These interventions complied with the noise pollution limits set by the Municipal Government. Furthermore, for transparent relations, the Company has adhered to the external reporting system, set up by the Observatory established by the Municipality (see box “ORI Martin Observatory”), which guarantees citizens the possibility to report episodes creating disturbance in the area.



The ORI Martin Observatory

In order to create a stable communication channel and a continuous dialogue between institutions, the Company and the neighbourhood in an area of **close co-existence** between **industrial settlements** and **residential areas**, since **2013** the **ORI Martin Observatory** has been active. It was established to develop and make permanent the first ORI Martin Technical Table, set up by the Municipal Government of Brescia in 2010.

The composition is the main representatives of the territory: in fact, it includes **members of the Executive** and **Municipal Council**, the **District Council**, the **Council for the Environment**, as well as a **Company representative** and a **workers representative**.

The main topics concern information on environmental impacts and traffic issues resulting from the activity of the plant along with a search for solutions to the problems reported by citizens. **The Observatory's activity is periodically reported** on the **website of the Municipal Government of Brescia** (www.comune.brescia.it).

Direct communication with the territory is carried out through a procedure whereby the Company guarantees **to listen to any reports** from the neighbourhood regarding disturbance attributable to industrial activity such as vibrations, dust, odour and traffic. The procedure establishes that a suitable number of **reporting parties**, resident in the neighbourhood next to the factory, can transmit reports promptly.

The complaint is then recorded in a special register “Citizen Nuisance Reporting Model”, which also collects the intervention implemented by the Company to eliminate or reduce any anomalies. The register is available to the Observatory and the District Council. In **January 2020** a new reporting model was introduced for **noise**.

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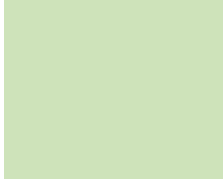
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chapter 6

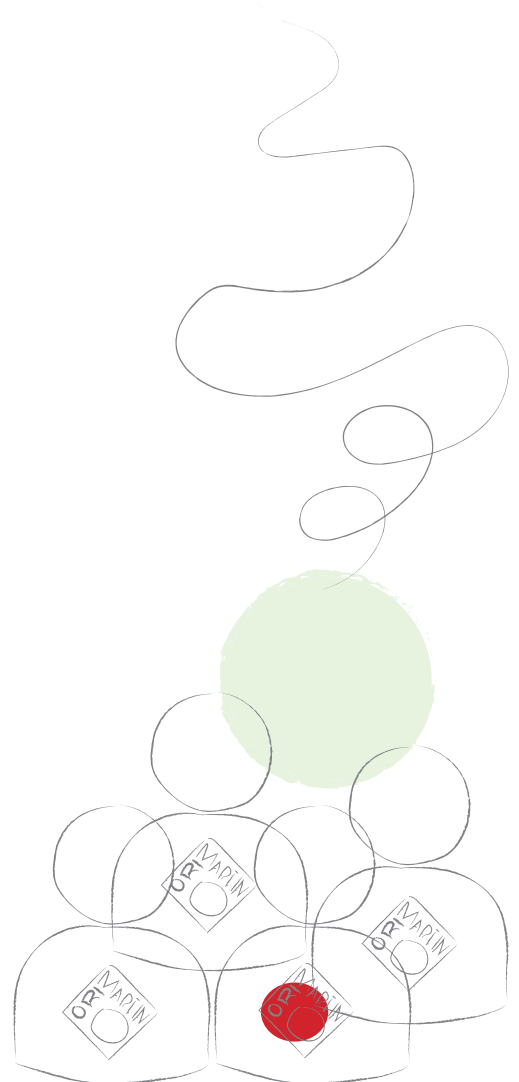
Social responsibility

6.1 ORI Martin's team

Human resources are the main pillar for ORI Martin's growth.

Aware of the strategic importance of the employees, the Company manages human resources by focusing on their enhancement and their complete integration into the **corporate culture**.

Staff management is based on the Code of Business Conduct, which promotes **respect** for equal opportunities, growth of individual skills, development of **teamwork** and continuous learning in the overall effort aimed at cultivating skills and **competences** for everyone. Through training and professional updating, the energy and creativity of individuals will find full expression for the realisation of their potential.



6.1.1 The workforce

ORI Martin's workforce consists (as of 31 December 2020) of **435 employees**, a figure that confirms a growing trend that made it possible to achieve the brilliant results of recent years.

There are 24 women currently employed, growing continuously (in 2018 there were 15).

The workforce increase has a strong significance for the territory as well, since a large part of the staff live the province of Brescia.

All employees are subject to collective contractual agreements: the national reference contract applied is the Metalworking-Industry (CCNL) on top of a second-level contractual scheme that provides employees with a series of additional perks, such as productivity and quality bonuses, professionalism rises and training bonuses.

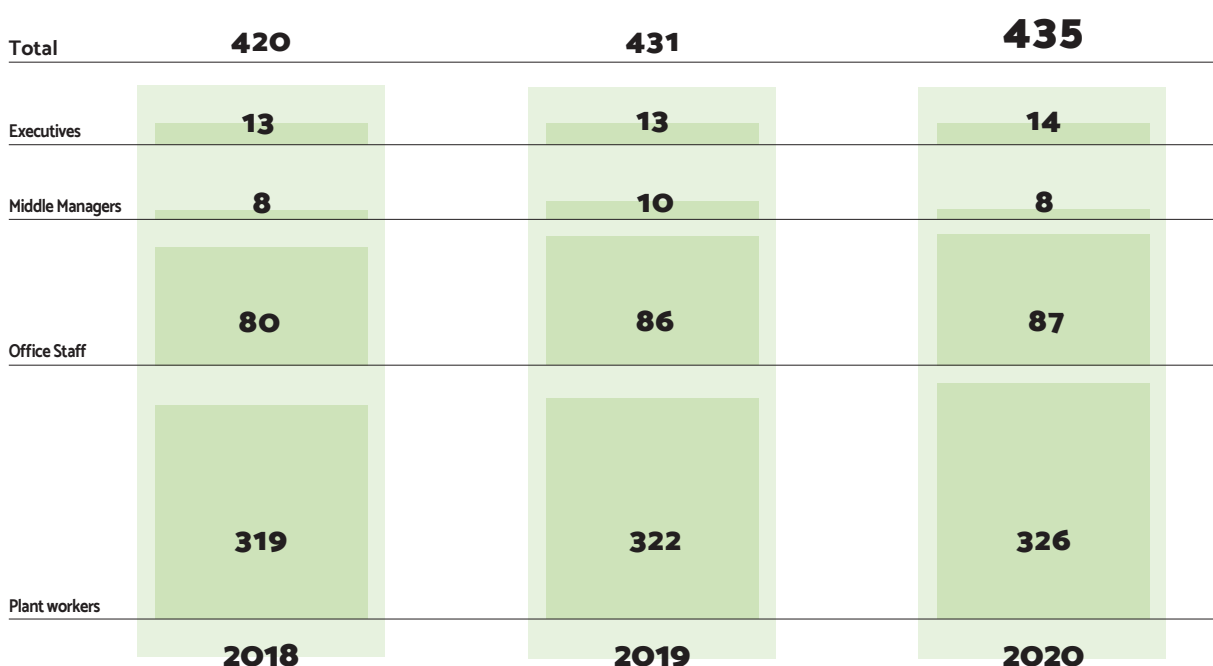
Trade unions **are a key interlocutor** for HR management since they record a high rate of engagement among ORI Martin employees.

The Company can count on consolidated relationships developed over many years of open dialogue with the Unions, characterised by mutual respect and recognition with a focus on the issues of greatest interest to the workers.

The Company endeavours to meet and inform the Trade Unions about strategic Company choices that could cause significant changes to the existing manufacturing structure and work organisation, with minimum notice going from 6 to 24 months based on the type of contract.

The category most represented is **plant workers**, counting **326** at the end-of-year reporting, 75% of the total workforce. Followed by office staff (87), **executives** (14) and **middle managers** (8).

Staff by professional category (units)*



* For how workforce figures are aggregated, please refer to what is reported in the Methodological Note.

As for age distribution, the experience required for the high level of complexity of the production processes means that the majority are in the age group between 30 and 50.

It is interesting to point out that 44% of **those hired in 2020** are in the **under 30 age group**.

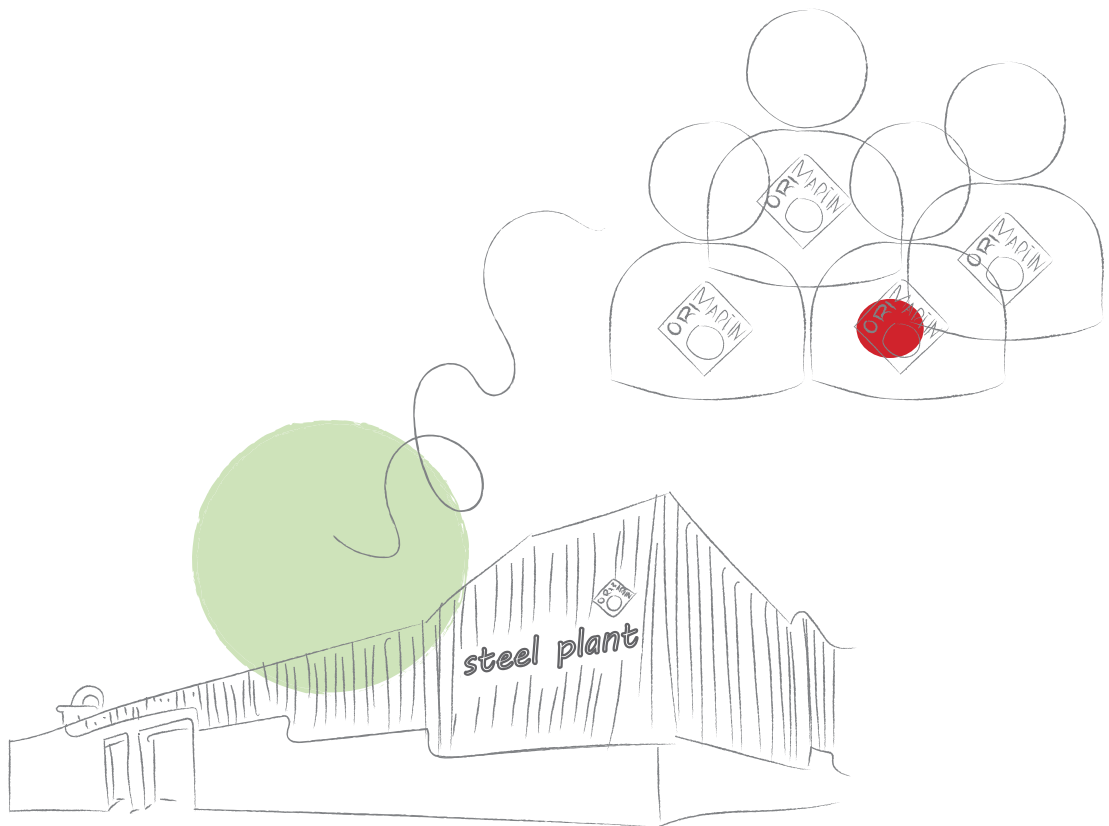
For ORI Martin, development of its human resources is also based on employment stability and continuity, fundamental elements of any relationship of loyalty and mutual trust.

This position is reflected in the contracts in place at the plant, where **96.3%** of the workforce is **employed on permanent contracts**.

The Company also allows for part-time employment, affecting only a minority of employees with just 3 out of 435.

The growth in the workforce recorded in recent years is due to the positive and constantly growing trend in hiring.

Even in such a special year as 2020, characterised by the pandemic, ORI Martin maintained this employee increase trend.



6.1.2 A safe workplace

Striving to achieve continuous improvement means first of all ensuring a healthy and safe working environment for the employees, constantly analysing the work environment and taking into account all the factors relevant to safety.

On conducting and developing those activities the Company takes into account the requirements, regulations and standards of reference and their modifications, while maintaining regulatory compliance through a **health and safety management system**.

The system, certified since 2011 according to BS OHSAS 18001: 2007, was updated in 2019 according to UNI EN ISO 45001 and covers all the employees and workplaces of the plant.

Furthermore the Company has qualified as a major accident risk (lower threshold RIR plant) according to Legislative Decree 105/15 which enforces Directive 2012/18/EU. The liability is related to the storage, beyond the thresholds allowed by the decree, of fumes abatement powders containing dangerous substances, in particular zinc oxide and lead compounds classified as dangerous for the environment.

For this reason, according to Decree requirements, ORI Martin has developed the Major Accident Prevention Policy, which includes the objectives set in the field of prevention and control of major accidents for the protection of health, the environment and goods.

According to the management system, the health and safety of workers is supervised by a structure that reports to plant Management, where there are key figures such as the Head

of the Prevention and Protection Service (RSPP), safety officers, a Company doctor and the Workers Safety Representatives (RLS), in accordance with Legislative Decree 81/2008.

ORI Martin has set up an internal workgroup, including Technical Department, Human Resources, Department Managers, RSPP and RLS, which meets quarterly to evaluate the performance indicators and define the related corrective actions and new operational procedures regarding Environment & Safety.

In addition, an internal reporting system is in place, set up to define the appropriate corrective or improvement actions. All reports deemed valid are analysed by management, the RSPP and the managers of the department concerned and can lead to improvement actions.

In accordance with Legislative Decree 81/2008, ORI Martin manages the hazards related to health and safety in the plant by identifying and assessing risks through a specific procedure aimed at monitoring, mitigating and updating them.

ORI Martin has a Company doctor (specialised in Occupational Health) to carry out regular medical assessments on workers of all departments.

The main health issue that most frequently affects steel plant and rolling mill workers is loss of hearing, for which the Company has implemented a specific monitoring system based on age group and risk exposure levels.

Furthermore, ORI Martin is active on the **prevention** front, with training courses for employees suited to the specific tasks and risks and through initiatives aimed at promoting a healthy and balanced lifestyle, such as the *Work Health Program (WHP)*, promoted by the Lombardy Region and terminated in 2019.

ORI Martin has suffered from the spread **of Covid-19** which, since February 2020, affected the entire production system.

To protect the health and safety of its employees, the Company reacted by adopting all the restrictive measures based on government and regional indications, but also thanks to three Trade Union agreements related to virus containment measures.

A specific **internal Committee** regularly checked application of the protocols themselves, meeting five times between May and December.

Management established a **closure period from 19 March to 13 April 2020**.

The activity then gradually started again, with brief production stops at weekends.

Use of the Covid-19 Wage guarantee fund ended in June.

With the second wave, in November, the agreement was finalised with the Trade Unions (third protocol); in particular related to the management of cases of workers returning to work after sickness periods and regulating “suspect cases”, a hypotheses that was not regulated nationally.

As a whole, during the year the Company recorded **ten cases** of infection, with a minimum incidence on the total workforce.

To ascertain new cases, the Company made a swab test service available through the Company doctor.

In September 2020, a **specific training course** was delivered to all employees on **Covid-19**, from disease symptoms to actions taken by the Company and the relative procedures adopted.

As for **injury rates³, the frequency index dropped**, going from 39.5 in 2019 to 18.2 in 2020.

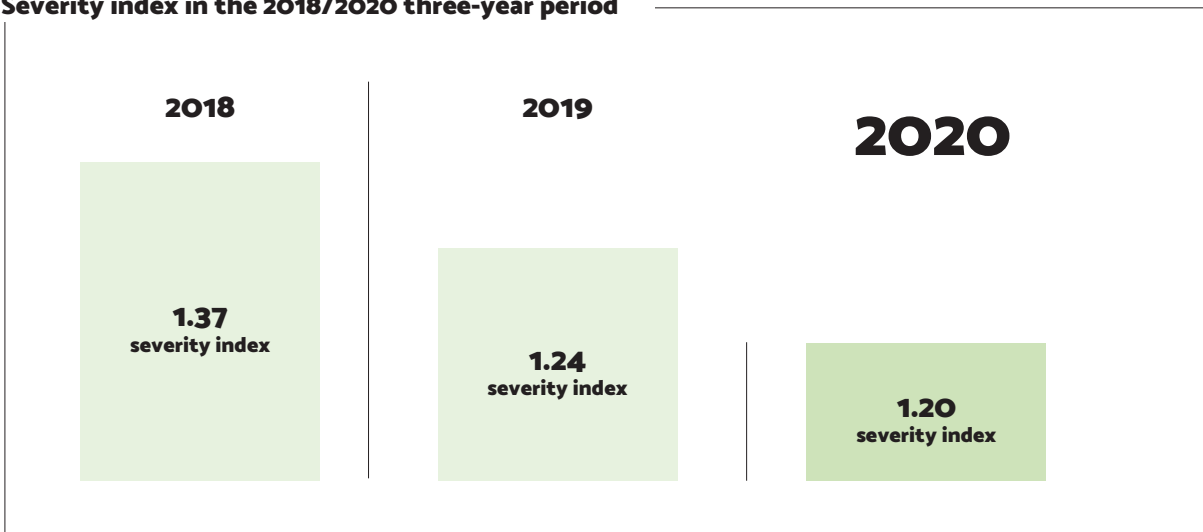
The total number of **injuries** in the workplace **dropped in 2020** to 13 against 29 the previous year. Of these, one case involved a longer absence of 6 months, taking the frequency index of accidents in the workplace with serious consequences to level 1.5 (*Table GRI 403-9: Work-related injuries*).

³ For the definition and calculation of injury rates please refer to the Methodological Note.

Hours worked and frequency index in the 2018/2020 three-year period



Severity index in the 2018/2020 three-year period



6.1.3 Skills development

Development of individual skills and permanent learning are amongst the levers that the ORI Martin Code of Business Conduct identifies for the management and **enhancements** of its **human capital**.

Hand in hand with innovation related to products and production processes, ORI Martin considers it essential to constantly **update** the **skills** and **know-how** of its people.

ORI Martin takes care to develop skills through targeted training in terms of technical and behavioural content.

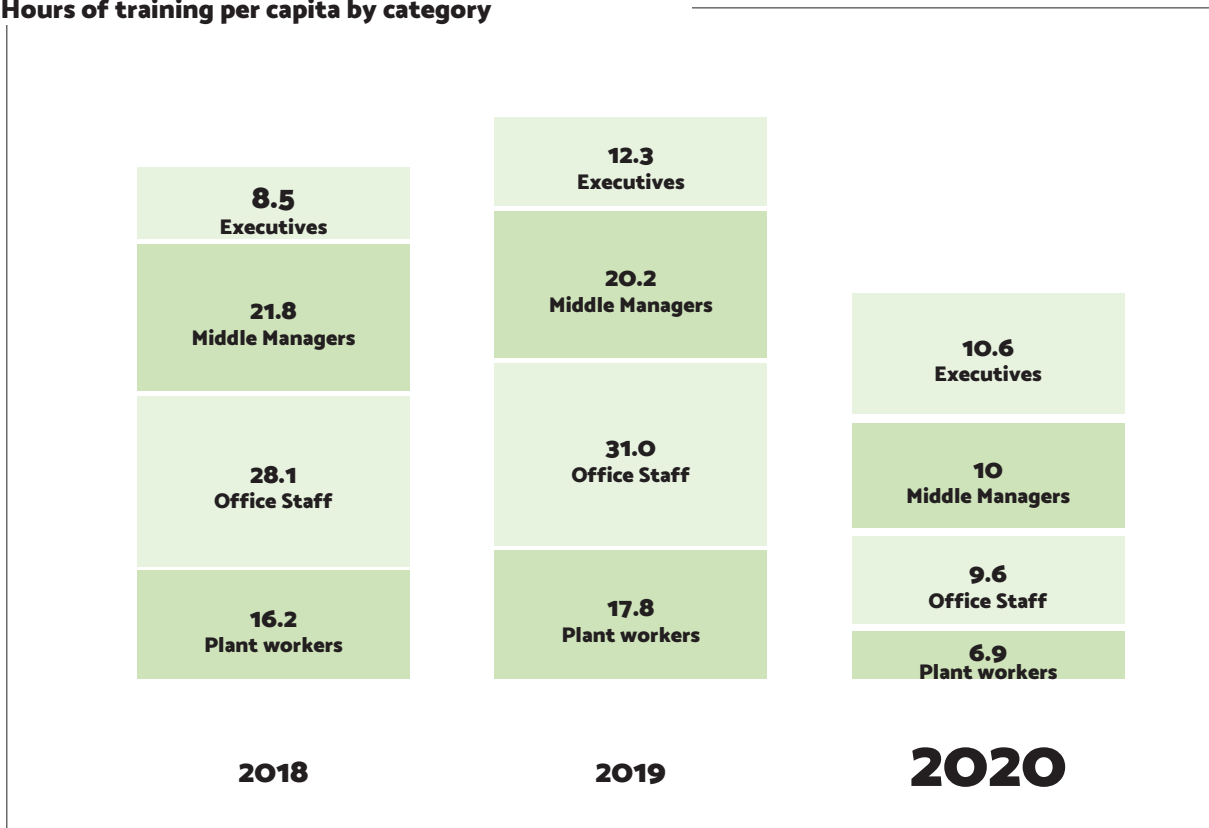
Planning is handled annually by the Human Resources function, through a special training

plan laid out in collaboration with the Head of the Prevention and Protection Service(RSPP), Quality Assurance and the Workers' Representatives (RLS).

The Company's focus on **transversal skills** has also grown, such as **digitisation** and **teamwork**.

Training hours per capita amount to 7.6 per employee, down compared to the previous years due to the pandemic that did not allow for any physical face-to-face classroom training hours.

Hours of training per capita by category

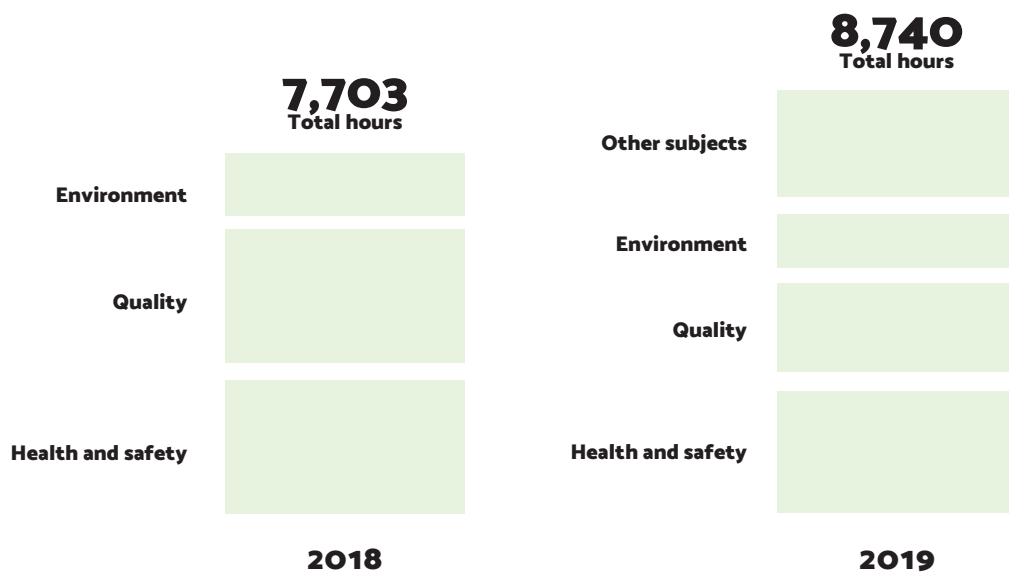
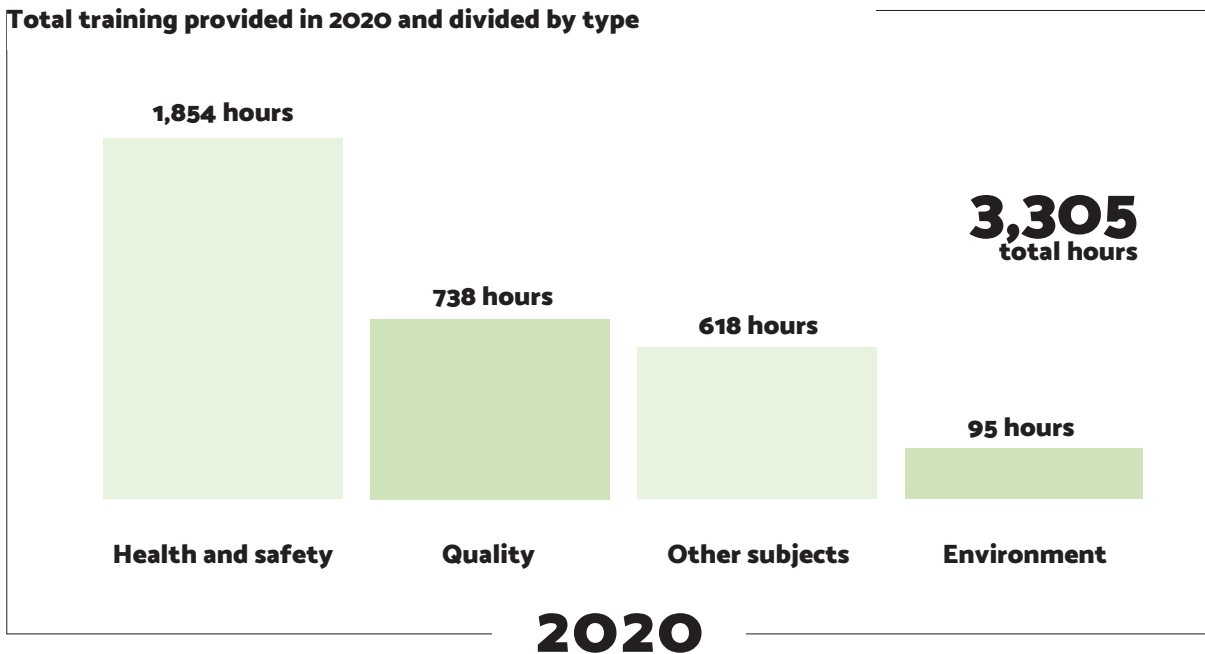


Another important lever for skills development in ORI Martin are the **scheduled performance assessments** carried out on the entire Company staff according to a structured procedure that examines the situation of each employee at least once a year.

complexity of the workstation and the seniority level of the employee), and subjective elements expressed collectively by the reference figures: the team manager, the department manager, the technical manager and the Human Resources manager.

For personnel employed in production, the assessment combines objective elements, identified by the job description (including the

Total training provided in 2020 and divided by type



Well-being in ORI Martin

In the belief that the development of human resources must also include the ability to support **employee well-being** and **personal satisfaction**, over the last few years ORI Martin has promoted various initiatives aimed at improving work-life balance.

In this area, the Company intervenes on several levels.

On a **financial level**, an integration fund has been set up for employees' health costs and other solidarity interventions (**FAIO**, ORI Martin Internal Assistance Fund).

In addition, the Company guarantees a monthly contribution to be allocated to the Cometa Supplementary Fund.

ORI Martin provides ad hoc **scholarships** to reimburse the expenses incurred by employees related to their children's education, such as tuition, university fees and textbooks.

Another **solidarity** initiative takes place in the event of the death of an employee where one working hour (from each employee) is donated to the heirs of the deceased. Furthermore the Company gives out seniority and marriage bonuses, Christmas gifts and gift packages for the children of employees at Saint Lucy (Italian celebration on 13th December).

On the **prevention front**, the Company organises days dedicated to the distribution of vaccines for employees on a voluntary basis. In addition, it supports the campaign promoted by ANT foundation in order to prevent melanoma and thyroid diseases.

Like 2019, in 2020, a sale of citrus fruits was promoted, where the proceeds went to cancer prevention projects for citizens; while in the past, information meetings were organised in the plant for all employees, with the possibility of free medical visits.

Also on the subject of prevention, information sessions are organised by the Italian Association for Organ Donation (AIDO) which, in 2019, awarded ORI Martin with the "gold medal for social commitment", an award given to people, institutions or professionals who have contributed to the culture of giving by collaborating with AIDO.

Lastly, the historical element of the Company is the **Elderly Group**, active since 1980 to develop relationships between older workers and active workers, encourage voluntary activities outside working hours, support Members or their families in disadvantaged situations and promote educational, cultural, recreational activities.

The Group now has about 270 members, and celebrates the Company Elder's Day every year.

In 2019, the Company also launched the "**Train the Brain**" project against cognitive loss, dementia and Alzheimer. In June 2020 in-person talks were arranged with a neuro-psychologist in order to prevent and control the cognitive state. The "Neuro-psychological screening reports" were sent to participants directly.

6.2 Supply chain partners

ORI Martin exercises its founding principles and values according to its Code of Business Conduct in the activity it carries out every day with commercial counterparts, primarily suppliers and customers.

Aware of the strategic importance of selecting reliable partners for the construction of solid and lasting growth over time, ORI Martin adopts a policy of careful **selection of its suppliers** (in line with ISO 9001 and IATF 16949 requirements) and promptly listening to Customer needs and requirements.

Suppliers must be listed in the Register of qualified Suppliers and in order to get to that stage, they must be **assessed** according to a **qualification procedure** based on a cross-functional evaluation across all Company departments: the managers of Purchasing, Quality, Environment and Safety Departments are called upon to assess their respective areas of expertise on different levels.

ORI Martin's suppliers therefore demonstrate the ability to meet the highest standards of professionalism and quality in all relevant aspects.

Furthermore, due to the crucial importance of their role, particular attention is paid to suppliers of the raw materials needed for the production process – ferrous scrap above all – or of services for outsourced activities.

These suppliers have a certified quality management system according to UNI EN ISO 9001/2015.

Scrap suppliers must also be in possession of a certification in line with EU Regulation 333/2011 for the treatment of scrap as non-waste and must be in *compliance* with environmental and safety regulations; the upholding of these requirements is monitored through a management information system that records the expiry date of the certificates.

For materials purchased that are considered “hazardous substances/mixtures/products” for humans and the environment, the relevant Safety Data Sheet is always requested from the supplier, which describes the characteristics of safety and environmental aspects.

For each order, suppliers are required to fully adhere to rules outlined in Legislative Decree 231/2011 and to comply with the contents of the **ORI Martin Code of Business Conduct** and the provisions in Legislative Decree 196/2003 (Privacy Code) and EU Regulation 676/2016 (GDPR) which therefore all constitute essential contractual conditions.

Once a year suppliers receive a **rating** referred to the **quality of the product and service**, established automatically based on an algorithm combining any non-conformities detected in the period of reference with other parameters, for example delivery punctuality.

The main ORI Martin supplies originate mainly from Northern Italy, also due to where the facility is located in an industrial basin where many steel chain companies can be found.

The proximity of suppliers also provides a competitive advantage in terms of minimisation of shipping costs.

Amongst raw materials, the main item concerns **scrap** mainly supplied by the subsidiary AOM Rottami S.p.A. based in Lombardy. Pig iron and direct-reduced iron are instead of non-EU origin.

The supply of materials used in the production process is also monitored from the point of view of the produced CO₂ emissions.

Volumes transported and kilometres travelled are

recorded for each supplier and each delivery.

The calculation is then included in those of the scope 3 *carbon footprint* emissions, reported in chapter 5.3.1 “Greenhouse gas emissions and CO₂ footprint”.



AOM, strategic partner for scrap

The guarantee of an ORI Martin quality product begins upstream of the process, in the meticulous selection of the raw materials. Over 95% of the raw material used is represented by **scrap**, which therefore plays a central role in the production process.

In order to ensure the highest standards of quality and reliability for its raw materials, ORI Martin can count on a consolidated relationship with AOM Rottami S.p.A. which supplies over 80% of annual needs.

AOM Rottami is a Company **founded in 2005** by ORI Martin and an experienced, historic partner in the scrap trading sector. AOM Rottami is active in the collection, processing and marketing of metal scrap; based in the province of Bergamo, AOM Rottami has a storage, processing and shipping capacity of over 100,000 tons/month.

Besides the pre-requirements requested by ORI Martin of all scrap suppliers (such as ISO 9001/2015 certification and certification pursuant to EU Regulation 333/2011), AOM Rottami is certified ISO 14001/2015 (Environmental management system) and ISO 45001/2018 (Occupational health and safety system), thus providing a further guarantee of a management system based on the **monitoring** and continual **improvement** of its environmental, and occupational health and safety **performance**.

Listening to **customer** needs and suggestions and the development of solutions able to satisfy and anticipate their requests are strategic activities of vital importance for a Company that defines its competitive advantage by working on custom orders based on the needs expressed each time by the customer.

Upstream of processing, ORI Martin brings added value to the offer by customising and adapting production to customer requirements and integrating complete and innovative proposals. Downstream of the order, however, the Company collects any complaints through a specific function and carries out **satisfaction** surveys, periodically submitted to customers to verify the level and effectiveness of the service offered.

ORI Martin is committed to establishing business relationships based on a solid foundation of shared rules and ethical principles. For this reason a declaration is made available to all customers, renewed every year, whereby relations with countries belonging to conflict zones are excluded. This way customers can declare the absence of so-called *conflict minerals* in the steel purchased: those are resources extracted in high-risk regions where the minerals trade could be based on forced labour or may finance illegal activities. ORI Martin operates

according to the principles defined by the UN *Global Compact* although it has not formally joined.

ORI Martin is committed to favouring intermodal freight to deliver its products to foreign customers. As a result of the long distances to be covered, a significant reduction in greenhouse gases is achieved.

With respect to the activities of trade associations, ORI Martin is an active member of the main reference sector bodies: **Federacciai** and **Italian Metallurgy Association** (AIM).

As part of its participation in the **Brescia Industrial Association** (AIB), the Company is part of **RAMET**, a consortium that brings together over twenty companies in the steel and metallurgical sectors, engaged in environment-related research projects. Moreover, ORI Martin belongs to **ACIMAF** (Italian Wire Machinery Manufacturers Association) and in other associations active along the automotive supply chain like the **Union of Italian Screw and Bolt Manufacturers** (UPIVEB), the **Italian Spring Manufacturers** (ANCCEM) and collaborates with the technological clusters involved in innovation.





6.3 Territory

Being **part of a community** for ORI Martin means not only committing to establish a constructive co-existence based on the principles of constant **dialogue** and mutual respect with the **territory**, but also dedicating itself to proactive action to contribute to the general improvement of the surrounding **context**.



To develop these initiatives, ORI Martin can count on a **relationship** based on **mutual trust** gained over the years with both the **Municipal Administration** and with the **District Council**.

Considering the indirect impacts generated by mobility to and from the plant, **ORI Martin** has invested in redesigning **the access routes** and in encouraging alternative mobility by building **more than 3 km of cycle paths** around the plant. Also a city **bike sharing** service was set up to encourage employees to reach their workplace on bike.

And for years now, the Company has been using **electric cars** for all transfers within Brescia.

Another initiative to the benefit of **green** areas in the district was a **gift** to the Municipality of an **urban wood**.

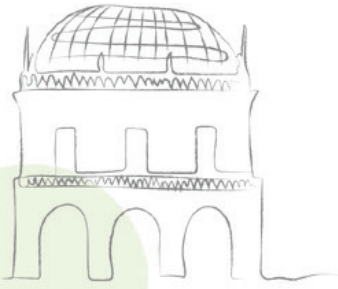
More than 500 trees have been planted to **enhance the area** and mitigate the environmental impact. A park area of about **40,000 square metres**, situated to the north of the facility, added to the one of another 40,000 square metres transferred to the Municipality to deduct expenses foreseen are part of the Urban-planning Agreement of 2000.

For about forty years ORI Martin has been supporting more than thirty **associations** and **institutions** operating in the **social, cultural, artistic areas**, supported with annual contributions and followed over the years together with the Company's **Elder's Group**.



SAN BARTOLOMEO





In the social field the commitment in favour of **Scuola Nikolajewka**- an important organisation active in the field of disability - stands out since its foundation in 1983, as well as the support, started in 2019, of a Community Centre, a decentralised institution within the **Municipality Administration**, which works for the elderly and vulnerable groups of the resident population.

As for educational institutions, the Company supports the **Benedetto Castelli Foundation**, which promotes and enhances the educational offer of the Technical Institute of the same name and the **International High School for Business Guido Carli**.



In terms of cultural offer, ORI Martin has been supporting **MUSIL, the Museum of Industry and Labour** for years, an absolutely unique institution in Italy. It has already opened some exhibition centres in the Province of Brescia, while the main location is going to open in town in the next few years.

Convinced that relations with the territory develop at different levels, the ORI Martin commitment is also aimed at sustaining and strengthening the social and relational fabric that it belongs to, with its **artistic and cultural heritage**.

On this point, in 2020 it finalised its three-year participation in the **“Alliance for culture”**, to support cultural initiatives promoted by the **Brescia Museums Foundation**.

On 16 October 2020, the statue of the **Vittoria Alata (Winged Victory) symbol of the city of Brescia, returned to Brescia after two years of restoration work**. The restoration was made possible by a specific contribution made by ORI Martin in the previous years.



ORI Martin has participated in several **initiatives** promoted locally, **to manage the health**, social and work emergency caused by the **pandemic**:

aiutiAMO Brescia (let's help Brescia), promoted by the Foundation of the Brescia Community and the Giornale di Brescia, with an economic contribution in the memory of our Vice President, Annamaria Magri, who died of Covid in March 2020.

SOSTieni Brescia (support Brescia), a fund raiser launched by the Municipality of Brescia, to sustain the economic activities and contain social unrest.

Direct contributions were also made to the **Spedali Civili di Brescia (Civil Hospitals of Brescia)** and to the **Istituto Clinico Città di Brescia-Gruppo San Donato**.



Statistical appendix

201-1: Direct economic value generated and distributed

Generated value	2018	2019	2020
Value of production ¹	477,736,020	419,576,659	342,788,840
Income from equity investments	1,094,700	1,415,100	1,003,477
Other financial income	352,304	380,536	585,863
Extraordinary income	1,410,971	7,099,481	0
Total value generated	480,593,995	428,471,776	344,378,179

Distributed value	2018	2019	2020
Value to suppliers	372,016,396	328,088,123	287,685,808
Value to employees	34,269,971	32,457,916	30,125,581
Value to the Public Administration ²	13,771,745	7,346,173	7,216,409
Value to capital providers	800,055	932,589	1,044,318
Value to the community	488,395	423,469	728,932
Total value distributed	421,346,562	369,248,270	312,368,230

Retained value	2018	2019	2020
Operating income	38,151,218	23,274,748	8,226,601
Depreciation / Provisions / Write-downs / Revaluations	21,096,215	35,948,759	23,783,349
Total value withheld	59,247,433	59,223,506	32,009,950

¹ In this document, the "Value of production" item differs from the one reported in the financial statements for the year, as the extraordinary income was extracted and reported in the appropriate item.

² The 2020 figure is negative for fiscal receivables accrued and tax prepayments made.

102-8: Information on employees and other workers

	2018			2019			2020		
	M	F	Total	M	F	Total	M	F	Total
Total workforce	405	15	420	407	24	431	411	24	435
Permanent contracts	376	15	391	387	23	410	396	23	419
Fixed term contracts	29	0	29	20	1	21	15	1	16
Full-time	404	14	418	406	22	428	410	22	432
Part-time	1	1	2	1	2	3	1	2	3

401-1: New employee hires and employee turnover - Female

	2018		2019		2020	
	Hires	Turnover	Hires	Turnover	Hires	Turnover
< 30 years old	0	0	1	0	0	0
30 to 50	0	1	8	1	2	0
> 50 years old	0	0	1	0	0	2
TOTAL	0	1	10	1	2	2

401-1: New employee hires and employee turnover - Male

	2018		2019		2020	
	Hires	Turnover	Hires	Turnover	Hires	Turnover
< 30 years old	11	0	9	2	11	2
30 to 50	16	5	12	8	11	5
> 50 years old	3	15	2	11	1	12
TOTAL	30	20	23	21	23	19

401-1: New employee hires and employee turnover - Total

	2018		2019		2020	
	Hires	Turnover	Hires	Turnover	Hires	Turnover
< 30 years old	11	0	10	2	11	2
30 to 50	16	6	20	9	13	5
> 50 years old	3	15	3	11	1	14
TOTAL	30	21	33	22	25	21

404-1: Average hours of training per year per category

Category	2018	2019	2020
Executives	8.5	12.3	10.6
Middle Managers	21.8	20.2	10.0
Office Staff	28.1	31.0	9.6
Plant workers	16.2	17.8	6.9
Total	18.3	20.4	7.6

GRI 403-9: Work-related injuries

Category	2018	2019	2020
Hours worked	693,329	708,009	658,558
Number of work-related injuries	21	29	13
of which with more than 3 days absence	20	26	12
of which accidents in progress	1	1	0
of which with serious consequences (>180 days absence)	0	1	1
of which fatal	0	0	0
Injury frequency index	28.8	39.5	18.2
Frequency index of injuries with serious consequences	0	14	1.5
Fatality frequency rate	0	0	0
Severity index	1.37	1.24	1.20

GRI 403-10: Work-related ill health

Number of cases of recordable work-related ill health ⁷	1	1	1
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⁷ With respect to occupational diseases, there was a case of mesothelioma in 2018 and one of hearing loss in 2019 and one of dermatitis in 2020.

301-1: Materials used

Raw materials	Units of measurement	2018	2019	2020
Scrap	Tons	680,523	681,804	649,652
Ferrous alloys	Tons	17,165	16,062	14,353
Reduced iron	Tons	33,803	17,575	-
Pig iron	Tons	35,801	25,476	21,250

Raw materials	Units of measurement	2018	2019	2020
Lime	Tons	33,874	30,397	29,643
Coal	Tons	12,253	11,915	12,040
Refractory	Tons	11,803	11,464	10,241
Electrodes	Tons	1,279	1,259	1,144
Graphite	Tons	1,567	1,579	1,234
Oxygen*	m ³	17,503,929	16,278,276	15,108,468
Nitrogen**	m ³	5,693,281	5,398,916	5,342,489
Argon**	m ³	450,649	416,962	339,942

* The volume of oxygen is measured under normal conditions, i.e. at 1,013.25 millibar atmospheric pressure and at 0°C.

** The volume of nitrogen and argon is measured under standard conditions, i.e. 980.5 millibar pressure and 15°C.

303-3: Water withdrawal

Water withdrawal	Units of measurement	2018	2019	2020
Withdrawn from groundwater	m ³	740,440	754,840	731,396
Withdrawn from third party resources	m ³	9,932	8,785	10,377
Total withdrawn water	m³	750,372	763,625	741,773

303-4: Water discharge

Water withdrawal	Units of measurement	2018	2019	2020
Discharge into surface waters	m ³	168,909	221,407	205,649

Analysis of waste water from the steel plant S1 - Annual average

Parameter (mg/l)	Limits (mg/l)	2018	2019	2020
Total suspended solids (TSS)	80	< 5	< 5	< 5
C.O.D (O ₂)	160	< 10	< 10	< 10
Total hydrocarbons	10	< 0.5	< 0.5	< 0.5
Iron (Fe)	2	< 0.10	< 0.10	< 0.10
Copper (Cu)	0.1	< 0.01	< 0.01	< 0.01
Zinc (Zn)	0.5	< 0.05	< 0.05	< 0.05
Nickel (Ni)	2	< 0.10	< 0.10	< 0.10
Total chromium (Cr)	2	0.13	0.10	0.10
Lead (Pb)	0.2	< 0.05	< 0.05	< 0.05

Analysis of waste water from the rolling mill s3 - Annual average

Parameter (mg/l)	Limits (mg/l)	2018	2019	2020
Total suspended solids (TSS)	80	< 5	< 5	< 5
C.O.D (O ₂)	160	15.3	11.7	14
Total hydrocarbons	5	< 0.5	< 0.5	< 0.5
Iron (Fe)	2	< 0.10	< 0.10	< 0.10
Copper (Cu)	0.1	< 0.01	< 0.01	< 0.01
Zinc (Zn)	0.5	< 0.05	< 0.05	< 0.05
Nickel (Ni)	2	< 0.10	< 0.10	< 0.10
Total chromium (Cr)	2	< 0.10	< 0.10	< 0.10
Lead (Pb)	0.2	< 0.05	< 0.05	< 0.05

302-1: Energy consumed within the organisation (GJ)

Energy consumed in the plant (in GJ)	2018	2019	2020
Electricity purchased from the grid	1,856,839	1,762,094	1,593,780
Natural gas	881,021	820,272	729,960
Diesel fuel	11,547	10,973	8,089
of which diesel for internal movements	10,335	9,783	7,340
of which diesel for the car fleet	1,212	1,190	749
Self-produced and consumed electricity	10,643	8,618	9,123
Total	2,760,050	2,601,957	2,340,952
Thermal energy sold	81,453	82,749	52,111

Analysis of the main polluting emissions into the atmosphere from steel plant chimneys (mg/Nm³)

0.0035	Limit value (mg/Nm ³)	Chimney measurement E1			Chimney measurement E1bis		
		2018	2019	2020	2018	2019	2020
Total organic carbon (TOC)	20	1.7	6.8	4	1.7	8.7	3.7
Nitrogen oxides (NO _x)	300	9	6	11	5	7	10
Σ(Pb,Mn,Cu,V,Sn)	5	0.0035	0.0147	0.0065	0.0025	0.0178	0.0157
Σ(Cr,Ni,Co,V,As,Cd)	1	0.0015	0.0015	0.0015	0.0015	0.0034	0.0029
Mercury	0.05	< 0.0006	< 0.0006	< 0.0006	< 0.0006	< 0.0006	< 0.0006
IPA*	0.01	0.000022	0.000021	0.000019	0.000024	0.000018	0.000019
PTS	5	< 0.2	0.4	< 0.2	< 0.2	0.4	0.5
Hydrochloric acid	10	< 0.5	< 0.5	< 0.5	< 0.5	0.5	< 0.5
Hydrofluoric acid	2	< 0.2	< 0.2	< 0.2	< 0.2	< 0.2	< 0.2
PCDD/PCDF (ng I-TEQ/Nm ³)	0.1	0.0046	0.0017	0.0012	0.0036	0.0014	0.0006
PCB dl** (ng I-TEQ/Nm ³)	-	0.0012	0.0012	0.00091	0.0014	0.0010	0.00097

* The value is the sum of the composites reported in the table of Legislative Decree 152/06 as amended.

** By PCB we are referring to dioxin like PCBs.

306-4: Waste recycled (t)

	2018	2019	2020
Non-hazardous waste	83,748	96,783	77,789
Hazardous waste	7,724	7,916	8,243
Total sent for recovery	91,472	104,699	86,032

306-5: Waste sent to landfill (t)

	2018	2019	2020
Non-hazardous waste	30,869	32,264	29,783
Hazardous waste	182	57	14
Total sent to landfill	31,051	32,321	29,797

Methodological Note

The second Sustainability Report of ORI Martin S.p.A. (in the text “ORI Martin” or “Company”), with operational site in via Cosimo Canovetti 13 in Brescia and registered office in C.so Garibaldi 49, Milan, was drawn up in accordance with the **“GRI Sustainability Reporting Standards”**, the most recent and widespread non-financial reporting standards established in 2016 (and updated in 2018 and 2020) by the **Global Reporting Initiative (GRI)**, based on “Core” option and represents the first audited version of the ORI Martin Sustainability Report.

With specific reference to waste management, the most updated version of the GRI 306 (Waste) indicator was adopted, released in 2020.

The document, drawn up to provide information on the aspects and significant impacts of the Company’s sustainability complies with the **reporting principles** of definition and quality of content expressed by the GRI, such as the **inclusiveness of Stakeholders, Sustainability context, materiality, completeness, accuracy, balance, clarity, comparability, reliability and Timeliness**.

The document presents the actions and performances linked to topics considered “material” for ORI Martin and its Stakeholders (see chapter 2 “Sustainability for ORI Martin”). 2020 is the reporting year and unlike the first edition it was possible to compare the data of three years (2018/2020).

The data reporting scope is limited to ORI Martin S.p.A. alone, with specific reference to the **Brescia plant** and excludes subsidiaries.

Material topics

In addition to what is reported in chapter 2.2 “Material topics”, ORI Martin has adopted a methodological approach that complies with the guidelines of the *Global Reporting Initiative (GRI)*, identifying the universe of potentially relevant topics through a context analysis.

This analysis considered:

- global macro-trends of sustainability;
- trends in the steel sector;
- the benchmarks and reporting practices of the main competitors;
- the media, and in particular communication regarding the activities of ORI Martin;
- internal Company documentation.

The topics that emerged from the context analysis were evaluated by Top Management representatives, the main Company functions and the Company Owners through a dedicated *workshop*.

Participants were asked to assess the level of significance of the environmental, social and economic impacts associated with each issue, assigning a score on a scale of values (from low to very high) which made it possible to obtain the average level of significance of impacts perceived within the organisation.

Boundary of material aspects

Material topic	GRI disclosure	Boundary		Reporting boundary
		Internal	External	
Compliance with environmental legislation	307: Environmental compliance	ORI Martin	-	-
Energy efficiency and the fight against climate change	302: Energy 305: Emissions	ORI Martin	Suppliers	The impact is extended to suppliers limited to Scope 3 GHG emissions
Polluting emissions and air quality	305: Emissions	ORI Martin	-	-
Limitation of environmental impacts and circular economy	301: Materials 303: Water and effluents 306: Waste	ORI Martin	-	-
Noise pollution	-	ORI Martin	-	-
Occupational health and safety	403: Occupational health and safety	ORI Martin	-	-
Staff development and training	404: Training and education	ORI Martin	-	-
Employment and staff relations	401: Employment	ORI Martin	-	-
Attention to the local community	413: Local communities	ORI Martin	Local community	-
Business integrity	205: Anti-corruption 206: Anti-competitive behaviour	ORI Martin	-	-
Product quality and traceability	-	ORI Martin	-	-
Sustainable development and innovation	-	ORI Martin	-	-
Economic performance and creation of value	201: Economic performance	ORI Martin	-	-

Calculation methods

Energy consumption

To report the energy consumption from the use of different sources, the quantities used were measured for each carrier and subsequently converted into GJ.

To uniform the single carriers, with specific reference to heating power, the conversion factors provided in the “UK Government GHG Conversion Factors for Company Reporting - Fuel properties” of DEFRA were used in the 2020 version.

GHG emissions

The data reported in section 5.3.1 “Greenhouse gas emissions” are based on the study conducted by ORI Martin together with an external collaborator to analyse the carbon footprint. Emissions are expressed in tCO₂eq.

The method used to calculate the emissions of *Scope 1*, *Scope 2* and *Scope 3*, in compliance with ISO 14064:2018 considers the following operating limits and emission factors:

Source	Consumption source registered	Emission factor source
Direct emissions		
Stationary combustion emissions	EU-ETS	EU-ETS
Mobile combustion emissions	Purchases of diesel for internal movements	IPCC
Company cars	Purchases of diesel Company cars	FETRANSP
Process emissions	EU-ETS	EU-ETS
Fugitive emissions	Registers of refrigeration group maintenance	IPCC
Indirect emissions from electricity		
Indirect emissions from imported electricity	Electricity purchase invoices	ISPRA
Indirect emissions from transport		
Upstream transport activity (procurement)	Km travelled by truck from the supplier to the plant	IPCC
	km travelled by other vehicles to the supplier	Measuring and managing CO ₂ emission of European transport
Downstream transport activities (shipments)	Km travelled by truck from plant to customer or intermodal junction	IPCC
Employee home/work transport	Number of employees, average trip	FETRANSP
Indirect emissions from assets used		
Emissions from assets purchased	Natural gas, electricity (consumption)	Electricity carbon intensity in European Member States
	Technical gases and other relevant raw materials	Worldsteel - CO ₂ Data collection, Ecoinvent 3.4
Emissions from waste disposal	Waste outgoing to disposal and recovery	Ecoinvent 3.4
Emissions associated with product use		
Emissions associated with product use	Products leaving the Company	Hires

Composition of workforce

Data in this Report differs from what is reported in the Financial Statements for years 2019 and 2020 due to the adoption of GRI Standard criteria.

Some values related to employees employed as at 31/12/2019 have been reviewed for greater alignment with the Standard adopted.

Health and safety

For calculation of the injury indexes, the GRI guidelines were adopted in order to make the data comparable with the rest of the market.

The calculation methods used for the various accident rates are shown below:

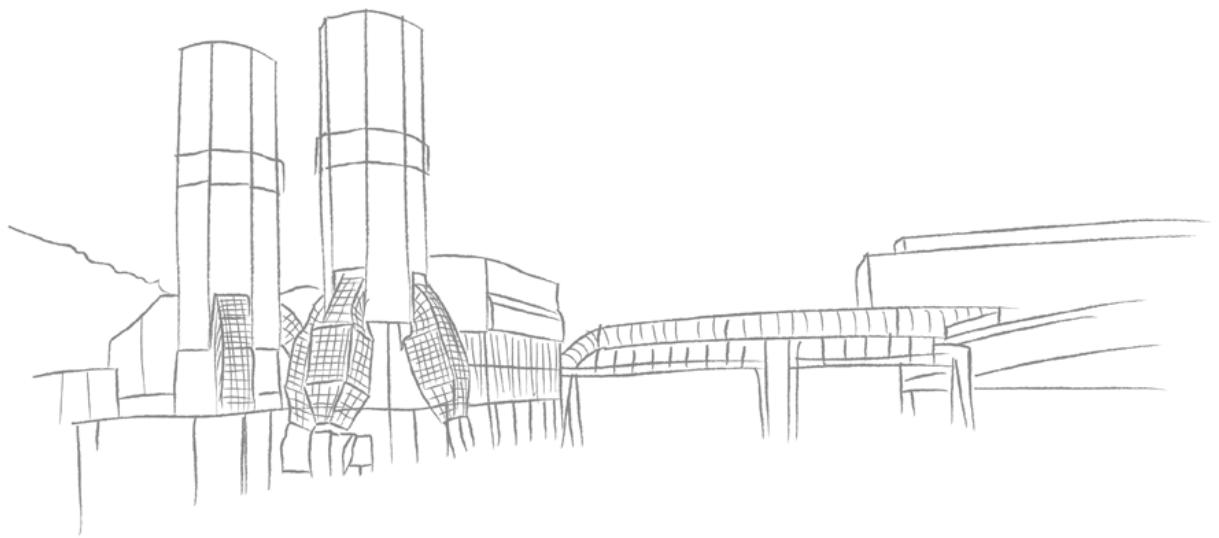
- the injury frequency index is calculated as the ratio between the total number of recordable work-related injuries (excluding those in progress) and the number of hours worked in the same period, multiplied by 1,000,000;
- the frequency index of serious injuries is calculated as the ratio between the total number of accidents with injury leave of more than 180 days and the number of hours worked in the same period, multiplied by 1,000,000;
- the severity index is calculated as the ratio between the number of days lost and the number of hours worked, multiplied by 1,000. Accidents of less than three days of injury leave are excluded.

Information and contacts

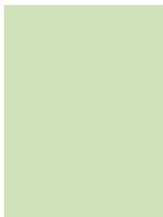
Collection of information was managed by the Sustainability Manager.

For information and specific requests regarding the contents of ORI Martin's 2020 Sustainability Report, please refer to the following mailbox: info@orimartin.it.





GRI Content Index



GRI standard	Disclosure	Description indicator	Document section	Notes and omissions	
General disclosure					
GRI 102: General disclosure 2016	Organizational profile				
	102-1	Name of the organisation	1.2.1 About us, Methodological note	-	
	102-2	Activities, brands, products and services	1.2.2 What we do	-	
	102-3	Location of headquarters	1.2.1 About us, Methodological note	-	
	102-4	Location of operations	1.2.1 About us, Methodological note	-	
	102-5	Ownership and legal form	1.2.1 About us, Methodological note	-	
	102-6	Markets served	1.2.1 About us	-	
	102-7	Scale of the organization	3.2 Value creation, 1.1 Highlights 2019, 6.1 ORI Martin's team, Statistical Appendix	-	
	102-8	Information on employees and other workers	6.1 ORI Martin's team, Statistical Appendix	-	
	102-9	Supply chain	6.2 Supply chain partners	-	
	102-10	Significant changes to the organisation and its supply chain	N/A since this is the first report drawn up according to GRI standards	-	
	102-11	Precautionary Principle or approach	5. Environmental responsibility	-	
	102-12	External initiatives	6.3 Territory	-	
	102-13	Membership of associations	6.2 Supply chain partners	-	
	Strategy				
	102-14	Statement from senior decision-maker	Letter to Stakeholders	-	
	Ethics and integrity				
	102-16	Values, principles, standards, and norms of behaviour	3.1 Governance	-	
	Governance				
	102-18	Governance structure	3.1 Governance	-	
	Stakeholder engagement				
	102-40	List of stakeholder groups	2.1 The Stakeholders	-	
	102-41	Collective bargaining agreements	6.1 ORI Martin's team	-	
	102-42	Identifying and selecting Stakeholders	2.1 The Stakeholders	-	
102-43	How to involve Stakeholders	2.1 The Stakeholders	-		
102-44	Key topics and critical aspects raised	2.1 The Stakeholders	The methods of interaction and involvement of Stakeholders adopted by ORI Martin enable the collection of various issues, problems and opportunities that have arisen and to analyse them appropriately by considering and managing them and aligning work with a view to continuous improvement.		

GRI standard	Disclosure	Description indicator	Document section	Notes and omissions
General disclosure				
	Reporting practices			
GRI 102: General disclosure 2016	102-45	Entities included in the consolidated financial statements	Methodological note	-
	102-46	Defining report content and topic boundaries	Methodological note	-
	102-47	List of material topics	2.2 Material topics	-
	102-48	Restatements of information	6.1.1 The workforce	-
	102-49	Changes in reporting	No changes were made compared to the 2019 Sustainability Report	-
	102-50	Reporting period	Methodological note	-
	102-51	Date of most recent report	December 2020	-
	102-52	Reporting cycle	Annual	-
	102-53	Contact point for questions regarding the report	Methodological note	-
	102-54	Claims of reporting in accordance with the GRI Standard	Methodological note	-
	102-55	GRI content index	GRI Content Index	-
	102-56	External assurance	Auditing firm report	-
GRI 200 economic indicators				
	Economic performance			
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its Boundary	2.2 Material topics; Methodological note	-
	103-2	The management approach and its components	3.2 Value creation	-
	103-3	Evaluation of the management approach	3.2 Value creation	-
GRI 201: Economic performance 2016	201-1	Direct economic value generated and distributed	3.2 Value creation	-
	Anti-corruption			
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its Boundary	2.2 Material topics; Methodological note	-
	103-2	The management approach and its components	3.1 Governance	-
	103-3	Evaluation of the management approach	3.1 Governance	-
GRI 206: Anti-corruption 2016	205-3	Confirmed incidents of corruption and actions taken	3.1 Governance	-

GRI standard	Disclosure	Description indicator	Document section	Notes and omissions
GRI 200 economic indicators				
Anti-competitive behaviour				
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its Boundary	2.2 Material topics; Methodological note	-
	103-2	The management approach and its components	3.1 Governance	-
	103-3	Evaluation of the management approach	3.1 Governance	-
GRI 206: Anti-competitive behaviour 2016	206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	3.1 Governance	-
GRI 300 environmental indicators				
Materials				
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its Boundary	2.2. Material topics, Methodological note	-
	103-2	The management approach and its components	5.1 Environmental management, 5.2.1: Materials used	-
	103-3	Evaluation of the management approach	5.1 Environmental management, 5.2.1: Materials used	-
GRI 302: Energy 2016	301-1	Materials used by weight or volume	5.2.1: Materials used, Statistical Appendix	-
Energy				
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its Boundary	2.2. Material topics, Methodological note	-
	103-2	The management approach and its components	5.1 Environmental management, 5.2.3 Energy consumption	-
	103-3	Evaluation of the management approach	5.1 Environmental management, 5.2.3 Energy consumption	-
GRI 302: Energy 2016	302-1	Energy consumption within the organization	5.2.3 Energy consumption, Statistical Appendix	-
Water and effluents				
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its Boundary	2.2. Material topics, Methodological note	-
	103-2	The management approach and its components	5.1 Environmental management, 5.2.2 Water resources	-
	103-3	Evaluation of the management approach	5.1 Environmental management, 5.2.2 Water resources	-
GRI 303: Water and effluents 2018	303-1	Interactions with water as a shared resource	5.2.2 Water resources	-
	303-2	Management of water discharge-related impacts	5.2.2 Water resources	-
	303-3	Water withdrawal	5.2.2 Water resources, Statistical Appendix	The water stress level in the area where water is withdrawn and discharged is qualified as "Medium-high" by the Water risk Atlas of the World Resources Institute.
	303-4	Water discharge	5.2.2 Water resources, Statistical Appendix	-
	303-5	Water consumption	5.2.2 Water resources, Statistical Appendix	-

GRI standard	Disclosure	Description indicator	Document section	Notes and omissions
	Emissions			
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its Boundary	2.2 Material topics, Methodological note	-
	103-2	The management approach and its components	5.1 Environmental management, 5.3 The handling of impact, 5.3.1 The greenhouse gas emissions, 5.3.2 The polluting emissions	-
	103-3	Evaluation of the management approach	5.1 Environmental management, 5.3 The handling of impact, 5.3.1 The greenhouse gas emissions, 5.3.2 The polluting emissions	-
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	5.3.1 The greenhouse gas emissions, Statistical Appendix	-
	305-2	Energy indirect (Scope 2) GHG emissions	5.3.1 Greenhouse gas emissions, Statistical Appendix	-
	305-3	Other indirect (Scope 3) GHG emissions	5.3.1 Greenhouse gas emissions, Statistical Appendix	-
	305-7	Nitrogen oxides (NO _x), sulphur oxides (SO _x) and other significant air emissions	5.3.2 The polluting emissions, Statistical Appendix	Values are reported in terms of concentration of pollutants instead of total tons to enable comparison with AIA indications. Values also refer to the plant's two main emission points.
	Waste			
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its Boundary	2.2 Material topics, Methodological note	-
	103-2	The management approach and its components	5.1 Environmental management, 5.3 The handling of impact, 5.3.3 Waste	-
	103-3	Evaluation of the management approach	5.1 Environmental management, 5.3 The handling of impact, 5.3.3 Waste	-
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	5.3.3 Waste	-
	306-2	Management of significant waste-related impacts	5.3.3 Waste	-
	306-3	Waste generated	5.3.3 Waste, Statistical Appendix	-
	306-4	Waste diverted from disposal	5.3.3 Waste, Statistical Appendix	-
	306-5	Waste directed to disposal	5.3.3 Waste, Statistical Appendix	-
	Environmental compliance			
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its Boundary	2.2 Material topics, Methodological note	-
	103-2	The management approach and its components	3.1 Governance, 5.1 Environmental management	-
	103-3	Evaluation of the management approach	3.1 Governance, 5.1 Environmental management	-
GRI 307: Environmental compliance 2016	307-1	Non-compliance with environmental laws and regulations	-	-

GRI standard	Disclosure	Description indicator	Document section	Notes and omissions
GRI 400 social indicators				
Employment				
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its Boundary	2.2 Material topics, Methodological note	-
	103-2	The management approach and its components	6.1.1 The workforce	-
	103-3	Evaluation of the management approach	6.1.1 The workforce	-
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	6.1.1 The workforce, Statistical Appendix	-
Labor/Management Relations				
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its Boundary	2.2 Material topics; Methodological note	-
	103-2	The management approach and its components	6.1.1 The workforce	-
	103-3	Evaluation of the management approach	6.1.1 The workforce	-
GRI 402: Labor/Management Relations 2016	402-1	Minimum notice periods regarding operational changes	6.1.1 The workforce	-
Occupational health and safety				
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its Boundary	2.2 Material topics, Methodological note	-
	103-2	The management approach and its components	6.1.2 A safe workplace	-
	103-3	Evaluation of the management approach	6.1.2 A safe workplace	-
GRI 403: Occupational health and safety 2018	403-1	Occupational health and safety management system	3.1.2 Governance tools, 6.1.2 A safe workplace	-
	403-2	Hazard identification, risk assessment, and incident investigation	6.1.2 A safe workplace	-
	403-3	Occupational health services	6.1.2 A safe workplace	-
	403-4	Worker participation, consultation, and communication on occupational health and safety	6.1.2 A safe workplace	-
	403-5	Worker training on occupational health and safety	6.1.2 A safe workplace	-
	403-6	Promotion of worker health	6.1.2 A safe workplace	-
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	6.1.2 A safe workplace	-
	403-8	Workers covered by an occupational health and safety management system	6.1.2 A safe workplace	-
	403-9	Work-related injuries	6.1.2 A safe workplace, Statistical Appendix	-
	403-10	Work-related ill health	6.1.2 A safe workplace, Statistical Appendix	-

GRI standard	Disclosure	Description indicator	Document section	Notes and omissions
Training and education				
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its Boundary	2.2.Material topics, Methodological note	-
	103-2	The management approach and its components	6.1.3 Skills development	-
	103-3	Evaluation of the management approach	6.1.3 Skills development	-
GRI 404: Training and education 2016	404-1	Average hours of training per year per employee	6.1.3 Skills development, Statistical Appendix	-
	404-3	Percentage of employees receiving regular performance and career development reviews	6.1.3 Skills development	-
Local communities				
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its Boundary	2.2.Material topics, Methodological note	-
	103-2	The management approach and its components	4.1 Sustainability in the plant, 6.3 Territory	-
	103-3	Evaluation of the management approach	4.1 Sustainability in the plant, 6.3 Territory	-
GRI 413: Local communities 2016	413-1	Operations with local community engagement, impact assessment, and development programs	4.1 Sustainability in the plant, 6.3 Territory	-
Other material topics				
Noise pollution				
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its Boundary	2.2 Material topics; Methodological note	-
	103-2	The management approach and its components	5.3.4 Noise pollution	-
	103-3	Evaluation of the management approach	5.3.4 Noise pollution	-
Product quality and traceability				
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its Boundary	2.2.Material topics, Methodological note	-
	103-2	The management approach and its components	4.2 Continuous innovation	-
	103-3	Evaluation of the management approach	4.2 Continuous innovation	-
Sustainable development and innovation				
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its Boundary	2.2.Material topics, Methodological note	-
	103-2	The management approach and its components	4.2 Continuous innovation	-
	103-3	Evaluation of the management approach	4.2 Continuous innovation	-

IGQ
CERTIFICATO
CERTIFICATE
IGQ 9001

Si certifica che il sistema di gestione qualità di:
We hereby certify that the quality management system operated by:

**O.R.I. Martin Acciaieria e Ferreria di
Brescia Spa**

Via Cosimo Canovetti, 13
25128 Brescia BS
è conforme alla norma
in compliance with the standard:

UNI EN ISO 9001:2015
per le seguenti attività:
for the following activities:

Produzione di billette e tondini in rotoli e barre di acciaio non legati, legati ed alto legati, da costruzione e per utensili per il settore auto-trasporti, aeronautico, aeronautico e civile, trattamento termico, trattamento robot-robot e bonifica

Production of billets, hot rolled coil and round bars of non- alloy, alloy and high alloy steels and tool steels for the automotive industry by electric furnace, hot rolling, heat treatment, drawing coil to coil and heat treatment

1990-03-12
2021-06-29
2024-06-28

Il Direttore
Roberto Peronaci

100 - Via Cosimo Canovetti 13/14 - 25128 Brescia (BS) - Italia
www.igq.it - info@igq.it

**CERTIFICATO
CERTIFICATE
IGQ 9001**

Si certifica che il sistema di gestione qualità di:
We hereby certify that the quality management system operated by:

**O.R.I. Martin Acciaieria e Ferreria di
Brescia Spa**

Via Cosimo Canovetti, 13
25128 Brescia BS
è conforme alla norma e ai requisiti dello schema
in compliance with the standard and the scheme requirements:

IATF 16949:2016
per le seguenti attività:
for the following activities:

Produzione di billette e tondini in rotoli e barre di acciaio non legati, legati ed alto legati, da costruzione e per utensili per il settore auto-trasporti, aeronautico, aeronautico e civile, trattamento termico, trattamento robot-robot e bonifica

Production of billets, hot rolled coil and round bars of non- alloy, alloy and high alloy steels and tool steels for the automotive industry by electric furnace, hot rolling, heat treatment, drawing coil to coil and heat treatment

2021-06-29
2024-06-28

Il Direttore
Roberto Peronaci

100 - Via Cosimo Canovetti 13/14 - 25128 Brescia (BS) - Italia
www.igq.it - info@igq.it

IGQ
ISTITUTO ITALIANO DI
GARANZIA DELLA QUALITÀ

**ATTESTAZIONE
Declaration**

ILLEGATO A:
EN 10228

O.R.I. Martin Acciaieria e Ferreria di Brescia Spa
Unità operativa di Brescia Via Cosimo Canovetti, 13 25128 Brescia BS

Con riferimento alla Direttiva 2014/68/UE (PED), allegato 1, punto 4.3, comma 3, ed al paragrafo 4.2 della norma armonizzata EN 764-5, si dichiara che il Sistema di Gestione per la Qualità certificato IGQ 9001 include i processi relativi alla fornitura dei seguenti prodotti:

With reference to 2014/68/UE Directive, annex 1, point 4.3, comma 3, and to paragraph 4.2 of the harmonized standard EN 764-5, clause 4.2, we attest that the Quality Management System certified IGQ 9001 includes the supply of the following products:

Tipo di prodotto Type of products	Specifiche Specifications	Materiali Materials	Stato di fornitura Delivery condition	Dimensione Dimension
Barre di acciaio non legati e legati Non alloy and alloy steel bars	EN 10228	1008 A2 (1.0035) 1008 A2 (1.0035) 1008 A2 (1.0035) 1008 A2 (1.0035) 1008 A2 (1.0035) 1008 A2 (1.0035) 1008 A2 (1.0035) 1008 A2 (1.0035) 1008 A2 (1.0035) 1008 A2 (1.0035)	Normalizzato Normalizzato Normalizzato Normalizzato Normalizzato Normalizzato Normalizzato Normalizzato Normalizzato Normalizzato	Ø 15 - 65 mm
Barre di acciaio legato Alloy steel bars	EN 10228	20MnCr12 (1.2728) 20MnCr12 (1.2728) 20MnCr12 (1.2728) 20MnCr12 (1.2728) 20MnCr12 (1.2728) 20MnCr12 (1.2728) 20MnCr12 (1.2728) 20MnCr12 (1.2728) 20MnCr12 (1.2728) 20MnCr12 (1.2728)	Chiuso Chiuso Chiuso Chiuso Chiuso Chiuso Chiuso Chiuso Chiuso Chiuso	Ø 15 - 65 mm
Verghe di acciaio legato Alloy steel coil rods	EN 10228	1008 A2 (1.0035) 1008 A2 (1.0035) 1008 A2 (1.0035) 1008 A2 (1.0035) 1008 A2 (1.0035) 1008 A2 (1.0035) 1008 A2 (1.0035) 1008 A2 (1.0035) 1008 A2 (1.0035) 1008 A2 (1.0035)	Normalizzato Normalizzato Normalizzato Normalizzato Normalizzato Normalizzato Normalizzato Normalizzato Normalizzato Normalizzato	Ø 5,5 - 36 mm

continua

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ISTITUTO ITALIANO DI
GARANZIA DELLA QUALITÀ

Tipo di prodotto Type of products	Specifiche Specifications	Materiali Materials	Stato di fornitura Delivery condition	Dimensione Dimension
Barre di acciaio non legati Non alloy steel bars	EN 10228	1008 A2 (1.0035) 1008 A2 (1.0035) 1008 A2 (1.0035) 1008 A2 (1.0035) 1008 A2 (1.0035) 1008 A2 (1.0035) 1008 A2 (1.0035) 1008 A2 (1.0035) 1008 A2 (1.0035) 1008 A2 (1.0035)	Normalizzato Normalizzato Normalizzato Normalizzato Normalizzato Normalizzato Normalizzato Normalizzato Normalizzato Normalizzato	Ø 15 - 65 mm
Verghe di acciaio legato Alloy steel coil rods	EN 10228	20MnCr12 (1.2728) 20MnCr12 (1.2728) 20MnCr12 (1.2728) 20MnCr12 (1.2728) 20MnCr12 (1.2728) 20MnCr12 (1.2728) 20MnCr12 (1.2728) 20MnCr12 (1.2728) 20MnCr12 (1.2728) 20MnCr12 (1.2728)	Normalizzato Normalizzato Normalizzato Normalizzato Normalizzato Normalizzato Normalizzato Normalizzato Normalizzato Normalizzato	Ø 5,5 - 36 mm

prima emissione: 21-11-2013
data revisione: 23-09-2021
data di scadenza: 29-06-2024

Il Direttore
Roberto Peronaci

100 - Via Cosimo Canovetti 13/14 - 25128 Brescia (BS) - Italia
www.igq.it - info@igq.it

RINA
PARERE DI VERIFICA
VERIFICATION OPINION
N°. VEB-142

RINA SERVICES S.p.A., sulla base della verifica di terza parte condotta, attesta che
RINA SERVICES S.p.A., on the basis of the third-party verification conducted, declares that

la modalità di calcolo delle emissioni di CO₂ specifiche per unità di prodotto relativa all'anno 2020
the methods for calculating specific CO₂ emissions per unit of product related to the year 2020
prodotto dall'organizzazione
given up by the organization

ORI MARTIN S.p.A.
Via Cosimo Canovetti, 13 - 25128 Brescia (BS)

relative ai prodotti - related to products

PRODOTTO	SCORE 1	SCORE 2	SCORE 3	TOTALE
BILLETTE DI ACCIAIO (A.1) BILLETS	0,09	0,17	0,25	0,51
ROTTOLI LAMINATI NATURALI (B.1) HOT ROLLED WIRE ROD	0,17	0,23	0,31	0,71
BARRE LAMINATE NATURALI (B.2) HOT ROLLED STEEL BARS	0,17	0,21	0,30	0,68
ROTTOLI RICOTTI IN FORNO CAMPANA (C.1) WIRE ROD ANNEALED IN BELL FURNACES	0,24	0,25	0,34	0,82
ROTTOLI RICOTTI IN FORNO CONTINUO (C.2) WIRE ROD ANNEALED IN CONTINUOUS FURNACES	0,28	0,24	0,34	0,86
BARRE RICOTTE (C.3) ANNEALED STEEL BARS	0,27	0,22	0,36	0,85
BARRE BONIFICATE (D.1) QUENCHED AND TEMPERED STEEL BARS	0,17	0,34	0,36	0,87

è ispirato ai principi dello standard
is inspired by the principles of the standard
ISO 14064-1:2018

Data di rilascio / Date of issue: 29/06/2021

RINA SERVICES S.p.A. - Laura Severino
Head of Sustainability Compliance & New Scheme Development Coordination

RIIA

**PARERE DI VERIFICA
VERIFICATION OPINION
N° VEB-142**

RIIA SERVICES S.p.A., sulla base della verifica di terza parte condotta, dichiara che
RIIA SERVICES S.p.A., on the basis of the third-party verification conducted, declares that

il Rapporto sulla emissione di Gas Serra
the Greenhouse gas emissions Report

REPORT GHG anno 2020
Revisione del 14/05/2021/Revision 2 dated 14/05/2021

per il periodo di riferimento 01/01/2020 - 31/12/2020
for the reference period 01/01/2020 - 31/12/2020

Preparato dall'organizzazione
Prepared by the organization

ORI MARTIN SPA
Via Cosimo Canovetti, 13
25128 BRESCIA (BS)

è conforme ai requisiti del seguente documento di riferimento
complies with the requirements of the following reference document

ISO 14064-1:2018 "Parte 1: Specifiche di qualità, di livello dell'organizzazione, per la quantificazione e la
rendicontazione delle emissioni di gas ad effetto serra e della loro riduzione"
ISO 14064-1:2018 "Part 1: Specification with guidelines, at the organization level, for quantification and reporting
of greenhouse gas emissions and removals"

Il allegato sono riportate le emissioni di GHG emendicate
The GHG emission reported can be found in the annex

La verifica è stata compiuta ai sensi della UNI EN ISO 14064-3, della UNI EN ISO 14065 e della UNI EN ISO 17029
The verification was carried out in accordance with UNI EN ISO 14064-3, UNI EN ISO 14065 and UNI EN ISO 17029

Data di rilascio / Date of issue: 25/05/2021


RIIA SERVICES S.p.A. - Laura Severino
Head of Sustainability Compliance & New Scheme
Development Coordination

RIIA

**Allegato
Annex**

Tutte le fonti di emissioni sono state verificate per l'affidabilità dei dati per ogni singola fonte che contribuisce alle
emissioni totali di GHG dell'organizzazione.
All sources of emissions have been verified for the reliability of the data for each individual source that contributes to the
organization's total GHG emissions.

**Livello di garanzia: Ragionevole
Level of Assurance: Reasonable**

Vale quanto sopra e sulla base del rapporto di verifica (revisione 2 del 14 Maggio 2021), si conclude che i dati presentati
nella Dichiarazione GHG sono privi di emissioni, di non-conformità, di errori di ogni tipo che potrebbero portare a
dichiarazioni errate per quanto riguarda i bilanci relativi alle emissioni.
Given the above and on the basis of the verification report (revision 2 dated 14 May 2021), it is concluded that the data
presented in the GHG statement are free of emissions, non-conformities, errors of any kind that could lead to
declarations erroneous as regards the total volume of emissions.

Emmissioni di GHG GHG Emissions	Emmissioni di GHG per unità prodotta (CO ₂ e) GHG emissions per unit produced (CO ₂ e/t)
Emmissioni dirette Direct emissions	69627
Emmissioni indirette da energia acquistata Indirect emissions from purchased energy	124690
Emmissioni indirette da trasporto Indirect emissions from transportation	7512
Emmissioni indirette da processi industriali dell'organizzazione Indirect emissions from industrial processes of the organization	166627
Emmissioni indirette associate all'uso di prodotti Indirect emissions associated with the use of the purchased products	62139
Emmissioni indirette da altre fonti Indirect emissions from other sources	489466
Totale	

Data di rilascio / Date of issue: 25/05/2021


RIIA SERVICES S.p.A. - Laura Severino
Head of Sustainability Compliance & New Scheme
Development Coordination

IGQ

**CERTIFICATO
CERTIFICATE
IGQ S2L08**

Si certifica che il sistema di gestione della salute e sicurezza sul lavoro di
We hereby certify that the occupational health and safety management system operated by

**O.R.I. Martin Acciaieria e Ferreria di
Brescia Spa**
Via Cosimo Canovetti, 13
25128 Brescia BS

è conforme a:
is in compliance with

UNI ISO 45001:2018

per le seguenti attività:
for the following activities:
MF: 17

Produzione di billette e tondi in rotoli e barre di acciai non legati, legati ed alto legati da costruzione
e per utensili per il settore auto (barre, forchioni a forma sferica, forchioni a vista, battenti
terme), trafilatura rotolo-rotolo e forchione

Production of billets, hot rolled wire rod and round bars of non-alloy, alloy and high alloy structural
and tool steels for the automotive industry by electric furnace, hot rolling, heat treatment, drawing
coil-to-coil and heat treatment

per il periodo di riferimento:
for the reference period:
2011-12-31
2012-12-31
2013-12-31
2014-12-31

Il Direttore
Roberto Pizzoni

IGQ - Via Ozzano Carrara 1294 - 20030 Sesto San Giovanni (MI) - Italy
www.igq.it - info@igq.it





IGQ

**CERTIFICATO
CERTIFICATE
IGQ A2C07**

Si certifica che il sistema di gestione ambientale di
We hereby certify that the environmental management system operated by

**O.R.I. Martin Acciaieria e Ferreria di
Brescia Spa**
Via Cosimo Canovetti, 13
25128 Brescia BS

è conforme alla norma:
is in compliance with the standard

UNI EN ISO 14001:2015

per le seguenti attività:
for the following activities:
MF: 17

Produzione di billette e tondi in rotoli e barre di acciai non legati, legati ed alto legati da costruzione
e per utensili per il settore auto (barre, forchioni a forma sferica, forchioni a vista, battenti
terme), trafilatura rotolo-rotolo e forchione

Production of billets, hot rolled wire rod and round bars of non-alloy, alloy and high alloy structural
and tool steels for the automotive industry by electric furnace, hot rolling, heat treatment, drawing
coil-to-coil and heat treatment

per il periodo di riferimento:
for the reference period:
2002-12-31
2003-12-31
2004-12-31
2005-12-31

Il Direttore
Roberto Pizzoni

Certificazione rilasciata a conformità al regolamento Tecniche ACCREDITATE IGQ
IGQ - Via Ozzano Carrara 1294 - 20030 Sesto San Giovanni (MI) - Italy
www.igq.it - info@igq.it






IGQ

**CERTIFICATO
CERTIFICATE
IGQ E2U04**

Si certifica che il sistema di gestione dell'energia di
We hereby certify that the energy management system operated by

**O.R.I. Martin Acciaieria e Ferreria di
Brescia Spa**
Via Cosimo Canovetti, 13
25128 Brescia BS

è conforme alla norma:
is in compliance with the standard

UNI EN ISO 50001:2018

per le seguenti attività:
for the following activities:

Produzione di billette e tondi in rotoli e barre di acciai non legati, legati ed alto legati da costruzione
e per utensili per il settore auto (barre, forchioni a forma sferica, forchioni a vista, battenti
terme), trafilatura rotolo-rotolo e forchione. Autoproduzione di energia elettrica e calore tramite il
ciclo a vapore.

Production of billets, hot rolled wire rod and round bars of non-alloy, alloy and high alloy structural
and tool steels for the automotive industry by electric furnace, hot rolling, heat treatment, drawing
coil-to-coil and heat treatment. Self-production of electricity and heat by recovery plant

per il periodo di riferimento:
for the reference period:
2020-09-30
2020-09-30
2020-09-30
2020-09-30

Il Direttore
Roberto Pizzoni

IGQ - Via Ozzano Carrara 1294 - 20030 Sesto San Giovanni (MI) - Italy
www.igq.it - info@igq.it




Independent auditors' report on the 2020 Sustainability Report

(Translation from the original Italian text)

To the Board of Directors of
Ori Martin S.p.A.

We have been appointed to perform a limited assurance engagement on the Sustainability Report of Ori Martin S.p.A. (hereinafter also "the Company") for the year ended on December 31, 2020 (hereinafter also "Sustainability Report").

Responsibilities of the Directors for Sustainability Report

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

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

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

Auditors' independence and quality control

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

Our audit firm applies the *International Standard on Quality Control 1 (ISQC Italia 1)* and, as a result, maintains a quality control system that includes documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable laws and regulations.

Auditors' responsibility

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

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

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

In particular, we have performed the following procedures:

1. analysis of the process relating to the definition of material aspects included in the Sustainability Report, with reference to the criteria applied to identify priorities for the different stakeholders' categories and to the internal validation of the process outcomes;
2. comparison of economic and financial data and information included in the Sustainability Report with those included in the Company's financial statement;
3. understanding of the processes that lead to the generation, detection and management of significant qualitative and quantitative information included in the Sustainability Report.

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

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

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

Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that Sustainability Report of Ori Martin S.p.A. for the year ended on December 31, 2020 has not been prepared, in all material aspects, in accordance with the requirements of the GRI Standards, as described in the paragraph "Methodological Note" of the Sustainability Report.



Building a better
working world

Other Information

The comparative information presented in the Sustainability Report for the year ended on December 31st, 2018 and on December 31st, 2019 have not been examined.

Brescia, July 19, 2021

EY S.p.A.

Signed by: Marco Malaguti, Partner

This report has been translated into the English language solely for the convenience of international readers

EY S.p.A.
Sede Legale: Via Lombardia, 31 - 00187 Roma
Capitale Sociale Euro 2.525.000,00 i.v.
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A member firm of Ernst & Young Global Limited

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