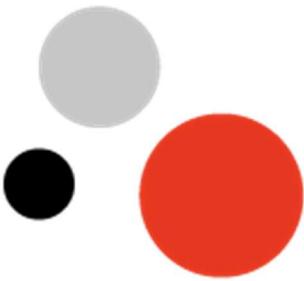
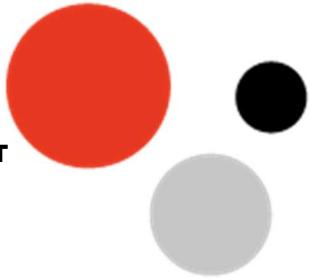


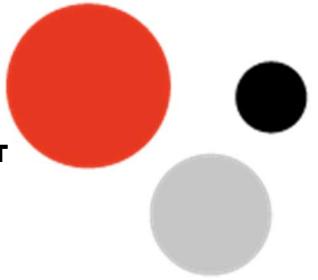
EXECUTIVE SUMMARY

ISO 14068-1:2023





REV.	DATE	ISSUED	CHECKED	APPROVED
0	11/11/2025	Andrea Costa Group Sustainability Supervisor	Giovan Battista Landra Environmental & Sustainability Director	Antonio Beltrame CEO AFV Beltrame



1. COMPANY OVERVIEW

The AFV Beltrame Group, a leading European steel producer with facilities in Italy, France, Switzerland, Romania, and Belgium, has developed a comprehensive Carbon Neutrality Plan aligned with ISO 14068-1:2023. The Group's strategy focuses on achieving carbon-neutral steel production (Chalibria products) for 2024 and progressing toward long-term decarbonization goals for 2030 and 2050.

AFV Beltrame S.p.A. operates electric arc furnace (EAF)-based steelmaking facilities producing over 2 million tons of steel annually. The Group has also integrated renewable energy generation, including 12 hydroelectric plants producing around 160 GWh/year, covering about 35% of Italian plants' energy needs and significantly reducing Scope 2 emissions.

Carbon neutrality follows a "cradle to factory gate" approach, in accordance with ISO 14068-1:2023 Standard. Neutrality extends to all Group's plants, and both indicators, targets and decarbonization pathway are set accordingly to GSAC.

KPI refers to the most recent year covered by both GHG accounting, according to ISO 14064-1 and GSAC decarbonization strategy.

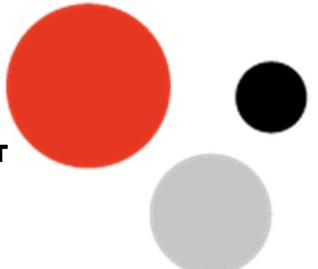
2. DECARBONIZATION STRATEGY

The Group's Carbon Management Plan follows a three-phase approach:

1. Assessment of CO₂ emissions and identification of key reduction opportunities
2. Implementation of mitigation measures prioritizing in-boundary reductions
3. Establishment of measurable reduction targets and continuous monitoring

Main initiatives include:

- Energy efficiency projects, such as furnace revamping, LED relamping, and new monitoring platforms
- Circular economy practices, including scrap optimization, polymer and biochar use to replace fossil carbon, and internal slag reuse
- Green energy sourcing, with new photovoltaic installations and hydropower integration through Idroelettriche Riunite
- Hydrogen applications, including the "Hydrogen Valley" project (PNRR-funded) to promote green hydrogen for steel processes.



3. EMISSION REDUCTION TARGETS

- 40% reduction in Scope 1+2 emissions by 2030 (to 0.148 tCO₂e/t).
- 20% reduction in Scope 1–3 emissions by 2030.
- Annual 2% reduction from 2031–2050, reaching 0.12 tCO₂e/t.
- 40% renewable energy share by 2030 across operations.

4. GHG ACCOUNTING AND REDUCTION PATHWAY

The GHG inventory, developed in line with ISO 14064-1, includes direct, indirect (market-based), and other indirect emissions, applying recognized standards and databases.

Baseline year: 2021.

	2021	2023	2024
Scope 1	0,144	0,151	0,142
Scope 2	0,119	0,080	0,044
Scope 3	0,298	0,339	0,325
Total	0,561	0,569	0,511

Total reductions (2024 vs baseline): approximately 235.000 tCO₂.

The graph below shows reduction pathway that has to be followed in order to meet GSCC criteria.

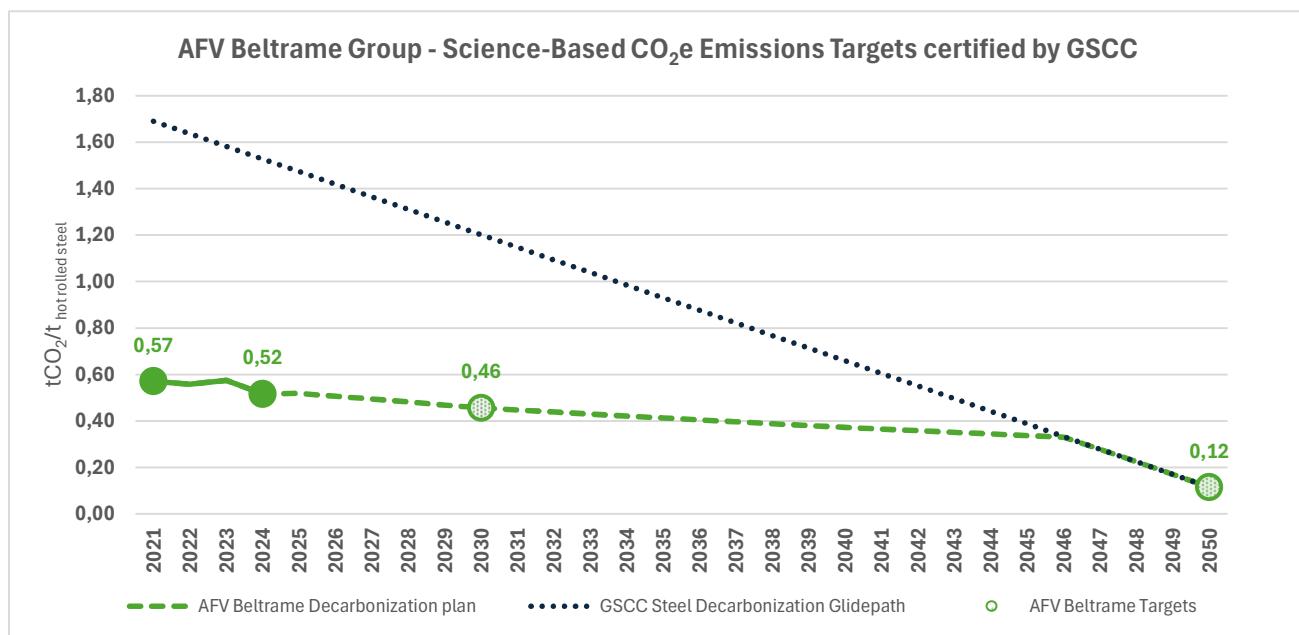


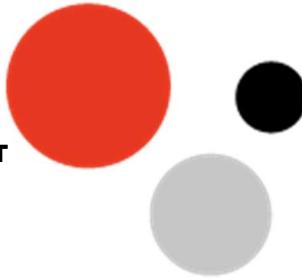
Table below summarizes emission performance of both baseline and most recent year.

	tCO ₂ e/t
<i>GHG emissions (baseline year 2021)</i>	0,561
<i>GHG emissions (reporting year 2024)</i>	0,511
<i>GHG removals</i>	0
<i>GHG emission reductions</i>	0,055
<i>GHG removals enhancements</i>	0
<i>GHG unabated</i>	0,511
<i>GHG offset</i>	0,511

5. CARBON CREDITS

Residual emissions are offset using “ex-post” verified carbon credits (from VERRA VCS, Gold Standard, and UN-REDD+ programs). Offsetting operations are validated by RINA via the DIAS blockchain-based platform, ensuring traceability and data integrity. Customers receive verified Chalibria Carbon Neutrality Certificates linked to specific product batches.

Double counting has been avoided.



6. VERIFICATION AND COMPLIANCE

Emissions data and neutrality claims are independently verified by accredited third parties (RINA). Carbon neutrality for the 2024 production year is valid from October 1, 2025, to September 30, 2026, with a commitment to continuous monitoring and improvement.

7. CONCLUSION

AFV Beltrame's Carbon Neutrality Report demonstrates a robust, transparent, and verifiable decarbonization pathway, emphasizing renewable integration, efficiency, circularity, and certified offsetting. The Group's Chalibria carbon-neutral steel marks a milestone in sustainable steelmaking, reinforcing AFV Beltrame's leadership in aligning industrial growth with global climate goals.