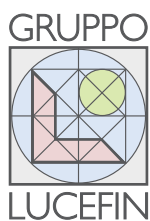


Togetherwechange

SUSTAINABILITY NEWS

HIGHLIGHTS





HANDING OVER

passion

FOR STEEL WITH

COMPETENCE, INNOVATION AND
≡ PRODUCTION QUALITY ≡



This document aims to highlight and summarize, in terms of sustainability, the main results obtained in 2021 combined with a partial comparison with 2022.

The goal is to anticipate the full edition of the new **REPORT 2022** which will be published at the beginning of next year; this will allow a more immediate and easier understanding of the data.

Together **we**change



ENVIRONMENTAL



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SOCIAL



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ENVIRONMENTAL



OUR CARBON FOOTPRINT 2021

TRAFILIX has initiated a project aimed at measuring and reducing Greenhouse Gas (GHG) emissions resulting from its activity. A key step in this regard is the drawing up of the company's GHG emission inventory on the basis of the main reference standard: UNI EN ISO 14064-1:2019.

All GHG required by the reference standard are monitored and reported in terms of CO₂ equivalent (CO₂eq.), using conversion factors based on Global Warming Potential.

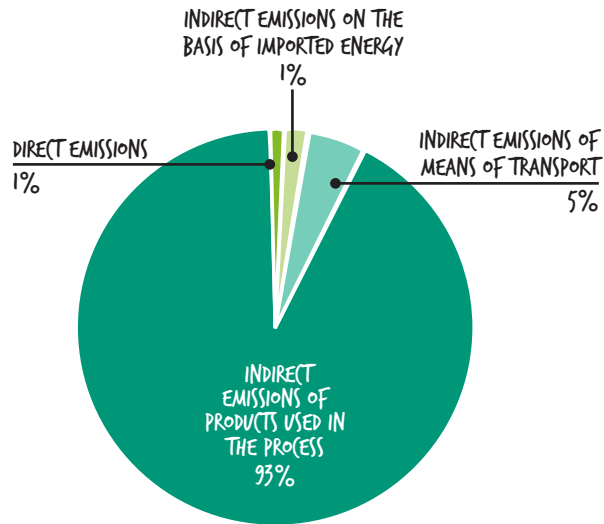


Total emissions for the year 2021 are equal to:

249,524.6
tCO₂eq



SHARE OF EACH CATEGORY – YEAR 2021



GHG EMISSION INTENSITY

An emission index was calculated to assess CO2 emissions required to process one ton of material produced. The total weight of the articles produced in 2021 at the Trafilix sites was used for the calculation.

EMISSION INDEX (TCO2EQ./T PROCESSED STEEL)	
1.71	1.67*

*Emission index up to the gate, calculated net of emissions due to outgoing freight.

WASTE



The company's priority is to reduce the impact on the environment also through waste recovery.

In 2021 we have reached **96%**

RECYCLED MATERIALS USED IN OUR PROCESSES

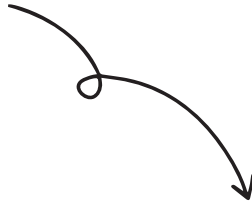
Given the origin of the raw material, the percentage of recycled materials used to produce the organisation's primary products (steel) is **82.10%**



THE PRODUCTS WE DELIVER ARE

100% RECYCLABLE

SOCIAL



STAKEHOLDERS RELATIONSHIP

Stakeholder engagement is seen from the perspective of listening to and including all primary stakeholders.
Activities towards this goal:

EVENTS: MEETINGS WITH STAKEHOLDERS

2021

9° edition of MADE IN STEEL – First edition following Covid. An event that focused on the theme of “rebirth” as a key to the future of steel with a title that leaves no room for misunderstanding «RENAISSANCE - Here begins the steel rebirth “. Our presence received a mention in the category ‘Best Communication Stand’.

19° edition of MEC SPE – The trade show dedicated to manufacturing and Industry 4.0, organized by Senaf, for the first time took place in Bologna. This year’s themes were digitalization, sustainability and training, all subjects increasingly discussed, which are becoming fundamental in the digital and ecological transformation of industrial processes.

2022

Wire Düsseldorf - Trade fair for wire and cable manufacturing equipment, accessories, raw materials, manufacturers of small mechanical parts, control and measurement technology.

Maastricht: Stainless Steel World - Conference & Exhibition, international trade fair dedicated to stainless steels.

BRAND IDENTITY

Introduction to a co-branding activity. Project to be developed with customers aimed at raising awareness of how the Group’s steel is used and how, in certain contexts, it becomes part of people’s daily lives. In 2022, a **SURVEY** activity began to perceive how our service, our products and our image are perceived by customers.



PARTICIPATION IN LOCAL COMMUNITIES

d'ADA ART, DESIGN, ARCHITECTURE Review - Participation in the 3rd and 4th editions

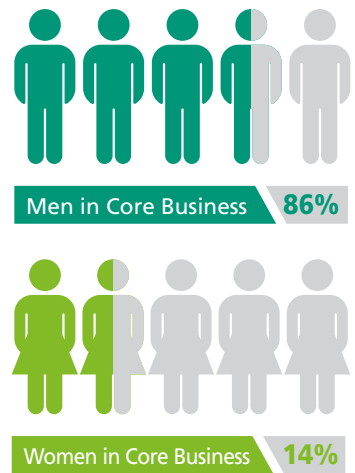
The d'ADA Association was established to promote the culture and languages of art, in its various forms and declinations. Thanks to the collaboration of diversified experiences and skills, which unite the world of art and the world of business, journalism and economics, the Association carries out an activity of territorial enhancement, which also involves the main institutional (e.g. FAI) and entrepreneurial realities of Valle Camonica.

The 'Bella Corsa' of Valle Camonica 8th and 9th Edition.

A running event that takes place every year amidst the beautiful natural scenery and historically and culturally interesting views of Valle Camonica. A project born in 2013 from an idea of the Corrintime sports association, founded by the Buzzi family.

HUMAN RESOURCES
 EMPLOYEES

GROUP TOTAL = 648
 CORE BUSINESS = 545



YEAR		2019	2020	2021
By age group	under 30	7.76%	7.46%	8.58%
	30-50 years	54.96%	55.70%	60.77%
	Over 50	37.28%	36.84%	30.66%
By gender	M	86.21%	86.40%	85.87%
	F	13.79%	13.60%	14.13%

In 2022, the Lucefin Group decided to implement a Welfare Plan for its employees with an emphasis on personal aspects that enhance family and educational growth.

HEALTH AND SAFETY



SERIOUS INJURIES
OF MORE THAN
180 DAYS



TOTAL PRODUCTION UNITS AND DISTRIBUTION COMPANIES



In 2021, efforts were made to maintain a high level of safety in the workplace, and at the same time to understand the needs of workers in order to improve their participatory contribution.

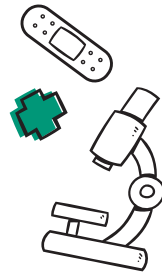
YEAR 2021	TOTAL PRODUCTION UNITS INDEX	TOTAL DISTRIBUTION COMPANIES + LUCEFIN OFFICE AND TRAFILIX DARFO
Number of injuries	10	7
Number of Employees	305	246
Total days lost	473	327
Official hours worked	469,700	378,840
Frequency Index $IF = N / (O \times 1.000.000)$	21.29	18.48
Severity Index $IG = G / (O \times 1.000)$	1.01	0.86
Average duration of injuries $DM = G / N$	47.30	46.71
Serious injuries (> 180 gg)	0	0
Average injuries (> 40 gg)	3	4

Note: rates are calculated according to official guidelines.

	2021
Hazards at work that constitute a risk of injury with serious consequences	38
Number and rate of deaths as a result of injuries at work	No deaths
Main types of injuries	Contusions, crush injury, sprains and stumbles



WORKER HEALTH PROMOTION



The aim is to create a stimulating and motivating working environment in which safety culture, health and prevention play a primary role and where everyone feels committed to providing the right support and maximum contribution to the achievement of the set goals.

All workers are kept up-to-date and trained through education and training during working hours, e-mails and notices on the notice board.

A free annual breast examination is guaranteed for women in the group.

On April 28 of each year, which celebrates the National Day of Safety in the Workplace, health and safety is promoted with targeted communications.

"EXAMPLE IS NOT THE MAIN THING IN INFLUENCING OTHERS; IT IS THE ONLY THING."

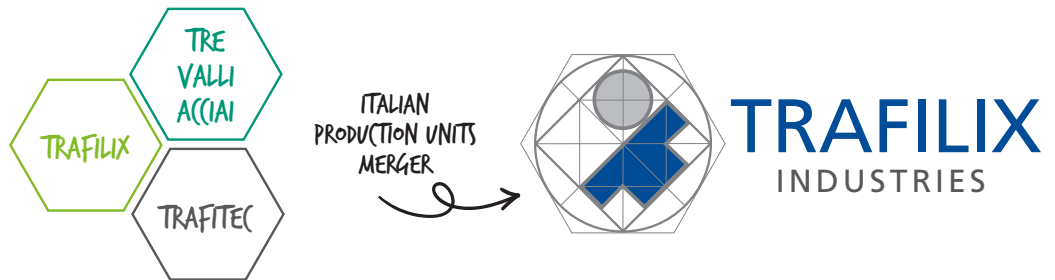
ABRAHAM LINCOLN



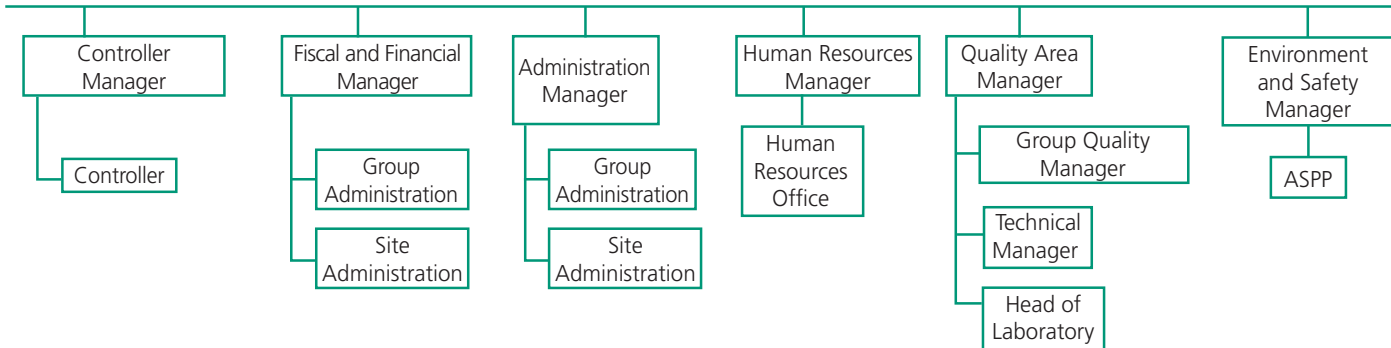
GOVERNANCE

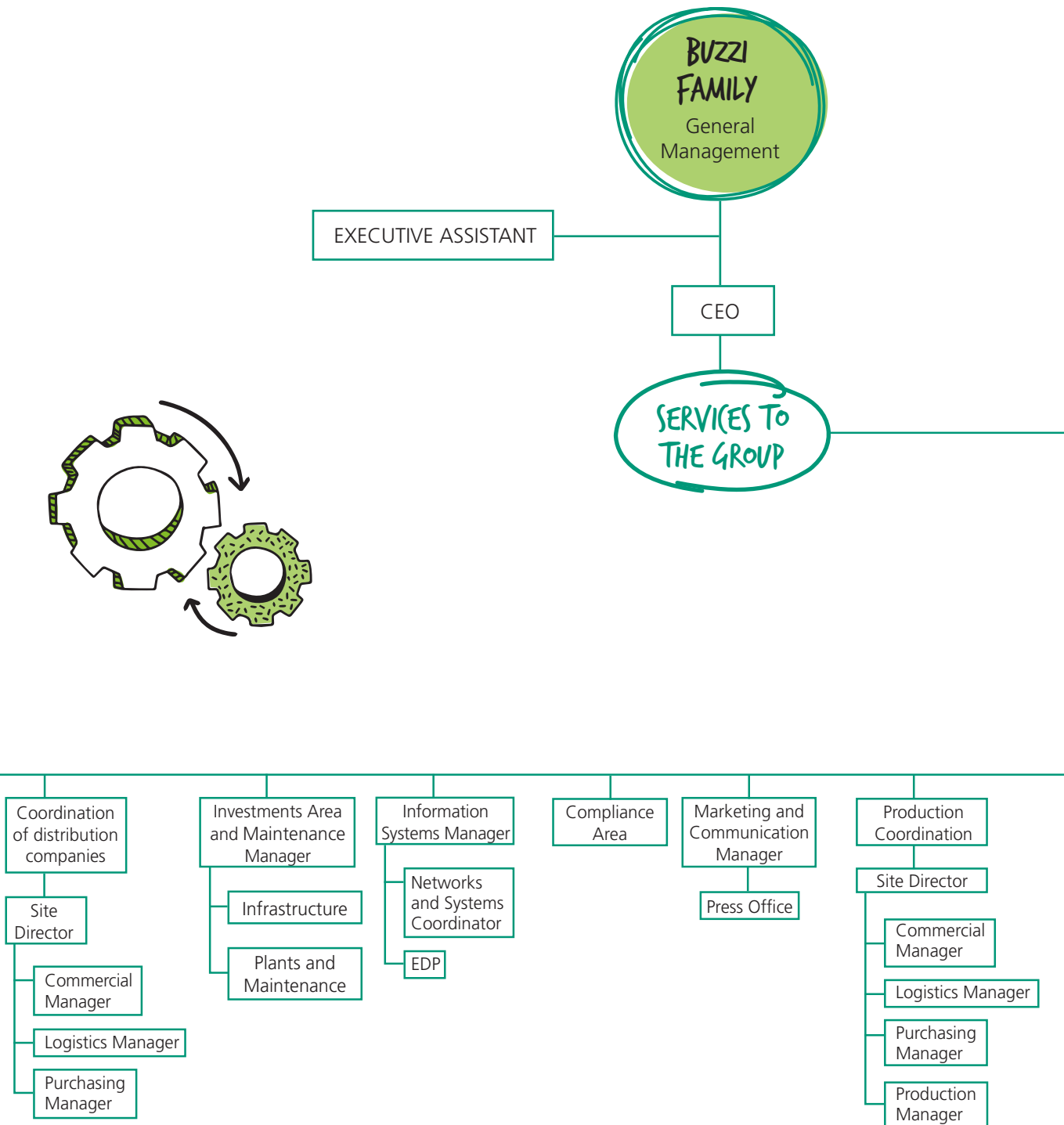


In 2021, the Group merged the three ITALIAN production units into the new TRAFILIX INDUSTRIES.



In early 2022, the Lucefin Group defined new roles and responsibilities in the Management Team aimed at an evolution of its corporate organization and at ensuring autonomy for individual functions with an organized system based on risk management and integrated thinking.







**DIRECTLY GENERATED
AND DISTRIBUTED
ECONOMIC VALUE**



Financial capital is intended to ensure the continuity and sustainability of the business.

SALES REVENUES €

2019	2020	2021	2022 (at 30.06)
223,300,000	176,000,000	333,253,000	254,422,000

Revenues Italian companies: 296,790,000

Revenues Foreign Companies: 36,463,000

EBITDA/TURNOVER

2019	2020	2021
6.30%	6.67%	8.31%

NET FINANCIAL POSITION/€

2019	2020	2021
110,716,000	97,284,000	85,572,000

DIRECTLY GENERATED AND DISTRIBUTED ECONOMIC VALUE 2021

Economic value distributed	322,121,000	96.66%
Economic value retained	11,132,000	3.34%
Economic value generated	333,253,000	100%

ECONOMIC VALUE DISTRIBUTED 2021

Economic value generated	333
Operating Costs	- 292.8
Wages	- 24.7
Capital providers	-1.3
P.A.	-3
Investments in the community	-0.12
Retained value	11

INDUSTRIAL INVESTMENTS (€/1.000)

2019	2020	2021
7,044	3,435	5,380

INDUSTRIAL INVESTMENTS PER TON PRODUCED (€/t)

2019	2020	2021
46,0	26,0	31,1

COMMERCIAL RESULTS

SALES PRODUCTION UNITS (METRIC TONS)

TOTAL (METRIC TONS)
2021= 130,911
2022= 116,741

		at 30/09/21	%	at 30/09/22	%
SALES BY STEEL FAMILIES	Free-cutting	34,345	26	27,288	23
	Steels for quenching and tempering	33,153	25	32,054	28
	Constructional steel	54,914	42	48,899	42
	Stainless steel	6,206	5	5,890	5
	Others	2,293	2	2,610	2
SALES BY EXECUTION	Cold-drawn	111,848	85	97,982	84
	Ground + Rough ground	13,231	10	13,630	12
	Peeled	5,832	4	5,129	4

SALES DISTRIBUTION COMPANIES (METRIC TONS)

TOTAL (METRIC TONS)
2021= 80,639
2022= 74,606

		at 30/09/21	%	at 30/09/22	%
SALES BY STEEL FAMILIES	Free-cutting	11,344	14	8,175	11
	Steels for quenching and tempering	39,227	49	38,589	52
	Constructional steel	22,221	27	19,897	27
	Stainless steel	2,545	3	2,398	3
	Others	5,302	7	5,547	7
SALES BY EXECUTION	Cold-drawn	36,733	46	30,278	41
	Ground + Rough ground	5,141	6	4,728	6
	Peeled	3,216	4	2,544	3
	Forged	6,134	8	6,701	9
	Hot-rolled	29,415	36	30,355	41



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