

SUSTAINABILITY
REPORT

2023



SUSTAINABILITY REPORT

2023

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NOTE Numbers in this report are divided into groups of three and separated with commas on the line.
The symbol for the decimal marker is the point on the line.



DEAR STAKEHOLDERS,

We are pleased to present you our latest Sustainability Report, which outlines the progress and commitment to sustainable practices across all aspects of Giva Group's business. This report and the effort for its set-up reflects our dedication to environment and social responsibility believing in the sustainable side of steel. Our commitment to environmental sustainability is a core value that drives our operations. Over the past year, we reinforced our effort in reducing our carbon footprint, starting our decarbonization journey.

One of the pillars of our strategy is the adoption of renewable energy sources, which started with our first photovoltaic system for decarbonizing Forgiatura A.Vienna plant of Cella Dati. This project, beside being the first, also has a big emotional value for GIVA; having it been figured out by our founder and beloved president Antonio Vienna but completed after his demise. This plant is part of a wider plan for decarbonizing the GIVA group. Our strategy and industrial plan include several investments in decarbonization and energy efficiency. A sustainable energy transition is a key target for the group, remaining at the top levels in our core business, but increasing our efficiency and reducing our carbon footprint.

In addition to energy saving initiatives, we are at the fare front on circular economy and waste management as well as water reuse minimizing our environmental impact. These efforts are particularly important as some of our plants operate in regions facing water scarcity. Our social responsibility initiatives are centered on creating positive impacts for our employees, communities, and stakeholders. We believe that a thriving workforce and strong community relationships are essential for long term sustainable growth.

We are committed in providing a safe, inclusive and engaging working environment for our employees. Diversity and inclusion remain top priorities; we have launched initiatives to promote gender equality, support underrepresented groups, and ensure equal opportunities for all employees.

Community engagement is another pillar of our social responsibility strategy and our employees volunteer their time, making a tangible difference in the communities where we operate.

LOOKING AHEAD

As we look to the future, we are more committed than ever to advancing our sustainability agenda. We recognize that achieving our goals requires continuous effort, collaboration and innovation.

In conclusion, our Sustainability Report highlights the progress we made and the challenges we face as we strive to create a more sustainable future for the steel business. We are proud of our achievements and are committed to continuous improvement. Our success is a testament to the dedication and hard work of our employees, the support of our partners, and the trust of our stakeholders.

We invite you to explore this report in detail and join us on our sustainability journey. Together, we can make a positive impact on the environment, society, and economy. Thank you for your continued support and engagement.

Sincerely,
Giovanni Gilardi
President



Jacopo Longhi Vienna
CEO



METHODOLOGICAL NOTE

This document, representing the GIVA Group's (hereinafter also referred to as "Group" or "GIVA") Sustainability Report, outlines the main sustainability achievements of the Group in 2023, covering the period from January 1st to December 31st.

Prepared with reference to the "Global Reporting Initiative Reporting Standards" as defined by the Global Reporting Initiative (GRI) ("GRI Standards"), this report adopts the most recent 2021 versions of the GRI Universal Standards 1 (Foundation) and GRI 2 (General Disclosure), as detailed in the "GRI Content Index" table.

The topics included in this report were selected based on the materiality analysis updated in 2023, which identified the sustainability impacts of the Group's activities and business relationships on the economy, environment, and people, including human rights.

Compared to the first year of reporting, a step forward has been taken, by involving the financial community of the Group as external stakeholder during the materiality analysis. The material topics were subsequently validated by the Top Management of GIVA Group, as detailed in the "Materiality Analysis" section of this document.

The reporting scope for economic and social data and information aligns with that of the Consolidated Financial Statements of GIVA Group as of December 31, 2023. The environmental data and information reporting scope includes all relevant companies, excluding those based outside Italy and real estate companies (i.e., Solim srl, Vim srl, GIVA East, GIVA USA Group Inc, RMT USA Inc, GIVA Trading Ltd, RMT Valvomeccanica Pty LTD, RMT Arabia Company)¹ since their environmental impact has been evaluated as not relevant.

Any additional limitations regarding the reporting scope are clearly stated within the text of the document.

Regarding the Group's organisational structure, in December 2022, was acquired Pibiviesse S.r.l., a global leader in the production of manual and automated on-off and control ball valves. The reporting scope of the Sustainability Report includes Pibiviesse starting from 2023; in 2022, it was not consolidated as it was not yet part of the group. However, in order to highlight the impact of the expanded scope on the Group's Scope 3 data, it was decided to include Pibiviesse in the 2022 reporting of "Other indirect GHG emissions.

The ownership structure and supply chain remained unchanged from 2022.

All the reliable data have been used and the use of estimates has been limited as far as possible basing on the best available methodologies and appropriately reported in the text.

For data comparability over time, comparisons with the previous year are provided. Any restatements of data published in the previous Sustainability Report are clearly indicated in this document.

On 02/09/2024, the Board of Directors of GIVA S.p.A. approved this Sustainability Report.

FOR ADDITIONAL INFORMATION AND FEEDBACK ON GIVA GROUP'S SUSTAINABILITY REPORT, PLEASE CONTACT: esg@givagroup.it.

This document is also accessible on the Group's website.

¹ GIVA GmbH is no longer operating and in the process of liquidation.

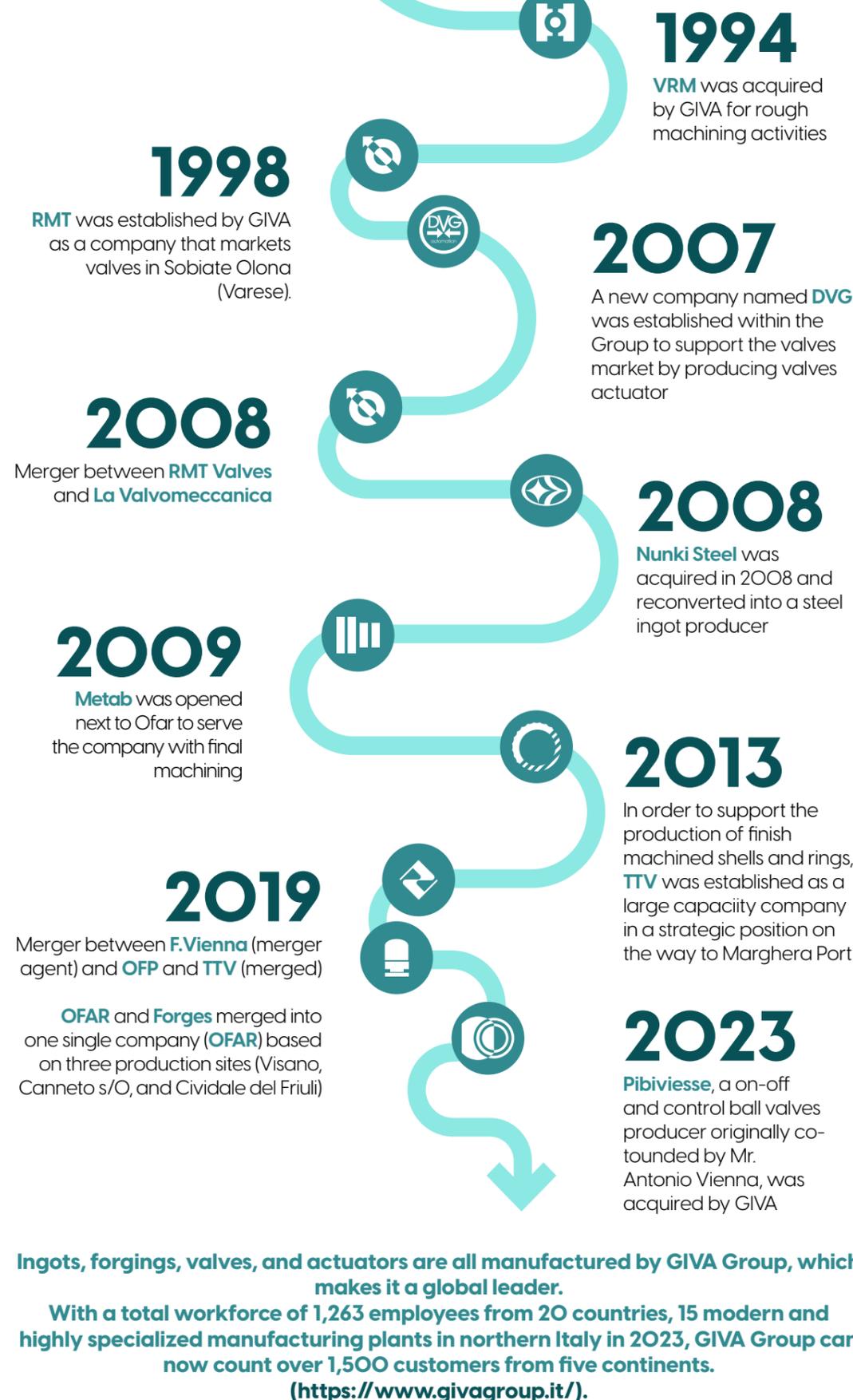
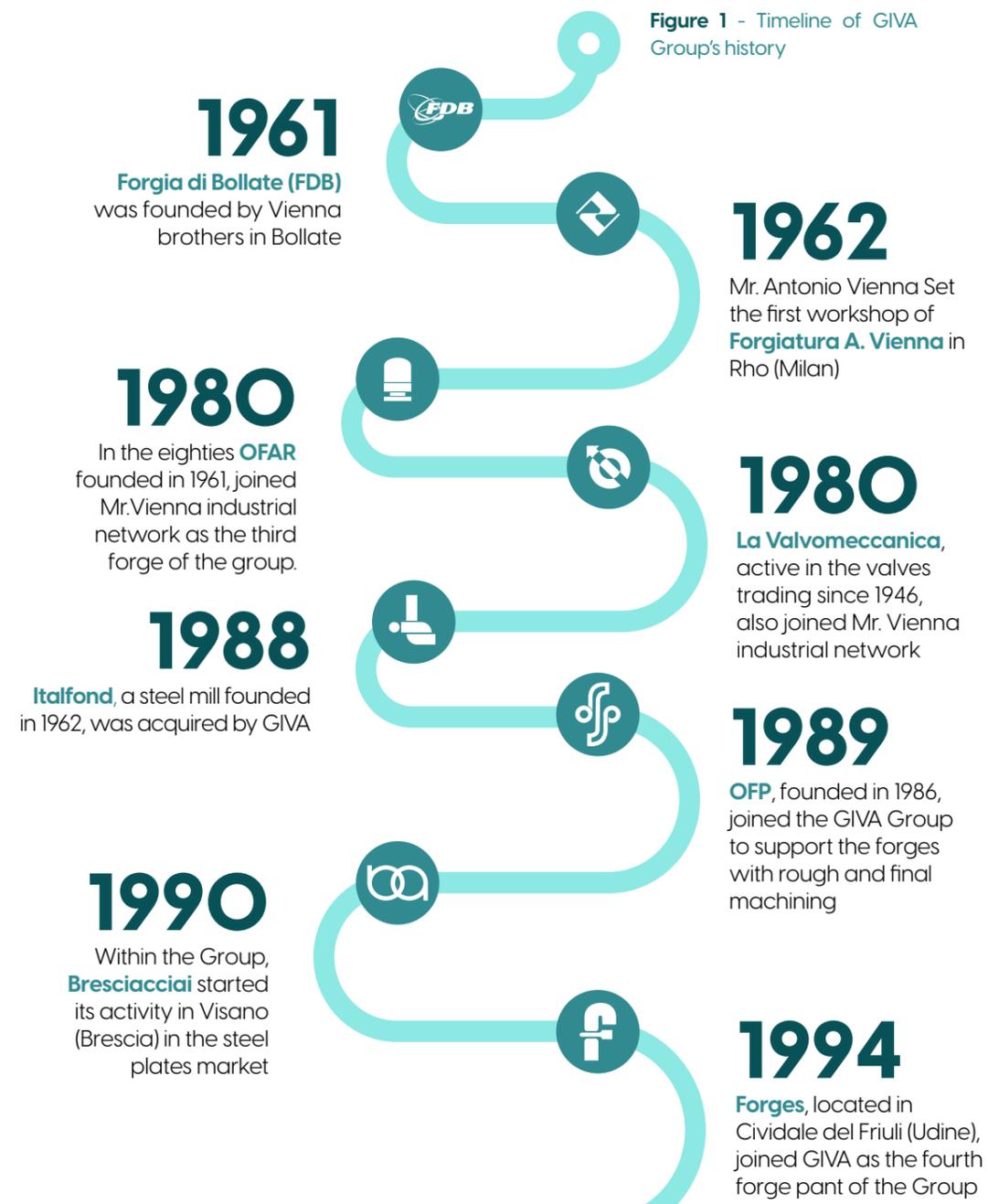
1. GIVA GROUP IDENTITY



1.1. HISTORY

GIVA, acronym of Gruppo Industriale Vienna Antonio (Industrial Group Vienna Antonio), is an Italian family-owned business founded a by Founder Antonio Vienna over 60 years of continuous entrepreneurial career.

Figure 1 - Timeline of GIVA Group's history



1.2. MISSION AND VALUES

GIVA's aim is to be a key player in the continuous process of global change and evolution. With its **expertise** and **skills**, combined with **advanced plant technology**, the Group's steel mills are a benchmark in the industry.

GIVA understands that the future of the sector in which it operates is intrinsically linked to a **decarbonization pathway** that reduces environmental impact and promotes a **circular economy**. This commitment is reflected in the Group's long-term strategy, which integrates **advanced technologies** and **sustainable practices** at every stage of the production process. GIVA has taken concrete measures to reduce CO2 emissions, enhance **energy efficiency** in its facilities, and invest in **renewable energy sources**.

These efforts are driven by our **core values**:

» DYNAMISM

» INNOVATION

as a means to remain at the forefront of both technological and sustainability advancements

» INVESTMENT

as a vision and a measure of confidence in the future.



1.3. THE GROUP STRUCTURE

As of December 31, 2023, the organizational structure of GIVA Group includes **22 companies and the parent company GIVA S.p.A.** with headquarters in Rho (Milan), which globally guarantees operational and strategic coordination.

The Group, since its foundation, has grown by incorporating new business units. However, the leadership of President Antonio G. Vienna, who served as the president and the majority shareholder in the Board of Directors until his premature passing in August 2023, ensured not only continuity but also a clear path for growth, as well as the preservation and transmission of the Group's core values.

The Group has undergone a transition in leadership through the appointment of the **new president**, Giovanni Gilardi, who was charged with an increasingly strategic role in ensuring the continuity and growth of the business. Under President Gilardi's guidance, the Group continues to expand and thrive.

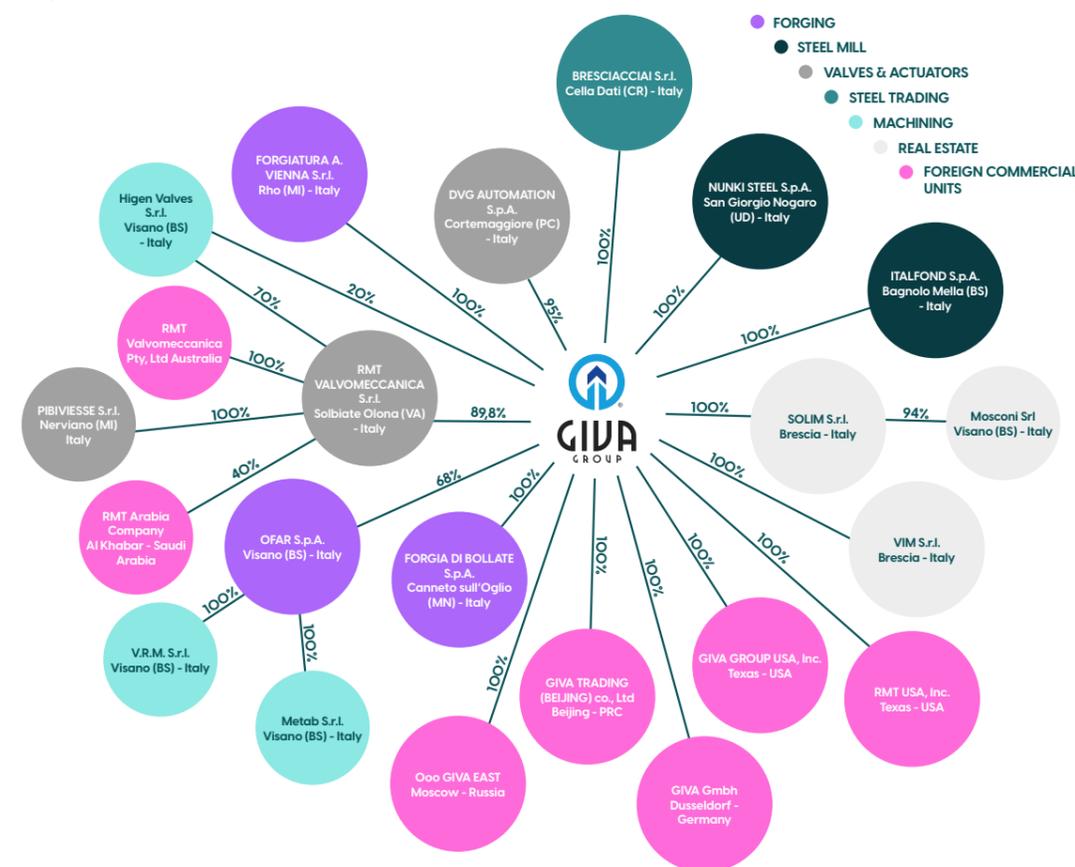


Figure 2 - Corporate structure of the Group as of 31.12.2023²

² GIVA Gmbh is no longer operating and in the process of liquidation.

The success of GIVA Group is due to the synergies and interconnection created among its companies, in fact, it's one of the few steel industry organizations in the world vertically integrated, that can directly manage the entire value chain, from scrap melting to finished products. This remarkable advantage assures constant raw material availability, quick purchase, starting material quality, shared know-how, and tireless metallurgical research for the creation of innovative and sustainable solutions.

The diversity of which, has led to the development of four industrial activities, briefly described below:

● **STEEL MILLS**, industrial plants for the manufacture of steel. The companies operating in this sector are Nunki Steel S.p.A. (hereinafter also mentioned as Nunki Steel), that started the production of forging ingots in 2010, following the acquisition of an existing steel mill in operation since the early '80s, and Italfond S.p.A. (hereinafter also mentioned as Italfond), a leading manufacturer of forged bars and ingots in stainless steels and super alloys intended for market distribution, open-die and close-die forging, and pipe and section bar extrusion; the business was founded in the early '60s and was acquired by the GIVA Group in 1988, which upgraded the plants and on 1993 transformed it into a steel mill with a focus on the production of super alloys and stainless steels.

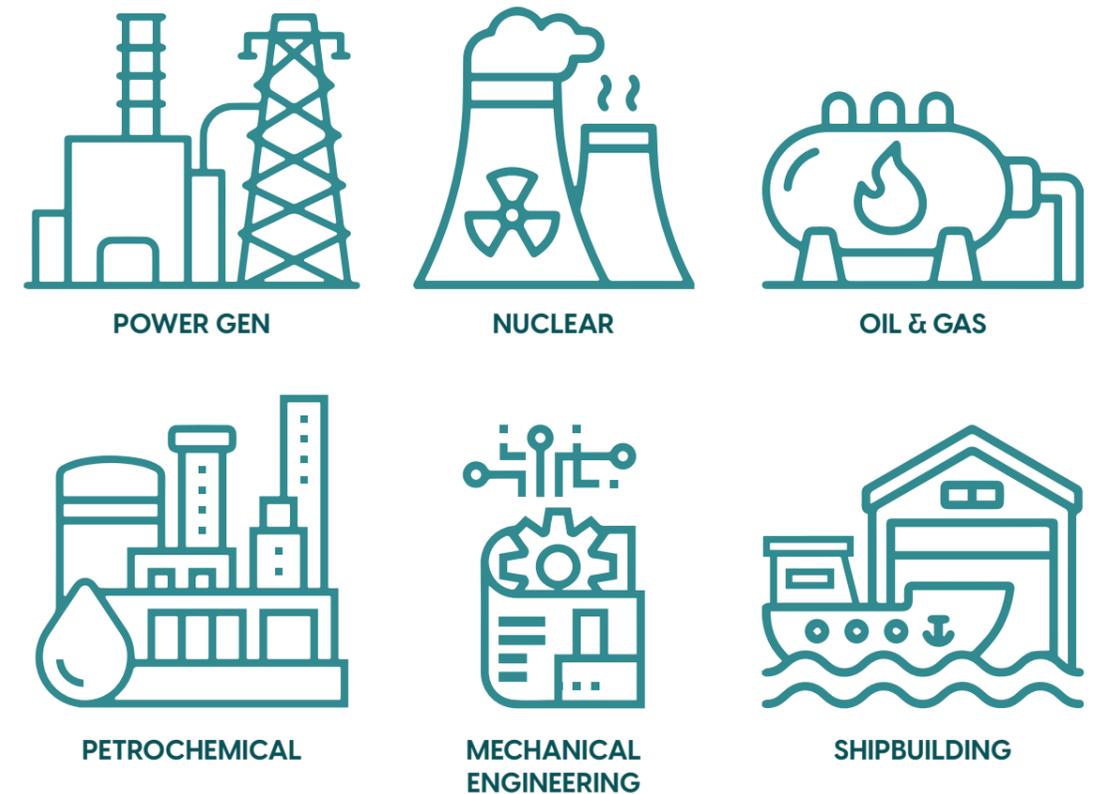
● **FORGING**, involving the use of concentrated compressive forces to shape metal, in which the strikes are made with a die or a hammer (often a power hammer). Operating in this area Forgiatura A. Vienna S.r.l. (hereinafter also mentioned as Forgiatura A. Vienna), founded in 1962, being the founder company of the Group, is leader in the international and national markets for the supply of heavy forgings, most of the company's products are exported all over the world for several application such as nuclear power plants; Ofar S.p.A. (hereinafter also mentioned as Ofar), founded in 1961, is the leader in the supply of products for Oil & Gas, mechanical, heavy engineering, naval, petrochemical and power generation industries. Ofar controls VRM S.r.l and Metab S.r.l. (hereinafter also mentioned as VRM and Metab) and is assisted by them in the machining processes; lastly Forgia di Bollate S.p.A. (hereinafter also mentioned as Forgia di Bollate) has a long-lasting tradition in open die forging and heat treatment of steels, with special regards to the production of square section and shaped rings of steel and non-ferrous alloys.

● **STEEL TRADING**, Bresciacciai S.r.l. (hereinafter also mentioned as Bresciacciai), established in 1990, for special applications in the steel industry, it deals with the supply and cutting service of tool steels and complementary steel grades. The company can meet the demands of its customers by creating customized sales with a high added value thanks to the management and operators experience and expertise.

● **VALVES AND ACTUATORS**, developing and building mechanisms for opening and closing valves, active in the operation, RMT Valvomeccanica S.r.l. (hereinafter also mentioned as RMT Valvomeccanica), resulted from a merger, which took place in 2008, involving the oldest company within the Group, founded in 1950 and plays a central role being a globally

recognized leader in the engineering and manufacturing of high quality and special design on-off ball valves and control valves; RMT Valvomeccanica controls the subsidiary Higen Valves S.r.l. (hereinafter also mentioned as Higen Valves), who takes care of machining processes. DVG Automation S.p.A. (hereinafter also mentioned as DVG Automation), is a manufacturer of pneumatic, hydraulic, electrohydraulic, gas operated piston type actuators and related control systems, suitable to motorize quarter turn and linear valves in the flow control process automation (production, transportation and distribution) with a specific focus to the most severe industrial application and specifically in the Oil & Gas industry. On December 2023, the GIVA Group finalized the inclusion of the Pibiviesse within its network. Pibiviesse has been officially acquired by RMT Valvomeccanica, reinforcing the commitment to offer innovative and highly reliable solutions in the ball valves and control valves market and allowing the pursuit of a common strategy and the achievement of significant synergetic advantages in terms of growth.

The steel industry is one of the most important sectors for the growth of any community. In fact, it is the foundation for many sectors that would not have developed without the steel industry. The main industries in which the Group operates are:



In addition, in 2022 the Group, leveraging on its huge experience in the sector, is expanding the business line also working on **decarbonization sectors** (such as carbon capture and storage, Hydrogen) while RMT has been focused in the last year on developing valves for hydrogen-handling plants.

GIVA Group has its productive activities in the **north of Italy**, but being an international player, maintains commercial relationship in all relevant markets around the world, including an onsite presence through representative offices and fully owned sales agencies in **China, USA, Australia, and Arabia**.



Figure 3 - Geographical distribution of the main companies of the Group



2. GIVA GROUP APPROACH TO SUSTAINABILITY



GIVA Group, as a world player in the steel industry, is conscious of its critical role in the global journey towards sustainable development. On one side, actors in the steel industry play an integral part of society's **green energy transformation**: indeed, along with other companies in the metal industry, steel players are the backbone for sustainable construction, electric vehicle production, and renewable energy infrastructure. However, on the other side, the steel industry is within the "hard-to-abate" group—along with road freight, cement, chemicals, shipping, and aviation, among others. In order to create a meaningful transition, the steel sector itself must become **carbon neutral**. For this reason, the Group has embarked in a **decarbonization path** to achieve **environmental impact reduction initiatives and milestones**, as demonstrated by the commitment to start a journey to join **Science-Based Targets (SBTi)**.

The Group, ever since focused on environmental, social, and governance aspects of its business, is also more attentive and inclined to quickly respond to its stakeholders' changing needs, with reference to the regulatory context and the behavioural habits of its customers. In fact, **increasingly stringent regulatory pressures** have placed the emphasis on the urgent need to adopt sustainable practices, especially relating to European legislation and the **Corporate Sustainability Reporting Directive (CSRD)**, which impacts greatly on ESG disclosure and strategy.

With a distinctive proactive sustainability perspective, which differentiates the Group from its competitors, GIVA is actively **monitoring the requirements of the CSRD** and evaluating the **necessary steps to achieve CSRD compliance**.

At the same time, increasing customer demand for sustainable products and services has led GIVA Group to see **ESG as a key success factor** in maintaining **customer trust and loyalty**.



In this regard, Ofar in 2023 achieved the **Ecovadis silver medal**. The rating highlights Ofar's dedication to environmental and social responsibility, contributing to the broader sustainability efforts of the Group.

As one of the objectives set out in its **ESG masterplan**, a set of ESG objectives planned in 2022 to be achieved over a five year timeline, the Group also drafted the **Sustainability Policy**, with the aim of outlining the sustainability principles adopted by the Group in the field of ESG, establishing the commitments that GIVA intends to pursue over time, including but not limited, the compliance with the environment, energy and occupational health and safety legislation.



The policy is designed to guide the Group in the sustainable and responsible management of its activities and expresses GIVA's:

➤ **Commitment to the planet** – through the adoption of internationally recognized Management Systems, such as ISO 14001:2015 and ISO 50001:2018; proactive participation in global climate initiatives; and the presence of dedicated Health, Safety & Environment Functions across all Group Companies that ensure the pursuit of the Group's commitment to sustainable practices, overseeing and implementing measures that prioritize safety, environmental responsibility, and adherence to established standards.

➤ **Commitment to people and the protection of human rights** – in the conduct of GIVA's activities and in all the relationships that result from them, both in its dialogue with employees and collaborators, recognized as primary importance, and in its relationships with customers and suppliers, through which it promotes respect for principles such as legality, fairness, and transparency in relationships.

➤ **Commitment to ethics, integrity, and the fight against corruption** – affirmed through a holistic approach that includes the Organizational Model 231 and the Code of Ethics.

The Sustainability Policy will allow the Group to track efforts to **reduce greenhouse gas emissions, manage natural resources sustainably**, and **minimize pollution** by promoting the use of renewable energy and the implementation of eco-friendly business practices.

Furthermore, the Sustainability Policy will express the Group commitment to **treat employees fairly, promote diversity and inclusion**, and **ensure good working conditions**, foster positive interactions with local communities, contributing to their development and well-being.

From a governance perspective, the Sustainability Policy will promote **transparent and responsible practices**, reducing the risks of corruption and fraud and ensuring that business decisions are made ethically and in alignment with the interests of stakeholders. Additionally, the Sustainability Policy will help the Group to identify and manage risks related to environmental, social, and governance issues, protecting their sustainability in the medium to long term.

In 2023, Forgiatura A. Vienna, Italfond and Ofar carried out a **Risk Assessment** to analyse and assess business risks, including ESG risks, such as climate factors.

With the aim of continuous improvement, GIVA has set as a goal for 2024 the extension of this effort at a group level through the development of a **new centralized platform for risk management**. To achieve this goal, the Group will rely on an external partner, thus ensuring a more integrated and effective approach to corporate risk management.





In 2024, GIVA Group reaffirms its commitment to internationally disclose its efforts to fight climate change by participating in the **CDP (Carbon Disclosure Project) questionnaire**³. In 2023, the first year in which the Group voluntarily participated in the questionnaire, obtaining a good rating B-, on a scale from A to D, according to CDP.

As a result, the Group has adopted a structured approach to addressing sustainability issues, which is continuously evolving and progressing in consideration of legal provisions, industry analyses and stakeholders needs.

GIVA Group firmly believes that sustainable practices are a necessary integration into the core of the Group operations. GIVA has embraced the daily and global challenge posed by pivotal elements of the society, such as climate change and natural resources scarcity. In accordance with the European regulatory framework and the Corporate Sustainability Reporting Directive (CSRD), the Group is at the forefront of a path that integrates ESG aspects (Environmental, Social, Governance) within its own strategic choices in the medium to long term, promoting thus a sustainable and responsible business model, with the aim of generating shared value with all its stakeholders.



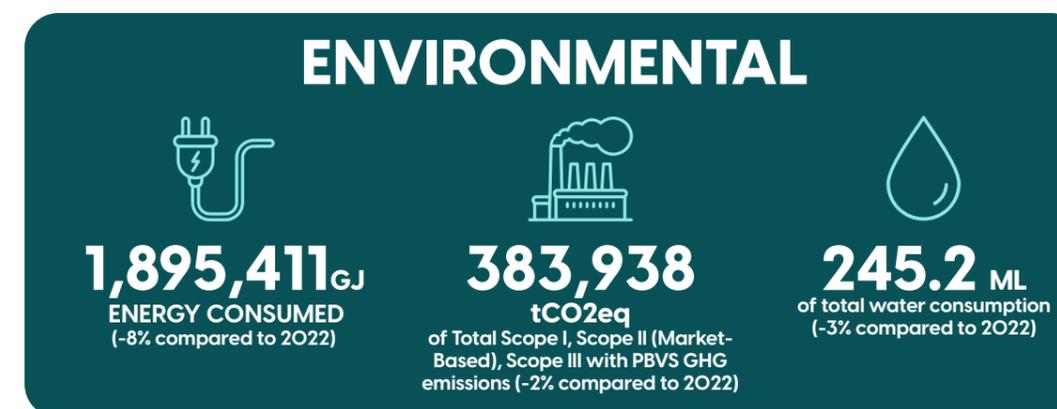
Energiva is the **GIVA concept** designed to promote the Group's commitment to its decarbonization goals through concrete and daily initiatives undertaken on **Environmental, Social, and Governance** aspects, and above all, to represent and tell the **Sustainable Side of Steel**.

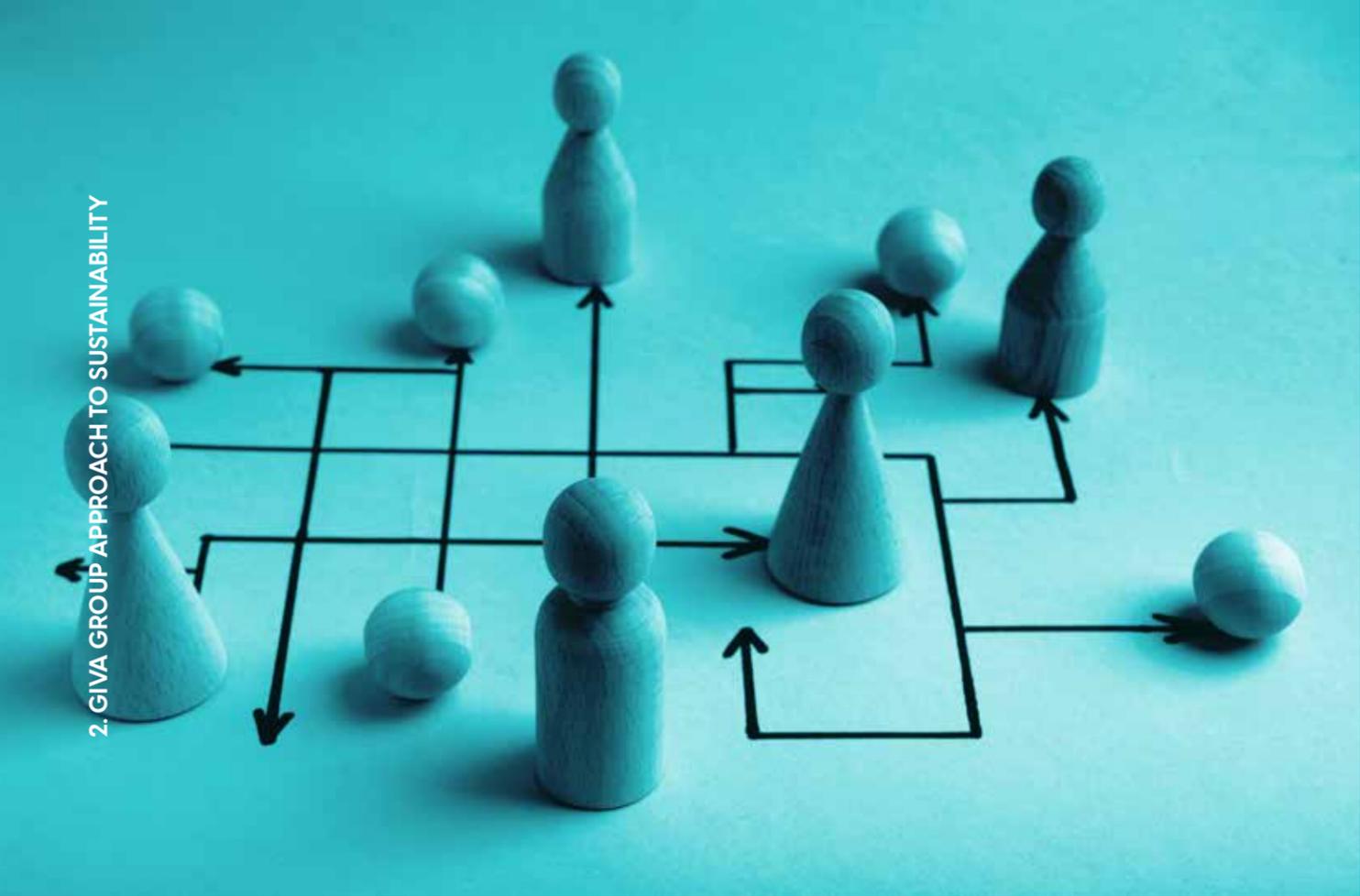
GIVA Group believes integrating sustainability into business strategies is fundamental. The vision behind this project is to create a centralized and accessible hub that facilitates this integration. Energiva aims to accelerate the transition to renewable energy sources and optimize energy efficiency across the Group by adopting renewable energy technologies (e.g., photovoltaic systems) and engaging all stakeholders in our sustainability initiatives.

Achieving the Group's sustainability goals requires a collective effort. For this reason, Energiva features tools for collaboration and stakeholder engagement. Employees are encouraged to participate in energy-saving initiatives, share best practices, and contribute ideas for further improvements. Energiva also enables collaboration with external partners, including suppliers and local communities, to extend the benefits of renewable energy and energy efficiency beyond the Group.

³For more details on the CDP Climate Change questionnaire, please refer to the chapter 5.1. The Group's Commitment to the Planet.

2.1. SUSTAINABILITY HIGHLIGHTS





to be valid for the present Sustainability Report 2023. In addition, in the path towards CSRD compliance, the Group's goal, ultimately, will be to update the materiality analysis according to a double materiality approach.

The process used to identify and prioritize material sustainability impacts and topics consists of different phases:

» **PHASE 1 - GROUP'S KEY STAKEHOLDERS MAPPING:** throughout a benchmark analysis and given the Group's role in the territory and the significant impacts of its business activities on the community in which it operates, GIVA Group deemed it appropriate to map the main stakeholders who are directly and indirectly affected by its business, and who may influence the Group's activities. As a result of this process, the Group has identified ten key stakeholder categories, as shown above:

2.2. MATERIALITY ANALYSIS

The purpose of the materiality analysis is to identify and assess the most relevant topics for the Group from the perspective of its governance and stakeholders, considering the sustainability impacts that the Group activities and business relationships have on the economy, the environment, and people, including human rights. As far as human rights are concerned, it should be noted that the Group concentrates all its manufacturing activities in Italy and about **64% of its suppliers are local**, while the rest of its supply chain is spread across several countries. Nonetheless, as part of the ESG Masterplan, the Group drafted a **Human Rights Policy** that will become effective in 2024, in order to improve the Group's supervision on human rights' protection, together with a Sustainability Policy, which also includes commitments on human rights along with the other sustainability guidelines relevant to the Group.

The materiality analysis was first conducted in 2022 as a base for structuring the first Sustainability Report 2021 and it was then updated in 2023 to better understand the evolution of stakeholders' expectations and needs, in compliance with the requirements and guidelines of the **GRI Standards 2021**. In 2023 there were no relevant changes, neither within the organization nor in the business or ESG context in which the Group operates, that required an update of the materiality analysis. Therefore, the materiality analysis conducted in 2022 was deemed



Figure 4 - GIVA Group's key stakeholders

» PHASE 2 - GROUP'S RELEVANT GENERATED SUSTAINABILITY IMPACTS

IDENTIFICATION: the benchmark analysis was not only aimed at identifying the Group's main stakeholders. By taking into consideration peers, clients' main requests in the field of sustainability, industry studies and sustainability frameworks (such as GRI, SASB and S&P YearBook) together with the current ESG trends emerged in the sectors examined, a preliminary list of ESG impacts and topics was identified, in terms of both negative / positive, actual / potential⁴.

Mapping GIVA Group's clients was also a key step in identifying and analysing stakeholders' needs and priorities. Given the Group's multi-business structure, the analysis was carried out by sector, allowing a better understanding of the context and its changes since the previous year.

» PHASE 3 - ASSESSMENT AND PRIORITIZATION OF THE GENERATED IMPACTS MATERIALITY THROUGH WORKSHOPS:

the list of impacts and related topics resulted from phase 2 were assessed during two materiality workshops. The first workshop was dedicated to the involvement of an external stakeholder category: **the Group's financial community**. It was asked them to evaluate the selection of 32 ESG impacts, in order to include and understand their external point of view. It was the first time that the Group involved external stakeholders in a materiality workshop, in line with the target stated in the Sustainability Report 2021. The second workshop, instead, involved the Group's Top Management and key figures (HSE managers and corporate functions).

» PHASE 4 - IMPACTS LIST ELABORATION AND VALIDATION:

the quantitative analysis of the results, combined with further qualitative evaluations, allowed the identification of 17 material topics that describe the positive and negative impacts generated by the Group. With respect to the first materiality assessment in 2021 that identified 16 material topics, a new topic has been added to the list, because of a deeper dive into the Group's impact. That list has been validated by the ESG Committee.

⁴ Negative impacts are those that cause harm to the economy, the environment, and people, and thus undermine sustainable development. On the contrary, positive impacts are those that contribute to sustainable development generating a benefit to the economy, the environment, and people. Potential impacts are those that may occur and have not yet occurred, while actual impacts have already occurred.

TABLE 1 - GIVA GROUP'S IMPACTS LIST

MATERIAL TOPICS	IMPACTS GENERATED BY GIVA GROUP	IMPACT NATURE
PRODUCT QUALITY AND CUSTOMER SATISFACTION	Potential dissatisfaction and decrease in customer confidence due to products not meeting required quality standards	NEGATIVE
	Potential increase in the number of complaints related to product quality	NEGATIVE
	Possible incidents and cases of non-compliance	NEGATIVE
ENERGY MANAGEMENT & TRANSITION TOWARDS RENEWABLE SOURCES	Excessive dependence on (non-renewable) energy resources resulting with lower resilience	NEGATIVE
EMPLOYEE HEALTH & SAFETY	Occupational injuries and illnesses due to a lack of attention to health and safety systems/procedures	NEGATIVE
CLIMATE CHANGE, GHG & AIR EMISSIONS	Direct and indirect GHG emissions related to Group operations (Scope 1 and Scope 2)	NEGATIVE
	Contribution to climate change through direct/indirect GHG emissions	NEGATIVE
	Other indirect emissions - Scope 3 (e.g. supply chain-related emissions)	NEGATIVE
RESOURCES AND WASTE MANAGEMENT & CIRCULAR ECONOMY	Use of recyclable and recycled raw materials (steel)	POSITIVE
	Generation of hazardous and non-hazardous waste	NEGATIVE
	Impact on the environment due to improper waste management and disposal	NEGATIVE
	Use of non-renewable resources (eg. plastic, coal, etc.)	NEGATIVE
INNOVATION & PRODUCT ENVIRONMENTAL PERFORMANCE	Reducing environmental impacts through strategic partnerships, new technologies and research and development investments	POSITIVE
ESG GOVERNANCE	Dissemination of an ethical corporate culture, based on ESG values, that can help seize/anticipate opportunities in the ESG area	POSITIVE
WATER MANAGEMENT	Water discharges and possible water pollution	NEGATIVE
	Water withdrawals and consumption and their contribution to the reduction of available water resources	NEGATIVE



TABLE 1 - GIVA GROUP'S IMPACTS LIST

MATERIAL TOPICS	IMPACTS GENERATED BY GIVA GROUP	IMPACT NATURE
EMPLOYEE DEVELOPMENT & TALENT ATTRACTION	Loss of corporate know-how due to inadequate management, retention and attractiveness of resources	NEGATIVE
	Employee skills development and professional growth	POSITIVE
	High levels of reported turnover	NEGATIVE
FINANCIAL STABILITY AND MARKET POSITIONING	Sustainable economic performance, creation of shared value and contribution to industry economic growth	POSITIVE
DATA PROTECTION & CYBER SECURITY	Loss of sensitive data and cyberattacks	NEGATIVE
EMPLOYEE ENGAGEMENT, SATISFACTION & WELL-BEING	Contribution to employee satisfaction and cohesion through engagement initiatives and team-building activities	POSITIVE
	Contribution to the psychological and physical well-being of its employees through welfare and well-being plans and policies implementation	POSITIVE
SUPPORT TO LOCAL COMMUNITIES	Contribution to the creation of new jobs in the region	POSITIVE
	Positive social impact through support and involvement activities on local communities	POSITIVE
SUPPLY CHAIN MANAGEMENT	Negative impacts due to the failure to select, evaluate and monitor suppliers according to ESG criteria	NEGATIVE
ANTICORRUPTION, COMPLIANCE AND BUSINESS ETHICS	Possible unethical/illegal behaviour performed by the Board of Directors, top management and employees and possible cases of corruption and sanctions	NEGATIVE
	Violations and sanctions due to non-compliance with applicable laws and regulations as well as internal procedures and codes	NEGATIVE
DIVERSITY & INCLUSION	Lack of application of diversity principle (e.g. gender balance in management or pay equity)	NEGATIVE
HUMAN RIGHTS	Potential violation of human and labour rights within the Group and along the supply chain	NEGATIVE



3. GOVERNANCE & ECONOMIC PERFORMANCES

3.1. THE FINANCIAL CAPITAL OF THE GROUP

3.1.1 - ECONOMIC PERFORMANCES

Leveraging its expertise and experience, GIVA Group adeptly meets the needs of both large and medium-sized industries, underscoring its solid standing in the global market.

Despite the uncertain macroeconomic environment, in 2023 GIVA Group demonstrated **resilience** and **steady growth** in economic value generated, reconfirming itself as **industry leader**. The consistent efforts to **optimize production processes** and **adapt to market conditions** have been crucial in maintaining this positive economic trajectory.

Thanks to strategic initiatives and operational efficiency, in 2023 the Group managed to achieve a **+12% increase** in **sales and services revenues** and a **+2% increase** in **production value** compared to the previous year.

These results reflect the Group's robust business model and commitment to sustainable growth, thus ensuring long-term value for stakeholders.

Therefore, disclosing the economic value generated and distributed allows the Group to highlight how the value generated is distributed to key stakeholders and/or reinvested in order to foster and pursue sustainable business growth.

The data in the table below, obtained by reclassifying the items underlying the **Consolidated Income Statement** as of December 31, 2022, and 2023, shows that in 2023 GIVA Group distributed **89% of the value generated** (+7% compared to 2022). The categories that benefited most from this distribution, as in 2022, were still suppliers with 84% on the total of economic value distributed (+7% compared to 2022), followed by employees with 14% on the total of economic value distributed (+18% compared to 2022).



TABLE 2 - GRI 201-1 DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED AS OF 31.12.

	2022		2023	
	THOUSANDS OF €	% DISTRIBUTION OF VALUE BY STAKEHOLDER CATEGORY	THOUSANDS OF €	% DISTRIBUTION OF VALUE BY STAKEHOLDER CATEGORY
ECONOMIC VALUE GENERATED	671,322		690,881	
ECONOMIC VALUE DISTRIBUTED	576,205	86%	615,434	89%
Value distributed to suppliers and other operation costs reclassified	483,160	72%	516,389	75%
Employees remuneration	71,663	11%	84,843	12%
Lenders remuneration (Connected companies and banks)	5,694	1%	12,650	2%
Shareholders remuneration	-		-	
Public Administration remuneration	15,664	2%	1,487	0.2%
Community investments	24	0.004%	63	0.009%
ECONOMIC VALUE RETAINED	95,117	14%	75,447	11%
of which depreciation, provisions, and write-downs	40,826	-	42,205	-
PROFIT	52,998	8%	25,094	4%



3.2. CORPORATE GOVERNANCE

The passing of President and founder Antonio Vienna on 12 August 2023 led the Group to appoint a **new Board of Directors (BoD)**, on 22-08-2023. Compared to the previous composition, the new Board of Directors saw the entrance of a new member: **Mr Jacopo Longhi Vienna**.

As of today, **Mr. Giovanni Gilardi**, a member of the family that owns the Group, holds the position of President.

TABLE 3 - GRI 2-9 BOARD OF DIRECTORS COMPOSITION AND GRI 405-1 DIVERSITY OF GOVERNANCE BODIES AS OF 31.12.2023

GIVA S.P.A.'S BOARD OF DIRECTORS		
	GENDER	AGE TIER
PRESIDENT		
Giovanni Gilardi		>50
CEO		
Damir Pitesa		>50
BOARD MEMBERS		
Jacopo Longhi Vienna		<30
Angela Vienna		>50
Antonella Vienna		>50
Gabriella Bologna		>50
Aurelio Menni		>50

During 2023, both the President and Mr Jacopo Longhi Vienna within its new role as member of the Board, oversee the group during a challenging moment, defining a new Group structure in continuity with the previous year. Following the imprinting of the founder, Mr. Antonio Vienna, the group maintain its positioning in the market confirming a positive year in terms of revenues and value created. The Board, also through the role of the President, continues to oversight on ESG and climate issues.

GIVA Group has shown a concrete commitment to integrating sustainability into every aspect of its business, from governance to strategy development and execution. Performance on different aspects of sustainability is evaluated both at the corporate and Board levels, with the aim of integrating climate change mitigation into corporate decision-making processes.

In this regard, the Group established in 2021 and formalized in October 2022 the **ESG Committee**, an external committee, whose participants, as of the end of reported year, are: two members of GIVA Group's Board of Directors and two Group executives (finance and legal).

The ESG Committee continues to perform the following functions:

- Overseeing the **Company's and the Group's commitment to sustainable development** along the entire value chain and pursuing sustainable success by advising, proposing, and directing the Board of Directors on sustainability-related topics.
- **Examining, evaluating and validating sustainability policies** in order to ensure long-term value creation for shareholders and all other stakeholders, in accordance with the principles of sustainable development.
- **Periodically monitoring sustainability plans, objectives and processes** to ensure proper disclosure of non-financial information to be included in the sustainability report.
- **Reviewing the Company's adherence to national, European and global sustainability initiatives and regulations**, with the aim of enhancing the Group's sustainable success and corporate reputation worldwide.

The ESG Committee is also responsible for defining the **Group's material topics**, considering the views of internal and external stakeholders and identifying current and potential negative impacts in which the organisation may be involved.

The ESG Committee meets as often as necessary to perform its functions and, in any case, when a meeting is necessary or appropriate.

GIVA's Board of Directors continues to be responsible for approving the information in the Sustainability Report, and the ESG Committee is still responsible for reviewing and monitoring it.

In addition to the Board of Directors, the GIVA Group's governance includes **supervisory and control bodies**, namely:

- the **Board of Statutory Auditors**, which supervises the correct application of laws and bylaws and the proper administration and management of the company. The GIVA Group's Board of Statutory Auditors consists of a President and two Standing Auditors, all three of whom are male and in the age range >50.
- the **Auditing Company**, which acts as an independent body.

Always with a view to improving Group Governance, GIVA actively worked towards the inclusion of a **Chief Energy and Sustainability Officer, which has been finalized in January 2024**.

3.3. ETHICS, INTEGRITY AND ANTI-CORRUPTION

All the companies of the Group have adopted the GIVA's Code of Ethics, which sets out the fundamental principles guiding all GIVA Group activities.

The Code of Ethics can be downloaded from the following section of the Group' website:



231 ORGANIZATIONAL MODEL PURSUANT 231/2001 LEGISLATIVE DECREE

The Model of Organization, Management and Control in accordance with the Italian Legislative Decree 231/2001 (i.e., Organizational Model), has been implemented by the main companies within GIVA. Its purpose is to outline management tools and potential sanctions concerning violation of the protection measures established by the Group in response to relevant crime risks.

These companies also still have a Supervisory Board, which, acting with full autonomy and independence, has the primary task of supervising the implementation and effectiveness of the Organizational Model for the prevention of crimes pursuant to Legislative Decree 231/O1, and of suggesting to the BoD any necessary additions and/or updates.

In line with the previous year, the Supervisory Board, in cooperation with the competent corporate functions, may initiate and conduct internal investigations aimed at identifying any violations of the Organizational Model and/or the Code of Ethics, and to request targeted audits. Any significant issues that emerge from the verification activities are promptly reported to the Board of Directors for the adoption of appropriate corrective measures.

The Supervisory Board meets periodically and submits an annual report to the BoD and, if present, to the Board of Statutory Auditors, on the results of its activities and its plans. There is also a joint annual meeting of the Group Companies' supervisory bodies (Supervisory Board, Board of Statutory Auditors and auditing firm) to coordinate activities and address any critical issues. All the above meetings are regularly recorded in the special book approved by the Supervisory Board.

The main reporting channels established in the Group are:

➤ **Whistleblowing Reporting Channel:** in response to an update of the Whistleblowing procedures, the Group implemented an outsourced IT platform for reporting in 2023. This channel adopted by the Group is a dedicated and confidential system through which illegal, unethical or fraudulent conduct within the organisation can be reported. The channel accepts reports from all Group employees, regardless of their contractual status and function, as well as shareholders, directors, workers who are not employees, interns or anyone who has had relations with the Group. Reports are received by a professional team external to the organisation, which undertakes to handle them confidentially and not to reveal the identity of the reporter without his or her consent, in accordance with current regulations.

➤ **Electronic mailbox of the Supervisory Board** pursuant to Legislative Decree 231/O1: the Companies belonging to the Group, and which have adopted the Organizational Model have set up an electronic mailbox dedicated to the Supervisory Board. Through this channel, members can report anomalous behaviour or violations of the Organisational Model within the company. In accordance with the rules of the Supervisory Board, each report is treated with the highest confidentiality and the reporter is protected from discrimination, retaliation or penalization of any kind.



➤ **Electronic mailbox for matters relating to the protection of personal data.**

The Group has set up a dedicated channel for anyone who needs to report any possible violations of personal data processing. Throughout 2023, there were **no prosecutions for anti-competitive behaviour and/or violations of anti-fraud and monopoly legislation**, nor were there any **cases of proven corruption**. Additionally, there were no cases of non-compliance with environmental and socioeconomic laws and regulations pursuant to D.lgs. 231/O1.

3.4. INNOVATION, DIGITALIZATION, AND DATA PROTECTION

The GIVA Group has adopted a strategic perspective, distinguishing itself in the metallurgical, Power-gen and aerospace sectors through a vigorous investment program aimed at implementing resource-efficient technologies and solutions. This approach manifests itself in the installation of technologically advanced plants for steel manufacture, forging, and ring rolling, ensuring both high-level operational performance and accurate assessment of environmental impacts.

GIVA is making significant **R&D investments** aimed at pioneering **cutting-edge technologies and innovative processes** that will position the Group at the forefront of these industries. The focus is on developing advanced production systems, enhancing product quality, and expanding the range of high-value products offered, ensuring the Group remains competitive and continues to meet the evolving demands of these high-tech sectors.



PROJECT ProForge

GIVA has embarked on an ambitious R&D project named "ProForge," aimed at developing an advanced production system for high-value, complex forge products made from Nickel alloy, intended for the Power-gen and aerospace sectors. The project aims to exceed current industry standards in ingot and forged product manufacturing, expanding the range of products offered and pursuing continuous improvement.

The project focuses on three main areas:

- implementing special melting technologies.
- introducing an innovative forging plant.
- integrating a mathematical simulation model based on Machine Learning and Big Data Analysis. This model, capable of predicting the quantity of ingots produced based on process parameters, will underpin the Group's Nickel alloy component manufacturing processes.

This advanced production system, operating in a controlled environment, will optimize process conditions, reducing the need for fine-tuning (so called "trial and error"), thus achieving cost savings and reducing production waste.

Being pioneers in innovation not only optimises the effectiveness of the GIVA Group's organisational processes, but also promotes smoother workflows. For instance, in 2023 Ofar S.p.A. completed a **project** at the Visano site **to automatically manage the pumps that feed the presses**. Thanks to the implementation of a software, which uses level and pressure sensors to interface with the presses, data on the amount of water required by the presses is analysed. Based on these data, the system automatically switches on/off the pumps required to operate the presses, thus limiting their running time. In this way, it is possible to guarantee savings in terms of both energy and machine wear, as the machines are active for a shorter period.



GIVA and THE NUCLEAR, POWER-GEN AND AEROSPACE SECTORS: INNOVATIVE PROJECTS AND INITIATIVES BY THE GROUP'S COMPANIES

In a context where green energy plays a crucial role in sustainable economic growth and in improving human well-being, nuclear energy is an important source of clean energy, safe and economic, which can help reduce the effects of climate change. Indeed, the EU recognizes nuclear energy as a low-carbon energy source, acknowledging its role in achieving climate goals and ensuring energy security and its importance in the global energy mix.

Within the nuclear industry, the GIVA Group has been a leader in the production of forged components since the early 2000s.

The companies of the Group have the main international certifications and approvals in the nuclear sector and constantly invest in professional training and cutting-edge technologies, which include facilities for melting, recasting, forging, ring rolling and machining.

The projects and initiatives supported by the Group in 2023 are as follows:

Small Modular Reactors (SMRs)

Small Modular Reactors (SMRs) are small nuclear reactors that represent a promising development in the power sector.

These innovative reactors, which hold a **power capacity of up to 300 MW(e) per unit**, about one-third of the generating capacity of conventional nuclear reactors, are designed with a small size and in a modular fashion, which means they can be built in smaller units than conventional nuclear power plants. This feature makes them suitable for a wide range of settings, including those where space is limited, or the infrastructure is not sufficiently developed to support large power plants.

Experience and expertise, together with the technological capability of the facilities, have enabled Forgiatura A. Vienna to become part of Italy's highly specialized supply chain for their production.

The **advantages** associated with SMRs are multiple. First, thanks to their compact size and modularity, they offer the possibility of reducing construction and implementation costs. Mass production of units and their on-site delivery can significantly reduce the lead time and risks associated with delays in construction projects. In addition, SMRs have higher levels of safety, thanks to the use of passive systems and the use of innovative technologies that minimize the risk of accidents and radioactive releases into the environment.

Being part of the SMRs supply chain enables Forgiatura A. Vienna to contribute to the achievement of the Sustainable Development Goal (SDG) 7, which is to ensure access to reliable, sustainable and modern energy for all by 2030. The integration of SMRs, in fact, allows to significantly reduce greenhouse gas emissions and consequently contribute to the fight against climate change. Their operational flexibility allows them to better adapt to the variability of renewable sources, ensuring a stable and continuous energy supply even in adverse weather conditions.

The press "Olga"

Forgiatura A. Vienna in 2023 has embarked in a challenging and innovative engineering project: the press "Olga".

This press, designed and developed entirely by Forgiatura A. Vienna, was started in 2023 and expected to be completed by 2024. This state-of-the-art machinery introduces new standards of precision and reliability in materials processing.

Its unique ability to concentrate a powerful force on a relatively small working area makes it indispensable for the Power gen Industry, where precision and safety are paramount. Operating at a working pressure of 1,000 bar, the press "Olga" overcomes the structural limitations of traditional multi-cylinder presses, ensuring greater rigidity and concentration of force.

This new press remarks the high and impressive technology content and specialization of GIVA group, further extending the capabilities of the "Tyson" press, already installed in the Forgiatura A. Vienna plant, covering all the different type of forged material and dimensions, guaranteeing quality, accuracy and precision.

"Olga" works with also small components but with incredible accuracy, the so-called process parameter precision, meeting the stringent requirements for the Power Gen industry.

This differentiation underlines the strategic focus of the group on the diversification of production capacities to meet the different needs of the sector.

In addition, its sophisticated strain and strain monitoring system enables predictive and self-adaptive maintenance, increasing operational efficiency and extending the machine's service life. Thanks to its ability to optimize process parameters through software, the press offers a precise and repeatable control of production operations, ensuring the highest quality of the parts made.

Finally, the implementation of measures to reduce the use and deterioration of industrial oil underlines the commitment of the GIVA Group towards environmental sustainability.





Vacuum Induction Melting – Vacuum Induction Degassing and Pouring (VIM-VIDP) furnace.

The power gen and aerospace sectors require compliance with particularly stringent product quality standards.

To meet these requirements, Italfond, one of the steel mills of the GIVA Group, has decided to equip itself with a VIM-VIDP furnace, a particular type of melting process equipment.

The furnace is used to produce high-quality steels and superalloys thanks to the effective degassing of the melt and precise adjustment of alloy composition.

The vacuum melting process limits the formation of non-metallic oxide inclusions that are responsible for premature part failure. Particularly critical applications such as gas turbine and jet engine parts demand the production of alloys with a very low concentration of undesired volatile trace elements. Once the desired melting chemistry is reached, a preheated casting channel is inserted and positioned in front of the induction furnace, so that the molten metal can be conveyed into the moulds below.

The plant is characterized by very low emissions, as the fusion is conducted by electromagnetic induction operated by a crucible, surrounded by an induction coil, placed inside a vacuum chamber. From the H&S point of view, on the other hand, the oven is characterized by minimal noise pollution and a very high level of safety because, by melting under vacuum, it produces neither noise nor external heat; moreover, being remotely controlled, the risk to the employees is minimized.

Through a proactive strategy focused on research and development (R&D), GIVA aims not only to reach its emission reduction targets, but also to enhance its operational efficiency and strengthen its competitiveness in response to changing regulations and market dynamics.

Hydrogen represents a strategic lever for both the Group and the broader industry of steel in the journey to decarbonization and for broadening the market for valves and actuators.



PROJECT HYTECHEAT:

How hydrogen can reduce the environmental impact of the steel industry

HYTECHEAT is a project financed by the European community involving SNAM and several companies forming a consortium led by RINA. Its purpose is to investigate and experiment with the use of **hydrogen as a substitute for natural gas** in downstream processes of the steel industry.

In 2021, Forgiatura A. Vienna conducted a trial using a **30% natural gas/ hydrogen blend to heat furnaces**, a world-first for industrial steel production.

The trial showed no need for any plant modifications and had no impact either on the equipment used (industrial burners) or on the characteristics of the final heat-treated product and resulted in significant environmental (in terms of CO2 emissions reduction) and economic benefits.

Since this approach ensures the integrity of the steel forging process and long-term environmental sustainability, in continuation of the efforts made by the GIVA Group in the past years, in 2023 Nunki Steel was also involved in **experimenting with the use of hydrogen** for preheating furnaces.



MEMBERSHIP ASSOCIATIONS

The GIVA Group, as global frontrunner in manufacturing large-scale forgings, understands the significance of trade associations in advocating industry concerns to public institutions and addressing emerging sectoral challenges.

Some of the partnerships and collaborations supported by the Group in 2023 were:



AIM (Italian Metallurgy Association): founded in 1946, AIM is a cultural, non-profit organization aimed at disseminating the science and technology of metallic and other engineering materials.

Member Group Companies: Forgiatura A. Vienna, Ofar and Italfond.



Federacciai (Italian Steel Industry Association): apolitical and non-profit body whose aim is to promote all initiatives in the economic, financial, technical, and scientific fields in the Italian steel industry. Federacciai is one of the sector associations of the Confindustria system.

Member Group Companies: Forgiatura A. Vienna, Ofar, Italfond, Forgia di Bollate and Nunki.



Confindustria: main association representing manufacturing and service companies in Italy. The association's activities are aimed at guaranteeing the central importance of companies, the drivers of Italy's economic, social and civil development.

Member Group Companies: Italfond, Forgia di Bollate and Nunki.



AIPE (Italian Association of Pressure Equipment): a non-profit organization representing the Italian manufacturers operating in the Pressure Equipment sector and its related industries.

Member Group Companies: Forgiatura A. Vienna.



Aist (Association for Iron & Steel Technology): a global organization that provides education, research and networking for the iron and steel industry.

Member Group Companies: Forgiatura A. Vienna.



Assolombarda: association of companies operating in the Metropolitan City of Milan and the provinces of Lodi, Monza and Brianza, Pavia. The association safeguards the interests of its member companies in their relations with institutional interlocutors and local stakeholders active in various fields: education, environment, culture, economy, labour, civil society. Assolombarda is one of the territory associations of the Confindustria system.

Member Group Companies: Forgiatura A. Vienna.

DIGITALIZATION AND DATA PROTECTION

Digitalization and data protection have become strategic priorities for GIVA Group, which has recognised the importance of adopting advanced technologies to improve operational efficiency, optimize business processes and ensure cyber security.

One of the main areas of focus of GIVA continues to be the homogenization of IT and cyber security between the various Group companies.



IT MANAGEMENT CENTRALISATION PLAN

In line with the previous year, the three- and five-year plan to centralize the GIVA Group's IT management continued to progress in 2023. This plan not only aims to improve operational efficiency, but also to protect critical business data from increasingly sophisticated and pervasive threats.

At the beginning of 2023, the Group successfully completed the centralization of the management of IT resources, transferring them from the various plants to the Group structure.

In the same year, the Group completed the integration of second-level firewalls with a different technology than the one of perimeter firewalls. The chosen structure will be implemented in 2024 and highlights the Group's determination to ensure effective segregation between IT infrastructure and operational technology (OT).

Subsequently, the Group launched the ONEGIVA project, an important step towards digital innovation. Through an in-depth process analysis, which covered most of 2023, the Group identified the opportunity to migrate the Group's ERP systems to a new SAP architecture. The implementation of a SAP system will not only improve operational efficiency through a unified platform, but also enable the Group to better adapt to the challenges and opportunities of the evolving market.

Parallel to the ONEGIVA project, in 2023 the Group took significant steps to strengthen cyber security. The introduction of multi-factor authentication (MFA) for all domain users represents a tangible commitment in ensuring the protection of sensitive data from unauthorized access. In addition, the Group has established an external 24/7 Security Operations Centre (SOC), and a third backup level demonstrating an ongoing commitment to continuous surveillance and response to cyber security events.

At the beginning of 2023 GIVA completed the creation of a single and common domain throughout the Group and carried out the cleaning of all servers and the installation in all plants, including Pibiviesse, of the new hyperconverged infrastructure. At the same time, the Group is also facing the challenge of upgrading physical and network cabling systems. This is crucial to ensure reliable and secure connectivity in all Group companies.

With reference to the lifecycle of the PC machines, a useful life cycle of four years has been defined and a single rental contract has been adopted for the whole Group according to standard models (machines and master), always with a view to homogenization between the companies.

As planned, the Group launched a phishing campaign in 2023 aimed at raising awareness on cybersecurity and data protection.

It is important to note that no complaints have been found about privacy breaches or loss of customer data.



3.5. PRODUCT QUALITY AND CUSTOMER SATISFACTION

Most GIVA Group's products are custom-made to order. For this reason, simulation-based technology support is essential for planning and forecasting, while reducing discard rate and related cost.

The sector in which the Group operates is unique: the production of made-to-order articles, characterised by a high level of craftsmanship, entails delivery times and compliance levels that deviate from the standards of other industries. However, GIVA's incomparable experience, know-how, technologies, and constant monitoring of customer satisfaction have led to extraordinary results.

For GIVA Group, **customer satisfaction is a fundamental pillar** of its business model. Based on the concept of Integrated Responsibility, the Group is committed to ensuring complete control over quality, time and costs along the entire value chain, constantly pursuing process improvement to provide each customer with the most efficient solution.

STANDARD	NR. OF COMPANY CERTIFIED
 9001	9

Most of the companies of the Group, including the newly acquired Pibiviesse, are certified **ISO 9001:2015** for the Quality Management System (Italfond S.p.A., Nunki Steel S.p.A., Forgiatura A. Vienna S.r.l., Forgia di Bollate S.p.A., Ofar S.p.A., Bresciacciai S.r.l., DVG Automation S.p.A., RMT Valvomeccanica S.r.l., Pibiviesse). In addition, in 2023 Italfond extended both **ISO 9001:2015** and **ISO 9100:2016** (Quality Management System requirements for organisations in the aerospace and defence sector) to the Canneto site. This allows GIVA Group to ensure the production of high-quality products, in accordance with the best practices of the sector, and to guide the production process according to the qualitative needs of customers.

In line with ISO 9001:2015, each company has developed Quality Management Systems and related procedures to manage assessments, data analysis and continuous improvements. These procedures outline the planning and implementation of the monitoring, measurement, analysis and continuous improvement processes to ensure and demonstrate compliance with product requirements and improve the effectiveness of the Quality Management System.

To ensure adherence to the relevant standards, specifications, and quality requirements in defining process parameters and procedures, trained personnel with specific skills and expertise are employed in the continuous monitoring of the activities and during product inspections. From this point of view, Forgiatura A. Vienna and Italfond continue to show great commitment by raising awareness and training their employees regarding the risk of fraud and counterfeiting within the nuclear industry. Moreover, at Italfond, shared procedures have been implemented within the health and safety area, such as for the handling of complaints and non-conformities, according to the ISO 9001:2015 and 9100:2016 management systems. The company continued to optimize the system to improve product on-time delivery, through the review and reformulation of KPIs.

It should be noted that in 2022 and 2023 there were **no incidents of non-compliance concerning the health and safety impacts of products and services.**

The focus on product quality begins with the selection of suppliers. In particular, when considering the Corporate Sustainability Reporting Directive, the Group commits also to pursue a path towards selection, monitoring and management of suppliers by planning actions like drafting a supplier code of conduct and assessing the ESG performance of its suppliers.



SUPPLIERS EVALUATION

The evaluation and management of suppliers at Nunki Steel S.p.A. is a fundamental pillar to ensure the quality, reliability and conformity of critical supplies and services.

In the initial phase of selection and evaluation of new suppliers, the **Head of Purchasing** assumes a key role in selecting potential suppliers through a rigorous evaluation based on several criteria, including economic conditions, technical skills, timing, certifications, and references. This information is carefully analyzed and evaluated, thanks to the support of the involved function's responsible, the Head of Laboratory and the Head of the Safety and Environment Management System, to ensure that only eligible suppliers are included in the list of renowned suppliers. Further checks could be conducted by the Head of Quality.

Once suppliers have been approved, managing their performance over time becomes crucial. Approved suppliers are subjected to a continuous evaluation of their performance through the analysis of supplies and services provided. Any non-conformities are recorded and reported to the supplier, and in case of repeated non-conformities, the approval is withdrawn.

To ensure the maintenance of quality and safety standards, **periodic inspections** may also be conducted by the **Head of Quality**. These verifications allow to identify in a timely manner any serious non-conformities and to take the necessary corrective measures, including the suspension of supplies until the problems found are resolved.

For occasional purchases from non-qualified suppliers, acceptance by the supplier of the contractual requirements is mandatory. The goods or service provided is then subjected to a thorough check during acceptance to ensure compliance with the requirements and the quality.

From the selection of suppliers, the strategic approach to the quality of the Group companies extends to production. Every step of the production process is carefully monitored and controlled to ensure that products and services fully meet customer expectations. All Group companies, in particular Forgiatura A. Vienna and RMT Valvomeccanica, to certify full compliance with customer's requests, are subject to first-hand supervision of processes by clients' representatives or external quality delegates, up to 100% of the manufacture processes.



THERMOGRAPHIC CAMERAS SYSTEM: A NEW WAY OF PRODUCT QUALITY CONTROL IN PRODUCTION PROCESS

GIVA Group and its affiliated companies are known for their commitment to quality excellence. Forgia di Bollate, a Group company certified ISO 9001:2015, is constantly striving to improve its quality management system.

Recently, it embarked on an ambitious project to ensure continuous improvement in its quality management system consisting in the **implementation of an innovative system of thermographic cameras**, one for each machine, **to monitor the production process constantly and in detail.**

The thermographic cameras have the dual task of detecting and monitoring various parameters of the forgings and laminates in real-time, including processing speed, stresses, and other key performance indicators. At the same time, they are capable of monitoring data related to the finished products of the process, such as dimensions and temperatures. These data are recorded and stored by a dedicated computer connected to each thermographic camera, creating a database of process rich in detailed information.

The use of this advanced system allows Forgia di Bollate to generate **accurate and detailed production reports.** These reports are then thoroughly analysed to extract meaningful data and identify any trends or anomalies in the production process. In line with the principles of Industry 4.0, this data analysis allows for more effective control of production parameters and fosters significant growth in the company's know-how.

Thanks to this virtuous cycle of monitoring, analysis, and continuous improvement, Forgia di Bollate is able to optimize its production recipes dynamically and adaptively, ensuring the highest quality of its products and greater operational efficiency.

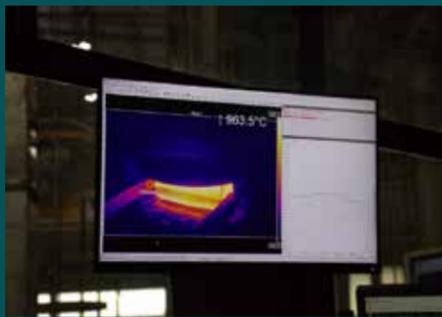


Figure 5
Thermographic
Cameras System

A practice that continues to be widespread among some Group companies, such as Forgiatura A. Vienna, Forgia di Bollate, Italfond and Ofar, is to submit **questionnaires to customers to assess their level of satisfaction.** Based on the data collected, improvement actions are then defined during management reviews. The indicators considered are, for example, the conformity of orders to quality requirements, production and delivery times.

Particularly sensitive to these issues is the Group's new company, Pibiviesse, which, in addition to sending out questionnaires, is equipped with an **after-sales service** through which the customer can report any additional needs after delivery of the product. Once the report is received, it will be examined by the after sales, technical and quality offices, in order to define the best resolution strategy.



3.6. RESPONSIBLE MATERIAL SOURCING

As in the previous years, also in 2023 the GIVA Group maintained commercial relations mainly with suppliers located in northern Italy, specifically in the three regions in which its companies operate: Lombardy, Emilia Romagna and Friuli Venezia Giulia. These areas are considered "local", and materials exchanged within the Group are not counted.

In 2023, the Group's total expenditure for supplies amounted to EUR 544,746,263⁵, an increase of 11% over the previous year's expenditure (EUR 492,209,708). Of this amount, about 64% (+3% compared to 2022 data) of the total supply expenditure was destined to local suppliers, while the remaining part was destined to suppliers outside the local regions, or to foreign suppliers.

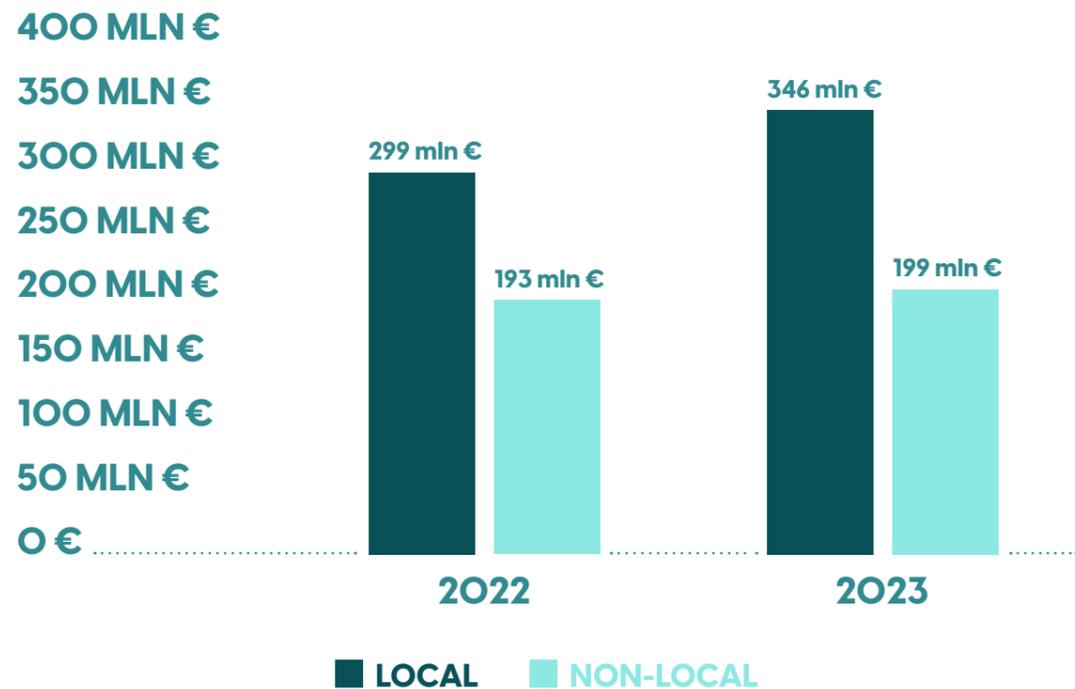


Figure 6 - Proportion of expenditure to local and non-local suppliers in 2022 and 2023 (€)

⁵ Pibiviesse S.r.l., the company acquired by the Group in December 2022, recorded a value of total expenditure for suppliers of EUR 29,054,003 for 2023, representing 5% of the Group's 2023 Total expenditure for suppliers. As it entered the Group's perimeter in December 2022, Pibiviesse's data has been considered only for 2023.

While steel scraps and other components are more likely to be supplied locally, ferroalloys, on the other hand, are purchased mainly abroad. Therefore, Italfond and Nunki (the Group's steel mills) have a lower ratio of local expenditure. In fact, ferroalloys weight less than steel scraps, but the monetary value is higher and therefore affects the total more. The main markets supplying ferroalloys are mainly located outside the European borders. GIVA Group suppliers are usually importers who are based in Europe and fulfil all EU legislative obligations.

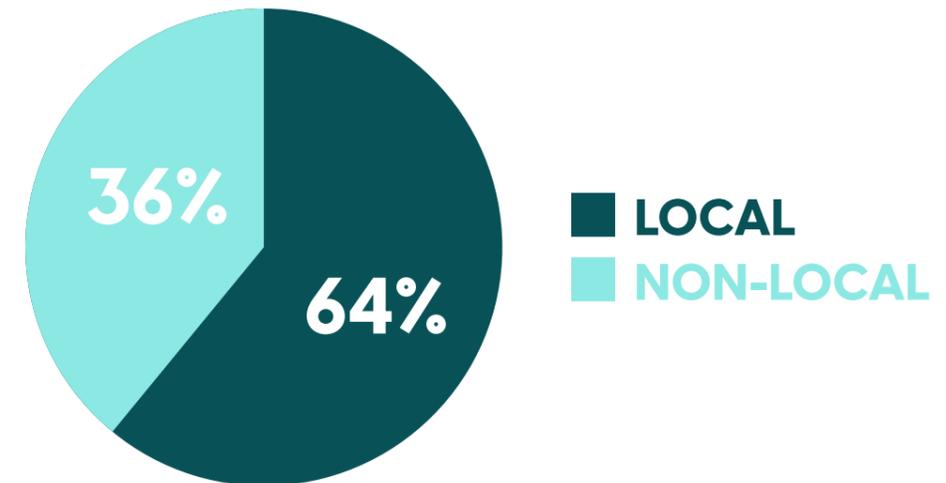


Figure 6 - Proportion of expenditure to local and non-local suppliers in 2022 (%)

The main markets supplying ferroalloys are mainly located outside the European borders. GIVA Group suppliers are usually importers who are based in Europe and fulfil all EU legislative obligations.

In addition to geographical location, there are additional criteria for selecting suppliers. In general, all Group companies consider:

- 
QUALITY
- 
PRICE
- 
HISTORICAL RELATIONSHIP WITH THE SUPPLIER
- 
SUPPLIERS CERTIFICATIONS

As anticipated above, all Group companies with an ISO 9001:2015 certified Quality Management System have implemented a **structured process for the selection and management of suppliers**. In addition to the system adopted by Nunki Steel mentioned above, the following are other examples:



Italfond carries out an **annual monitoring of the certifications of the main suppliers**, such as raw materials and refractories, and conducts a survey on QHSE issues. In particular, among other questions, the survey enquires on training activities, H&S standards, environmental requirements, impacts and strategies. Thanks to this particular attention to quality from the first moments of supplier selection, the Company registered for 2023 a satisfaction rate of 8.6/10 for the first 20 customers per quantity shipped, exceeding the target of 8/10 previously set.



Forgia di Bollate has a **collaborative relationship with its suppliers**, acknowledging that it is a relation characterized by interdependence, and that the creation of a mutual benefit enhances the ability to create value for both parties. By promoting sustainable practices and a responsible behaviour, Forgia di Bollate aims to create a more sustainable and responsible supply chain overall. For this reason, the company is particularly attentive to the activity of selecting and qualifying suppliers. Specifically, for those directly impacting on the quality of the product and/or service, Forgia di Bollate conducts a verification activity in the field of the management system, evaluation of financial and qualitative aspects, as well as safety and environmental.



DVG AUTOMATION

DVG Automation **selects suppliers through a questionnaire** (on quality standards and HSE topics) and by placing an initial order. If a supplier qualifies, the quality control function inspects 100% of the first three batches of products ordered. Then a score is assigned, and the supplier is officially admitted in the suppliers' register. If deemed critical on environmental or safety issues, suppliers are also subjected to in-person audits. Every year, the scores are re-evaluated (on the basis of on time delivery criteria, non-conformities, and a rating assigned by the purchasing department), and if the minimum score is not reached, appropriate measure are taken.



Bresciacciai has developed and put in place a **system to evaluate the so called "historical suppliers"**. The suppliers evaluated are raw materials suppliers, machining, heat treatments, mechanical tests, and chemical analyses. It assesses the relevance of each supplier based on three different quality criteria, defining the relation the company should keep with it.



RMT Valvomeccanica and Pibiviesse adopt the same procedure for the selection of suppliers, which consists in the **submission of an evaluation questionnaire**. This considers several key issues, including organization, environment and safety, production and planning, supply chain control, and the management of non-conformities and complaints.

4. PEOPLE



4.1. HUMAN RESOURCES

Despite the diversity of the Group, the people of GIVA are united by a common spirit: a sense of belonging, enthusiasm and passion for their work.

The Group firmly believes that human resource development is the key to its competitiveness, and that is why one of its strategic objectives is to ensure effective and efficient management of people.

By offering a healthy working environment and policies that promote work-life balance, the Group creates a **positive working environment**. In addition, to maximize the potential of each employee, it is essential to invest in training and talent development.

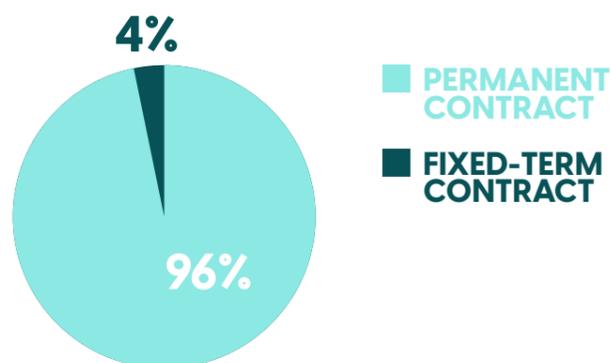


Figure 8 - Employees by contract type as of 31.12.2023

In line with the Group's objectives and mission, GIVA promotes a continuous analysis of Human Capital, enhancing every aspect through selection, training, development, retention, wage policy and the most appropriate climate research. One of the company's main objectives is to centralize the management of all aspects of human resources at a Group level.

As of December 31, 2023, the composition of the company's workforce in terms of headcount was **1,263 workers** (+14% compared to 2022), 1,209 of whom were employed on **permanent contracts** and 54 on **fixed-term contracts**.

The Group generally favours a long-term contract type, both for the sake of the employees and to maintain internal know-how.

Part-time workers account for 2% of the total workforce, while **full-time contract workers** represent the vast majority: 98%.

TABLE 4 - GRI 2-7 TOTAL NUMBER OF GROUP EMPLOYEES AND BREAKDOWN CONTRACT TYPE AND GENDER AS OF 31.12

CONTRACT TYPE	TOTAL NUMBER OF EMPLOYEES BY TYPE OF CONTRACT AND GENDER							
	AS OF 31.12.2022				AS OF 31.12.2023			
	♂	♀	TOT	%	♂	♀	TOT	%
PERMANENT	925	148	1,073	97%	1,024	185	1,209	96%
FIXED TERM	30	6	36	3%	48	6	54	4%
TOTAL	955	154	1,109	100%	1,072	191	1,263	100%
FULL-TIME	946	138	1,084	98%	1,063	174	1,237	98%
PART-TIME	9	16	25	2%	9	17	26	2%
TOTAL	955	154	1,109	100%	1,072	191	1,263⁶	100%

Recruitment generally focuses on **highly skilled workers** in the fields of forging, machining and quality control with non-destructive methods, roles that require years of experience and specific certifications.

Employees, such as **trainees and agency workers**, are also employed in the GIVA group, ensuring their **structured growth plans** over time, thus favoring the inclusion of even younger figures.

In a rapidly changing and highly competitive economic environment, it is essential to attract and retain talent. For this reason, the group has made precise choices in terms of type of contracts offered and welfare policies, preferring **fixed-term and/or permanent contracts**. However, there have been cases where agency workers have been employed, mainly for junior positions or as part of training projects with temporary agencies. Usually, these workers were then hired after a certain period.

⁶ Pibiviesse S.r.l., the company acquired by the Group in December 2022, recorded a value of total number of employees of 91 for 2023, representing 3% of the Group's 2023 total number of employees. As it entered the Group's perimeter in December 2022, Pibiviesse's data has been considered only for 2023.

TABLE 5 – GRI 2-8 TOTAL NUMBER OF THE GROUP’S WORKERS WHO ARE NOT EMPLOYEES, AND BREAKDOWN BY GENDER AND TYPE AS OF 31.12.

WORKERS WHO ARE NOT EMPLOYEES						
CONTRACT TYPE	AS OF 31.12.2022			AS OF 31.12.2023		
			TOTAL			TOTAL
AGENCY WORKERS	3	-	3	1	-	1
INTERNS	2	4	6	-	-	-
TOTAL	5	4	9	1	-	1

During 2023, demonstrating the importance the Group places on people, GIVA hired 6 employees who were previously interns.

In 2023, as in 2022, GIVA Group has not appealed to non-guaranteed hours employees.

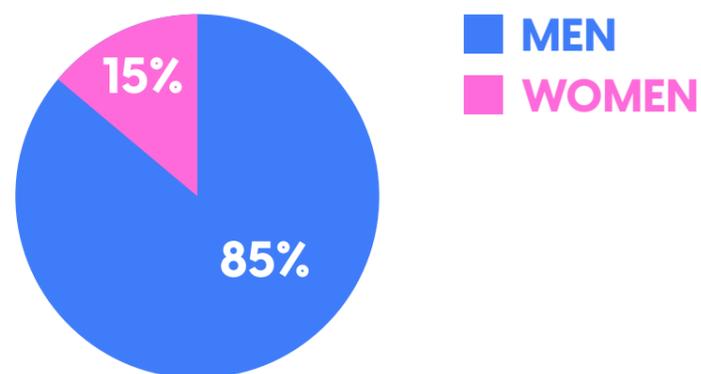


Figure 9 - Employees by gender as of 31.12.2023



The GIVA Group, operating in a sector historically characterised by a strong male presence, has undertaken numerous **initiatives to promote gender diversity and reduce the gender gap**. As of December 31, 2023, the Group totalled **1,072 male employees** against **191 female employees**.

Being a highly innovative Group compared to other organisations in the sector, GIVA firmly believes that a consistent gender balance brings significant benefits to both business and the working environment in general. Therefore, the Group has launched concrete efforts to include women in highly specialised positions and strategic roles, as well as promoting **equal pay policies and maternity facilitation**.

In 2023, GIVA continued to undertake initiatives specifically aimed at promoting gender diversity. A significant step in this direction was the **hiring of the first female forger** at Ofar in September 2023, highlighting the Group’s commitment to increasing the presence of women in operational positions.

It is important to note that the entire **Corporate Human Resources Division**, including the HR Director, is exclusively staffed by women. Furthermore, in nearly all companies within the Group, there is a significant female presence in key corporate areas such as the **Quality and Certification Division, HSE Division, Commercial, Administration, Technical Division, Process Engineering and Project Management**. This strong female representation in strategic positions significantly contribute to process effectiveness and overall efficiency.

In line with the overall efficiency of the workflow, the Group ensures **flexible working hours** to facilitate the management of maternity periods and childcare needs. In addition, to promote greater equity, there is no difference between the benefits offered to full-time employees and those offered to temporary or part-time employees.

The total number of employees, broken down by employee category, is distributed as follows:

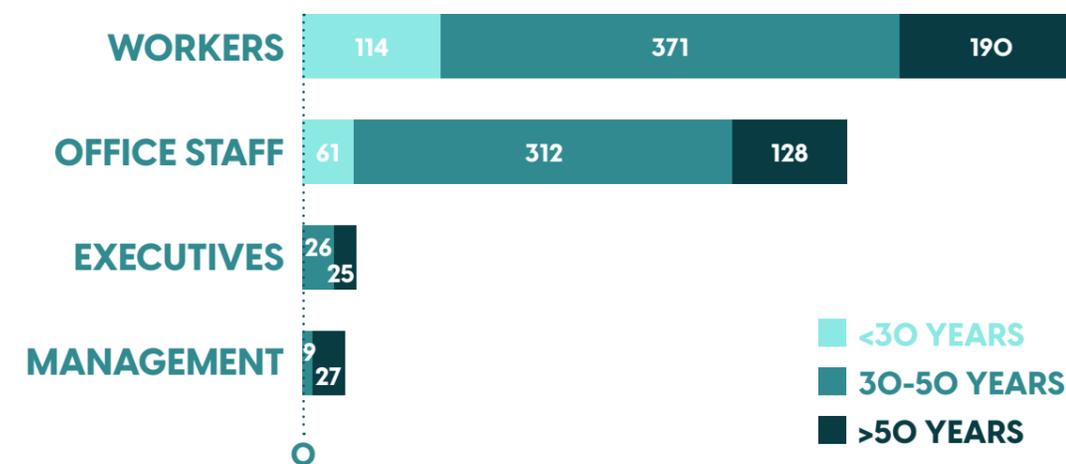


Figure 10 - Total number of employees by employee category and age group as of 31.12.2023

TABLE 6 – GRI 405-1 TOTAL NUMBER OF EMPLOYEES BY EMPLOYEE CATEGORY AND AGE GROUP AS OF 31.12

TOTAL NUMBER OF EMPLOYEES BY EMPLOYEE CATEGORY AND AGE								
EMPLOYEE CATEGORY	AS OF 31.12.2022				AS OF 31.12.2023			
	<30 YEARS	35-50 YEARS	>50 YEARS	TOTAL	<30 YEARS	35-50 YEARS	>50 YEARS	TOTAL
MANAGEMENT	-	1%	2%	3%	-	1%	2%	3%
EXECUTIVES	-	2%	2%	4%	-	2%	2%	4%
OFFICE STAFF	4%	27%	8%	38%	5%	25%	10%	40%
WORKERS	10%	32%	13%	55%	9%	29%	15%	53%
TOTAL	13%	62%	25%	100%	14%	57%	29%	100%

TABLE 7 - GRI 405-1 TOTAL NUMBER OF EMPLOYEES BY EMPLOYEE CATEGORY AND GENDER AS OF 31.12

DIVERSITY OF EMPLOYEES						
EMPLOYEE CATEGORY	AS OF 31.12.2022			AS OF 31.12.2023		
	♂	♀	TOTAL	♂	♀	TOTAL
MANAGEMENT	3%	0.1%	3%	3%	0.1%	3%
EXECUTIVES	3%	1%	4%	3%	1%	4%
OFFICE STAFF	25%	13%	38%	25%	14%	40%
WORKERS	55%	-	55%	53%	0.1%	53%
TOTAL	86%	14%	100%	85%	15%	100%

The GIVA Group attaches fundamental importance to the issues of diversity, equity and inclusion, striving to create a fair and inclusive working environment. In this context, GIVA values the contribution of each employee, regardless of age, disability, gender, sexual orientation, gender identity, race, colour, nationality, ethnic or national origin, religion or belief, socio-economic context or other status. Diversity is seen as a resource that contributes to the Group's strategic objectives.

GIVA promotes an **inclusive and diverse work environment**, with a significant presence of workers from various ethnic, educational and social backgrounds. During the human resources management process, the selection phase is based on an **impartial analysis of the profiles**, evaluating candidates exclusively on merit and personal skills, including, where possible, employees belonging to protected categories.

TABLE 8 - GRI 405-1 NUMBER OF EMPLOYEES BELONGING TO VULNERABLE GROUPS, BY EMPLOYEE CATEGORY AND GENDER AS OF 31.12.

EMPLOYEES BELONGING TO VULNERABLE CATEGORIES						
EMPLOYEE CATEGORY	AS OF 31.12.2022			AS OF 31.12.2023		
	♂	♀	TOTAL	♂	♀	TOTAL
MANAGEMENT	-	-	-	-	-	-
EXECUTIVES	4%	-	4%	3%	-	3%
OFFICE STAFF	26%	15%	41%	34%	9%	43%
WORKERS	56%	-	56%	54%	-	54%
TOTAL	85%	15%	100%	91%	9%	100%

TABLE 9 - NUMBER OF EMPLOYEES BELONGING TO VULNERABLE GROUPS, COMPARED TO THE TOTAL HEADCOUNT, BY EMPLOYEE CATEGORY AND GENDER AS OF 31.12.

EMPLOYEES BELONGING TO VULNERABLE CATEGORIES						
EMPLOYEE CATEGORY	AS OF 31.12.2022			AS OF 31.12.2023		
	♂	♀	TOTAL	♂	♀	TOTAL
MANAGEMENT	-	-	-	-	-	-
EXECUTIVES	2.9%	-	2.4%	2.4%	-	2%
OFFICE STAFF	2.5%	2.8%	2.6%	3.7%	1.7%	3%
WORKERS	2.5%	-	2.5%	2.8%	-	2.8%
TOTAL	2.4%	2.6%	2.4%	3%	1.6%	2.8%

The integration of protected categories in the GIVA sector is challenging due to the nature of the activity that requires maximum safeguard in terms of security. However, the Group takes all the necessary measures to facilitate the inclusion of these categories, assigning them to corporate functions and departments compatible with their disabilities, including production. In this regard, all the resources belonging to vulnerable categories **are supported** during their working activity.



During 2023, the Group made significant progress in promoting the **inclusion of people with disabilities**. An important milestone was achieved by Ofar with the increase in the recruitment of resources belonging to protected categories, even exceeding the mandatory quota required by law. In Italy, **Article 14 of Legislative Decree 276/O3** allows companies to fulfil their legal obligations regarding the employment of workers belonging to protected categories through agreements with social cooperatives. These agreements enable companies to integrate disabled individuals into their workforce without directly hiring them. The cooperative takes on the responsibility of the employment, managing all related obligations, while the company meets regulatory requirements. This mechanism facilitates the integration of disabled individuals into the workforce, while also promoting corporate social responsibility.

In this sense, in 2023 Ofar and Forgia di Bollate signed **agreements with third-party companies and cooperatives** for the integration of resources into collateral services such as cleaning and gardening, thus extending job opportunities to a wider range of talents.

In addition, with the acquisition of PIBIVIESSE, the Group paid close attention to a resource belonging to the vulnerable categories through its inclusion in one of the corporate function thanks to a **personalized growth plan**.

Looking to the future, the Group aims to consolidate and expand these actions, extending the practice of direct hiring of disabled resources and strengthening collaborations with cooperatives also in DVG. This approach not only helps to make the Group richer and more diverse, but also creates an environment in which each employee is valued for their skills and abilities, regardless of any personal characteristics.



4.2. GIVA GROUP'S COMMITMENT TO HUMAN RIGHTS

The GIVA Group recognises that respect of human rights is of fundamental importance in the transaction towards sustainable development. For this reason, the Group intention is to publish by the end of 2024 a Human Right Policy, achieving one of the objectives set out in the ESG masterplan.



All the principles deployed in this document will be inspired by the provisions of the **Universal Declaration of Human Rights of the United Nations**, aspiring to create a work and business environment that respects and protects human dignity and Fundamental Conventions of the **International Labour Organization** (hereinafter "ILO"), that highlight the Policy's commitment to fair labour practices, workplace safety and social responsibility.

The Group values human resources and avoids any form of discrimination in terms of age, gender, nationality, sexuality, health status, marital status, race, political opinions, religious beliefs, etc., and any form of forced, irregular and exploitative child labour.

It should be noted that in 2023, **no episodes of discrimination** were detected or reported through the appropriate channels in Group companies, including the reporting system under the Model of Organization, Management and Control in accordance with the Italian Legislative Decree 231/2001 and the new **Whistleblowing - Reporting Channel** implemented by the Group.

If a discrimination episode occurs, Corporate Departments, in consultation with the Corporate Human Resources Division, put in place disciplinary procedures to formalize it and take the necessary actions (in accordance with the provisions of the applicable collective bargaining agreement).

In addition, the Group's Code of Ethics—which establishes standards of conduct and behaviour within the Organization and effectively prohibits attitudes that are discriminatory and against human rights—is handed out to each new employee when they are hired.

The topic of human rights is relevant also when referred to business relations along **GIVA's value chain**. Actually, to avoid cases of violation of human rights as far as possible, GIVA Group, for specific supplies and services, defined in its Code of Ethics, among its fundamental ethical principles, ensures requirements of social relevance (e.g., measures that guarantee the respect of workers' fundamental rights, the principles of equal treatment and non-discrimination, the prohibition of child labour).



4.3. EMPLOYEE DEVELOPMENT AND TALENT ATTRACTION

GIVA Group, through its Human Resources strategy, aims to achieve two important goals: on the one hand, to attract, retain, and develop the skills and competencies of internal resources, on the other hand, to offer all employees a working environment capable of enhancing their human and professional potential, while guaranteeing a high quality of life and valid instruments of family-work balance.



The Group has developed a **diversified and well-structured strategy for personnel selection**, aimed at selecting and attracting talent in line with its corporate values and objectives. The recruitment channels used are numerous and reflect the group's commitment to finding the best possible resources through the widest range of recruitment channels available:

- **WORD-OF-MOUTH:** one of the most effective methods for attracting new talents in line with GIVA Group's vision and values is leveraging the group's solid reputation and spreading the word among employees and the external public regarding open positions. Thanks to this channel, many applications are received spontaneously. To facilitate the selection process, the group has created a dedicated email address to collect these unsolicited applications.
- **RECRUITMENT AGENCIES:** the second channel for personnel scouting involves partnerships with recruitment companies, including agencies and headhunting firms. A rationalization effort has been made to exclude all partners that do not operate ethically and in compliance with the GIVA Group's code of ethics.

➤ **SOCIAL NETWORKS:** in recent years social networks, especially LinkedIn, have also become an important channel for personnel selection, with the goal of enhancing the group's presence on social media to reach a broader and more diverse audience.

➤ **EDUCATIONAL INSTITUTIONS:** another fundamental pillar of the GIVA Group's recruitment strategy is collaboration with middle schools, high schools, and universities. Through meetings, school visits, and internships, the group seeks to uncover job opportunities even in remote geographical areas, where young people are often unaware of the available job opportunities. The school-to-work transition is promoted from the third year of high school, and many students are hired upon graduation.

GIVA Group has established important and continuous **relationships with universities** (such as UniBrescia, PoliMi, etc.), focusing not only on taking part in traditional Career Days but also collaborating on projects that promote the role of women in a traditionally male-predominant sector.

Through this direct channel, the Group has the possibility to interface with both young **graduands**, being able to offer them internships, thesis projects and possible subsequent hiring, and with **new graduates** through direct hiring.

The combination of this commitment to the recruitment and selection process, along with a healthy work environment that prioritizes employee well-being, ensures that the number of people working within the group is continuously increasing (+14% compared with 2022), also thanks to the acquisition of Pibiviesse.

The group has implemented a **structured selection process** to ensure the integration of the most qualified and suitable candidates for the various positions. For non-executive or less complex selections, the process involves one or two steps: initially, the interview is conducted by HR together with the head of the reference area. In addition, a second interview might be arranged for further evaluation. For apical roles, the selection process is more articulated and includes three steps. It begins with a pre-interview with HR, followed by interviews with the head of the technical department and, finally, an interview with the company management.

This meticulous approach ensures that the group selects candidates who not only possess the necessary technical skills but who are also in line with Group values and objectives.

Moreover, in continuity of what was done in 2022, the Group is still working on onboarding procedures, aiming at sharing documents related to the values, rules and best practices of the organization.



The workforce of GIVA Group as of 31.12.2023 accounts for 1,263 people, with **193 new entries** (+25% new hires compared to 2022) and **140 exits**. The **average turnover rate** (exits on total headcount) is 11%, and is distributed by age as follows:

TABLE 10 – GRI 401-1 TOTAL NUMBER AND RATE OF NEW EMPLOYEE HIRES DURING IN 2022 AND 2023, BY AGE GROUP AND GENDER

NUMBER AND RATE ⁷ OF NEW EMPLOYEE HIRES								
	2022				2023			
	<30 YEARS	30-50 YEARS	>50 YEARS	TOTAL	<30 YEARS	30-50 YEARS	>50 YEARS	TOTAL
♂	47	73	16	136	72	79	18	169
♀	4	11	3	18	16	8	0	24
TOTAL	51	84	19	154	88	87	18	193
	<30 YEARS	30-50 YEARS	>50 YEARS	RATE	<30 YEARS	30-50 YEARS	>50 YEARS	RATE
♂	35%	13%	7%	14%	49%	13%	6%	16%
♀	31%	11%	9%	12%	59%	7%	0%	13%
RATE	34%	12%	7%	14%	50%	12%	5%	15%

⁷ The rate of new employee hires is calculated as the number of new employee hires in age group and gender on the number of employees in that age group and gender.

TABLE 11 – GRI 401-1 TOTAL NUMBER AND RATE OF EMPLOYEE TURNOVER IN 2022 AND 2023, BY AGE GROUP AND GENDER

NUMBER AND RATE ⁸ OF EMPLOYEE TURNOVER								
	2022 ¹²				2023			
	<30 YEARS	30-50 YEARS	>50 YEARS	TOTAL	<30 YEARS	30-50 YEARS	>50 YEARS	TOTAL
♂	28	46	21	95	36	53	34	123
♀	2	6	3	11	0	10	7	17
TOTAL	30	52	24	106	36	63	41	140
	<30 YEARS	30-50 YEARS	>50 YEARS	RATE	<30 YEARS	30-50 YEARS	>50 YEARS	RATE
♂	21%	8%	9%	10%	24%	9%	11%	11%
♀	15%	6%	9%	7%	0%	9%	13%	9%
RATE	20%	8%	9%	10%	21%	9%	11%	11%

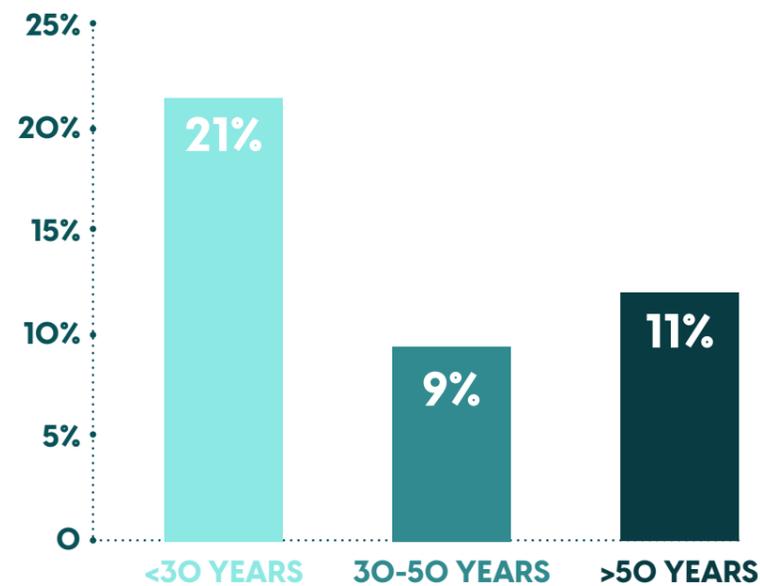


Figure 10 - Turnover rate by age in 2023

⁸ The rate of turnover is calculated as total number of employee turnover in age group and gender on the total number of employees in age group and gender.

In a particularly unstable labour market, turnover is physiological. Despite this, the Group is committed to implementing tools to monitor the motivation of turnover and subsequent retention mechanisms. To date, **dedicated interviews** are organized in GIVA for people leaving the organization. Nonetheless, a goal for the coming years is to provide them with a questionnaire for the purpose of delving into the reasons for their resignation.

The Group constantly invests in the development of its human resources and on the continuous enhancement of skills and competencies, which have a direct impact on the company's performance. Training, together with the capacity to retain resources through employee loyalty, plays a crucial role in this regard.

TRAINING

For all Group Companies, training continues to be fundamental not only to motivate and retain resources within the organization, but also, and above all, to enhance their hard and soft skills. Moreover, training allows for greater efficiency in all processes, improves communication flows, enhances corporate reputation both internally and externally and contributes to teamwork and building a sense of belonging.

In line with the Group's strategy, **training plans** have been updated in 2023 as well, based on:

- **Mandatory training by law;**
- **Specialized training programs aimed at achieving specific goals;**
- **Cross training.**

As far as **compulsory training** is concerned, the Safety & Environment Functions of each Group Company work in synergy with the Corporate HR Division to facilitate the organization of training, communication to the employee but also to find the most appropriate solutions in terms of financing the training itself.

Technical training, in most Group Companies, is coordinated by the Safety & Environment Functions, Quality Functions in collaboration with the Corporate HR Division not only to draw on any available training funding (e.g., Fondimpresa), but also to better arrange the training plan throughout the year. This minimizes the impact of the training on the efficiency of organizational activities and allows employees to learn serenely and effectively. Technical training mainly concerns the licenses and certifications needed to perform certain tasks and to fill specialized roles (e.g., non-destructive testing and inspection operators, lathe operators, maintenance technicians, etc.), but is also generally related to obtaining hard skills.

Cross training provided always originates from a need that emerges mainly from company directors or function managers and sometimes even directly from employees. The importance of cross training has recently increased; thus, the various Group Companies have decided to invest in growth opportunities for employees, aimed at increasing "soft skills" and abilities to support work and business operations. In line with the targets set, the Group's commitment in this area has led to an increase in the number of hours of cross-training in 2023, also thanks to the use of funds for the financing of company training (e.g., Fondimpresa, as already mentioned).

For example, in some Group companies (e.g., DVG) it was decided to invest particularly in the **language skills of resources**, also working in different functions. In other companies in the Group (e.g., Higen Valves), **individual growth paths** were designed to fill gaps in junior profiles and consolidate the skills of more senior profiles. These paths are generally highly appreciated by employees.

Another virtuous example of cross-training that has been organized over the time concerns time management, team building, improving communication within business functions, paths to increase IT skills, onboarding process etc.

Finally, bottom-up requests are greatly valued by the Management of the Companies, and where possible (and where the training path is relevant to the role and the growth path of the person envisaged in the company) these requests are usually fulfilled. It often happens that employees themselves suggest training paths to undertake, because they are aware that they have certain gaps.

In 2023, moreover, other important projects were activated to strengthen staff training and development. At Italfond, for example, a training project offered by Fondimpresa was promoted, focusing on the production workforce and on improving relational skills. The training course, entitled "Facilitating communication within the production department", met with a positive response, suggesting the importance of continuing along this path. The future goal is to strengthen communication skills at all levels, which is considered a crucial aspect to further increase the efficiency of production processes.

The Group has also continued to work hard on **inter- and intra-company** communication. The result, in 2023, has been very positive, as demonstrated by the training course started at GIVA Spa, which involved various corporate functions (IT, HR, Administration and Marketing) to foster the awareness of being part of a large Group and, above all, to acquire the ability to transmit it to the various plants and subsidiaries. Maintaining the intention of developing a sense of belonging to the Group, the goal for the coming years remains to organize inter-company courses to ensure an effective communication between the Group companies, as well as among the employees within companies.

Another goal set for 2024 is to organize leadership pathways for managers in order to enable them to optimally manage their resources and develop a top-down feedback system as a basis for implementing a structured performance evaluation system.

During 2023, the **number of training hours** reached a total of 29,799 hours⁹, with an **average of almost 24 hours per employee**, much higher than 2022 index value (16.2 hours/employee).

The training data below include mandatory training by law (D. lgs. 81/08) and transversal / technical training.

⁹ Pibiviesse S.r.l., the company acquired by the Group in December 2022, recorded a value of total training hours of 965 for 2023, representing 3% of the Group's 2023 total training hours. As it entered the Group's perimeter in December 2022, Pibiviesse's data has been considered only for 2023.

TABLE 12 - GRI 404-1 AVERAGE HOURS OF TRAINING THAT THE GROUP'S EMPLOYEES HAVE UNDERTAKEN PER EMPLOYEE CATEGORY IN 2022 AND 2023

EMPLOYEE CATEGORY	AVERAGE OF TRAINING HOURS PER EMPLOYEE ¹⁰					
	2022			2023		
	♂	♀	TOTAL	♂	♀	TOTAL
MANAGEMENT	8.3	-	8.3	12.2	-	12.2
EXECUTIVES	20.3	25.2	21.3	12.1	16.9	13.0
OFFICE STAFF	14.7	19.4	16.3	14.1	13.5	13.9
WORKERS	16.2	-	16.2	32.4	24.0	32.4
TOTAL	15.6	19.8	16.2	25.5	13.7	23.7



¹⁰ The scope of the data does not include the following companies: Solim srl, Vim srl, Mosconi srl, GIVA East, GIVA USA Group Inc, RMT USA Inc, GIVA Trading Ltd, GIVA GmbH, RMT Valvomeccanica Pty LTD, RMT Arabia Company.

In line with the strategy adopted by the Group, at the end of 2023 GIVA started to pursue **internal growth policies** with the aim of involving **more women in the management of the Group**, both in terms of **presence in top roles** and in terms of **participation in the training processes offered**.

In addition, a structured analysis was made on a **leadership path** carried out by a female resource with a role of responsibility with the aim of extending by 2024 this type of training within the various Group's companies to encourage the development of this soft skill, one of the most requested for managerial roles.

It must be highlighted that a system for collecting and recording all the training courses of each Group company is planned to be implemented starting from 2023-2024.

To address the impending shortage of specialists GIVA Group also started **collaborations with universities and specialized schools** offering opportunities to young professional to learn and be trained in the Companies of the Group through internship programs and giving support for thesis and research.

In this way, the Group pledges to support future talents throughout the educational pipeline, contributing to its **local community**.

Unlike employee selection process, specific training corporate procedures have not yet been defined due to the diversity of business and organizational structure that characterizes each company. The aim for the coming years is to formalize a specific training procedure, as well as other procedures related to human resources.



REMUNERATION POLICIES

Employee remuneration is one of the main tools used to attract, retain, enhance, and motivate talents within the Group. Remuneration practices are a critical lever for GIVA, as one of their primary goals is to rationalize staff salary, both internally and in terms of market benchmarking. For this reason, compensation data of the key organizational functions are thoroughly assessed.

Starting from the recruitment stage, **growth paths** are established in terms of role and remuneration, depending on the achievement of certain shared goals. Indeed, all Group Companies adopt compensation policies that are particularly careful not to destabilize the remuneration balances present within each function/department.

In all Group Companies, towards the end of each year, the Company Management and each Head Function/Department, with the support of the Corporate Human Resources Division, analyses the performance of each employee throughout the year.

This qualitative and quantitative analysis results in the recognition of a **one-time bonus** to the employee or in a **remuneration review**. This process is aimed at retaining and motivating talents to build lasting working relationships, business continuity and personal and professional growth paths for employees. This process of performance review, although not monitored and mapped at a Group level, is formalized through a letter that is delivered to the employee, accompanied by feedback from the Company Management and each Head Function/Department.

During 2023, the Group defined an **MBO system** both for some of the Group's figures and for some commercial areas, in order to continue the goal of structuring a specific project that will see light in 2024.

As a result, one of the 2024 goals is to include the **integration of variable rewards** based on the MBO system into the Group's remuneration policy, in additions to the fixed salary increases and one-off rewards already planned for 2023.

The Group's annual total compensation ratio¹¹ of 2023 is 5.26, slightly lower than in 2022 (5.74).

This represents the ratio of the annual total compensation for the organization's highest-paid individual to the median annual total compensation for all employees (excluding the highest-paid individual).

¹¹ Annual total compensation includes salary, bonus, overtime remuneration, supplementary pension, and meal tickets. The salaries considered in the median annual total compensation are only those of employees at 31/12/2023, including those of employees entered over 2023. The latter, although they did not receive full pay in 2023 having entered in the year, were considered by estimating the full annual salary.

COLLECTIVE BARGAINING AGREEMENTS

GIVA Group operates primarily in the steel/metallurgical industry and applies the following National Collective Labor Agreements: **"CCNL Metalmeccanico Industria e Installazione Impianti"**, **"CCNL Commercio"**, **"CCNL Confapi"** (National Confederation of Italian Small and Medium Private Industry) covering 100% of the Group's employees related to the companies established in Italy. Regarding employees in the foreign subsidiaries, 75% of them are covered by Collective Labor Agreements. Overall, 99.9% of the Group employees are covered by Labor Agreements.

Moreover, several Group Companies have a particularly significant history of industrial relations that have been strengthened over the years. This has led to **advanced second-level bargaining**, achieved through ongoing labour relations between the Trade Unions, the Company, and territorial organizations.

In this regard, during 2023, the Group undertook a series of initiatives to **standardize contractual conditions** across its subsidiaries. Specifically, an **agreement on the result-award** of the three OFAR plants was closed, which saw the achievement of a **three-year agreement** (2023-2025), also introducing **new principles of reward**. The same applies to the **agreement signed for Nunki Steel**, which led to a consolidation and renewal over the three-year period 2023-2025.

In 2023, the Group ensured that the **fixed salary increases** stipulated by the **minimum wage** were **not absorbed**, confirming a consistent focus on the primary needs of its employees.

In addition, in 2023, GIVA started addressing the contractual agreements topic with RMT and Pibiviesse, in order to align them with a **new second-level negotiation**.

Even though during extraordinary operations like mergers and the sale of business units, the dialogue between parties remained intense, the focus was consistently on prioritizing people to collaboratively find solutions that protected employees while enabling sustainable business development.



4.4. WELFARE AND WELL-BEING

Historically, GIVA Group has shown a strong commitment to employee well-being by adopting a "Total Reward" approach that addresses both the professional and personal aspects of employees' lives, such as training, health, and overall well-being.

Given the diversity among companies in terms of sector and history, the standardization of welfare policies and procedures must consider and value each circumstance individually.

In this sense, the Group has developed a very **advanced corporate welfare system**, demonstrating a significant commitment to improving the well-being of its employees. This commitment is reflected in a welfare platform that is updated annually and offers one of the most comprehensive ranges of services in the sector.

The corporate welfare of the GIVA Group is based on the **principles of equity and mutuality**. **Equity** ensures that resources are distributed proportionally to the needs of employees, while **mutuality** ensures that services are accessible to everyone, with particular attention to those who need them the most. This approach helps to create a more inclusive and sustainable work environment.



Indeed, a well-structured welfare plan addresses the primary needs of workers, improving their quality of life and promoting greater engagement in company activities. Improving employee well-being leads to greater productivity and a more positive work climate, reducing turnover and increasing the attractiveness of the company.

The flagship of the GIVA Group's corporate welfare is its **welfare platform**, which is updated every year to include an ever-wider range of services. This welfare platform offers an extensive range of services, including:

- **Health Services:** Reimbursement of medical expenses and agreements with medical facilities
- **Family Services:** Vouchers for nurseries, summer camps, and educational support
- **Personal Services:** Gym memberships, fuel vouchers, and shopping
- **Pension Services:** Contributions to supplementary pension funds

In addition, regarding health insurance, started from 2023 the Group added a new partner for medical reimbursements, Salutissima, in addition to Metasalute with whom GIVA was already collaborating.

This type of health care has been particularly appreciated by the corporate population as more user-friendly, allowing employees to meet priority health needs in a simple way, both for themselves and for their families.

In 2023, thanks to substantial investments, GIVA further improved the effectiveness of the platform. **Dedicated training days** allowed employees to fully understand **how the platform works and how to take advantage of the benefits**. These investments led to a significant increase in the conversion rate on the performance bonus, indicating that employees used the welfare benefits to a greater extent than in previous years. In fact, analyses conducted on the year 2023 show that during the year, the total amount loaded was €1,393k (considering credits loaded in December 2022 for use in 2023). The total amount of credits spent was €1,359k; the percentage of credits spent was therefore 98%.

This data surely highlights the effectiveness of the GIVA Group's initiatives in promoting the use of welfare services among employees.

The GIVA Group continues to demonstrate exemplary commitment in the field of corporate welfare, offering an innovative and comprehensive platform that efficiently and inclusively meets the needs of employees. This approach not only improves workers' well-being but also contributes to the company's productivity and competitiveness, making the GIVA Group a model of excellence in the sector.

In accordance with the wishes of Mr. Antonio Vienna, the **special bonus for each employee** was renewed in 2023 and credited to the group's welfare platform. This initiative, mirroring the previous year, was highly successful among GIVA's employees, as it addressed a wide range of needs. The **bonus flexibility and accessibility** allowed employees to benefit in various ways, from health and wellness services to family and leisure activities, thereby enhancing overall employee satisfaction and well-being.

4.5. HEALTH AND SAFETY ON WORKPLACE

Employees health and safety has always been a top priority for GIVA Group. The Group's health and safety measures are an integrated part of its business foundation and corporate culture, which value human capital and respect for human rights as top priority.

All plants, in accordance with the Italian safety Regulation, list within a **Risk Assessment Document (DVR)** all hazards related to work activities that present a health or safety risk for workers. The DVR is constantly monitored and updated following changes in operational process production or activities, near miss or incident root cause analysis results, as well as health and safety regulatory updates requirements.

Moreover, the occupational health physicians appointed throughout all the Group's companies, have drawn up health protocols through which they perform health surveillance of employees. It is important to note that the health monitoring activity is carried out during employees' working hours.

Periodically, **health and safety plans** are created to report planned investments for the continuous improvement in health and safety. As required by law, in each company, the occupational health physician, with the qualification of an authorized physician, reports annually on health surveillance during the periodic meeting in the presence of the Head of the Prevention and Protection Service (RSPP), the Workers' Health and Safety Representative (RLS), and the employer or his delegate, in order to possibly adopt any additional prevention and protection measures aimed at reducing risks in the workplace.



To enhance coverage and strengthen responsibilities on health and safety of employees Forgiatura A. Vienna has structured its health and safety governance by nominating **two new roles**. Firstly, it has appointed a **new health and safety delegate** for the Cella Dati site, in addition to the one already nominated in 2022 for the Rho facility. This addition ensures greater coverage and monitoring to health and safety issues, ensuring that each site has a specific point of contact to prevent, address and solve any issues. Additionally, in July 2023, Forgiatura A. Vienna has appointed a **new operation manager** responsible for the supervision and coordination of the entire operation department of the company.



The **ISO 45001:2018 certification** (Occupational Health and Safety management systems) confirms the Group's good management and control of occupational health and safety issues, proving the willingness of improving H&S performances. Nine companies of the Group have a certified health and safety management system: Italfond S.p.A., Nunki Steel S.p.A., Forgiatura A. Vienna S.r.l., Forgia di Bollate S.p.A., Ofar S.p.A., Bresciacciai S.r.l., DVG Automation S.p.A., RMT Valvomeccanica S.r.l. and Pibiviesse S.r.l, the last company acquired by the Group. In addition, in 2023 Italfond extended the ISO 45001 certification to the Canneto site.

STANDARD	NR. OF COMPANY CERTIFIED
 <p>45001:2018</p>	<p>9</p>

As part of GIVA's ESG Masterplan the certification is going to be **gradually extended to the other GIVA subsidiaries** in the future.

In 2023, the Group carried out many initiatives with the goal of preserving and improving employee health and reducing occupational accidents, given that the ambition of the Group is still to achieve a Zero Harm target.

An **increasingly accurate analysis of the causes of accidents, injuries or near misses** is performed, to quickly take preventive and corrective measures.

In a corporate context, "near misses" are events that could easily escalate into incidents but are averted due to various circumstances (prompt interventions or luck). Proactive intervention for their proper management at a Group level is therefore crucial to prevent potentially serious incidents and promote workplace safety.

Group plants are working to spread awareness about **near-misses reporting**. A comprehensive analysis of accidents and, particularly, near misses, is fundamental for the prevention and the identification of measures and actions for their continuous reduction.

The cultural change implemented to highlight an increasing number of near misses' cases has involved periodic meetings with supervisors, written warnings in case of violation and specific training after the event occurs.



HEALTH AND SAFETY INITIATIVES

In line with the principles of continuous improvement as outlined by ISO 45001, the Group is currently assessing the implementation of targeted procedures to reverse the current trend of increasing workplace injuries. To address this, GIVA is committed to initiating a series of focused actions aimed at enhancing our safety protocols and fostering a safer work environment. One of the main H&S goals is to not only comply with regulatory standards but to proactively safeguard the well-being of all its employees through rigorous safety measures and continuous monitoring.



Machines and actuators checklist

In this regard, as mentioned in the company's Integrated HSE Management System report, in 2023 RMT developed a checklist based on the engine/supplier of machines and actuators to ensure the operator's safety during their use.

This measure is aimed at **minimizing incidents caused by operators' inadequate knowledge** of machine and actuator operations.



OFAR awareness campaign

In 2023, Ofar conducted an awareness campaign at its Visano facility aimed at **promoting safety awareness** among personnel through signage and posters. This campaign, intended to enhance workplace safety culture, will also be extended to the Cividale and Canneto plants in 2024.

The goal is to actively engage all employees in promoting a safe and responsible work environment, minimizing incidents, and fostering a long-term safety culture.

Web-app QR code

In collaboration with an Italian university, another relevant initiative started at the end of 2023 consisted in the **development of a web-app** for tracking and managing **preventive maintenance of machines and equipment** through **QR code**.

The platform allows to manage preventive maintenance, worker reports and periodic checks of machinery, promoting a maintenance culture based on immediate access to information, on regulatory compliance and safety of workers.



PPE online register

Since 2023, in addition to ensuring easy access to Personal Protective Equipment (PPE) through automatic dispensers, Forgiatura A. Vienna has also implemented an online register for **monitoring and tracking PPE withdrawal**.

The new system requires employees to swipe their badge to retrieve PPE from the dispenser. Only once their identity has been confirmed they can select the necessary item.

The register, linked to each dispenser, tracks the user's code and name, the date the item is drawn from the dispenser, the code of the item retrieved, the type of equipment to which the PPE belongs, the quantity requested, and the facility and department from which the request originated.

This new dispenser management method has allowed for the optimization of PPE usage, consequently reducing waste.

During 2023, 29 injuries occurred among GIVA Group employees, zero high-consequence work-related injuries and 3 incidents among external workers

TABLE 13 - GRI 403-9 NUMBER, RATE OF WORK-RELATED INJURIES AND HOURS WORKED BY EMPLOYEES IN 2022 AND 2023

NUMBER AND RATE OF WORK-RELATED INJURIES (employees) ¹²	2022		2023	
	NUMBER	RATE	NUMBER	RATE
RECORDABLE WORK-RELATED INJURIES ¹³	18	9	29	14
HIGH-CONSEQUENCE WORK-RELATED INJURIES	0	0	0	0
FATALITIES	0	0	0	0
HOURS WORKED ¹⁴	1,927,720		2,137,814	

The data show that, among the employees, the average number of accidents over the years consists of **minor and short-term incidents** and no incidents with serious consequences have been recorded.

TABLE 14 - GRI 403-9 NUMBER, RATE OF WORK-RELATED INJURIES AND HOURS WORKED BY WORKERS WHO ARE NOT EMPLOYEES IN 2022 AND 2023

NUMBER AND RATE OF WORK-RELATED INJURIES (workers who are not employees) ¹⁵	2022		2023	
	NUMBER	RATE	NUMBER	RATE
RECORDABLE WORK-RELATED INJURIES ¹⁶	2	11	3	13
HIGH-CONSEQUENCE WORK-RELATED INJURIES	0	0	1 ¹⁷	4
FATALITIES	0	0	0	0
HOURS WORKED ¹⁸	183,916		239,352	

¹² Injury rates are calculated by multiplying the ratio of the number of injuries to hours worked by 1,000,000.

¹³ Work-related injury or ill health that results in any of the following: death, days away from work, restricted work or transfer to another job, medical treatment beyond first aid, or loss of consciousness; or significant injury or ill health diagnosed by a physician or other licensed healthcare professional, even if it does not result in death, days away from work, restricted work or job transfer, medical treatment beyond first aid, or loss of consciousness. It excludes commuting injuries.

¹⁴ Both 2022 and 2023 data include the estimated hours worked related to employees of the Companies outside Italy, which amount to respectively 17,000h and 15,200h (0.9% of the total hours worked).

¹⁵ Injury rates are calculated by multiplying the ratio of the number of injuries to hours worked by 1,000,000.

¹⁶ Work-related injury or ill health that results in any of the following: death, days away from work, restricted work or transfer to another job, medical treatment beyond first aid, or loss of consciousness; or significant injury or ill health diagnosed by a physician or other licensed healthcare professional, even if it does not result in death, days away from work, restricted work or job transfer, medical treatment beyond first aid, or loss of consciousness. It excludes commuting injuries.

¹⁷ The high-consequence work-related injury refers to an injury occurred to an external worker of RMT Valvomeccanica during the packaging phase and is due to a human error. It must be noted that the injury was not attributable to the Group, as all the safety procedures had been carried out correctly.

¹⁸ 2022 and 2023 data consider as workers who are not employees agency workers and interns for all the companies of the Group, and external workers (mainly from subcontracting companies) only for the following ones: Forgiatura A. Vienna, Forgiatura di Bollate, GIVA, Nunki Steel, RMT Valvomeccanica, Pibiviesse and Italfond.

5. ENVIRONMENT



5.1. THE GROUP'S COMMITMENT TO THE PLANET

GIVA Group recognizes the necessity to integrate sustainability considerations into its activities, especially concerning climate change. It is dedicated to this cause to mitigate potential risks to its business, from a regulatory point of view and with respect to its clients.

STANDARD	NR. OF COMPANY CERTIFIED
 <p>14001:2015</p>	7

The Group is committed to environmental protection, to preventing pollution and using, when feasible, sustainable solutions and resources by optimizing energy usage in operations and facilities and fostering a culture of sustainable development through education and training among its personnel.

In 2023, GIVA Group acquired the new company Pibiviesse, which is certified **ISO 14001:2015**. Therefore, as of now, seven of GIVA's companies are certified according to this standard (Italfond S.p.A., Nunki Steel S.p.A., Forgia di Bollate S.p.A., Ofar S.p.A., DVG Automation S.p.A., RMT Valvomeccanica and Pibiviesse Srl) with the purpose of analysing and improving the environmental performance of their activities beyond mere compliance with national and international regulation. The plan is to gradually extend the certification to all the Group's companies.

In addition, in 2023 Italfond S.p.A also extended the ISO 14001:2015 to Canneto plant.

Moreover, Ofar S.p.A. has an **Energy Management System certified ISO 50001:2018** for all its three plants of Visano, Canneto and Cividale to enhance energy efficiency and reduce its carbon footprint.

In this regard, GIVA is considering **extending the ISO 50001:2018 to the whole Group** from 2024.

The main strategy for addressing environmental issues involves an ongoing commitment to improvement and progress. For this reason, in 2023 GIVA Group carried on its commitment to fill in the CDP questionnaire.



The CDP (formerly the Carbon Disclosure Project) is a non-profit organization dedicated to assisting companies and countries in **measuring, tracking, managing, and sharing climate change-related information globally**. Over the past 20 years, CDP has created a system that promotes non-governmental engagement on environmental issues worldwide. Supported by over 700 institutional investors with assets totalling \$142 trillion, CDP hosts the largest database of greenhouse gas emissions and related climate change data, along with information on water management and deforestation.

In 2024, CDP introduced a comprehensive multi-environmental issue questionnaire, consolidating the previously separate questionnaires on Climate Change, Water Security, Forestry, and Supply Chain. This new format, which thousands of organizations are invited to complete, aims to streamline the reporting process for companies and enhance the coherence and comprehensiveness of environmental data collection.

The annual evolution of CDP's framework is designed to elevate corporate ambition and align business and financial markets with the goals of limiting global warming to 1.5°C and achieving a nature-positive world. This integrated approach reflects the interconnected nature of environmental issues and encourages companies to adopt more holistic and systemic strategies in their sustainability efforts.

CDP seeks to transform how companies address climate change and the degradation of natural resources. Its primary mission is to promote transparency and accountability in environmental reporting, focusing on climate change, water security, deforestation, and supply chains. By gathering and analysing data from thousands of organizations worldwide, CDP provides investors, businesses, and policymakers with critical insights into corporate sustainability efforts, risk management, and opportunities for positive environmental impact. CDP's annual disclosure process enables companies to demonstrate their commitment to environmental sustainability, helping stakeholders make informed decisions about investments and partnerships. This process ultimately drives the transition toward a more sustainable and resilient global economy.

In 2024, GIVA Group reaffirms its commitment to internationally disclose its climate change efforts by participating in the CDP (Carbon Disclosure Project) questionnaire. First voluntarily completed in 2023, the questionnaire requires annual information on the management of climate change-related aspects, such as governance structures for managing risks and opportunities, quantitative data on emissions and other environmental performance indicators, and the presence of any related reduction targets. For 2023, GIVA Group received a B- rating, on a scale from A to D, according to CDP, it means that the organization is taking coordinated action on climate issues, confirming its level of commitment to climate change. For GIVA Group, the achieved result is definitely positive, especially considering that this is their first sustainability rating submission. The rating is on par with international competitors in the industry. This accomplishment aligns with the benchmark identified by the CDP (Carbon Disclosure Project) and matches the performance of 44% of companies that have attained this score.



Achieving such a rating on the first attempt reflects GIVA's commitment to sustainability and highlights the effectiveness of their environmental initiatives.

This score not only positions GIVA favourably within the industry but also demonstrates their dedication to transparency and continuous improvement in sustainability practices. By meeting the CDP benchmark, GIVA showcases their alignment with global standards and their proactive approach towards addressing environmental challenges. This sets a solid foundation for future advancements and further enhances their reputation as a responsible and forward-thinking company.

In pursuit of continuous improvement, in 2024, two new positions will be introduced to oversee climate-related governance issues. Within the Group's organizational structure, the Chief Energy and Sustainability Officer now oversees all energy and sustainability matters, working collaboratively with leaders across different branches. Its role is to fully coordinate the environmental strategy in alignment to international framework, and to present further decisions to the Board in order to implement strategies for low-emission business practices. The second pivotal role is the Chief Governance and Compliance, which position focuses on integrating sustainability considerations across all aspects of the Group.



Moreover, in 2023, GIVA Group formally started its journey towards decarbonisation by defining a strategic and operational plan, which will be completed during 2024. The ESG committee has already taken the initiative to plan an ambitious GHG emissions target thanks to a transition plan at Group level according to the Science-Based Targets initiative (SBTi).

The Science Based Targets initiative (SBTi) is a collaboration between the CDP (was Carbon Disclosure Project), the United Nations Global Compact, World Resources Institute (WRI) and the World Wide Fund for Nature (WWF) with the aim of providing companies with a clearly defined path to reduce emissions in line with the Paris Agreement goals.

This step is crucial as it will align GIVA Group's sustainability efforts with scientific recommendations and international best practices, ensuring that the actions undertaken are consistent with the targets and in line with global sustainability standards and the Paris Agreement.

5.2. ENERGY CONSUMPTION AND GHG EMISSION

The GIVA Group considers attention to environmental factors a crucial element in developing a sustainable growth plan. To monitor its efforts and guide decisions on environmental sustainability, the Group consistently collects and analyses data from its subsidiaries on energy consumption and GHG emissions.

The steel processing industry, essential for numerous sectors, is notably energy intensive. Despite this, the Group has been always proactive in **researching energy efficiency measures**, continually assessing them for its steel mill and forge production processes.

5.2.1. ENERGY CONSUMPTION

The Group since 2014 has been subject to the energy diagnosis requirement of Legislative Decree 102/2014, in accordance with which energy audits are carried out every four years in steel mills and forges plants and the resulting diagnoses are transmitted to ENEA - Agenzia Nazionale per le Nuove Tecnologie, l'Energia e lo Sviluppo Economico Sostenibile (National Agency for New Technologies, Energy and Sustainable Economic Development) a public law entity aimed at research, technological innovation and the provision of advanced services to business, government and citizens in the fields of energy, the environment and sustainable economic development. Among the purposes stated by the legislature in establishing this mandatory compliance for energy intensive companies are the improvement of environmental sustainability and the upgrading of the energy system, to be pursued through various measures, including the **recovery of dispersed energy**, the **identification of energy-saving technologies** and the **self-production of part of the energy consumed**.



Regarding the Group's energy consumption:

TABLE 15 - GRI 302-1 ENERGY CONSUMPTION WITHIN THE ORGANIZATION

ENERGY CONSUMPTION (GJ) ¹⁹		
FUEL CONSUMPTION	2022	2023
Natural gas	1,399,038	1,308,837
LPG (Liquified Petroleum Gas)	12	13
Diesel (for heating or production process)	11,020	10,057
Diesel (for company vehicle – owned or long-term leasing)	9,084	9,588
Petrol (for company vehicle – owned or long-term leasing)	677	852
TOTAL	1,419,832	1,329,346
ELECTRICITY CONSUMPTION		
Electricity purchased from the national grid	636,424	566,065
TOTAL ENERGY CONSUMPTION	2,056,256	1,895,411²⁰

The 6% reduction in natural gas consumption, compared to 2022, is due to several internal and external factors. In fact, on the one hand less steel was produced and on the other the types of steel used, mainly super alloys, have changed, which have different heat treatment. The various initiatives put in place in 2023, as described below, aimed at reducing energy consumption for the production processes, granted such result for the Group.

¹⁹ The diesel/petrol consumption of company vehicles was estimated using invoice data and the average annual fuel prices for 2023 (data source: Ministry of Environment and Energy Safety - Energy and Mining Statistics).
²⁰ Pibiviesse S.r.l., the company acquired by the Group in December 2022, recorded a value of total energy consumption of 4,835 GJ for 2023, representing 0.3% of the Group's 2023 total energy consumption. As it entered the Group's perimeter in December 2022, Pibiviesse's data has been considered only for 2023.



INITIATIVES TO REDUCE GAS CONSUMPTION

In 2023, Ofar reassessed its production capacity for two strategic reasons:

- to increase competitiveness and market margins by focusing on product differentiation, including the processing of noble metals and special alloys
- to streamline and/or reduce natural gas consumption in light of the recent energy crisis

Therefore, the company revised its plant setup in relation to energy consumption (with reference to the methane gas energy vector) by **optimizing furnace charges** not at full capacity. The aim is to streamline partial charges of furnaces since different types of steel require different treatment times, resulting in increased methane gas consumption.

The focus shifted from quantity to quality production, making it optimal, to produce while saving on energy, to have smaller furnaces and/or ones with lower nominal thermal powers.

Consequently, in 2023 Ofar set the goal, achieved the same year, of limiting the quantity of gaseous effluent by **throttling the methane gas pipeline** in order to reduce the nominal thermal power of certain furnaces.

To achieve this, studies were conducted to measure the level of energy required for furnace operation, and through throttling, it was possible to reduce their nominal power, ensuring not to exceed this requirement and therefore not to waste energy.

This measure allowed the company to respond promptly to market demands without neglecting environmental impacts and minimizing energy waste.

In addition, the company initiated a **revamping intervention** on a furnace in 2022, with the initial results recorded once it was put back into operation at the beginning of 2023.

The revamping involved replacing the thermal equipment of furnace TT4, transitioning from a technology using regenerative burners to one using self-recuperative burners, which allows for a reduction in the furnace's energy consumption. This modernization enabled the company to achieve both **direct and indirect energy savings**: the direct savings are associated with treatments at lower temperatures, while the indirect savings derive from carrying out treatments with larger nominal loads of up to 90 tons (previously limited to a maximum of 60 tons), thereby reducing the annual number of treatments and consequently lowering gas usage.

From a quantitative perspective, these energy efficiency interventions implemented contributed to the reduction of around 7% in natural gas correlated to the company's operations in 2023.

In early 2023, also Forgia di Bollate has completed the major **heating furnace load efficiency project** initiated last year, which aimed to optimize heating furnace loads and minimize gas consumption. The project consisted of using, together with the oven counters, a Manufacturing Execution System to have a constant monitoring of the steel tonnage entering the furnaces. The combination of the calibration of each individual oven and their constant monitoring has allowed the company, for the same number of tonnes, to increase efficiency in the consumption of cubic meters of gas used.

Due to the strategic importance of natural gas and the greater impact of its usage compared to the other fuels in terms of quantity supplied, the Group has implemented an **effective monitoring system** on a corporate level. This system allows to track the use of this resource on a weekly basis and site by site and to plan and optimize natural gas procurement also to cope with the rising prices.

Regarding electricity, as of 2023 the Group does not employ renewable sources but, in line with the goal of reducing both direct and indirect emissions and as part of the decarbonization path in which GIVA has embarked in, the group is actively committed to adopt of **renewable energy solutions** as an alternative to traditional ones.

In this regard, as part of the group's industrial plan, GIVA has laid out **significant investments in the renewable energy sector**, demonstrating a concrete commitment to environmental sustainability and the adoption of sustainable industrial practices.

The **installation of photovoltaic power stations** represents a significant step towards transitioning to a more sustainable and low-carbon energy system. Indeed, these installations allow for a partial fulfilment of the energy needs but contribute to reducing operational costs and the environmental impact associated with the production and consumption of fossil fuels.





In 2023, Forgiatura A. Vienna started the installation of the **company's first photovoltaic plant** at the Cella Dati facility, with a capacity of 3MW, attesting the commitment and progress towards the goal of reducing carbon emissions and the overall environmental footprint of the group. The commitment of GIVA in this regard is also demonstrated by the willingness to **extend** what has been done by Forgiatura A. Vienna, in terms of **photovoltaic systems for energy self-consumption, at Group level.**

In 2023, the companies within the Group initiated numerous projects and initiatives, outlined below, to further pursue the path towards the reduction of the environmental impact started in 2021.



COMPRESSED AIR SYSTEM EFFICIENCY IMPROVEMENTS

At the end of 2023, Nunki Steel launched a project to enhance the compressor room aimed at optimizing operations and improving the plant's energy efficiency. This project involved three main initiatives: the implementation of a digital platform tool, the optimization of the volumetric compressor, and the installation of a new bi-filter drying system.

The **digital platform tool** is designed for compressed air systems within the scope of Industry 4.0, providing compressed air users with detailed, real-time information on their system's performance. This tool generates data and statistics that enable users to monitor their installations' performance and identify potential issues before they occur, facilitating accurate production planning and safeguarding corporate investments.

In conjunction with the implementation of the digital platform, the old ON/OFF volumetric compressor was replaced with a new **250 kW compressor equipped with an inverter**, making it more efficient. Additionally, a **new refrigeration cycle drying system** with upstream and downstream filters was installed to be paired with the compressed air production plant.

This optimization led to two significant outcomes to approximately 300k tons of CO2 emissions avoided.

These results underscore Nunki Steel's and the entire GVA Group's commitment to sustainability, both economically and environmentally, and to energy efficiency, through ongoing research into innovative solutions to reduce environmental impact and optimize operations.

Energy intensity is a normalized environmental impact data and expresses the energy required related to an organization-specific metric. In GIVA's case it has taken into consideration the consolidated volume of production, which represents in a more comprehensive way, the Group's output value.

TABLE 16 – GRI 302-3 ENERGY INTENSITY IN 2022 AND 2023

ENERGY INTENSITY		
	2022	2023
ENERGY CONSUMPTION	2,056 kGJ	1,895 kGJ
ENERGY INTENSITY	14.9 GJ/T	14.9 GJ/T

5.2.2. GHG EMISSIONS

The Group has been committed to controlling and reducing atmospheric emissions since it began its journey towards sustainability. This dedication is demonstrated through comprehensive monitoring of both direct and indirect emissions from the Group's companies. The drive to meet the changing expectations of stakeholders and adhere to legislative requirements further motivates this commitment.



The **European Union Emission Trading System** is a cornerstone of the EU's policy to combat climate change and its key tool for reducing greenhouse gas emissions cost-effectively. The following companies of the Group fall under the Emission Trading System (EU ETS): Italfond, Nunki, Forgia di Bollate, Forgiatura A. Vienna, Ofar, consequently, their plants are annually obligated to undergo emission assessments through third-party verification.

The EU ETS works on the **"cap and trade" principle**. A cap is a limit set on the total amount of greenhouse gases that can be emitted by the installations and energy intensive facilities covered by the system. The cap is reduced annually in line with the EU's climate target, ensuring that emissions decrease overtime. Since 2005, the EU ETS has helped bring down emissions from power and industry plants by 37%²¹.

The companies active in the sectors covered by the EU Emission Trading System must offset their actual emissions (verified by an independent third party) with a corresponding number of allowances on an annual basis.

²¹ Source: European Commission website
https://climate.ec.europa.eu/eu-action/eu-emissions-trading-system-eu-ets/what-eu-ets_en

Specifically, the purpose of the procedure is the following: identify responsibilities for monitoring and reporting of emissions produced by the facility, managing their assignments; describing the methods used to evaluate the adequacy of the monitoring plan and possible sources of improvement, including the methods used to ensure quality assurance of measuring equipment and computer equipment; describe the methods used for processes carried out externally; and describing the procedures used to ensure periodic internal reviews, data validation, and management of corrections and corrective actions.

As in 2022, in line with its commitment to the environment, the Group decided to calculate Other indirect (Scope 3) GHG emissions, in addition to Direct (Scope 1) GHG emissions and Energy indirect (Scope 2) GHG emissions also in 2023. The quantification of GIVA Group's GHG emissions is based on international regulations and standards, the GHG Protocol and the GRI Sustainability Reporting Standards.

CARBON FOOTPRINT OF ORGANIZATION

SCOPE 1: Direct emissions from owned and controlled assets, e.g., facilities and company vehicles, as well as fugitive emissions

SCOPE 2: Indirect emissions from the purchase of electricity, steam, heating or cooling

SCOPE 3: Indirect emissions from the rest of a company's production chain, which occur before (upstream) or after (downstream) its activities. The GHG Protocol divides these emissions into 15 separate subcategories.



TABLE 17 - GRI 305-1,2,3 TOTAL DIRECT GREENHOUSE GAS EMISSIONS (SCOPE 1), INDIRECT GREENHOUSE GAS EMISSIONS FROM ENERGY CONSUMPTION (SCOPE 2), OTHER INDIRECT (SCOPE 3) GHG EMISSIONS OF THE GROUP

TOTAL GHG EMISSIONS				
GHG EMISSIONS	UNIT OF MEASUREMENT	2022 ²²	2023	TREND 2023-2022 (%)
SCOPE 1	tCO ₂ eq	83,158	75,063	-10%
PROCESS EMISSIONS	tCO ₂ eq	12,480	10,518	-16%
SCOPE 2 - LOCATION-BASED	tCO ₂ eq	45,929	42,125	-8%
SCOPE 2 - MARKET-BASED	tCO ₂ eq	80,791	71,859	-11%
TOTAL SCOPE 1 & SCOPE 2 (Location-Based)²³	tCO₂eq	141,322	127,705²⁴	-10%
TOTAL SCOPE 1 & SCOPE 2 (Market-Based)²⁵	tCO₂eq	176,183	157,440	-11%
SCOPE 3	tCO ₂ eq	200,535	226,498	+13%
TOTAL SCOPE 1, SCOPE 2 (Location-Based), SCOPE 3	tCO₂eq	341,857	354,203	+4%
TOTAL SCOPE 1, SCOPE 2 (Market-Based), SCOPE 3	tCO₂eq	376,718	383,938	+2%

In the table below Pibiviesse is included in the reporting scope of "Other indirect emissions" in order to highlight the impact of the expanded scope on the Group's Scope 3 data, as previous mentioned in the methodological note.

TABLE 18 - TOTAL DIRECT GREENHOUSE GAS EMISSIONS (SCOPE 1), INDIRECT GREENHOUSE GAS EMISSIONS FROM ENERGY CONSUMPTION (SCOPE 2), OTHER INDIRECT (SCOPE 3) GHG EMISSIONS OF THE GROUP WITH PIBIVIESSE

SCOPE 3 AND TOTAL GHG EMISSIONS WITH PIBIVIESSE				
GHG EMISSIONS	UNIT OF MEASUREMENT	2022 ²⁶	2023	TREND 2023-2022 (%)
SCOPE 3 WITH PBVS	tCO ₂ eq	216,061	226,498	+5%
TOTAL SCOPE 1 & SCOPE 2 (Location-Based) SCOPE 3 with PBVS	tCO₂eq	357,383	354,203	-1%
TOTAL SCOPE 1 & SCOPE 2 (Market-Based) SCOPE 3 with PBVS	tCO₂eq	392,244	383,938	-2%

²² As for 2022, for companies that fall under the ETS, data on natural gas and diesel (for heating or production process) consumption correspond to data reported on the ETS 2022 declaration.

²³ Please refer to "Direct (Scope 1) GHG emissions and Energy indirect (Scope 2) GHG emissions quantification" Section on calculation method.

²⁴ Pibiviesse S.r.l., the company acquired by the Group in December 2022, recorded a value of Scope I & Scope II (Location-Based) GHG emissions of 318.04 tCO₂eq for 2023, representing 0.25% of the Group's 2023 Total Scope I & Scope II (Location-Based). As it entered the Group's perimeter in December 2022, Pibiviesse's data has been considered only for 2023.

²⁵ Please refer to "Direct (Scope 1) GHG emissions and Energy indirect (Scope 2) GHG emissions quantification" Section on calculation method.

²⁶ As for 2022, for companies that fall under the ETS, data on natural gas and diesel (for heating or production process) consumption correspond to data reported on the ETS 2022 declaration.

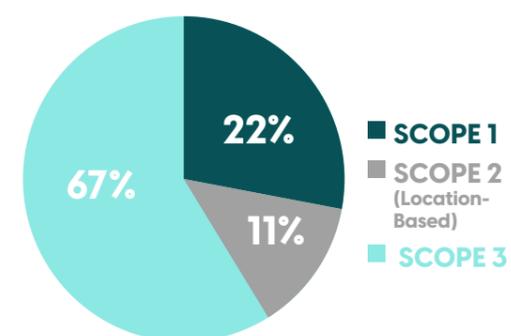


Figure 13 - GHG emissions distribution as of 31.12.2023

The Scope 3 category is the most significant among the three emission categories, with predominance of emissions from purchased goods and services (category 1), fuel and energy related activities (category 3) and upstream transportation and distribution (category 4). Then follows Scope 1 (direct emissions from owned and controlled assets, e.g., facilities and company vehicles, as well as fugitive emissions) and, in the end, Scope 2 (indirect emissions from the purchase of electricity).

DIRECT (SCOPE 1) GHG EMISSIONS AND ENERGY INDIRECT (SCOPE 2) GHG EMISSIONS QUANTIFICATION

To calculate Scope 1 emissions, direct emissions from combustion sources, including stationary, mobile, from process and fugitive sources, were considered. The emission factors used for the calculation are those published by ISPRA-National Inventory Report and UK Government GHG Conversion Factors for Company Reporting-DEFRA. Regarding the Scope 1 emissions reported and third-party certified under the ETS Scheme as per Directive 'Emission Trading' (Directive 2003/87/EC), the values stated during the certification phase have been taken into consideration as declared.

For the calculation of Scope 2 emissions, emissions from energy consumption have been considered. The reporting standard used (GHG Protocol) provides two different approaches to calculating Scope 2 emissions: "Location-based" and "Market-based".

The **"Location-based" method** is based on average emission factors related to power generation for well-defined geographical boundaries, including local, sub-national or national boundaries (Source: ISPRA).

The **"Market-based" approach** involves the use of emission factors defined on a contractual basis with the electricity supplier. In the absence of specific contractual agreements between the portfolio companies and the electricity supplier (e.g., purchase of Guarantees of Origin), the emission factor relative to the national "residual mix" is used for the "market-based" approach. For this report, the "Market-based approach" applied to not-renewable electricity is calculated with the emission factor relating to the national "residual mix" (Source: AIB-European Residual Mixes).



For this report, the "Marked-based approach" applied to not-renewable electricity is calculated with the emission factor relating to the national "residual mix" (Source: AIB-European Residual Mixes).

TABLE 19 - CONVERSION FACTORS USED FOR THE CALCULATION OF GROUP ENERGY CONSUMPTIONS OF 2022 AND 2023

CONVERSION FACTORS				
	UNIT OF MEASUREMENT	2022	2023	SOURCE
1 SM3 NATURAL GAS	GJ	0.0343	0.0343	Ispra – NIR 2022, 2023 Ministry of the Environment standard parameter table 2022, 2023 DEFRA 2022, 2023
1 L LPG	GJ	0.0257	0.0257	
1 L GAS OIL	GJ	0.0360	0.0360	
1 L DIESEL (average biofuel blend)	GJ	0.0360	0.0360	
PETROL	GJ	0.0319	0.0319	
1 KWh	GJ	0.0036	0.0036	CONSTANT

TABLE 20 - EMISSION FACTORS USED FOR THE CALCULATION OF GROUP GHG EMISSIONS OF 2022 AND 2023

EMISSION FACTORS				
	UNIT OF MEASUREMENT	2022	2023	SOURCE
1 SM3 NATURAL GAS	kg CO ₂ e	1.99	2	Ispra – NIR 2022, 2023 Ministry of the Environment standard parameter table 2022, 2023 DEFRA 2022, 2023
1 L LPG	kg CO ₂ e	1.69	1.69	
1 L GAS OIL	kg CO ₂ e	2.66	2.66	
1 L DIESEL (average biofuel blend)	kg CO ₂ e	2.66	2.65	
PETROL	kg CO ₂ e	2.33	2.33	
ELECTRICITY (Location Based)	kg CO ₂ /KWh	0.260	0.268	ISPRA
ELECTRICITY (Market Based)	kg CO ₂ /KWh	0.457	0.457	AIB Residual Mix (Europe)

OTHER INDIRECT (SCOPE 3) GHG EMISSIONS QUANTIFICATION

Understanding the sources of greenhouse gas (GHG) emissions in depth is critical for developing an effective plan for GIVA Group's transition toward a low-carbon development. While the initial step for any company involves comprehending emissions under Scopes 1 and 2 of the GHG Protocol, GIVA Group recognizes the importance of managing GHG-related risks and opportunities along its value chain.



SUSTAINABLE URBAN MOBILITY



Transportation is one of the primary sectors where greenhouse gas emissions have increased over the last three decades, with a 33.5% increase between 1990 and 2019²⁷. Cars, which in Italy typically carry just 1.4 passengers on average, are one of the leading polluters, accounting for 61% of total CO₂ emissions from road transport in the EU²⁸. The EU aims to reduce greenhouse gas emissions from transportation by 90% by 2050 compared to 1990 levels. This is part of efforts to decrease CO₂ emissions and achieve **climate neutrality by 2050** under the European Green Deal roadmap. In pursuit of this goal, the MUV app project has been developed by Italfond.

"SAVING THE WORLD BY PLAYING"

Just like in a video game, MUV is an app that leverages **gamification**²⁹ mechanics to "level up" our environmentally friendly behaviours.

Developed by an Italian startup in collaboration with Polihub at the Polytechnic University of Milan, it is **part of the European project EIT Urban Mobility** funded by the European Commission: the idea is to turn sustainability into a sport.

After registration, users input their commuting habits and the challenge is to rewrite them in a greener way. Points are earned every time an eco-friendlier mode of transportation is chosen, such as walking, cycling, or using public transport, instead of relying on personal vehicles.

By pressing the "PLAY" button, users start a gaming session where they select the mode of transportation and begin their journey. If a change of transportation mode is needed during the journey, they press "PAUSE", and finally, upon reaching their destination, they press "STOP" to end the session.

To calculate the impact in terms of CO₂ reduction, the app utilizes a **proprietary algorithm validated according to ISO 14064-2 standards**.

Real-time leaderboards showcase the top performers, with prizes selected from products and services offered by companies active in the fields of technological, environmental, and social innovation.

²⁷ Source: European Environment Agency (2022).

²⁸ Source: European Environment Agency (2022).

²⁹ "Gamification" means that everything seems more attractive if it entertains us and rewards us.



To actively participate in the transition towards greener habits, in 2023 Italfond started a **collaboration with the MUV app**, extending participation to all its employees and collaborators. In this regard, the app has been customized to reflect the corporate brand, and welcome kits have been provided, including posters, graphics, and short videos to support internal communication and encourage maximum participation from the entire company community.

In addition to the gaming dynamics, personalized avatars, and real-time leaderboards with colleagues, what becomes particularly significant are the statistics that quantify everyone's contribution in terms of saved carbon dioxide emissions. These **statistics** are then **shared with municipalities** to promote sustainable commuting.

All collected data is treated anonymously and disclosed to clients in aggregate form to enhance mobility (HWTP³⁰) and sustainability policies.

Furthermore, to maximize impact, appropriately anonymized **data can be shared** with research institutions and organizations, with the **goal of improving urban policies focused on sustainability** and tailored to the needs of citizens.

In 2024, GIVA Group completed a meticulous assessment of Scope 3 indirect emissions for the years 2023. This assessment adhered to the methodologies outlined in the GHG Protocol Corporate Accounting and Reporting Standard and the Corporate Value Chain (Scope 3) Standard, encompassing all the fifteen emission categories considered by the international framework.

GIVA Group conducted this assessment for the relevant emission categories, which were identified through an initial mapping phase, with the choice of best applicable methodologies derived by the availability of input data within the organization. As a result of mapping activities and processes upstream and downstream of GIVA Group, certain emission categories, namely category 10) Processing of sold products; category 11) Use of sold products; category 14) Franchises; and category 15) Investments, were determined to be not applicable.

The calculation methodology that was used is based on multiplying the "activity data," representative of the activity considered, by the corresponding "emission factor." Primary data were always used where available, otherwise the calculation was based on secondary data.

In the context of the Group's operations, the significant emissions can be attributed to category 1) Purchased goods and services, accounting for 39% of the organization's total greenhouse gas emissions, and category 3) Fuel- and Energy-related activities, contributing for 6% of the total emissions. Specifically, emissions in category 1) are mainly associated with the procurement of raw materials necessary for the Steel Mill plants, while category 3) emissions are linked to the intensive energy consumption carried out by Steel Mill plants and Forging plants. Also including the category 4) and 9) related to the upstream and downstream transportation and distributions emissions, these categories account more than half of the overall Group GHG emissions inventory.

³⁰ Home Working Travel Plan III

Below the quantification for each Scope 3 category:

TABLE 21 – QUANTIFICATION OF SCOPE 3 EMISSIONS BY CATEGORY IN 2022 AND 2023

CATEGORIES	2022 w/o PBVS	2023		Trend 2023/2022 with PIBIVIESSE %
	tCO ₂ eq EMISSIONS	tCO ₂ eq EMISSIONS	% impact on total emissions ³¹	
TOTAL SCOPE 3	200,535	226,498		+5%
CATEGORY 1: Purchased Goods and Services Extraction, production, and transportation of goods and services purchased or acquired	115,322	149,351	39%	+15%
CATEGORY 2: Capital Goods Extraction, production, and transportation of capital goods purchased or acquired	11,474	14,166	4%	+23%
CATEGORY 3: Fuel- and Energy related activities Extraction, production, and transportation of fuels and energy purchased or acquired by the reporting company in the reporting year, not already accounted for in scope 1 or scope 2	33,210	24,645	6%	-26%
CATEGORY 4: Upstream transportation and distribution Transportation and distribution: products purchased between a company's tier 1 suppliers and its own operations; services including inbound logistics, outbound logistics and transportation and distribution between a company's own facilities	21,665	20,501	5%	-7%
CATEGORY 5: Waste generated in operations Disposal and treatment of waste	2,492	1,999	1%	-20%
CATEGORY 6: Business travel Transportation of employees for business-related activities	191	428	0.1%	+90%
CATEGORY 7: Employee Commuting Transportation of employees between their homes and their worksites	1,737	1,925	1%	+2%
CATEGORY 8: Upstream leased assets Operation of assets leased by the reporting company (lessee)	157	115	0.03%	-27%
CATEGORY 9: Downstream transportation & distribution Transportation and distribution of products sold to the end consumer (if not paid for by the reporting company), including retail and storage	10,433	9,055	2%	-15%
CATEGORY 12: END OF LIFE TREATMENT OF SOLD PRODUCTS Processing of intermediate products sold in the reporting year	703	998	0%	+8%
CATEGORY 13: DOWNSTREAM LEASED ASSETS End use of goods and services sold	3,151	3,316	1%	+5%

³¹ Total Scope I, Scope II (Market-Based), Scope III

TABLE 22 - GRI 305-4 GHG EMISSIONS INTENSITY IN 2022 AND 2023

GHG EMISSIONS INTENSITY		
	2022 w/o PBVS	2023
EMISSIONS INTENSITY (Scope 1 + Scope 2 Location Based)	1.021 tCO2eq/T	1.010 tCO2eq/T
EMISSIONS INTENSITY (Scope 1 + Scope 2 Market Based)	1.273 tCO2eq/T	1.246 tCO2eq/T
EMISSIONS INTENSITY (Scope 1 + Scope 2 Location Based + Scope 3)	2.471 tCO2eq/T	2.802 tCO2eq/T
EMISSIONS INTENSITY (Scope 1 + Scope 2 Market Based + Scope 3)	2.722 tCO2eq/T	3.038 tCO2eq/T

For the calculation of the GHG Emissions intensity ratio, it was used the consolidated volume of production, same as for the energy intensity disclosure. GHG emissions intensity, being a normalized environmental impact data, expresses the amount of GHG emissions per ton of production value.

5.3. RESOURCES MANAGEMENT AND CIRCULAR ECONOMY

Steel is one of the main resources handled by GIVA, since the Group controls two steel mills, Nunki and Italfond. Steel is a highly valued and strategic material in the supply chain; the industries that use steel in production processes are numerous, including Power Gen, Nuclear, Oil & Gas, Petrochemical, Mechanical Engineering and Shipbuilding.

Steel ingots and bars have a potentially unlimited life cycle since they can be reused in the production cycle of new steel. Steel recycling enables the steel industry to become more environmentally friendly by minimizing its effects on the level of Greenhouse Gases in the atmosphere. On the other hand, it also has financial benefits, since it allows the Group to give new life and reintroduce in the process the scraps of the production processes of the plants of the Group itself.

THE CIRCULARITY OF STEEL FORGING IN GIVA GROUP

Steel is one of the most sustainable materials on a circularity point of view: its extraordinary physical features allow a recyclability near to 100% and is the most recycled material in the world. Since it does not lose its mechanical properties upon recycling, steel produced from recycled material is indistinguishable from steel of new production.

Moreover, steel has a central role in the ecological transition since it is an essential material in the renewables world, more specifically in the power generation industry. Inside GIVA Group's operations the importance of the circularity of steel is particularly evident: the vertical integration allows an internal circulation of material and components that optimize the production cycle and reduce waste in a logic of constant re-integration of steel scraps as a raw material.

The production process starts with raw materials and scraps that enter the steel making process. Then a part of ingots and bars produced go to forging and rolling and end up as forging and rings. The final products are valves & actuators, steel plates or other custom-made orders.

During all the processes of production steel scraps created can be re-integrated as raw material so the process can start all over again, driving waste reduction and circularity inside the Group.

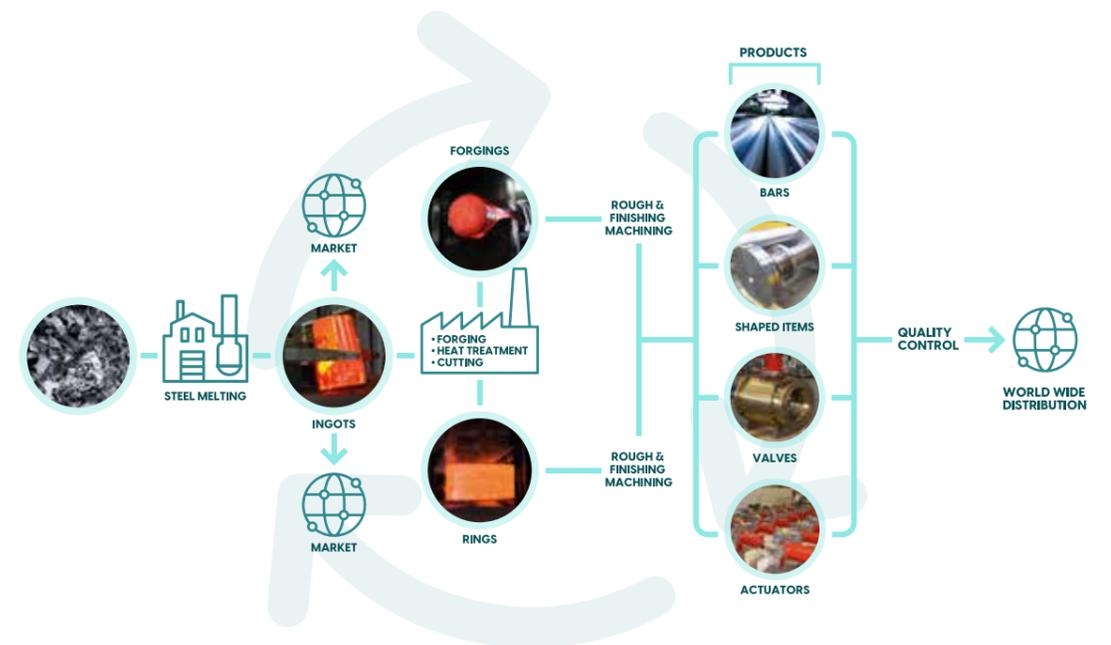


Figure 14 - The circularity of steel forging in GIVA Group.



Indeed, the two steel mills, Nunki and Italfond, use steel scrap as part of their production process. Ferrous materials may arrive at the steel mill as:

➤ **SCRAP-WASTE FROM THE GROUP**, mainly filings and shavings, also called by-product. This waste material of the production processes arrives to the mills from the other Group companies according to a contract that is periodically renewed. Most of it consists of ingot endings that are processed by the forges.

➤ **SCRAP-WASTE FROM EXTERNAL SUPPLIERS**, i.e., material collection and sorting centres that supply mainly ferrous materials.

➤ **END-OF-WASTE MATERIAL**, so defined when scrap is processed and qualified by authorized suppliers. Every supply must come from qualified and authorized suppliers with a specific licence (EU End of Waste Regulation 333/2011) and must be accompanied by a declaration of conformity, eventual analyses and all necessary documentation.

Nunki Steel obtained a licence according to the EU End of Waste Regulation 333/2011 for the treatment and qualification of end-of-waste material, an unusual licence for a steel mill. This allows the mill to receive and handle certain types of scrap, which must undergo specific analyses on entry to become end-of-waste material.



Forgings are pieces of steel of various shapes whose metallurgical characteristics and composition do not alter with use or with the passage of time. Normally incorporated in more complex assets/plants, they can be discarded either by breakage or by decommissioning of the plant/component in which they are incorporated, in which case they can be reused as scrap to produce new steel.

Valves are composed of the assembly of a few dozen components, most of them made of steel (thus subject to the same life cycle as forgings), others are composed of materials potentially subject to wear and deterioration (e.g., gaskets), which must be disposed, once they are replaced during on-site maintenance activities.

Instead, actuators (the motors that regulate the opening/closing of the valve), can be installed on most of the valves produced by RMT and Pibiviesse (manufactured in-house by the group or sourced from third-party suppliers) or separately produced and sold by DVG Automation. These are products made up of hundreds of components, represented by a mechanical assembly (for which the considerations made for steel goods may apply) and parts of various kinds (including electronic ones, such as control units) whose dispersion into the environment is not controllable by the manufacturer, but depends on the user who, with the goods, receives, upon completion of the supply, manuals for proper maintenance of the motors and their responsible partial/total disposal.



Indeed, many materials other than steel are used in the Group's production processed:

TABLE 23 - GRI 301-1 MATERIALS USED BY THE GROUP, BY WEIGHT (TONS) IN 2022 AND 2023

MATERIALS USED BY WEIGHT (TONS)			
MATERIAL	WEIGHT		CHANGE ³²
	2022	2023	2023/2022
RENEWABLES			
WOOD	1,003	1,460	+46%
OTHER ³³	1.45	1.76	+22%
NON-RENEWABLES			
STEEL ³⁴	290,121	241,481	-17%
FERROALLOYS	12,052	11,934	-1%
AUXILIARY MATERIAL (LUBRICANTS, ANTHRACITE, LIQUID PROTECTORS)	6,876	5,636	-18%
COAL ³⁵	2,112	1,698	-20%
ALUMINUM	389	323	-17%
I-BLUE / COAL MIX	530	458	-14%
OTHER ³⁶	28	21	-26%

Regarding recycled input materials used, steel is the main one, as part of the circularity.

TABLE 24 - GRI 301-2 RECYCLED INPUT MATERIALS USED BY THE GROUP BY WEIGHT (TONS) IN 2022 AND 2023

MATERIALS USED THAT COME FROM RECYCLING						
MATERIAL	2022			2023		
	Material used by weight (ton)	Material recycled by weight (ton) ³⁶	% Material recycled	Material used by weight (ton)	Material recycled by weight (ton)	% Material recycled
STEEL	290,121	217,708	75%	241,481	168,656	70% ³⁷

³² 2022 data does not include Pibiviesse, but nevertheless the 2023/2022 variation was calculated as the company's impact on the total materials used is not relevant.

³³ Including paper, cardboard, biopolyethylene.

³⁴ In RMT and Pibiviesse the weight of the valves is almost completely due to the steel component; therefore, it has been assumed that the weight of the steel purchased is equal to the weight of the material sold. Forgia di Bollate's data refer to incoming steel.

³⁵ Coal is used in Nunki Steel as a reducing agent in the EAF electric furnace for steel production.

³⁶ Including plastic, copper, bronze, stationery.

³⁷ For RMT, the amount of recycled steel considered for the year 2023 refers to a smaller data scope than the one considered for the year 2022.

5.4. WASTE MANAGEMENT

The Group companies manage waste collection, sorting and disposal through third parties in accordance with current regulations.

Data regarding the waste produced is monitored by the companies of GIVA Group on an annual basis to comply with current regulations as well as for the **compilation of MUD** (Modello Unico di Dichiarazione ambientale – an Environmental Declaration Form issued in order to comply with the Italian Regulation). These values are then analysed through company KPIs by the HSE manager of each plant.

In 2023, the Group's total waste generation reached around 85 thousand tons, of which about 97% non-hazardous waste. The decrease of waste produced in 2023 (-11%) is mainly due to a decrease in volume production and other collateral events (eg., the completion of the construction activities of the new dedicated office building in Italfond).

TABLE 25 - GRI 306-3 WASTE GENERATED, GRI 306-4 WASTE DIVERTED FROM DISPOSAL, GRI 306-5 WASTE DIRECTED TO DISPOSAL IN 2022 AND 2023³⁸

WASTE TYPE	UNIT OF MEASUREMENT	2022			2023		
		PRODUCED	RECOVERED ³⁹	DISPOSED ⁴⁰	PRODUCED	RECOVERED	DISPOSED
HAZARDOUS	tons	3,176	1,055	2,121	2,731	695	2,036
NON-HAZARDOUS	tons	92,612	44,257	48,244	82,569	42,790	40,108
TOTAL	tons	95,788	45,312	50,355	85,300⁴¹	43,485	42,144

³⁸ The difference between the waste generated and the sum of the waste disposed and recovered both in 2022 and 2023 is attributable to the stocks stored on the company's premises.

³⁹ Following a continuous improvement process, 2022 data have been restated; for the previously published data please refer to 2022 Sustainability Report, available on the website <https://www.Givagroup.it/>

⁴⁰ Following a continuous improvement process, 2022 data have been restated; for the previously published data please refer to 2022 Sustainability Report, available on the website <https://www.Givagroup.it/>.

⁴¹ Pibiviesse S.r.l., the company acquired by the Group in December 2022, recorded a value of total waste produced of 137.1 tons for 2023, representing 0.16% of the Group's 2023 total waste produced. As it entered the Group's perimeter in December 2022, Pibiviesse's data has been considered only for 2023.

The most relevant types of waste in the Group are non-hazardous waste, in particular untreated slag and ferrous metal filings and shavings.

On the other side the most preponderant hazardous waste type is solid waste from flue gas treatment, containing hazardous substance.

TABLE 26 - GRI 306-4 WASTE DIVERTED FROM DISPOSAL IN 2022 AND 2023

WASTE DIVERTED FROM DISPOSAL BY RECOVERY OPERATIONS (TONS)						
	2022			2023		
	ONSITE	OFFSITE ⁴²	TOTAL	ONSITE	OFFSITE	TOTAL
HAZARDOUS WASTE						
PREPARATION FOR REUSE	-	-	-	-	-	-
RECYCLE	-	1,055	1,055	-	695	695
STORAGE	-	-	-	-	-	-
TOTAL	-	1,055	1,055	-	695	695
NON-HAZARDOUS WASTE						
PREPARATION FOR REUSE	810	-	810	-	-	-
RECYCLE	658	42,788	43,447	561	42,229	42,790
STORAGE	-	-	-	-	-	-
TOTAL	1,468	42,788	44,257	561	42,229	42,790
TOTAL WASTE DIVERTED	1,468	42,643	45,312	561	42,924	43,485

⁴² Following a continuous improvement process, 2022 data have been restated; for the previously published data please refer to 2022 Sustainability Report, available on the website <https://www.Givagroup.it/>.

TABLE 27 - GRI 306-5 WASTE DIRECTED TO DISPOSAL IN 2022 AND 2023

WASTE DIRECTED TO DISPOSAL, BY DISPOSAL OPERATIONS (TONS)						
	2022			2023		
	ONSITE	OFFSITE ⁴³	TOTAL	ONSITE	OFFSITE	TOTAL
HAZARDOUS WASTE						
INCINERATION (with energy recovery)	-	-	-	-	-	-
INCINERATION (without energy recovery)	-	-	-	-	-	-
LANDFILLING	-	2,121	2,121	-	2,036	2,036
TOTAL	-	2,121	2,121	-	2,036	2,036
NON-HAZARDOUS WASTE						
INCINERATION (with energy recovery)	-	11	11	-	12	12
INCINERATION (without energy recovery)	-	-	-	-	-	-
LANDFILLING	-	48,224	48,224	-	40,096	40,096
TOTAL	-	48,235	49,235	-	40,108	40,108
TOTAL WASTE DISPOSED	-	50,355	50,355	-	42,144	42,144

⁴³ Following a continuous improvement process, 2022 data have been restated; for the previously published data please refer to 2022 Sustainability Report, available on the website <https://www.Givagroup.it/>.



PROPER DISPOSAL INITIATIVES

In line with what was done in 2022, the Group companies paid particular attention to proper waste management. In particular, two companies have shown virtuosity in this regard:

In 2023, **OFAR** implemented a **training program** dedicated to **responsible waste management**, both urban and industrial.

The main objective of this initiative was to increase employees' awareness of correct waste management practices and to ensure they were aware of relevant environmental regulations. The training was designed to cover different types of waste and to provide **clear guidelines on disposal methods**. Regarding urban waste, employees were instructed on the use of dedicated bins for separate or mixed waste collection, with the use of yellow bags for plastic and black bags for mixed waste in offices.

As for industrial waste, the training emphasized the importance of understanding CER codes and proper waste disposal. The need to avoid mixing different types of waste, not leaving industrial waste on the ground, and preventing leaks or spills by using grates to support raw materials was emphasized.

Another noteworthy initiative was carried out by **Forgiatura A. Vienna**, that established a **new waste management procedure** consisting of a general procedure and two specific instructions regarding the proper management of waste types and the waste loading/unloading register, as well as the correct management of the new temporary waste storage facility.

This procedure outlines the methods and responsibilities by which the company identifies, monitors, and manages waste/residues of any nature (special, hazardous, non-hazardous, etc.) generated at its sites in Rho (MI) and Cella Dati (CR). It is also aimed at informing and training workers on the correct handling and storage of industrial waste, in accordance with Legislative Decree 152/2006 and Legislative Decree 81/2008 and subsequent integrations and amendments. This procedure applies to all company activities involving waste production.

With a focus on continuous improvement, the company has also **reorganized the areas designated for temporary waste storage**, providing specific stations for waste placement pending disposal in compliance with current legal regulations. The containers or areas where waste is temporarily stored must be identified by specific signs or labels, including the relevant CER codes, descriptions, and representative images of the waste, in accordance with the following examples.



To immediately identify any hazards, labels for non-hazardous waste labels are blue, while those for hazardous waste are red.

Figure 15

With reference to **packaging**, the main waste produced by the Group is paper and cardboard packaging, plastic packaging and wooden packaging, whose amount of waste produced was 709.73 in 2023 (+5% compared to 2022).

At Christmas 2023, Ofar, following the virtuous practice introduced in 2022 by sister company Italfond, distributed **water bottles** to its employees as an initiative to encourage them to use the water dispensers available in the company, thereby reducing the use of plastic cups and bottles. This initiative is part of the Group's broader commitment to **reducing the use of single-use plastics** and promoting eco-friendly practices within the workplace.



5.5. WATER RESOURCES

The UN Sustainable Development Goals (SDGs) addresses with Goal 6 “Clean water and sanitation” the need to ensure availability and sustainable management of water and sanitation for all, stating that water resources are at the core of sustainable development. Since water is a strategic asset in the steel industry, its management inside the Group is carefully monitored.

Water is mainly used for **industrial processes**, in particular for cooling and heat treatment of steel. The water supply takes place through wells (categorized as groundwater) for industrial use and fire protection and the aqueduct (categorized as third-party water) for civil use. Third-party water includes water supplied by municipal water networks or other organizations.

In 2023 GIVA Group recorded a decrease in comparison with 2022 in the volume of water withdrawn, from 349.8 ML to 336.6 ML (-4%). In particular, area with water stress have seen a decrease of 21.1ML of water withdrawn, while no water stress areas have seen a slight increase of 7.9ML.

TABLE 28 - GRI 303-3 TOTAL WATER WITHDRAWAL OF THE GROUP IN 2022 AND 2023 (ML), WITH INDICATION OF THE SOURCE OF THE WITHDRAWAL AND THE AMOUNT RELATING TO AREAS OF WATER STRESS⁴⁴

WATER WITHDRAWAL (ML)						
WATER WITHDRAWAL SOURCES ⁴⁵	2022 ⁴⁶			2023		
	NO WATER STRESS AREAS	AREA WITH WATER STRESS	ALL AREAS	NO WATER STRESS AREAS	AREA WITH WATER STRESS	ALL AREAS
GROUNDWATER	160.4	170.8	331.2	163.3	149.2	312.5
THIRD-PARTY WATER	11.3	7.3	18.6	16.4	7.8	24.1
TOTAL	171.7	178.1	349.8	179.6	157	336.6

The volume of water withdrawal from areas with water stress⁴⁷ can indicate an organization's impacts in sensitive locations. The companies located in areas with water stress are: Italfond S.p.A., Ofar S.p.A. (Visano and Canneto sites), Forgia di Bollate S.p.A., VRM S.r.l., Higen Valves S.r.l., Metab S.r.l.

⁴⁴ Data of RMT Valvomeccanica derives partially from estimates based on average consumption over the years.

⁴⁵ All water withdrawals refer to fresh water (1,000 mg/l total dissolved solids).

⁴⁶ Following a continuous improvement process, 2022 data have been restated; for the previously published data please refer to 2022 Sustainability Report, available on the website <https://www.Givagroup.it/>.

⁴⁷ Water stress areas are areas where the ratio of total annual water withdrawal to total available annual renewable water supply (baseline water stress) is high (40-80%) or extremely high (>80%) according to data from the World Resources Institute's Aqueduct Water Risk Atlas.

In GIVA Group water discharge is mainly related to water withdrawn for civil use (either from groundwater or from third-party water resources) which flows into the municipal sewer system. In 2023 the volume of water discharged was 91.4 ML (-5% compared to 2022).

TABLE 29 - GRI 303-4 TOTAL WATER DISCHARGE OF THE GROUP IN 2022 AND 2023 (ML), WITH INDICATION OF THE SOURCE OF THE DISCHARGE AND THE AMOUNT RELATING TO AREAS OF WATER STRESS.

WATER DISCHARGE (ML)						
WATER DISCHARGE SOURCES	2022 ⁴⁸			2023		
	NO WATER STRESS AREAS	AREA WITH WATER STRESS	ALL AREAS	NO WATER STRESS AREAS	AREA WITH WATER STRESS	ALL AREAS
GROUNDWATER	28	0	28	32	0	32
THIRD-PARTY WATER	54.9	13.1	68	45.5	14.2	59.7
TOTAL	82.9	13.1	96	77.2	14.2	91.4

The Group's water consumption, instead, is mainly related to the change and refills of water tanks due to depletion or evaporation. As for water discharge, in 2023 the Group consumed less water than 2022 (-3%). In particular, water stressed areas stress have seen a decrease of 22.2ML of water consumption, while no water stressed areas have seen an increase of 13.9ML.

TABLE 30 - GRI 303-5 TOTAL WATER CONSUMPTION OF THE GROUP IN 2022 AND 2023 (ML), WITH INDICATION OF THE CHANGE IN WATER STORAGE AND THE AMOUNT RELATING TO AREAS OF WATER STRESS.

WATER CONSUMPTION (ML)						
WATER CONSUMPTION SOURCES	2022 ⁴⁹			2023		
	NO WATER STRESS AREAS	AREA WITH WATER STRESS	ALL AREAS	NO WATER STRESS AREAS	AREA WITH WATER STRESS	ALL AREAS
WATER CONSUMPTION	88.5	165	253.5	102.4	142.8	245.2 ⁵⁰
CHANGE IN WATER STORAGE	5.1	3.9	9	5.1	3.9	9

GIVA Group is aware of the direct impacts it can have and therefore commits to reduce its water consumption, paying close attention to the amount withdrawn and consumed and to the quality of its discharges.

⁴⁸ Following a continuous improvement process, 2022 data have been restated; for the previously published data please refer to 2022 Sustainability Report, available on the website <https://www.Givagroup.it/>.

⁴⁹ Following a continuous improvement process, 2022 data have been restated; for the previously published data please refer to 2022 Sustainability Report, available on the website <https://www.Givagroup.it/>.

⁵⁰ Pibiviesse S.r.l., the company acquired by the Group in December 2022, recorded a value of total water consumed of 2.26 ML for 2023, representing 0.9% of the Group's 2023 total water consumption – All areas. As it entered the Group's perimeter in December 2022, Pibiviesse's data has been considered only for 2023.

The Group continuously works for the reduction of the overall usage of water. Part of the effort is demonstrated by the companies certified ISO 14001:2015. This standard provides a guideline for the implementation of an Environmental Management System (EMS) which also includes the sustainable management of water, and it is based on the organizational context, needs and expectations of the Group. The **Environmental Management System (EMS)** supports the Group's companies to:

- **Manage environmental aspects (interaction between business activities and the surrounding environment);**
- **Fulfil compliance obligations (legal obligations that an organization must fulfil and other requirements that an organisation must or has chosen to fulfil);**
- **Address risks and opportunities (potential negative or positive effects related to the environment).**

Steel mill and forging plants are virtuous example of efficient water management since the water used in the processes is all closed cycle. Moreover, in Ofar slag water is processed and partially recovered and reused.



WATER EFFICIENCY INITIATIVES

Nunki Steel enacted several initiatives with the aim of reducing water usage and minimize water waste. In particular, **two initiatives** are worth mentioning: the installation of a filter press and the implementation of a process for the recovery of condensation water.

The **filter press**, planned in 2020 and installed in 2021, allows water filtration and reinsertion into the industrial process to be reused as cooling water. The water obtained from the sludge backwashing is filterpressed and further recovered to minimize disposal.

The **process for the recovery of condensation water** deriving from the compressed air system, on the other side, allows demineralization of water with separation of oil residues. This process resulted in saving about 95,050 cubic litres of condensate water and in reducing the weight of related waste.

In **Italfond**, moreover, water for industrial use is mainly used in **cooling plants** which are all closed cycle.

Water taken from wells for industrial use is not discharged, but always sent for **recirculation**. The need for replenishment is due to the amount lost through evaporation.

Furthermore, in some areas of the site, to reduce the withdrawal of water resources, **rainwater is reused** in wet slag treatment tanks.



6. GRI CONTENT INDEX

GRI STANDARD	DISCLOSURE	PAGE NUMBER AND NOTES
STATEMENT OF USE	GIVA Group has reported the information cited in this GRI content index for the period 1/01/2023 – 31/12/2023 with reference to the GRI Standards.	
GRI 1 USED	GRI 1: Foundation 2021	

GRI INDICATOR	PAGES	NOTE
GRI 2: GENERAL DISCLOSURES (2021)		
THE ORGANIZATION AND ITS REPORTING PRACTICES		
GRI 2-1	Organizational details	9-16
GRI 2-2	Entities included in the organization's sustainability reporting	8
GRI 2-3	Reporting period, frequency and contact point	8
GRI 2-4	Restatements of information	8
GRI 2-5	External assurance	7-8; 117-120
ACTIVITIES AND WORKERS		
GRI 2-6	Activities, value chain and other business relationships	13-16; 48-50
GRI 2-7	Employees	51-58
GRI 2-8	Workers who are not employees	54
GOVERNANCE		
GRI 2-9	Governance structure and composition	30-31
GRI 2-11	Chair of the highest governance body	30

GRI 2-13	Delegation of responsibility for managing impacts	30-31	
GRI 2-14	Role of the highest governance body in sustainability reporting	30-31	
GRI 2-16	Communication of critical concerns	32-33	
GRI 2-17	Collective knowledge of the highest governance body	30-31	
GRI 2-21	Annual total compensation ratio	69	
STRATEGY, POLICIES AND PRACTICES			
GRI 2-22	Statement on sustainable development strategy	7	
GRI 2-23	Policy commitments	17-20; 59-60	
GRI 2-26	Mechanisms for seeking advice and raising concerns	32-33	
GRI 2-27	Compliance with laws and regulations	32-33	
GRI 2-28	Membership associations	40	
STAKEHOLDER ENGAGEMENT			
GRI 2-30	Collective Bargaining Agreement	70	
MATERIAL TOPICS			
GRI 3: MATERIAL TOPICS (2021)			
GRI 3-1	Process to determine material topics	22-23-24	
GRI 3-2	List of material topics	25-26	
ESG GOVERNANCE			
GRI 3-3	Management of material topics	30-31	
FINANCIAL STABILITY AND MARKET POSITIONING			
GRI 3-3	Management of material topics	28-29	

GRI 201: ECONOMIC PERFORMANCE (2016)			
GRI 201-1	Direct economic value generated and distributed	29	
SUPPLY CHAIN MANAGEMENT			
GRI 3-3	Management of material topics	48-50	
GRI 204: PROCUREMENT PRACTICES (2016)			
GRI 204-1	Proportion of spending on local suppliers	48-49	
ANTI-CORRUPTION, COMPLIANCE AND BUSINESS ETHICS			
GRI 3-3	Management of material topics	32-33	
GRI 205: ANTI-CORRUPTION (2016)			
GRI 205-3	Confirmed incidents of corruption and actions taken	32-33	
GRI 206: ANTI-COMPETITIVE BEHAVIOUR (2016)			
GRI 206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	32-33	
RESOURCES AND WASTE MANAGEMENT & CIRCULAR ECONOMY			
GRI 3-3	Management of material topics	96-105	
GRI 301: MATERIALS (2016)			
GRI 301-1	Materials used by weight or volume	100	
GRI 301-2	Recycled input materials used	100	
GRI 306: WASTE (2020)			
GRI 306-3	Waste generated	101	
GRI 306-4	Waste diverted from disposal	102	
GRI 306-5	Waste directed to disposal	103	

ENERGY MANAGEMENT AND TRANSITION TOWARDS RENEWABLE SOURCES			
GRI 3-3	Management of material topics	78-87	
302: ENERGY (2016)			
GRI 302-1	Energy consumption within the organization	83	
GRI 302-3	Energy intensity	87	
WATER MANAGEMENT			
GRI 3-3	Management of material topics	106-109	
GRI 303: WATER AND EFFLUENTS (2018)			
GRI 303-3	Water Withdrawal	106	
GRI 303-4	Water discharge	107	
GRI 303-5	Water consumption	107	
CLIMATE CHANGE, GHG AND AIR EMISSIONS			
GRI 3-3	Management of material topics	78-81; 88-96	
GRI 305: EMISSIONS (2016)			
GRI 305-1	Direct (Scope 1) GHG emissions	89-92	
GRI 305-2	Energy indirect (Scope 2) GHG emissions	89-92	
GRI 305-3	Other indirect (Scope 3) GHG emissions	89-96	
GRI 305-4	GHG emissions intensity	96	
EMPLOYEE DEVELOPMENT & TALENT ATTRACTION			
GRI 3-3	Management of material topics	71-72	
GRI 401: EMPLOYMENT (2016)			
GRI 401-1	New employee hires and employee turnover	63-65	

GRI 404: TRAINING AND EDUCATION (2016)			
GRI 404-1	Average hours of training per year per employee	67	
GRI 404-3	Percentage of employees receiving regular performance and career development reviews	69	
EMPLOYEE ENGAGEMENT, SATISFACTION & WELL-BEING			
GRI 3-3	Management of material topics	71-72	
GRI 401: EMPLOYMENT (2016)			
GRI 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	54-55; 71-72	
DIVERSITY AND INCLUSION			
GRI 3-3	Management of material topics	54-58	
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY (2016)			
GRI 405-1	Diversity of governance bodies and employees	30-31; 55-58	
EMPLOYEES HEALTH & SAFETY			
GRI 3-3	Management of material topics	73-77	
GRI 403: OCCUPATIONAL HEALTH AND SAFETY (2018)			
GRI 403-1	Occupational health and safety management system	73-74	
GRI 403-2	Hazard identification, risk assessment, and incident investigation	73-77	
GRI 403-3	Occupational health services	75-76	
GRI 403-9	Work-related injuries	77	
GRI 403-10	Work-related ill health	77	
HUMAN RIGHTS			
GRI 3-3	Management of material topics	22-23; 59-60	

GRI 406: NON-DISCRIMINATION (2016)		
GRI 406-1	Incidents of discrimination and corrective actions taken	21; 59-60
PRODUCT QUALITY AND CUSTOMER SATISFACTION		
GRI 3-3	Management of material topics	43-47
CUSTOMER HEALTH AND SAFETY (2016)		
GRI 416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	43-44
DATA PROTECTION AND CYBER SECURITY		
GRI 3-3	Management of material topics	41-42
CUSTOMER PRIVACY (2016)		
GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	41-42
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GRI 3-3	Management of material topics	34-39
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GRI 3-3	Management of material topics	59-60

7.

G.I.V.A. SPA

INDEPENDENT AUDITOR'S REPORT

ON THE SUSTAINABILITY REPORT

YEAR ENDED 31 DECEMBER 2023





Independent auditor's report on the 2023 sustainability report

To the board of Directors of G.I.V.A. SpA

We have performed a limited assurance engagement on the sustainability report of G.I.V.A. SpA (the "Group") for the year ended 31 December 2023 and approved by the Board of Directors on 02 September 2024.

Responsibilities of the Directors for the sustainability report

The directors of G.I.V.A. SpA are responsible for the preparation of the sustainability report in accordance with the Global Reporting Initiative Sustainability Reporting Standards issued by GRI - Global Reporting Initiative (the "GRI Standards"), as illustrated in the "Methodological Note" section of the sustainability report.

The directors are also responsible for such internal control as they determine is necessary to enable the preparation of a sustainability report that is free from material misstatement, whether due to fraud or error.

The directors are also responsible for defining the sustainability performance targets of the Group, as well as for identifying its stakeholders and material topics to be reported on.

Auditor's independence and quality control

We are independent in accordance with the principles of ethics and independence set out in the Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Management 1 (ISQM Italia 1), which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

PricewaterhouseCoopers Business Services Srl

Società a responsabilità limitata a socio unico
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Auditor's responsibilities

Our responsibility is to express a limited assurance conclusion, based on the procedures we have performed, regarding the compliance of the sustainability report with the requirements of the GRI Standards. We conducted our work in accordance with International Standard on Assurance Engagements ISAE 3000 (Revised) - Assurance Engagements other than Audits or Reviews of Historical Financial Information (hereinafter also "ISAE 3000 Revised") issued by the International Auditing and Assurance Standards Board (IAASB) for limited assurance engagements. That standard requires that we plan and perform procedures to obtain limited assurance about whether the sustainability report is free from material misstatement.

Therefore, the procedures performed were less in extent than those performed in a reasonable assurance engagement conducted in accordance with ISAE 3000 Revised and, consequently, do not provide us with a sufficient level of assurance that we have become aware of all significant facts and circumstances that might be identified in a reasonable assurance engagement.

The procedures performed were based on our professional judgement and included inquiries, mainly of personnel of the Group responsible for the preparation of the information presented in the sustainability report, inspection of documents, recalculations and other procedures designed to obtain evidence considered useful.

In detail, we performed the following procedures:

- analysis of the process of definition of the material topics reported on in the sustainability report, with reference to the method applied in the analysis and understanding of the Group's environment, the identification and prioritisation of the actual and potential impacts, and the internal validation of the results of the process;
- understanding of the processes underlying the preparation, collection and management of the qualitative and quantitative material information included in the sustainability report.

In detail, we held meetings and interviews with the management of G.I.V.A. SpA and with the personnel of the subsidiary Forgia di Bollate SpA and performed limited analysis of documentary evidence to gather information about the processes and procedures for the collection, aggregation, processing and submission of the non-financial information to the function responsible for the preparation of the sustainability report.

Moreover, for significant information, considering the activities and characteristics of the Group:

- at Group level:
 - with reference to the qualitative information included in the sustainability report, we have carried out interviews and obtained supporting documentation to verify its consistency with available evidence;
 - with reference to quantitative information, we performed analytical procedures and limited tests to verify, on a sample basis, the accuracy of data aggregation;
- for the subsidiary Forgia di Bollate SpA, which was selected on the basis of its activities and its contribution to the performance indicators at a consolidated level, we carried out interviews with management and obtained supporting documentation on a sample basis to verify the correct application of the procedures and calculation methods used for the indicators.

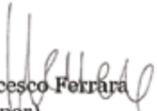


Conclusion

Based on the procedures we have performed, nothing has come to our attention that causes us to believe that the sustainability report of G.I.V.A. SpA for the year ended 31 December 2023 is not prepared, in all material respects, in accordance with the GRI Standards as illustrated in the "Methodological Note" section of the sustainability report.

Milan, 26 September 2024

Pricewaterhousecoopers Business Services Srl


Francesco Ferrara
(Partner)

Firmato digitalmente
da: Francesco Ferrara
Data: 26/09/2024
15:19:21



