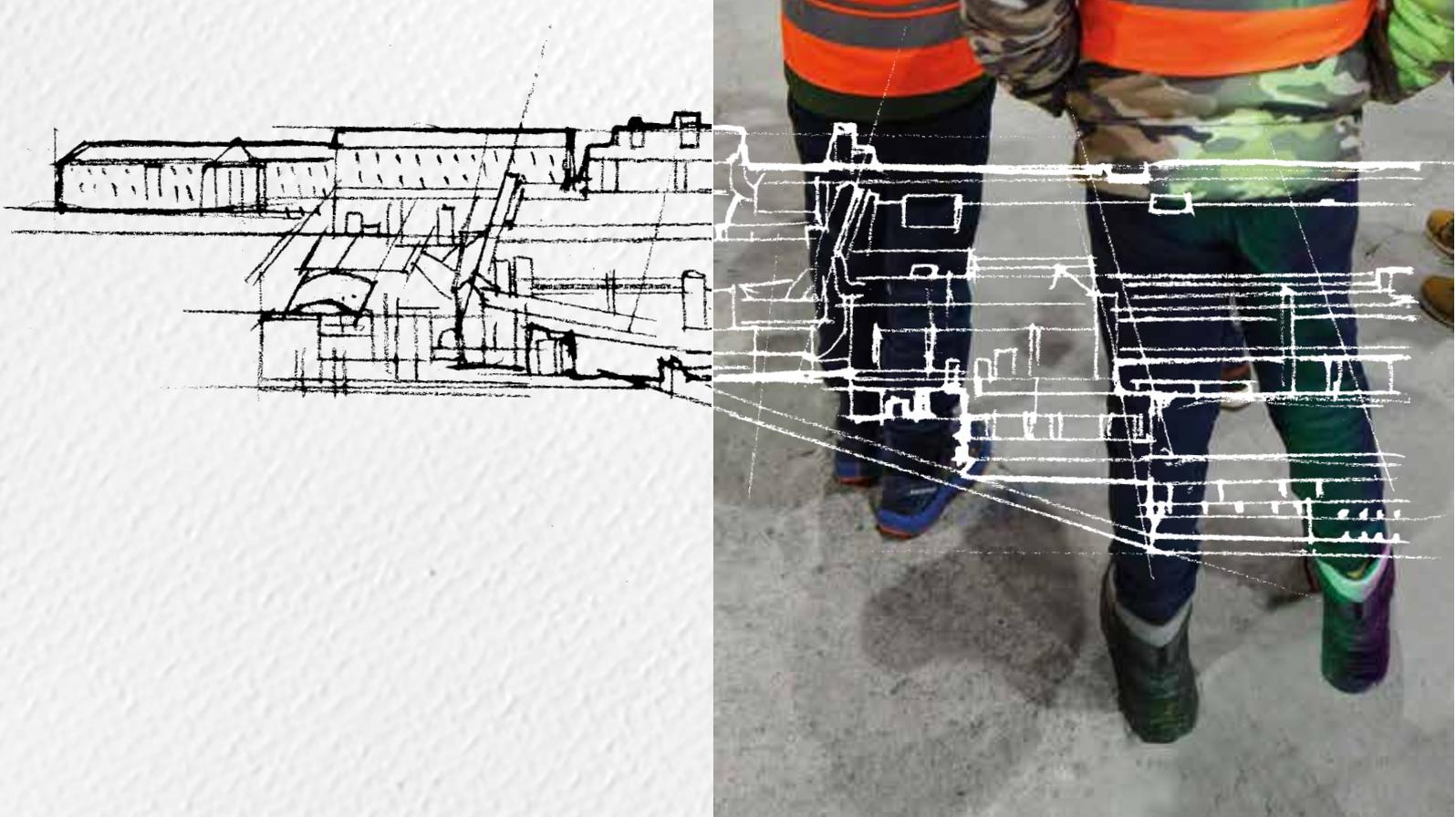




**Cogne Acciai Speciali**

# Sustainability Report 2021



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## LETTER TO THE STAKEHOLDERS

As we present our 2021 sustainability performance to our stakeholders, we look back on last year as that in which we were still dealing with the effects of a global crisis, not only a health, but also a social, economic crisis and in the world of work. We got organised, defended our people and helped the community, always complying with the instructions of the authorities, doing our part to support the economic recovery, and in doing so we achieved our best economic and financial results ever. In 2021 we achieved a turnover of more than 585 million euros and shipped more than 168 thousand tonnes of steel.

A key element of our success is the strength of our people. COGNE is synonymous with preparation, experience and innovation, but also with corporate culture. These are foundations that we continuously build on

through the work and commitment of those who are part of our team.

In 2021, as in the previous years, health and safe operation were top priorities for COGNE, putting in place the fundamental measures necessary to ensure the continuity and efficiency of our production and the best working conditions for all our people.

We believe that a viable, sustainable development model is supported by the use of renewable energies and the principles of the circular economy, and consequently we strive to develop our operation to set the standard in these areas every day. If the use of new technologies, digital and otherwise, is the key to success, then the aim is to maximise the potential of each resource, thereby generating value for all and minimising waste. The principles of the circular economy pervade all our activities, and in particular govern waste management and the responsible use of all natural resources.

The sustainable development we pursue is based on realistic projects, which are an integral part of our multi-year investment plan worth more than 100 million euros. More than 30% is dedicated to environmental, occupational health and safety and good corporate governance issues (ESG investments) and 70% of the multi-year plan is devoted to investments in plant and technology, training and digitisation of information.

We are proud of the results we have achieved so far thanks to the commitment of all our people, who work in harmony with the company strategy based on specialisation and internationalisation, which is a characteristic of the increasingly challenging competitive and commercial scenario we deal with. The knowledge that we are operating in a historic industrial context that has been producing steel for over 100 years makes us intent on highlighting our identity and pride in being part of the world of COGNE. We have therefore decided to share our passion by bringing the children of our employees into the plant, through organised visits starting in the fall of 2021 and, in 2022, students from Valle d'Aosta.

I would like to end this letter with a heartfelt thank you to all the women and men working at COGNE whose professionalism, courage and sense of responsibility allow us to march towards excellence. These values, together with the ability to speedily adapt to an ever-changing global scenario, will be crucial in the coming years in order to remain competitive in an increasingly demanding environment.

On a personal level, and the Chairman of the Board of Directors, I am particularly grateful to walk side by side with this group of people as we make our way towards COGNE's increasingly sustainable future.

Mr. **Giuseppe Marzorati**  
CHAIRMAN  
COGNE ACCIAI SPECIALI



# Highlights 2021



## People in first place

In 2021, after the complexities associated with the 2020 pandemic, we have resumed our path that places people at the center of our activities, focusing on the development of skills. The total number of hours of training reached 19.949 total hours, 2,5 times the training hours delivered in 2020, bringing the training hours for each person to over 18 hours.

Also in 2021, the injury frequency index realigned with 2019, after the situation experienced in the period of full pandemic of 2020. Instead, the severity index continued to decrease, decreasing from 0,59 in 2019, to 0,54 in 2020 and to 0,51 in 2021.

A great success that testifies to our constant commitment to protection of health and safety at work.



## Our contribution to tackle climate change

In 2021, the resumption of business at full capacity led to the best results ever, with an increase in energy consumption compared to 2020. In this situation, however, to testify our constant commitment and contribution to the fight against climate change is the improvement of the ratio between total Scope 1 and Scope 2 emissions Location-Based and tons of steel produced in the Aosta plant which decreased from 1,18 in 2019 to 1,24 in 2020 (particular year of the pandemic with consequent loss of efficiency) down to 1,14 of 2021.

This improvement confirms the appropriateness of our choice of a path towards energy efficiency, supported by demanding investments in plants and infrastructures.

# The sustainable strategy

The economic, social and environmental events affecting the world in recent years have placed sustainable development increasingly high on the agenda. The pandemic we are still experiencing changed our environment and paradigm and highlighted the importance of having a resilient and sustainable economic, social and environmental system.

Immediate action to respond to the crisis must be accompanied by the ability to plan long-term initiatives that combine economic recovery with the new model of sustainable development. The transition to sustainable development will affect the life of the planet and its inhabitants and is a key element in social development and economic recovery in Europe and beyond. In this context, action to combat climate change is dominating international policies and requires concerted action by a multiplicity of economic and institutional players at a global level. For years the World Economic Forum has ranked climate change as one of the most significant risks to the global community, and in its annual report, the "Global Risk Report 2021", it emphasises that environmental risks such as loss of biodiversity, natural resource crises and failure to act on climate change are perceived as high.

The extreme environmental events observed in recent decades could further exacerbate their effects and increase in number, raising the possibility of triggering further crises, including loss of biodiversity, diminished availability of natural resources and permanent damage to the planet. In the steel industry, the international measures needed to combat climate change necessarily

involve reducing CO<sub>2</sub> emissions, and the challenge sees energy markets as key players in the next decades. On the one hand, the economic recovery and the expected global population growth with the associated increase in the rate of urbanisation suggest a significant increase in global steel demand. On the other, the commitment to combat climate change and prioritise decarbonisation calls for technological developments and reflections on the energy mix and the technologies currently used in the sector we operate in.

## COGNE'S SUSTAINABLE STRATEGY

In December 2021, Cogne Acciai Speciali approved the 2022-2025 Sustainability Plan, an integral part of the Strategic Plan, which outlines the development and initiatives of the sustainability strategy. Circular economy and energy transition are its pillars, demonstrating the company's commitment to climate change issues. Our approach represents a shared, sustainable and forward-looking vision of the world that we want to contribute to on a daily basis.



Our 2022-2025 Sustainability Plan is the cornerstone of our strategy and represents our commitment to sustainability goals and economic growth targets that are very important for the company.

The plan reinforces the company's strategic and sustainable positioning as "leader in long stainless steel and nickel alloy products" through the development of nickel alloy products with high added value, while combining the principles of responsible use of resources and respect for people, the environment and communities.

The Sustainability Plan is a long-term strategy, with investments of more than 100 million euros planned by 2025, a third of which will be dedicated to the energy transition and improving occupational health and safety, as well as developing the circular economy.

These are the solid foundations that will allow the company to carry out those strategic, innovative and essential initiatives for the growth of the company and the surrounding community. Challenging global decarbonisation and emission reduction targets, as well as technological

and market developments, call for two priority actions: ensuring an increasing use of energy from renewable sources and consequent reduction in CO2 emissions, and guaranteeing security, stability and flexibility of the production system. We also mapped out a Digital Plan with the objectives of increasing the security of the company's information network, progressively digitalising activities, empowering people by developing their skills, increasing promptness of action where necessary, streamlining procedures and speeding up activities, while always ensuring high quality standards.

The plan confirms our position as key player in the development of the circular economy, with particular regard to the cycle of material used in the production process, water recirculation, district heating and waste management, providing for specific investments aimed at further increasing the recovery of raw materials and energy saving as well as reducing waste (e.g. water losses, excess heat).

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AMBULANZA

Donata da



Cogne Acciai Speciali

AO 11  
10-04

COGNE 1916  
100 YEARS



**COGNE FOR  
THE COMMUNITY**

## AN AMBULANCE FOR THE VALLE D'AOSTA COMMUNITY

The pandemic and the health emergency brought with it much suffering, but it also inspired a great deal of solidarity with the healthcare system and its professionals and workers.

In September, Giuseppe Marzorati, Chairman, met with Renato Malesan of the Aosta Committee of the Italian Red Cross to hand over the keys to the fully equipped ambulance that Cogne Acciai Speciali donated to the Italian Red Cross. A symbolic gesture that encapsulates the company's gratitude to the volunteers who, with their commitment and sensitivity, contributed to the management of the pandemic.

The donation symbolizes the strong bond that the company has with the Valle d'Aosta community and also represents a thank you for the contribution that the Italian Red Cross made to our company when it came time to vaccinate employees. The vaccinations took place inside the plant in the summer of 2021, with the collaboration of volunteers from the Aosta committee, including four people who work inside the Aosta plant. To

them, to all the volunteers of the Italian Red Cross, to the regional health system and to the whole community, the Chairman, Mr Giuseppe Marzorati, offered his thanks for their dedication and generosity.

On behalf of Cogne Acciai Speciali the handover of the keys was attended by Mr Giuseppe Marzorati, Chairman, and Ms Monica Pirovano, General Manager, together with the Health and Safety Manager, Mr Ettore Bordon.

The donation of the ambulance follows the company's 2020 commitment to support operators and institutions in the fight against the spread of the Covid-19 virus and it is a contribution to the continued improvement in emergency services, especially at this particular time where it is important to support health workers as effectively as possible.





## WHERE DOES MY MUM WORK? WHERE DOES MY DAD WORK?

With the aim of sharing “what happens inside the plant’s walls”, in 2021 COGNE decided to launch guided tours inside the Aosta plant, with a special focus on children.

The goal is to raise awareness of the production process and the end products, not to mention the new technologies and “old recipes” used in the production of special steel and nickel alloys, and to recall the link between COGNE and the surrounding region.

After planning and designing the tours, the plant was first opened to the children of employees, with the first visits taking place in November 2021, allowing access to children aged 6 and older, making it possible for the employees’ children to discover where their mum and dad work and to share our people’s spirit of belonging.

The tour is structured in seven steps that cover the stages of the production process, preceded by a presentation

of Cogne Acciai Speciali in the world. The company tour involves the workers in the discovery of the plant: from the management of raw materials to the quality laboratories, passing through the steelworks, the forge, the rolling area and the maintenance workshop. The guided tours will continue in 2022 with the involvement of students from Valle d’Aosta.



# **HUMAN RESOURCES**

## GOVERNANCE OF HUMAN RIGHTS

Respect for universally declared human rights is the basis of COGNE's activities, and COGNE considers these values to be paramount in its corporate strategy. Our activities aim to identify and reduce potential risks of human rights violations, with the objective of not causing, or unwittingly contributing to causing, adverse effects in a multicultural and socially and economically diverse global economic environment.

COGNE's commitment to respect for human rights is set out in its Code of Ethics and in its Quality, Occupational Health, Environment and Safety and Major Accidents Prevention Policy, which set out the principles adopted by the Company in respect of core rights and values such as health and safety at work, non-discrimination, freedom of association, rejection of forced labour, guarantee of decent working conditions, rejection of all forms of corruption and protection of privacy.

These documents are disclosed to employees and published on the company's website.

With the aim of identifying, measuring and mitigating potential risks as regards the respect of Human Rights, COGNE:

- involves employees in information and training initiatives starting from the moment they are employed;
- put in place a channel for reporting – anonymously or otherwise – any circumstances that constitute or may constitute a risk of violation of Human Rights (the Whistleblowing Policy).

Respect for the internal community

COGNE's total headcount as at 31st December 2021 came in at 1,047 people (versus 952 in 2020 and 964 in 2019), an increase by 95 compared to the previous year.

In 2021, 81 new resources joined the company in line with forecasts, also due to the sharp rise in production volumes. This is a significant increase in the workforce compared to the previous year, which was marked by the pandemic and market uncertainty, and which, while safeguarding employment levels and all workers with fixed-term contracts, led to a modest number of new employees (16 new employees) and the exit of a number of workers who had reached retirement age.

As to new employees in 2021, 49% are under 30 years of age, encouraging generational change and valuing diversity, especially in terms of skills, motivation and well-being.

As far as the gender breakdown of the workforce is concerned, the 2021 figures show substantial stability, with women accounting for 6% of the total population. The total percentage of women in managerial positions (managers + middle managers) is stable.

In the tables in the Technical Annexes regarding the last three years, the composition of the workforce by cate-



gory, gender, type of contract and the flow of employees by gender and age group are detailed.

Except for production organised based on shift work, where possible and with a view to helping balance family and work needs the company enabled the possibility of remote working (22% of the population is enabled to work remotely).

## MANAGEMENT OF DIVERSITY

COGNE employs people who have a variety of cultural backgrounds, knowledge and professional histories, the governance of which produces a benefit for the Company. Our attention to respecting equal opportunities and valuing diversity in the workplace is expressed in every initiative and formalised in the Code of Ethics.

COGNE monitors the level of acceptance and appreciation of diversity perceived by employees in its organisation. In 2021, a corporate climate survey was distributed to measure the level of employee engagement and satisfaction by identifying circumstances that foster a positive work climate. The survey was administered via

a questionnaire that was anonymous but linked to the process, with the aim of later intervening with targeted actions. The survey yielded satisfactory results overall (89% of participants) and at the same time provided useful suggestions for improvement, also with respect to the general perception of equal opportunities and anti-discrimination. In this respect, to improve diversity management in the company awareness-raising campaigns are planned against discrimination based on gender, ethnicity, religion and sexual orientation.

A tool for managing equal opportunities and preventing the risk of violations is the Whistleblowing Procedure, with which employees and external stakeholders can report any violations, even anonymously. No reports were received in 2021, as in previous years.

## PERFORMANCE MANAGEMENT

The assessment and development process of people allows COGNE to identify and measure the contribution of each employee to organisational behaviour and results. The definition of objectives and corresponding indicators, the achievement of which is considered primary by the Company, represents the basis for the development and orientation of each employee towards their own success within the Company and therefore for COGNE as a whole.

Assessment allows to monitor individual performance, which is essential to support the compa-

ny's processes aimed at achieving strategic objectives. The constituent principles of the process are discussion and dialogue, sharing objectives and mutual expectations, not to mention the assessment of behaviour and the development of the results achieved in one's own activity. The identification of workers' areas of improvement, as well as of their skills and potential, allows the subsequent definition of training programmes in the perspective of professional growth and career development.

In fact, as regards people's assessment and development, the corporate climate survey carried out in 2021 showed that objectives and work results may be communicated and shared more effectively. Among other initiatives, COGNE has therefore planned:

- Performance assessment (to be concluded by May 2022);
- Disclosure to workers of their areas of improvement and development plan to increase their expertise;
- Progressive updating of job descriptions for roles in the company;
- Awareness development through training and visits to the plant by employees at all levels.

Aware of the fact that the assessment of employees requires the necessary skills to make reliable, objective and constructive assessments; the company chose to invest in preliminary training of Heads of the various functions.

As part of the process of increasing the value of hu-

man resources, Talent Development is also part of the process, i.e. initiatives aimed at ensuring business continuity by identifying resources with the skills to operate in more complex roles, employees who already work in key positions within the workforce and those with "critical know-how", i.e. resources with key technical skills that are difficult to find in the market.

## TRAINING

Over the years, COGNE has developed the COGNE ACADEMY model, a system organised to meet existing information and training needs and to manage those that arise. Training is based on the strategic priorities of COGNE and the different areas/functions, as well as on any needs related to the constantly changing scenario. COGNE ACADEMY is dedicated to all employees with the aim of guaranteeing continuous technical and professional training, fostering the exchange of skills and know-how across functions and supporting the implementation of tools and procedures within the organisation. The instructors of COGNE ACADEMY are internal trainers who offer courses to co-workers on a wide variety of subjects.

As regards training aimed at developing innovative skills and talent, the



project entitled “The maintenance technician of industry 4.0” continued in partnership with the Autonomous Region of Valle d’Aosta and CNOS-FAP Don Bosco, with the launch of two specialised courses for Mechanical Maintenance Technicians and Electrical Maintenance Technicians.

Despite limitations due to the persistence of the pandemic, thanks to a re-design of the provision methods and the use of remote learning, the planned programmes were implemented in full, with the important contribution of highly qualified professionals within Cogne as instructors.

One of the initiatives developed in 2021 was the transition to the new digital platform named COGNE WEB ACADEMY, which made it possible to complement traditional training delivered both in person and remotely, with online courses that are not to be followed live.

In 2021, after the global pandemic in 2020, most of the training focused on health and safety issues in order to ensure that employees were properly informed about prevention and, to guarantee a safe return to the workplace, training activities, in addition to the compulsory training, focused on teaching proper conduct with respect to the risks present in the divisions, in order to

further reduce potential accidents.

In 2021, initiatives launched at a company level designed to promote awareness of company guidelines were also implemented. Issues such as the culture of safety for products destined for the company’s strategic markets and attention to compliance with procedures to avoid potential counterfeiting were among those addressed.

Specifically, a critical awareness and training campaign on Information Security issues was organised in 2021, with a particular focus on the issue of phishing, one of the greatest dangers to businesses in terms of impact and pervasiveness. The training included a specific online course on the COGNE WEB ACADEMY platform aimed at helping people understand how phishing works and illustrating the behavioural guidelines on how to eliminate or reduce the risks associated with it.

Launched in November, the initiative has reached over 650 employees.

## TRAINING IN NUMBERS

Overall, in 2021 an average of 2,38 days of training per person were provided. This reflects the central importance of training in COGNE’s culture, as well as our commitment to the constant development of our people. All employees (taking account of the average workforce for the year) participated in at least one training session during the year.

The total number of training hours in 2021 amounted to 19.949: a significant increase compared to the

7.797 delivered in 2020, when – due to the Covid-19 pandemic – training was halted on two separate occasions during the spring and autumn/winter lockdowns. The figures for 2020, during which the pandemic weighed heavily only on the early part of the year, were in line with those for 2019, which came in at 23.812 total hours of training provided.

The issues of Health, Safety and the Environment have understandably become more important over time, constituting 52% of the total training provided in 2021. Health and safety training not required by law constitutes 4,9% of the total training provided.

Net of compulsory training requirements, a significant share (46,6%) of the training activities for white-collar staff concerned courses on developing managerial and soft skills, both strategic for the company. In fact, with regard to office staff training, in 2021 the campaigns on the certification of Lean Skills, the development of role skills and employee management, and training focused on employees' assessment were particularly important..

## **CORPORATE CLIMATE SURVEY**

Based on the assumption that a satisfactory working environment stimulates individual performance and promotes personal well-being, consolidating the alignment of individuals with strategic objectives, in 2021 COGNE distributed a survey on Corporate Climate, administered to all employees online, in order to identify any conditions that could hinder a positive climate.

The 2021 edition of the Company Climate Survey aimed to measure levels of employee engagement by investigating issues such as quality of the relations between people, access to information and opportunities for growth, workload and work-life balance, and perceptions of the safety of the physical working environment.

The overall participation rate was 59% (59% overall, 60% for production, maintenance and quality areas and 86% for staff and management functions), of which 56% work in shifts. The sense of belonging and pride was underlined by the fact that 89% of the respondents would recommend to a friend to work at COGNE.

Cooperation among co-workers, responsibility for the results of one's work and support for new employees in the company saw high levels of satisfaction among employees. The focus on training is evidenced by the high score achieved by the training initiatives and the availability of skills and knowledge needed to perform the tasks assigned. Positive results in the areas of work/leisure balance and the management of family issues completes the picture. As regards the aspects to be improved, in addition to what was already discussed in the previous paragraphs, issues relating to the recognition and rewarding of work done were noted, which is di-



rectly linked to what was described in the paragraph on performance management.

Other areas of improvement to work on over time to increase employee engagement clearly include the issue of development, related to that of the assessment, which the 2022 actions will focus on, together with greater attention to the dissemination and clarity of information.

## WELFARE AND INTERNAL COMMUNITY INITIATIVES

The welfare projects that COGNE offers its employees, in addition to what is required by specific regulations, aim to implement initiatives over time that promote the appropriate balancing and support of employees' personal needs.

The projects implemented are related to four main areas:

- health and well-being (e.g. health care, information and awareness campaigns, specific initiatives to improve the well-being of employees);
- family support (e.g. scholarships);
- leisure time (e.g. open days, sports and cultural initiatives, online portals of products and services with

important offers and discounts for employees);

- working life and working environments (e.g., schedule flexibility).

Note that in 2021 the health clinic at the Aosta site remained active for first aid and blood tests and administration of Covid-19 tests, as well as support for national vaccination programmes.

## INDUSTRIAL RELATIONS, UNIONISATION INDEX AND UNION ACTIONS

COGNE applies the national collective labour agreement for the metalworking and plant installation industry. It bases its relations with the trade unions on respect for constructive dialogue and fairness. Relationships and negotiations are always handled in compliance with the law and the national and company collective agreements. 49% of employees are covered by representative bodies that, together with the company, periodically monitor and address current issues as well as awareness and intervention plans/programmes aimed at improving operations and safeguarding the health and safety of workers.

Moreover, in 2021 the Company finalised the corporate reorganisation process initiated in 2020. The aforementioned reorganisation was consistently managed in agreement with the trade unions, favouring natural turnover and the use of tools to minimise any social impact (e.g., "redundancy incentives"), in full compliance with the law and the current collective agreement.

## **LABOUR AND SOCIAL SECURITY DISPUTES**

In 2021 there was limited labour and social security litigation. Generally, labour disputes arise at the time of termination of the employment relationship, and mainly concern disputed aspects of statutory and contractual interpretation. The Company is committed to preventing and resolving such conflicts through conciliation procedures whenever possible.

## **WHISTLEBLOWING POLICY**

The Whistleblowing Policy is an integral part of COGNE's internal control system. It is addressed to employees and stakeholders and is accessible through a dedicated portal on the Company's website.

The Policy governs the procedures for reporting violations, suspected violations and inducements to violate laws, regulations and the principles enshrined in the Code of Ethics, obviously including equal opportunities and the provisions of the aforementioned Group Policies (i.e. principles of internal control, rules, policies and corporate procedures, as well as any action or omission that may directly or indirectly cause economic damage, or even image damage, to the Group and/or its companies).

Reports may also be made anonymously, and to this end the protection of utmost confidentiality is always underscored, as well as non-tolerance of retaliatory actions of any kind against the whistleblower or the subject of the report.

Reports may concern directors, auditors, management, employees of the Company, and in general all those who operate in Italy and abroad for Cogne Acciai Speciali S.p.A., or who have business relations with the Group, including partners, customers, suppliers, consultants, contractors, auditing firms, institutions and public bodies.

Reports are addressed to an Ethics Committee composed exclusively of persons from outside the company, which also liaises with the Company's Supervisory Board.

It is incumbent on the Ethics Committee to assess the reports it receives, involving where necessary the corporate functions deemed relevant to the necessary checks. If the report is found to be well-founded, appropriate disciplinary measures and/or legal action will be taken to protect the Company.

No reports were received in 2021.





# **HEALTH AND SAFETY**

## HEALTH AND SAFETY MANAGEMENT MODEL AND SYSTEM

COGNE's occupational health and safety management orientation is based on the principles and commitments expressed in the Code of Ethics and the Quality, Health, Environment, Occupational Safety and Major Accident Prevention Policy and is based on standard 45001:2018.

Specifically, COGNE undertakes to:

- take actions in the area of occupational health and safety protection in full compliance with the relevant laws and recognised management standards;
- pursue an objective of zero accidents through actions for the timely identification, assessment and prevention of occupational health and safety risks, with the ultimate goal of a constant and lasting reduction in the number and severity of accidents;
- empower workers to work safely by providing information and training, as well as by involving all levels of the organisation in a continuous improvement programme;
- make available to all a tool for reporting any situations/conduct that may compromise the protection of health and safety in the workplace.

On a voluntary basis, COGNE has put in place an occupational health and safety management system certified according to the ISO 45001 standard. The relative certificate was issued by Kiwa in

April 2021. The management system is applied without exclusion to all production processes at the Aosta production site, and has been developed to ensure uniformity and effectiveness within the company. The development and continuous improvement of the management system is coordinated by the Health, Safety and Environment function, with the involvement of related functions..

## SAFETY CULTURE

Zero Accidents is an expression of an indisputable and firm statement. From the point of view of production processes, this is achieved through investments aimed at improving working conditions, but also through constant initiatives to support the behavioural and cultural education of workers. This method, together with continuous dialogue between management and workers, has led to a progressive reduction in rates of accidents.

Over the last ten years, the work carried out not only on plant, machinery and equipment, but also and above all on tasks and roles, training and empowerment of operators, improved communication and sharing of objectives, policies and strategies, has enabled the creation of a safe, stimulating



working environment where workers feel involved and valued in safety management.

Through information, communication and training, staff are encouraged to report any potentially unsafe situation with the aim of pursuing continuous improvement and prompt identification of any potential source of risk.

The analysis of such reports is geared towards identifying possible causes and defining corrective actions, where necessary, and risk mitigation, and involves the relevant professionals. Disseminating and sharing Culture of Safety are also supported by internal communication initiatives (periodic newsletters).

## TRAINING

52% of the total training provided by COGNE in 2021 concerned occupational health and safety and environmental issues. The company designs, plans and delivers occupational health and safety training for specific risks, based on particular needs requiring updating and in compliance with applicable legal obligations. Other drivers of implementation of training activities are the development of accidents' indicators and any changes in company operations and processes..

## MONITORING HEALTH AND SAFETY PERFORMANCE AND PRIMARY INDICATORS

Cogne's HSE performance is monitored by the Health, Safety and Environment function, which is responsible for preparing the necessary reports for operational and management purposes.

The Health, Safety and Environment Function collects information on accidents and company processes so that it can perform a specific analysis of the situation, and if necessary take appropriate corrective actions.

In 2021 COGNE recorded an Accidents Frequency Index (FI) of 12,77 (1 accident every 78.280 hours worked), a deterioration compared to the previous year when the FI was 8,9 (1 accident every 112.000 hours worked).

The most common accidents involve contusions, cuts, fractures and sprains.

In mapping all dangers, and based on the accident trend, the main danger identified as potentially leading to accidents related to material harnessing and handling, which was the main contributor to the accidents that occurred during 2021.

Actions are constantly being taken to reduce the risk related to handling and harnessing material, through the implementation of specific checklists and where necessary improvement of operational safety procedures and continuous staff training.

The Accidents Severity Index (SI) for 2021 was 0,51 (40 days average duration per accident), an improvement compared to the previous year when the SI was 0,54 (61 days average duration per accident).

In 2021 there were no reports of occupational illnesses.

Continuous improvement programmes are aimed at reducing risk at the source and are complemented by training and organisational measures to encourage safety and prevention.

## **FROM 45001 CERTIFICATION TO PERFORMANCE BONUS - SAFETY AND PREVENTION AS PRIORITY OBJECTIVES**

In 2021 COGNE decided to pay employees the part of the performance bonus related to the 2020 objectives for Occupational Health and Safety.

Despite the fact that the 2020 financial statements reported a loss due to the economic crisis created by the pandemic, the company considered it right and important to acknowledge, including through the Performance Bonus, the work and commitment to analysis and prevention carried out in 2020, especially in a context made particularly difficult by the need to contain the virus even within the plant.

The payment of the portion linked to health and safety together with the 45001 certification represent important results achieved during the year and an acknowledgment for all the people who work for the company, trade unions and Workers' Safety Representatives with whom the company has an ongoing dialogue and discussion with a view to improving performance and ensuring safety and health of all those working within the plant.



## CONTINUOUS IMPROVEMENT PROJECTS

As part of its continuous improvement programmes, in 2021 the company continued its initiatives related to the categories of Cost Rationalisation, Safety and Housekeeping, Environment and Innovation. On these issues, the various company areas were involved in identifying and implementing specific improvement projects. The initiative involved more than 60 employees who received a Certificate of Merit for their contribution to the development of the projects.

Specifically, in the Safety and Housekeeping category, the “Progetto Braccio robotico per misurazione impronta pelatrice Schumag” (Robotic Arm for Schumag peeler impression measurement project) carried out in the Forge Area was particularly worthy of note. Using the logic of Industry 4.0, it led to the automation of manual procedures through the use of a robot, with a first important implication of improving the safety of the operation.

The improvement projects in the Housekeeping area particularly involved the Maintenance - Laminates area, focusing on the maintenance

workshops for finishes and TVBs. The activities involved 30 employees in the area, representing a model of applying Lean logic to maintenance workplaces.

For more information, see the section entitled “The new frontier of the Lean Organisation”.



**LOCAL  
COMMUNITIES  
AND INSTITUTIONAL  
RELATIONS**

## **COGNE ACCIAI SPECIALI AND THE MUNICIPALITY OF AOSTA: A PROTOCOL TO STRENGTHEN THE LINK BETWEEN THE COMPANY AND THE CITY**

At the beginning of 2021, Cogne Acciai Speciali and the Municipality of Aosta signed a memorandum of understanding aimed at jointly promoting corporate social responsibility actions, to foster growth of shared welfare of active society, supporting cultural, inclusion, integration and social cohesion policies, also in partnership with other public bodies, other companies, as well as non-profit sector organisations and research bodies.

The memorandum saw the creation of a bilateral round table to share common actions of social, cultural and historical relevance. Over the course of the year, meetings were held to record the memory of many families in Valle d'Aosta who over the years saw family members enter the workforce the Aosta plant. The installation of artefacts and parts of plants in the urban area of the city, and in particular in the Cogne urban area, was also shared, with the aim of recounting the city's industrial history.

## **CORPORATE COVID-19 VACCINATION CAMPAIGN**

In order to deal with the Covid emergency and to give actual support to the health system of Valle

d'Aosta, COGNE was one of the first in Italy to draw up a company vaccination plan, with the aim of promoting application and effectiveness of measures to combat and contain the spread of the virus in the workplace, in agreement with the trade unions and the RLS, complying with the national protocol for implementation of company plans aimed at establishing extraordinary SARS-CoV-2/Covid-19 vaccination points in the workplace.

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The necessary measures were taken to help speed up the vaccination campaign in the Valle d'Aosta, with the creation of a special vaccination hub within the Aosta plant, in the perspective of effective social responsibility and support for safeguard and protec-



tion of the health of the entire community. The company organised the internal vaccination station in cooperation with the regional committee of the Italian Red Cross. More than 500 workers were vaccinated starting on 8 June. The entire vaccination cycle was offered, including the booster..

## OUR SUPPORT FOR SPORTS

Continuing its objective of supporting sports and spreading such culture among young people, COGNE renewed its sponsorship plan for 2021. The company renewed its relationship with the Olimpia and Gym Aosta gymnastics clubs, with CCS Cogne Volleyball and CCS Cogne Track and Field, as well as confirming its focus on the ADS Rouge e Noir basketball team. Also in view of the extraordinary successes of the cyclist Gaia Tormena, the company strengthened its relation with the I Lupi mountain bike sports club.

During the course of the year, the company followed its athletes through a social campaign that featured the girls of CCS Cogne Volleyball, who qualified for the A series and were received by the company's top management in a ceremony celebrating their achievements. On social media COGNE also

supported the extraordinary performance of the cyclist Gaia Tormena, who won the world and European XCE mountain bike titles for the third time

## MUSIC AND THEATRE IN COGNE'S PLANT

Sound and light are an integral part of our production environment, but on 5 August they were replaced by a real show.

A specific area of the plant was prepared and opened to the public to host the "Heidi project", part of the Insoliti travelling cultural events. The show was attended by 200 spectators, in compliance with the anti-Covid rules in force at the time,



who enjoyed the performance of the artist Alessandra Celesia from Valle d'Aosta, accompanied on the piano by Adélys from the Altitudini theatre company. Part of the memorandum signed by Cogne Acciai Speciali and the Municipality of Aosta, the event represented a moment of sharing to strengthen ties and consolidate the relation between the company and the city.

### **GOLD AND STEEL WEDDING ANNIVERSARY- THE WONDERFUL STORY OF MARGHERITA AND GUIDO**

Even a place as hard and difficult as steelworks may become a place of love. Margherita and Guido met at COGNE when they were very young, when he was a smith and she was a secretary. And

in such a complicated place their love blossomed. Margherita and Guido Cornaz met 50 years ago at the Aosta plant, where they worked until the mid-1980s, and to celebrate their golden wedding anniversary they asked the company to return to the steelworks. COGNE paid tribute to this beautiful love story by organising a visit to the hot zone just for them to allow them to relive the emotion of witnessing a "casting", as expressly requested by the couple.

### **THE PRIDE OF WORKING IN COGNE - WORKERS AS SPOKESPEOPLE IN THE RECRUITMENT CAMPAIGN**

In 2021 the company launched a communication campaign aimed at recruiting new workers, an initiative that flanked the usual editorial and press advertising with a social campaign in which three workers from different areas of the plant explained what working at Cogne meant to them.

### **EDDA SARTOR - CAREER RECOGNITION**

In 2021, Edda Sartor, who worked at COGNE from 1973 to 2009, received the honour of Master of Labour. During her 36-year career at COGNE, first at





the Vittuone (MI) office and then from 1978 in Aosta, her work was characterised by dedication, cooperation, confidentiality and reliability. The honour of Master of Labour and her participation in the annual ceremony in Rome to receive the Star of Merit directly from the President of the Italian Republic, Sergio Mattarella, make us proud to have been able to be part of such a long and important career.

## THE HISTORIC DIRECTION PALACE

The more than 100 years of COGNE's presence in Aosta are also evidenced by the architectural beauty of the now restored historic Direction Palace.

The renovation of the old building took five months and involved the restoration of the façade by restoring the finishes and decorative elements that distinguished the building's exterior, which is considered to be of historical and architectural interest and dates back to the 1920s.

At the end of the renovation during the Christmas holidays, the façade of the building was illuminated with the traditional Cogne red colour as a tribute to its employees and to the city of Aosta, reinforcing the historical and centenary relation between the company and the Valle d'Aosta community.

The primary objective was the restoration of the façade, with the aim of highlighting the architectural elements typical of the building's construction period. The Direction Palace was built in two different periods: the first three floors were built at the beginning of the last century (approximately 1915) with construction elements such as solid brickwork and decorations around the windows, while the top floor was built immediately after the war, with plaster and coloured mortar. In addition to the architectural renovation, the work involved the replacement of the existing windows and doors with low-emissivity wooden frames and improvements to the interior.



# **SUPPLY CHAIN**

## **WORKING WITH OUR SUPPLIERS TO ACHIEVE SUSTAINABLE SUPPLY CHAIN MANAGEMENT**

COGNE's relations with suppliers are based on loyalty, impartiality and respect for equal opportunities for all parties involved in the purchasing process, as prescribed by the Code of Ethics.

Sustainable supply chain management is addressed in the Responsible Procurement Policy, and with regard to specific social and environmental issues, COGNE is committed to developing, sharing and maintaining the necessary procedures to assess and select its suppliers based on their level of social and environmental responsibility, and to require its suppliers to develop a similar management model over time in order to extend responsible management in the supply chain as near as possible to the origin of the chain itself. The social, environmental and business ethics of COGNE's suppliers are assessed along with the economic and product or service quality to be provided starting from the initial stage of a potential supplier selection..

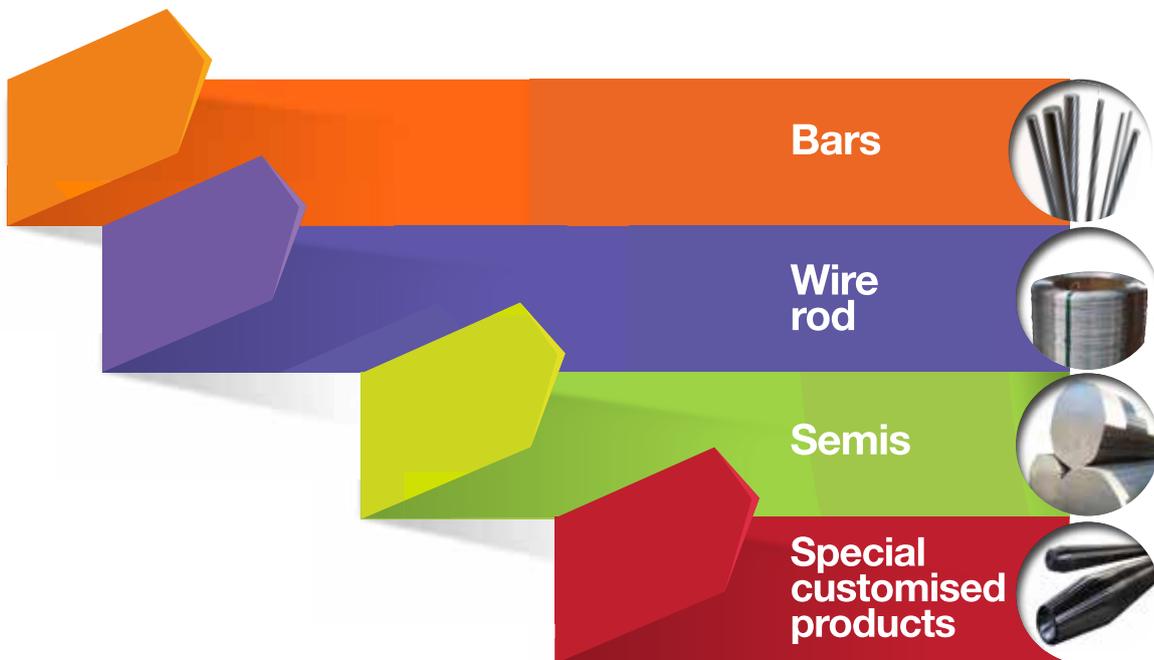
## **SUSTAINABLE ELEMENTS IN THE PROCUREMENT PROCESS**

COGNE intends to develop an approach aimed at assessing environmental, social and good corporate governance performance throughout the process of interaction with the supplier, albeit in different ways that are consistent with the intensity of interaction at certain stages of the process. Questions that the potential supplier

will be asked include, for example, confirmation that the company uses only workers with a written employment contract who work of their own volition, that it respects the right of workers to freely associate and participate in trade union activities, that it manages disciplinary matters in accordance with legal provisions, and that it respects and applies, as a minimum, legal/contractual provisions on working time, overtime and rest periods. The process continues with further questions aimed at pre-emptively identifying potential integrity and corruption risks and those closely related to the safety of workers employed at the supplier's site.

With regard to the contractual stage, COGNE intends to progressively include and/or add specific Sustainability and Ethics Clauses (including anti-corruption) in contracts and purchase orders for goods and/or services. Specifically, such clauses are included:

- require suppliers' awareness of the principles, commitments and values contained in the Code of Ethics, as well as in the various policies adopted by the Company.
- require suppliers to confirm their commitment to:



- not use or support the use of child labour, forced labour or any other form of exploitation.
- ensure equal opportunities and freedom of association, promoting the development of each individual.
- not tolerate corruption in any form or manner whatsoever, even where such activities are in practice permitted, tolerated or not pursued.
- assess and reduce the environmental impact of their products and services throughout their life cycle.
- use resources responsibly with the aim of achieving sustainable development.
- establish and maintain the necessary procedures to evaluate and select suppliers and subcontractors based on their level of social and environmental responsibility, regularly monitoring their compliance with this obligation.

For maximum assurance, COGNE's suppliers have the Whistleblowing Reporting Procedure at their disposal, which they can use to confidentially report any violation or suspected violation that they discover in their relations with COGNE.

## SUPPLIER SURVEY

In 2021, and with the aim of defining a path towards Responsible Sourcing, COGNE decided to perform its first survey of its suppliers.

The Procurement and Logistics Department selected a representative sample of our Italian and foreign suppliers of materials, services and continuous contracts, which were given a questionnaire of 34 questions covering four areas:

- Ethics and Corporate Governance
- Health and Safety
- Environment
- Quality

The questions in the survey were all voluntary (no obligation to answer) and anonymous (no tracking of the respondent).

The response rate was 30% and captured the current situation of our suppliers. One of the most important findings that emerged is that 50% of the respondents implemented both an occupational health and safety management system and an environmental and quality management system. Our aim is to embark on the path to Responsible Sourcing and repeat the survey on a regular basis to monitor the results and better define the actions to be taken.

## OUR PATH TO RESPONSIBLE SOURCING

COGNE adopted a Responsible Sourcing Policy in 2021, which aims to define how we will work with our suppliers to ensure that our supply chains share our values.

The Policy is an integral part of our procurement processes, and, together with our Code of Ethics, represents a guideline for transparency, compliance with laws, regulations, minimum standards and continuous improvement and for ensuring that our purchases of raw materials, goods and services are made responsibly and in keeping with our Values.

The implementation of Responsible Sourcing, both within COGNE and in relations with suppliers, will be structured as follows:

- Definition of Operational Guidelines aimed at guiding the activities of the COGNE functions involved in the Responsible Sourcing process.
- Sharing Responsible Sourcing Guidelines with COGNE suppliers as part of the Supply Agreement and containing KPIs to assess suppliers' performance.

The Operational Guidelines will be developed in the following areas:

- Materials;
- Contracts and Services;
- Investments.

The process will involve cross-functional working groups (e.g. Procurement, Lean, Industrial Management, Investment and Maintenance, Quality, HSE), which will have to analyse the procurement process associated with the product categories of the identified areas.

At the end of the process, it will be possible to collect the following in a single document:

- the general part on Responsible Sourcing issues;
- the Responsible Engineering part (Materials and Investments);
- the Responsible Operating part (Contracts and Services).

The Responsible Sourcing Guidelines will be made available to suppliers and all other Stakeholders by means of publication on the company's website.



**COGNE**  
Cogne Acciai Speciali

INDUSTRY 4.0



**INNOVATION**

In order to develop new products to meet customers' needs and specifications, COGNE established long-standing partnerships with its customers over the years. Product development in conjunction with our customers is aimed at creating products that match the needs of continuously changing markets as closely as possible.

As part of its programme to develop and innovate its skills and expertise, COGNE earned UNI CEI EN ISO/IEC 17025 accreditation in 2021. It certifies the technical competence, impartiality and constant, consistent operation of the laboratory and thus of the analyses and documentation it produces.

Growth in the aerospace sector also continued without interruption. The installation of the aerospace rod testing system according to the AMS STD 2154 standard was completed in 2021. The system, which has a testing capacity for bars with a diameter range of 15-240 mm and a length of up to 7 m, has an achievable sensitivity relative to class AAA - AMS STD 2154. The ten-channel system uses conventional ultrasonic technology, and was designed and built according to Cogne Acciai Speciali's specifications by its suppliers to meet the most stringent regulations in the AEROSPACE sector.

Also in 2021, the installation of an ICP-MS spectrometer was finalised, expanding the analytical potential by allowing trace element analysis of steel and superalloys (including Pb, Bi, Se, Sb, Te) according to AMS, ASTM and ISO standard requirements. Furthermore, analyses can be performed on elements in emission tests (Ni, Mn, Cr, Cd and Hg) as per various food, health (allergen release) and toy regulations, as well as analyses on micropollutants that may be present in raw materials (Pb, Bi, P, Se, Cd, Ta, Sb, As).

Finally, as part of the activities aimed at increas-

ing the machinability of the steel produced, a protocol was developed with the objective of verifying whether and what differences exist between different castings and/or sheets of the same material from the point of view of machinability. This is to be able to render objective the results of changes in manufacturing practices aimed at improving the machinability of the steel produced. A database was created by going through a complete metallographic study (chemical analysis, oxygen, micro-purity, hardness, tractions) followed by practical experiential stages of a One-Factor-At-a-Time (OFAT) type to observe the changes in normal strength and to observe the general trend of the material and graphically identify the optimal turning points, allowing us also to observe the differences in energy absorbed during mechanical processing and DOE to confirm the OFAT results and look for alternative ways to reduce the analysis time. Given the complexity of the system analysed (large number of data, variables, correlations, etc.), it is envisaged that Machine Learning techniques will be added in the near future.

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**OUR  
ENVIRONMENTAL  
DIMENSION**

COGNE considers the protection of the environment to be a fundamental value in the operation and development of its business.

COGNE's approach to environmental management is inspired by the Sustainable Development Goals and the Declaration of Sustainability Commitments approved by the Company in 2021, whereby the expansion of the company's activities must be developed respecting and in harmony with the preservation of the environment.

COGNE commits to:

- reducing carbon dioxide emissions by making increasing use of renewable energy sources;
- researching and implementing solutions to reduce energy consumption by improving energy efficiency and energy awareness;
- responsibly using natural resources, first and foremost water, in its production processes.

## **ENVIRONMENTAL FOOTPRINT AND STRATEGY**

At COGNE, monitoring and management of environmental issues have always played a crucial role. In the perspective of long-term management, COGNE monitors its carbon dioxide emissions and water consumption and is committed to progressively reducing its impact on resources, the climate and the ecosystem.

Over time, the company put in place a structured control and monitoring system that enables it to

identify the environmental impacts of its production process.

The Aosta production site has had an Environmental Management System certified in accordance with the International Standard ISO 14001 since 2008, and the activities underlying the certification as well as the control and maintenance of the system are coordinated by the Health, Safety and Environment Function.

## **WATER CONSUMPTION**

COGNE monitors its water footprint and the efficient and conscious use of water in its production processes. At the headquarters in Aosta the matter is tackled from all sides, with actions to improve the water efficiency of production processes, from purchase of machinery to the management of distribution networks. Particular attention is paid to the local contextualisation of the use of this precious resource, with the use of specific analyses (e.g. "Aqueduct Water Risks Atlas" of the World Resources Institute) and action plans dedicated, for example, to the recirculation of drawn water.

The management of water, relations with relevant stakeholders (primarily local communities) and the related potential impacts on the areas around the





production plant is ensured by the environmental management system.

Environmental management and its continuous improvement are also driven by mapping key stakeholders, their interests and expectations.

The year 2021 recorded an absolute withdrawal of approximately 12,8 million m<sup>3</sup>, up from 2020 mainly due to the recovery of production volumes. This figure is up versus 2020 (a particular year due to the start of the COVID-19 pandemic) and 2019, but is in line with the recorded increase in production. 100% of the water withdrawn in 2021 was drawn from wells within the plants and authorised by the competent authorities. Moreover, COGNE does not take any part of its needs from surface water. A total of approximately 12,7 million m<sup>3</sup> of wastewater was discharged, 100% of which into surface water bodies. Prior to discharge into the final receptor, industrial water, suitably treated where necessary, is subject to periodic analyses to ensure compliance with applicable legal limits.

## WASTE MANAGEMENT

The improvement of environmental performance related to waste management is pursued through:

- innovation in production processes, with the aim of preventing production of waste at the source, increasingly reducing waste and replacing current raw materials with new ones that have a lower environmental impact;
- operational management of the waste produced, aimed at identifying and ensuring the selection of waste treatment channels in order to maximise recovery and recycling, progressively eliminating the portion sent to the landfill, with a vision of Zero Waste to Landfill;
- optimising the management of packaging, both the packaging introduced through purchased products and used for products sold.

Waste production in 2021, up from previous years, was 90.581 tonnes, an increase of around 27% compared to the previous year. Despite the exceptional nature of 2020, the index saw an increase of 12,5% compared to 2019. Non-hazardous waste accounted for 84% of total production, and hazardous waste for 16%. The measures taken increased the percentage of hazardous waste sent for recovery to 36% in 2021.



## ENERGY MANAGEMENT

In 2021 efforts to increase energy efficiency initiated in previous years continued, including actions aimed at improving energy management systems through the measurement of consumption, attention to technical indicators and the application of targeted maintenance plans in order to reduce energy waste. COGNE is developing a dedicated Energy Management System certified according to ISO 50001, in which energy efficiency actions and investments combine the assessment of environmental impacts with the economic sustainability criteria normally applied to all COGNE investment projects.

The technical areas involved include both traditional projects applicable to all industrial sectors – such as updating thermal insulation, maintenance of distribution systems, use of inverter technology – and special projects, such as the purchase of new systems.

In terms of absolute consumption, overall in 2021 there was a 13% increase in the consumption of methane gas and a 21% increase in the consumption of electricity compared to 2020, which is entirely attributable to the increase in production volumes.

Energy efficiency projects also include the agreement signed in 2021 with Nippon Gases Italia, a partner of excellence in the world of steelworks. Specifically, the modernisation of the air fractioning system at the Aosta steelworks, which will result in the strengthening and optimisation of production, will ensure greater production efficiency, lower en-

ergy consumption and a consequent reduction in environmental impact, in full respect of the local community.

## GREENHOUSE GAS EMISSIONS

Cogne's activities are part of the European Union's Emission Trading Scheme (ETS), the CO<sub>2</sub> market on which the EU's climate change policy is based and an essential tool for cost-effective reduction of greenhouse gas emissions.

In 2021 CO<sub>2</sub> equivalent emissions (Scope 1) from Cogne's plants were 14% higher than in 2020. The performance is closely linked to the increase in production volumes after the slowdown in 2020 due to the Covid-19 pandemic. The emission factors taken into account for the calculation of Scope 1 emissions are provided by DEFRA and ISPRA.

Scope 2 CO<sub>2</sub> equivalent emissions calculated using the location-based method also increase by 14% compared to 2020. The emission factors for calculating Scope 2 Location-Based emissions were taken from Terna's International Comparisons, for the most recent year available.



Scope 2 emissions calculated using a market-based methodology increased by only 2% compared to 2020, as the share of electricity purchased from renewable sources increased. Specifically, the electricity covered by Guarantees of Origin amounted to 70.242 MWh in 2021, compared to 29.332 MWh in 2020. The emission factors used are European Residual Mixes (latest version available) of the Association of Issuing Bodies. The following table shows the COGNE emissions (Scope 1 and 2)

	Unit of measurement	2021	2020	2019
Scope 1 emissions	tCO <sub>2e</sub>	105.764,76	92.378,83	100.878,54
of which in ETS	tCO <sub>2e</sub>	104.847,00	91.537,40	99.865,70
of which non-ETS (fuel for company vehicles, LPG for heating and maintenance Methane of Cornaredo)	tCO <sub>2e</sub>	917,76	841,43	1.012,84
Scope 2 emissions (Location-Based)	tCO <sub>2e</sub>	86.168,84	75.793,63	92.245,54
Scope 2 emissions (Market-Based)	tCO <sub>2e</sub>	93.230,44	91.428,25	124.180,75
<b>Total emissions (Scope 1 + Scope 2 Location-Based)</b>	<b>tCO<sub>2e</sub></b>	<b>191.933,60</b>	<b>168.172,46</b>	<b>193.123,54</b>

With the aim of reducing carbon dioxide emissions, COGNE involved its contractors in sustainable mobility projects. The efficiency of transport in daily operation led to use a total of 125 vehicles (66 company vehicles and 59 from our suppliers), replacing traditional vehicles with new ones with a lower environmental impact, and necessitated the installation and operation of 82 electric vehicle charging stations and systems in the parking areas and individual division.

## AIR QUALITY

Atmospheric emissions are produced directly by production processes. Controlling atmospheric emissions is among the major areas at COGNE, as they directly impact the areas in the vicinity of the plant.

Our plants are equipped with a complex system of specific dust abatement equipment in accordance with the technical standards which the company is required to follow. Moreover, with the support of a modern emission monitoring system, the steel production activity carried out at the Aosta site is constantly monitored. The data collected are transmitted to the relevant Control Bodies and may not be modified or interfered with by the Company, to guarantee transparency and promptness in the transmission of data and the ongoing verification of the performance of the emission control equipment.

The annual values of pollutants' emissions into the atmosphere are determined, in agreement

with the Control Bodies, by taking as a reference the measurement for the worst performance in the year, then multiplying the figure by the plant's hours of operation.

## CONTINUOUS IMPROVEMENT PROJECTS

Within the scope of continuous improvement projects for 2021 in the Environment category, of note is the project to paint and resin-coat the Forge area.

The project tackled the improvement of working environments in the perspective of environmental protection, focusing on non-visible space. The immediate consequence of painting and resin-coating the tunnels provides a greater guarantee of environmental protection. The improvement is also linked to greater protection of the subsoil: the resin coating can contain any oil leaks.

## THE NEW FRONTIER OF THE LEAN ORGANISATION

Global competition increasingly demands that companies improve their production efficiency, and by adapt-

ing lean techniques, we aim to devote our employees' time to value-added activities. By developing the principles of a Lean organisation, we aim to achieve productivity improvements by reducing waste from production processes.

However, creating a lean business process is only half the battle with it comes to Muda, information or activities with no added value. Workers are inundated with information every day and also need to develop lean working habits. A company that only creates a lean process without creating lean work habits is like a sprinter with a running shoe on one foot and a military boot on the other, and this is a sure way not to achieve the best possible performance.

The new frontier of Lean development will be for us to screen the information coming into our system to identify and reduce Muda. For example, identifying who should be aware of the information and who is mistakenly put on the mailing list, immediately discarding information of low or no value rather than letting it clutter their inboxes. While it is impossible to eradicate the scourge of low-value information and emails, such as reminders and unnecessary reports, it enables people to learn to control information, helping to lighten the load

of information to be processed and thus saving time. More importantly, reducing the amount of low-value information entering the system improves the "signal-to-noise ratio", which allows workers to identify high-value information more quickly and easily.

Our new Lean frontier will be communicating the difference between a lean process and lean work habits. Work areas can be immaculate following the implementation of the 5S model; now our challenge is to transform the information flow into a 5S flow as well

### **Lean Cogne: an expanding model**

In 2021 the Lean Cogne programme continued to promote and spread the value of order and cleanliness in the workplace, through the application of the 6S methodology that covers the entire perimeter of the plant.

The profound change, which concerned the entire plant as a result of these initiatives, confirmed that a clean, tidy environment is the basis for safe, efficient and error-free work, and also underscored that a comfortable, safe and organised workplace strengthens the sense of belonging and engagement in the company of all employees.

Thanks to the promotion of value-added activities, rationalisation of space, redevelopment of some areas and the inclusion of visual management tools to support production, the factory began to speak for itself and opened its doors to the surrounding world through organised tours



for educational and information purposes, aimed primarily at children of employees, schoolchildren and the main players in the area.

In the perspective of continuous improvement, value stream analysis and waste elimination also continued, involving most of the company's processes.

By setting up multiple cross-functional improvement groups, it has been possible to pool knowledge, disseminate and support a problem-solving approach at all levels of the company and create synergies between different initiatives, working on common goals such as sustainability, environmental impact, safety, customer service and employee welfare.

Our next steps will be aimed at spreading the lean culture even more widely so that it remains

a characteristic feature of our way of working, with the intention of extending this model to the whole of Cogn Acciai Speciali, involving our distribution branches all over the world.

**SHARING OUR  
ADDED VALUE**

COGNE's Values and Code of Ethics enshrine the Company's commitment to working towards responsible long-term development, having awareness of the links and interactions between the economic, social and environmental dimensions.

This is to combine value creation, the company's progress, attention to stakeholders, raising living standards and environmental quality. The term "added value" indicates the wealth produced during the reporting period, calculated as the difference between the revenues generated and the external costs incurred during the year.

The distribution of the added value among the various stakeholders makes it possible to express the relations existing between COGNE and the main stakeholders in monetary terms, focusing attention on the socio-economic system the company operates in.

Euro/000	2021	2020	2019
Added value of products	94.876	58.272	74.816
Employees	43.760	38.182	41.403
Lenders (Banks and Bondholders)	4.683	7.371	7.138
Public Administration	17.625	8.296	17.282
Shareholders	0		
Distributed Added Value	66.069	53.849	65.823
Value Added retained by the Company to support investment and development	28.807	4.423	8.993

2021 saw a recovery of the wealth distributed by Cogne in the Autonomous Region of Valle d'Aosta, and specifically the amount of salaries increased by 15% compared to 2020

Euro/000	2021	2020	2019
Wages, severance pay and social security contributions	57.821	50.110	55.308
Taxes - IRES / IRAP	3.871	109	1.427
Services: Val D'Aosta Suppliers	23.321	19.068	19.689
<b>Total</b>	<b>85.013</b>	<b>69.287</b>	<b>76.423</b>

## INVESTMENTS

As at 31.12.2021, the Company made investments in fixed assets before disinvestments of 19,826,552 euros.

Description	Euros Accounted for 2021	Euros Reclassified under finished goods 2021
Environment and Safety	4.798.901	2.634.548
Energy Efficiency	868.830	147.644
ICT	464.874	459.584
Productivity	8.518.478	8.355.537
Strategic Development	5.175.468	7.824.319
	<b>19.826.552</b>	<b>19.421.632</b>

Description	Euros Accounted for 2021	Euros Reclassified under finished goods 2021
Steelworks	2.947.587	3.133.878
Forge Area	4.579.761	7.699.167
Rolling Area	3.944.271	3.303.278
Quality	730.990	728.390
General Plant	7.623.942	4.556.918
	<b>19.826.552</b>	<b>19.421.632</b>

Additionally, the strongly "capital intensive" nature of the Company's industry requires that strategic plans and investments are assessed based on a broad long-term outlook, especially considering the fundamental factors guiding the future evolution of demand for steel products.



# METHODOLOGY

## REPORTING PRINCIPLES AND METHODOLOGY

The Sustainability Report is the tool through which Cogne communicates the results of its sustainability journey to stakeholders each year. The reporting boundary covers the results of Cogne Acciai Speciali S.p.A., with headquarters in Aosta, Via Paravera 16, and the sites at Cornaredo (Milan) and Mirano (Venezia).

The Board of Directors, coordinated the preparation of the Sustainability Report, through the General Manager, and with the involvement of the Company's entire organisational structure. The document was prepared using the Global Reporting Initiative Sustainability Reporting Standards (hereinafter the GRI Standards) issued by the Global Reporting Initiative as a technical and methodological reference.

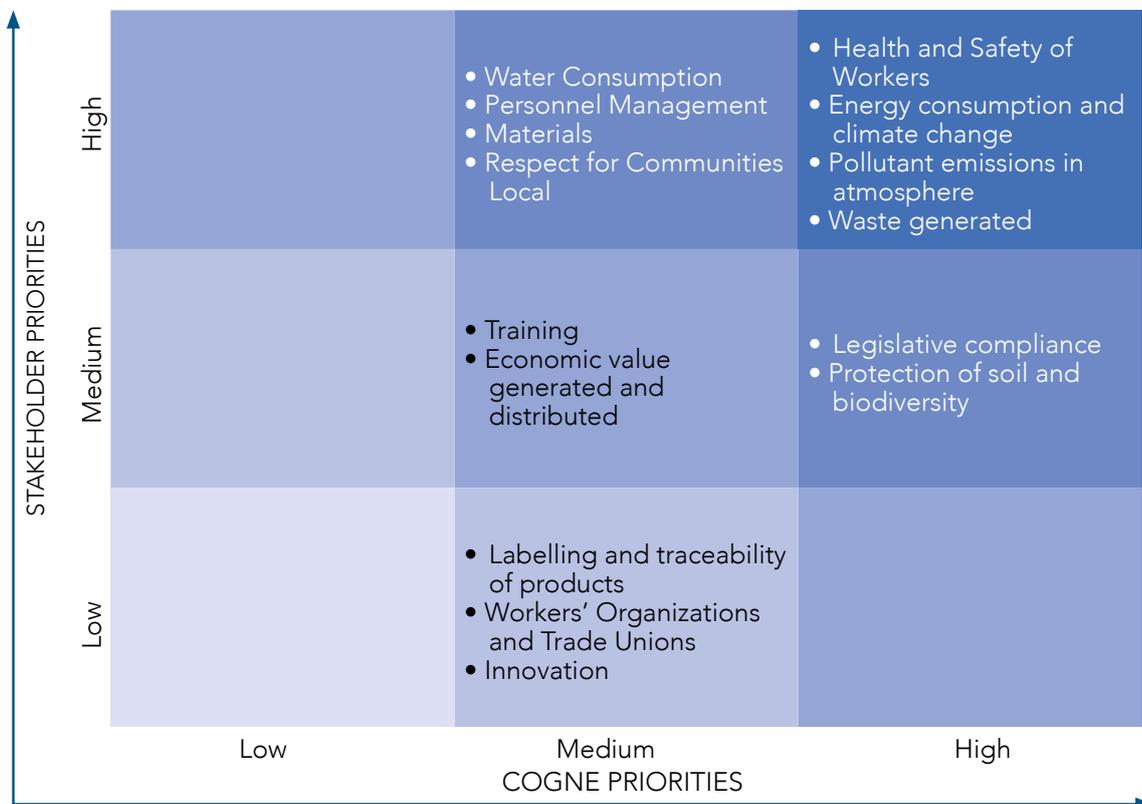
In particular, in accordance with GRI Standard 101: Foundation, paragraph 3, Cogne chose to prepare the report according to the GRI Core approach, using a selected set of standards for reporting the information herein.

The choice of GRI indicators was based on the importance that the different material issues have to the Company. References to the GRI Standards are given in the final table of indicators. Cogne defined the content of its Sus-

tainability Report, in compliance with the provisions of the GRI Standards, based on the reporting principles of Stakeholder Impact, Sustainability Context, Materiality and Completeness. Cogne took into account its own business activities (sustainability context analysis) as well as the interests and expectations of our stakeholders. In order to identify the most relevant issues to be included in the 2021 Report, the Company identified its stakeholders and collected and assessed their expectations and issues of greatest interest through desk analysis activities (e.g. industry trend analysis, media analysis). The material issues did not change compared to the preceding year, and the chart below shows the results of the analysis carried out: within the matrix, the degree of priority given to the issues is highlighted according to the internal perspective (horizontal axis "COGNE's priorities"), and according to the external perspective (vertical axis "Stakeholders' priorities"). The relevant issues identified within the materiality matrix are addressed in the different chapters of the Report.

## ASSURANCE PROCESS

The 2021 Cogne Sustainability Report underwent a limited audit by a third-party company. The results of the checks carried out are contained in the auditors' report at the end of this document.



# GOVERNANCE AND CORPORATE INFORMATION

Cogne Acciai Speciali S.p.A. adopts a traditional management and control system.

It is incumbent upon the Board of Directors to define and manage the strategic guidelines, as well as to periodically check the adequacy and effective functioning of the risk management system and of issues related to sustainability. In 2021, the Board of Directors comprised 6 members, five men and one woman, all of whom were in the over 50 age group.

## CODE OF ETHICS

Cogne undertakes to disseminate and promote knowledge of the Code of Ethics to employees and to all those who work for the Company, monitoring compliance and providing the appropriate information tools. The Code of Ethics, which summarises the company's values through rules of conduct for all employees in internal and external relations, is also a key element of the Organisational Model aimed at preventing the offences envisaged by Legislative Decree no. 231/2001. Compliance with the contents of the Code of Ethics by all who work for Cogne is of fundamental importance for the good functioning, reliability and reputation of the company.

## ORGANISATIONAL, MANAGEMENT AND CONTROL MODEL PURSUANT TO LEGISLATIVE DECREE 231/2001

Cogne adopted a specific model of organisation, management and control pursuant to Legislative Decree no. 231/2001 with the aim of setting up a structured and organic system of procedures and control activities aimed at preventing, as far as possible, conduct that could constitute offences under Legislative Decree no. 231/2001. The Organisational Model was updated in 2021 pursuant to Legislative Decree no. 231/2001. The document – approved by the Board of Directors by a resolution dated 22 March 2021 – was revised in order to incorporate the company changes that took place over the last period.

Each recipient of the Model is obliged to report any violations or suspected violations of the Code of Ethics or of the control principles laid down in the Model via appropriate whistleblowing procedures. To ensure the effectiveness of the whistleblowing system, Cogne adopted a specific procedure for the management of reports to the Supervisory Body, which governs the methods by which reports are made and regulates duties and verification activities carried out by the person that receives the report, in order to ensure that the grounds for the report are verified, that all appropriate actions are taken, including sanctions, and that all measures are taken to avoid the actions being repeated. Reports are always handled so that the identity of the person making the report is kept confidential and according to the principles and provisions contained in the organisational model.

## **PRIVACY AND DATA PROTECTION**

During 2021, Cogne maintained its commitment to protecting privacy, i.e. of the confidentiality and security of the personal data of its customers and employees, ensuring a high level of protection against data theft and loss. The Company has implemented its business processes and information systems to ensure compliance with the Regulation (EU) 2016/679 - GDPR - applicable from 25 May 2018, and appointed a Data Protection Officer (DPO).

The DPO has been systematically engaged in data protection and IT pursuant to Article 39.1(a) (b)(c) of the Regulation.

## **REGISTERED OFFICE**

Cogne Acciai Speciali S.p.A.

via Paravera 16

11100 Aosta (AO) – Italy

sostenibilita@cogne.com

## **MEMBERSHIP IN TRADE ASSOCIATIONS**

World Steel Association

AMMA – Aziende Meccaniche Meccatroniche Associate

AIM – Associazione Italiana Metallurgia

ISSF – International Stainless Steel Forum

AICQ – Associazione Italiana Cultura Qualità

Federacciai - Federation of Italian Iron and Steel Companies

# **DATA AND PERFORMANCE INDICATORS**

## ECONOMIC PERFORMANCE

	Unit of measurement	2021	2020	2019
Revenues	k€	588.602	406.271	528.438
EBITDA	k€	64.010	12.709	36.094
Net Income	k€	28.807	4.423	8.993
Net Financial Position	k€	-45.504	-68.091	-85.117
Investments in Fixed Assets	k€	19.826	20.820	28.191
Finished products	ton	168.974	135.114	163.531

## ECONOMIC VALUE

	Unit of measurement	2021	2020	2019
Revenues from sales and services	€	588.601.754	406.271.226	528.437.788
Change in inventories of work in progress	€	49.167.121	-5.058.713	-20.250.237
Increases in fixed assets for internal works	€	-	-	-
Other revenues and income	€	9.332.809	4.307.363	3.941.668
Value of Production	€	647.101.684	405.519.876	512.129.219
Consumption of raw materials	€	361.844.094	214.835.748	277.795.070
Changes in inventories of raw materials, consumables and supplies	€	-8.157.005	3.209.507	-870.741
Energie	€	57.108.989	30.055.207	33.235.485
Consumption of raw materials, consumables and supplies	€	44.060.425	40.963.632	45.318.020
Costs for services	€	61.603.092	47.613.840	57.855.005
Costs for use of third-party assets	€	5.573.786	5.025.806	4.308.989
Provisions for risks	€	30.000	168.000	797.000
Other provisions and write-down	€	-	-	-
Other Operating Costs	€	3.207.217	828.998	2.287.871
Costs of Production	€	525.270.598	342.700.738	420.726.699
Gross added value	€	121.831.086	62.819.138	91.402.520

Financial income	€	190.756	12.156.340	167.442
Value adjustments to financial assets	€	-4.789.330	2.151.414	-2.240.103
Accessory performance balance	€	-340.505	-2.434.376	-39.356
Extraordinary items balance	€	-	-	-
Gross global added value	€	116.892.007	74.692.516	89.290.503
Depreciation/Amortisation	€	22.016.450	16.420.894	14.474.815
Net Global Added Value	€	94.875.557	58.271.622	74.815.685

	Unit of measurement	2021	2020	2019
Wages and salaries	€	41.131.781	33.340.504	38.499.717
Employee Severance Indemnity	€	2.543.511	2.443.770	2.521.469
Other Costs	€	84.856	2.397.730	381.360
A - Employees	€	43.760.148	38.182.004	41.402.546
Income taxes	€	3.564.024	-3.632.031	3.376.523
Social security costs	€	14.061.350	11.928.053	13.905.603
B - Public administration	€	17.625.374	8.296.022	17.282.126
Provisions	€	-	-	-
Retained earnings or losses carried forward	€	28.807.028	4.422.948	8.992.737
C - Company	€	28.807.028	4.422.948	8.992.737
Distributed Profit	€		-	-
Financial charges	€	4.683.007	7.370.648	7.138.276
D - Lenders	€	4.683.007	7.370.648	7.138.276
Net Global Added Value	€	94.875.557	58.271.622	74.815.685

## OCCUPATIONAL HEALTH AND SAFETY

Figures relating to all employees	Unit of measurement	2021	2020	2019
Accidents Frequency Index	n.	12,77	8,87	12,6
Accidents Severity Index	n.	0,51	0,54	0,59
Total hours worked	ore	1.800.486	1.578.473	1.825.299
Total number of accidents	n.	23	14	23

of which major accidents (accidents causing more than 6 months' absence)	n.	0	1	2
Total number of medical treatments	n.	60	28	83
Total number of near misses	n.	484	490	157
Total number of fatal accidents	n.	0	0	0
Total number of recordable accidents*	n.	26	15	26
* Includes accidents that forced the worker to stay home for less than 3 days				
Number of occupational illnesses reported	n.	0	0	1
Number of occupational illnesses recognised	n.	0	0	-
Number of deaths resulting from occupational illnesses	n.	0	0	-
<b>Figures relating to all workers (excluding employees) whose work or place of work is controlled by the organisation</b>				
Total hours worked	ore	679.172	476.243	523.079
Total number of accidents	n.	9	9	13
of which major accidents (accidents causing more than 6 months' absence)	n.	-	-	-
Total number of medical treatments	n.	2	2	7
Total number of near misses	n.	nd	nd	nd
Total number of fatal accidents	n.	-	-	-
Total number of recordable accidents*	n.	12	13	16
* Includes accidents that forced the worker to stay home for less than 3 days				
<b>Figures relating to all workers (excluding employees) whose work or place of work is controlled by the organisation</b>				
Number of occupational illnesses reported	n.	0	-	-
Number of occupational illnesses recognised	n.	0	-	-
Number of deaths resulting from occupational illnesses	n.	0	-	-
<b>Employees</b>				
Recordable accidents frequency index	n.	14,44	9,50	14,24
Major accidents frequency index	n.	0,00	0,63	1,10
<b>External workers</b>				
Recordable accidents frequency index	n.	17,67	27,30	30,60
Major accidents frequency index	n.	0,00	-	-

## EMISSIONI IN ATMOSFERA

Pollutant	Unit of measurement	2021	2020	2019
NOx	kg	278.085,62	259.439,88	219.581,62
SOx	kg	1.149,29	1.457,71	5.078,81
Polveri	kg	6.862,94	11.325,55	7.097,26
Other significant emission categories (see AIA)	Unit of measurement	2021	2020	2019
HF	kg	923,00	1.210,21	912,96
PCDD/F	kg	0,000055	0,000019	0,000033
Ni	kg	5,86	10,28	18,65
Cr	kg	9,12	12,56	13,57
Zn	kg	56,48	46,03	52,75

The data correspond to elaborations for the 2019/2020/2021 AIA Monitoring and Control Plan and include emissions reported for PRTR purposes.

The data do not include the activities of the Cornaredo (MI) and Venice sites.

## GREENHOUSE GAS EMISSIONS

	Unit of measurement	2021	2020	2019
Scope 1 emissions	tCO <sub>2e</sub>	105.764,76	92.378,83	100.878,54
of which in ETS	tCO <sub>2e</sub>	104.847,00	91.537,40	99.865,70
of which non-ETS (fuel for company vehicles, LPG for heating and maintenance Methane of Cornaredo)	tCO <sub>2e</sub>	917,76	841,43	1.012,84
Scope 2 emissions (Market-Based)	tCO <sub>2e</sub>	86.168,84	75.793,63	92.245,54
Emissioni Scope 2 (Market -Based)	tCO <sub>2e</sub>	93.230,44	91.428,25	124.180,75
<b>Total emissions (Scope 1 + Scope 2 Location-Based)</b>	<b>tCO<sub>2e</sub></b>	<b>191.933,60</b>	<b>168.172,46</b>	<b>193.123,54</b>

The data do not include activities at the Cornaredo (MI) and Venice sites, whose emissions are 1.594 tCO<sub>2</sub> for Scope 1 and 93 tCO<sub>2</sub> for Scope 2

## ENERGY

Consumption of fuel from non-renewable sources by type	Unit of measurement	2021	2020	2019
Natural gas Aosta	m3/year	45.341.863	40.196.083	43.335.303
Methane Cornaredo site (MI)	m3/year	5.905	5.995	5.831
Methane Padua site (PD)	m3/year	-	-	2.019
Diesel	l/year	265.104	209.205	259.556
Petrol	l/year	1.783	4.330	5.489
Diesel fuel from company cars	l/year	56.600	43.185	80.447
Petrol from company cars	l/year	112	170	166
Other (LPG)	Ton	9	16	9
Consumption of fuel from non-renewable sources by type	Unit of measurement	2021	2020	2019
Natural gas Aosta	GJ	1.599.706,27	1.418.158	1.527.699
Methane Cornaredo site (MI)	GJ	208	211	206
Methane Padua site (PD)	GJ	-	-	71
Diesel	GJ	9.725	7.535	9.348
Petrol	GJ	56	137	174
Diesel fuel from company cars	GJ	2.038	1.555	2.897
Petrol from company cars	GJ	4	5	5
Other (LPG)	GJ	404	732	421
Indirect energy consumption	Unit of measurement	2021	2020	2019
Electricity (from the grid) Aosta	kWh	273.386.883	225.411.384	256.948.725
of which covered by green certificates (Source Guarantee)	kWh	70.080.000	29.332.000	-
Electricity Cornaredo (MI)	kWh	117.370	123.358	166.750
of which covered by green certificates (Source Guarantee) - Cornaredo	kWh	117.370	-	-
Electricity Padua	kWh	-	-	72.419
Electricity Venice	kWh	44.459	41.536	19.498
of which covered by green certificates (Source Guarantee) - Venezia	kWh	44.459	-	-

Following the acquisition of Cogne Distribuzione Italia S.r.l. by Cogne Acciai Speciali S.p.A., the energy figures include the figures of the sites of Cornaredo (MI), Padua (PD) only 2019 and Venice

Energy Produced	Unit of measurement	2021	2020	2019
Amount of heat transferred from Cogne to Telcha	MWh	25.617	17.336	4.994
Quantity of natural gas saved through heat released	Sm <sup>3</sup>	2.490.139	1.831.809	526.756
Quantity of CO <sub>2</sub> saved due to the heat released	kgCO <sub>2</sub>	4.940.436	3.511.250	1.009.697

## WATER WITHDRAWALS AND DISCHARGE

Water withdrawal by source	Unit of measurement	2021	2020	2019
Total withdrawal from surface water, including use of rainwater	thousand m3	-	-	-
of which freshwater ( $\leq 1,000$ mg/L total dissolved solids)	thousand m3	-	-	-
of which other water ( $>1,000$ mg/L total dissolved solids)	thousand m3	-	-	-
Total withdrawal from groundwater (e.g. wells)	thousand m3	12.792	11.569	10.481
of which freshwater ( $\leq 1,000$ mg/L total dissolved solids)	thousand m3	12.792	11.569	10.481
of which other water ( $>1,000$ mg/L total dissolved solids)	thousand m3	-	-	-
Total withdrawal from third parties (e.g. waterworks)	thousand m3	-	-	-
of which freshwater ( $\leq 1,000$ mg/L total dissolved solids)	thousand m3	-	-	-
of which other water ( $>1,000$ mg/L total dissolved solids)	thousand m3	-	-	-
<b>Total Water Withdrawal</b>	<b>thousand m3</b>	<b>12.792</b>	<b>11.569</b>	<b>10.481</b>
Water discharge by destination	Unit of measurement	2021	2020	2019
Total water discharge	thousand m3	12.701	11.380	9.695
Water discharge to surface water	thousand m3	12.701	11.380	9.695
Water discharge to groundwater	thousand m3	-	-	-
Water discharge to third-party water	thousand m3	-	-	-
of which third-party water sent for use by other organisations	thousand m3	-	-	-
Water discharge (freshwater or other water)	Unit of measurement	2021	2020	2019
Total water discharge	thousand m3	12.701	11.380	9.695
of which freshwater ( $\leq 1,000$ mg/L total dissolved solids)	thousand m3	12.701	11.380	9.695
of which other water ( $>1,000$ mg/L total dissolved solids)	thousand m3	-	-	-
Water discharge (treatment level)	Unità di Misura	2021	2020	2019
No treatment	thousand m3	96	135	197
Screening pre-treatment then sedimentation	thousand m3	12.605	11.245	9.498
Chemical precipitation	thousand m3	12.605	11.245	9.498
Instances when discharge limits were exceeded	no.	-	-	-
Water consumption	Unit of measurement	2021	2020	2019
Total water withdrawal	thousand m3	12.792	11.569	10.481
Total water discharge	thousand m3	12.701	11.380	9.695
<b>Total water consumption</b>	<b>thousand m3</b>	<b>91</b>	<b>189</b>	<b>785</b>

The data do not include the activities of the Cornaredo (MI), Padua and Venice sites. Cognè è acqua dolce ( $\leq 1,000$  mg/L total dissolved solids) Water Risk Atlas (wri). Water withdrawal and discharge areas do not fall within water stress areas (Source: Aqueduct Water Risk Atlas (wri.org)).

## ENVIRONMENTAL SANCTIONS

Description of the infraction	Unit of measurement	2021	2020	2019
Atmospheric emissions limit exceeded E41	€		-	6.500,00
Noise emission limit exceeded	€			26.239,98
Delayed registration of hazardous waste load	€		31.000,00	-
Particulate air emission limits exceeded E19	€	6.500,00		

The sanctions are of an administrative nature. In the three-year period 2019-2021 there were no non-monetary sanctions imposed and no legal actions taken against the organisation through dispute resolution mechanisms

## HUMAN RESOURCES

BREAKDOWN OF EMPLOYEES BY GENDER AND AGE GROUP					
Gender	Age Group	Unit of measurement	2021	2020	2019
Woman	< 30	no.	7	7	6
	30 to 50	no.	42	39	40
	> 50	no.	16	15	15
Total Women		no.	65	61	61
Men	< 30	no.	119	76	60
	30 to 50	no.	610	560	625
	> 50	no.	253	255	218
Total Men		no.	982	891	903
Total employees		no.	1.047	952	964
- of which protected category		no.	38	44	46
Distribution of employees by gender		Unit of measurement	2021	2020	2019
Women		%	6%	6%	6%
Men		%	94%	94%	94%
Distribution of employees by age group		Unit of measurement	2021	2020	2019

BREAKDOWN OF EMPLOYEES BY GENDER AND AGE GROUP				
< 30	%	12%	9%	7%
30 to 50	%	62%	63%	69%
> 50	%	26%	28%	24%

BREAKDOWN OF EMPLOYEES BY CATEGORY					
Executives	Age Group	Unit of measurement	2021	2020	2019
Woman	< 30	no.	-	-	-
	30 to 50	no.	1	-	1
	> 50	no.	1	1	1
Total Women		no.	2	1	2
Man	< 30	no.	-	-	-
	30 to 50	no.	5	4	5
	> 50	no.	5	5	3
Total Men		no.	10	9	8
Total Executives		no.	12	10	10
- of which protected category		no.	-	-	-
Middle managers and Office staff	Age Group	Unit of measurement	2021	2020	2019
Woman	< 30	no.	6	7	6
	30 to 50	no.	40	38	38
	> 50	no.	15	14	13
Total Women		no.	61	59	57
Man	< 30	no.	13	13	11
	30 to 50	no.	161	154	173
	> 50	no.	59	59	44
Total Men		no.	233	226	228
Total Middle managers and white collar workers		no.	294	285	285
- of which protected category		no.	9	9	7
Blue collar workers	Age Group	Unit of measurement	2021	2020	2019
Woman	< 30	no.	1	-	-
	30 to 50	no.	1	1	1
	> 50	no.	-	-	1
Total Women		no.	2	1	2

BREAKDOWN OF EMPLOYEES BY GENDER AND AGE GROUP					
Man	< 30	no.	106	63	49
	30 to 50	no.	444	402	447
	> 50	no.	189	191	171
Total Men		no.	739	656	667
Total Blue collar workers		no.	741	657	669
- of which protected category		n.	29	35	39

BREAKDOWN OF EMPLOYEES BY TYPE OF CONTRACT					
	Age Group	Unit of measurement	2021	2020	2019
Employees with permanent contracts	Total	no.	968	943	953
	- of which women	no.	62	59	59
	- of which men	no.	906	884	894
Employees with fixed-term contracts	Total	no.	79	9	11
	- of which women	no.	3	2	2
	- of which men	no.	76	7	9
Total		no.	1.047	952	964
<b>Distribution of employees by type of contract</b>		<b>Unit of measurement</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Permanent		%	92%	99%	99%
Fixed term		%	8%	1%	1%

	Age Group	Unit of measurement	2021	2020	2019
Full-time employees	Total	no.	1.045	949	960
	- of which women	no.	63	59	58
	- of which men	no.	982	890	902
Part-time employees	Total	no.	2	3	4
	- of which women	no.	2	2	3
	- of which men	no.	-	1	1
Total		no.	1.047	952	964
<b>Breakdown by type of contract - project / internships / temporary workers</b>		<b>Unit of measurement</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Full time		%	100%	100%	100%
Part time		%	0%	0%	0%
Total Contracts - project / internships / other					

<b>BREAKDOWN OF EMPLOYEES BY GENDER AND AGE GROUP</b>					
<b>Breakdown by type of contract - project / internships / temporary workers</b>		<b>Unit of measurement</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Interns		no.	10	3	7
Temporary workers		no.	-	-	-
Contractors		no.	6	5	5
Total Contracts - project / internships / other		no.	16	8	12
<b>Subdivision by gender and age group</b>	<b>Age Group</b>	<b>Unit of measurement</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Woman	< 30	no.	3	2	-
	30 to 50	no.	-	-	-
	> 50	no.	1	-	-
Total Women		no.	4	2	-
Man	< 30	no.	7	1	3
	30 to 50	no.	-	-	-
	> 50	no.	5	5	5
Total Men		no.	12	6	8
Total contracts - project/internships/other		no.	16	8	8

<b>NEW EMPLOYEES</b>					
<b>Suddivisione per genere e fascia di età</b>	<b>Age Group</b>	<b>Unit of measurement</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Woman	< 30	no.	2	-	3
	30 to 50	no.	1	2	2
	> 50	no.	1	-	-
Total Women		no.	4	2	5
Man	< 30	no.	38	3	25
	30 to 50	no.	38	11	48
	> 50	no.	1	-	-
Total Men		no.	77	14	73
Total new employees		no.	81	16	78
<b>Distribution of new employees by gender</b>		<b>Unit of measurement</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Women		%	5%	13%	6%
Men		%	95%	88%	94%
<b>Distribution of new employees by age group</b>		<b>Unit of measurement</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
< 30		%	49%	19%	36%

BREAKDOWN OF EMPLOYEES BY GENDER AND AGE GROUP				
30 to 50	%	48%	81%	64%
> 50	%	2%	0%	0%

VOLUNTARY RESIGNATIONS					
Breakdown of voluntary resignations by gender and age group	Age Group	Unit of measurement	2021	2020	2019
Woman	< 30	no.	-	-	-
	30 to 50	no.	-	2	3
	> 50	no.	-	-	-
Total Women		no.	-	2	3
Man	< 30	no.	5	9	8
	30 to 50	n.	18	15	20
	> 50	no.	4	1	1
Total Men		no.	27	25	29
Total Voluntary resignations		no.	27	27	32
Distribution of resignations by gender		Unit of measurement	2021	2020	2019
Women		%	0%	7%	9%
Men		%	100%	93%	91%
Distribution of resignations by age group		Unit of measurement	2021	2020	2019
< 30		%	18%	33%	25%
30 to 50		%	67%	63%	72%
> 50		%	15%	4%	3%

The values reported take into account only voluntary resignations of fixed-term and permanent contracts. Reactivations of contracts for the same person are also excluded from the data on new employment and resignations

## TRAINING

Hours of training per year by category	Unit of measurement	2021	2020	2019
Training provided to executives	hours	1.331	268	538
Training provided to managers	hours	1.081	697	799
Training provided to white collar workers	hours	6.689	2.816	6.472
Training provided to blue collar workers	hours	10.849	4.016	16.003
Total training hours provided	hours	19.949	7.796	23.811

<b>BREAKDOWN OF EMPLOYEES BY GENDER AND AGE GROUP</b>					
<b>Average hours of training per person</b>		<b>Unit of measurement</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Average hours of training provided to managers and white collar workers		hours	111	24	54
Average hours of training provided to managers and white collar workers		hours	26	33	26
Average hours of training provided to blue collar workers		hours	13	10	24
Average hours of training provided		hours	18	5	25
<b>Hours of training per year by gender</b>		<b>Unit of measurement</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Training provided to women		hours	1.188	529	1.163
<b>Training provided to men</b>		hours	18.761	7.268	22.649
Total training hours provided		hours	19.949	7.796	23.811
<b>Average hours of training by gender</b>		<b>Unit of measurement</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Average hours of training provided to women		hours	19	8	19
Average hours of training provided to men		hours	18	7	25
Average hours of training provided		hours	18	7	25
<b>Number of employees trained by professional category</b>		<b>Unit of measurement</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Executives trained		no.	12	11	10
Managers trained		no.	19	21	25
White collar workers trained		no.	279	277	278
Blue collar workers trained		no.	812	810	837
Total employees trained		no.	1.122	1.119	1.150
<b>Number of employees trained by gender</b>		<b>Unit of measurement</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Women		no.	64	66	65
Men		no.	1.058	1.053	1.085
Total employees trained		no.	1.122	1.119	1.150

## MATERIALS

Raw Materials	Unit of measurement	2021	2020	2019
Scrap	ton	157.952	99.705	123.756
Coke	ton	1.620	1.172	1.226
Alloys	ton	21.396	16.360	20.086
Ferrous alloys	ton	37.138	30.563	33.781
Lime	ton	23.114	18.114	20.191
NATURAL RESOURCES CONVERTED INTO PRODUCTS OR SERVICES				
Materials used in the processes	Unit of measurement	2021	2020	2019
Fluxes	ton	2.178	1.479	1.815
oxygen	ton	1.514	1.283	2.085
inert gases (nitrogen and argon)	m3	3.599.805	3.007.826	4.096.089

Materials that are needed for production processes but are not part of the final product, such as lubricants for machinery

## WASTE

	Unit of measurement	2021	2020	2019
Total hazardous waste generated	ton	14.398	11.271	10.909
- of which sent for recovery	ton	5.181	3.122	3.914
- of which sent for disposal (e.g. landfill, waste-to-energy, etc.)	ton	9.217	8.149	6.995
- of which stored on site (temporary storage and/or storage activities)	ton	-	-	-
Other	ton	-	-	-
Temporary storage and/or storage from previous year	ton	-	-	-
Total non-hazardous waste generated:	ton	76.182	60.201	69.588
- of which sent for recovery	ton	25.002	12.051	12.078
- of which sent for disposal (e.g. landfill, waste-to-energy, etc.)	ton	51.181	48.149	57.510
- of which stored on site (temporary storage and/or storage activities)	ton	-	-	-
Other	ton	-	-	-
Temporary storage and/or storage from previous year	ton	-	-	-
Total hazardous and non-hazardous waste	ton	90.181	71.471	80.466

The figures for 2019, 2020 and 2021 include activities of the Cornaredo (MI), Padua and Venice sites.

	Unit of measurement	2021	2020	2019					
Total Waste Generated 306-3	t	90.580,70	71.471,17	80.496,26					
Total non-hazardous	t	76.182,38	60.200,55	69.587,59					
Total Hazardous	t	14.398,32	11.270,62	10.908,67					
<b>Composition and type of waste</b>	<b>Unit of measurement</b>	<b>2021</b>							
		<b>Sent for recovery</b>				<b>Sent for disposal</b>			
		<b>Sent for reuse</b>	<b>Sent for recycling</b>	<b>Sent for other recovery activities</b>	<b>Total sent for recovery (306-4)</b>	<b>Sent for incineration (with energy recovery)</b>	<b>Sent for landfills</b>	<b>Sent for other disposal operations</b>	<b>Total sent for disposal (306-5)</b>
<b>Total non-hazardous waste</b>	t	-	7.877,41	17.124,38	25.001,79	-	51.180,59	-	51.180,59
Paper	t	-	-	-	-				-
Plastic	t	-	37,08	-	37,08				-
Aluminium	t	-	8,16	-	8,16				-
Iron and steel	t	-	7.368,51	246,40	7.614,91				-
Wood	t	-	463,66	-	463,66				-
Septic tank sludge	t	-	-	-	-		289,18		289,18
Scorie	t	-	-	10.000,00	10.000,00		50.829,14		50.829,14
Other	t	-	-	6.877,98	6.877,98		62,27		62,27
<b>Total Hazardous waste</b>	t	-	-	5.181,45	5.181,45	-	-	9.216,87	9.216,87
Fume abatement particulate	t	-	-	5.068,44	5.068,44			355,96	355,96
Absorbents, filter materials	t	-	-	-	-			7.204,36	7.204,36
Absorbents, filter materials	t	-	-	-	-			168,36	168,36
Sludge thickener TAF	t	-	-	-	-			197,42	1.974,42
Other	t	-	-	113,01	113,01			1.290,77	1.290,77
<b>Total Waste</b>	t	-	7.877,41	22.305,83	30.183,24	-	51.180,59	9.216,87	60.397,46

Composition and type of waste	Unit of measurement	2020							
		Sent for recovery				Sent for disposal			
		Sent for reuse	Sent for recycling	Sent for other recovery activities	Total sent for recovery (306-4)	Sent for incineration (with energy recovery)	Sent for landfills	Sent for other disposal operations	Total sent for disposal (306-5)
<b>Total non-hazardous waste</b>	t	-	3.652,45	8.398,75	12.051,20	-	47.767,92	381,43	48.149,35
Paper	t	-	-	-	-	-	-	-	-
Plastic	t	-	36,90	0,60	37,50	-	-	-	-
Aluminium	t	-	0,18	-	0,18	-	-	-	-
Iron and steel	t	-	3.221,27	2.725,62	5.946,89	-	-	-	-
Wood	t	-	381,04	-	381,04	-	-	-	-
Septic tank sludge	t	-	-	-	-	-	-	360,86	360,86
Scorie	t	-	-	-	-	-	47.763,64	-	47.763,64
Other	t	-	13,06	5.672,53	5.685,59	-	4,28	20,57	24,85
<b>Total Hazardous waste</b>	t	-	-	3.122,03	3.122,03	-	-	8.148,59	8.148,59
Fume abatement particulate	t	-	-	2.983,64	2.983,64	-	-	251,92	251,92
Absorbents, filter materials	t	-	-	-	-	-	-	5.246,84	5.246,84
Absorbents, filter materials	t	-	-	-	-	-	-	79,95	79,95
Sludge thickener TAF	t	-	-	-	-	-	-	207,70	207,70
Other	t	-	-	138,39	138,39	-	-	2.362,18	2.362,18
	t	-	3.652,45	11.520,78	15.173,23	-	47.767,92	8.530,02	56.297,97
Composition and type of waste	Unit of measurement	2019							
		Sent for recovery							
		Sent for reuse	Sent for recycling	Sent for other recovery activities	Total sent for recovery (306-4)	Sent for incineration (with energy recovery)	Sent for landfills	Sent for other disposal operations	Total sent for disposal (306-5)
<b>Total non-hazardous waste</b>	t	-	4.087,91	7.990,13	12.078,04	-	57.005,49	504,06	57.509,55
Paper	t	-	-	-	-	-	-	-	-
Plastic	t	-	39,78	0,76	40,54	-	-	-	-
Aluminium	t	-	-	-	-	-	-	-	-
Iron and steel	t	-	3.614,16	2.345,98	5.960,14	-	-	-	-
Wood	t	-	420,88	-	420,88	-	-	-	-

Septic tank sludge	t	-	-	-	-	-	-	456,62	456,62
Scorie	t	-	-	234,60	234,60	-	56.351,42	-	56.351,42
Other	t	-	13,09	5.408,79	5.421,88	-	654,07	47,44	701,51
<b>Total Hazardous waste</b>	t	-	-	3.914,09	3.914,09	-	1,54	6.993,04	6.994,58
Fume abatement particulate	t	-	-	3.799,26	3.799,26	-	-	-	-
Absorbents, filter materials	t	-	-	-	-	-	-	5.701,44	5.701,44
Absorbents, filter materials	t	-	-	-	-	-	-	106,84	106,84
Sludge thickener TAF	t	-	-	-	-	-	-	310,72	310,72
Other	t	-	-	114,83	114,83	-	1,54	874,04	875,58
<b>Total Waste</b>	t	-	4.087,91	11.904,22	15.992,13	-	57.007,03	7.497,10	64.504,13

Material Issues	GRI Issue - Specific Disclosures	Internal Perimeter	External Perimeter
Occupational health and safety	GRI 403 (2018) Occupational Health & Safety	COGNE	Contractors Suppliers
Pollutant emissions into the atmosphere	GRI 305 Emissions	COGNE	
Economic value generated and distributed	GRI 201 Economic Performance	COGNE	
Energy consumption and climate change	"GRI 302 Energy GRI 305 Emissions"	COGNE	Transporters
Water consumption	"GRI 303 Water and Effluents (2018) "	COGNE	
Waste generated	GRI 306 Waste 2020	COGNE	
Legal compliance	"GRI 307 Environmental Compliance GRI 419 Socioeconomic Compliance"	COGNE	
Personnel management	"GRI 401 Employment GRI 405 Diversity and Equal Opportunities GRI 406 Non-Discrimination"	COGNE	
Personnel training	GRI 404 Training and Education	COGNE	Contractors
Respect for local communities	GRI 413 Local Communities	COGNE	
Materials	GRI 301 Materials	COGNE	
Labour relations	GRI 402 Labour Management Relations	COGNE	
Innovation	Non-GRI topic	COGNE	
Product labelling and traceability	Non-GRI topic	COGNE	
Protection of the soil and biodiversity	Non-GRI topic	COGNE	

At present, reporting is only extended to the external perimeter for health and safety issues. COGNE is committed to expanding reporting in this respect in the coming years

## GRI STANDARD CORRESPONDENCE TABLE

Disclosure	Description	Chapter	Comments / Omissions
<b>Profile</b>			
102 1	Name of the organisation	Governance and Corporate Information	
102 2	Activities, brands, products and services	The Sustainable Strategy	
102 3	Location of headquarters	Governance and Corporate Information	
102 4	Location of activities	Governance and Corporate Information	
102 5	Ownership	Governance and Corporate Information	
102 6	Markets served	The Sustainable Strategy	
102 7	Scale of the organisation	Shared Data Added Value and Performance Indicators	
102 8	Information on employees and other workers	Human resources Data and Performance Indicators	
102 9	Description of the supply chain	Supply Chain	
102 10	Significant changes in the organisation and its supply chain	Supply Chain	No significant changes took place
102 11	Precautionary Principle or approach	Reporting Principles and methodology	
102 12	External initiatives	Institutional Relations	
102 13	Membership in trade associations	Governance and Corporate Information	
<b>Strategy</b>			
102 14	Statement of the main decision-maker	Letter to the Stakeholders	
<b>Ethics and integrity</b>			
102 16	Values, principles, standards and norms of behaviour	The Sustainable Strategy	
102 17	Mechanisms for advice and concerns about ethics	Governance and Corporate Information	
<b>Governance</b>			
102 18	Governance structure	Governance and Corporate Information	

<b>Stakeholders engagement</b>			
102 40	The stakeholders	Reporting Principles and methodology	
102 41	Percentage of employees covered by collective bargaining agreements	Human resources	100% - non-executive staff are covered by the national collective labour Metalworker contract. To executives, the National Contract for executives of Metalworking Companies applies
102 42	Identification and selection process of stakeholders	Reporting Principles and methodology	
102 43	Approach to stakeholders engagement	Reporting Principles and methodology	
102 44	Issues deriving from stakeholders engagement	Reporting Principles and methodology	
<b>Reporting practice</b>			
102 45	Entities included in the consolidated financial statements and excluded from the BS	Reporting Principles and methodology	
102 46	Definition of the report's content and related scope	Reporting Principles and methodology	
102 47	List of material issues	Reporting Principles and methodology	
102 48	Restatement of information	Reporting Principles and methodology	
102 49	Changes in material issues and related scope	Reporting Principles and methodology	
102 50	Reporting period	Reporting Principles and methodology	
102 51	Date of most recent report	Reporting Principles and methodology	
102 52	Reporting cycle	Reporting Principles and methodology	Annual
102 53	Contact details for questions regarding the report	Governance and Corporate Information	
102 54	GRI Standard Compliance Statement	Reporting Principles and methodology	
102 55	GRI Index	GRI Standard correspondence table	
102 56	External assurance	Audit report	

<i>Disclosure</i>	<i>Description</i>	<i>Chapter</i>	<i>Comments / Omissions</i>
<b>Economic performance</b>			
103 1	Explanation of the material issue and related scope	Shared Added Value	
103 2	Management approach and its components	Shared Added Value	
103 3	Assessment of the management approach	Shared Added Value	
201 1	Direct economic value generated and distributed	Shared Added Value	
<b>Materials</b>			
103 1	Explanation of the material issue and related scope	Supply Chain	
103 2	Management approach and its components	Supply Chain	
103 3	Assessment of the management approach	Supply Chain	
301 1	Materials used by weight or volume	Supply Chain	
<b>Energy</b>			
103 1	Explanation of the material issue and related scope	Energy management	
103 2	Management approach and its components	Energy management	
103 3	Assessment of the management approach	Energy management	
302 1	Energy consumption within the organisation	Energy management Data and Performance Indicators	
<b>Water</b>			
103 1	Explanation of the material issue and related scope	Water consumption	
103 2	Management approach and its components	Water consumption	
103 3	Assessment of the management approach	Water consumption	
303 1	Water withdrawal by source	Water consumption Data and Performance Indicators	

303 3	Water recycled and reused	Water consumption Data and Performance Indicators	
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<i>Disclosure</i>	<i>Description</i>	<i>Chapter</i>	<i>Comments / Omissions</i>
<b>Emissions</b>			
103 1	Explanation of the material issue and related scope	Air quality	
103 2	Management approach and its components	Air quality	
103 3	Assessment of the management approach	Air quality	
305 1	Direct GHG emissions (Scope 1)	Air quality Data and Performance Indicators	
305 2	Indirect GHG emissions (Scope 2)	Air quality Data and Performance Indicators	
305 7	Nitrogen oxides (NOX), sulphur oxides (SOX), and other significant air emissions by type and weight	Air quality Data and Performance Indicators	
<i>Disclosure</i>	<i>Description</i>	<i>Chapter</i>	<i>Comments / Omissions</i>
<b>Waste</b>			
103 1	Explanation of the material issue and related scope	Waste management	
103 2	Management approach and its components	Waste management	
103 3	Assessment of the management approach	Waste management	
306 1	Waste generation and significant waste-related impacts	Waste management	
306 2	Management of significant waste-related impacts	Waste management	
306 3	Waste generated	Waste management Data and Performance Indicators	

306 4	Waste diverted from disposal	Waste management Data and Performance Indicators	
306 5	Waste directed to disposal	Waste management Data and Performance Indicators	
<b>Environmental Compliance</b>			
103 1	Explanation of the material issue and related scope	Air quality Water consumption Waste management Energy management	
103 2	Management approach and its components	Air quality Water consumption Waste management Energy management	
103 3	Assessment of the management approach	Air quality Water consumption Waste management Energy management	
307 1	Non-compliance with environmental legislation	Data and Performance Indicators	
Disclosure	Description	Chapter	Comments / Omissions
<b>Human resources</b>			
103 1	Explanation of the material issue and related scope	Human resources	
103 2	Management approach and its components	Human resources	
103 3	Assessment of the management approach	Human resources	
401 1	New employees and employee turnover	Human resources Data and Performance Indicators	
<b>Labour relations and Trade Unions</b>			
103 1	Explanation of the material issue and related scope	Human resources	
103 2	Management approach and its components	Human resources	
103 3	Assessment of the management approach	Human resources	

402 1	Minimum notice periods in relation to organisational changes	Human resources	Cogne complies with the national legislation and the applicable collective bargaining agreements
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<i>Disclosure</i>	<i>Description</i>	<i>Chapter</i>	<i>Comments / Omissions</i>
<b>Occupational health and safety</b>			
103 1	Explanation of the material issue and related scope	Health and safety	
103 2	Management approach and its components	Health and safety	
103 3	Assessment of the management approach	Health and safety	
403 1	Occupational health and safety management system	Health and safety	The representation of workers is insured by law (ref. TU Legislative Decree 81/2008) and by national contracts
403 2	Hazard identification, risk assessment, and incident investigation	Health and safety	
403 3	Occupational health services	Health and safety	
403 4	Worker participation, consultation, and communication on occupational health and safety	Health and safety	
403 5	Worker training on occupational health and safety	Health and safety	
403 6	Promotion of worker health	Health and safety	
403 7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health and safety	
403 9	Work-related injuries	Health and safety Data and Performance Indicators	
403 10	Work-related ill health	Health and safety Data and Performance Indicators	

<b>Training and Education</b>			
103 1	Explanation of the material issue and related scope	Human resources	
103 2	Management approach and its components	Human resources	
103 3	Assessment of the management approach	Human resources	
404 1	Average hours of training per year per employee	Human resources Data and Performance Indicators	
<b>Diversity and Equal Opportunity</b>			
103 1	Explanation of the material issue and related scope	Human resources Governance and Corporate Information	
103 2	Management approach and its components	Human resources Governance and Corporate Information	
103 3	Assessment of the management approach	Human resources Governance and Corporate Information	
405 1	Diversity of governance bodies and employees	Human resources Governance and Corporate Information	
<b>Non Discrimination</b>			
103 1	Explanation of the material issue and related scope		
103 2	Management approach and its components		
103 3	Assessment of the management approach		
406 1	Incidents of discrimination and corrective actions taken	No episodes of discrimination were reported	
<b>Local Communities</b>			
103 1	Explanation of the material issue and related scope	Local Communities and Relations	
103 2	Management approach and its components	Local Communities and Relations	

103 3	Assessment of the management approach	Local Communities and Relations	
413 1	Operations with local community engagement, impact assessments, and development programs	Local Communities and Relations	
<b>Socio Economic Compliance</b>			
103 1	Explanation of the material issue and related scope	Sharing our added value	
103 2	Management approach and its components	Sharing our added value	
103 3	Assessment of the management approach	Sharing our added value	
419 1	Non-compliance with laws and regulations in the social and economic area	Sharing our added value	No sanctions were issued in 2021

## OTHER NON-GRI INDICATORS

<b>Innovation</b>			
<i>Disclosure</i>	<i>Description</i>	<i>Chapter</i>	<i>Comments / Omissions</i>
103 1	Explanation of the material issue and related scope	Innovation	
103 2	Management approach and its components	Innovation	
103 3	Assessment of the management approach	Innovation	
Labelling and traceability of products			
103 1	Explanation of the material issue and related scope	Innovation	
103 2	Management approach and its components	Innovation	
103 3	Assessment of the management approach	Innovation	
<b>Protection of soil and biodiversity</b>			
103 1	Explanation of the material issue and related scope	Our environmental dimension Continuous improvement projects	
103 2	Management approach and its components	Our environmental dimension Continuous improvement projects	
103 3	Assessment of the management approach	Our environmental dimension Continuous improvement projects	

This is the English-language translation of the official (Italian language) reference document which can be found at this link

**[www.cogne.com/sostenibilita/](http://www.cogne.com/sostenibilita/)**

# AUDIT REPORT

## Relazione della società di revisione indipendente sul Bilancio di Sostenibilità

Al Consiglio di Amministrazione della Cogne Acciai Speciali S.p.A.

Siamo stati incaricati di effettuare un esame limitato ("*limited assurance engagement*") del Bilancio di Sostenibilità della Cogne Acciai Speciali S.p.A. (di seguito la "Società") relativo all'esercizio chiuso al 31 dicembre 2021.

### Responsabilità degli Amministratori per il Bilancio di Sostenibilità

Gli Amministratori della Cogne Acciai Speciali S.p.A. sono responsabili per la redazione del Bilancio di Sostenibilità in conformità ai "*Global Reporting Initiative Sustainability Reporting Standards*" definiti dal GRI - *Global Reporting Initiative* ("GRI Standards"), come descritto nella sezione "Nota metodologica" del Bilancio di Sostenibilità.

Gli Amministratori sono altresì responsabili per quella parte del controllo interno da essi ritenuta necessaria al fine di consentire la redazione di un Bilancio di Sostenibilità che non contenga errori significativi dovuti a frodi o a comportamenti o eventi non intenzionali.

Gli amministratori sono inoltre responsabili per la definizione degli obiettivi della Cogne Acciai Speciali S.p.A. in relazione alla performance di sostenibilità, nonché per l'identificazione degli *stakeholder* e degli aspetti significativi da rendicontare.

### Indipendenza della società di revisione e controllo della qualità

Siamo indipendenti in conformità ai principi in materia di etica e di indipendenza *dell'International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code)* emesso dall'*International Ethics Standards Board for Accountants*, basato su principi fondamentali di integrità, obiettività, competenza e diligenza professionale, riservatezza e comportamento professionale.

La nostra società di revisione applica l'*International Standard on Quality Control 1 (ISQC Italia 1)* e, di conseguenza, mantiene un sistema di controllo qualità che include direttive e procedure documentate sulla conformità ai principi etici, ai principi professionali e alle disposizioni di legge e dei regolamenti applicabili.

### Responsabilità della società di revisione

È nostra la responsabilità di esprimere, sulla base delle procedure svolte, una conclusione circa la conformità del Bilancio di Sostenibilità rispetto a quanto richiesto dai GRI Standards. Il nostro lavoro è stato svolto secondo quanto previsto dal principio "*International Standard on Assurance Engagements ISAE 3000 (Revised) - Assurance Engagements Other than Audits or Reviews of Historical Financial Information*" (di seguito anche "*ISAE 3000 Revised*"), emanato dall'*International Auditing and Assurance Standards Board (IAASB)* per gli incarichi di *limited assurance*. Tale principio richiede la pianificazione e lo svolgimento di procedure al fine di acquisire un livello di sicurezza limitato che il Bilancio di Sostenibilità non contenga errori significativi.

Pertanto, il nostro esame ha comportato un'estensione di lavoro inferiore a quella necessaria per lo svolgimento di un esame completo secondo l'*ISAE 3000 Revised* ("reasonable assurance engagement") e, conseguentemente, non ci consente di avere la sicurezza di essere venuti a conoscenza di tutti i fatti e le circostanze significativi che potrebbero essere identificati con lo svolgimento di tale esame.

Le procedure svolte sul Bilancio di Sostenibilità si sono basate sul nostro giudizio professionale e hanno compreso colloqui, prevalentemente con il personale della Società responsabile per la predisposizione delle informazioni presentate nel Bilancio di Sostenibilità, nonché analisi di documenti, ricalcoli ed altre procedure volte all'acquisizione di evidenze ritenute utili.

In particolare, abbiamo svolto le seguenti procedure:

1. analisi del processo di definizione dei temi rilevanti rendicontati nel Bilancio di Sostenibilità, con riferimento alle modalità di identificazione in termini di loro priorità per le diverse categorie di *stakeholder* e alla validazione interna delle risultanze del processo;
2. comparazione tra i dati e le informazioni di carattere economico-finanziario riportati nel paragrafo "Condivisione del valore aggiunto" del Bilancio di Sostenibilità e i dati e le informazioni incluse nel bilancio d'esercizio della Cogne Acciai Speciali S.p.A. al 31 dicembre 2021;
3. comprensione dei processi che sottendono alla generazione, rilevazione e gestione delle informazioni qualitative e quantitative significative incluse nel Bilancio di Sostenibilità. In particolare, abbiamo svolto interviste e discussioni con il personale della Direzione di Cogne Acciai Speciali S.p.A. e abbiamo svolto limitate verifiche documentali, al fine di raccogliere informazioni circa i processi e le procedure che supportano la raccolta, l'aggregazione, l'elaborazione e la trasmissione dei dati e delle informazioni di carattere non finanziario alla funzione responsabile della predisposizione del Bilancio di Sostenibilità. Inoltre, per le informazioni significative, tenuto conto delle attività e delle caratteristiche della Società,
  - a livello di Società:
    - a. con riferimento alle informazioni qualitative contenute nel Bilancio di Sostenibilità, abbiamo effettuato interviste e acquisito documentazione di supporto per verificarne la coerenza con le evidenze disponibili;
    - b. con riferimento alle informazioni quantitative, abbiamo svolto sia procedure analitiche che limitate verifiche per accertare su base campionaria la corretta aggregazione dei dati.
  - per lo stabilimento di Aosta di Cogne Acciai Speciali S.p.A., che abbiamo selezionato sulla base delle sue attività, del suo contributo agli indicatori di prestazione e della sua ubicazione, abbiamo effettuato incontri da remoto nel corso dei quali ci siamo confrontati con i responsabili e abbiamo acquisito riscontri documentali su base campionaria circa la corretta applicazione delle procedure e dei metodi di calcolo utilizzati per gli indicatori.

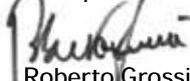


## Conclusioni

Sulla base del lavoro svolto, non sono pervenuti alla nostra attenzione elementi che ci facciano ritenere che il Bilancio di Sostenibilità di Cogne Acciai Speciali S.p.A. relativo all'esercizio chiuso al 31 dicembre 2021 non sia stato redatto, in tutti gli aspetti significativi, in conformità a quanto richiesto dai *GRI Standards* come descritto nel paragrafo "Nota metodologica" del Bilancio di Sostenibilità.

Torino, 8 aprile 2022

EY S.p.A.



Roberto Grossi  
(Revisore Legale)



**Cogne Acciai Speciali**