Pathways to decarbonization:
strategies and insights

2025

AFV BELTRAME GROUP

The true decarbonization of the steel industry is built along the entire value chain, from the scrap supplier to the end customer. Only through transparency, accurate emissions measurement and active collaboration with all stakeholders can we turn our commitment to carbon neutrality into reality.

Index

Chapter 1 2025 Activities

Chapter 2 Regulatory context and voluntary disclosure

Chapter 3 Measurement and targets

renewal of ISO 14064-1 certification and transition from PAS 2060 to ISO 14068-1

Chapter 4 Our commitment:

ongoing and future activities

Chapter 5 Chalibria perimeter

01. 2025 Activities

Events, round tables and workshops

During 2025, AFV Beltrame Group participated in numerous round tables and workshops as a panellist.

Environment and energy transition: the key role of Energy Managers

14 January 2025

At the GSE Auditorium in Rome (Gestore dei Servizi Energetici) the conference "Environment and Energy Transition: the key role of energy managers" was held, organised by Consorzio Universitario Humanitas and Università San Raffaele.

"From market analysis to seize fixing opportunities, to monitoring energy cost trends - a primary cost item together with scrap for our activity - and keeping track of new regulations and KPIs to identify waste and improvement opportunities, while driving consumption efficiency through targeted investments: today the Energy Manager's role is complex, cross-functional, and requires deep technical and economic skills."
This was explained in detail by Gianmaria Zanni, Group Energy COO, who provided a direct account of how these activities are managed within Beltrame Group.

Beltrame Group's experience shared at KEY Energy Transition Expo

5 March 2025

AFV Beltrame Group took part in the KEY Energy Transition Expo, a leading European event for technologies, services and integrated solutions in energy efficiency and renewables in Italy and the Mediterranean area.

The development and concrete implementation of renewable sources is now a strategic priority, not only in terms of environmental sustainability but also to ensure price stability and alignment with real industrial costs - crucial factors for the competitiveness of the production system.

Gianmaria Zanni, Energy COO, shared the Group's experience and best practices in the panel "Renewables and consumers: the optimal choice".

The session addressed several key topics:

- REGULATORY AND INSTITUTIONAL FRAMEWORK: an in-depth analysis of recent legislative measures and their practical implementation, with particular focus on impacts on the industrial system;
- PROSPECTS FOR CONSUMERS: opportunities and economic/operational benefits for companies choosing to orient towards renewables;
- SCENARIOS AND AVAILABLE SOLUTIONS: a comprehensive overview of the preferred options - from commercial solutions to asset-based approaches and hybrid models including self-consumption - highlighting concrete steps to secure competitive industrial energy costs and identify the most valuable regulatory and industrial solutions for specific business needs.

AFV Beltrame Group's participation confirms the company's active role in the energy transition debate and its consolidated experience in implementing sustainable and innovative energy strategies.

Product Digital Assurance: Beltrame Group in the new era of certifications

18 March 2025

In an economy increasingly focused on environmental sustainability, companies are required to demonstrate their commitment through transparent and verifiable statements. In this context, Digital Assurance plays a crucial role, ensuring that the information disclosed is accurate and compliant with international standards.
The advantages of Digital Assurance are manifold: it guarantees reliability - as reports are verified by independent third parties - and ensures efficiency and accuracy, enabling faster validation of provided data while reducing the risk of errors and improving overall information quality.

Andrea Costa, Group Sustainability Supervisor & Sustainable Energy Specialist, illustrated Beltrame Group's path:
"Through a digital certification system developed in collaboration with RINA, our carbon-neutral steel Chalibria ensures transparency, traceability and data integrity, in full compliance with international regulations. This is a concrete commitment to decarbonization and the sustainability of our business."

New paradigm of energy markets: Beltrame Group's strategies and solutions

07 April 2025

Gianmaria Zanni, Group Energy COO, took part in the round table organised by Unione Industriali Torino on the evolution of energy markets, providing an in-depth analysis of current dynamics and offering innovative perspectives for companies facing this complex scenario.

Zanni began by describing energy market trends, emphasising how volatility has now become a structural feature rather than an occasional phenomenon.

"We can no longer talk about temporary spikes," he stated, "but about a new paradigm of structural instability that requires completely renewed approaches."

Particularly significant was his analysis of daily price formation mechanisms, the main market drivers, and Italy's positioning versus other European countries.

Zanni also described concrete solutions already adopted by AFV Acciaierie Beltrame S.p.A. to reduce and stabilise energy costs:

- Direct self-consumption via rooftop or adjacent ground installations;
- PPAs (Power Purchase Agreements) - both financial and physical;
- ESCo-type contracts;
- Participation in consortia for renewables development;
- Remote self-consumption.

Steel slag: a strategic resource for the urban planning of the future

18 April 2025

In a panel dedicated to circular urban planning, Guillaume Martin, CSR Energy Manager, presented the potential of slag derived from electric melting in steelworks as a substitute material:
"The by-products of steel production are today a high-value resource for infrastructure works and road construction. Together with our low-CO_2 recycled steel, they are a fundamental pillar in addressing the challenges of circular and environmentally respectful urban planning."
A tangible demonstration of our dedication to the circular economy and a more sustainable future for local communities.

The road to the future: decarbonising the European steel industry while remaining competitive

08 May 2025

Carlo Beltrame, Country Manager France and Romania, Group Chief Business Development Officer and Group COO, participated in the round table "Road to the Future: Decarbonising the European steel industry while remaining competitive" during Made in Steel - Conference & Exhibition 2025 at Fiera Milano Rho.

A sector-wide dialogue
The event brought together steel producers, European trade associations, technology suppliers, energy companies and steel distributors to debate one of the sector's most critical challenges.

Challenges of the green transition
European steelmakers have embarked on the path to decarbonising steel, but the road is highly demanding. During the discussion, representatives of leading Italian, European and global companies debated the current situation and future outlook, focusing on the need to reconcile international market competitiveness with decarbonization.
At the centre: the decarbonization process across the steel value chain and the persistent doubts about the actual market for "green steel". A crucial theme that emerged is the need to align environmental objectives with realistic timelines for technological evolution and to contain energy costs to maintain the competitiveness of the European sector.
Beltrame Group's contribution brought to the fore the concrete experience of a company already actively pursuing sustainability with innovative projects such as Chalibria carbon-neutral steel.

Romania's path to industrial transformation: Carlo Beltrame's vision for a sustainable future

28 May 2025

"Romania can lead Europe's next industrial chapter if we protect our resources and strengthen local production." This was Carlo Beltrame's clear vision expressed during the live broadcast on Ziarul Financiar "Cum Construim România".

With over €400 million invested in Romania in ESG innovation and modern steel production, the Group is not simply building factories — it is laying the foundations for a sustainable future. The Donalam plants in Târgoviște and Călărași are concrete testimonies of this commitment to the country's reindustrialisation.

According to Beltrame, Romanian and European industry is going through the most challenging period in decades. The lack of protective measures exposes European industry to massive dumping, endangering local production capacity and increasing dependence on imports. Lower-quality products are also imported, compromising construction safety and raising pollutant emissions.

Beltrame's message is clear and ambitious: through reindustrialisation, infrastructure investments and the enhancement of strategic assets such as scrap, Romania can bridge the economic gap with Western Europe in just 3–5 years. However, this goal can only be achieved with bold policies, fair trade rules and a national commitment in favour of local industry.
Despite current difficult market conditions that do not favour investments, the Group remains optimistic about the potential of the Romanian market and the possibility of benefiting from government-led industrialisation plans.

European steel between sustainability and competitiveness: perspectives and strategies for the future

17 and 18 June 2025

During the discussion, the most pressing issues facing the sector were addressed: from access to competitive clean energy to European Union measures for global competitiveness, from the impact of US tariffs to the CBAM (Carbon Border Adjustment Mechanism), to the outlook for European demand for 2025-2026.
As highlighted during the conference by Alessandro Sciamarelli, Director of Economic and Market Research at Eurofer, the recovery in steel demand in the EU has been postponed to 2026, with the bloc at risk of remaining a structural net importer of steel. Navigating these crossroads requires courageous leadership and collaborative dialogue.

Carlo Beltrame joined industry leaders Ronald de Haan, Director of Markets, Pricing & Services at Tata Steel Nederland, Stéphane Tondo, Technical Head of Governmental Affairs & Climate Change at ArcelorMittal Europe, Steven Vercammen, Senior Expert at McKinsey & Company, and Stanislav Zinchenko, CEO of GMK Centre, in a discussion moderated by Adam Smith of Kallanish Commodities, organiser of the event.

On 17–18 June 2025, Carlo Beltrame participated in the Kallanish Europe Steel Markets conference in Amsterdam, speaking in the main session "Europe at a Crossroads", a high-profile round table examining the future of the European steel industry.

Beltrame Group's contribution offered a concrete perspective on how European steelworks can navigate this period of profound transformation. The European steel sector faces unprecedented challenges: decarbonization costs mandated by environmental policies, non-competitive energy prices, geopolitical tensions and high interest rates are eroding industrial competitiveness. Meanwhile, the industry is called upon to invest billions of euros to radically transform production processes.

Market expectations for European steel in 2025 were markedly more moderate compared to early 2024.
However, with the new European Commissioners in office, 2025 is projected as the year of implementation for long-awaited industrial and steel action plans. Decarbonization remains crucial - but not at the cost of deindustrialisation.

The European economy, particularly the manufacturing sector, has failed to recover from Russia's invasion of Ukraine, which has disrupted established political and economic norms.

Energy efficiency and innovation: experiences and solutions for a sustainable transition

14 October 2025

On 14 October, at the Politecnico di Milano – Campus Bovisa, the event organised by the Energy Transition Club of POLIMI Graduate School of Management focused on one of the most urgent themes of the energy transition: efficiency.
Gianmaria Zanni spoke as a keynote in a session that offered a discussion on real experiences and success stories in Italy. The debate centred on:

- the potential of innovative technologies to reduce energy consumption;
- the importance of individual and collective behaviours in generating lasting impacts.

Industry experts shared approaches and solutions from complementary perspectives, highlighting how innovation and collaboration are fundamental levers for a sustainable transition. The event, followed also via streaming, provided a valuable opportunity to delve into strategies and concrete tools supporting energy efficiency.

Sustainable transition in the steel sector: AFV Beltrame Group's commitment

22 October 2025

At Politecnico di Milano, during the conference "Carbon Markets Outlook 2025", Andrea Costa presented AFV Beltrame Group's journey as a research partner, focusing on the challenge of sustainable transition in the steel sector.

In a sector characterised by energy-intensive processes, the mandatory EU ETS mechanism has been interpreted by the Group not as a constraint but as a strategic opportunity to strengthen competitiveness and accelerate change towards a more sustainable industrial model.

Three fundamental directions were illustrated:

- Going beyond ETS compliance, adopting international standards for quantifying GHG emissions;
- Defining certified targets, aligned with the Paris Agreement and compliant with the GSCC Standard;
- Implementing the Decarbonization Plan, consolidating Chalibria, the Group's carbon-neutral steel, as a market reference.

The conference provided a valuable forum to share experiences and concrete solutions, reaffirming AFV Beltrame Group's commitment to decarbonization and to building more transparent and effective carbon markets.

Beltrame at the Green Building Conference & EXPO 2025: Giovan Battista Landra's contribution to the GBC Italy round table

16 October 2025

On 16 October 2025, within the "Green Building Conference & EXPO 2025" at Museo del '900 in Mestre, Beltrame actively participated in the round table organised by the Veneto Friuli-Venezia Giulia Chapter of GBC Italia, titled "How the territory is absorbing the ongoing transformations".

During the session, Giovan Battista Landra, Group Environment and Sustainability Director at AFV Beltrame Group, brought the voice of the steel industry to a dialogue among key players in the supply chain.

Together with Andrea Fantin (DAKU), Mauro Leoni (Mungo) and Giuseppe Dalla Torre (urban planner), Landra helped identify opportunities and criticalities linked to the uptake of new policies and tools for sustainability across the territory.

His talk emphasised the importance of an integrated and concrete approach to the sustainable transition, highlighting how collaboration between businesses, institutions and professionals is essential to address environmental challenges and seize the opportunities offered by innovation in construction.
The Group's participation confirmed Beltrame's commitment to dialogue with the territory and to promoting sustainable practices throughout the building supply chain.

ESG and sustainability: the AFV Beltrame Group case presented at Università Cattolica's postgraduate master's programme

06 November 2025

At Università Cattolica del Sacro Cuore, during the Master in Social Impact & ESG Management, Giovan Battista Landra, Andrea Costa and Debora Brusaporco presented AFV Beltrame Group's path in sustainability and ESG topics.

They outlined the Group's sustainability pillars and key projects launched to contribute to achieving the targets defined in the corporate strategy, with particular attention to reporting methods in the Sustainability Report.

Andrea Costa, Group Sustainability Supervisor, noted:

"This initiative was an opportunity for collaboration with universities to contribute to training and developing the skills required for roles that bring added value in managing sustainability topics."
Prof. Marco Grumo, Founder and Director of the master's programme, emphasised how AFV Beltrame Group represents "a significant case study to understand how a traditional industrial company concretely integrates environmental, social and governance sustainability into its innovative business model, creating value for the company and all stakeholders."

The meeting offered a valuable moment of exchange between academia and industry, confirming the strategic role of ESG skills for companies' future.

Water as a strategic lever for sustainability in steelmaking

13 November 2025

The Kilometro Rosso Innovation District in Bergamo hosted the Study Day "Water footprint - a strategic lever for sustainable steelmaking", where AFV Beltrame Group shared its experience and projects devoted to water resource management - one of the pillars of the Group's sustainability strategy.
Giovan Battista Landra, Group Sustainability & Environment Director, stressed:
"the value of water goes beyond the cubic metres saved: it reflects a company's ability to combine production efficiency, environmental protection and responsibility towards the territory. This is the vision on which we build Beltrame's sustainability path."
Andrea Costa, Group Sustainability Supervisor, highlighted how the Group integrates water management within its ESG strategy:
"thanks to technological investments and continuous monitoring, the Vicenza plant has reduced water withdrawals by 10% over the last two years, achieving the set target."

Finally, Gian Maria Pasqualin, AFV Environment Manager, illustrated the solutions adopted:
- Managing process water in interlinked cascade circuits to reduce waste;
- Installing air coolers that partially replace water usage with air cooling systems;
- Studying the reuse of treated rainwater as process water.

These interventions confirm the Group's commitment to continuous improvement of industrial processes through increasingly efficient and responsible use of water resources.

Awards and recognitions

AFV Beltrame Group among the "Climate-Conscious Companies 2025"

AFV Beltrame Group confirms, for the second consecutive year, its inclusion among the "Climate-Conscious Companies 2025", a prestigious recognition identifying 175 Italian best-in-class enterprises in environmental sustainability. The ranking, promoted by Corriere della Sera in collaboration with the editorial initiative "Pianeta 2030" and developed with Statista's methodological support, rewards companies that distinguished themselves for concrete commitment to reducing environmental footprint and for sensitivity to climate sustainability issues.

The 2025 edition is based on a rigorous methodology assessing global greenhouse gas emissions (Scopes 1, 2 and 3) recorded by each company over 2021–2023. The analysis considers not only absolute emissions but also carbon intensity in relation to revenues over the same period, allowing fair comparison between companies of different sizes. The selection values organisations that have demonstrated a continuous improvement trajectory and adoption of concrete decarbonization strategies.

This recognition testifies to AFV Beltrame Group's constant commitment to ecological transition and to pursuing increasingly ambitious sustainability goals, aligned with international standards and the UN 2030 Agenda.

AFV Beltrame Group awarded at the Open Innovation Day

AFV Beltrame Group was awarded at Open Innovation Day, an event promoted by the iNEST Consortium - Ecosystem of Innovation of North-East in collaboration with Università degli Studi di Padova. The initiative gathered a qualified audience of representatives from business, academia and institutions across Triveneto, offering significant opportunities for discussion and networking on innovation and applied research.

Awarded companies were identified through a rigorous selection process based on a set of performance indicators relating to innovation. The assessment examined objective data regarding corporate financial statements, patent portfolios and R\&D and Innovation projects benefiting from public or private funding.

When receiving the award, Barbara Beltrame Giacomello stated:
"innovation is the key to ensuring progress and business competitiveness in a global context characterised by continuous change. However, it is not just about adopting new technologies or implementing advanced processes: innovation is first and foremost a future-oriented mindset, driven by the will to continuously improve.
This approach has always been part of our Group's DNA."

Beltrame among the "Europe's Climate Leaders 2025": the prestigious Financial Times recognition

AFV Beltrame Group is included in the prestigious "Europe's Climate Leaders 2025" ranking by the Financial Times, a recognition placing the company among 600 leading European enterprises in tackling climate change.

A Europe-wide recognition
Now in its fifth edition, the list is produced by the Financial Times in collaboration with Statista, a company specialised in analytics. Of the 600 awarded entities, only 80 are Italian companies, making this achievement even more significant for AFV Beltrame Group.

Rigorous selection criteria
To be admitted to the list, companies must have demonstrated the greatest reduction in emissions intensity between 2018 and 2023, i.e., greenhouse gas emissions relative to revenues. The Financial Times' evaluation process is distinguished by methodological rigour: a reduction in emission intensity of more than 3% per year is required. The assessment also considers Scope 3 emissions and measures corporate performance through internationally recognised ratings such as CDP (Carbon Disclosure Project) and SBTi (Science Based Targets initiative), considered reference standards for evaluating companies' climate action. Transparency in reporting emissions along the entire value chain is also assessed closely.

A confirmation of the adopted climate strategy
This result is a tangible confirmation of the effectiveness of our decarbonization strategy within an increasingly stringent and evolving European regulatory context. Being listed alongside the continent's top performers attests to the solidity of the path undertaken and the consistency of the actions implemented in our commitment to energy transition and sustainable steel production.
The Financial Times recognition is not only a milestone to celebrate but also an incentive to further strengthen our commitment towards increasingly ambitious environmental goals, confirming sustainability as a strategic pillar of our business model and our contribution to combating climate change.

AFV Beltrame Group included in the prestigious "Italy's Best Employers 2026" ranking

AFV Beltrame Group has been included in the prestigious Italy's Best Employers 2026 ranking, compiled by Statista in collaboration with Corriere della Sera.

Now in the sixth edition of the survey, it is based on over 300,000 anonymous evaluations collected from workers across Italy and examines key aspects such as:
- company climate;
- work–life balance;
- growth and training opportunities;
- inclusiveness and gender equality;
- leadership quality and internal relations.

This approach integrates with our sustainability strategy, which places social and environmental responsibility at its core: we believe that people's wellbeing and planetary protection are two inseparable pillars for building a solid and sustainable future.
Being included in this ranking confirms our constant commitment to creating a work environment based on listening, valuing people and sharing common goals.

02. Regulatory context and voluntary disclosure

CSRD and ESRS: simplifications and perspectives for companies

In recent years, the European sustainability reporting framework has evolved from a fragmented system, based on voluntary or sector-specific initiatives, to an organised regulatory platform centred on the Corporate Sustainability Reporting Directive (CSRD - Directive (EU) 2022/2464) and the European Sustainability Reporting Standards (ESRS) adopted by Delegated Regulation (EU) 2023/2772.

Companies are required to build an integrated information system linking governance, strategy, risk management and ESG indicators along the entire value chain.
However, starting in 2025, this framework underwent a profound simplification under the Omnibus package, along two main lines:

- Relaxation of the CSRD scope (via the "Stop-the-clock" Directive and revision of size thresholds);
- Structural simplification of ESRS, through the "Amended/Simplified ESRS" developed by EFRAG and now submitted to the Commission.

The declared goal - also by European institutions - is twofold: reduce administrative burden and improve proportionality, without dismantling the underlying architecture of the Green Deal and the EU's role as global standard setter in sustainable finance.

The original CSRD framework and its impact on wave 2 companies

In its original version, the CSRD had significantly expanded the scope of companies subject to reporting requirements, replacing the Non-Financial Reporting Directive (NFRD) with a reporting system divided into four phases (known as "waves"):

- Wave 1: entities already subject to the NFRD (large public-interest entities), first application on 2024 financial statements (report 2025);
- Wave 2: other large EU companies (non-NFRD), with first application on 2025 financial statements (report 2026);
- Wave 3: listed SMEs, 2026 financial statements (report 2027, with opt-out options);
- Wave 4: non-EU companies with a significant presence in Europe, with more deferred timelines.

The original directive introduced four structural pillars:

1. Dual materiality, which involved a joint assessment of the company's impact on the environment and people (impact materiality, inside-out view) and an assessment of ESG risks and opportunities with financial effects on the company (financial materiality, outside-in view).
2. Mandatory standards (ESRS) - moving beyond voluntary frameworks (GRI, SASB, etc.) in favour of a European standard setter (EFRAG) aligned with the Green Deal.
3. External assurance - obligation to perform a "limited" audit (with a view to moving to a "reasonable" audit) on sustainability disclosures included in the financial statements.
4. Extension of assessments to the value chain, covering, where materially relevant, impacts and risks along the entire value chain (upstream + downstream) and therefore not only for own operations.

For wave 2 companies (such as the Beltrame Group), this would have meant adopting a new reporting method as early as the FY 2025 financial statements, with a very tight timeframe for redesigning ESG governance, processes, data acquisition and controls.

To address concerns about the competitiveness of the industrial system, in 2025 the Commission activated the first piece of the Omnibus 2025: the so-called "Stop-the-clock Directive" - Directive (EU) 2025/794, in force since 17 April 2025.

For wave 2 companies, the first application of CSRD has been postponed by two financial years (no longer FY 2025, but FY 2027). Similarly, listed SMEs (wave 3) have seen their application date pushed forward to FY 2028, while wave 1 companies have remained tied to the original timeline (FY 2024 financial statements).

For wave 2 companies, a two-year window of preparation and adjustment has therefore opened up to define or strengthen sustainability governance (roles, board delegations, committees, reporting lines), robustly structuring the double materiality process and related documentation, mapping gaps in environmental, social and supply chain data, and setting up an alignment roadmap, integrating the CSRD perspective with other obligations or opportunities (ESG risk management, taxonomy analysis).

In Italy, the Stop-the-clock was implemented with Decree Law 95/2025 ("Economy Decree") of 30 June 2025, which aligns the national CSRD implementation calendar with the new European timelines.

Alongside the "Stop-the-clock" Directive, the European Commission has introduced - and subsequently discussed with the Council and Parliament - a package of deeper changes to the CSRD/ESRS architecture, known as "Omnibus I".

In summary, the main directions are:

1. Revision of CSRD applicability thresholds, with application envisaged only for companies with more than 1,000 employees and €450 million in net turnover, based on cumulative criteria. This has drastically reduced the number of obligated entities (from approximately 45,000 to about 10,000 at EU level), with an estimated reduction in administrative costs of around €4.4 billion per year.

2. Postponement/cancellation of sectoral ESRS and revision of the existing set to reduce the number of data points to be reported and their complexity.

Omnibus I also aims to realign the entire "sustainability package" in order to reduce risks of overlap and inconsistency while preserving the environmental ambition of the Green Deal.

A political agreement in principle has been reached between the EU Council and European Parliament; formalisation will follow through amendments to the directive and related delegated acts.

Details on the "Amended/Simplified ESRS" 2025

The first ESRS set, adopted in 2023 with Delegated Regulation (EU) 2023/2772, included:

- ESRS 1 and 2 - cross-cutting standards (general principles and general disclosures);
- 10 thematic standards (E1-E5, S1-S4, G1) on climate, resources, pollution, human capital, communities, customers/suppliers and business conduct.

These standards, binding for wave 1 companies, would have constituted the basis also for wave 2 companies in the absence of revision. Early applications highlighted an excessive datapoint burden and materiality complexity, particularly for diversified industrial groups.

To avoid wave 1 companies bearing increasing burdens while wave 2 and 3 benefited from postponement, in July 2025 the Commission adopted an "ESRS quick-fix Delegated Act", substantially freezing further expansion of mandatory disclosures for wave 1 over FY 2025-2026, enabling a gradual phase in of the most demanding disclosures.


Trith-Saint-Léger plant, France

In parallel, at the Commission's request, EFRAG has worked in recent months on a structural revision of the standards, initially in the form of an Exposure Draft of "Amended ESRS" (summer 2025) and more recently through the transmission to the Commission of its technical advice on the "draft simplified ESRS".
This EFRAG communication of December 2025 represents a key milestone and is based on:
• the first implementation experiences in 2024 by wave 1 reporters;
• a public consultation involving over 700 stakeholders.

According to the official statement, the main points are:

- a 61% reduction in mandatory datapoints (where material) compared to the 2023 set, with removal of all voluntary disclosures, focusing information on what is genuinely useful for proper reporting;
- a radical simplification of materiality, improving clarity and pragmatism in defining and documenting double materiality, with emphasis on the actual usefulness of information for users and the market;
- greater flexibility in the use of estimates and proxy variables for assessing IROs (Impacts, Risks and Opportunities) along the value chain, while maintaining corporate responsibility for the quality of assumptions.

ESRS have also been reorganised to be more readable, less redundant and easier to integrate into existing reporting systems.
The next step, expected in early 2026, will be the European Commission's transposition of EFRAG's technical advice into a new Delegated Act revising the first ESRS set, coordinated with CSRD amendments under the Omnibus framework.with the changes to the CSRD, as provided for in the Omnibus.

CPR
Construction Products Regulation

New EU regulations redefining the concept of conformity for structural steels

The entry into force of the new Construction Products Regulation (CPR) (EU) 2024/3110 and the Ecodesign Regulation for Sustainable Products (ESPR) (EU) 2024/1781 is not a simple update, but a systemic change in product standards.

Compliance for products such as structural profiles, merchant bars (steels covered, for example, by the EN 10025 series) and reinforcing bars (rebar) is evolving from the sole verification of technical performance to a model that integrates sustainability, circularity and digitalisation as essential structural dimensions. The regulations introduce tools and requirements that redefine the very concept of "construction product", imposing an increasingly advanced level of transparency.

The most tangible change introduced by the CPR is the establishment of the Declaration of Performance and Conformity (DoPC), which replaces the previous DoP and expands its content. The DoPC elevates environmental information to a regulatory compliance requirement, mandating the disclosure of indicators relating to the life cycle of products through LCA (Life Cycle Assessment) analysis, starting with the best-known Global Warming Potential (GWP), which represents the carbon footprint of the product. This data must be calculated using harmonised methodologies such as EN 15804+A2, transforming the information from voluntary (as reported in the environmental product declaration - EPD) to a mandatory parameter by law. Traceable circularity requirements are also introduced, requiring the declaration of the recycled content of products and requirements for durability and reusability/recyclability at the end of life (identifiable in modules C and D of the LCA).

This emphasis on measurability and reporting is already reflected in the practices of the Beltrame Group, which has EPDs for its products and has anticipated the GWP transparency requirement by completing and certifying its greenhouse gas (GHG) inventory in accordance with the international standard ISO 14064-1 (Scope 1, 2 and 3 Upstream). This structured approach to measuring the carbon footprint across the entire value chain (in modules A1-A3, with transport option included) demonstrates how the Group has already aligned its datasets with the rigour required by the new regulatory framework, which is fundamental for the future DoPC.

To complement this vision, future adaptation to the ESPR will involve the disclosure of eco-design requirements directly applicable to steel as a high-priority intermediate material. The ESPR, through future delegated acts of the EU Commission, will establish mandatory minimum levels of recycled content for specific steels, transforming this parameter into a performance constraint (already present in the recently updated CAM (Italian Minimum Environmental Criteria) building regulations).

In addition, rules for the intrinsic durability of the material will be defined and restrictions on substances of concern will be introduced, with a direct impact on procurement processes and quality management. The ultimate goal of this process, which is also reflected in projects such as Beltrame's carbon-neutral Chalibria steel, is the active management of GWP, a commitment that will soon be formalised by certification according to ISO 14068-1 (Carbon Neutrality Management), which provides the framework for managing and demonstrating climate neutrality.

The Digital Product Passport (DPP) unifies these requirements, the common digital infrastructure that will require dynamic and updatable traceability of LCA and supply chain data, ensuring interoperability between the CPR (construction products) framework and the ESPR (materials) framework, hopefully also serving as the primary data source for the CBAM (Carbon Border Adjustment Mechanism) and voluntary standards. The timetable for the application of the two regulations is asynchronous. Although the CPR has been in force since July 2024, the obligation to adopt the new DoPC is subject to the publication of the new harmonised standards (hEN). Until then, steel will continue to apply the current hEN.

The real turning point will be the next five years, when the CEN regulatory mandates will be reviewed and published. Only with the publication of a new specific hEN, for example for products covered by EN 10025 for structural laminates, and with a transition period of at least 12 months, will the obligation to adopt the DoPC come into effect. Future revisions of these standards will need to explicitly incorporate GWP environmental declaration methodologies and circularity technical requirements, as well as references to the DPP.

However, steel companies must base their preparations on the ESPR timetable, which is more stringent. Steel is classified as a priority in the ESPR Work Plan 2025–2027, with delegated acts expected to be adopted between 2026 and 2028. These ESPR requirements (e.g. DPP and minimum recycled content) will come into force when the delegated act enters into force, potentially before the new CPR is fully implemented, effectively forcing the industry to accelerate the implementation of the new requirements in order to be ready for reporting.

European electric furnace steel, with its already very low GWP and high recycled content (often over 95%, as in the case of Beltrame), is in a strategic position to capitalise on a regulatory competitive advantage. The digitalisation enabled by the DPP, combined with LCA datasets and scrap traceability, will transform compliance into an essential qualification factor for green procurement markets. In summary, it will be a matter of managing a transition from a technical compliance approach to a system compliance approach, where carbon footprint and circularity will represent standardised performance parameters.

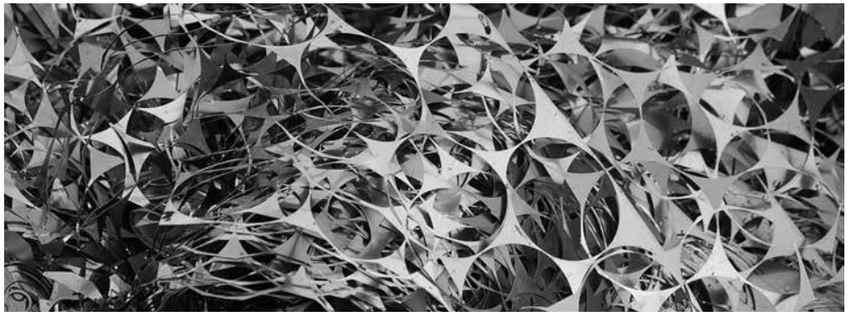
Green Steel

The search for a harmonised definition of low-emission steel is a regulatory imperative for the European Union, aimed at supporting the objectives of the Green Deal. The challenge is to create credible lead markets and prevent greenwashing in a sector characterised by the coexistence of two types of production with structurally different climate footprints and transition challenges: the primary cycle (BF-BOF), which uses iron ore and coal, and the secondary cycle (EAF), which mainly uses recycled ferrous scrap and electricity.

The current debate among organisations and institutions, particularly in relation to the Action Plan for Steel and Metals and future regulations such as the Industrial Accelerator Act (IAA), focuses on the criteria to be used to classify and label steel products in terms of carbon intensity and, above all, on the role of scrap in this calculation. Producers who rely on the primary cycle, which are responsible for the majority of the sector's total emissions, support a definition of "green steel" that rewards decarbonization efforts rather than absolute carbon intensity.

They recognise that their path must involve massive technological steps (such as the conversion of part of their production to hydrogen or the adoption of CCUS techniques), which require substantial investments over extended time horizons.

These players have promoted assessment methodologies that introduce the "scrap sliding scale", raising the permissible CO_2 threshold for a "green" product based on the percentage of scrap used. The implicit goal is to create a market environment favourable to primary steel producers who do not have access to or do not use large quantities of scrap. In contrast to this position is the proposal of electric arc furnace (EAF) steel producers, which is authoritatively represented by the Global Steel Climate Council (GSCC), a global coalition of major international players that in Europe also includes the AFV Beltrame Group.
The GSCC is an organisation that promotes decarbonization solutions based on technological neutrality, which has promoted a global standard based solely on objective climate results and the actual carbon footprint of products.



The pillars of the GSCC position are in fact:

1. emphasis on absolute carbon intensity per tonne of steel, as this is the only credible metric for a representative product label. This approach is technologically neutral because it evaluates the final product, not the performance developments of the production process;

2. opposition to the "scrap sliding scale", considering it a market distortion in favour of primary producers. The key argument is that it negates the effectiveness of the circular economy principle, penalising EAF companies that are already low-carbon. Comparative assessments show that the sliding scale can classify a BF-BOF product with emissions up to five times higher than an EAF product in the same "green" category;

3. priority to European Circularity: for European and Italian EAF producers (including the Beltrame Group), the sliding scale methodology would be particularly penalising as it would not recognise our leadership in steel recycling and low-carbon production, which is increasingly in demand by the market.

The two fundamental requirements of the standard are the definition and quantification of the CASEI and SBET parameters:

CASEI (Company Absolute Steel Emission Intensity)

CASEI is the central quantitative metric of the GSCC Standard, which measures the carbon footprint of the final product.
- It represents the absolute intensity of CO2 equivalent emissions per tonne of steel.
- It includes direct process emissions (Scope 1) and indirect emissions from electricity procurement (Scope 2).
- It is technologically neutral and based solely on absolute emissions.

SBET (Science-Based Emissions Target)

SBET is the governance requirement that ensures the company's credibility and long-term commitment.
- It requires the company to set a medium- to long-term emissions target (usually 2030), validated to be aligned with keeping global warming within 1.5°C (according to the Paris Agreement targets).
- It ensures that the commitment to decarbonization is not just a theoretical exercise, but translates into a strategic corporate commitment to net-zero.

The Beltrame Group has obtained certification for its strategy in accordance with the GSCC Protocol.

The solution promoted by EAF producers within EU institutions is a two-tier system that would ensure fairness and transparency by identifying:

1

a product label based on CO_2 emissions per tonne of steel (product carbon footprint), without any reference to the quantity of scrap used, in order to objectively reward the product with the lowest climate footprint;

2

a possible parallel certification based on decarbonization efforts and progress against a specific baseline for each technological process (BF-BOF or EAF), in order to guide EU incentives and funding, supporting continuous improvement for both routes without distorting the end market.

This approach has been explicitly promoted in numerous letters sent to the Commission and the relevant Directorates and is fully in line with the European Parliament Resolution of 19 June 2025, which calls for labels that "should reflect carbon performance rather than process characteristics".

Discussions and debates are still ongoing at various levels, clearly showing that the debate on "green steel" in Europe is not only technical, but requires a political vision that combines the need to protect investments in the green transition with the need to promote circular excellence and the reduced absolute emissions guaranteed by electric steel producers.

Trith-Saint-Léger plant, France

In the European debate on green steel, credibility depends on clear, comparable criteria based on objective data. Measuring absolute emissions per tonne of steel is the only benchmark capable of ensuring transparency, promoting circularity and preventing greenwashing practices.

Evolution of the CBAM: current Status, emerging Issues and regulatory outlook

The Carbon Border Adjustment Mechanism (CBAM) has rapidly become one of the most sensitive pillars of the European climate-industrial framework. Introduced with Regulation (EU) 2023/956 as part of the "Fit for 55" package, CBAM aims to apply a carbon price on imports of carbon intensive goods (including iron and steel) equivalent to the price paid by EU producers under the EU ETS.
The objective is to counter the risk of carbon leakage-that is, the relocation of carbon intensive production to countries with less stringent climate regulations.


Vicenza plant, Italy

In recent months, the instrument has undergone an intense update process through a simplification package (the so called Omnibus), a targeted consultation on downstream products and anti circumvention measures, and an ongoing review of default values and benchmarks.
The steel industry lies at the heart of these dynamics, both as a "reference" ETS sector and as a critical CBAM-related segment in terms of volumes and emission intensity.

Regulation (EU) 2023/956 originally defined a two phase architecture:
- transitional phase (October 2023 - December 2025), during which importers of CBAM goods (cement, iron and steel, aluminium, fertilisers, electricity and hydrogen) were required to report embedded emissions quarterly, but not to purchase CBAM certificates.
- definitive phase (from 1 January 2026), during which operators will need to purchase and surrender CBAM certificates for every tonne of imported CBAM goods. The price of the certificates will be linked to the average EU ETS allowance price. The number of certificates to be surrendered will be reduced based on any carbon price paid in the country of origin, according to criteria that the Commission will define through implementing acts.

CBAM therefore becomes the main anti-carbon leakage tool, progressively aligned with the phase out of free ETS allowances for the sectors concerned.
Several operational issues emerging during the transitional implementation phase encouraged and accelerated the introduction in 2025 of a simplification package, the so called "Omnibus I", formally adopted in October 2025.

The key elements of the Omnibus package now in force are:
a) new reporting threshold set at 50 tonnes.
An annual exemption threshold of 50 tonnes of CBAM goods per importer was introduced, replacing the previous value based criterion. Below this threshold, importers are exempt from CBAM authorisation, periodic declarations and the purchase of CBAM certificates.
This modification relieved roughly 80-90% of importers from CBAM obligations, while still covering over 95% of embedded emissions from extra EU imported goods, which are handled by a limited number of large operators.

b) Deferral and simplification of procedures during the initial phase.
The simplification package also introduced:
- the option to defer the obligation to purchase CBAM certificates for 2026, allowing importers to complete purchases by September 2027, once the full emissions picture is available;
- streamlined authorisation procedures for above threshold importers;
- the option to use default values for embedded emissions under certain conditions.

In parallel with the simplification measures, on 2 July 2025 the Commission launched a public consultation on a possible extension to downstream products and on anti circumvention measures.
The consultation focused on three main areas:

1. extension of the scope to downstream products incorporating significant quantities of CBAM goods.
2. strengthening of anti circumvention measures, particularly concerning "re routing" practices and minor transformations carried out in third countries with less stringent rules.
3. revision of the rules for electricity imports, in light of the evolution of electricity markets and interconnection projects with neighbouring countries.

The consultation has been concluded, but no draft regulation for this potential extension has been published to date.

From the perspective of the European steel industry, CBAM in its original form presents a number of potential gaps (loopholes) that may undermine its effectiveness and cause competitive distortions.

In May 2025, EUROFER listed the main critical issues and the corrections requested:

- "melted and poured" principle, which should define the origin of CBAM steel goods based on where the original material was melted and poured, regardless of further processing in other countries. Without this principle, high carbon steel could be produced in one country, then shipped to another for simple rolling or finishing, and imported into the EU under a different origin, reducing transparency on the real carbon footprint;
- compensation for indirect CO_2 costs, which companies ask to maintain;
- appropriate and consistent benchmarks and default values for steel products, as proposals circulated so far do not always reflect best climate practices - particularly for long products - resulting in cases where default values for some imported product categories would be lower than actual emissions, effectively favouring more carbon intensive producers and penalising the most efficient European ones.

One of the most technical and delicate aspects of CBAM is indeed the management of default values and the quality of data provided by non EU producers.

During the transitional phase, the Commission allowed broad flexibility, permitting the use of default values where actual data were not available. However, recent literature and the 2025 consultation highlighted several risks:

- if default values are too low compared to the real emissions of high carbon intensity producers, CBAM loses its deterrent effect and becomes a regressive measure benefiting less virtuous producers;
- if default values are too high, there is a risk of excessively penalising non EU producers who have genuinely invested in emission reductions, discouraging global decarbonization;
- the availability of accurate and consistent data often depends on collection, processing and certification processes that may not be fully comparable with EU standards.

In parallel, the Commission has launched technical work to improve reference datasets (emission factors by country and technology) for benchmark definition.
In this context, steel manufacturers - including the Beltrame Group - are demonstrating their ability to engage proactively in regulatory forums and consultations, providing quantitative evidence on their emission profiles and on competitive distortion risks, with the aim of contributing to a CBAM that is genuinely aligned with the sector's decarbonization trajectory.


Vicenza plant, Italy

Expected scenario for 2026, initial impacts and variables still to be stabilised

If 2025 brought steel sector valuations back to levels more consistent with the new post-pandemic environment, 2026 is shaping up as the beginning of a profoundly different cycle, driven by a structural shift in European policies, cost dynamics, and demand-supply balances. The real turning point lies in the new combination of instruments adopted by the European Commission: the reform of import quotas and the full implementation of the CBAM. Designed to support decarbonization and curb low-cost foreign competition, these measures are set to radically transform the market.

With regard to quota reform, based on the European Commission's proposals, duty-free quotas are expected to be halved and a 50% tariff applied to excess volumes. The effects of this new trade rule will begin to emerge in the first part of 2026. The expected collapse in imports, estimated by analysts at around 25% in 2026, would free up around 9 million tonnes for European domestic production, allowing for an increase in volumes of around 10% and a significant improvement in plant utilisation, which could approach 75-80%.

At the same time, the CBAM—by finally imposing a price on emissions embedded in imported steel—will increase the cost of products from non-EU countries, helping to establish a new floor for domestic prices.

The expected dynamics for 2026 stem precisely from this combination: on the one hand, unprecedented trade protection; on the other, the introduction of a carbon cost on imports.

In this scenario, EU steelmakers recover volumes and improve plant efficiency, supported by a more balanced market and a domestic supply base that is finally more robust and competitive.

Specifically:

Growing utilisation

The most immediate impact of the new regime will be a recovery of production volumes within the Union.
European steelmakers have operated for years at utilisation levels well below the threshold of economic efficiency.

Margins recovering

The combination of higher volumes, greater supply discipline, and a more stringent environmental policy will create an environment in which European steelmakers can finally achieve structurally more balanced margins relative to their cost structures.

Key factors of uncertainty

With the introduction of the Carbon Border Adjustment Mechanism (CBAM) on 1 January, European steel buyers will begin to incur real costs related to the CO_2 emissions embodied in imported products.

The principle behind the mechanism is simple, but its operational implications are less so. The system can be summarised with a seemingly advantageous formula: import today, pay tomorrow.

In practice, European steel importers will have to deal with a complex regulatory framework that requires:
1. registration as authorised CBAM declarants and the submission of annual declarations;
2. accurate traceability of each shipment;
3. the purchase of CBAM certificates to cover embedded emissions;
4. the return of certificates within the specified deadlines.

When the actual costs kick in

Going into detail, the first CBAM certificates will go on sale starting in February 2027, with prices reflecting the average price of EU ETS allowances recorded in 2026. Importers will have to submit their annual declaration and deliver the corresponding certificates by 30 September 2027.

Furthermore, from 2027 onwards, authorised declarants will be required to hold CBAM certificates equal to at least 50% of embedded emissions at the end of each quarter.

Although the deferred payment mechanism may seem favourable to importers on paper, in reality it tends to generate considerable caution and risk aversion. From 2027 onwards, companies will be required to make significant cash payments very quickly, which will have a direct impact on liquidity.

This financial pressure will be further accentuated by the uncertainty associated with the complexity of the calculations, which makes accurate planning difficult. Companies will have to set aside significant resources without the certainty of having estimated costs correctly, with the risk of retrospective revisions or penalties.

How to estimate carbon costs

Until recently, the method for calculating carbon costs on imports was unclear. The basic idea was well known: compare EU parameters, which reflect the best performance in terms of emissions, with the carbon footprint of foreign producers, applying the European carbon price to the difference.

However, difficulties arose in the operational details. Translating ETS benchmarks based on production processes into thousands of CBAM equivalents, for a multitude of products and geographical areas, left the market without concrete answers for much of the second half of 2025.

The first drafts of the CBAM guidelines were only published in November, a few weeks before operational implementation, finally clarifying how to estimate carbon costs. Subsequent revisions confirmed that importers essentially have two options:
1. use verified data on actual emissions from the facilities from which the exports originate;
2. rely on default values set by the European Commission.

Actual values or default values?

The choice between actual data and default values is a determining factor in estimating the potential impact on market prices. In many cases, default values can result in very high CO_2 costs for importers, with median estimates in the order of €100/t for carbon steel products.

In an ideal scenario where:
1. global emissions data at plant level were readily available;
2. the CBAM verification process was a simple formality;
3. relationships between buyers and exporters were based on long-term relationships and mutual trust.

Concerns about default values would be marginal. Exporters would quickly certify their plants and buyers could order safely based on actual values, facing low CBAM costs and no risk of penalties in 2027.

The reality of 2026

In the real world of 2026, however, this scenario remains difficult to achieve.

Certification of installations in the field is likely to be a complex process. The number of accredited verifiers will be limited and, in some geographical areas, local resistance is likely to emerge, further slowing down the process. Many installations may not be certified in time, increasing costs and uncertainty.

The European Commission's decision to gradually introduce the 30% surcharge on default values, starting with a more modest 10% increase in 2026, implicitly recognises these capacity constraints. This approach also suggests that, at least in the short term, a significant number of importers will be forced to rely on default values.

Furthermore, using actual values is far from simple, especially for complex products such as steel. It requires the collection of verified data along the entire value chain, including upstream materials and processes, which is often a lengthy and costly exercise.

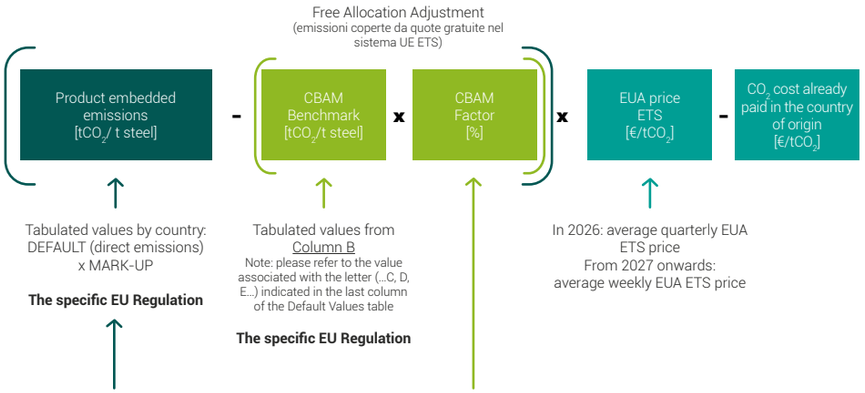
Finally, the time factor remains crucial: verification processes and definitive methodologies will not be fully established before 2027.

Will buyers have the necessary confidence in their suppliers to commit to significant annual volumes, knowing that a single error could jeopardise an entire year's profitability? In this context, caution becomes inevitable.

Illustrative calculation schemes

To determine the emissions embodied in imported goods, the CBAM declarant may choose to use default values or actual values calculated according to the CBAM methodology and verified by an EU-accredited CBAM verifier.

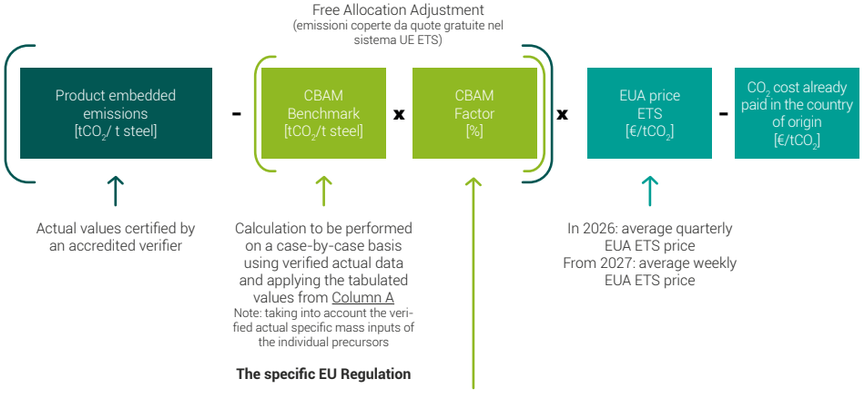
Example calculation when using default values



YEAR	2026	2027	dal 2028
Mark up	1.1 (+10%)	1.2 (+20%)	1.3 (+30%)

YEAR	2026	2027	2028	2029	2030	2031	2032	2033	2034
CBAM FACTOR	97.5%	95%	90%	77.5%	51.5%	39%	26.5%	14%	0%

Example calculation when using actual values



YEAR	2026	2027	2028	2029	2030	2031	2032	2033	2034
CBAM FACTOR	97.5%	95%	90%	77.5%	51.5%	39%	26.5%	14%	0%

The new cycle of European steel is emerging from the intersection of stricter policies and a sharp contraction in imports: the true value of this initial phase lies in the sector's ability to turn a regulatory advantage into a lasting industrial equilibrium.

03. Measurement and Target

renewal of ISO 14064-1 certification and transition from PAS2060 to ISO 14068-1

New measures 2024

Absolute emissions and specific emissions

In 2024, AFV Beltrame Group renewed its commitment to monitoring and quantifying greenhouse gas emissions generated throughout the entire value chain, both in absolute terms [tCO_2] and relative terms [tCO_2/t].
Detailed emissions data is available for all categories covered by Scopes 1, 2 and 3. During the year, the Group recorded a significant reduction in Scope 2 emissions, thanks to the inclusion of hydroelectric power plants in the reporting scope and the partial coverage of energy consumption through Guarantees of Origin (GO).
Scope 1 emissions also showed a decline, mainly due to lower gas consumption compared to 2023. Overall, these measures led to a 6.7% reduction in absolute emissions within the scope of Scope 1+2+3 (upstream).

Gerlafingen plant, Switzerland

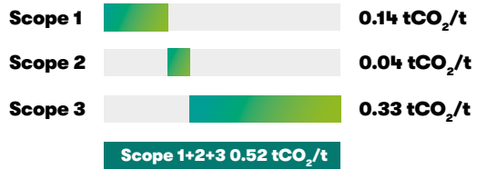
CO_2 in absolute terms: Scope 1+2+3 emissions (upstream) Chalibria border [2024; tCO_2]

1,079,148		2024
Scope 1	Direct CO_2 emissions	**288,481**
Scope 2	Indirect CO_2 emissions from imported energy (market-based)	**96,734**
Scope 3 trasporti	Indirect CO_2 emissions from transport: • upstream; • employees' home/work; • business travel.	**58,384**
Scope 3 prodotti utilizzati	Indirect CO_2 emissions from goods used	**635,548**
Scope 3 Chalibria	Scope 3 border Chalibria	**693,932**
Scope 3 Chalibria		**1,079,148**

-6.7%
Variation % ('23-'24)

Upon completion of the accounting activities, the data was submitted for verification by the RINA Certification Body, which confirmed the compliance of the methodology adopted and the results obtained. In May 2025, AFV Beltrame Group renewed its certificate of compliance in accordance with ISO 14064-1, which establishes the criteria for reporting greenhouse gas (GHG) emissions at the organisational level.

The Group also quantified specific emissions, comparing the tonnes of CO_2 emitted to the tonnes of finished product. These indicators were calculated for each of the three Scopes in order to identify the one with the greatest impact.
The following chart shows the specific indicators for 2024 and their breakdown:

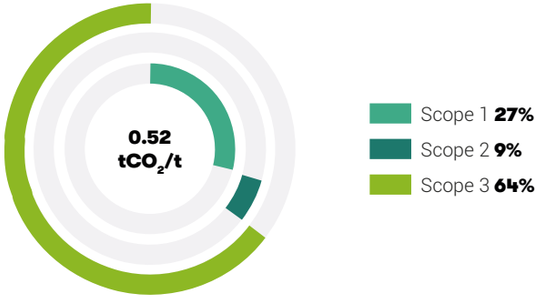


CO_2 intensity: Scope 1+2+3 emissions (upstream) for steelworks and rolling mills [2024; tCO_2/t of finished steel product]

Note:
The above values consider the reporting scope set out in the decarbonization plan, therefore emissions data from the Târgoviște site and hydroelectric power plants are excluded. The Scope 2 value was calculated using the market-based approach.

Quantifying emissions, in absolute and specific terms, means making sustainability a measurable element of industrial governance.

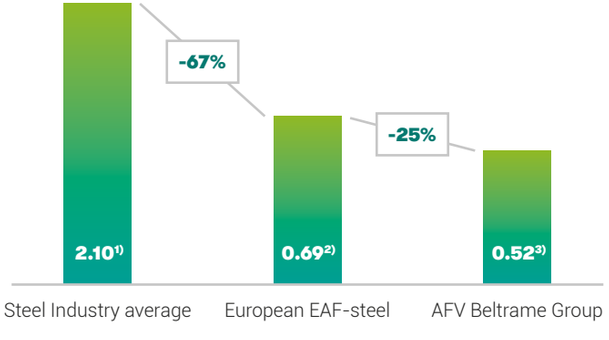
Average specific emissions of the Group



Note:
Scope 1 includes the following emissions outside the ETS scheme: fuel combustion from company cars, mobile combustion and fugitive emissions; Scope 2 is calculated using a market-based approach, using the AIB 2024 residual mix factors per country or the supplier's specific value, where available.

The total Scope 1, 2 and 3 (upstream) emissions of the AFV Beltrame Group amount to 0.52 tCO2 per tonne of finished product. The scope of measurement and calculation of the carbon footprint adopted by the Group follows the 'cradle to factory gate' approach, thus including direct emissions (Scope 1), indirect emissions from energy (Scope 2) and indirect emissions upstream of the value chain (Scope 3 upstream).

The results show that AFV Beltrame Group's emissions are below both the global average for the steel industry and the European average for steel production using electric arc furnaces (EAF), the same technology used by the Group.



Notes:
1) World Steel Association average CO_2 emissions from steelworks (Scope 1, 2, 3) integrated with data processing from external database for emissions (Scope 1, 2, 3) from rolling mills;
2) European Commission benchmark for steel produced by electric furnace (values for 2021-2025 for Scope 1+2 of steelworks) integrated with data processing from external database for the calculation of Scope 3 of steelworks and Scope 1+2+3 emissions of rolling mills;
3) for the group indicator, the market-based approach was used to calculate Scope 2.

Transition from PAS 2060 to ISO 14068-1

With growing regulatory and social attention on climate change, ISO 14068-1:2023 has recently been introduced, replacing PAS 2060 as the international benchmark for carbon neutrality, introducing more robust, verifiable and globally recognised criteria.

The PAS 2060 standard will be officially withdrawn by 2025, so organisations wishing to continue on the path to climate neutrality should adopt the new ISO standard.

Below is a summary of the main changes introduced by ISO 14068-1 and the activities carried out by the AFV Beltrame Group.

Main changes in ISO 14068-1	AFV Beltrame Group adjustments
Harmonised ISO structure Facilitates integration with other standards (ISO 14001, 14064-1, 14067).	AFV Beltrame Group already holds ISO 14001 environmental management system certification for all Group sites and also certifies its GHG emissions in accordance with ISO 14064-1.
Mandatory hierarchy of actions according to the following priorities reduction, removal and compensation.	AFV Beltrame Group has adopted a decarbonization plan that defines initiatives for the reduction and removal of emissions. For residual emissions that the Group is not yet able to abate, it relies on certified offsetting projects.
Documented management plan Requirement for a comprehensive plan with defined roles, a GHG inventory, objectives, actions, criteria for credits, and periodic updates. **Greater climate ambition** Progressive targets aligned with climate science and the Paris Agreement are required.	In addition to the decarbonization plan, AFV Beltrame Group has defined and certified its science-based emission reduction targets in accordance with the GSCC protocol. These medium- and long-term targets are already aligned with the Paris Agreement. AFV Beltrame Group has an organizational structure in place to oversee these aspects.
Mandatory carbon neutrality report Transparency regarding the period, boundaries, methodology, mitigation actions, credits used, results, and any uncertainties.	Preparation of two new documents, to be published shortly, in compliance with the standard's requirements, including the technical content supporting the certification: the Carbon Neutrality Report and the Executive Summary, which will be made available to all stakeholders on the company website.
Independent verification No self-certification: assessment by a third-party body in accordance with ISO 14064-3 or equivalent standards is required.	The certification process under the new ISO 14068-1 standard is now in its final stage and will result in the issuance of a third-party verification opinion by the end of 2025.
Carbon Neutrality statement Publication of claims.	Update of the Chalibria certificate (product carbon neutrality statement) to align it with the new regulatory requirements. In particular, greater disclosure is provided in the section concerning offsetting projects.

Environmental Product Declarations

Below is information on the environmental declarations available for products from the Group's various production sites. In addition to a recognized international standard, such as the EPD (EPD® - Environmental Product Declaration), the Group also adheres to declarations based on local regulations, with the aim of strengthening its presence in target markets and offering products fully compliant with specific local requirements.

EPD - Environmental Product Declaration

The AFV Beltrame Group has developed and holds numerous Environmental Product Declarations (EPD® - Environmental Product Declaration), validated by independent third-party organizations, covering its merchant rolled profiles, reinforcing bars, special SBQ (Special Bar Quality) profiles, and Beltreco industrial aggregate.
The EPD for the rebar from the Târgoviște site is currently being prepared. EPDs represent a voluntary product certification scheme developed in accordance with ISO 14025 (Type III environmental labeling) and under the International EPD System Program.

These declarations describe the environmental impacts associated with the entire life cycle of the products, assessed through Life Cycle Assessment (LCA), to ensure transparency, objectivity, and comparability of results regarding the environmental performance of the Group's products.

EPD - Product	AFV Beltrame Group plant	Date of issue
Merchant bar	Vicenza	2023
Beltreco inert aggregate	Vicenza	2023
Merchant bar	San Didero	2023
Merchant bar	San G. Valdarno	2023
Merchant bar	Stahl Gerlafingen	2022
Rebars	Stahl Gerlafingen	2022
Merchant bar	LME	2023
Rebars	LME	2023
Special steels - SBQ Bars	Donalam - Călărași	2021 (rev. 2025)
Special steels - SBQ TRT Bars	Donalam - Călărași	2025
Rebars	Donalam - Târgoviște	Ex novo - in progress

The Group's product EPDs have been validated and registered under the main international scheme: the International EPD® System. An additional key element supporting the distinctive circularity of the electric furnace steelmaking supply chain is the declaration of recycled content in the finished products.
This statement, in accordance with UNI EN ISO 14021, specifies the percentage of materials from recovery cycles used in the production process of AFV Beltrame Group's rolled products, which for 2024 again exceeds 95%.

Within the published EPDs, the "Additional Information" section reports the recycled content of the merchant rolled products and bars.
This information, validated by an independent third-party organization, meets the needs of economic operators and designers who require certified data to demonstrate compliance with the CAM Construction requirements. Thanks to the high recycled material content (>95%), all AFV Beltrame Group products fully meet the criteria established by the CAM.

Life cycle assessment data for the Swiss construction sector

During 2024, the Swiss plant in Gerlafingen completed the life cycle assessment study for reinforcing bars, in accordance with the KBOB rules regarding criteria for defining sustainable steel. The resulting values, after validation by an external certification body, were registered in the official KBOB* database, contributing to the promotion of sustainable construction practices and the reduction of the environmental impact of public buildings in Switzerland.
The carbon footprint data for Gerlafingen products are lower than the standard values included in the official database.

Environmental and Health Declaration - FDES

At the same time, the French plant in Trith Saint Léger obtained the certification and publication of four FDES** for its finished products intended for the French market: beams (IPE, UPN, etc.), welded flats, angles, and round bars. The FDES, equivalent to EPDs but compliant with French national specifications, meet the requirements of the RE2020 regulation for sustainable construction, which aims to reduce the carbon footprint in the building sector. The FDES cover the entire life cycle of the products (cradle to grave), including transportation, installation, and end-of-life phases, and were developed in collaboration with EVEA Scop SA and CTICM (Centre Technique Industriel de la Construction Métallique), the representative body of all metal constructors in France, which conducted the analysis of downstream impacts.

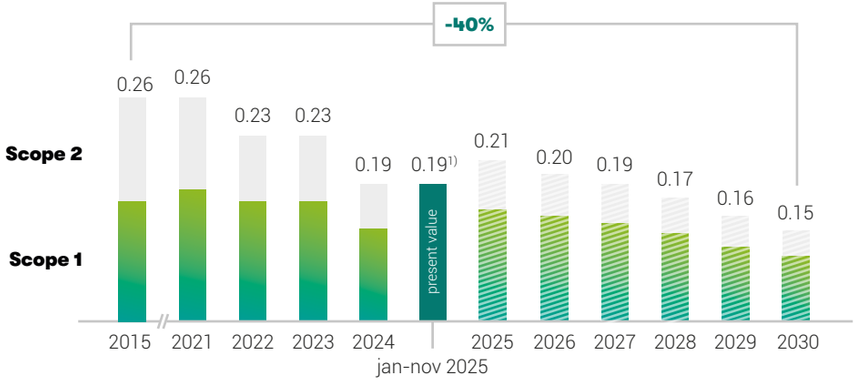
Thanks to these environmental declarations, it is now possible to transparently report the carbon impact of steels produced by LME in construction projects in France.
The steels produced in France, made from recycled scrap in EAF (Electric Arc Furnace) operations, have a significantly reduced carbon footprint and provide a competitive advantage for sustainable construction projects. The FDES are now available in the official INIES database, the French national reference for environmental declarations of construction materials, and can also be accessed on the Group's website. To certify the origin and traceability of the products, the official "Fabriqué en France" label has also been applied, highlighting local production and differentiating them from foreign competitors.

Product certification today represents a key requirement for combining technical quality, sustainability, and regulatory compliance.

Notes:
* KBOB: Coordination Conference of Swiss Public Building and Property Authorities.
** FDES (Fiches de Déclaration Environnementale et Sanitaire).

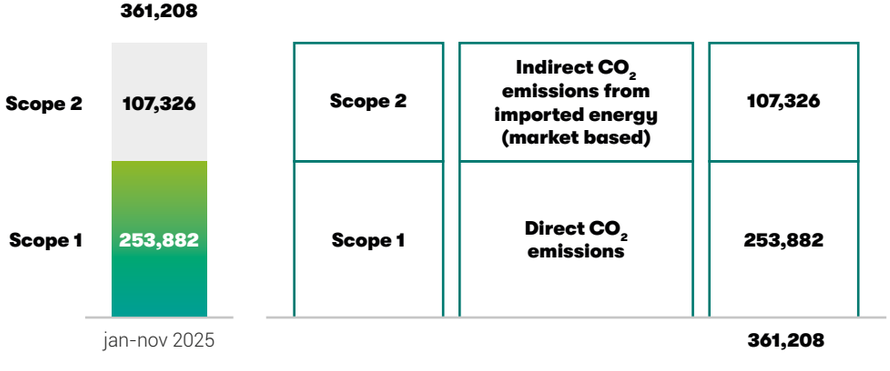
Reduction targets and current emission levels

AFV Beltrame Group has defined a Decarbonization Plan that foresees a 40% reduction of Scope 1 and 2 emissions by 2030 compared to 2015 levels.
According to the trend outlined in the Plan, a target value of 0.21 tCO_2/t of finished product had been set for 2025. In the first ten months of 2025 (January-October), the Group recorded an average indicator of 0.19 tCO_2/t, a result better than the annual target and fully consistent with the planned decarbonization trajectory.
The following chart illustrates the reduction path and the KPI trend in relation to the pre-established annual targets.



Notes:
[1)] The Scope 1+2 value reported for the first ten months of 2025 has not yet been certified by a third party and may therefore be subject to changes.
- Values exclude the Târgoviște site and hydroelectric plants. The Scope 2 approach is market-based.
- The data reported for the years 2015, 2021, 2022, 2023, and 2024 are actual figures certified by a third party. Subsequent years, however, are based on the Decarbonization Plan.
- Data from 2025 to 2030 are forecasted figures.

CO_2 in absolute terms: Scope 1+2 (upstream) emissions for steelworks and rolling mill [jan-nov '25; tCO_2]



Notes:
- Values exclude the Târgoviște site and hydroelectric plants.
- Data from January-November 2025 will be subsequently confirmed and/or revised following verification by a third-party body.

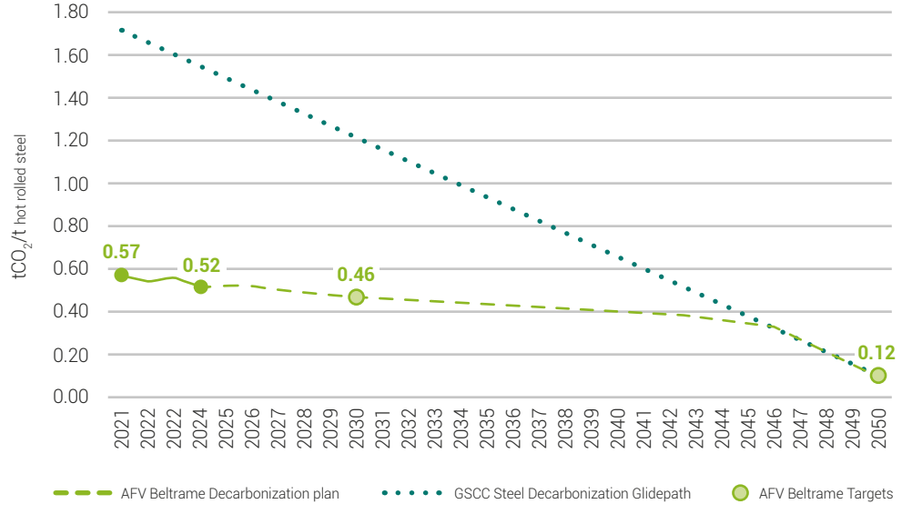
Certification of Science-Based Targets according to the GSCC Standard

AFV Beltrame Group, excluding the Târgoviște site, obtained certification in the first quarter of 2025 from the GSCC* for its organizational specific emissions (CASEI - Corporate Average Steel Emissions Intensity) and medium- and long-term reduction targets (SBETs - Science-Based Emissions Targets).
This important recognition represents further confirmation of the Group's concrete commitment to the decarbonization of the steel industry. The certification, issued following a rigorous independent verification conducted by a third-party body, covers two key aspects:

1. Certification of the Group-level organizational carbon footprint (CASEI - Corporate Average Steel Emissions Intensity): defined at 0.57 tons of CO e per ton of hot-rolled steel, with 2021 as the base year, covering Scope 1, 2, and upstream Scope 3 emissions.
2. Validation of medium- and long-term decarbonization targets (SBETs – Science-Based Emissions Targets):
   - 0.46 tons of CO e per ton of steel by 2030;
   - 0.12 tons of CO e per ton of steel by 2050.

These targets are fully aligned both with the GSCC Climate Standard for steel and with the commitments set out in the Paris Agreement to limit global temperature rise to 1.5 °C above pre-industrial levels.

AFV Beltrame Group Achieves GSCC Certification for Science-Based CO_2e Emissions Targets



The certification enables AFV Beltrame Group to continue its path of reducing specific carbon dioxide emissions (tCO_2e per ton of finished product), encompassing not only emissions from its own production processes but also indirect emissions related to transportation and the sourcing of raw and auxiliary materials (Scope 1, 2, and upstream Scope 3).
In accordance with the requirements of the GSCC standard, AFV Beltrame Group conducted an internal verification and submitted a self-declaration in May 2025 to ensure compliance with the certification parameters. The outcome of the verification confirmed that the company remains fully within the established limits, validating the consistency of its specific emissions reduction pathway and the correct application of Group-level carbon footprint calculation criteria.

Note:
- Global Steel Climate Council (GSCC).

04.
Our Commitment:
ongoing and future activities

Coal replacement and participation in the Crosscut Consortium

The CROSSCUT project aims to significantly reduce CO_2 emissions in steel production processes through the use of Secondary Carbon Carriers (SCCs), i.e., secondary carbon sources derived from recycled materials or alternative processes, capable of partially or fully replacing the traditional fossil fuels used in production cycles. The use of SCCs helps decrease the environmental impact of steelmaking, contributing to decarbonization and promoting the circular economy without compromising the quality of the final product.

In this context, L.M.E. is involved in a strategically important European project: CROSSCUT (Carbon Reduction in production routes Operations based on Smart Carbon Usage and digitalisation Techniques), active from 2025 to 2028.
The objective is to test and demonstrate the replacement of fossil coal, used as a reducing agent and fuel in steelmaking operations - particularly in the Electric Arc Furnace (EAF) - with carbon-rich secondary materials such as biomass, biochar, rubber, and other alternatives. This substitution represents a key step in reducing Scope 1 emissions associated with EAF steel production and constitutes an important pillar of L.M.E.'s decarbonization pathway, in continuity with initiatives already underway to reduce coal usage in the production process.

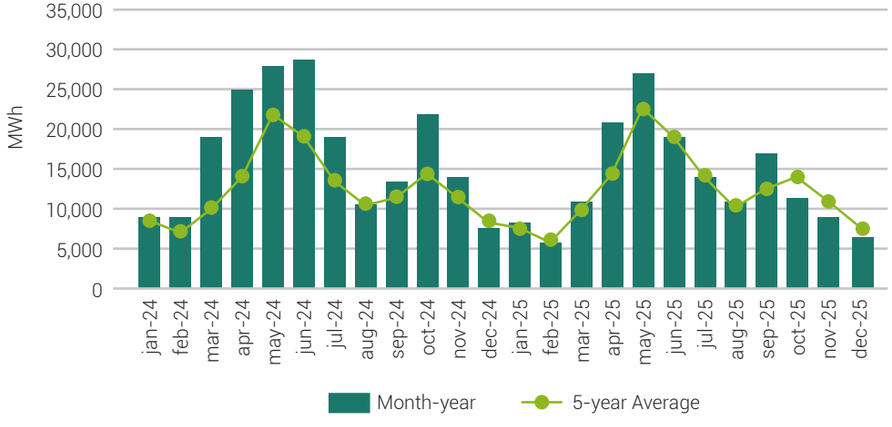
Renewable energy plants

Hydroelectric | Photovoltaic | Energy release

Regarding hydroelectric energy, in 2024 AFV Beltrame Group consolidated its sustainable energy procurement strategy, achieving a total production of over 180 GWh from its 12 hydroelectric plants located across Piedmont and Veneto.
This covered approximately 35% of the energy needs of its Italian plants and reduced annual CO_2 emissions by around 45,000 tons.

The year 2024 saw above-average production, while 2025 is showing values closer to the historical average.

Hydroelectric Production

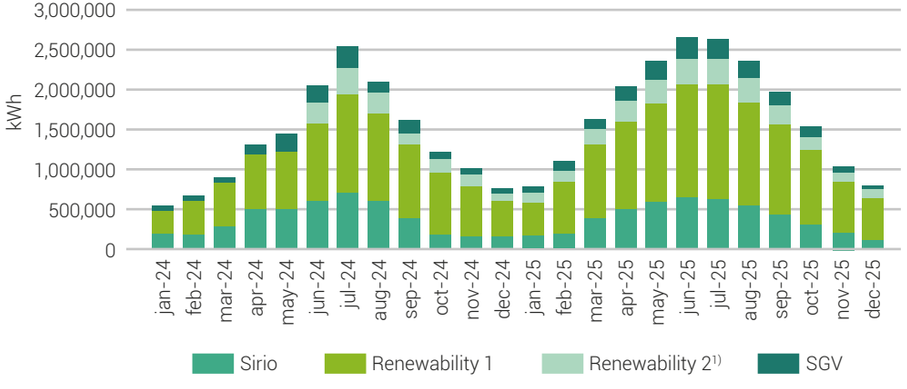



Valstagna Hydroelectric Plant, Vicenza, Italy

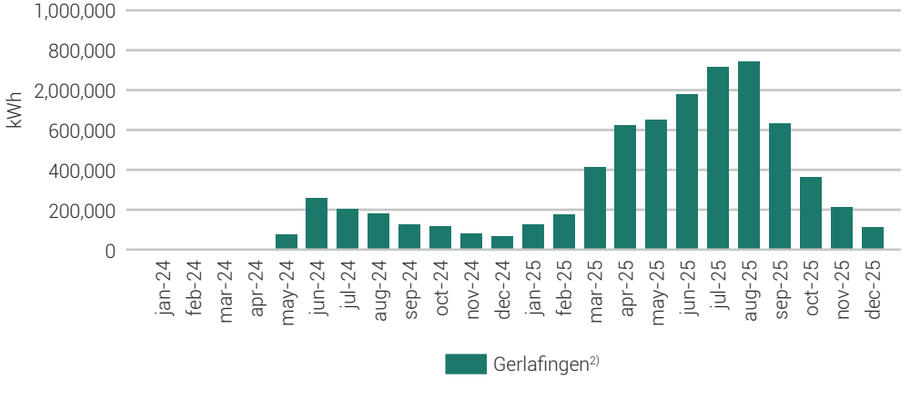
Hydroelectric | **Photovoltaic** | Energy release

In 2024, total self-consumed photovoltaic energy production (all certified with GO) from Italian production sites amounts to approximately 10GWh, corresponding to the needs of 3,700 households. In 2025, the share of production reached approximately 20GWh thanks to the full commissioning of the Renewability and SGV plants, to which approximately 6 GWh from the Swiss plant in Gerlafingen is added.

Photovoltaic Production - Italy



Photovoltaic Production - Switzerland



Notes:
[1)] Commissioned in June 2024.
[2)] Commissioned in May 2024.

As part of its decarbonization strategy and commitment to increasingly sustainable energy sourcing, AFV Beltrame Group is evaluating the possibility of constructing three new photovoltaic plants, currently at the preliminary analysis and technical-economic assessment stage.
This initiative stems from the Group's intention to increase the direct production of renewable energy for self-consumption, progressively reducing dependence on fossil fuels and contributing to a decrease in indirect Scope 2 emissions.

These projects form part of the Group's broader strategy to enhance the use of green energy through various types of investment in renewable energy plants and the potential signing of green energy supply contracts (PPAs - Power Purchase Agreements).
The objective is to consistently advance the energy transition process, increasing the share of renewable energy used and strengthening the Group's contribution to achieving its decarbonization targets.

San Didero

In 2026, a 1.5 MW photovoltaic plant will be installed on the roof of the San Didero plant. The system, consisting of 3,220 photovoltaic modules, will cover an area of approximately 8,000 m² within the Parco Rottame. This solution is expected to generate around 1.6 GWh of renewable energy annually, 90% of which will be directly self-consumed by the plant, reducing grid electricity consumption by approximately 10%.


Slabs Warehouse, Vicenza, Italy

Vicenza
Slabs Warehouse and Colombaretta Area

A project is currently being studied for the construction of two photovoltaic plants to serve the Vicenza plant, with a total capacity of approximately 6 MW.
The first plant will be installed on the roof of the new Slabs Warehouse, while the second will be located on company-owned land in the nearby Colombaretta area, adjacent to the A4 motorway. Both plants will be directly connected to the Vicenza plant, allowing for full self-consumption of the renewable energy produced.

Hydroelectric | Photovoltaic | **Energy release**

AFV Beltrame Group's Contribution to the Energy Transition through Energy Release 2.0

AFV Beltrame Group integrates the energy transition among the strategic pillars of its decarbonization pathway. In this context, the Energy Release 2.0 mechanism promoted by the GSE represents, within the Italian framework, a significant tool to combine industrial competitiveness, cost stability, and the development of new renewable energy capacity.

Over the 2025-2027 period, energy-intensive companies, such as those in the steel sector, can access renewable electricity at a regulated price of €65/MWh. This condition, significantly more competitive than the market average, is made possible through two-way Contracts for Difference (CfDs), which offset price fluctuations and ensure greater predictability in energy supply.

The mechanism operates through a system of advance provision and subsequent repayment of energy: for a period of 36 months, the GSE provides companies with certified renewable energy, accompanied by the corresponding Guarantees of Origin (GOs), which are transferred alongside the advanced energy, thereby enhancing traceability of the green source.

In return, over the following 20 years, companies are required to repay the energy received by developing new renewable capacity equal to at least twice the amount of energy initially advanced.
Thus, the mechanism serves as a concrete contribution to stimulate industrial investments aimed at structurally increasing renewable electricity production.

In this context, AFV Acciaierie Beltrame S.p.A. expressed its interest in the allocation procedure as early as February 2025. In November of the same year, the company was allocated a volume of renewable energy corresponding to approximately 30% of annual electricity consumption in Italy.


Photovoltaic Plant, Ceresara, Italy

Following the allocation, AFV Acciaierie Beltrame S.p.A. will proceed with signing contracts with the relevant counterparties and initiating the necessary actions to develop the new renewable capacity required by the regulations.

The effects of Energy Release 2.0 are particularly significant for the national steel sector. Access to renewable electricity at a regulated price allows a substantial reduction in production costs, strengthening the competitiveness of Italian steelworks-among the largest industrial consumers of electricity.

At the same time, the possibility of covering a significant share of electricity demand with certified renewable energy accelerates the decarbonization pathways of the sector and supports the achievement of medium- and long-term climate targets, fostering the creation of consortia and initiatives for self-generation of energy.

Biomethane

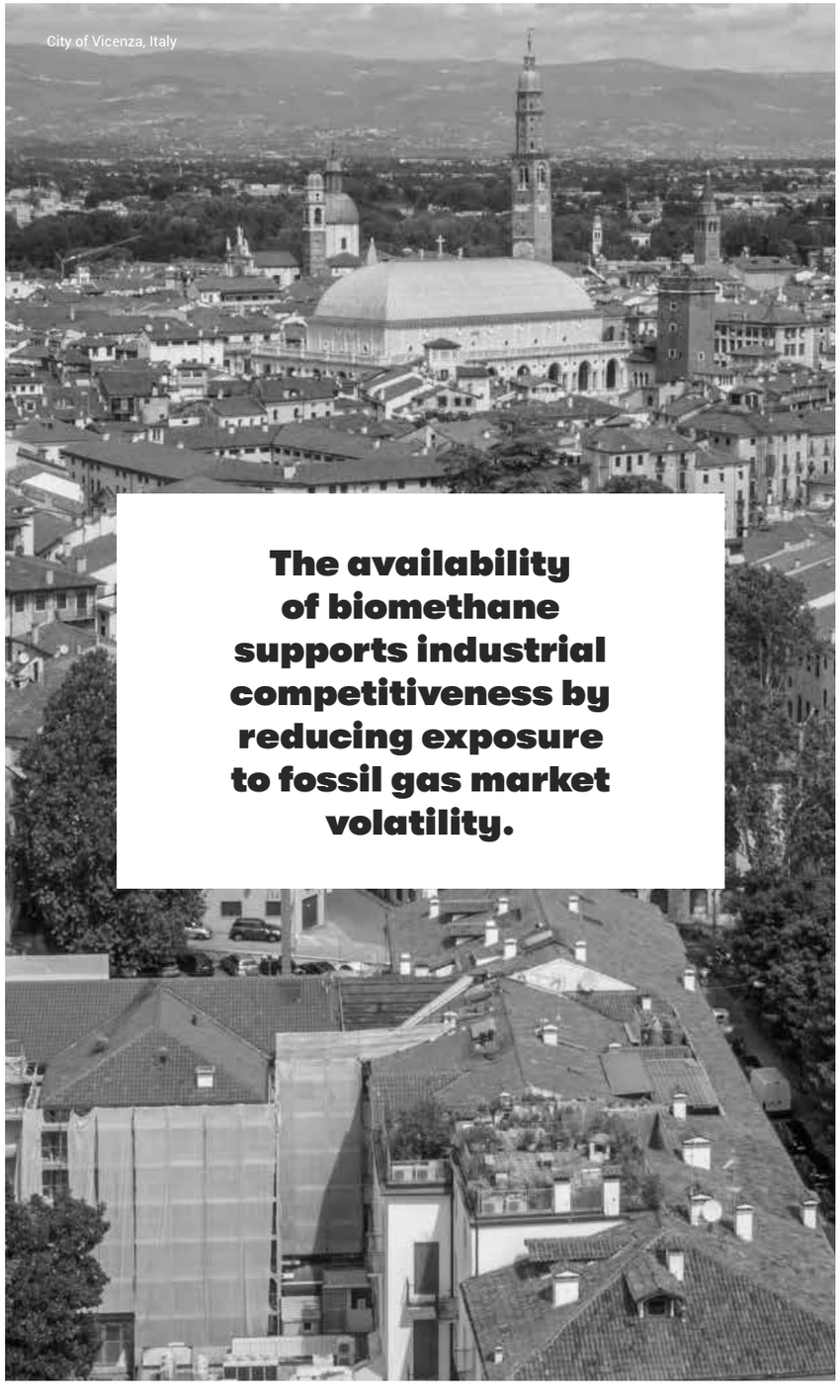
Biomethane, a high-quality renewable gas fully substitutable for fossil methane, represents a key lever for the energy transition. Its production enables circular economy processes, particularly valorizing agricultural residues and organic waste, while meeting the growing demand for decarbonization solutions in hard-to-abate industrial sectors such as steelmaking.

The Integrated National Energy and Climate Plan (PNIEC) also sets an ambitious target: 5.7 billion cubic meters of biomethane per year by 2030, with a growth potential of up to 8 billion Sm³ according to industry estimates. This target is crucial to reducing emissions in energy-intensive industrial sectors that are difficult to electrify. The National Recovery and Resilience Plan (PNRR) has allocated €1.73 billion to this measure, aiming to achieve an additional 2.3 billion Sm³ by June 2026. Incentives include capital grants of up to 40% and feed-in tariffs for 15 years, promoting the construction of new plants and the conversion of existing ones.

Finally, the recent Agriculture Decree (DL 63/2024) introduces strategic measures to expand the use of biomethane in hard-to-decarbonize industrial sectors.

Among the highlights:
- long-term contracts between producers and hard-to-abate end users (e.g., steelmaking), to support industrial stability and competitiveness;
- ETS cost reduction: the use of biomethane allows companies to lower emissions and reduce expenditures for European Allowances;
- extended self-consumption: the possibility to use biomethane at sites other than the production site, through Biomethane Purchase Agreements (BPAs).

AFV Beltrame Group is establishing commercial partnership agreements with leading suppliers for the procurement of biomethane at its Italian plants, with the main objectives of:
- Reducing direct CO_2 emissions to stay aligned with decarbonization targets;
- Ensuring production continuity with a renewable fuel compatible with existing infrastructure;
- Accessing stable supply contracts, reducing exposure to fossil gas price volatility.


City of Vicenza, Italy

The availability of biomethane supports industrial competitiveness by reducing exposure to fossil gas market volatility.

District Heating

As part of its decarbonization strategy and contributing concretely to the energy transition and emissions reduction in the Vicenza area, AFV Beltrame Group is collaborating with AGSM AIM (now Magis) to develop the Vicenza district heating project, with the aim of expanding the city network and exploiting waste heat from industrial processes, significantly reducing emissions linked to urban heating.

The development pathway initially involves the renovation and efficiency improvement of the existing Cricoli plant, through targeted technological interventions to enhance its performance and sustainability. Subsequently, the network will be extended to the eastern area of the city, while expansion to the western area - where the Beltrame steelworks will be connected - is planned for the period after 2030.
At full operation, preliminary estimates indicate that the heated volume will be approximately double the current level, and the heat recovered from the steelworks will account for over 30% of the total energy distributed, integrating with renewable sources and other high-efficiency solutions.
Thanks to this innovative and circular approach, current assessments estimate a reduction of approximately 16,000 tons of CO_2 emissions per year.


City of Vicenza, Italy

Scope 3 - Supply Chain

In 2025, AFV Beltrame Group updated the quantification of CO_2 emissions for the year 2024, in accordance with the ISO 14064-1 standard, reaffirming its commitment to accurate and consistent emissions measurement across the entire value chain.

The Group monitors and measures Scope 1, Scope 2, and Scope 3 emissions, continuously updating data and calculation methods in line with the best international standards and the defined decarbonization targets.
The adopted approach considers both the absolute value of emissions (in tons of CO_2) and emission intensity, expressed in tons of CO_2 per ton of finished steel, providing a comprehensive and coherent overview of the Group's environmental performance.
At the Group level (excluding the Târgovişte site and hydroelectric plants), CO_2 emissions for 2024 are as follows:

- Scope 1 + Scope 2 (Market-Based) + Scope 3: 1,198,081 tCO_2e
- Emission intensity Scope 1 + Scope 2 (Market-Based) + Scope 3: 0.516 tCO_2e/ton of finished product

Scope 3 emissions, amounting to 812,866 tCO_2e (excluding the Târgovişte production site and hydroelectric plants), represent over 60% of the Group's total emissions and mainly result from:
- upstream and downstream transportation;
- purchase of goods and materials.

In calculating Scope 3 emissions for the reference period, the following approaches were adopted:
- use of Ecoinvent coefficients version 3.11, i.e., the most up-to-date version as required by the ISO standard, which for many materials resulted in higher emission values compared to the previous version (particularly ferroalloys);
- use of GLEC coefficients v3.0, applied to calculate upstream and downstream transport emissions, in line with the approach used by major carriers and recognized by ISO 14083;
- where available, use of supplier - specific factors for the six most CO_2 - intensive raw material categories purchased, namely lime, coal, electrodes, iron/steel, ferroalloys, and refractories.

The following results were achieved in 2024:
- 38% of specific data for the most significant categories;
- 24% when considering the entire 4.1 category of purchased goods;
- 18% for the total Scope 3 volume.

Following a **+12%** increase compared to 2023 in the quality of specific emission data for the most significant categories, the next steps identified are:
- continuous engagement with suppliers to further refine inventory data, with particular focus on ferroalloys and refractories (target: 40%);
- improvement of emission factor quality for electrodes;
- verification of the availability of emission data from external EAF billet producers in Călăraşi;
- evaluation of alternative methods for engaging ferroalloy suppliers, including partnerships with traders and indirect support from CBAM;
- prioritization of billet purchases from EAF over BOF, and preference for suppliers with low-emission materials where feasible.

This approach strengthens dialogue with suppliers and promotes an increasingly sustainable supply chain, consolidating the Group's commitment to emissions reduction and the improvement of environmental performance.

Sustainable management of logistics and transport emissions

During 2025, AFV Beltrame Group further refined the collection and processing of CO_2 emissions data for upstream (mainly scrap) and downstream transportation. Thanks to the work of the internal multidisciplinary team, the "dB Atlante" database was optimized and is now able to map transported volumes, transportation modes (including intermodal), and route breakdowns, each with its own specific mileage, with greater accuracy. This refinement improves data quality, a fundamental step for defining and implementing policies aimed at reducing transport-related emissions.

At the same time, the Group introduced a carrier self-assessment system based on criteria such as transportation mode, fleet emission class, capability for emissions calculation and monitoring, and level of involvement in sustainability initiatives. This approach aims to reward the most virtuous partners and promote logistics practices aligned with the Group's decarbonization objectives.

Gerlafingen Plant, Switzerland

Evolution and future outlook

Logistics management continues to follow principles aimed at maintaining economic sustainability while ensuring a high level of customer service. In the short term, however, the introduction of new transport modes is challenging due to specific issues, such as changes in service providers, site-specific contingencies, and infrastructure interventions.
Additionally, the high investment cost required to adapt infrastructure for rail transport represents a further constraint.

In this context, AFV Beltrame Group has defined a series of next operational steps aimed at consolidating progress made and identifying further improvement opportunities:

- continue refining the "dB Atlante" database, enhancing the quality and traceability of logistics data;
- promote, where possible, the shift to intermodal transport;
- encourage logistical activities, where applicable, optimizing the delivery of finished products and the return of scrap;
- increase engagement with key transport providers, requesting specific indicators and/or adoption of alternative fuels to diesel;
- explore partnerships with highly sustainable logistics providers, for example, for the use of electric trucks on short-distance routes;
- monitor developments in European regulations (ETS2) to assess potential impacts on the transport sector.

These initiatives confirm the Group's commitment to combining environmental sustainability, logistical efficiency, and economic balance, reinforcing its role as a responsible and proactive actor in the transition toward a more sustainable transport system.

Decarbonizing logistics is a complex challenge: it requires infrastructure investments, coordination with multiple stakeholders, and transformation timelines that are not immediate. With the "dB Atlante" database, we track every kilometer, every transport mode, and every ton of CO_2 emitted along our supply chain. This level of precision allows us to identify priority intervention areas: from promoting intermodal transport and adopting alternative fuels to collaborating with carriers who share our decarbonization objectives.

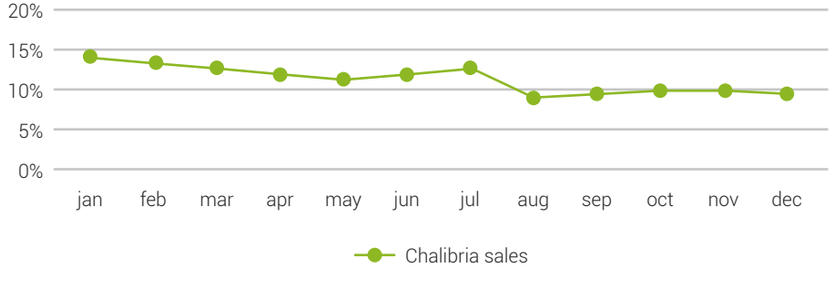
05. Chalibria perimeter

Chalibria, the carbon-neutral steel driving the sustainable transition

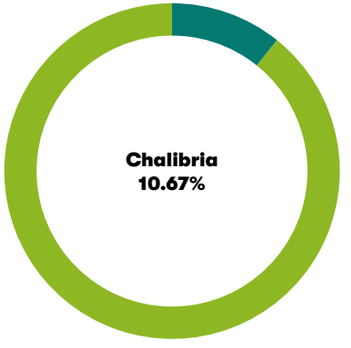
A year of sustainable growth

In 2025, Chalibria consolidated its path to success by achieving significant results: 10.67% of total sales of AFV Beltrame Group, confirming the European market's growing awareness of low-environmental-impact solutions.
A noteworthy achievement: compared to 2024, Chalibria's sales grew by 18%, reflecting the trust of customers and partners in our concrete commitment to decarbonization.

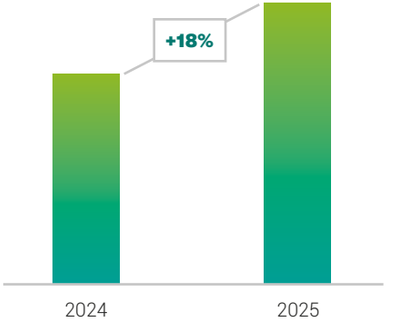
Chalibria sales at 31/12/2025



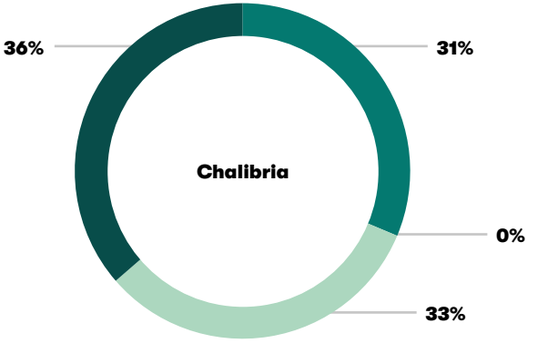
% of total sales in 2025

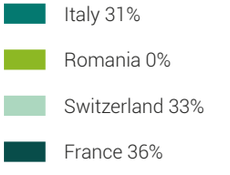


% of total sales 2024/2025



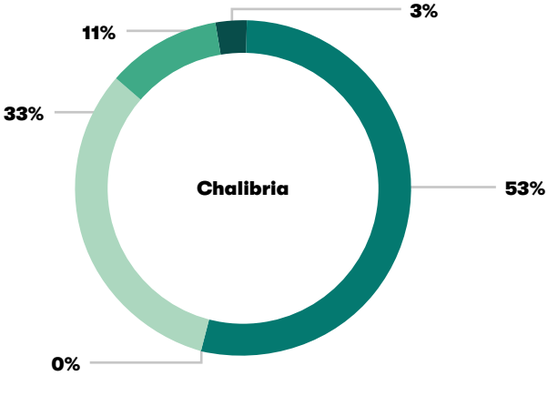
% of sales from our plants

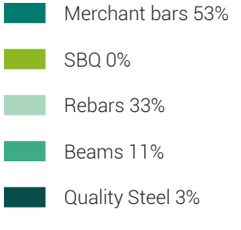




Chalibria covers the entire production range of the AFV Beltrame Group:

% sales by business line





Distribution by geographic area Sales at 31/12/2025

Chalibria's reach spans across Europe, with a particular focus on markets attentive to sustainability:

Nation	%
Switzerland	33.28%
Germany	26.12%
Italy	10.40%
Netherlands	15.52%
France	6.31%
Nordic countries	4.55%
Others	3.83%
Total	**100%**

Market share level

The impact of Chalibria varies significantly by country, highlighting the different levels of market maturity:

- Netherlands: 35.97% of total sales in the country;
- Nordic Countries: 26.01%;
- Germany: 18.12%;
- Switzerland: 16.44%;
- Belgium: 15.19%.

These data demonstrate that, in certain markets, Chalibria already accounts for more than one-third of total supplies, confirming the strategic role of carbon-neutral steel in sustainable procurement policies.

Monthly evolution

The 2025 sales trend shows a balanced distribution throughout the year, with significant peaks in the spring and summer months, reflecting the seasonality of the construction sector and the procurement planning of major infrastructure projects.

Why choose Chalibria?

Certification and transparency

Chalibria steel is certified carbon neutral in accordance with PAS 2060 and is currently transitioning to ISO 14068-1. Its Scope 1 + 2 + 3 (upstream) emissions are verified by RINA in compliance with ISO 14064-1. Each supply is accompanied by a certificate confirming the quantities delivered and the total carbon footprint that has been neutralised.

Superior environmental performance

- With 0.52 tCO_2 per tonne of finished product (Scope 1 + 2 + 3 upstream), Chalibria achieves:
- -67% compared to the global average of the steel industry;
- -25% compared to the European EAF average.

Circular economy

Recycled content greater than 95%, certified in accordance with UNI EN ISO 14021, fully compliant with the Italian Minimum Environmental Criteria (CAM) for construction.

Environmental Product Declarations (EPDs)

Third-party verified EPDs are available for the entire product range, in accordance with ISO 14025 and EN 15804 standards.

Regulatory context

Choosing Chalibria meets the growing European regulatory requirements:

1. **CSRD** (Corporate Sustainability Reporting Directive)
   Mandatory sustainability reporting.
2. **CBAM** (Carbon Border Adjustment Mechanism)
   Carbon border adjustment mechanism.
3. **EPBD IV Directive**
   consideration of embodied carbon in construction materials.
4. **Green Claims Directive**
   Combating greenwashing.
5. **CAM for Construction**
   Incentives for low-impact materials.

Looking to the future

AFV Beltrame Group continues its Decarbonization Plan with the goal of reducing Scope 1+2 emissions by 40% by 2030 (compared to 2015), through:

1. Energy efficiency improvements in plants.
2. Increasing the share of renewable energy (hydropower, photovoltaic, Energy Release).
3. Development of innovative technologies (hydrogen, alternative materials).
4. Carbon credit projects selected according to stringent criteria.

The 18% growth recorded in 2025 confirms that decarbonization is not only an environmental imperative, but also a winning competitive choice. Chalibria represents a concrete response to the challenges of ecological transition, offering our partners steel that combines quality, performance and certified sustainability.

Chalibria: the steel that builds the future
Data updated as of December 31, 2025

Want to learn more? Contact our sales team to find out how Chalibria can support your sustainable projects: sales.dep@beltrame-group.com

www.gruppobeltrame.com

AFV Beltrame Group
Viale della Scienza, 81
36100 Vicenza, Italy
+39 0444 967111
info.it@beltrame-group.com

www.**gruppobeltrame.**com

AFV BELTRAME GROUP