

PADANA TUBI
& PROFILATI ACCIAIO S.P.A.

Responsibility, Commitment, Trust

Sustainability Report 2022



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Letter to the stakeholders

Dear readers,
this second Padana Tubi Sustainability Report, which refers to 2022, takes us another step towards reporting on our activities in a structured manner, in accordance with the Global Reporting Initiative (GRI) standards.

We are pleased to share with our stakeholders the main issues that have been a feature of the past few months, relating both to strictly economic-financial questions and to questions of particular importance to us, such as the protection of workplace health and safety, our environmental impact, and our commitment to sustainability, as part of a broad, forward-looking vision.

In 2022, the international scenario saw the outbreak and continuation of the war in Ukraine, tensions over energy sources that led to exponential rises in gas and electricity prices, and unexpectedly far-reaching and long-lasting inflationary pressures, with the consequent decisions by central banks to raise interest rates.

From a climatic point of view, increasingly extreme phenomena occurred in rapid succession all over the world: droughts, high temperatures, fires, hurricanes and torrential rain highlighted the urgent need to step up action to mitigate the environmental impact of human activities, and

undertake protection projects in locations and settlements at greatest climatic risk.

Geo-political instability in many parts of the world, food shortages and economic crises drove more and more people to leave their home countries. Migration has been, and will continue to be, an important and sensitive issue confronting Italy and Europe.

In this global context, the world's economic and financial systems – of which steel is a constituent part and primary driver – have shown signs of weakness, slowdowns in growth, and widespread discontinuity and volatility.

At the same time, precisely because of these dynamics,

environmental, social and economic sustainability are issues of increasing importance in the business world due to growing awareness, especially among young people, and economic players.

Specifically, the demand for reduced environmental impact in 'hard to abate' industries like steel predates and anticipates both technologies and mandatory regulations.

At Padana Tubi we have been firm believers, for over fifty years, in the social role, in a broad sense, of our business.

We are an economic entity that every day, thanks to the invaluable work of more than seven hundred employees, receives raw materials from all over the world and produces goods that are shipped to more than 60 countries.

Protecting the health and safety of workers is our primary concern, both through constant investment in production facilities and through daily training on safety and worker awareness and listening to their needs.

We are a company that operates entirely in the area of the town of Guastalla, which provides us with resources, opportunities, collaborations; we endeavour to respond with respectful, effective and timely initiatives, that are often unpublicised.

As you will read in the report, part of our commitment is to ensure compliance with national, industry and international environmental regulations, and, where possible, to do better and more. Increasing the generation capacity of photovoltaic plants, purchasing energy from renewable sources only, with Scope 2 emissions eliminated since 2020, and making energy and water consumption more efficient are just some of our initiatives.

Europe has clearly chosen the difficult and necessary path of climate neutrality, which can only be achieved if production chains act together in synergy.

That is why the involvement of all our stakeholders – workers, customers, suppliers, local communities, institutions – in this journey of sharing and transparency that we have undertaken will be increasingly necessary.

With these remarks, we present our Sustainability Report, and welcome any contribution you may wish to make.



Alfieri Family

Methodological note

GRI 2-1 | GRI 2-2 | GRI 2-3 | GRI 2-4

The report

This is the **second Sustainability Report of Padana Tubi & Profilati Acciaio S.p.A.** (hereinafter also "Padana Tubi" or "the company"). The information in the report has been collected and processed in order to ensure a clear understanding of the company's activities, performance, results and impact.

The **reporting scope** of the qualitative and quantitative data and information presented here refers to the performance of Padana Tubi in the 2022 reporting year. Any limitations are indicated in the document.

To enable readers to compare data over time and evaluate Padana Tubi's performance, the report sets out qualitative and quantitative data for 2020 and 2021 for comparison purposes.

The Sustainability Report is prepared annually. The data were computed on the basis of the results of the general accounts and the other information systems used; when recourse is made to estimates to determine indicators, the method adopted is illustrated.

The Sustainability Report was prepared on a voluntary basis and is not a consolidated Non-Financial Disclosure (NFD); Padana Tubi is not in fact subject to Italian Legislative Decree no. 254 of 30 December 2016, under which, in implementation of Directive 2014/95/EU, preparation of an NFD is a mandatory requirement for public-interest entities exceeding certain quantitative thresholds.



References

The Sustainability Report has been prepared in accordance with the guidelines issued by the *Global Reporting Initiative (GRI)*, an independent international organisation recognised by the UN, which is the main reference for sustainability reporting at global level.

Specifically, a set of indicators was selected from those contained in the **GRI Sustainability Reporting Standards updated to 2021**, as indicated in the GRI Content Index of the report.

The general principles applied in preparing the Sustainability Report are those set out in the GRI Standards, namely: materiality, inclusiveness, sustainability context, completeness, balance between positive and negative aspects, comparability, accuracy, timeliness, reliability, clarity.

The **selected performance indicators** correspond to those set out in the reporting standards adopted, which represent the specific areas of sustainability analysed and are consistent with the activities of Padana Tubi and the impacts it produces.

The indicators reported are 'general', concerning the legal and organisational profile of the company; 'economic', concerning economic results and added value generated and distributed; 'environmental', concerning environmental aspects, in particular, materials, energy, emissions and waste; and 'social', concerning workplace health and safety, training, equal opportunities and relations with the territory.

The indicators were selected on the basis of a materiality analysis of key issues for the organisation and its sector of operation, as described in the section "Materiality analysis".

The materiality analysis, carried out on the basis of the GRI Standards, as part of Padana Tubi's sustainability journey, involved the company's management and stakeholders in the assignment of a "score" indicating the relevance and interest of each issue.

The Sustainability Report is published on the company's official website www.padanatubi.it.

For more information, please contact sustainability@padanatubi.it.

Highlights

SOCIAL SUSTAINABILITY



1970

Year of incorporation



710

No. of employees



400,000sq.m

Covered production area



5,989.5

Hours of training provided



13

Sites and local units



60

Countries served annually



262,500€

Amount donated to support the local area

ENVIRONMENTAL SUSTAINABILITY



83%

Self-consumed energy

345,478GJ

Energy consumption within the organisation



99%

Waste sent for recovery



100%

Electricity from renewable sources

1,235,885Kwh

+54% compared to 2021

Photovoltaic-generated energy

ECONOMIC SUSTAINABILITY



1,263,312,949€

+2% compared to 2021

Turnover



1,275,635,293€

+2% compared to 2021

Value of production



89,233,725€

Net profit



29,993,038€

Capital expenditure



800,000 approx

Tonnes of steel sold



1

Corporate identity and governance



Padana Tubi: responsibility, commitment, trust

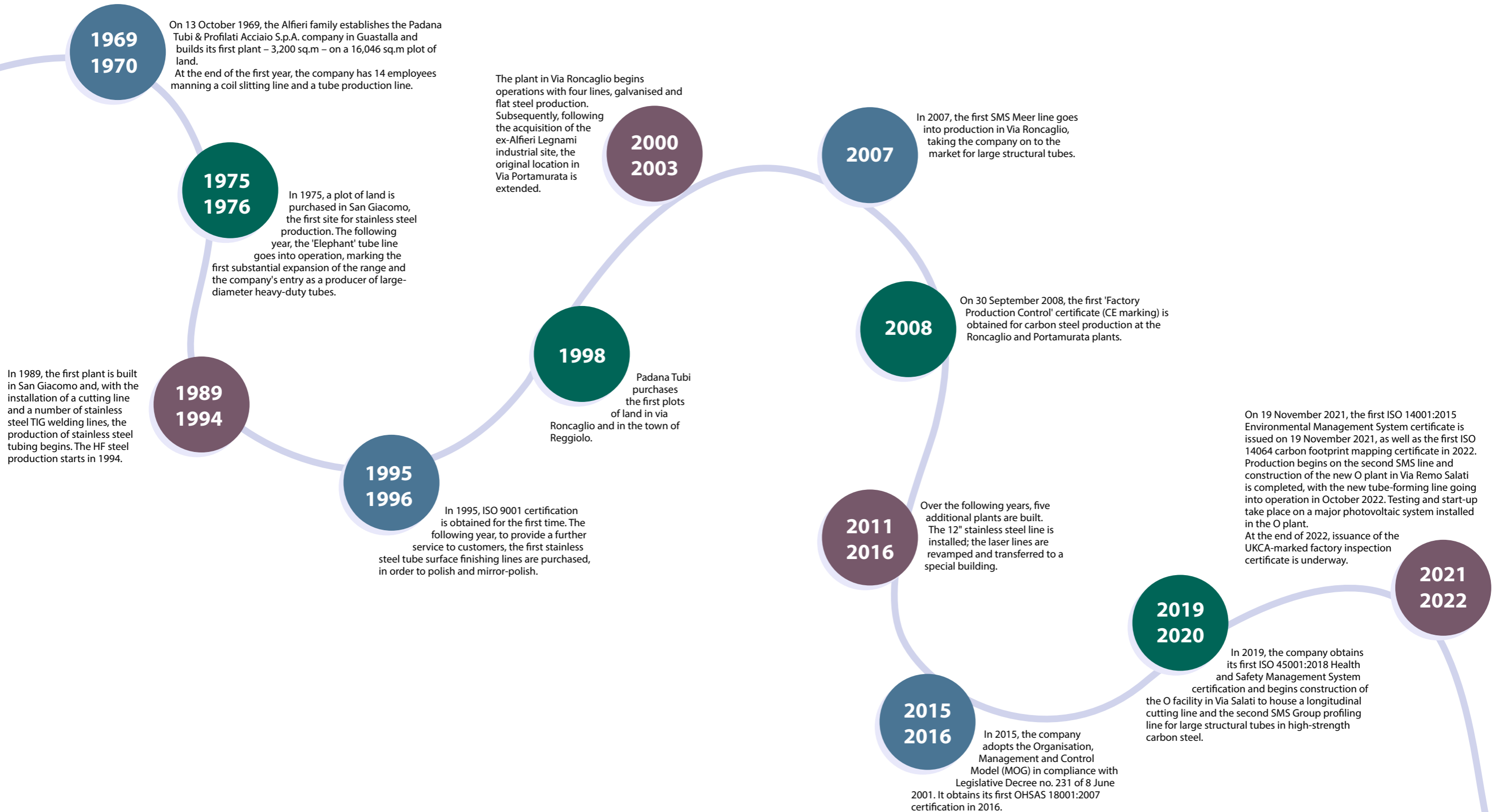
Padana Tubi & Profilati Acciaio S.p.A. (hereinafter 'Padana Tubi') is one of Europe's leaders in the **production and sale of welded tubes mainly for structural carpentry applications in carbon steel and stainless steel, as well as the sale of galvanised tubes and the marketing of coils, sheet metal and trim.**

The company was founded in Guastalla in 1970 by the Alfieri family, initially to produce carbon steel welded tubes. Its growing success on the market led to the decision to expand into the production of stainless steel tubes, thanks to the completion of a second plant in 1989. Subsequently, through a gradual process of organic growth, other plants were built to extend the production range in the steel tube sector, with additional diversification in raw materials and considerable enlargement of the finished product offer.

Today, Padana Tubi occupies an area of about 400,000 square metres with all its plants located in the territory of the

municipality of Guastalla (Reggio Emilia); it is recognised as a key player on the European markets, with over 800,000 tonnes of steel tubes produced and sold every year. In 2022, the company workforce consisted of more than 700 skilled employees.

Chronology



Market presence and business model

GRI 2-1 | GRI 2-2

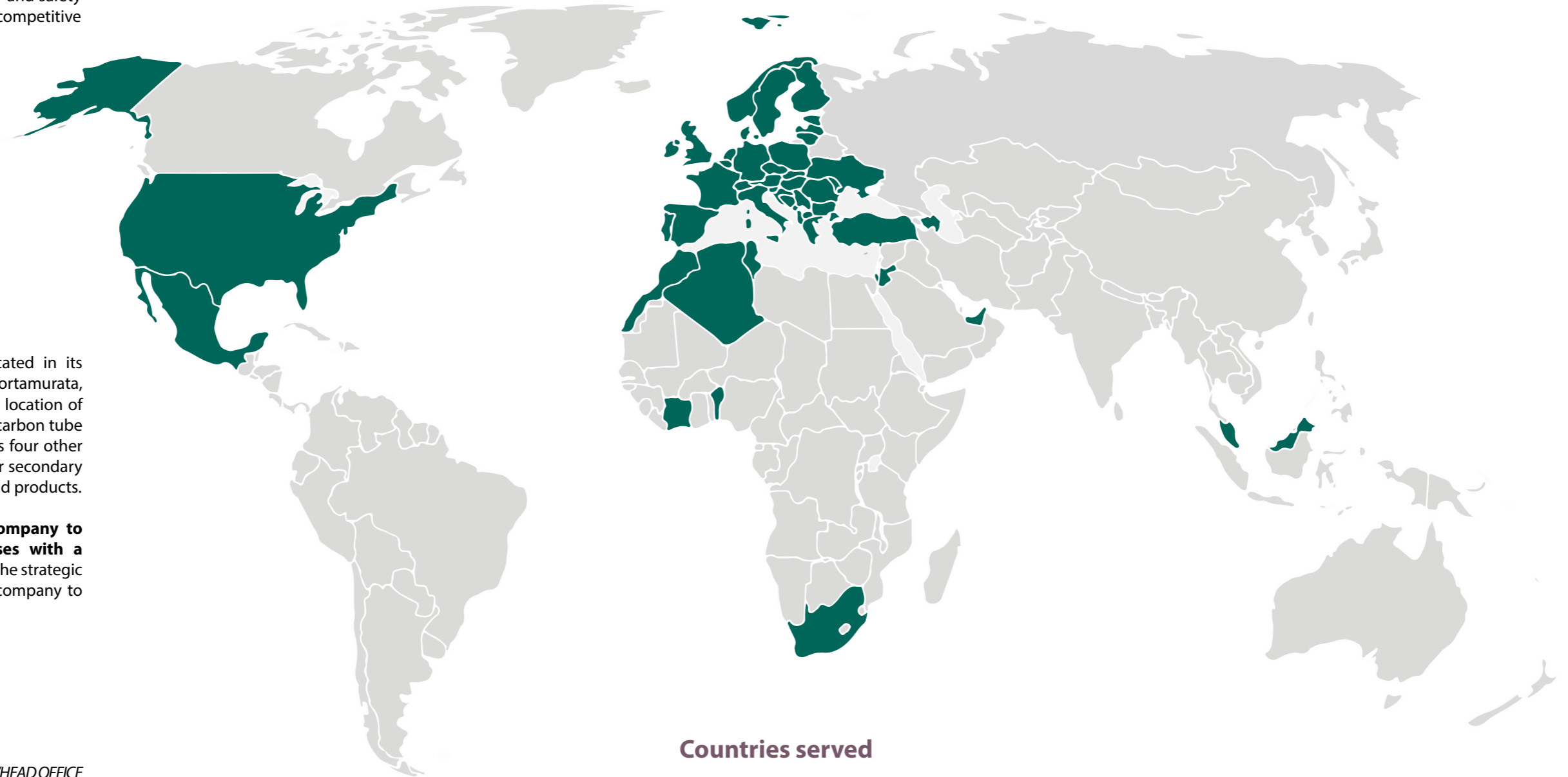
Attention to the quality of raw materials, the use of state-of-the-art production technologies, the pursuit of customer satisfaction, a commitment to workplace quality and safety are all contributing factors to maintaining a competitive leadership position on the main markets.

Locations

Padana Tubi's production facilities are all located in its **home territory**, in the town of Guastalla. Via Portamurata, the site of the first production operation, is the location of the company's headquarters and an important carbon tube production plant. In addition, the company has four other main production sites, as well as eight plants for secondary processing and warehousing of raw materials and products.

The large covered area has enabled the company to install photovoltaic systems on its premises with a nominal power of 2,779 kWp. Its awareness of the strategic role of renewable energy sources has led the company to progressively increase this type of installation.

A	Via Portamurata	CARBON - CARBON STEEL/HEAD OFFICE
B	Via Roncaglio	CARBON - CARBON STEEL
C	Via Dossetti	STAINLESS STEEL
D	Via De Gasperi	STAINLESS STEEL
E	Via Togliatti	STAINLESS STEEL
F	Via Ferrari	STAINLESS STEEL
G	Via Dossetti	STAINLESS STEEL
H	Via Nenni	STAINLESS STEEL
I	Via Dossetti	CARBON - CARBON STEEL
L	Via Nenni	STAINLESS STEEL
M	Via Dossetti	STAINLESS STEEL
N	Via Portamurata	CARBON - CARBON STEEL
O	Via Salati	CARBON - CARBON STEEL



Countries served

Padana Tubi's strong territorial identity, definitely atypical in a world increasingly oriented towards delocalisation, clearly shows the strength of the **roots** that bind it to the Emilia region and, at the same time, project it on to **international markets**, where its sales network serves more than **60 countries**.

An identity that manifests as a commitment to hard work, creativity, honesty, a zest for life and a sincere openness to dialogue with people, organisations, different cultures and global markets.

Italy accounts for about 25% of sales, and international markets, mainly European countries, for 75%.

Albania, Algeria, Austria, Azerbaijan, Belgium, Benin, Bosnia and Herzegovina, Bulgaria, Cape Verde, Croatia, Cyprus, Denmark, Estonia, Finland, France, Germany, Greece, Ireland, Israel, Italy, Ivory Coast, Jordan, Latvia, Lithuania, Luxembourg, Macedonia, Malaysia, Malta, Mexico, Moldova, Montenegro, Morocco, Netherlands, Norway, Poland, Portugal, Romania, Serbia, Slovakia, Slovenia, Spain, Sweden, Switzerland, Tunisia, Turkey, Ukraine, United Arab Emirates, United Kingdom, United States of America.

Products and services

Padana Tubi manufactures:

- carbon steel tubes and profiles, strip galvanized and pickled;
- stainless steel tubes and profiles;
- flat carbon steel sheets.

Steel is the fundamental raw material in production processes, a raw material with a potentially infinite life cycle, a true 'permanent resource' essential to the development of a circular economy. The entire range of products, all marked for compliance with production standards, is produced by two divisions: the Carbon Steel Division and the Stainless Steel Division.

Carbon steel division

Carbon steel division production is as follows:

- **Structural tubes** in accordance with UNI EN 10219-1;
- **Pickled tubes for precision applications** in accordance with UNI EN 10219-1 or UNI EN 10305-5 (only square-rectangular profiles);
- **Tubes from galvanized strip** for precision applications in accordance with UNI EN 10305-5;
- **Sheet metal** (black, galvanized, pickled, buckled and striated);
- **Strips;**
- **Special profiles and window frames.**

RAW MATERIAL SUBJECT

The coils used for tube production comply with the UNI EN 10025-2 standard as regards technical supply conditions for non-alloy steels for structural purposes and with the UNI EN 10051 standard as regards dimensional and form tolerances.

The coils used for galvanized tube production comply with the UNI EN 10346 standard as regards technical supply conditions for flat steel products manufactured with the sendzimir continuous hot-dip galvanising process for cold forming.

The product range comprises:

- Round tubes with diameters from 12 to 355.6 mm and thicknesses from 1.5 to 12.5 mm;
- Square tubes from 10×10 to 300×300 mm with thicknesses from 1.5 to 12.5 mm;
- Rectangular tubes from 15×10 to 400×200 mm with thicknesses from 1.5 to 12.5 mm;
- Tubes from galvanized strip with thicknesses from 1.5 to 4 mm;
- Square-rectangular tubes from galvanized strip with thicknesses from 1.5 to 3 mm in accordance with UNI EN 10305-5;
- Sheet metal (black, galvanized, pickled, buckled and striated) in standard formats and thicknesses from 1 to 10 mm.

Profile lengths vary from 4500 mm to 15000 mm. On the customer's request, the uncoated welding of galvanized products can be coated using a gun that 'atomises' a zinc wire. A hot or cold galvanising service is also offered under tolling agreements.

Starting in 2023, the product range will be further expanded with the launch of the new Sms line.

QUALITY

Structural carbon steel:

- S235JRH;
- S275J0H;
- S275J2H;
- S355J0H;
- S355J2H.

Pickled steel:

- S235JRH
- E220+CR2 -> S2 for precision uses

Galvanized steel:

- DX51D
- E220+CR2 -> S4 for precision uses

TESTS

During production, special attention is paid to continuous quality tests, specifically:

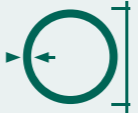

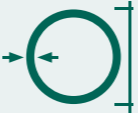

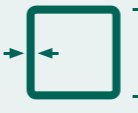

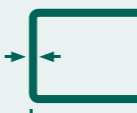
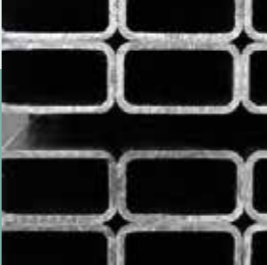
- dimensional tests in accordance with EN 10219-2 and EN 10305-5;
- visual inspections in accordance with EN 10219-2 and EN 10305-5;
- crushing tests for round tubes in accordance with UNI EN ISO 8492;
- HF welding inspection with the eddy current method in accordance with UNI EN ISO 10893-2.

Our laboratories perform continuous tests on tube compliance with reference standards. All the machines we use are certified and subject to regular maintenance.

Below are the tests carried out on the tube samples in our laboratories:

- UNI EN ISO 6892-1 tensile test;
- UNI EN ISO 148-1 resilience test;
- spectrometric tests to determine chemical composition;
- macrographic tests on thermally altered areas.

The results of the above tests are shown on each accompanying 3.1 certificate.

 <p>TUBI TONDI STRUTTURALI Peso teorico kg/metro</p> <p>ROUND STRUCTURAL TUBES Theoretical weight kg/meter</p> 	 <p>TUBI TONDI STRUTTURALI SPESSORI INTERMEDI Peso teorico kg/metro</p> <p>ROUND STRUCTURAL TUBES Theoretical weight kg/meter</p> 	 <p>TUBI QUADRI STRUTTURALI Peso teorico kg/metro</p> <p>SQUARE STRUCTURAL TUBES Theoretical weight kg/meter</p> 	 <p>TUBI RETTANGOLI STRUTTURALI Peso teorico kg/metro</p> <p>RECTANGULAR STRUCTURAL TUBES Theoretical weight kg/meter</p> 
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Stainless steel division

Stainless steel division production is as follows:

- Round tubes with two types of welding: HF (EN 10296-2) and laser (EN 10217-7);
- Square/rectangular tubes.

The following surface finishings are also available. Standard inline brushed, satin, polished and mirror-polished.

RAW MATERIAL SUBJECT

The coils used for tube production comply with the **EN 10088-2 and EN 10028-7 standards**. Cold-rolled steel is used for thicknesses up to and including 1.6 mm, hot-rolled steel from 2 mm to 6 mm.

Since 2014 and the installation of a line for large-diameter heavy-duty tubes, Padana Tubi's stainless steel range has been enhanced with new productions.

The product range comprises:

- Round tubes with diameters from 26.9 to 323,9 mm with thicknesses from 1 mm to 6 mm;
- Square tubes from 10×10 to 200×200 mm with thicknesses from 1 mm to 6 mm;
- Rectangular tubes from 20×10 to 300×100 mm with thicknesses from 1 to 6 mm.

The standard production length of tubes is 6000 mm, although lengths ranging from 4500 to 12000 mm may be agreed with the Sales Department.

QUALITY

304L (4307) Cr 17.5 to 19.5 Ni 8.00 to 10.00;
 316L (4404) Cr 16.5 to 18.5 Ni 10.00 to 13.00 Mo 2.00 to 2.5;
 316Ti (4751) Cr 16.5 to 18.5 Ni 10.5 to 13.5 Mo 2.00 to 2.5.

TESTS

During production, special attention is paid to continuous quality controls, specifically:

- dimensional tests in accordance with EN 10217-7, EN 10296-2, EN 10219-2;
- visual inspections in accordance with EN 10217-7, EN 10296-2, EN 10219-2;
- widening tests for round tubes in accordance with UNI EN ISO 8495;
- HF/laser welding inspection with the eddy current method in accordance with UNI EN ISO 10893-2.

Our laboratories also perform continuous tests on tube compliance with reference standards for the stainless steel division. Below are the tests carried out on tube samples:

- UNI EN ISO 6892-1 tensile test;
- UNI EN ISO 148-1 resilience test;
- spectrometric tests to determine chemical composition;
- macrographic tests on thermally altered areas.

The results of the above tests are shown on each accompanying 3.1 certificate.



The production process

Padana Tubi is a manufacturer of products fully compliant with industry specific national or international regulations, or with recognised market standards. This means that Padana Tubi does not have a design and development operation. Products are offered to customers without any particular variations other than length, format and raw material, in accordance with the appropriate specifications.

The entire production process is managed by a specific


software tracking program, whose web version launched last year, from reception of raw materials to shipping of the finished product.


Production of longitudinally welded tubes consists of a series of standard stages, whatever type of steel is used:



TUBI TONDI
Peso teorico kg/metro

ROUND TUBES
Theoretical weight kg/meter






TUBI QUADRI
Peso teorico kg/metro


SQUARE TUBES
Theoretical weight kg/meter






TUBI TONDI LAMINATI
Peso teorico kg/metro


BEAD ROLLED ROUND TUBES
Theoretical weight kg/meter





TUBI OVALI
Peso teorico kg/metro

OVAL TUBES
Theoretical weight kg/meter



01

02

03

04

05

Storage in coils warehouse

The raw material consists of coils (steel sheets of a predetermined width wound into coils), which are delivered by external suppliers to the various production units and stored in special warehouses.

Coil cutting

The coils are cut longitudinally to obtain strips of different widths depending on the diameter of the tubes or profiles to be manufactured.

Storage in strip warehouse

The strips are placed in the strip warehouse located between the cutting lines and the profiling line loading stations.

Profiling lines

The actual production of the tube (or profile) takes place in this stage. The strip passes through a series of rotating steel rollers which shape the metal into the required profile (round, square, etc.). All the production lines include the following main work areas: strip loading, strip end-welding, forming, welding, sizing, tube inspection, packing.

Storage in finished products warehouse

The tube 'bundles' are transferred to the tube warehouse, to be shipped to customers.

Responsible governance and regulatory compliance

GRI 2-9 | GRI 2-10 | GRI 2-11 | GRI 2-26 | GRI 405-1

Since 2021, Padana Tubi has had a sole shareholder and is subject to management and coordination by Padana Holding S.r.l.

Padana Tubi's corporate governance system is based on a **traditional model where the corporate bodies are the Shareholders' Meeting, the Board of Directors and the Board of Statutory Auditors.**

The Board of Directors (BoD) is vested with the broadest powers for the ordinary and extraordinary management of the Company, with the authority to perform all acts of ordinary and extraordinary administration that they deem appropriate for the achievement of the corporate purposes, excluding only those strictly reserved to the Shareholders' Meeting by company by laws.

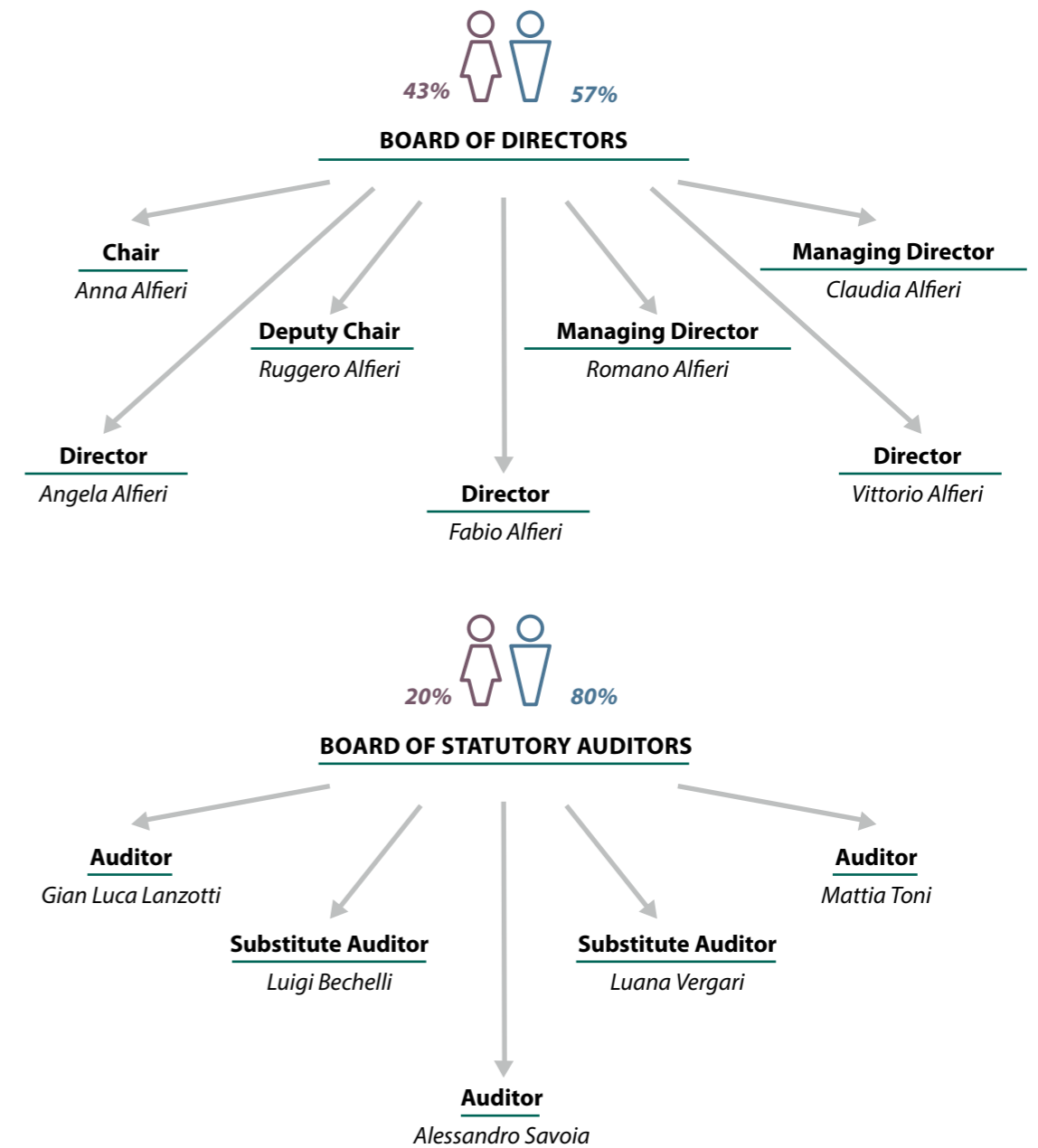
Padana Tubi's Board of Directors consists of seven members in office until approval of the Financial Statements as at and for the year ended 31.12.2022; the directors are members of the Alfieri family and the chair is Anna Alfieri.

Board of Statutory Auditors: the company's management is supervised by a board of five members, of whom three are acting auditors and two are substitute auditors, whose function is to ensure compliance with the law and the Articles of Association, observance of the principles of correct governance, the fitness for purpose of the company's organisational structure and internal control system, and the adequacy of the instructions given to the subsidiaries regarding the information to be provided to fulfil reporting obligations.

Padana Tubi adopts an organisational, management and control model, pursuant to Italian Legislative Decree 231/2001, which is subject to the control of the Supervisory Board to ensure its proper functioning.



Organisational structure



With regard to diversity, 6 of the 7 members of the Board of Directors (four men and three women) are in the 'over 50' age group, while only one person is in the 'between 30 and 50' age group. The Board of Statutory Auditors, consisting of 4 men and one woman, has 3 members in the 'between 30

and 50' age group and 2 in the 'over 50' age group.

The following is an overview of the governing bodies in accordance with GRI 405-1.

Governing bodies by gender	2020				2021				2022			
	Women	Men	Other	Total	Women	Men	Other	Total	Women	Men	Other	Total
Board of Directors	3	4	-	7	3	4	-	7	3	4	-	7
Board of Statutory Auditors	1	4	-	5	1	4	-	5	1	4	-	5
Special Powers of Attorney	3	3	-	6	3	3	-	6	3	3	-	6
Total	7	11	-	18	7	11	-	18	7	11	-	18

Governing bodies by age group	2020				2021				2022			
	<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	Total
Board of Directors	-	2	5	7	-	2	5	7	-	1	6	7
Board of Statutory Auditors	-	3	2	5	-	3	2	5	-	3	2	5
Special Powers of Attorney	-	4	2	6	-	5	1	6	-	5	1	6
Total	-	9	9	18	-	10	8	18	-	9	9	18

Padana Tubi has implemented an articulated system of powers for collaborators who operate autonomously in their respective areas of competence; for specific areas, it was deemed appropriate to grant special powers of attorney to certain company figures, so that the powers assigned to them would also be clear to third parties.

Below are the other positions or titles held by 6 officers in the corporate governance system in areas such as construction sites, environment, health and safety, personnel management.

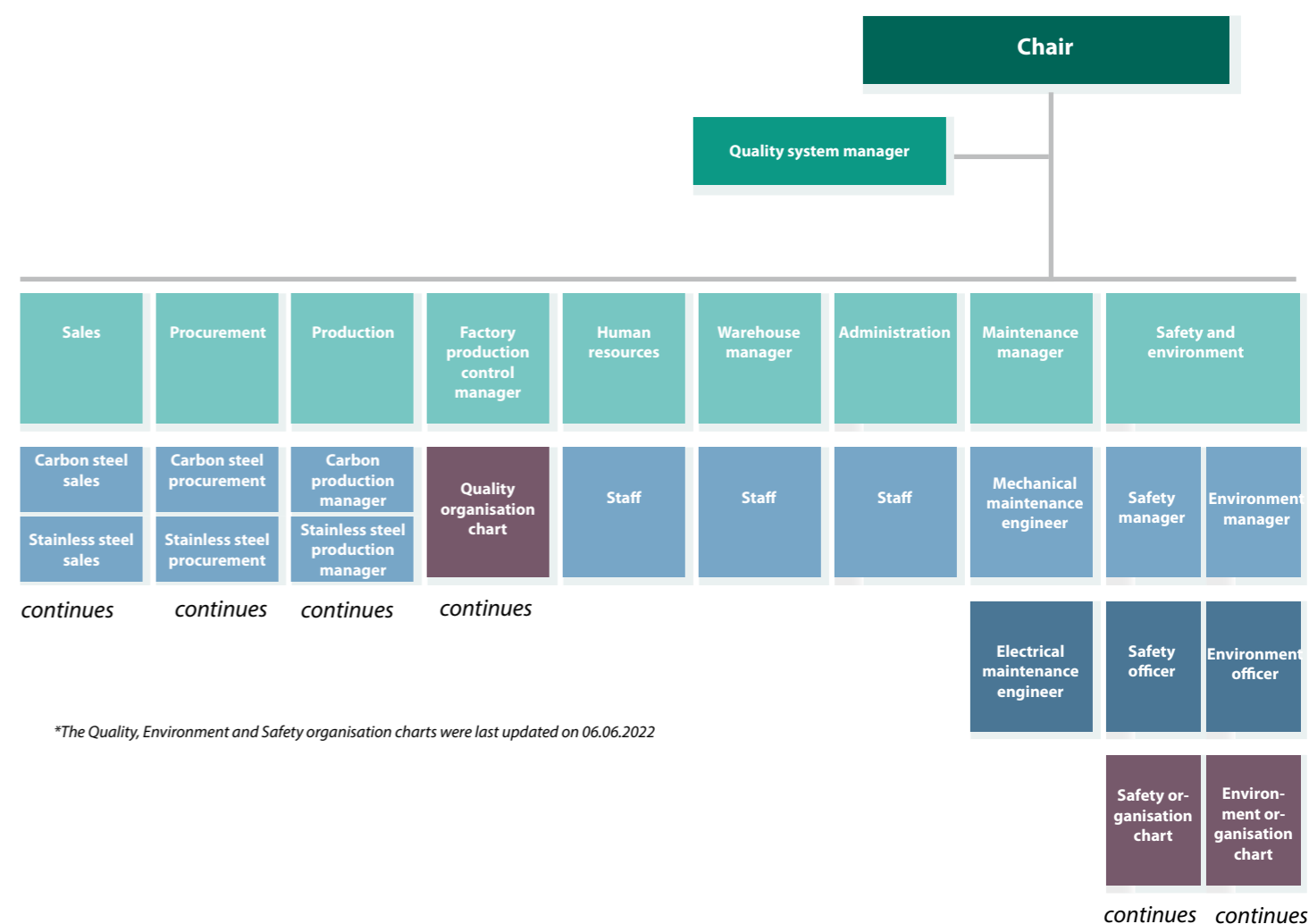
OTHER POSITIONS OR TITLES	ROLE
MANTOVANI FRANCESCO	REPRESENTATIVE
PANIZZI DAMIANO	REPRESENTATIVE
SARA BONORI	SPECIAL REPRESENTATIVE
MARIA CHIARA MASINI	REPRESENTATIVE
FABIO IORI	SPECIAL REPRESENTATIVE
SARA MORTARA	SPECIAL REPRESENTATIVE

Organisation chart

At 31.12.2022, Padana Tubi had a workforce of **710 people**, represented internally by a **general organisation chart** and **three specific charts for Environment, Safety and Quality**.

The company has two macro-divisions: the Carbon Steel Division and the Stainless Steel Division.

The chart below represents the first organisational level of Padana Tubi structure; for more details please refer to the relevant company documents.



*The Quality, Environment and Safety organisation charts were last updated on 06.06.2022

Ethics, integrity and transparency

Padana Tubi has voluntarily adopted a **Code of Ethics and an Organisation and Control Model** in compliance with Italian Legislative Decree no. 231/2001; together, they constitute the company's values base and are subject to control by the Supervisory Board.

The Code and the Model were adopted in 2015 and subsequently updated and approved by the Board of Directors in 2018, in 2020 and, most recently, in 2022, when the new predicate offences were added.

They can be viewed at www.padanatubi.it, in the *Sustainability - Governance* section.

Since the outbreak of the war in Ukraine, Padana Tubi has severed all ties with Russian companies, customers and suppliers, and organised itself for strict compliance with the sanctions and bans progressively established by the European Community against entities, natural and legal people, and goods of Russian origin. This includes the activation of biographical checks and requests for compliance declarations from its counterparties.

CODE OF ETHICS AND PRINCIPLES

The Code of Ethics enshrines a series of rules of 'corporate conduct' with which the company identifies itself and which it requires its corporate bodies and employees to observe and its counterparties, customers and suppliers to acknowledge.

The Code of Ethics also establishes principles to prevent the unlawful conduct referred to in Italian Legislative Decree 231/2001, thus acquiring relevance for the purposes of the Model and constituting a complementary element to it.

In its operations and works to achieve its institutional aims, Padana Tubi is guided by the following ethical principles:

LEGALITY	PROTECTION OF COMPETITION
IMPARTIALITY	PREVENTION OF MONEY LAUNDERING
TRANSPARENCY AND FAIRNESS	PREVENTION OF CORRUPTION
LOYALTY AND GOOD FAITH	MITIGATION OF CYBERCRIME
VALUE OF PEOPLE AND HUMAN RESOURCES	PROTECTION OF INTELLECTUAL PROPERTY
CONFIDENTIALITY AND PROTECTION OF PRIVACY	PROPER MANAGEMENT OF PUBLIC FUNDING
PREVENTION OF CONFLICTS OF INTEREST	PROPER MANAGEMENT OF SPONSORSHIPS
OCCUPATIONAL SAFETY AND ENVIRONMENTAL PROTECTION	

THE ORGANISATION, MANAGEMENT AND CONTROL MODEL (MOG) AND THE SUPERVISORY BOARD

The 231 Model, supported by the Code of Ethics, is the **tool used by Padana Tubi to disseminate to all stakeholders a business culture based on legality and on the importance of correct, lawful and transparent conduct in line with the ethical principles that the Company pursues in its business activities.**

With the adoption of the 231 Model in 2015, the BoD appointed a **Supervisory Board (SB)** of two external members and one internal member, which is renewed from year to year. The activities of the Supervisory Board and the identification of its powers, tasks and responsibilities are governed by a specific internal regulation.

The function of the Supervisory Board is to monitor the compliance with the procedures set out in the organisation model, interfacing directly with the BoD in the event of violations or risk situations. It does this by analysing the information flows transmitted on a quarterly basis by the process owners, holding regular meetings with heads of functions in the areas most at risk and regular meetings with the Board of Directors and the Board of Statutory Auditors.

The SB also takes charge of reports received through specific channels (e-mail address, mailboxes in each plant and ordinary mail), and carries out investigations into the reports before informing the BoD, so that it can take any corrective or disciplinary action.

Furthermore, Padana Tubi has adopted a **whistleblowing** system based on a specific procedure and an alternative communication/reporting channel to guarantee the confidentiality of the whistleblower's identity.

Any reports are managed respecting all privacy rules, in accordance with Italian Legislative Decree 196/2003, the GDPR (EU Regulation 2016/679), and protecting whistleblowers. In the latest update to the MOG, a specific paragraph on sanctions to protect whistleblowers was added (general section 4.6).

In addition to always ensuring the anonymity of the whistleblower, the whistleblower and any third parties interviewed during the SB's investigations are also invited not to disclose what emerged during the meetings with the whistleblower, by signing a special form for Padana Tubi's Data Protection Officer.

As required by the GRI standards, it should be noted that no reports were received during 2022.

In addition to the rules specified in the MOG and the Code of Ethics, account is taken of the procedures adopted by the Company with the ISO 9001, ISO 45001 and ISO 14001 certifications. The SB prepares half-yearly reports for the Board of Directors, respecting all rules in terms of privacy and protection of whistleblowers. It also schedules an annual audit for each business process¹, focusing on those most at risk.

During 2022, the SB regularly audited the processes in question by analysing the information flows received from the process owners and carrying out sample checks. No anomalies or matters of significance for the purposes of Italian Legislative Decree 231/01 emerged.



¹ The business processes considered are: purchasing of goods, services and consultancy; production and marketing management; tax management - tax offences; management of monetary and financial flows; occupational health and safety management; IT security management; management of sponsorships, donations and gifts; relations and obligations with public bodies; personnel selection, recruitment and management.

The internal control system

In preparing the Model, Padana Tubi took into account the company's existing internal control system, in order to verify its suitability to prevent the specific offences envisaged by the Decree in the identified areas at risk. The control system involves every sector of activity by separating operational tasks from control tasks, thus reasonably reducing any possible conflict of interest.

The Padana Tubi corporate control structure includes:

- **line checks**, i.e., operational and hierarchical-functional checks to ensure that operations and activities are conducted correctly;
- **compliance checks**, subsequent audits carried out by control bodies, including the Supervisory Board, in order to identify, assess, control and manage the risk of non-compliance with laws, regulations, the Code of Ethics, the Model, procedures and other internal rules.



Management systems and certifications

Attention to people, prevention and protection of workers and the environment are the values that led Padana Tubi to adopt an Integrated Environment, Health & Safety Management System implemented in accordance with the requirements of UNI EN ISO 14001:2015 and ISO 45001:2018.

The certifications acquired by Padana Tubi provide clear and transparent confirmation of the fact that the company manufactures products that comply with the highest standards of quality, safety and respect for the environment. **With its organic vision of the company's processes, Padana Tubi implements all-round responsible governance and pursues clear objectives** to meet the expectations of its stakeholders, as formalised in the Quality, Health, Safety and Environment Policy.

This enabled the Company to obtain quality certification in accordance with **ISO 9001** as early as 1996; over the years it has raised its standards, building a prominent position on the market.

During 2019, Padana Tubi completed the transition from **OHSAS 18001** certification obtained in 2016 to **ISO 45001** certification; further proof of how it places the protection of the health, safety and welfare of its operators, customers and suppliers among the core values of its corporate strategy. The result perfectly complements the objective of continuous improvement in quality and environmental protection, projecting the company towards a new model of sustainable competitiveness.

In 2021, Padana Tubi transformed its operating approach by implementing standardised procedures in line with the **ISO 14001** standard, and obtained the relative certification, to protect the environment in which operators and customers work.

Responsibility and sensitivity to the environmental impact of its activities led the Company, during the second half of 2022, to apply for and obtain its first **ISO 14064 (Organisation Carbon Footprint) certification**, which allowed Padana Tubi to quantify its GHG emissions in order to outline and implement carbon management policies in the short, medium and long term, starting from a precise baseline (2021).

This led Padana Tubi to update the study for the year 2022 and to decide to begin the process to obtain a second certification in 2023.

During the year covered by this report, Padana Tubi underwent an audit to verify maintenance of the ISO 9001, ISO 14001 and ISO 45001 regulatory schemes.

Everyone made a contribution, showing a strong interest in the Company's continued growth.

UNI ISO 45001



ISO 45001 is the **occupational health and safety management system** standard, and the first international standard to set minimum levels of good practice for the protection of workers worldwide. It establishes a framework for improving safety, reducing risks in the workplace and improving the health and well-being of workers, so raising health and safety performance.

Padana Tubi decided to obtain certification in order to improve prevention policies and combat occupational injuries and illnesses more effectively.

Date of issue of certificate: 29.04.2019 (EX OHSAS 18001 from 5 May 2016 to 4 May 2019).

Latest renewal: 28.04.2022

UNI ISO 9001



The ISO 9001 standard establishes the criteria for a **quality management system** that focuses on process effectiveness and promotes adoption of a risk analysis approach.

Padana Tubi decided to obtain certification in order to guarantee high quality standards in its business processes and ensure maximum customer satisfaction.

Date of issue of certificate: first certificate only for the stainless steel department with IGQ in 1996, followed by carbon certification applied for in 2008; this led to full carbon/stainless steel certification, initially on 31/01/2013.

Latest renewal: 31.01.2022

UNI ISO 14001



ISO 14001 is the **environmental management system certification** standard, which provides for in-depth analysis of the company's management to reduce environmental impacts, ensure compliance with all legal requirements and consolidate ties with all stakeholders.

Padana Tubi voluntarily chose to obtain certification in order to reconcile quality with efficiency and productivity, while respecting the environment and the community in which it operates.

Date of issue of certificate: 19.11.2021

UNI ISO 14064



The main purpose of the ISO 14064 standards is to attest the **credibility and trustworthiness of GHG reporting and monitoring processes**, in relation to organisations' emissions disclosures and emission-reduction projects.

Padana Tubi voluntarily chose to obtain certification in order to be aware of its carbon footprint in terms of tonnes of CO₂ emissions and set targets to reduce its environmental impacts.

Date of issue of certificate: 06/09/2022

CONSTRUCTION PRODUCTS REGULATION (EU) 305/2011



EU Regulation 305/2011 covers all manufactured products intended to become a permanent part of construction works, setting out essential performance requirements with the aim of optimising the free movement of these products within the European Union.

Padana Tubi voluntarily chose to obtain certification to align itself with the conditions required by the European market for the marketing of construction products.

Date of issue of certificate: first issued on 30/09/2008

Latest renewal: 19/01/2018

PRESSURE EQUIPMENT DIRECTIVE 2014/68/UE (PED)



Directive 2014/68/EU applies to the design, manufacture and conformity assessment of pressure equipment and assemblies subjected to a maximum allowable PS pressure of more than 0.5 bar.

Padana Tubi voluntarily chose to obtain certification to align itself with the European directive, which was created to harmonise the national laws of the Member States governing the design, production, testing and conformity assessment of pressure equipment and assemblies.

Date of issue of certificate: first issued on 15/12/2017

Latest renewal: 09/12/2020



2 Sustainability for Padana Tubi

The approach

The path followed by Padana Tubi to establish a model for sustainable action is a profound change that requires the **integration of sustainability into the company strategy** and an appropriate and structured process of growth and awareness, which continued in 2022 with the voluntary decision to publish the **Second Sustainability Report as an act of transparency and social responsibility**.

The company's choices, decisions, behaviour and performance are no longer assessed solely in terms of traditional results and objectives, they now also refer to the other sustainability pillars: from the focus on quality certification for products and the management system to the monitoring of specific emissions, the adoption of measures to optimise energy consumption and calculation of the company's environmental footprint. Attention to the workforce and enhancement of skills are also important.

Stakeholder mapping and engagement

Padana Tubi maintains direct relations with all its stakeholders for the purpose of continuous collaboration.

Stakeholders are entities or individuals who may be significantly affected by the organization's activities, products and services or whose actions can affect the organization's ability, products and services or whose actions can affect the organisation's ability to successfully implement its strategies and achieve its objectives.

Involvement of and discussion with stakeholders (**stakeholder engagement**) is essential to understand their expectations, interests and opinions. Attentive, positive engagement helps companies define their objectives with greater awareness and facilitates the decision-making process. For each stakeholder, engagement takes the form of direct relations in order to incorporate their interests and expectations.

Shareholders and banks are interested in increased profits, economic sustainability and transparency in dealing with the Company; customers look for safe, reliable and quality products, while suppliers aspire to continuity in their relations with Padana Tubi, to loyalty, to a flexible organisation and to efficient logistics.

During 2023, **Padana Tubi has directly involved an initial group of key customers, suppliers and the Municipality of Guastalla in the process of defining the material issues covered by this report.** This activity, discussed in

greater detail later in the report, enabled the company to identify strategic and priority ESG issues for its growth in the medium and long term.

No less important are relations with schools in the area, trade unions, local and trade associations. Padana Tubi is a member of several bodies in the manufacturing and steel industry: *Confindustria Reggio Emilia, Centro Inox, Unisider and Fondazione promozione acciaio.*

You can see here below the **stakeholder map**, which provides a concise representation of Padana Tubi's main stakeholders subdivided at macro level and, in greater detail, their interests and how they are engaged.



Stakeholders	Interests	Engagement	Results
Shareholders 	<ul style="list-style-type: none"> Long-term economic and social sustainability 	<ul style="list-style-type: none"> Attendance at Shareholders' Meetings and Board Meetings 	<ul style="list-style-type: none"> Disclosure of economic and social results
Human resources 	<ul style="list-style-type: none"> Job stability Career paths Occupational health and safety 	<ul style="list-style-type: none"> Training courses Direct and individual meetings/contacts E-mail communication 	<ul style="list-style-type: none"> Enhancement of corporate know-how and skills system Update with respect to changes in company protocols/disclosures
Financial community 	<ul style="list-style-type: none"> Short- and long-term capital and financial solidity Loyalty building Transparency 	<ul style="list-style-type: none"> Direct contacts E-mail communication Transmission of financial statements 	<ul style="list-style-type: none"> Disclosure and knowledge of the organisation's economic results (financial statements)
Customers 	<ul style="list-style-type: none"> Product quality and service level Correct pricing Continuity and reliability 	<ul style="list-style-type: none"> Individual direct contacts Quality control service Logistics service Corporate website content Restricted-access e-commerce portal Materiality analysis survey 	<ul style="list-style-type: none"> Response to customer needs Transparency in relationships Survey of ESG issues of importance to customers
P.A. and institutions 	<ul style="list-style-type: none"> Compliance with laws and technical standards Dialogue Information transparency 	<ul style="list-style-type: none"> Information exchange Materiality analysis survey 	<ul style="list-style-type: none"> Compliance with regulatory and technical requirements Dialogue between the parties Survey of ESG issues of importance to P.A.
Suppliers of goods and services 	<ul style="list-style-type: none"> Financial solidity Business and volume growth Continuity and loyalty building Occupational safety Flexible organisation and efficient logistics Technical expertise and prestige 	<ul style="list-style-type: none"> Individual direct contacts Transmission of financial statements on request Volume agreements Materiality analysis survey 	<ul style="list-style-type: none"> Sharing of know-how and technological innovation Evaluation of strategic objectives and projects Survey of ESG issues of importance to suppliers
Territory and community 	<ul style="list-style-type: none"> Employment growth Integration and youth engagement Economic support for projects Involvement in initiatives Professional placement of students Mitigation of environmental impact 	<ul style="list-style-type: none"> Donations and support for initiatives Initiatives for the development and economic growth of the local area Indirect communication through the media 	<ul style="list-style-type: none"> Circulation and sharing of economic, environmental and social values Transparent dialogue and recognition of role in the community
Certification and inspection bodies 	<ul style="list-style-type: none"> Compliance with standard specifications Compliance with regulatory requirements 	<ul style="list-style-type: none"> Annual/half-yearly audits for certification maintenance or renewal 	<ul style="list-style-type: none"> Maintenance of certification and spendability of certification at a commercial/reputational level
Industrial relations 	<ul style="list-style-type: none"> Constructive dialogue among social parties Involvement in initiatives for the territory Participation in refresher courses Consultancy 	<ul style="list-style-type: none"> Participation in general council Direct contacts, emails, newsletters Website communications Surveys for new regulatory proposals Regular meetings with social parties 	<ul style="list-style-type: none"> Sharing of new industry technical and quality standards Sharing of corporate safety performance Knowledge of business performance and needs of local companies

Materiality analysis

Materiality analysis is a fundamental process in the sustainability journey, used to identify the topics that have, or could have, a significant impact (positive or negative) on the actions and decisions of the company or its stakeholders, and to provide indications to achieve positive results and responsible growth with respect to governance and the dimensions of sustainability in the three areas, economic, environmental and social. The drafting of this Sustainability Report involved Padana Tubi's management in a 6-step process of awareness and identification of material topics, which dictated its reporting boundaries. The materiality analysis made it possible not only to identify the ESG topics considered of material importance for Padana Tubi, i.e., issues of significance to the company (x-axis) and input for the definition of the Company's Strategy, annual objectives and priorities to be addressed, but also to survey the point of view of certain categories of stakeholders, in order to develop a sustainable business model aligned with their assessments and expectations (y-axis).

- 01 ANALYSIS**
Analysis of key trends, benchmarking comparables, comparison with international frameworks (GRI, SASB, etc.).
- 02 REVIEW**
Review and update of identified ESG topics.
- 03 STAKEHOLDER MAPPING**
Mapping and evaluation of degree of stakeholder engagement.
- 04 EVALUATION**
Assessment of ESG topics (survey) by company top management and key stakeholders.
- 05 MATERIALITY MATRIX**
Development and validation of the materiality matrix.
- 06 REPORTING**
Reporting on ESG performance related to identified material topics.

MATERIALITY ANALYSIS FOR PADANA TUBI

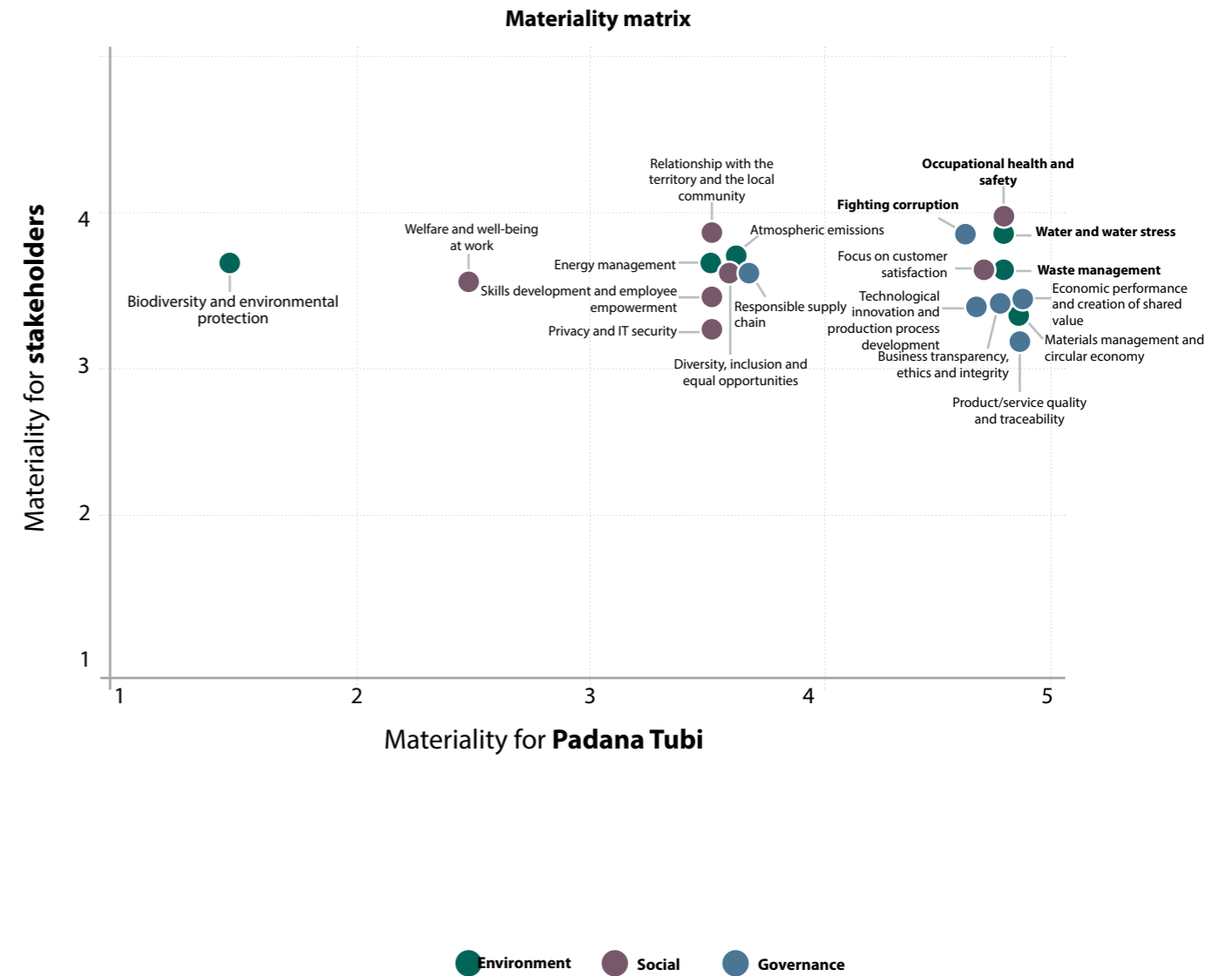
In order to identify internal issues, material topics were identified through a document-based analysis of Padana Tubi's ESG issues, consistently with the materiality results of the SASB analysis and study of the GRI standard. The topics were prioritised by the company's management, which assessed the importance of the individual issues at a discussion workshop.

STAKEHOLDER MATERIALITY ANALYSIS

In order to survey external issues, a questionnaire was distributed to a selected sample of stakeholders. Through the questionnaire, each stakeholder had the opportunity to indicate the most relevant topics in relation to their needs and expectations of the company. The questionnaire was prepared in Italian and English, then sent to the following categories: suppliers, customers, public bodies.

All 19 topics presented in the questionnaire are included in the materiality matrix below, as they are representative of Padana Tubi's sustainability vision.

The topics that emerged as having high materiality and priority are: Occupational health and safety, Waste management, Water and water stress, Fighting corruption. The materiality analysis also identified so-called emerging topics, i.e., issues considered of significance for the company as they represent the sustainability impacts generated by Padana Tubi on the environment, the economy and people; monitoring of these issues is being organised. They include: Materials management and circular economy, Atmospheric emissions, Transparency, ethics and integrity, Focus on customer satisfaction, Responsible supply chain management, Diversity, inclusion, equal opportunities.



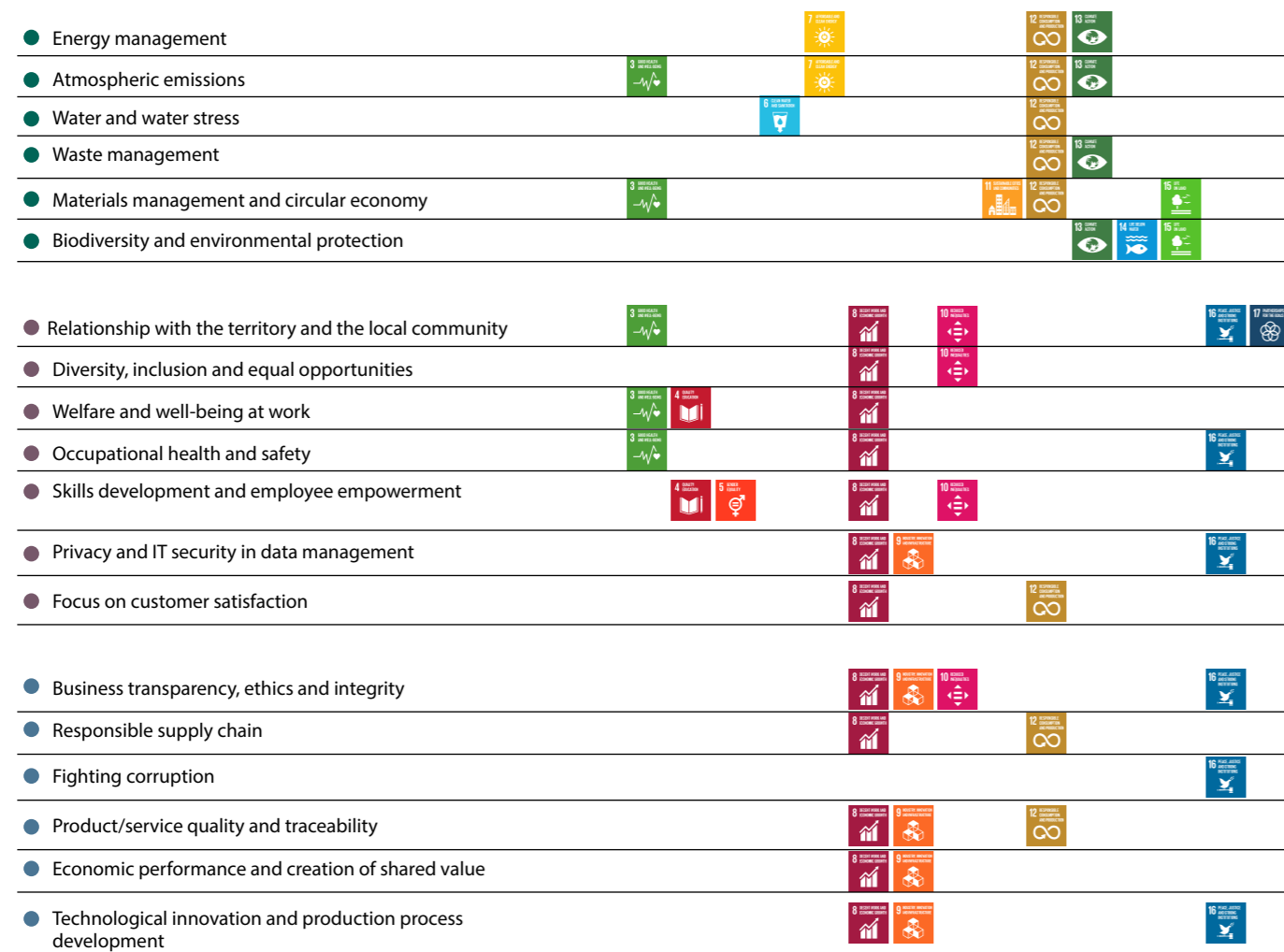
Contribution to achieving the Sustainable Development Goals (SDGs)

The Sustainable Development Goals - SDGs - are a set of 17 goals established by the United Nations as a blueprint to help countries and organisations around the world towards the reduction of inequality, the promotion of economic prosperity, social development and environmental protection. Each goal comprises 169 specific targets, and together they constitute the core elements of the 2030 Agenda for Sustainable Development.

Actively contributing to winning global sustainability challenges is becoming the number one priority for institutions, companies and organisations.

With reference to its own scope of action, Padana Tubi correlated the SDGs with its own material topics through an analysis of the GRI indicators reported during 2022 and

the objectives of the projects it supports in relation to the SDGs and the targets set out in the "Framework Linking the SDGs and the GRI Standards", a guide updated in May 2021 by the Global Reporting Initiative, which helps organisations correlate the targets of each of the 17 SDGs with the disclosures of the GRI Standards.



● Environment ● Social ● Governance

Economic and financial results

In 2022, after the exceptional expansion of the previous year, the world economy slowed due to two main events: the Russian-Ukrainian conflict, followed by the acceleration of energy prices, and China's adoption of stringent policies to control the pandemic, which generated a sharp downturn in the country's production².

Before the outbreak of the Russian-Ukrainian conflict, the Company had negligible sales in Russia and Ukraine, as these markets are of very marginal significance for the welded tube industry. On the other hand, Russia, and Ukraine in particular, were important sources of supply for carbon steel, so recourse to other suppliers became necessary.

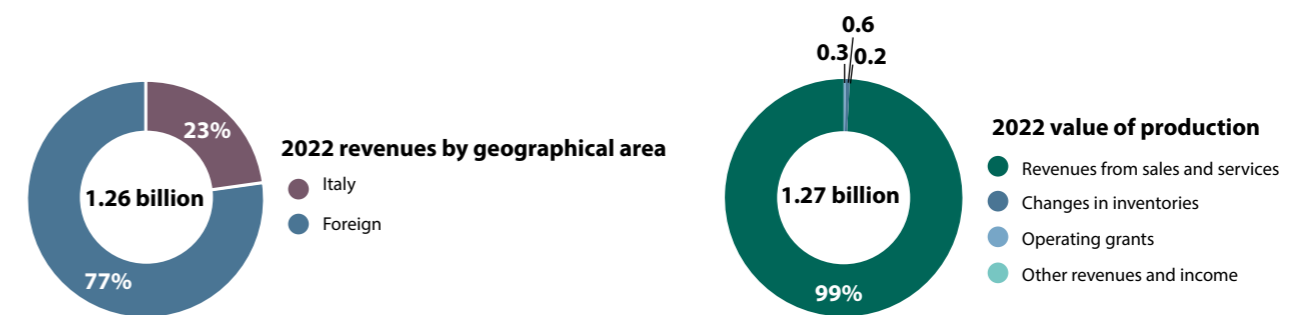
The increase in gas and electricity costs was among the indirect effects of the war, and this affected the company's economic dynamics. Against this backdrop, 2022 shows a continuous positive growth trend for Padana Tubi:

The Company generated **sales revenues of € 1,263,312,949**, a slight increase of 2% over the 2021 figure of € 1,235,143,369. **Total economic value generated**, on a comparable basis, was **€ 1,273,730,553**.

Net profit, while remaining at a high level, decreased by 26% to **€ 89,233,725**; a positive result given the economic and geopolitical context.

The ongoing war, besides being a humanitarian tragedy of unprecedented proportions, has created panic in international markets in all sectors, accentuating price volatility and dampening real demand. With reference to the steel and flat products sector in which the Company is active, Russian attacks in eastern Ukraine have totally blocked the export of slabs and coils to Europe. At the same time, the sanctions against Russia introduced by the European Union have banned imports of coils (and pipes) from Russia and Belarus.

Despite this unstable and volatile scenario, the trend in overall sales volumes remained positive; in particular, the breakdown of sales and service revenues by geographical area shows that 77% of revenues are of foreign origin (European and non-European).



Economic data (€)	2020	2021	2022
Turnover	744.884.803	1.235.143.369	1.263.312.949
Value of production	742.291.847	1.245.473.677	1.275.635.293
Net profit	54.027.761	119.864.011	89.233.725
EBITDA	95.363.742	215.154.209	176.299.191
EBITDA/VAL of Prod %	0,13	0,18	0,14

Financial data (€)	2020	2021	2022
Shareholders' Equity	610.959.466	726.315.296	809.617.199
Net Financial Position (NFP)	264.979.645	306.673.231	430.159.883
Capital Expenditure	13.242.628,70*	49.087.706,52*	29.993.038

* For the years 2020 and 2021 the values have changed compared to the previous report due to a change in the calculation methodology

² Source: Federacciai, "L'industria siderurgica italiana nel 2022"

The achieved results will make possible to implement planned investments faster and to bring forward the timetable for further projects.

During 2022, Padana Tubi incurred capital expenditure of € 29,993,038 on plants and pursued other activities related to investments in Infrastructure. The following events took place in 2022:

- **completion of the construction of plant O**, located in Via Remo Salati, with the start-up in October of the **new tube-forming line** served by the installation of technologically advanced plant and equipment in addition to the latest-generation welding generator, which will enable energy savings;
- **start-up and testing** of a major **photovoltaic system installed on the roof of plant O**;
- **definition of the project for the construction of a 15,000 sq.m plant** in which a new production plant for a new range of stainless steel tubes will be installed. An additional photovoltaic system of 861.82 kWp is to be installed here;
- **investments in software**, including a major upgrade of the MES system to improve performance and data extraction and analysis;
- **the purchase of an area adjacent to the plant in Via De Gasperi** in order to extend the existing plant to provide a larger area for storing material; the extension amounted to approximately 2,500 sq.m.

Economic Generated Value - refers to value of production as per the financial statements for the year in question (revenues from sales and services and other operating revenues) plus financial income and changes in inventories of work in progress, semi-finished and finished goods.

Economic Distributed Value - refers to wealth generated and distributed to certain categories of stakeholders who, through their respective contributions, helped generate value and/or are among the main stakeholders.

The item 'Suppliers-Operating Costs' also took into account inventories of raw materials, consumables and goods.

Economic Retained Value - represents the portion of economic resources retained by Padana Tubi for its own subsistence and sustainability over time. It includes depreciation and amortisation of tangible and intangible assets and profit for the year net of dividends distributed.

Economic distributed value by Padana Tubi to its stakeholders in 2022 was € 1,130,961,336, equivalent to 89% of total value generated, and up 5% compared to the previous year (€ 1,078,559,489 in 2021).

The main stakeholder categories were suppliers, human resources and public authorities, to whom 83%, 3% and 2% of generated wealth was distributed respectively.

The constant expansion of production operations and continuous investment lead to the research of new suppliers as well as the growth of historical suppliers, to whom Padana guarantees continuity

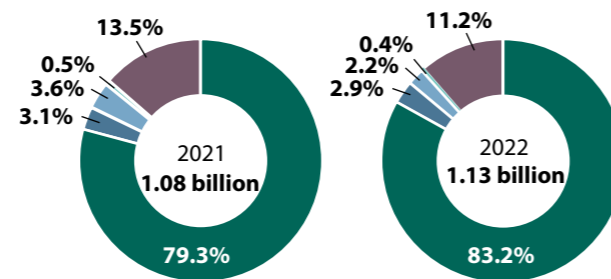
The economic retained value by the company, i.e., the difference between economic generated and distributed value, was € 142,769,217, a decrease of 15% in comparison with 2021.

Directly generated and distributed economic value

Padana Tubi recognises the importance of a balanced distribution among its stakeholders of the value generated by its activities, which they themselves, directly or indirectly, have helped produce.

The table below shows the value generated and distributed, prepared on the basis of the income statement for the reporting period, in accordance with GRI standards. The data for 2020 and 2021 are provided for comparative purposes.

The objective is to highlight the flow of financial resources from the company to internal and external stakeholders: employees, suppliers of goods, services and capital, public authorities and the communities in which the company operates.



Distribution of added value to stakeholders

- Suppliers
- Human resources
- P.A.
- Shareholders
- Company

Determination and distribution of added value	2020	%VAL	2021	%VAL	2022	%VAL
ECONOMIC VALUE GENERATED	742,676,809	100%	1,246,823,800	100%	1,273,730,553	100%
ECONOMIC VALUE DISTRIBUTED	669,396,582	90.1%	1,078,559,489	86.5%	1,130,961,336	88.8%
Suppliers	608,515,771	81.9%	988,367,674	79.3%	1,060,019,127	83.2%
Human resources	35,776,673	4.8%	38,596,235	3.1%	37,069,079	2.9%
Banks and other lenders	462,923	0.1%	453,990	0.0%	396,664	0.0%
Public administration	19,582,228	2.6%	44,641,788	3.6%	27,600,860	2.2%
Local community	550,805	0.1%	567,983	0.0%	418,333	0.0%
Shareholders	4,508,182	0.6%	5,931,819	0.5%	5,457,273	0.4%
ECONOMIC VALUE RETAINED	73,280,227	9.9%	168,264,311	13.5%	142,769,217	11.2%

For the sake of clarity of presentation, the table below sets out a reconciliation between retained value and net profit for the period. It includes depreciation and amortisation of tangible and intangible assets, provisions, value adjustments of financial assets, and part of other operating expenses.

Economic reconciliation	2020	2021	2022
ECONOMIC VALUE RETAINED	73,280,227	168,264,311	142,769,217
Amortisation of intangible assets	336,678	369,082	388,253
Depreciation of tangible assets	22,658,528	52,626,590	58,107,377
Other write-downs of fixed assets	-	-	-
Write-downs of receivables included in current assets	280,794	443,745	255,775
Provisions for risks	-	-	-
Sundry operating expenses	404,665	1,173,106	154,750
Foreign exchange gains and losses	79,983	(280,404)	86,610
Profit allocated to reserves	49,519,579	113,932,192*	83,776,452*
Dividends	4,508,182	5,931,819	5,457,273
Net profit	54,027,761	119,864,011	89,233,725

*the amounts shown do not include the portion of dividends that, respectively, in 2021 and 2022 at the time of approval of the financial statements were allocated in full to reserves, after which distribution of a portion of the extraordinary reserve was subsequently approved.





3 The importance of quality



The quality management system

Quality is a crucial question for Padana Tubi and is at the heart of every business, strategic and operational decision the company makes. The orientation towards the highest possible customer satisfaction and customer protection, also by paying attention to requests that may favour an improvement in the quality of products and services, leads Padana Tubi to constantly strive to understand the market in which it operates and to consider the impact of all its actions and behaviour. In light of this, Padana Tubi is committed to guarantee the achievement and maintenance of adequate quality standards for the products it offers and has obtained **UNI EN ISO 9001 international certification for its production and organisational processes** and drawn up a **Quality Policy**.

The presence of well-defined operating procedures and instructions, constantly updated in line with the company's technical and organisational development, allows Padana Tubi to ensure high quality standards throughout its entire value chain: from the acceptance of incoming materials, to process and finished product control and testing, from the supply of reliable products that comply with current regulations, to the internal culture of continuous improvement to achieve customer satisfaction, from the consolidation of economic sustainability to the care and monitoring of social aspects and governance.

Inspections are regularly scheduled and carried out in order to have a detailed and up-to-date picture of the company's situation with regard to the requirements set out in the procedures. In particular, tests are more frequent and detailed in the areas that are most important for quality: Sales & Marketing, Carbon Steel Production, Stainless Steel Production, Purchasing. However, all company activities are audited at least once a year.

Product quality, traceability, reliability and safety

Padana Tubi ensures high quality standards for its products through close attention to the performance of specific product and process tests.

The quality system runs a **traceability system for raw material batches and finished products**, regulated by an appropriate procedure performed in accordance with the product standard specifications.

The traceability of coils, strips and tubes is ensured by a dedicated coding system. Each coil, each strip cut from a coil, and each tube produced from a strip is identified by a unique batch code. The batch code can be interrogated to recreate the family tree of the product in question.

The main factors guaranteeing quality are: appropriate **incoming tests on raw materials with respect to procurement, spot production process controls, use of state-of-the-art technology and specific skills to test finished products in accordance with the relevant standards.**

Incoming checks

Carefully selected incoming material is subjected to specific checks described in detail in the relevant operating procedures/instructions. Non-compliant material is promptly identified and set aside.

Process controls

The production processes are supported by a set of operating procedures/instructions indicating the criteria and methods to be followed to keep the tube manufacturing parameters under control and ensure that products comply with standards and meet customer requirements.

Specific tests are run during each production stage, such as:

1. tests on welding efficiency using the UNI EN ISO 10893-2 eddy current method;
2. dimensional tests carried out with calibrated instruments;
3. control of surface appearance;
4. recording of results on ISO 9001 codified forms so that the results obtained can be correctly interpreted.

Technical analysis and state-of-the-art technology

In the in-house laboratory, qualified technicians use state-of-the-art technology and equipment to conduct specific tests on the finished products and ensure compliance with reference standards and, in particular, with the CE/PED directive.

LABORATORY AND STATE-OF-THE-ART TECHNOLOGY

Padana Tubi guarantees the highest quality standards on all its products through careful selection of raw materials. We have two laboratories, the first at the Portamurata production site and the second, under construction, in the San Giacomo industrial area. State-of-the-art equipment operate/will operate at the two facilities to run hardness, tensile and resilience tests, chemical analyses and macrographic/micrographic examinations of the base material and the heat-affected zone (the profile weldment).

The tests are carried out to verify that the products meet the technical specifications of the reference standards, specifically:

- for the carbon division, Padana Tubi ensures compliance with all the requirements for the attestation of factory production control set out in the EN 10219-1 standard;
- for the stainless steel division, product-specific inspection certificates are issued for longitudinally welded stainless steel tubes in the quality system and in accordance with the Pressure Equipment Directive 2014/68/EU and applied technical specifications (10217).

In addition, assessments of the health and safety impacts of production processes are carried out. Special attention is paid to stainless steel tube welding, where process controls and fume extraction are particularly important given the presence of alloy components (chromium and nickel). A health protocol is applied to the workers welding these materials, in addition to compliance with a specific protocol for the metalworking industry.

Thanks to the constant focus on quality and continuous monitoring of production processes, **in the last two years Padana Tubi has not detected any incidents of non-compliance with relevant regulations regarding health and safety impacts of products and services.**



PERFORMANCE TESTS IN ACCORDANCE WITH THE EC DIRECTIVE

CE marking requires the manufacturer to prepare a manufacturing and control plan, which includes continuous tests on the performance characteristics of the profiles. These characteristics are verified by the in-house laboratory by means of:

- **tensile tests in accordance with EN ISO 6892-1**, where a standard-sized specimen is subjected to an increasing uniaxial tensile load until it breaks. Tensile testing determines elongation, tensile strength and unit yield strength, characteristics that indicate the quality of the steel;
- **resilience tests in accordance with EN ISO 148-1**, where a hammer (pendulum) is dropped from a predetermined height on to a parallelepiped specimen resting on two ends. Resilience testing is used to measure the toughness of a steel, i.e., its ability to absorb energy before breaking;
- **chemical analysis** where metal samples are analysed using a mass spectrometer to identify the percentage of the elements present in the alloy. With this test it is also possible to determine the weldability index of the steel;
- **non-destructive testing of welding** carried out in-line using the eddy current method in accordance with UNI EN ISO 10893-2.

QUALITY INVESTMENTS

For several years now, Padana Tubi has invested heavily in technological innovation and process digitalisation by developing the **Industry 4.0 project** which will lead to the interconnection of multiple production lines.

Over time, this will help streamline the production process, allowing production to be monitored, with a more detailed evaluation of the related costs, faults and intervention times, any abnormal consumption, leading, in the long run, to a reduction in energy consumption and waste.

In 2022, Project 4.0 was integrated with functionalities to facilitate remote supervision, monitoring of plant performance and maintenance operations

Thanks to the revamps carried out during the year on the production lines, several automation improvements were carried out that made it easier for operators to perform certain tasks. The adoption of shared procedures with suppliers on safety issues, together with the installation of new material and immaterial protections, guarantee a high level of safety for employees working on the forming

lines. In addition, the introduction of new machines and semi-machines on existing plants has improved the quality of products and enabled the range of profiles that can be produced to be expanded.

During the years, the **set-up of the new SMS production facility and dedicated FIMI slitter** began.

INVESTMENTS IN NEW PRODUCTION LINES

SMS Group 18" line (production range from diameter 168 to diameter 457 mm and related square and rectangular tubes).

In 2022, production started on a line of carbon steel tubes up to 457 mm in diameter and 18 mm thickness. Commercial and logistical strength complements technological efficiency to consolidate Padana Tubi's authoritative presence in the global structural tubing market.

A highly innovative FIMI cutting line has been installed to serve this plant, as well as a special detachment of the quality laboratory to ensure the necessary upstream and downstream process control support.



Customer relations

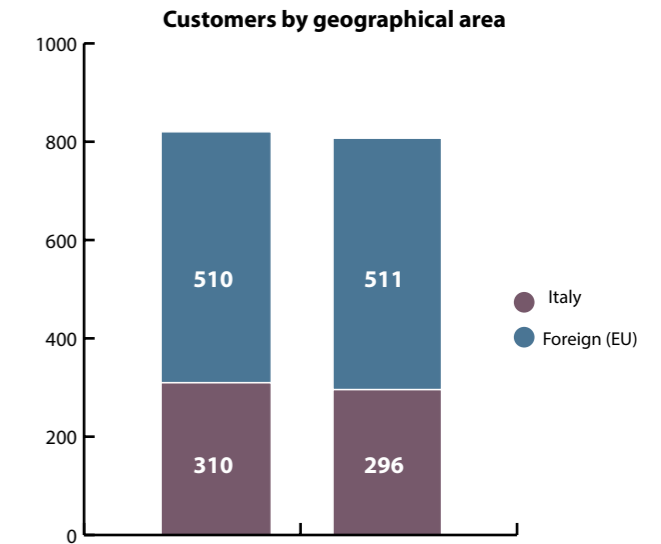
Striving for the highest possible customer satisfaction and protection by understanding customer needs is one of the goals Padana Tubi constantly pursues.

Padana Tubi's customers are mainly steel distributors and service centres, who in turn either retail the company's products or carry out further processing such as length reduction, surface processing, laser drilling, end machining or shaping, etc., before selling them.

As at 31 December 2022, Padana Tubi had 807 customers with open positions, of which 296 in Italy and the remaining 511 mainly in Europe.

In 2020, an e-commerce system linked to Padana Tubi's management system was activated, which allows customers to send in requests quickly and conveniently, in digital format. The requests are then processed by the management system in order to have a quick offer that can then automate the order entry.

The company manages relations with customers by



monitoring two very important issues: **complaints management and measurement of customer satisfaction.**

Customer complaints not transmitted through non-conformity reports are recorded on a 'non-conformity management' sheet, specifying the problem and setting out the remedies to be implemented to address the complaint. Customer satisfaction is measured through direct contact between customers and the relevant sales manager, and the monitoring of specific indicators identified during the 'Management Review', where the information received is summarised to obtain a measurable customer satisfaction result.

PRIVACY AND DATA MANAGEMENT

Personal data relating to customers and suppliers are properly stored and managed as required by privacy legislation.

Through the Privacy Register, Padana Tubi monitors the total number of substantiated complaints received concerning breaches of customer privacy. No cases of privacy breaches and cyber attacks were recorded in 2022.

Responsible supply chain management

Padana Tubi considers selection of stable, reliable and ethically responsible partners crucial

Padana Tubi's relations with its main suppliers go beyond mere commercial ties; in fact, they are a very important strategic lever for building mutual trust and seizing the necessary stimuli for the continuous pursuit of innovation with a view to sustainable growth.

Padana Tubi manages relations with suppliers with loyalty, fairness and professionalism, encouraging continuous and synergetic collaboration thanks to its ability to establish solid and long-lasting trust-based relationships.

The selection of suppliers and the determination of purchasing conditions are based on objective and impartial assessments guided by technical and economic criteria, such as quality, price, guarantees provided and other requirements of necessity and usefulness.

The choice of suppliers and service providers is carefully evaluated to ensure that all required workplace health and safety requirements are met, as well as all wage, contribution and tax obligations. The Company undertakes to work only with qualified and reputable companies and professionals, whom it requires to abide by the principles expressed in its Code of Ethics and with whom it shares the adoption of Model 231.

Padana Tubi's supply chain consists of the following categories:

- Raw material suppliers (steelworks)
- Service providers
- Secondary material suppliers
- Hauliers
- Suppliers of plant, equipment, buildings

Raw material suppliers provide carbon and stainless steel coils; secondary material suppliers concern suppliers of consumables and miscellaneous materials necessary for production activities. Suppliers are selected and evaluated on the basis of their organisation (normally with a certified quality system) and their ability to provide the necessary documentation to provide evidence of product conformity. Service providers supply consultancy services,

tube processing such as galvanising, polishing and mirror-polishing, equipment/plant maintenance services following the purchase of spare parts from a catalogue or based on drawings, miscellaneous building maintenance services; transporters provide raw material pick-up and customer delivery services, and collect spare parts/equipment/plants from suppliers.

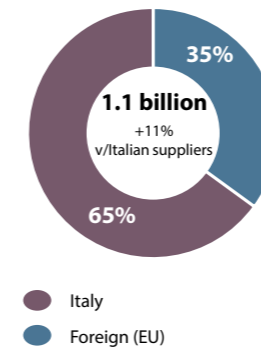
In the reporting period covered by this Sustainability Report, **Padana Tubi had a total of 832 active suppliers** (830 in 2021) **and expenditure for supplies of € 1,061,267,231, up by about 5% compared to the previous year.**

The percentage of local procurement³ also increased: 65% of purchases came from Italian suppliers, for expenditure of € 691,491,793, up 11% from 2021.

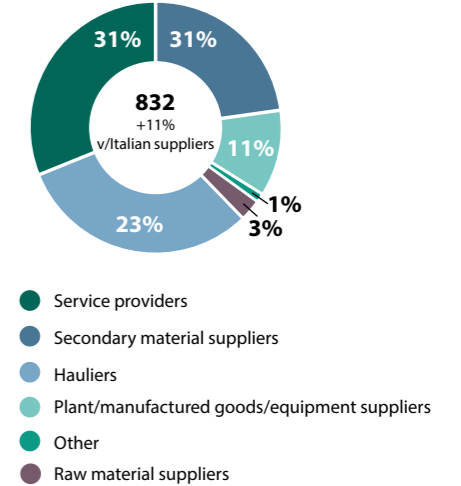
The vast majority of suppliers are located in Northern Italy, with a higher concentration in Lombardy, Emilia-Romagna and Veneto. Of purchases in Italy, raw materials were significant, accounting for 53% of total turnover. An assessment of supplies at national level, excluding raw materials, shows that the Emilia-Romagna region was the largest supplier of services of various kinds, consumables and plant, justifying the fact that Padana Tubi favours local suppliers who can guarantee a timely, reliable and quality service.

The choice of local supplies as described above fosters a direct relationship with the supplier, who is better able to understand the buyer's needs and facilitates any immediate interventions that may be necessary to resolve faults and/or anomalies.

2022 procurement expenditure



2022 suppliers by category



Procurement expenditure	2020		2021		2022	
	€	%	€	%	€	%
Total expenditure for suppliers	595,836,221	100%	1,007,496,965	100%	1,061,267,231	100%
Budget spent on local suppliers	436,557,503	73%	617,962,460	61%	691,491,793	65%

Steelworks, suppliers of raw materials, are the main players in the national/EU/non-EU supply chain, to which the services rendered by transporters should be added.

In contrast to 2021, which saw an increase in the proportion of raw material purchased from non-EU suppliers due to the sourcing difficulties caused by the pandemic-related lockdowns and the introduction of anti-dumping duties, in 2022 Italy accounted for about 65% of raw material purchases, with foreign suppliers accounting for the remaining 35%. Specifically, preference was given to Italian rather than foreign suppliers, since the Russian invasion of Ukraine in March caused an interruption in steel supply opportunities from Ukraine and the subsequent sanctions blocked supplies from Russia. The exit of these two countries from the world market generated speculative price increases for several months and changed supply geographies.

With regard to haulage services, foreign hauliers significantly outnumbered Italian hauliers, accounting for 70% of the total and with turnover more than double that of Italian transporters. This reflects the fact that Padana Tubi's sales go largely to foreign markets.

All suppliers are assessed by the head of the Quality System together with the various function managers in accordance with the company's 'Supplier Assessment' document. **The focus on ethically responsible behaviour has led the company to continue evaluating suppliers according to specific social criteria, including the ability to create employment, the promotion of decent working conditions, the protection of equal opportunities and compliance with social and labour rights.**

The number of new suppliers assessed in 2021 rose from 50% to 100% in 2022, making a total of 97 new suppliers assessed according to social criteria.

³ Local procurement means supplies purchased in Italy



4 People value: employees and communities



People as a priority

GRI 2-7|GRI 2-8|GRI 2-30| GRI 401-1|GRI 404-1|GRI 405-1|GRI 406-1

Human resources are the beating heart of the company and a critical success factor, an indispensable value for its development and progress.

The care of the company's people is inspired by the principles of the Code of Ethics; with this in mind, the company is publicly committed to ensure dialogue and communication in the work environment in order to avoid any form of discrimination.

The steel sector is characterised by a high level of technical specialisation and a continuous focus on process innovation and energy resource management. These aspects, closely related to value chain management, have obvious direct and indirect impacts on the creation of competitive advantage for companies and the management of relations with stakeholders, employees in particular.

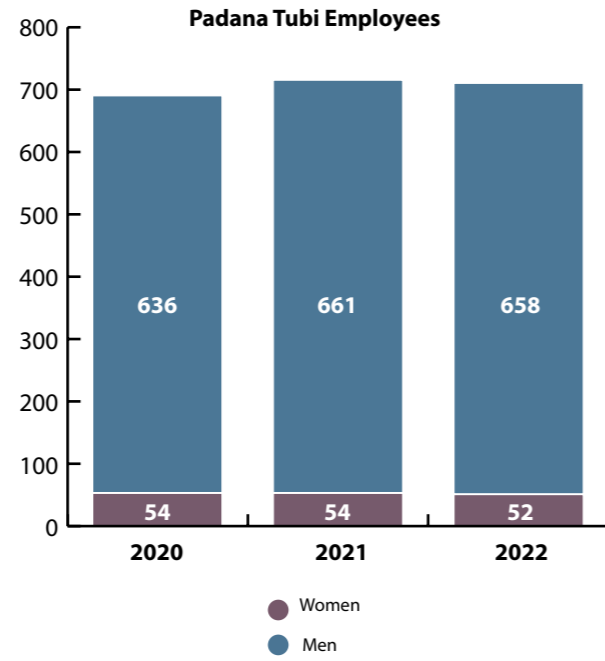
In its personnel management, Padana Tubi promotes interventions and projects aimed at training and professional development, full compliance with the law, with particular reference to occupational health and safety issues.

Looking at the composition of Padana Tubi's workforce, the **total number of employees as at 31.12.2022 was 710, of which 658 were men and 52 women, with a total of five fewer people than in the previous year.** There were no temporary and/or seasonal contracts which cause significant variations in the number of employees during the year.

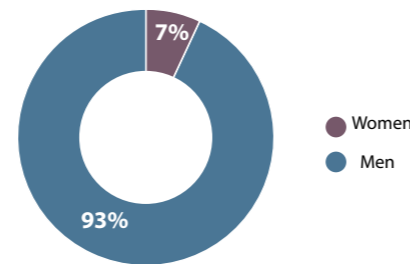
With reference to the structure of employment by gender, a survey conducted by Federacciai showed that the steel sector is characterised by a strong male component, around 92% of the workforce, and a limited number of women, who account for 8%. The gender composition observed appears to be in line with both the type of activity carried out by the sector and the cultural belief that the sector tends to offer purely male jobs. However, it should be noted that the proportion of women has increased by 1.9% in recent years, while the proportion of men has decreased by 1.8%.

The **gender composition in Padana Tubi in 2022 remained virtually unchanged: the workforce consisted 93% of men and 7% of women**, almost all of whom were office workers, in line with the latest mean data published by Federacciai in its 2021 Sustainability Report. The long-standing focus on female employment allowed the company to distance itself by about three percentage points from its main competitors, where 96% of employees are men and 4% women.

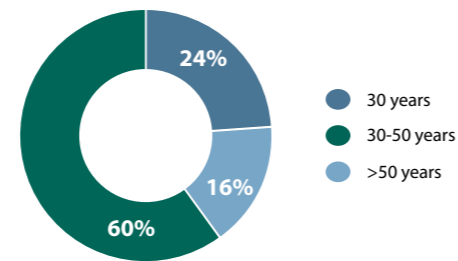
As far as the breakdown by age group is concerned, in 2022 **employees under 30 accounted for 16% of the entire workforce (115 employees)**, down 3 percentage points from 2021, 60% of workers were aged between 30 and 50 (423 employees), while the over-50s accounted for 24% (172 employees).



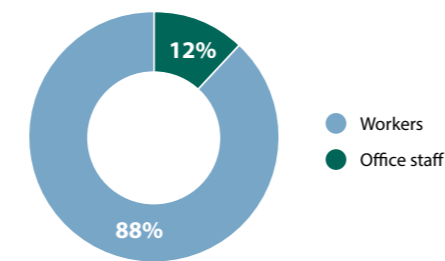
Employees by gender as at 31/12/2022



Employees by age as at 31/12/2022



Employees by professional qualification as at 31/12/2022



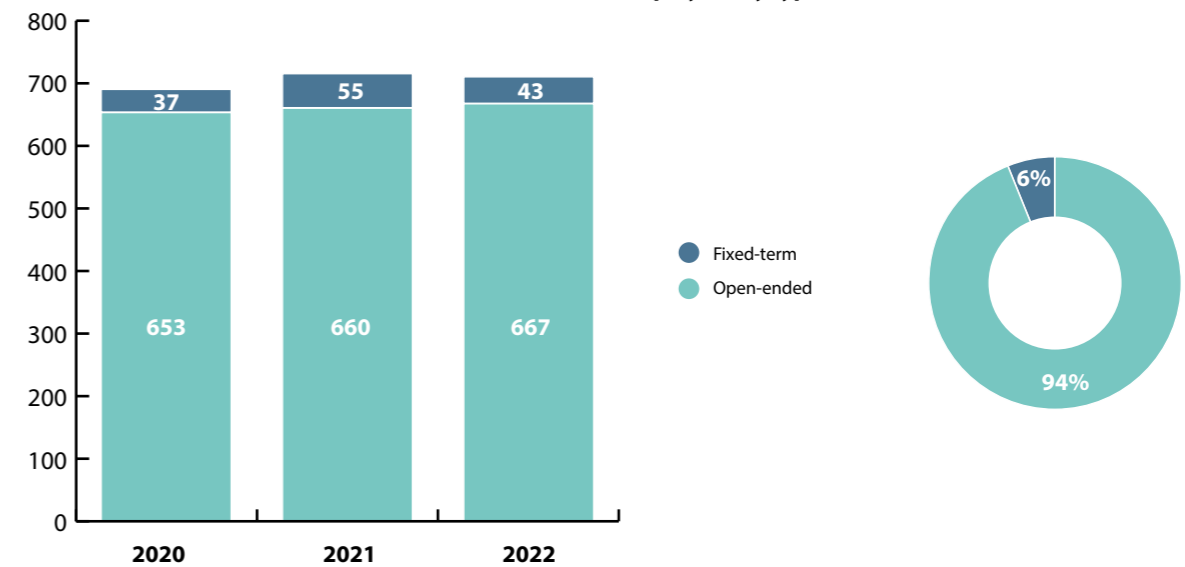
The management of working policies and conditions for all Padana Tubi's employees is regulated by national laws, by category bargaining (national collective labour agreement for the metalworking and plant installation industry) and by a supplementary company contract.

With regard to contract typologies, **Padana Tubi prefers open-ended contracts, which applied to 94% of personnel in 2022, and full-time employment, used for 99% of personnel in both 2021 and 2022. All staff recruitment is through direct contracts with the company itself, avoiding recourse to agency workers.** These figures reflect the importance of human resources retention and the willingness to receive and offer stability through the possibility of continuous professional growth

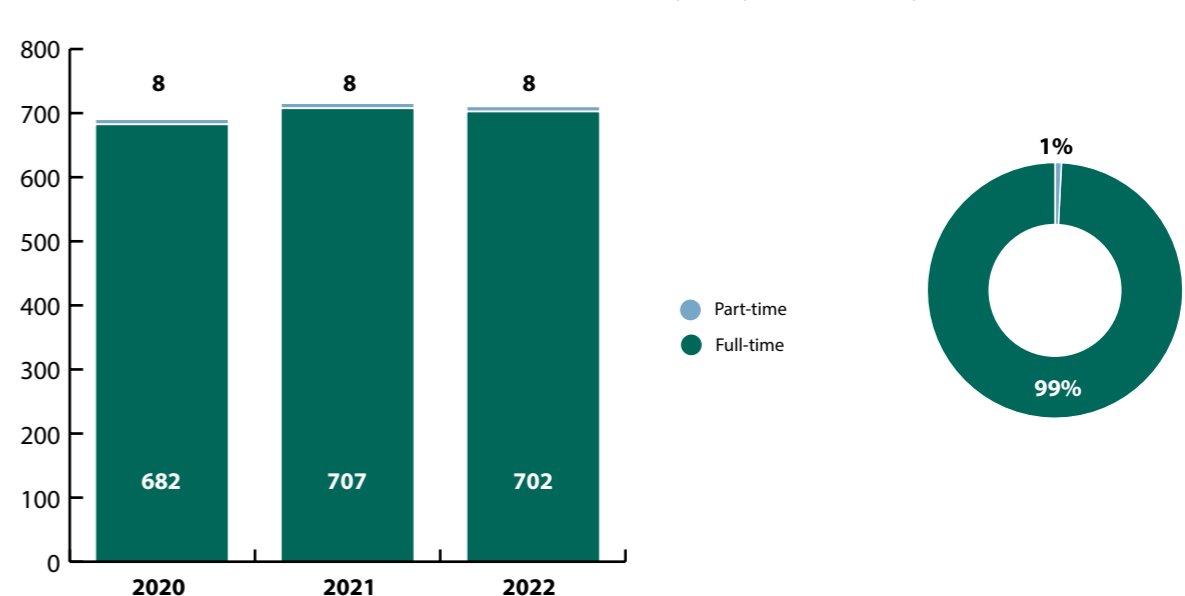
and secure employment. In particular, it should be noted that since the health-related economic crisis, the share of open-ended contracts has remained unchanged, also with regard to new hires, despite the period of uncertainty.

With reference to the classification of personnel by professional qualification, the data show that the most represented category is blue collar workers, who are 628 at the end of the reporting year, 88% of the total workforce. This is followed by the 82 office employees, who represent 12% of the workforce.

Breakdown of employees by type of contract



Breakdown of employees by form of employment



NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER

During 2022 there were 63 new hires (1 woman and 62 men) and 68 exits (3 women and 65 men) due to voluntary resignations, contract terminations and retirements.

Padana Tubi pays close attention to youth employment, as can be seen from the data on new hires in the last two years, which refer mainly to young workers: in 2022, 37% of new hires were under 30 (50% in 2021) and 60% were between 30 and 50 (45% in 2021).

Workers under 30 were given the opportunity to attend a few hours of voluntary skills training as provided for in the new company contract.

Furthermore, looking at staff turnover, it can be seen that despite the restrictions and production stoppages caused by the Covid-19 pandemic, the rate of new hires⁴ between

2020 and 2022 remained constant at between 10% and 9%. The exit turnover rate⁵ is 10%, increasing by 4 percentage points compared to 2021.

PARENTAL LEAVE

In 2022, 11 employees were entitled to and took parental leave, of whom 4 were women and 7 were men. During the reporting period, the return-to-work rate was 100% for women and 86% for men, as six out of seven men had returned by 31.12.2022. There are 10 employees who are still employed, 12 months after returning to work.

Breakdown of employees by type of contract	2020			2021			2022		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Permanent	52	601	653	51	609	660	51	616	667
Temporary	2	35	37	3	52	55	1	42	43
Total	54	636	690	54	661	715	52	658	710

Breakdown of employees by type of employment and gender	2020			2021			2022		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Full-time	49	633	682	49	658	707	47	655	702
Part-time	5	3	8	5	3	8	5	3	8
Total	54	636	690	54	661	715	52	658	710

Recruitment	2020		2021		2022	
	no.	%	no.	%	no.	%
Total recruitment (incoming turnover rate)	66	10%	65	10%	63	9%
Men	61	92%	62	95%	62	98%
Women	5	8%	3	5%	1	2%
<30 years	36	54%	33	50%	23	37%
30-50 years	27	41%	29	45%	38	60%
>50 years	3	5%	3	5%	2	3%

Terminations	2020		2021		2022	
	no.	%	no.	%	no.	%
Total terminations (outgoing turnover rate)	37	6%	40	6%	68	10%
Men	34	92%	38	95%	65	96%
Women	3	8%	2	5%	3	4%
<30 years	14	38%	8	20%	22	32%
30-50 years	12	32%	16	40%	31	46%
>50 years	11	30%	16	40%	15	22%

Reason for termination	2022		
	Women	Men	Total
Voluntary exits	1	35	36
Retirement	2	11	13
Other (e.g., end of fixed-term contracts)	-	19	19
Total	3	65	68

Breakdown of employees by profession and gender	2020			2021			2022		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Executives	0	1	1	0	0	0	0	0	0
Office staff	49	34	83	49	34	83	47	35	82
Workers	5	601	606	5	627	632	5	623	628
Total	54	636	690	54	661	715	52	658	710
Percentage	8%	92%	100%	8%	92%	100%	7%	93%	100%

Employees by profession and age group	2020				2021				2022			
	<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	Total
Executives	0	0	1	1	0	0	0	0	0	0	0	0
Office staff	16	56	11	83	18	52	13	83	18	53	11	82
Workers	112	356	138	606	118	342	172	632	97	370	161	628
Total	128	412	150	690	136	394	185	715	115	423	172	710
Percentage	18.5%	59.7%	21.7%	100%	19%	55%	26%	100%	16%	60%	24%	100%

⁴ The incoming turnover rate (or positive turnover rate) is the ratio between the number of people hired during the period and the total number of employees at the beginning of the year.

⁵ The exit turnover rate (or negative turnover rate) is the ratio between the number of people who left the company during the period and the total number of employees at the beginning of the year.

Empowerment, training and skills development

Padana Tubi believes that professional growth is vital to drive business development, ensure quality and guarantee safety in the workplace

In the steel industry, training plays a crucial role. The steel industry is characterised by **increasingly advanced and innovative technologies, complex processes and a working environment that requires a high degree of technical expertise and safety.**

In light of the physiological and constant increase in the skills required of workers who work every day on state-of-the-art plants, Padana Tubi helps its people enrich their experience and knowledge through targeted information and training courses.

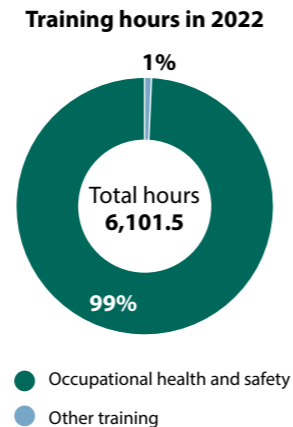
Every year, in collaboration with external providers, the company plans technical training for the development of personnel skills, both compulsory and non-compulsory.

A total of 6,101.5 hours of training were provided in 2022, of which 6,045.5 hours of compulsory and non-compulsory training on workplace health and safety, and 56 hours mainly on quality management and obtaining product certifications.

The workplace health and safety training consists of general and specific training pursuant to article 37.2 of Italian Legislative Decree 81/08 and regulated in terms of content by the State-Regions Agreement in force since 26/01/12 for all workers employed in the company.

For further details on health and safety training activities, please refer to the section Occupational health and safety: a top priority.

The company has implemented an **employee performance appraisal process** that allows to analyse the work of its staff, with a view to continuous improvement and professional growth. Evaluations are carried out by the HR manager normally once a year.



Diversity, inclusion and equal opportunities

Padana Tubi is committed to respect the issues and principles contained in the fundamental human rights conventions of the *International Labour Organisation* (ILO) ratified by Italy and declares that no cases of discrimination occurred during the reporting period in question.

The total workforce in 2022 included 20 people in the protected categories, of which 19 male workers and one female employee.

With regard to freedom of association and collective bargaining, Padana Tubi is engaged in an ongoing dialogue with trade unions to ensure compliance with regulations and meet the needs of its employees. Specifically, collective bargaining is applied to 100% of employees and follows the provisions of the **first- and second-tier metalworkers' collective agreements**. The organisation, management and control model and the Code of Ethics specify all the aspects to be protected in relations with staff and social partners. Therefore, as provided by the collective agreements, employees are offered flexible benefits, including shopping vouchers for an annual amount of € 200 each, access to

medical assistance (Metasalute fund) and activation of health insurance in the case of workers suffering from Covid-19.

For the year under review, the company decided to give out an additional € 200 in **shopping vouchers to all employees** as a concrete gesture of support at a time of significant cost-of-living increases.

The importance that Padana Tubi places on its people and the value of their daily commitment to work has led the company to improve working conditions for its employees and to strengthen their involvement with the company, by offering services and welfare programmes that meet their specific needs.

From 2022, it is possible to **convert the company bonus into welfare**. In this way, employees can increase their purchasing power for goods and services. The scheme is provided under second-tier bargaining; however, Padana Tubi recognises an additional bonus share equal to 10% of the amount converted to Welfare, to which is added a further fixed increase if the entire bonus is converted to Welfare.

Occupational health and safety: a top priority

GRI 403-1 | GRI 403-2 | GRI 403-3 | GRI 403-4 | GRI 403-5 | GRI 403-6 | GRI 403-7 | GRI 403-8 | GRI 403-9 | GRI 403-10

For Padana Tubi, the health and safety of its employees is of paramount importance for its success.

As handling of heavy loads and use of complex machinery are very frequent in Padana Tubi operations, a constant effort is required to ensure a protected and reliable working environment.

Padana Tubi has voluntarily chosen to implement and certify a **management system in accordance with ISO 45001:2018 requirements, in order to promote and guarantee occupational health and safety** in all the sites where its employees work.

Each employee is expected to contribute personally to maintain the safety of their workplace, and to behave responsibly to protect themselves and others. In accordance with the principles of the integrated policy, and in view of the goal that Padana Tubi intends to pursue, the company undertakes to:

- ensure that all personnel take responsibility for guaranteeing that health and safety conditions in the workplace are maintained;
- adopt means, procedures and working methods that minimise the risk of any accident and prevent injuries and occupational diseases in order to ensure the highest safety standards.

Work-related injuries

Injury data show there were no fatal injuries during the period under review and a minimal increase in the number of accidents (13%). In addition, there were two reports of occupational illness caused by exposure to noise and vibrations, in respect of which the opinion of the competent bodies is pending.

Compared to the pre-pandemic years, the severity index has decreased significantly, although the two years 2020-2021 saw the lowest rates ever.

Currently, even for minor injuries, prognosis duration is increasing, with a negative impact on the severity index.

Following each accident, hazards are identified through risk analyses and eliminated through the implementation of corrective actions. Where this was not possible, temporary or permanent improvement or containment measures were introduced.

In addition to the action taken in previous years, a noise remediation project was drawn up in 2022 to reduce the noise exposure risk for workers at Plant B.

The project includes a range of measures including:

- enclosure/screening of sections of the production lines (in addition to sections already enclosed/screened), focusing on the areas with the highest noise emissions;
- replacement of compressed air nozzles with new nozzles using noise-reduction technology.

The installation of enclosures on machines with high noise levels and silencers for compressed air vents in a working environment like Padana Tubi, characterised by large open-space areas, can bring benefits in terms of reduced environmental noise, with respect not only to the specific tasks analysed in this context, but also to those in the immediate vicinity and affected by the noise emissions of the machines undergoing acoustic remediation.

- through a health protocol drawn up by the location doctor, based on the findings of the shared risk assessment documents;
- inspections by the location doctor whenever there are changes in conditions compared to the past, or in the event of critical issues or doubts about compatibility between a worker and a given task;
- the possibility for employees, at their request, to undergo additional medical examinations in the event of factors that may alter fitness for work.

Padana Tubi also offers the possibility of obtaining a free flu vaccination every year.

The Prevention and Protection service

Under the Health and Safety Management System, any reports of non-compliance detected by workers can be sent to the Prevention and Protection service. Reports are collected in a special register, an integral part of the Health and Safety Management System, to which possible corrective actions are associated and monitored until they are closed.

Workers are constantly urged to report any matter that may represent a danger to workers to the Prevention and Protection service or to the Workers' Safety Representatives, who guarantee the anonymity of the report. The aim is to involve all company officers as much as possible in achieving the common goal of protecting worker safety.

The Prevention and Protection service analyses all injuries, near misses and accidents, by interviewing workers and departmental supervisors to assess any preventive or corrective actions that may prevent similar situations from recurring in the future. Meetings are organised periodically throughout the year with the supervisors to analyse incidents and the main reports from workers in their department.

Padana Tubi provides **occupational medicine** services and ensures the quality of these services and ease of access for workers as follows:

Employee injuries	2018	2019	2020	2021	2022
Severity index ⁶	1.74	2.59	0.80	0.68	1.29
Hours worked	1,048,351	1,204,697	1,161,401	1,267,618	1,247,789

⁶ The severity index is calculated by Padana Tubi using its own methodology, as the ratio between injury days recorded during the year and hours worked during the same period.

Security training

Padana Tubi promotes the safety culture in the workplace through the organisation of regular general and specific training and awareness-raising activities, conducted in compliance with local and sector laws and regulations.

Every year, the company draws up a program of courses to implement throughout the year based on an in-house training plan, with the possibility of updates if necessary. For the management of deadlines, and to support more careful scheduling, the company intends to use specific software, which is currently being implemented.

The courses are conducted in-house and, in general, through accredited training schools and/or freelance technical teachers.

Health and safety training hours have risen constantly; in 2022, a total of 6,045.5 hours were provided, corresponding to an increase of 4.9% compared with 2021 and 42% compared with 2020.

The main courses held in 2022 concerned:

- Safety training for all workers (general and specific, in accordance with the State-Regions agreement)
- Training for managers, supervisors and worker safety representatives
- Fire-fighting
- First aid
- Safe operating procedures for the various tasks performed in the production facilities
- Training for operators working at height
- Training for workers working in confined spaces
- Training for live-line workers
- Refresher courses for prevention and protection managers and workers
- Use of equipment (overhead crane, forklift truck, AWP, tractor use, AED use, oxyacetylene torch, courses for obtaining welding licence)



Community: the relation with the territory and social-impact initiatives

For Padana Tubi, a significant element of sustainability is relations with local communities and support for the territory, in which it takes a continuous and active part.

The relationship with the community of Guastalla and neighbouring municipalities has been very strong from the outset and has seen the creation of many jobs, contributing to the economic, civil and social development of the community.

Over the years, the company has been directly involved in initiatives to promote corporate social responsibility in the Reggio Emilia area; it has supported, and will continue to support, cultural, sporting and social projects by providing assistance for health facilities, nurseries, charities, cultural associations and environmental associations.

Support for social initiatives and activities

For several years, Padana Tubi has been committed to provide financial donations to various local associations and entities; its assistance supports the adoption of policies or practices that promote better social and environmental performance in the company, through partnerships with charitable organisations and support for specific research projects.

During 2022, Padana Tubi supported social and cultural initiatives and projects by allocating a total amount of € 262,500, including € 30,000 of aid for the Ukrainian population due to the prolonged conflict with Russia.



Support for the territory (€)	2020	2021	2022
Socio-Health Care and Medical-Scientific Research	46,000	94,500	66,500
Social Initiatives and Volunteering	165,972	164,650	116,000
School and Education	8,000	8,000	5,000
Culture and Heritage	100,000	145,000	45,000
Covid Emergency	100,000	321,000	-
Aid for Ukraine	-	-	30,000
Total	419,972 €	733,150 €	262,500 €

The following is a description of some of the activities, initiatives and non-corporate collaborations that Padana Tubi took part in and supported during 2022, in addition to

donations to local sports, social and voluntary associations, as well as specific initiatives with schools.

HEALTHCARE, MEDICAL AND SCIENTIFIC RESEARCH



Padana Tubi provides annual support for the **Brain Research Foundation ONLUS in Verona**. The Brain Research Foundation was set up in 2010 by a group of researchers, doctors and philanthropists led by Prof. Massimo Gerosa. It **promotes biomedical research on the nervous system by contributing to the development of neuroscience**, in particular, neurology and neurosurgery in Verona, involving private individuals and institutions, including the University of Verona and the Azienda Ospedaliera Universitaria e Integrata (AOUI) of Verona, centres of excellence in neuroscience, with medical-scientific expertise and technological platforms of international standing. The BRFVr also supports basic and clinical sciences by facilitating the adoption of new medical and surgical technologies for the advancement of the treatment of diseases of the nervous system.

€ 37,000 were donated in 2020, 2021 and 2022



Padana Tubi is among the first partners of a three-year project of the **Italian Lymphoma Foundation Onlus (FIL)**. The FIL develops research projects for the treatment of lymphoma, a disease that affects around 15,000 new patients in Italy every year, i.e., 40 new cases every day, almost 2 every hour. Scientific research over the last 20 years has helped improve cures for lymphoma (about 80% of Hodgkin's lymphomas and about 60% of non-Hodgkin's) and raised the quality of life after treatment, but there is still much more to be done.

€ 70,000 were donated in 2021 and 2022

CULTURE AND HERITAGE



Padana Tubi is one of the financial backers of the **restoration project for the Sanctuary of the Beata Vergine della Porta in Guastalla**. For a number of years, the closure of the Sanctuary has deprived Guastalla and the local area of one of its most popular churches, raising expectations with regard to the necessary restoration work. The deterioration of some of the decorative stuccoes in the church, together with the damage caused by the earthquake in May 2012, necessitated a long period of detailed observation and surveying to choose the most appropriate method of intervention. The funding assigned by the Government's special commissioner for reconstruction in the areas affected by the earthquake made it possible to draw up a project to restore the sanctuary to conditions of stability and safety, providing the opportunity to address its long-standing structural and engineering problems. In addition to the structural solidity work, the restoration includes the replacement of the church's characteristic stuccoes that have made it a unique baroque edifice in the centre of Guastalla. The lighting and heating systems will also be upgraded.

€ 120,000 is the total donation that will support the restoration work in 2021, 2022 and 2023

DETAILS OF DONATIONS AND SUPPORT FOR THE LOCAL AREA (€)

Scope	Activities	2020	2021	2022
Health + Covid emergency	Support for health research	134,000	32,000	34,000
Health	Brain Research Foundation Verona	12,000	12,500	12,500
Health	Italian Lymphoma Foundation	-	50,000	20,000
Covid emergency	Ripartire insieme	-	321,000	-
Social	Donations to sports/voluntary associations	40,800	33,650	20,000
Social	Guastalla parishes and Reggio Emilia diocese for social initiatives	125,172	131,000	96,000
School and education	Schools in Guastalla	8,000	8,000	5,000
Cultural	University cities committee	100,000	100,000	-
Cultural	Restoration of Beata Vergine della Porta sanctuary in Guastalla	-	40,000	45,000
Cultural	Restoration of the artistic heritage of the Maldotti library in guastalla	-	5,000	-
Social	Aid for Ukraine	-	-	30,000
Total		419.972 €	733.150 €	262.500 €



5 Protection of the environment and natural resources



Environmental responsibility

With regard to environmental protection, **Padana Tubi operates bearing in mind the need to protect the environment, striving to reduce its impacts and make sustainable use of natural resources.** It is aware that today the steel industry plays an important role in reducing carbon emissions and fighting climate change.

During 2022, the company continued to **report and monitor its greenhouse gas emissions (GHGs); it obtained certification of the 2021 study in accordance with ISO 14064-1:2018**, set up to identify possible strategies and implement action to reduce its GHG emissions.

At the time of writing, the second-year certification process has just been completed.

At strategic and operational level, Padana Tubi's commitment is three-fold:

Materials used: steel and the circular economy

Steel is a strategic material for the circular economy since it is the most recycled material in the world: its life cycle is potentially endless, making it a real 'permanent resource', essential for the development of a sustainable economy.

The centrality and importance of **steel** and steelmaking in the economy and for the majority of industries, from manufacturing to agriculture, from transport to infrastructure, make it a **key element in the ecological transition and the construction of sustainable and environmentally friendly infrastructure**. Official data published by the UNFCCC show that CO₂ emissions from the Italian steel industry more than halved in both absolute and specific terms from 1990 to 2019; energy efficiency processes and the use of new technologies are underway to reduce energy consumption per tonne of steel produced by 61%. Despite the positive results achieved, future targets are very challenging: in implementation of the Green Deal program launched by the new EU Commission at the end of 2019, in June 2021 the European Parliament gave final approval to the Climate Act, which significantly raises the European emission reduction target for the medium and long term. **Specifically, the EU reduction target to 2030 has been increased from -40% to -55% (against 1990) and the binding target of achieving climate neutrality by 2050 has been introduced.**

Steel producers and companies in the sector are called upon to play a decisive role both in responding to sustainable production demands and in overseeing and managing the positive and negative external effects of their value chain,

contributing in no small measure to the fight against climate change.

Aware of this, Padana Tubi upholds the need to make the steel industry more sustainable, especially from an environmental point of view; it is therefore committed to increasing action to reduce energy intensity per product unit, raising overall energy efficiency, using energy from renewable sources and monitoring CO₂ emissions related to its production activities.

The main input materials used by Padana Tubi for the production of stainless steel and carbon tubes are renewable, i.e., derived from abundant resources that are rapidly replenished through ecological cycles or agricultural processes. The categories of goods purchased are: **raw materials** (hot-rolled non-alloy steel - coils of stainless steel and carbon steel); **materials needed for the production process that are not part of the finished product** (oils, lubricants for machinery); **packaging materials** (plastic stretch film); **timber; tape and brushes.**

Materials used (kg)	2020			2021			2022		
	Non renewables	Renewables	Total	Non renewables	Renewables	Total	Non renewables	Renewables	Total
Materials needed in the production process that are not part of the finished product (oils, machine lubricants)	270,432	-	270,432	325,122	-	325,122	445,006	-	445,006
Packaging materials, including paper, cardboard and plastic	-	53,488	53,488	-	48,259	48,259	-	25,101	25,101
Timber	-	1,765,380	1,765,380	-	1,717,401	1,717,401	-	1,870,320	1,870,320
Total	270,432	1,818,868	2,089,300	325,122	1,765,660	2,090,782	445,006	1,895,421	2,340,427

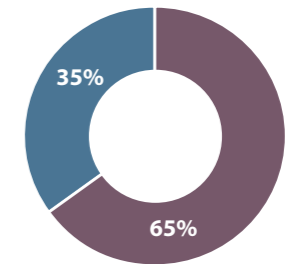
Materials from recycling

Padana Tubi orients production to embrace the principles of the circular economy. Circularity in steel production and processing can save more than 100 million tonnes of raw materials globally by 2025. **The World Steel Association estimates that by 2050 more than 90% of the steel contained in consumer products will be recycled.**

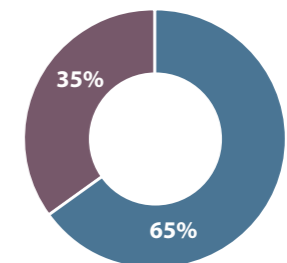
Once their useful life has ended, steel products can be 100% recovered countless times through recasting. With no loss of quality and no degradation in mechanical properties, recycled steel is indistinguishable from new material.

With regard to the use of recycled materials, **in 2022 the recycled percentages for carbon steel and stainless steel were 35% and 65% respectively.** This data can be found in the lead information sheets.

Recycled % - Carbon steel division

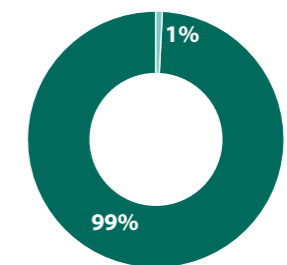


Recycled % - Stainless steel division



● Recycled material
● Non-recycled material

Waste management and destination 2022



● Waste sent for recovery
● Waste sent for disposal

Waste management

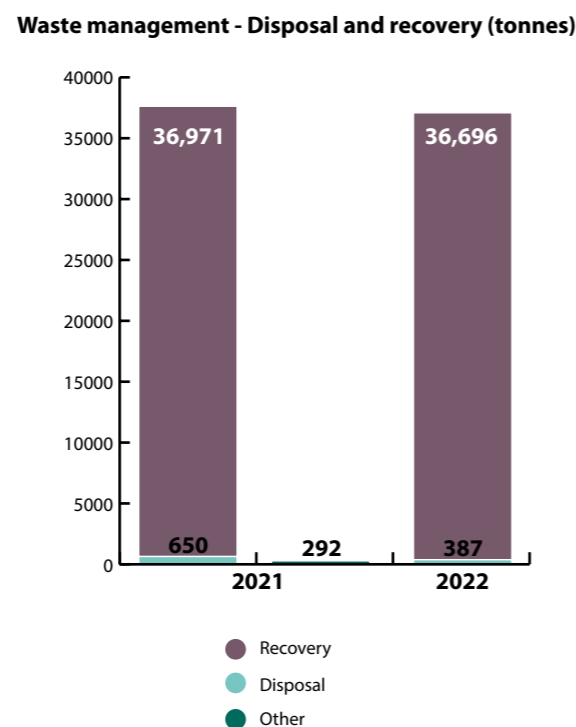
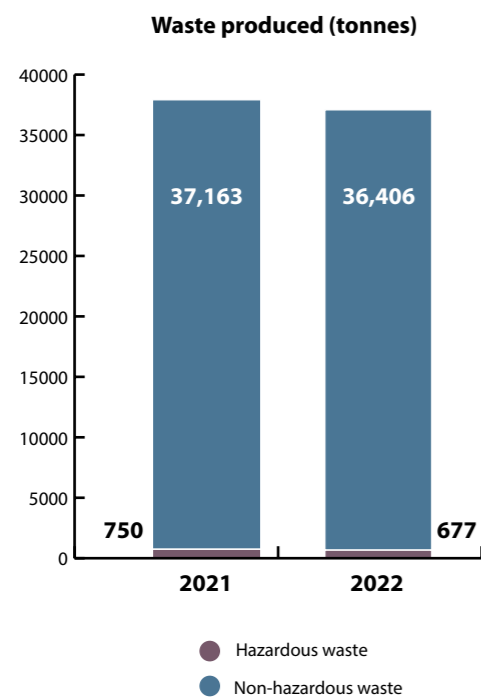
Waste generated by Padana Tubi in 2022 amounted to 37,083 tonnes, of which⁷: 677 tonnes of hazardous waste⁸ and 36,406 tonnes of non-hazardous waste⁹.

Compared to the previous year, there was an overall 2% reduction in generated waste, with a significant decrease in hazardous waste. Overall, Padana Tubi sent 99% of the waste produced in 2022 for recovery (98% in 2021). Specifically, 69% of hazardous waste was sent for recovery (preparation for re-use and recycling), compared to 57% in 2021, and 31% was sent for disposal (51% in 2021). Almost all non-hazardous waste was sent for recovery while only 1% was sent for disposal.

⁷ Waste classification is based on the EER system, the code used to classify both hazardous and non-hazardous waste in the European List of Waste (ELoW).

⁸ Hazardous waste includes: emulsions and solutions for machinery, not containing halogens; spent waxes and greases; mineral oils for hydraulic circuits, not chlorinated; oil-containing waste; sludges and filter cakes from flue-gas treatment, containing hazardous substances; absorbents, filter materials (including oil filters not otherwise specified), rags and protective clothing, contaminated with hazardous substances; processing sludges, containing hazardous substances.

⁹ Non-hazardous waste includes: sludge from on-site effluent treatment; ferrous metal filings and turnings; processing sludge; waste not otherwise specified; metal packaging; mixed material packaging; absorbents, filter materials (including oil filters not otherwise specified), rags and protective clothing, contaminated with hazardous substances; iron and steel; cables; components removed from discarded equipment; plastics; non-ferrous filings and turnings; iron and steel; dust and ferrous particulates; tool bodies and spent grinding materials.



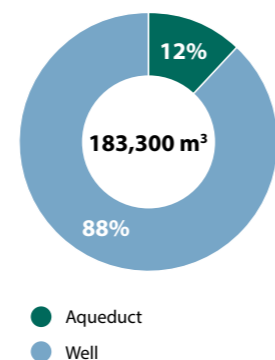
The categorisation of waste by management method takes into account the metal waste produced during processing in Padana Tubi's factories. Since this waste consists of steel, the type of treatment considered is material recovery, as the recycling rate for this material in Italy is over 90%.

Water

Padana Tubi uses water mainly for industrial purposes, taking it exclusively from wells in its local production units or from the aqueduct; there are no other sources of supply. The water systems serving production operations are, as far as technologically possible, closed-circuit systems, to limit the use of new resources to replenish water that has evaporated or been used.

During 2022, 183,300 cubic metres of water were withdrawn, of which 88% from wells and the remaining 12% from the aqueduct (third-party water resources). Water discharges in 2022 amounted to 21,100 cubic metres. Since the company does not have water meters in the vicinity of its drains, the volumes indicated are estimates, based on the quantities withdrawn. The volumes indicated

Water consumption by source 2022



do not take account of rainwater (run-off from yards and roofs), as this cannot be estimated with sufficient accuracy.

Water withdrawal	2020	2021	2022
TOTAL WATER WITHDRAWAL (CUBIC METRES)	174,000	140,000	183,300
Of which groundwater (well)	152,000	120,000	162,200
Of which third-party water resources (aqueduct)	22,000	20,000	21,100

Energy management and emissions

To respect and protect the environment, Padana Tubi uses only green electricity entirely from renewable energy sources covered by Guarantee of Origin (GO) certificates purchased by the company.

Steel production and processing uses large amounts of energy. Reducing consumption by improving energy efficiency is therefore an important goal for both environmental and economic reasons.

Padana Tubi uses electricity for all production processes, auxiliary and general services, and natural gas essentially for heating; for means of transport and internal handling it uses diesel.

The company has a production monitoring system subdivided by cutting line and production lines (broken down into the different lines); the breakdown of electricity consumption by macro-area and functional areas shows that consumption is mostly attributable to the main activities, confirming that the production line department is the most energy-intensive. The main activities include strip loading, end-to-end welding, forming, welding, calibrating, tube inspection and packing. Auxiliary services include the compressed air production plant, extraction and the emulsion water plant; general services include lighting and winter heating of the rooms inside the plant, using natural gas boilers.

As far as lighting is concerned, the technology currently installed at the plant is neon/led. For some years now, Padana Tubi has been replacing neon tube ceiling lights with LED technology in its plants. The system is split into units, not timed and has no twilight sensors.

During the period under review, total energy consumed remained virtually unchanged: Padana Tubi consumed energy (electricity, natural gas and diesel) totalling 345,478 GJ in 2022 and 348,326 GJ in 2021.

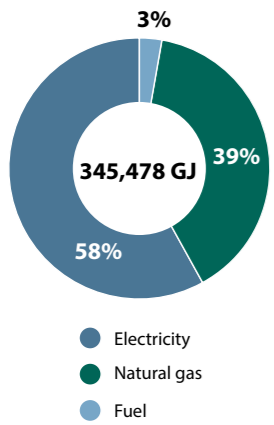
Looking at consumption in relation to carriers, in 2022 Padana Tubi self-produced energy from renewable sources for 4,449 GJ (2,882 GJ in 2021), of which it consumed 83%, or 3,692 GJ, during the year (2,882 GJ in 2021).

In line with the principles of energy saving and use of clean energy, Padana Tubi has installed a 1,835 kWp photovoltaic system to serve the new O factory, which became fully operational in 2022, in addition to the 945 kWp installed in previous years.

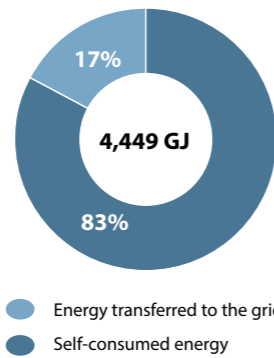
Furthermore, during 2022 it increased self-produced energy by 54% thanks to the upgrade of its photovoltaic system, which now has an installed capacity of 2,779 kWp.

Energy consumption	2020	2021	2022
TOTAL ENERGY CONSUMED IN THE ORGANISATION	341,123	348,326	345,478
Natural gas (for heating)	138,249	135,797	134,732
Electricity (GJ)	193,386	202,594	200,953
<i>Of which:</i>			
Purchased electricity	192,323	199,712	196,504
Self-consumed photovoltaic electricity	1,063	2,882	3,692
(-) Photovoltaic electricity transferred to the grid	-	-	757
FUEL CONSUMPTION FROM NON-RENEWABLE SOURCES (GJ)	9,488	9,935	10,550
<i>Of which</i>			
Diesel (for corporate fleet)	9,473	9,920	10,535
Petrol (for corporate fleet)	15	15	15

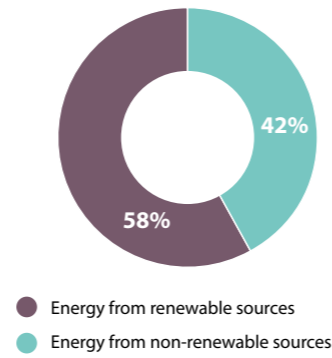
Energy consumed in the organisation 2022 (%)



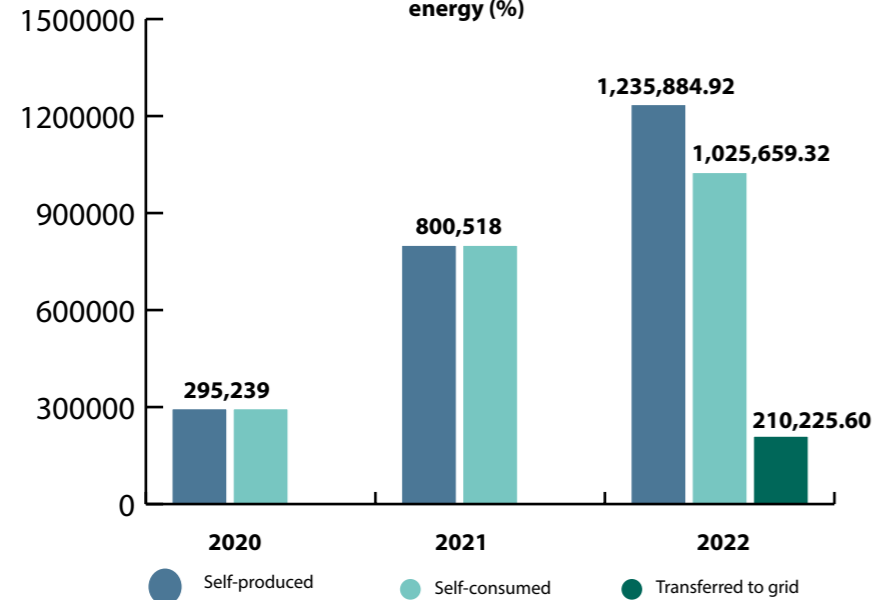
Self-production of photovoltaic energy 2022 (%)



Energy carriers by renewable and non-renewable source 2022 (%)



Self-production of photovoltaic energy (%)



Energy intensity

To measure efficiency levels, the energy intensity indicator was calculated, i.e., specific energy consumption in the organisation per tonne of steel processed. The ratios expressed in Gigajoules per tonne for each energy carrier are set out below. In 2022, Padana Tubi's energy intensity was

0.445 GJ/t
Specific consumption for each tonne of steel is detailed in the table below:

Energy intensity ratio (Gj/t)	2020	2021	2022
Natural gas	0.191	0.172	0.173
Electricity	0.267	0.256	0.258
Fuel	0.0131	0.0125	0.0136
ENERGY INTENSITY OF THE ORGANISATION	0.471	0.440	0.445

Atmospheric emissions

Total GHG emissions from Padana Tubi's operations saw a reduction of approximately 24% from 2021 to 2022

With a view to continuous improvement on its environmental impacts, Padana Tubi expressed the need to achieve **UNI EN ISO 14064-1:2019 certification of its Organisational Carbon Footprint** for the second year running. The objective is to quantify the impact of its core activities in terms of greenhouse gases (GHG) produced in 2022, compare it with the results for 'year zero' (2021) and set improvement targets by drawing up an integrated medium/long-term strategy.

Data for direct emissions (Scope 1), indirect emissions from energy consumption (Scope 2) and other indirect emissions from upstream and downstream activities (Scope 3), as identified in the study¹⁰ for 2022 are set out below.

GHG emissions and removals are divided into the following categories:

- Inbound logistics (transport of raw materials, round trips of semi-finished products);
- Outbound logistics (transport of finished products to customers, transport of company waste to treatment sites);
- Employee business travel;
- Employee commuting
- Purchased goods and services;
- Purchase of capital goods;
- Disposal of liquid and solid waste;
- Upstream part of the fuel used in company vehicles.
- Upstream part of electricity (production of fuels for electricity generation, transmission and distribution losses).

To facilitate comparison of the effects of different greenhouse gases, a specific global warming potential index (GWP) is used, through which the action of the individual gas is compared to that of CO₂.

Scope 1 - Direct emissions generated by the company's operations

- Combustion from fixed/stationary sources (consumption of natural gas used for heating or in the production process);
- Combustion from mobile sources (fuel consumption of the fleet of company vehicles used to transport employees and goods in and out of plants);
- Refrigerant gas leaks.

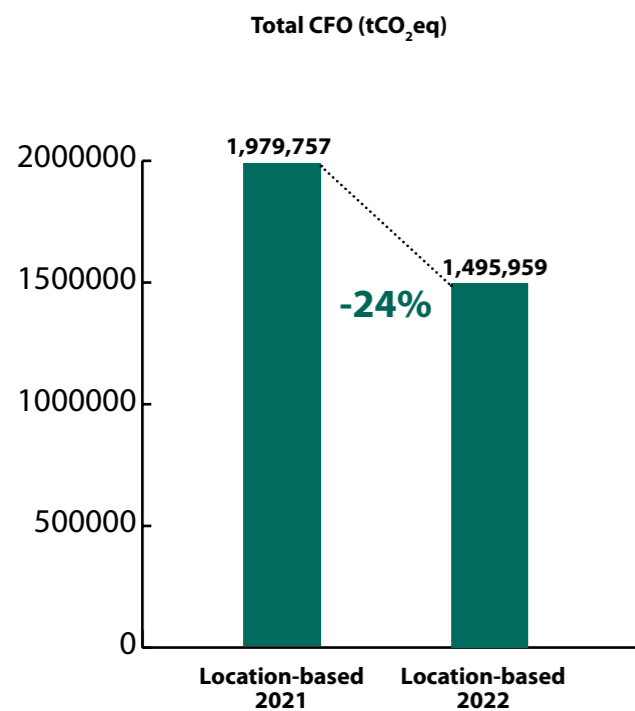
Scope 2 - Indirect emissions from imported energy

Electricity purchased from the grid.

Scope 3 - Other indirect emissions from the organisation's downstream and upstream activities

The **Carbon Footprint for Padana Tubi for 2022 using the location-based approach is 1,495,959 tCO₂eq**, a decrease of 24% (483,798.03 tCO₂eq), compared to 2021 (1,979,757tCO₂eq). The difference is mainly due to the reduction in indirect emissions (still around 24%), while direct emissions, a very minor share of the total, remained at similar values.

¹⁰ Emissions classified here as Scope 1, 2 and 3 in line with the GHG Protocol, are indicated in the Padana Tubi CFO study divided into Categories 1,2,3,4,5 in accordance with UNI ISO 14064:2019.



The breakdown of emissions by category and source is shown below. This value encompasses the company's value chain, including direct emissions and indirect emissions deemed significant on the basis of a specific significance assessment.

GHG emissions Scope 1 - tCO ₂ eq	2021	2022
Direct combustion emissions from stationary/stationary sources (Related to natural gas consumption)	7,647	7,618
Direct emissions due to combustion from mobile sources	742	785
Fugitive direct emissions	81.4	-
Total scope 1	8,470.4	8,403

GHG emissions Scope 2 - tCO ₂ eq	2021	2022
Electricity purchased (location-based)	14,483	16,935
Total scope 2	14,483	16,935

GHG emissions Scope 3 - tCO ₂ eq	2021	2022
Inbound logistics of goods (raw materials) - Upstream transport and distribution	88,995	72,749
Outbound logistics of carbon steel tube products - Downstream transport and distribution	179,995	156,425
Employee commuting	1,572	1,495
Corporate travel	3.72	7
Upstream phase of fuels used for the corporate fleet	167	178
Purchased goods and services	1,626,095	1,213,258
Purchase of capital goods	49,960	18,193
Disposal of liquid and solid waste	447	203
Upstream part of electricity and fuels used from stationary sources (location-based)	8,823	7,434
Products sold	746	681
Scope 3	1,956,803.72	1,470,623

GHG emissions Scope 1 + Scope 2 + Scope 3 - tCO ₂ eq	2021	2022
Total GHG emissions (location-based)	1,979,757	1,495,961

The Organisational Carbon Footprint of Padana Tubi & Profilati Acciaio S.p.A. in 2022 was determined largely by indirect emissions.

Specifically, indirect emissions for products and services used by the organisation is the most significant category, accounting for approximately 1,239,088 tCO₂eq (-26% from 2021), followed by transport processes, which generated 230,853 tCO₂eq (-14.7% from 2021). This is followed by the imported electricity and direct emissions categories, which generated around 16,935 tCO₂eq and 8,403 tCO₂eq respectively.

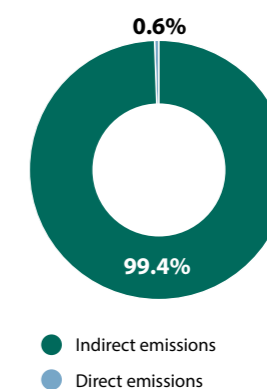
Padana Tubi is fitted with air-conditioning systems, but in 2022 no refrigerant gas leaks due to recharging of air conditioners were recorded.

With regard to all sub-categories considered, the analysis shows, consistently with the previous year, that the sub-category for purchased goods and services had the highest impact, accounting for 81.1% of the total.

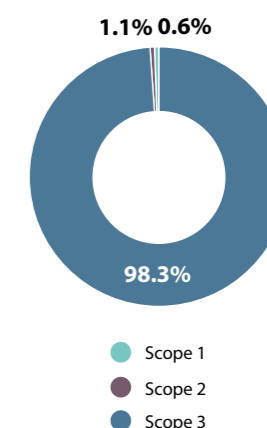
Overall, direct emissions accounted for 0.6% of total GHG emissions, while indirect emissions covered 99.4% of the total Carbon Footprint.

Monitoring and awareness of the emissions produced leads Padana Tubi to contribute directly to the reduction of global CO₂ emissions; for this reason, it continues to be committed to research solutions to achieve improvements over the medium/long term.

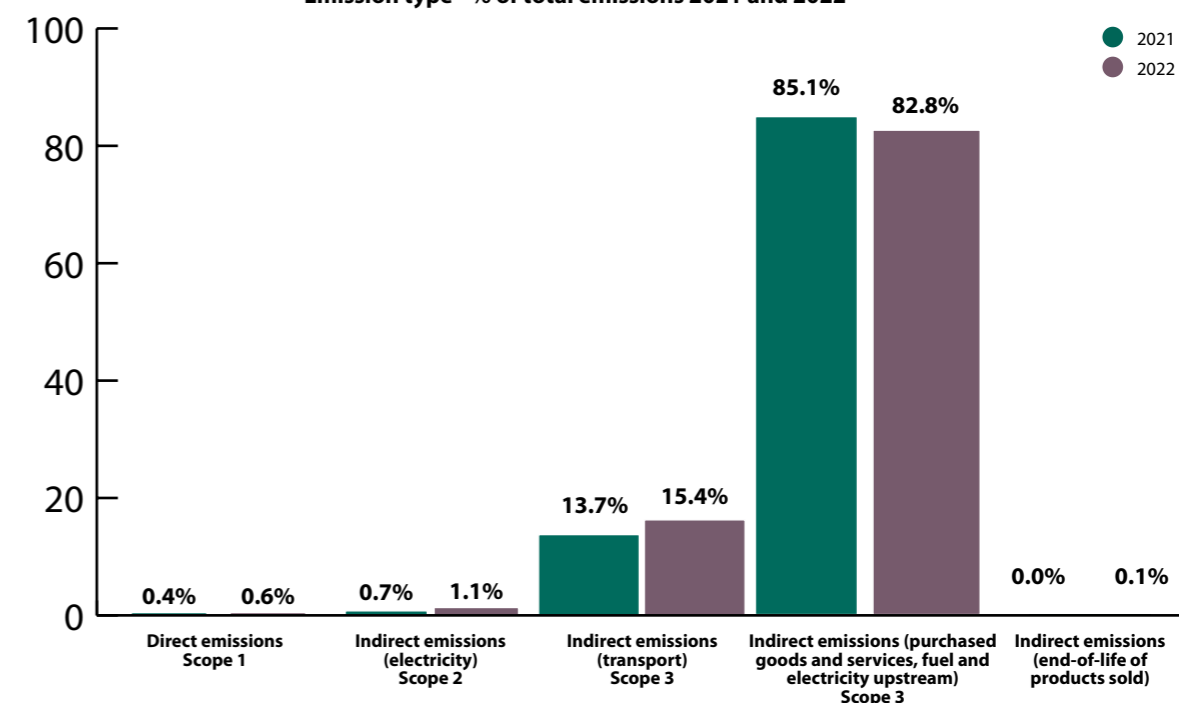
Emissions by type (direct and indirect) 2021



Emissions by scope (1-2-3) 2022



CFO Emission type - % of total emissions 2021 and 2022



Appendix

GRI content index and correlation table

GRI sustainability reporting standard 2022	References	Comments
GENERAL DISCLOSURE AND GOVERNANCE		
Organisation Profile		
2-1	Organisational details	
2-2	Entities included in the organisation's sustainability reporting	
2-3	Reporting period, frequency and contact point	
2-5	External assurance	Padana Tubi's 2022 Sustainability Report does not contemplate external assurance
2-6	Activities, value chain and other business relationships	
2-7	Employees	
2-8	Workers who are not employees	
2-9	Governance structure and composition	
2-10	Nomination and selection of the highest governance body	
2-11	Chair of the highest governance body	
Strategy		
2-22	Statement on sustainable development strategy	Letter to the stakeholders
Ethics and integrity		
2-26	Strategy, policies and practices	
2-27	Compliance with laws and regulations	
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	No cases of privacy breaches and cyber attacks were recorded during 2022
Stakeholder engagement		
2-28	Membership of associations	
2-29	Approach to stakeholder engagement	
2-30	Collective bargaining agreements	
MATERIAL TOPICS		
3-1	Process to determine material topics	
3-2	List of material topics	
3-3	Management of material topics	
ECONOMIC TOPICS		
ECONOMIC PERFORMANCE		
201-1	Direct economic value generated and distributed	
204-1	Proportion of spending on local suppliers	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	No incidents of non-compliance occurred during the reporting period under review
ENVIRONMENTAL TOPICS		
Materials		
301-1	Materials used by weight or volume	
301-2	Recycled input materials used	
Energy		
302-1	Energy consumption within the organisation	
302-3	Energy intensity	
Water		
303-3	Water withdrawal by source	
303-4	Water discharge	
303-5	Water consumption	

Emissions		
305-1	Direct (Scope 1) GHG emissions	
305-2	Indirect (Scope 2) GHG emissions	
305-3	Other indirect (Scope 3) GHG emissions	
Waste		
306-3	Waste generated	
306-4	Waste diverted from disposal	
306-5	Waste directed to disposal	
SOCIAL TOPICS		
Employment		
401-1	New employee hires and employee turnover	
Occupational health and safety		
403-1	Occupational health and safety management system	
403-3	Occupational health services	
403-5	Worker training on occupational health and safety	
403-6	Promotion of worker health	
403-8	Workers covered by an occupational health and safety management system	
403-9	Work-related injuries	
403-10	Work-related ill health	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	No incidents of non-compliance with relevant regulations were reported in the period under review
Training and education		
404-1	Average hours of training per year per employee	
Diversity and equal opportunity		
405-1	Diversity of governance bodies and employees	
Non-discrimination		
406-1	Incidents of discrimination and corrective actions taken	No incidents of discrimination occurred in the company during the period under review
414-1	New suppliers that were screened using social criteria	

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