



STEEL

YOUR DREAMS

COMPANY PROFILE

STEEL FOR THE FUTURE



OUR BELIEFS

PURPOSE

Feralpi's mission is to be among the international leaders in the steel industry, anticipating standards of excellence in the industry through technological innovation, sustainability, the circular economy and talent development.

From the very beginning our aim has been not only to produce the **best steel** for the construction industry, but also to do it in as **sustainable** a manner as possible, contributing to economic and social progress in communities, local development, and the wellbeing of our employees.

Today, as a **global player in the steel industry**, our approach must meet the challenges of our times, and we are therefore committed to a transition towards development models that are more inclusive and efficient, and have less environmental impact.

VALUES

In our vision, everything is part of one large initiative that we call the **Feralpi Community** - people working together who are inspired by the vision of our founder, Carlo Pasini, which was "To produce and develop while respecting humankind and the environment"

Technical Innovation and Digital Culture

Digital transformation and innovation also generate change in the professional context. As a result, we support pathways designed to develop a digital culture.

Developing people

The development of each and every person is paramount, especially with regard to management, and health and safety. Our advanced training programmes help us to continually improve.



**VALUE,
INNOVATION AND
SUSTAINABILITY**

V

THE ESG APPROACH

The sector in which we operate is at the centre of some of the most significant challenges of our times: **climate change, the digital revolution and global wellbeing**.

A scenario that has great risks but also great **opportunities**: we believe that a responsible approach to social and environmental issues has a positive impact on creating longstanding value for our stakeholders, which is why we are committed to integrating our long-term strategy of Environmental, Social and Governance (ESG) aspects to the traditional levers as key elements for enhanced competitive edge.

Industrial & Sustainability Plan for 2021-2026

Environment

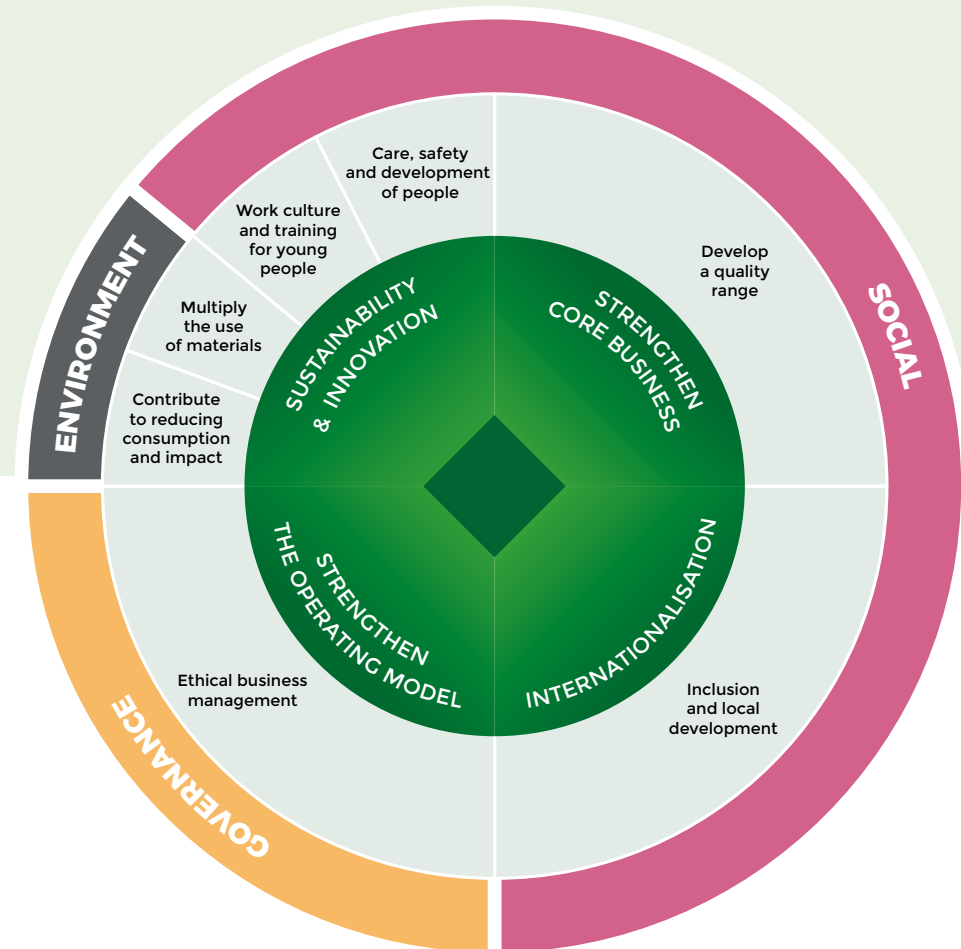
Reduce impact and waste produced through innovative processes and the development of new partnerships

Social

Creation of shared value thanks to an offering of high quality, investment in people and a contribution to the communities and areas in which we operate

Governance

Adopt sustainable practices and actions along the entire value chain in line with transparent and ethical principles



FOCUS ON

Sustainability and transparency: reporting our commitment voluntarily

We are determined to grow responsibly and create sustainable, shared value. Every year we report our journey of development in a **Voluntary Consolidated Non-Financial Statement**. With maximum transparency, the document reports our choices and actions for ethically combining business objectives with measurable social and environmental results. We like dreams but we love having them take shape.

Us and the others. The added value of our work

over 125 mln €

net **overall value added**

65%
—
Employees

23%
—
Public
administration

5%
—
Risk capital

4%
—
Lenders

3%
—
Community



**OUR VISION:
ZERO-IMPACT
PERFECTION**

OUR COMMITMENT TO QUALITY, DECARBONISATION AND A CIRCULAR ECONOMY

We work to deliver **top quality** products and services, optimising our processes to achieve steel production with **zero impact**. This challenge is shared with our suppliers, customers and stakeholders, who are all committed to the process of **energy transition** towards more efficient, circular models with less environmental impact.

Our intention

Continually improve the quality of products and services

Tackle climate change through the decarbonisation of production processes

Invest in solutions to improve energy efficiency

Develop a circular economy by increasing the amount of waste sent to recovery and recycling processes, reducing waste production considerably

Contribute to ecological transition, by focusing more on clean energy

INVESTMENT AND INNOVATION: OUR COMMITMENT FOR A NEW TYPE OF STEEL PRODUCTION

Our aim is to continually improve our productivity, by increasing the quality of products and optimising the environmental performance of processes.

To achieve this, we believe that **innovation** is a **strategic** tool.

Our unwavering **Research & Development** activity - which is coordinated by a **dedicated team** at Group level - is based on developing technologies, and capitalising on skills, partnerships and collaboration also with public entities.

Invest to grow

> **300 mIn€**

Investments in the period
2021-2026

Innovate to change the industry

10

Ongoing
projects

50

Project
partners

about 50

Feralpi people involved
in research projects

**Product
improvement**

**Process
and safety
improvement**

Sustainability

**Process control
and optimisation**

CERTIFIED QUALITY

The **quality** of our steel not only meets **market requirements** but also our planet needs. In line with our environmental responsibility policy, **our hot-rolled and cold-rolled products** (bars and coils) and the Greenstone aggregate (a by-product recovered from black slag)

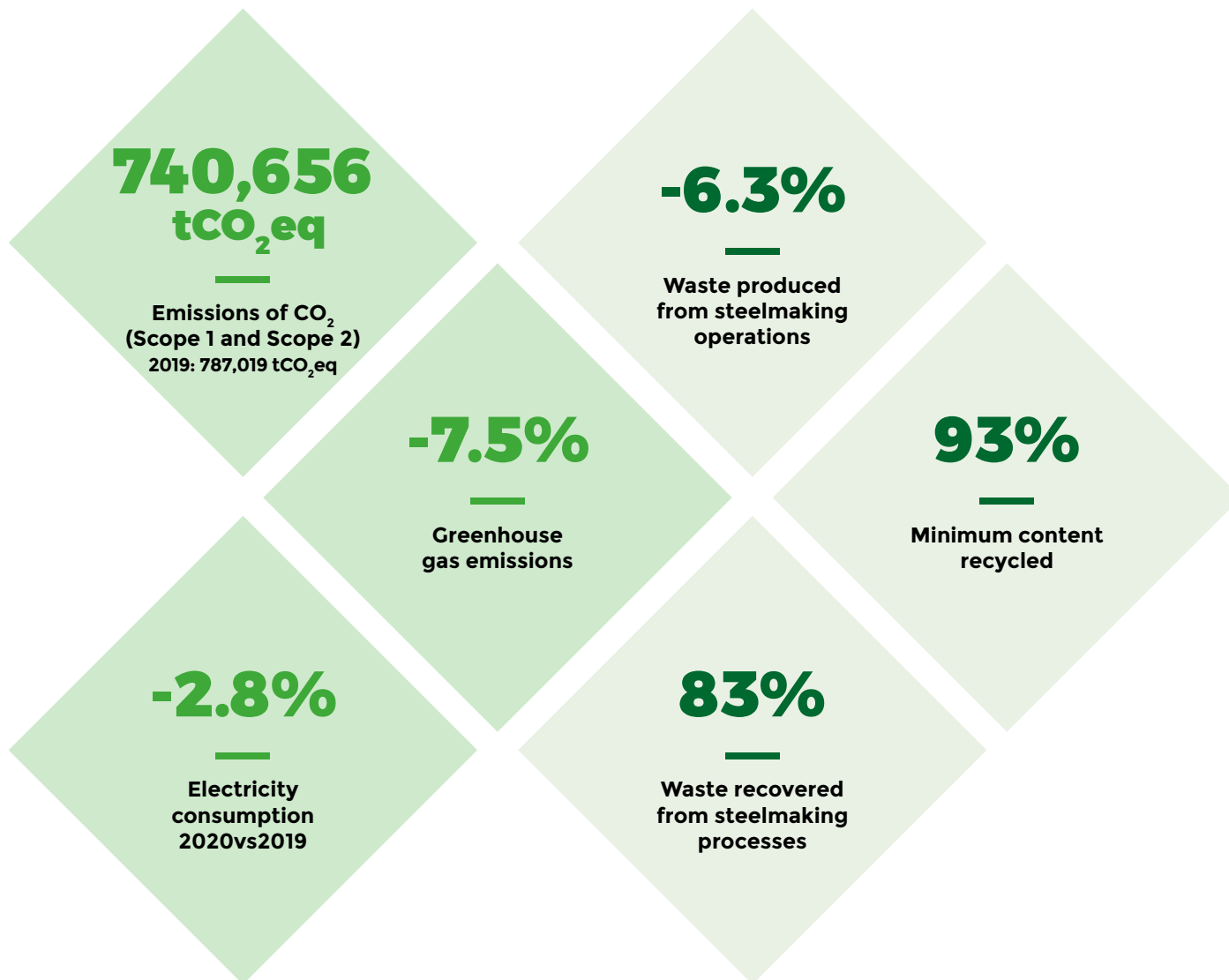
have obtained **environmental certifications** (EPD – Environmental Product Declaration). Since 2014 and 2012, our Lonato del Garda (Italy) and Riesa (Germany) **sites** have been certified, respectively, to **EMAS** (Eco-Management and Audit Scheme), under which they

report any achieved and expected environmental performance improvements with the utmost transparency, specifying any actions taken and plans in progress.

INCREASINGLY SUSTAINABLE

By signing up to the UN Global Compact initiative and participating in the Italian network (Global Compact Network Italia), we are demonstrating the consistency of our commitment to becoming increasingly **sustainable**.

Towards ecological transition for a circular economy



FOCUS ON

Circular by nature, circular by choice

Our production process is circular by **nature** - we turn scrap into steel preventing it from becoming waste.

We have initiated various **circu- lar processes** that benefit everyone along the entire value chain, in order to reduce our environmental footprint and contribute to **sustainable development** in line with the targets set out in the **UN's 2030 Agenda**.

SteelZeroWaste is the project which will assist us in continually improving environmental performance, through continuous engagement and collaboration with partners.



Our most significant results

Through the recovery of black slag, we provide the construction industry with a substitute for natural raw materials

By recovering heat from cooling circuits, we enable the generation of clean alternative energy

We use polymers recovered from plastic to replace carbon and anthracite

We recover and reuse spent refractory materials in our process

We contribute to the recovery of non-ferrous metals through our scrap sorting process

We help to reduce demand for zinc ore by recovering dust and process gases

Feralpi supplies the construction industry with an iron ore substitute by recovering rolling mill scale

We recover 99% of process water and return it to the production cycle after treatment

FERALPI TODAY



A VERTICALLY-INTEGRATED, SUSTAINABLE INDUSTRY GROUP SPECIALISING IN STEEL

The Feralpi Group is a leading steel manufacturer in Europe, and we specialise in the production of **steels for the construction industry** and **special applications** in a domestic and industrial setting. Established in Lonato del Garda in 1968, in over half a century in business we have created an international group, with **diverse and vertical operations** that produce around two million tonnes of steel and rolled products annually.

Highlights

over
2.5 mln tonnes

of steel produced

over
1.3 billion €

in revenue

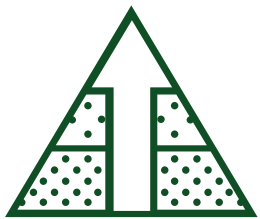
over
180 million €

of net overall added value

over
520 million €

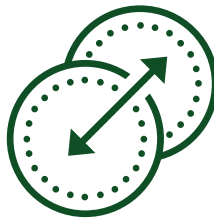
of net worth

The foundations underpinning our success



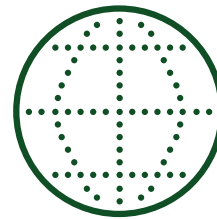
VERTICALISATION

Through the consolidation of downstream processes and presence at several levels in the supply chain to engage closely with end customer



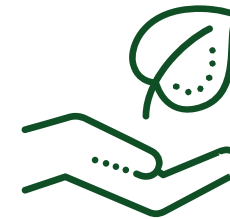
DIVERSIFICATION

By entering new target markets for new products



INTERNATIONALISATION

With further expansion in foreign markets to offset the persistent weakness of the Italian market



SUSTAINABILITY

By creating value for stakeholders, reducing environmental impact and engaging with the community



PRODUCTION INNOVATION

Through research and development, and an ongoing focus on product quality

FOCUS ON

Our Climate & Energy Strategy

The ecological transition has already begun for us. We have started to define our climate strategy, based on the use of artificial intelligence, the management of carbon dioxide emissions, advanced energy monitoring, and the development of energy efficiency initiatives (**Smart Energy Efficiency**), with the reinforcement of economic sustainability by obtaining energy certification.

Working together: shared success

27%

of 2020 turnover
paid to local suppliers

80.4 mln €

paid to all persons
employed by the Group

57

local organisations supported
in projects with social and
cultural purposes in support
of the community

over 4 mln €

Feralpi Group's
contribution to
supporting local
communities



OUR HISTORY



GROWTH, INNOVATION AND SUSTAINABILITY FOR OVER HALF A CENTURY

◆ Historic Milestones

■ Sustainability Milestones

1968

The Feralpi group was established thanks to the vision of Carlo Pasini, who decided along with some associates to build a new steel production site in Lonato (BS).

1972

Acciaierie di Calvisano was established to produce steel billets destined for rolling processes

1992

The internationalisation process commenced with entry into Hungary, the Czech Republic, and the establishment of ESF Elbe-Stahlwerke Feralpi in Riesa in Saxony.

2009

Recognition from the German government for the best pollution control technology available

2009

Feralpi diversified by taking over Nuova Defim and then Orsogrill (2012), becoming a major European player in fencing, gratings and mesh

2004

Feralpi enhanced its organisation by establishing Feralpi Holding to manage the international group and its numerous premises

2004

First Group Sustainability Report

2003

Implementation of Environmental Management System in Siderurgica

2011

EPD® (Environmental Product Declaration) for hot and cold rolled structural steels

2012

First Environmental Declaration for ESF Elbe-Stahlwerke Feralpi GmbH

2013

Feralpi Algérie in Orano was established to cater to the North African market

2013

Saxony environmental award for the steam and power generation plant with innovative technology at ESF Elbe-Stahlwerke Feralpi GmbH; Suststeel Certification for Feralpi Siderurgica

2015

Feralpi took over Presider and MPL (with full control since 2017) to expand in large development projects

2014

Feralpi became involved in Caleotto and Arlenico (with full control since 2020), creating industrial and commercial synergy with Acciaierie di Calvisano, dedicated to special steels for the engineering and automotive sectors

2014

First Environmental Declaration for Feralpi Siderurgica

2018

Integrated Management System (Environment, Quality and Energy) at Riesa

2019

- Presider Armatures near Paris was established to cater to large development projects in France
- Feralpi strengthened its governance model by creating business units focusing on steel for the construction industry, special steels, and diverse products

2019

First Voluntary Consolidated Non-Financial Statement

2019

Environmental Product Declaration EPD® for GreenStone

2021

Feralpi has signed the first Circular Economy-Linked Interest Rate Swap, an absolute novelty in the Italian market

2021

Presider has expanded further in the construction with the new production facility in Nave (BS)

2020

Integrated Management System (Environment, Safety and Energy) at Feralpi Siderurgica

READY FOR THE FUTURE



TALENT, GROWTH AND INNOVATION

Ours is a **community** with two fundamental objectives - **growth** and **innovation**, both at work and in day-to-day life. For this reason we pursue a talent management strategy that aims to **develop people's skills** and train them in **technical excellence**.

The value of expertise

Looking to the future is in our blood - in 2021 we defined a company succession plan, to increasingly add value to the Group's internal expertise. The aim is to develop a management team that is able to progress our journey.

Road to technical excellence

We have set up a Group technical management team to stimulate our people to improve and raise the bar continually. This team has 40 of the most talented technical experts to manage the Group's operations and establish lines of investment in the field.

Our collaborators

over 1,700

Employees in Italy, Europe and North Africa

98%

Open-term employees

54%

of employees in Italy

41%

of employees in Germany

6

European countries in which we operate

TRAINING

We develop our people by combining training activities with career and development programs to nurture specialists and skills through targeted courses.

over 18,000

Total training hours

over 1,350

People trained

Macro topics

Technical-specialist arts and trades area

Safety, Health, Environment and Energy Area

Compliance

Quality

FOCUS ON

Freedom to grow - respect for human rights and equal opportunities

Everywhere in the world that we operate we undertake to make every work environment safe, protected and inclusive for everybody, creating a place where people feel at liberty to be themselves and give their best in full compliance with **human rights**.

We have voluntarily signed up to the **Charter for Equal Opportunities and Equality**, demonstrating our commitment to tackling discrimination and prejudice.

We support the families of our employees with specific benefits tailored to their needs, including reimbursements for educational costs from nursery through to university level, care costs for children and the elderly, services provided by home helps, school transport and school meals.

Working together - valuing people

29

WHP good practices in place
from 2013 to 2020

over 750

individual prevention actions in 2020
(musculoskeletal, flu vaccinations and
urinary system)

over 1,000

employees involved in Group-wide
health and wellness initiatives



over 700

employees subjected
to molecular swab and
serological testing in the
first phase

5 months

of monitoring through an
experimental app
for the involvement in the
experimentation of the Advanced
Health Surveillance Plan ("Sced-
Cov" Project) coordinated by the
University of Brescia

over 700

employees subject to
serological testing in
autumn 2020

385

employees who chose to
be vaccinated in-house for
seasonal flu

OVERALL MISSION



WE EXPORT OUR STEEL
TO OVER 40 COUNTRIES

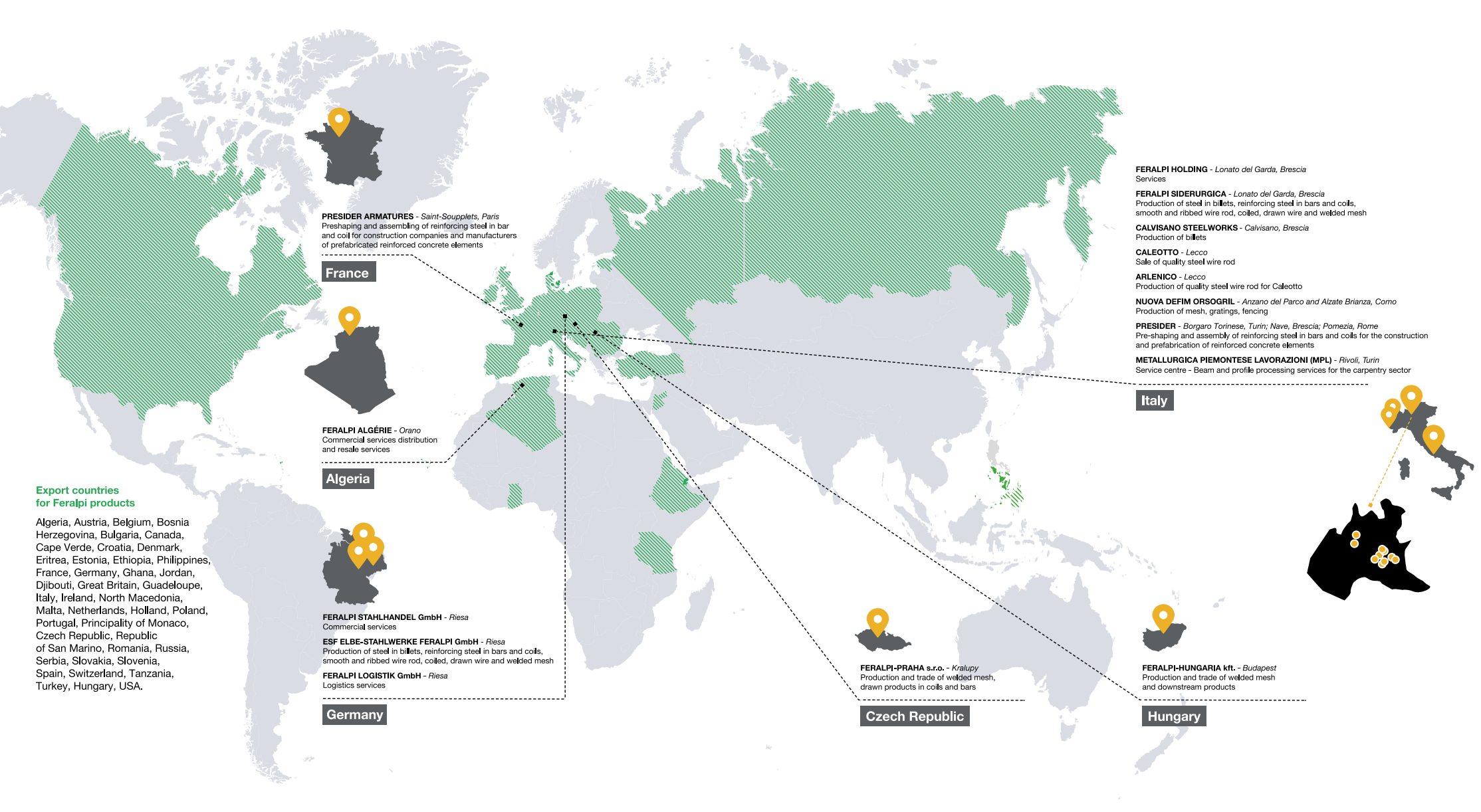
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TOP 4



by sales volume
in the 3 main construction
markets in Europe





Export countries for Feralpi products

Algeria, Austria, Belgium, Bosnia Herzegovina, Bulgaria, Canada, Cape Verde, Croatia, Denmark, Eritrea, Estonia, Ethiopia, Philippines, France, Germany, Ghana, Jordan, Djibouti, Great Britain, Guadeloupe, Italy, Ireland, North Macedonia, Malta, Netherlands, Holland, Poland, Portugal, Principality of Monaco, Czech Republic, Republic of San Marino, Romania, Russia, Serbia, Slovakia, Slovenia, Spain, Switzerland, Tanzania, Turkey, Hungary, USA.

Revenue by geographical area



34% Germany | 16% Other EU Countries | 12% Other world Countries



OUR STEEL

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QUALITY, CERTIFICATION AND TRACEABILITY

From the material selection stage through to the final product, our **quality management system** carefully and meticulously checks our steel to ensure the product meets customer requirements.

Innovation and technology for our customers

We monitor each phase of the production process, apply artificial intelligence systems to anticipate the onset of out-of-process events that may generate defects, and offer integrated supply chain traceability. This is the added value we offer to our customers.

ISO 9001

Certified quality management systems

12

production sites with ISO 9001 certification

100%

sales agents added to the new CRM platform

No case of non-conformity

related to product information and labelling

AN EXTENSIVE, UNIQUE AND DISTINCTIVE RANGE

The extent of our **product range** makes us unique. We can meet the requirements of national and international customers operating in various industries, while always complying with the highest quality and environmental standards.

Construction steel

Products that combine strength and durability, contributing to the implementation of projects throughout the world. We are at the service of residential, industrial and civil engineering projects, with particular focus on large developments.

BILLET, WIRE ROD, DRAWN WIRE IN COILS, SPACERS, LATTICE TOWERS, BARS, WELDED WIRE MESH, STRETCHED COILS, SHAPED AND PRE-SHAPED PRODUCTS, ASSEMBLED AND PRE-ASSEMBLED PRODUCTS, MECHANICAL JOINTS

Diversified products

Wire mesh and fencing solutions for the national and international markets. We are the only European company specialising in the production of welded wire mesh made of special steels, in addition to fencing, gratings, gates and cladding.

GRATINGS, FENCING, MESH, FINISHED BEAMS AND ROLLED PRODUCTS

Special steels

High-quality wire rod, with the highest standards in terms of products, processes, services and support, serving numerous industries, from engineering through to the automotive sector.

NUTS & BOLTS, SPECIAL DRAWN PRODUCTS (LOW, MEDIUM, HIGH CARBON), SPRINGS, CHAINS, STRUCTURAL & CONSTRUCTION STEEL, HIGH WORKABILITY, CASE-HARDENING, FOR WELDING, HARDENING AND TEMPERING AND TOOLS.

FOCUS ON

Customers



**STRUCTURAL STEELWORK
AND CONSTRUCTION
COMPANIES**

PREFABRICATION COMPANIES

**PROFILING AND PROCESSING
CENTRES MERCHANTS AND
RETAILERS**

INTERNATIONAL TRADERS

**COMPANIES WORKING ON
LARGE PROCUREMENT
CONTRACTS**

**GENERAL CONTRACTORS
END USERS IN INDUSTRY**



**BUILDING DISTRIBUTION
STEEL DISTRIBUTION**

OEMS

*(Original Equipment
Manufacturers)*

FENCE INSTALLERS

**GRATING MODIFICATION
COMPANIES**

**AGRICULTURAL
COOPERATIVES**



**AUTOMOTIVE
INDUSTRIAL PROCESSING
SECTORS**

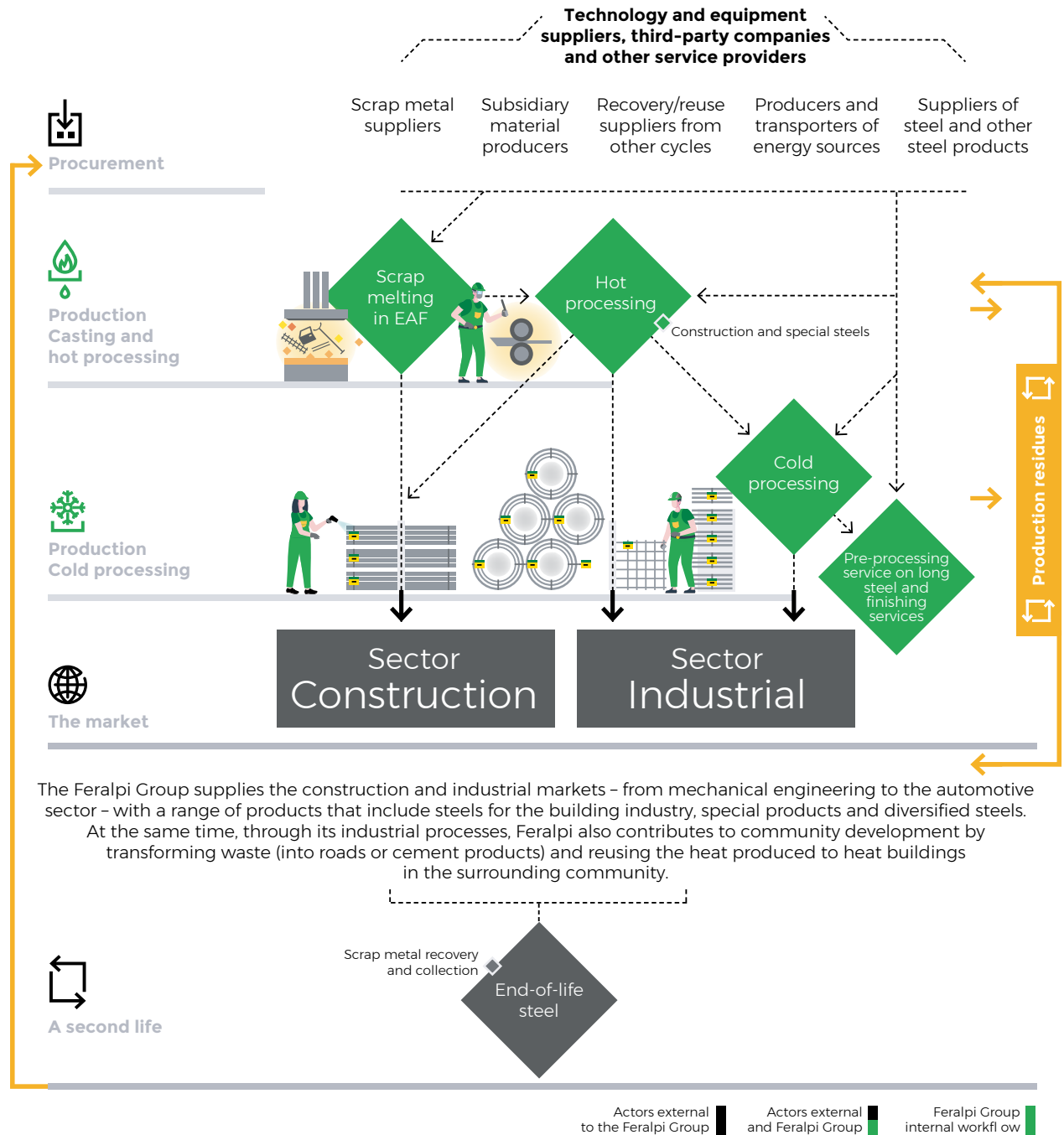
*(e.g. manufacturers of steel rope,
prestressed steel wire, chains,
springs, tools, wire for welding
etc.)*

OUR COMMITMENT TO TOP QUALITY



We view our work as an ongoing relationship with anyone who provides us with the stimulus to improve - suppliers, technological partners, universities and research organisations and customers. We produce steel to shape dreams.

We focus on attention to detail and a job well done from start to finish. Our core role stops at the factory gates, but guarantees maximum quality, from the stage for sourcing raw materials through to **after-sales support**.





Feralpi Holding S.p.A.

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