



Portovesme s.r.l.  
GLENCORE

# Sustainability Report 2024

PRODUCTION, SUSTAINABILITY AND CONTINUOUS IMPROVEMENT





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## CEO's letter to the Stakeholders



Davide Garofalo

### Dear Stakeholders,

This is the fourth year of publication of our sustainability report, a sign of our renewed commitment to sharing and reporting on the steps taken by Portovesme srl across its various areas of business, ensuring proper and factual involvement of all stakeholders.

The fourth year of the report, unfortunately, also coincides with the fourth year of adverse conditions affecting the zinc market business particularly impacted by an unbalanced situation between supply and demand on international markets, which have seen the deterioration of the metal's sales premiums and the stable high energy prices that produced an unsustainable level for our highly energy-intensive productions.

On one hand, to protect the future of Portovesme srl, Glencore was forced to make the difficult but necessary decision to put also the remainder part of the active Zinc line under a state of care and maintenance, announcing it on September 4th and responsibly executing the shutdown before the end of 2024.

On the other hand the Waelz line remains the sustainable foundation of Portovesme's operations, ensuring stable processes, essential for a circular economy that will keep offering to the steel industry an outlet for the virtuous management of their EAFD, the production residues from their electric arc furnaces production that would otherwise be sent to landfill. The Waelz process has historically been consistent, although exposed to fluctuations in raw material supply from the steel market, but in the medium and long term, periods of low production have historically been followed by periods of high production that have compensated each other. An operative production base will allow Glencore to maintain its presence in Italy and Sardinia, while also providing solid foundation for future de-

velopments, which the company has never stopped to work on.

In this regard, it is worth highlighting, first, the restart of production at the San Gavino plant thanks to a temporary supply of triple alloy and other by-products from Glencore's German plant in Nordenham.

Second, the renewed commitment to resume testing for high purity bismuth production process, aiming to achieve a quality of at least 5N (99.999%), again at San Gavino.

Third, the continuation of the study of the project for the refining and production of metals (lithium, nickel, cobalt, and manganese) recycling Black Mass. At the end of 2023, due to internal problems, the company Li-Cycle decided to abandon the project it was developing in collaboration with Glencore. The latter decided to continue the same study, reorganizing the project team with internal resources and relaunching the activities that had slowed towards the end of the year with a renewed focus and, among other things, revised objectives.

In fact, due to the slowdown in the electric vehicle market and a general wait-and-see dynamic surrounding European projects related to black mass and downstream processes in the supply chain, the value of the metals related to this project dropped significantly, requiring a revision of the project's premises.

## CEO's letter to the Stakeholders *continued*

To ensure the economic sustainability of the new processes, it was necessary to set more ambitious targets for metal recovery (over 95%), optimize production processes to ensure the marketability of all by-products generated by the process, and introduce cutting-edge measures to ensure the management of a closed water cycle and the management of PFAs (synthetic chemical compounds with carbon-fluorine bonds). In August 2024, the company decided to submit its lithium production project for review by the European Commission to determine its eligibility as a strategic project under the CRM Act (the European regulation on strategic critical materials).

At the time of publishing this report, we are proud to announce that the Portovesme CRM Hub has been awarded with the strategical recognition, along with only three other Italian projects and among 47 projects approved in Europe. This will allow our firm to benefit from authorization management and sponsorship directly from the national government, with an authorization process of up to maximum 15 months and the possibility of accessing funds and financing dedicated to this type of project.

### Health, Safety, and the Environment

Despite a challenging work environment due to market uncertainty, temporary layoffs and the reduction in working hours experienced by almost all colleagues, 2024 is noteworthy, again for

another consecutive year, for the excellent results achieved by the entire organization in terms of safety, health, and the environment, demonstrating its ability to maintain high levels of concentration and focus on daily activities, the risks of which must always be taken into account.

At the end of 2024, Portovesme achieved 30 consecutive months without any recordable injuries according to international standards, for both direct workers and contractors. We also recorded a limited number of incidents that could have had repercussions for personnel, and we also note the improvements achieved in internal and external inspections and audits, which resolved all critical issues raised in the past.

From a health perspective, we are seeing a further reduction in lead in blood levels, a still very important exposure given the restart of operations at San Gavino and the potential exposure for site workers. In 2024, the European Union published new exposure limits, reducing the critical level from 60 micrograms per deciliter according to current Italian regulations to a level of 15 applicable to all member states, including Italy. For workers who still fall above this threshold, an improvement is expected, which is important to monitor and achieve through compliance with proper hygiene practices and the correct and continuous use of personal protective equipment (helmet, mask, gloves, etc.). From an environmental perspective, we have also once again achieved significant results with no recorded situations outside the

emission limit, and from a workplace exposure perspective, we are seeing a general decline in risk levels, indicating more stable and less hazardous processes for all personnel.

To maintain this trend, strong emphasis has been placed on on-site presence and supervision to ensure support, especially in situations where workers have had to move between work areas and learn new tasks in areas with risks from their previous work. On the other hand, a renewed emphasis has been placed on pre-task risk assessments and proper planning of the activities.

Soil and groundwater remediation activities continue, with new areas completed according to the plan scheduled at the beginning of the year and shared with the relevant authorities. Regarding the inter-company barrier project with our neighboring companies (Alcoa, Fintecna, and Enel), unfortunately, in April the common project was impacted by the decision from Enel to withdraw from the project by Enel, who decided to continue their portion of the remediation work in autonomy. This unexpected decision has obviously complicated the project that the four companies had been pursuing together for several years, forcing the remaining three to reassess a joint project that would be coordinated with the Eurallumina project and now also with the new one presented by Enel, obviously extending the implementation timelines.

## CEO's letter to the Stakeholders *continued*

All three companies are still fully aligned to advance a joint project that we believe will ensure synergies for the implementation of a set of investments and activities functional to the objectives of remediating the pollution of the aquifer from the past.

### Production

From a production perspective, 2024 experienced a general successful achievement of the objectives we set at the beginning of the year.

The Waelz area, despite a EAFD supply situation that was below expectations throughout the year due to the steel industry crisis, essentially caused by persistently high energy prices, managed to resolve the problems encountered in 2023 due to the low quality of the anthracite received. The decision to replace anthracite with coke and pet coke proved being successful, reaching recovery and zinc residue in the slag to levels even better than historical ones. A series of actions were implemented to standardize procedures for waelz kilns management, which significantly improved performance and extended the time between maintenance shutdowns. Unfortunately, the final result was not achieved due to the lack of EAFD, which forced the two furnaces to operate at reduced load for several months during the year and forced them to overhaul their maintenance schedule to minimize the impact of the supplies on their regular operation.

Commissioning activities for the new dryer began during the year, which suffered from a series of initial weaknesses. However, these were addressed pragmatically, and with several modifications to the furnace feeding, charging, and control phases, the dryer began to deliver the desired results in the third quarter of 2024. This new investment is very important for Waelz, as it will drastically reduce fuel consumption thanks to the reuse of hot gases from the post-combustion units and substantially reduce CO<sub>2</sub> emissions.

The zinc line has also achieved significantly higher performance than in the past, with unprecedented energy efficiency and very consistent quality stability throughout the year. Proper management of anode protection with manganese sulfate and careful electrode maintenance procedures have helped prevent past zinc adhesion issues and also reduced electrode wear.

The decision to shut down and place the Zinc line under care & maintenance, announced in early September, was not driven by the operational performance of the zinc line itself, but rather by economic sustainability, driven by high energy and reagent prices and the market situation, which in 2024 saw a decline in commercial terms, further complicating the situation.

Good news, however, has arrived for the San Gavino plant, which has seen the opportunity to resume production in October by taking advantage of a

material supply produced by the Nordenham plant in Germany (triple alloy). This will ensure continuity of operations at least until the summer of 2025, and even, for this period, with no need to use of temporary lay-off schemes (CIGS). This triple alloy will be combined with other production processes (remelting of spent anodes from the cell house, remelting of residues from the previous San Gavino production campaign at the SRF, and a campaign of rich alloy, also delivered from Germany).

A pilot electrolytic production plant will be installed in early 2025 to allow San Gavino to complete the second phase of production tests to refine pure bismuth (one of the critical strategic materials included in the European commission objectives according to the Critical Raw Material Act). The results of these tests, if positive and accompanied by the economic sustainability of the process, could open opportunities for the future.

Regarding investments, we have completed the 2024 plan, going well beyond the initial budget for the year, to ensure the proper maintenance of our facilities for their eventual restart and to ensure proper production execution, guaranteeing the structural integrity of the areas that have been stopped in recent years.

Unfortunately, on December 23, 2024, the previously announced shutdown of the Zinc line was successfully finalized with a very committed plan executed by all the Portovesme organization.

## CEO's letter to the Stakeholders *continued*

In the first few weeks of 2025, the SX line will continue its operations with the gypsum section to neutralize the fluids still containing some metal stored in the SX and cell house and to deliver more easily manageable fluids to the water treatment plant for final delivery to the industrial consortium.

In discussions with various stakeholders, namely with the Ministry of Enterprise and Made in Italy, Glencore reiterated its intention to pursue production activities only with the Waelz area and to continue our study for the lithium line project. However, we have expressed our full availability to jointly evaluate any interest from external investors in taking over the zinc and/or lead line or to offer unused areas of our sites available to potential investors seeking an industrial site already equipped with all the necessary infrastructure, not necessarily for activities related to our historical processes.

We believe it is important to pursue all options to ensure a long and sustainable future for our site and to fully safeguard the skills and capabilities of our entire workforce possible.

We have also confirmed Portovesme's commitment to maintaining the facilities in a state of care and maintenance that would ensure a resumption of production activities should opportunities arise (as we have done twice in the past with the roasting furnace and the acid plant, and recently with San Gavino).

2025 will be a year in which many colleagues will have to change jobs and responsibilities, moving between departments, while many colleagues will have to help others reposition themselves within the plant by helping them learning new skills and jobs.

In addition to ensuring significant compensation for layoffs, as agreed with the unions, the company has committed to facilitating the retirement and early retirement of colleagues who are close to this opportunity age as much as possible. And together with the Region, we will also seek to implement training and education opportunities for all staff.

**Davide Garofalo - Amministratore Delegato**

# Methodological note

This Sustainability Report has been prepared on a voluntary basis by Portovesme s.r.l., in view of the future entry into force of the reporting requirements prescribed by European Union Directive 2022/2464 "Corporate Sustainability Report Directive" - "CSRD" for the Company.

Since the present report for the 2024 financial year, Portovesme has voluntarily decided to invest in its progressive alignment with the requirements of the European Sustainability Reporting Standards (ESRS). With this in mind, Portovesme has embarked on an ESG path aimed at the progressive implementation of the CSRD's framework and disclosure requirements, starting with the building of a team dedicated to sustainability reporting, conducting a double materiality assessment and the related stakeholder engagement actions, as required by European legislation and disclosed in this report.

The development and planning at company level of the process of alignment with European reporting, which will come into force for Portovesme from the 2027 financial year, aims to integrate the

information required by the CSRD's ESRS disclosure standards into existing processes and through the management system, in order to facilitate and accelerate the collection of the required information in the future.

At the same time, this report ensures continuity with previously published sustainability reports through compliance with GRI standards<sup>1</sup>.

The 2024 report<sup>2</sup> was prepared **on an individual basis**<sup>3</sup>, using the same scope adopted for the financial statements and aligning the time horizons to those defined by the ESRS standards:

- **Short term:** time horizon corresponding to the reference period adopted for the financial statements;
- **Medium term:** up to five years from the end of the reporting period; Lungo termine;
- **Long term:** more than five years from the end of the reporting period.

The information contained in the 2024 Sustainability Report **only** includes **the operations and operating units of Portovesme** (the Portovesme, San Gavino and Genna Luas sites) **and its direct commercial relationships**, corresponding to the first level upstream and downstream of the company's value chain. It was decided to exclude information relating to the value chain from indirect sources, such as industry averages, and data subject to high levels of uncertainty.

The main risks relating to the reporting process in this report concern the accuracy of the data reported and are managed through **the direct involvement of internal stakeholders** responsible for the various corporate functions, the company's Chief Executive Officer and the external auditing firm Deloitte & Touche S.p.A.<sup>4</sup>.

It should be noted that the body of the report has been kept at a narrative level, while the chapter 'Additional Information', contains detailed information reported in compliance with ESRS standards.

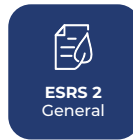
<sup>1</sup> For further details on compliance with GRI and ESRS standards, please refer to Chapter "ESRS Table of Contents and GRI reconciliation". Restatements of previously published comparative data, where applicable, are clearly indicated as such.

<sup>2</sup> The reporting period is from 1 January 2024 to 31 December 2024. This is the fourth sustainability report published annually by Portovesme.

<sup>3</sup> The information provided relates solely to Portovesme s.r.l.: this report has not been prepared at Glencore Group level.

<sup>4</sup> These risks are included in the Company's risk assessment and management systems, as there is no monitoring system dedicated exclusively to the assessment of Portovesme's ESG risks.

## Our Company

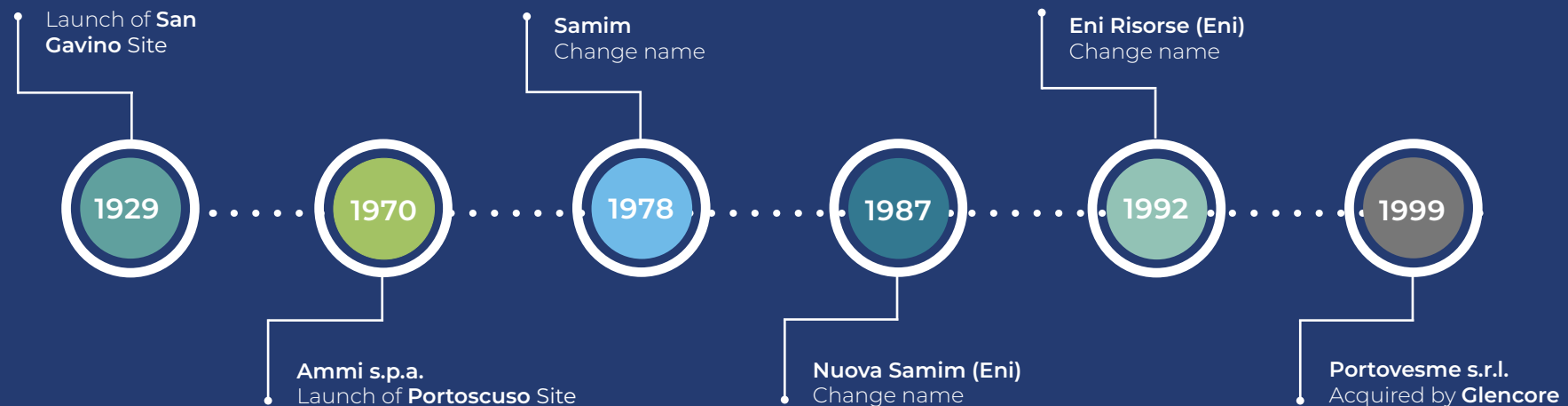


## Who we are

[Portovesme s.r.l.](#) was established on 2 July 1999 with the acquisition from ENI of both the Portoscuso production site, which began operations in 1970, and the San Gavino site, which began operations in 1929. Portovesme s.r.l. is part of the Glencore International plc group, a world leader in the trade of raw materials, particularly non-ferrous metals.

Today, Portovesme s.r.l. is **the only primary producer of Zinc and Lead in Italy**, although, due to the serious energy and market crisis, it has been forced **to suspend primary production** over the last year. The Company currently continues **to recover steel mill fumes, from which it obtains Waelz oxide**, a semi-finished product destined for other Glencore production plants, from which Zinc metal is obtained. In 2024, it employed approximately **879 workers**, both directly and indirectly.

### Portovesme s.r.l. Timeline



## Who we are *continued*

- Operating site: **Sardinia**, in the provinces of **Sulcis Iglesiente** and **Medio Campidano**.
- **2 Plants** in the municipalities of Portoscuso and San Gavino Monreale.
- **A landfill plant** in Genna Luas, located between the municipalities of Iglesias and Carbonia, where it disposes of its **processing residues**.
- Associated with Assomet (National Association of Non-Ferrous Metal Industries) and Confindustria.
- Ownership of Portovesme s.r.l.: Selimare Holding A.G. 75% and Centulli Holding A.G. 25%, two Swiss-registered companies, 100% owned by Glencore International A.G., which is in turn owned by Glencore plc, a public company listed on the London Stock Exchange.

## Our mission

Our “*mission*” is to produce non-ferrous metals with the primary objectives of ensuring the health and safety of our workers and the communities in which we operate, protecting the environment and economic sustainability, contributing to the circular economy and sharing our values and professionalism with all stakeholders involved.

### Operational sites and disposal plant



## Our products and production process

Portovesme specialises in **the production of non-ferrous metals** obtained from the processing of mineral raw materials, Blende as Zinc concentrates and Galene as Lead concentrates, and the recovery of metallurgical residues such as steel mill fumes.

In 2024, **the Waelz line was regularly operational**, feeding the SX plant with Waelz oxide. The oxides not treated by the SX were washed in the dedicated plant together with the Zinc oxides from foreign plants of the Glencore Group.

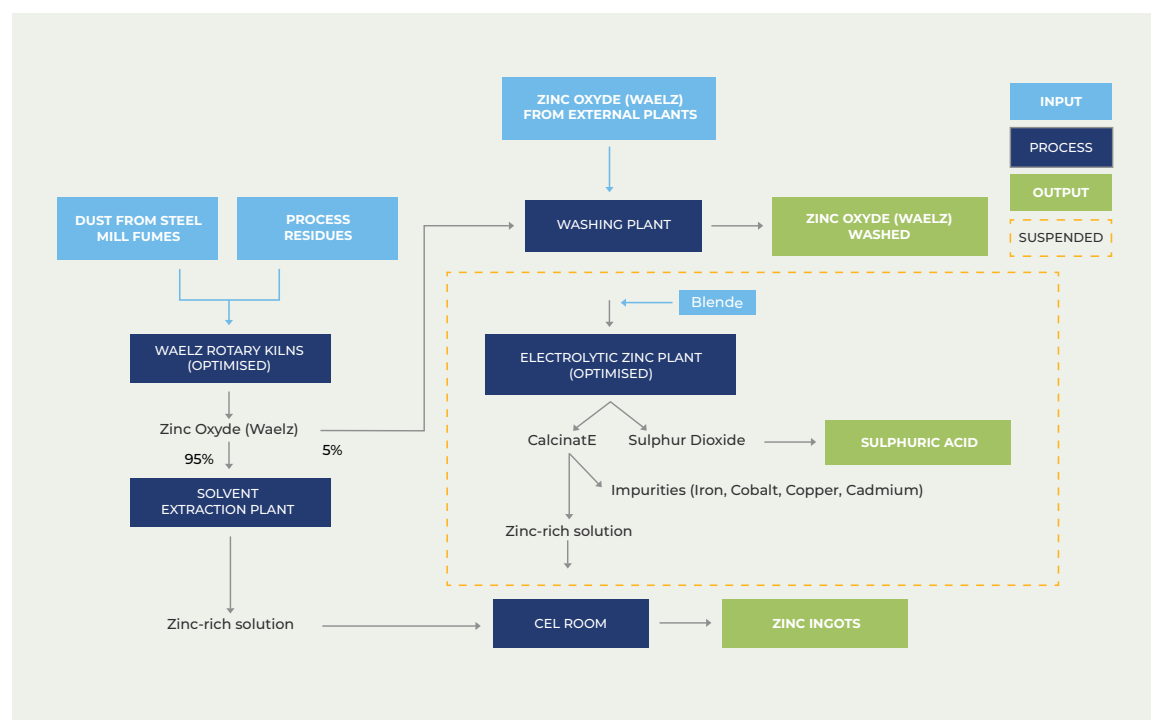
The Electrolytic Zinc production cycle (SX, electrolysis and smelting) remained active until December.

The Leaching Department had already been shut down at the end of 2021, followed by the Roasting Department in April 2023.

In 2025, the **'Waelz-only'** scenario was implemented, with the SX, Electrolysis and Smelting Departments being placed in 'Care & Maintenance' and only Waelz oxide being produced for shipment to the Nordeham (Germany) and Asturiana (Spain) plants.

With the shutdown of the roasting plant in 2023, and therefore of the associated acid plant, the production of Sulphuric Acid has also been discontinued.

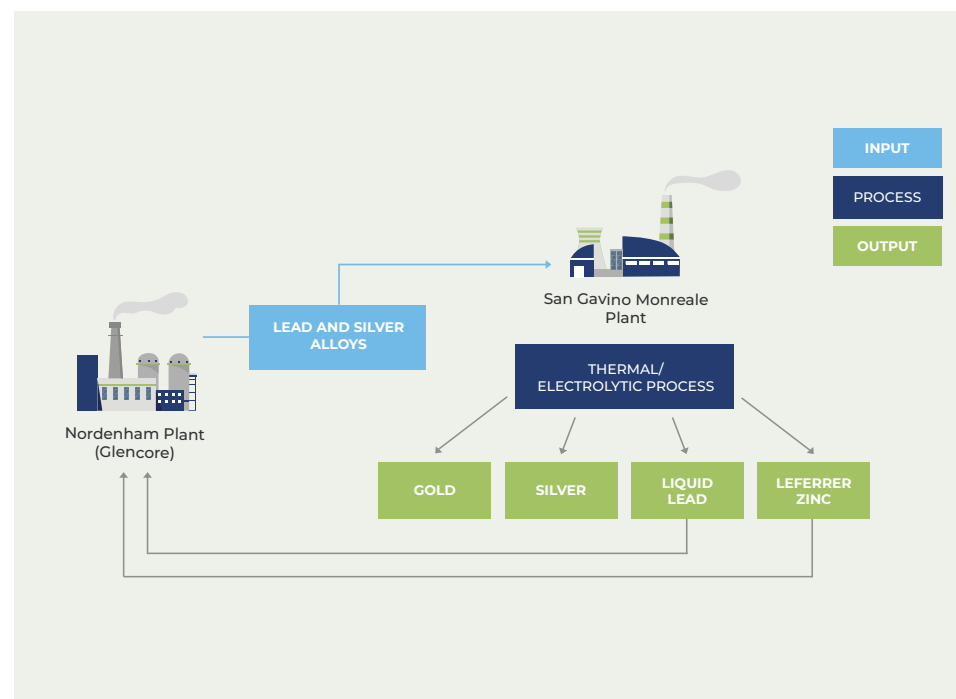
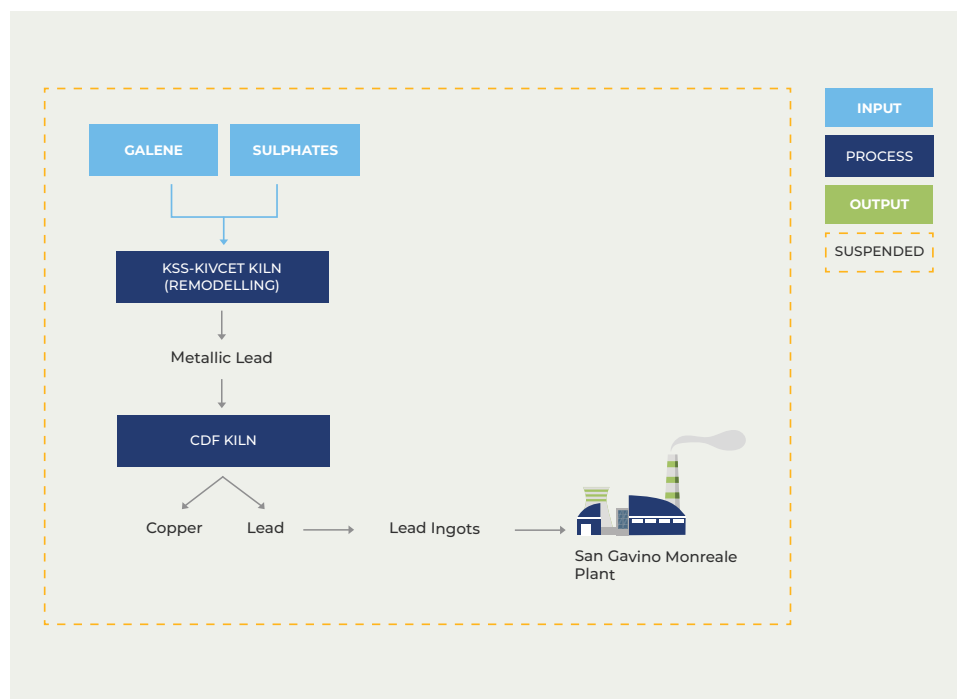
### Zinc Line - Portoscuso Plant



## Our products and production process *continued*

Lead Line - Portoscuso Plant

Lead Line - San Gavino Monreale Plant



The Portoscuso Lead line remained in a state of “care & maintenance” in 2024, while **the San Gavino plant restarted in November 2024 to process Lead-Silver Alloy** from Glencore’s Nordenham plant.

## Our products and production process *continued*

In 2024, Portovesme's main products were:



Washed **Zinc oxide** (Waelz), managed directly by Glencore, is **shipped for reprocessing to plants in Nordeham** (Germany) and **Asturiana** (Spain). The washing plant has also been used to wash oxides from Glencore's abroad plants.

The products manufactured within the organisation's plants are destined as follows:

- **Gold and Silver** to the jewellery production chain in Arezzo;
- **Zinc**, to Brass production, major steelworks and the vast network of Zinc plants in Italy for the construction sector. It is also destined for manufacturers of Zinc alloys, such as Zama.

5 No Portovesme products are banned in foreign countries.

## Our products and production process *continued*

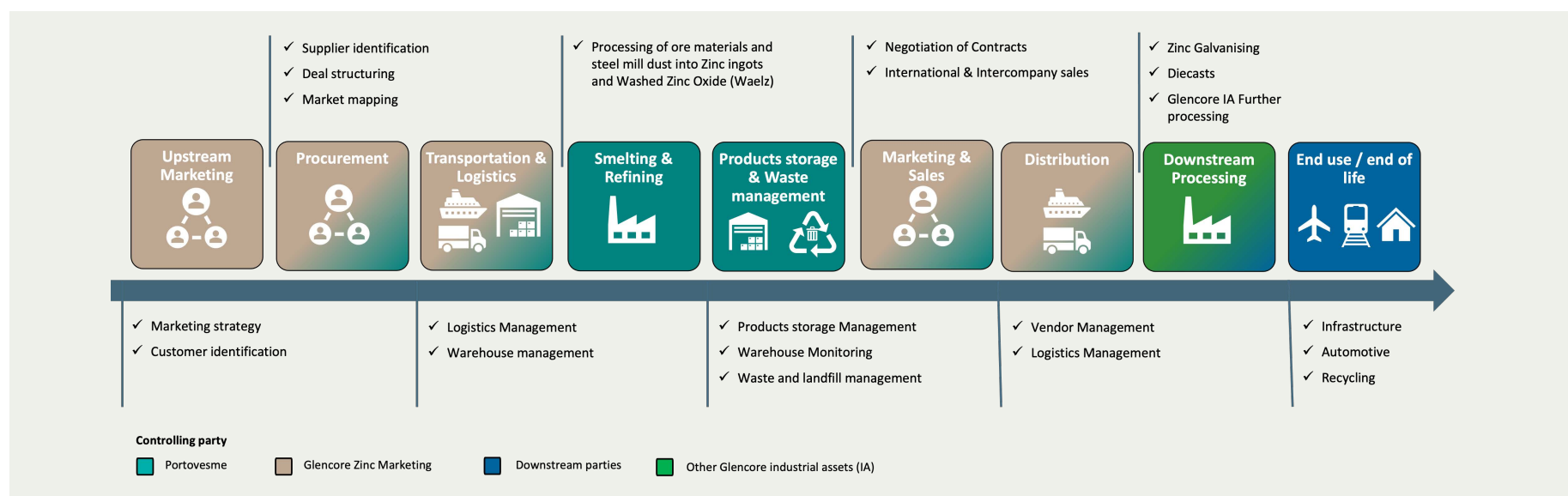
Portovesme is synergistically **supported by Glencore** in its value chain for **the supply of materials**. Portovesme's business model and its commercial relationship with Glencore are governed by the following contracts: the '**Tolling Agreement**', which defines Portovesme's responsibilities within the production cycle and the Corporate's ownership of finished products, and the '**Distribution Agreement**', which allows Portovesme to purchase the products necessary to meet the demand of its long-standing customers at a discounted price<sup>6</sup>.

Portovesme s.r.l. distributes its products on Italian and foreign markets, mainly in Europe: Gold and Silver are destined exclusively for the Italian market, while Zinc is mainly marketed in Italy and, at times, on the Greek and Turkish markets as well.

As part of its Integrated Management System, Portovesme has the following ISO certifications:

| Safety    | Environment | Quality  | Laboratories |
|-----------|-------------|----------|--------------|
| ISO 45001 | ISO 14001   | ISO 9001 | ISO 17025    |

### Portovesme s.r.l. Value Chain

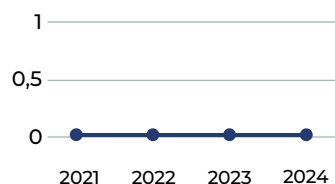


<sup>6</sup> For more information on the Tolling Agreement and Distribution Agreement, please refer to the 2023 Sustainability Report, paragraph "Economic performance and contribution to the local area", page 33.

## Summary of our performance

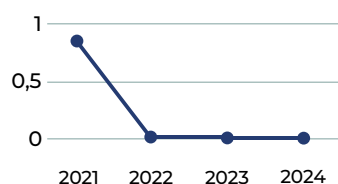
Due to the energy crisis of 2022, a consequence of the Russia-Ukraine conflict, **Portovesme had to reorganise its production system in order to achieve economic sustainability while ensuring the health and safety of its workers, protecting the environment** and avoiding placing a heavy burden on the already fragile economy of the local community.

Major or catastrophic incidents (number)



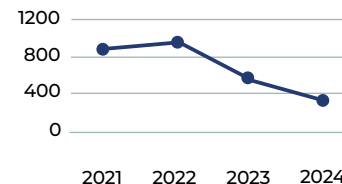
Once again, there were no serious or catastrophic accidents in 2024.

Rate of recordable occupational injury for employees



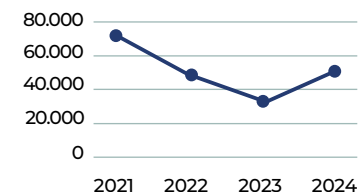
For the third consecutive year, the recordable accident rate for employees was zero.

Economic value distributed (Mln €)



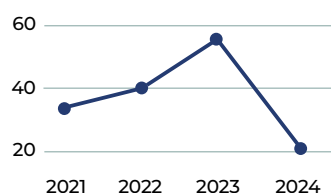
Due to the crisis, the economic value distributed decreased compared to 2023 (-32.6%).

Investments for local communities (Thousand €)



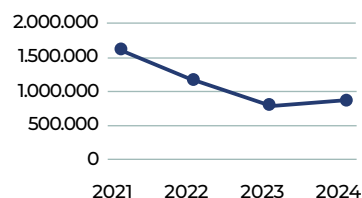
Despite the crisis situation, contributions to the local community increased by 21% compared to 2023.

Recycled materials used (%)



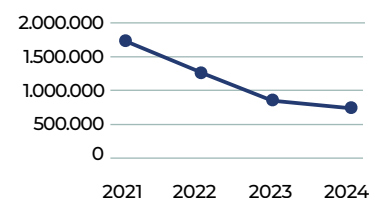
In 2024, the use of recycled materials decreased by 65% compared to 2023 due to the recovery of reusable pallets.

Water consumption (m³)



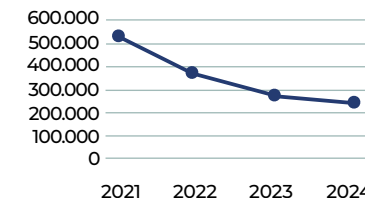
In 2024, water consumption was in line with 2023, with an increase of 4%

Energy consumption (MWh)



With the shutdown of the plants, Portovesme's overall energy consumption has fallen steadily since 2021, with a 17% reduction in 2024 compared to 2023.

CO<sub>2</sub> Scope 1 and Scope 2 location-based emissions (t CO<sub>2</sub>eq.)



Location-based Scope 1 and 2 emissions have been steadily decreasing since 2021, with an annual change of 13% between 2024 and 2023.

## Summary of our performance *continued*

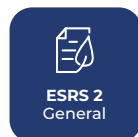
In order to **pursue economic sustainability**, Portovesme is investigating and studying new business opportunities.

In particular, Glencore's Portovesme **Critical Raw Materials (CRM) Hub**, currently in the pre-feasibility study phase, has been selected by the European Commission to be considered one of the first 47 '**Strategic Projects**' designated under the European Union (EU) Critical Raw Materials Act.

The project would enable **the conversion of part of Portovesme's existing metallurgical plants** and create a fully European **battery recycling chain**, improving battery recycling capacity in Europe, helping to **support the circular economy** and producing materials, including nickel, cobalt and lithium, which are essential for **energy transition** technologies.



# Double materiality analysis



In 2024, Portovesme conducted a **double materiality analysis** in line with the Corporate Sustainability Reporting Directive and in collaboration with Glencore Group Headquarters<sup>7</sup>, which oversaw the entire process.

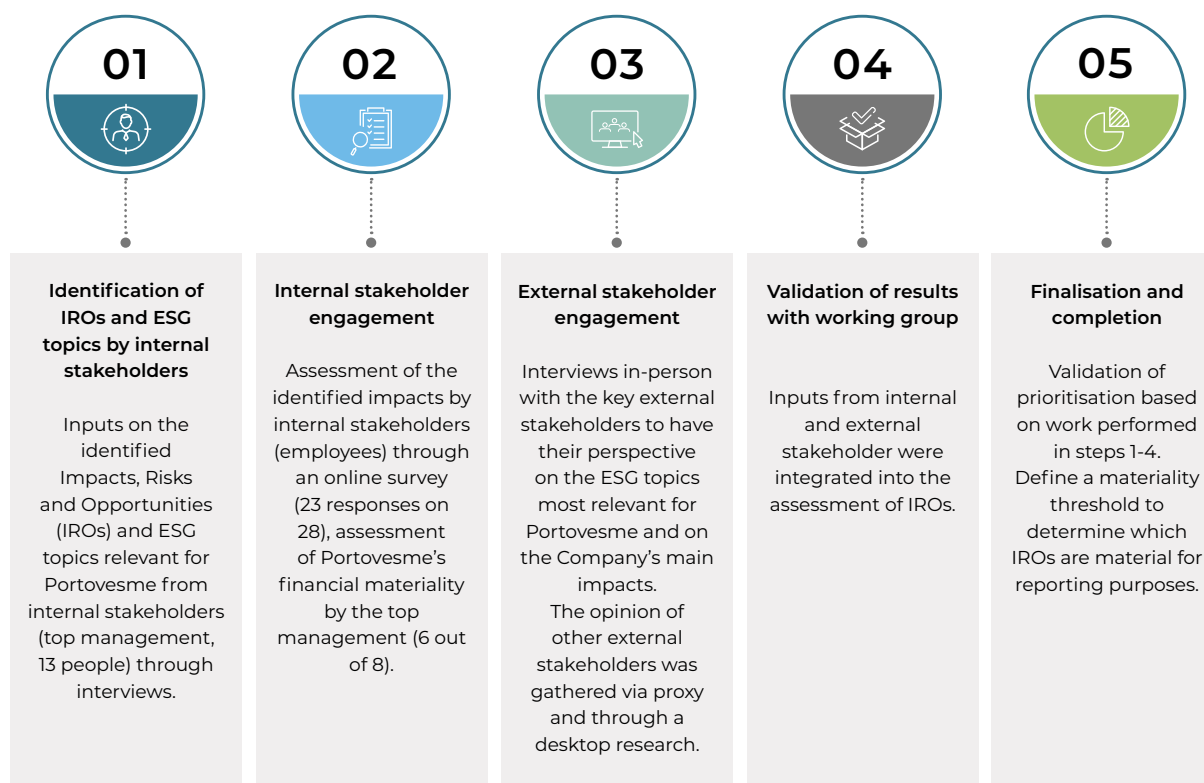
Impacts, risks and opportunities (IROs) were identified based on a list of ESG issues and a list of IROs identified by Glencore for the entire Group<sup>8</sup>.

The identified IROs were then adapted and integrated into Portovesme's reality and compared with the issues previously identified as material and disclosed in the 2023 Sustainability Report, before being assessed and validated through the **involvement of internal and external stakeholders**, as described in the following diagram<sup>9</sup>.

<sup>7</sup> The process of identifying and assessing business risks and impacts is integrated into the Company's risk assessment and management system. At present, there is no similar process for identifying and assessing opportunities.

<sup>8</sup> The process considered the connection between impacts and dependencies on materials or third parties with the risks and opportunities arising from those impacts and dependencies.

<sup>9</sup> In line with the methodology adopted at Group level, the risks and opportunities for Portovesme were identified by considering the impacts alone, and not any dependencies on natural or social resources.



## The stakeholder engagement process

As part of stakeholder engagement within the double materiality process, Portovesme has mapped the key parties involved and grouped them into categories called '**impacted stakeholders**' and '**sustainability report users**', in line with Glencore's guidelines.

The following table describes the stakeholders for which Portovesme carried out engagement activities in 2024, the company's engagement process, the key issues raised by the stakeholders and subsequently integrated into the double materiality assessment.

### Stakeholders engaged with by Portovesme in 2024, engagement methods and key issues raised

| LEVEL OF INTEREST     | STAKEHOLDER CATEGORY                    | DESCRIPTION                                                                                                                                                                                                                                                                                                                  | METHOD OF INVOLVEMENT 2024                                                                                                                                                                                                                        | KEY ISSUES 2024                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|-----------------------|-----------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Stakeholders affected | GLENCORE ZINC MARKETING DIVISION        | Glencore's corporate marketing division, responsible for the marketing strategy, the procurement of Zinc oxides (Waelz) and raw materials, and for supporting Portovesme in mapping the Steel mill dust market.                                                                                                              | Online meetings with department managers.                                                                                                                                                                                                         | <ul style="list-style-type: none"> <li>Sustainable procurement;</li> <li>Compliance;</li> <li>Waste;</li> <li>Health and safety procedures;</li> <li>Climate-changing emissions;</li> <li>Water resources;</li> <li>Economic performance;</li> <li>Catastrophic risks.</li> </ul>                                                                                                                                                                                                                                                                                                                                             |
|                       | EMPLOYEES (Represented by trade unions) | All workers operating at Portovesme, including factory workers, office workers and non-employees of the Company, represented by the trade unions at Company level as well as by local and regional trade unions acting as representatives of workers in the area who may be indirectly affected by the Company's activities. | IFace-to-face meetings with the main trade unions (CISL, UIL, CGIL) and the two factory trade union representatives to understand their perspective on the Company's impacts, risks and opportunities.                                            | <ul style="list-style-type: none"> <li>Synergy with other industries (e.g., Sider Alloys)</li> <li>Health, wellbeing and safety of workers</li> <li>Governance and points-based licence</li> <li>Human rights</li> <li>Circular economy and recycling (to be added to ESG issues)</li> <li>Transparency and communication with the community regarding future operations and actual environmental impacts (there has been a strong disinformation campaign regarding the actual impacts of new production)</li> <li>Training and involvement of workers in the company's future</li> <li>Employment sustainability</li> </ul> |
|                       | PUBLIC (LOCAL COMMUNITIES)              | Local communities in the vicinity of the Company's activities, which may be affected in terms of both employment and the environment.                                                                                                                                                                                        | Municipalities of Portoscuso and San Gavino: in-person meetings aimed at understanding the public's perception of the Company's main impacts, risks and opportunities. Municipalities of Carbonia and Iglesias: meetings on continued employment. | <ul style="list-style-type: none"> <li>Maintaining production levels and employment;</li> <li>Increase in production of the Zinc line;</li> <li>Increase in energy costs;</li> <li>Transparency and communication between PV and the community;</li> <li>Energy self-sufficiency of the region;</li> <li>Workers' wellbeing;</li> <li>External perception;</li> <li>Environmental impact of the black mass plant;</li> <li>New plant revamping projects.</li> </ul>                                                                                                                                                           |

## The stakeholder engagement process *continued*

| LEVEL OF INTEREST                  | STAKEHOLDER CATEGORY                          | DESCRIPTION                                                                                                                                                                                                                                              | METHOD OF INVOLVEMENT 2024                                                                                                                                                                  | KEY ISSUES 2024                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|------------------------------------|-----------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Stakeholders affected              | CUSTOMERS                                     | Customers in the Italian market, managed directly by Portovesme, and in the foreign market, managed by Glencore. Represented by Glencore's Zinc marketing division.                                                                                      | Online meeting with Glencore's Zinc marketing department managers.                                                                                                                          | <ul style="list-style-type: none"> <li>• Maintenance of production;</li> <li>• Future plant developments;</li> <li>• Carbon dioxide emissions;</li> <li>• Sustainable sourcing;</li> <li>• Human rights</li> <li>• Worker health and safety</li> <li>• Development of a value chain linked to battery reuse</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                       |
|                                    | NATURE                                        | Silent stakeholder, represented by environmental NGOs.                                                                                                                                                                                                   | The activity planned was a desktop survey of the main search engines for the word 'Portovesme' combined with the keywords 'Environmentalists', 'Nature', 'Legambiente', 'WWF' and 'Health'. | <ul style="list-style-type: none"> <li>• Waste management;</li> <li>• Soil pollution;</li> <li>• Air pollution;</li> <li>• Transparency</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|                                    | SUPPLIERS                                     | Suppliers of goods and services, in direct relationship with Portovesme or managed by Glencore.                                                                                                                                                          | Main direct suppliers of Portovesme: face-to-face meeting to understand their perspective on impacts, risks and opportunities for the Company.                                              | <ul style="list-style-type: none"> <li>• Shortage of qualified professionals in the area</li> <li>• Attracting and retaining workers</li> <li>• Transparency and communication to the community about new projects and their impact on the environment and people</li> <li>• Workers' health and safety</li> <li>• False reports of occupational diseases by workers</li> <li>• Mental wellbeing of workers and psychological support</li> <li>• Data privacy and cybersecurity</li> <li>• Circular economy</li> <li>• Air and soil pollution</li> <li>• Gender equality</li> <li>• Transition of the production process</li> <li>• Solidarity in the event of employee hardship</li> <li>• Production continuity</li> </ul> |
| Users of the sustainability report | BUSINESS PARTNERS AND THE FINANCIAL COMMUNITY | Portovesme's presence affects companies operating in areas adjacent to the Company's production sites, major financial organisations (e.g. banks) or trade associations, and companies that have a direct influence on Portovesme's corporate structure. | Confindustria Sardegna: face-to-face meeting to understand their perspective on impacts, risks and opportunities for the Company.                                                           | <ul style="list-style-type: none"> <li>• Transparency and communication with stakeholders;</li> <li>• Production continuity</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

## The stakeholder engagement process *continued*

| LEVEL OF INTEREST                  | STAKEHOLDER CATEGORY                        | DESCRIPTION                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | METHOD OF INVOLVEMENT 2024                                                                                                                                                                          | KEY ISSUES 2024                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|------------------------------------|---------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Users of the sustainability report | <b>INSTITUTIONS AND PUBLIC AUTHORITIES</b>  | Key players in territorial planning and control, with whom the Company interacts in the process of obtaining the environmental permits necessary for its business and remediation activities, as well as for production processes in general. This category also includes institutions that interact with the Company for its normal operations and the relevant bodies for industrial and development plans and programmes in the area in which the Company is involved.                                                                                                       | Collaboration in working groups with ministerial, regional and trade union representatives on the company crisis, the development of projects and their impact on employment and the local economy. | <ul style="list-style-type: none"> <li>• Compliance with environmental and process safety regulations;</li> <li>• Management of environmental and occupational impacts;</li> <li>• Management of materials;</li> <li>• Transformation of the production process;</li> <li>• Production continuity.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|                                    | <b>UNIVERSITIES AND RESEARCH INSTITUTES</b> | Educational and research institutions represent the future of a region, thus, compulsory schools, training institutes, universities and research centres in the vicinity were taken into consideration. Compulsory schools were selected as they are vulnerable to the potential environmental impacts of production processes. The Company is also an important regional player and the only company in Italy involved in the primary production of Zinc and Lead, offering training opportunities and employment prospects for students at universities and research centres. | Collaboration with the universities of Cagliari and Rome on studies concerning soil and groundwater remediation and other projects – continuing from previous years.                                | <ul style="list-style-type: none"> <li>• Research into remediation techniques;</li> <li>• Reduction of waste produced</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|                                    | <b>NGOs, COMMITTEES AND ASSOCIATIONS</b>    | Associations operating in the region and nationally, as well as citizens' committees that express an interest in the industrial activities of Portovesme, focusing in particular on the issue of environmental pollution and its impact on public health.                                                                                                                                                                                                                                                                                                                       | Involvement carried out directly through the Region of Sardinia.                                                                                                                                    | <ul style="list-style-type: none"> <li>• Compliance with environmental and process safety regulations;</li> <li>• Transition and innovation of production processes towards plants that do not treat waste materials from other processes (i.e. black mass);</li> <li>• Management of materials and emission processes;</li> <li>• Management of environmental and occupational impacts.</li> </ul>                                                                                                                                                                                                                                                                                                                                             |
|                                    | <b>MEDIA</b>                                | Information systems of major relevance to the area, providing information on topics of public interest that may involve Portovesme's activities.                                                                                                                                                                                                                                                                                                                                                                                                                                | Public announcements to inform the community about the company's strategy regarding transformation projects and business continuity procedures.                                                     | <ul style="list-style-type: none"> <li>• Transformation of production processes and related socio-economic impacts;</li> <li>• Circular economy and responsible sourcing;</li> <li>• Reduction in production and employment;</li> <li>• Energy costs;</li> <li>• Uncertainty about the future of the project;</li> <li>• Radioactivity and Lead levels;</li> <li>• Community health and safety;</li> <li>• Environmental impact of radiation and steelworks fumes;</li> <li>• Community communication and transparency;</li> <li>• Termination of employment of PV employees;</li> <li>• Transition to new production processes;</li> <li>• Health and safety of PV employees;</li> <li>• Timing of the transition to new processes.</li> </ul> |

## Involvement of internal stakeholders

Portovesme's **internal stakeholders**, consisting of **top management** and the **Chief Executive Officer**, were involved in the process of identifying, validating and assessing the relevance of ESG issues and Impacts, Risks and Opportunities for the company<sup>10</sup>.

Prior to their involvement in impact, risk and opportunity assessment activities, internal stakeholders participated in **training workshops on the double materiality process** and the methodology adopted.

The results of the engagement activities described below were used in the double materiality process **to update the Company's objectives** and in the Life of Asset (LoA) process. Top management and the Board of Directors are regularly updated on the issues that emerged from the engagement activities and are involved in meetings with the Board of Statutory Auditors and the Trade Union.

## Involvement of external stakeholders

**External stakeholders** were engaged through **direct interviews, proxy interviews and desktop research** to understand which ESG topics they considered to be the Company's main positive, negative and long-term impacts, and how important they considered each identified topic to be.

**The resulting ESG topics were, then, ranked according to the priority** assigned by each stakeholder category, which was assigned a value relative to its strategic importance to the company:

<sup>10</sup> The assessment of financial materiality and impact materiality was carried out using the methodology described in ESRS 1, and the scales adopted for impacts, risks and opportunities were established for the entire Glencore Group.

- Glencore Zinc marketing division (25%)
- Customers (5%)
- Suppliers (7.5%)
- Trade unions (5%)
- Nature (7.5%)
- Local communities (20%)
- Employees (30%)

The ESG topics lists were aggregated using a weighted average of the priority assigned to each topic and transposed into a ranking used to adjust the **assessment of impacts, risks and opportunities** previously carried out by internal stakeholders.

## Issues relevant to the stakeholders involved

The most relevant topics for the internal and external stakeholders involved in the double materiality assessment are as follows:



Portovesme addressed the key topics raised by the stakeholders by **adapting its transformation plans** and explaining, in this 2024 Sustainability Report, the Company's approach to improving and resolving the critical issues that emerged.

## Identification of material impacts, risks and opportunities

In order to identify the material impacts, risks and opportunities among those identified and submitted to materiality assessment by stakeholders, their scores were categorised and evaluated according to their relevance.

The **materiality thresholds**, i.e. the minimum score required for an IRO to be defined as material for the Company, have been developed following the **guidelines published by EFRAG** and aligned with internal enterprise risk management (ERM) processes, to represent the interests of the various stakeholders and ensure that material issues reflect existing reporting requirements.

### Impact materiality assessment adopted by Portovesme

| IMPACT MATERIALITY                     |                                        |                            |                           |          |
|----------------------------------------|----------------------------------------|----------------------------|---------------------------|----------|
| Potential Negative Impacts (Out of 75) | Potential Positive Impacts (Out of 50) | Actual Impacts (Out of 50) | Relevance for the company |          |
| >60                                    | >40                                    | >4                         | Critical                  | Material |
| 50-59                                  | 32-40                                  | 3.25-4                     | Significant               |          |
| 30-49                                  | 26-31                                  | 2.5-3.24                   | Important                 |          |
| 15-29                                  | 15-24                                  | 1.5-2.49                   | Informative               |          |
| <15                                    | <15                                    | <15                        | Minimum                   |          |

The materiality thresholds chosen are shown below.

- **Financial materiality:** 12;
- **Current impacts:** 3.25;
- **Potential positive impacts:** 32;
- **Potential negative impacts:** 50.

As anticipated in the Methodological Note, the double materiality assessment process considered the impacts, risks and opportunities relating **solely to the activities carried out by Portovesme**.

| FINANCIAL MATERIALITY (OUT OF 25) |             |          |
|-----------------------------------|-------------|----------|
| >18                               | Critical    | Material |
| 12-18                             | Significant |          |
| 7-11                              | Important   |          |
| 4-6                               | Informative |          |
| <4                                | Minimum     |          |

The material risks and opportunities did not have a significant impact on Portovesme's financial position in 2024 and do not pose a high risk of significant corrections in the 2025 financial year. In fact, these effects are potentially concentrated in the medium term, as the transition of the production processes should be completed in the long term, making the business model resilient to the identified risks and receptive to the opportunities associated with more sustainable production.

# Material Topics

# Introduction to Material Topics

The 2024 Sustainability Report is the first report prepared in voluntary and progressive alignment with the CSRD 's ESRS requirements. The material topics reported in this section were identified through the double materiality assessment conducted and illustrated in the previous chapter.

At the same time, this report is aligned with previous reports, maintaining continuity, as introduced and reported in the 'Methodological Note' above and in the 'Additional Information' section, also including the requirements set out by the GRI.

The double materiality assessment identified the following material ESG issues, concentrated in the company's operations and belonging to the following ESRS standards.

- E1 - Climate change

- E2 - Pollutants

- E3 - Water resources

- E5 - Resource use

- S1 - Workforce

- S3 - Affected communities

- G1 - Business ethics



# Environment



In defining climate risks, Portovesme adopts and applies the Glencore protocol, which encompasses both physical risks associated with climate change and transition risks associated with the shift to a low-carbon economy.

In accordance with the requirements of Directive (EU) 2022/2464 (CSRD) and Regulation (EU) 2020/852 (Taxonomy), the Company has initiated some preparatory activities for the provision of the disclosures required by the delegated acts applicable starting from the 2027 financial year (Reg. 2021/2178, Reg. 2021/2139 and Reg. 2023/2486). Considering the ongoing regulatory developments aimed at simplifying and refining the technical criteria, the Company has decided to complete its disclosures once this regulatory maturation process has been completed.

During the course of 2025, Portovesme has initiated a preparatory process involving an initial analysis of the Commission's delegated acts and guidelines, high-level mapping of its processes concerning the economic activities identified by the Taxonomy, with particular attention to those related to waste treatment and recovery, and a preliminary assessment of the technical criteria (substantial contribution, DNSH, Minimum Safeguards). At the same time, the methodology for calculating KPIs (turnover, CapEx, OpEx) required by Article 8 of Regulation

2021/2178 is being defined.

In this context, some initiatives already underway or in development are considered potentially relevant for CapEx/OpEx purposes 'letter c' (capital expenditure and operating expenditure relating to the purchase of products deriving from eligible or aligned economic activities), including:

- Study for the construction of **Glencore's Critical Raw Materials (CRM) Hub**;
- Construction of a **drying plant with heat recovery** from the current post-combustion system;
- Study of a project for further **recovery of heat** generated by the Waelz plant;
- Tests for the **use of recycled plastics** in the Waelz process;
- **Groundwater remediation and water quality restoration activities**, including water circuit optimisation activities.

Currently, as a precautionary measure, while also awaiting further detailed technical analyses, the Company has not yet identified any economic activities that can be considered eligible or aligned with the Taxonomy criteria. Therefore, the share of eligible revenue aligned with the Taxonomy is considered to be 0%.

# Emissions and climate change



**Reducing the impact of operations on the climate and the atmosphere** is an important aspect for Portovesme, also in view of a possible new production structure. The Company is part of the EU-ETS scheme and therefore, CO<sub>2</sub> emissions are constantly monitored and certified<sup>11</sup>.

The distinctive feature of Portovesme's production lies in the impact on Scope 1 emissions from the use of carbon as a reducing agent, which is why it is classified as a "hard to abate" process<sup>12</sup>. Due to this characteristic, **decarbonisation activities will not include production processes**.

In the context of the energy crisis and the resulting downsizing of the company's production activities, the shutdown of the Lead line led to a reduction in carbon dioxide emissions (Scope 1) from approximately 270 kt/year to 190 kt/year.

The double materiality process has highlighted the following material risks and opportunities related to climate transition and climate altering gas emissions:

- **Risk related to climate changing gas emissions** and related regulations, which might impose penalties or emission reduction targets, and potential costs caused by reduced free CO<sub>2</sub> allowances;
- **Risk of possible opposition from the local community** to the transition of production processes towards the treatment of black mass, which is considered waste material;
- **Opportunity for significant energy and emission savings** related to the new plant layout and related financial benefits.

Portovesme, together with Glencore, is committed to achieving net zero emissions by 2050, as defined in the 2020 policy "**Path to Net Zero Emissions**", with an interim target of a 40% reduction in total emissions by 2035 compared to 2019 levels. To approach these targets, over the years Portovesme has implemented various measures to reduce atmospheric emissions and uses the Glencore's policy as a framework for all business activities.

Over time, Portovesme has developed numerous actions to improve its climate performance, for example by carrying out revamping interventions and installing new monitoring systems to reduce atmospheric emissions. Since the corporate crisis of 2022, the Company has further committed to identifying and applying energy efficiency solutions compatible with its activities.

In 2024, **investments of approximately €3,179,000** were made **for the construction of a heat recovery plant and a drying system**, an intervention that is part of the decarbonisation measures adopted at company level.

<sup>11</sup> Portovesme's CO<sub>2</sub> emissions for 2024 were calculated using the methodology defined by the Emissions Trading System (ETS), whereas in previous years these values were calculated directly by Glencore Corporate using a different methodology. In order to compare emissions with previous years, the location-based Scope 1 and Scope 2 values reported in this graph for the years 2021, 2022 and 2023 have been calculated using the same system and therefore differ from those reported in previous years.

<sup>12</sup> Questa condizione non pone rischi alla transizione dell'azienda per il cambiamento climatico, in quanto non persisterà dopo la transizione ai nuovi processi produttivi. L'analisi della resilienza del modello aziendale dinanzi ai cambiamenti climatici verrà svolta in seguito alla transizione verso i nuovi processi produttivi.

# Emissions and climate change

*continued*

Among the experiments conducted, the use of recycled plastics in the Waelz process was tested. Although the results were not positive due to the formation of Total Organic Compounds (TOC) close to regulatory limits, the Company continues to explore alternative solutions.

In addition, a **project to recover the heat generated by the Waelz plant** is currently being studied, with the aim of covering part of the plant's energy requirements. The new plant layout could also facilitate **the use of recycled plastic polymers** to replace Pet Coke.

During 2024, this activity led to a reduction in emissions equal to:

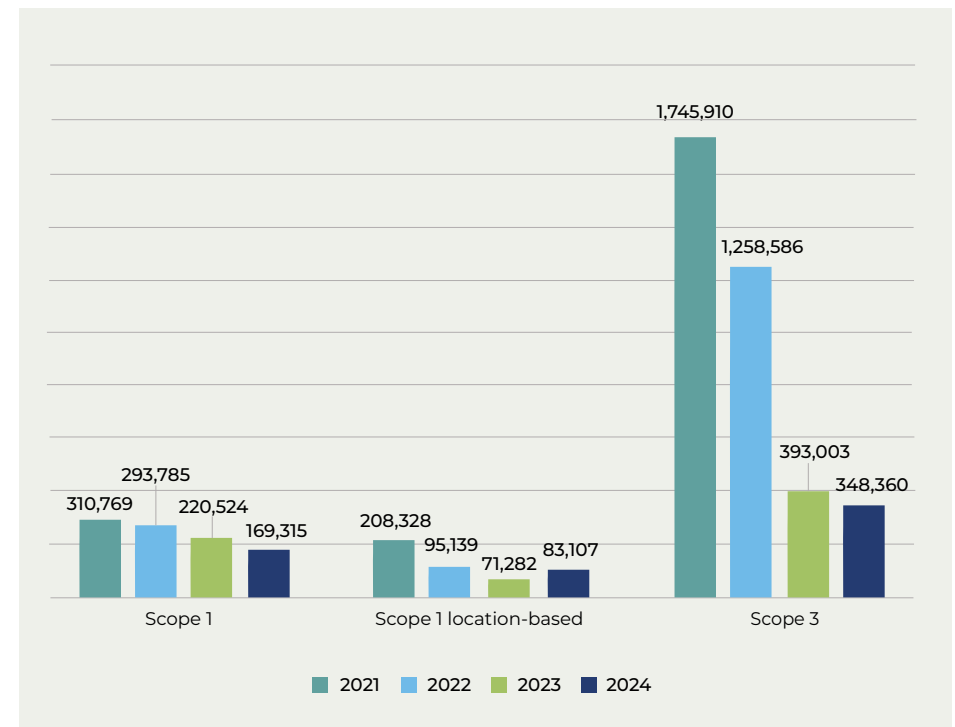
- Scope 1: **458 tCO<sub>2</sub> eq**;
- Scope 2 location-based: **41,06 tCO<sub>2</sub> eq**;
- Scope 2 Market-based: **56,93 tCO<sub>2</sub> eq**.

By replacing anthracite with Pet Coke, it was also possible to achieve a Scope 1 reduction of **22.030 tCO<sub>2</sub> eq**.

## Greenhouse gas emissions

The Company is included in the EU ETS scheme and, therefore, CO<sub>2</sub> emissions are constantly monitored and certified. Energy audits of the three sites are updated every four years, while **CO<sub>2</sub> emissions**, for the purposes of EU ETS regulations, are **validated annually by an independent certification body**. In addition, greenhouse gas (GHG) emissions are periodically verified according to international standards adopted by Glencore.

GHG Emissions (tCO<sub>2</sub> eq)



## Energy consumption

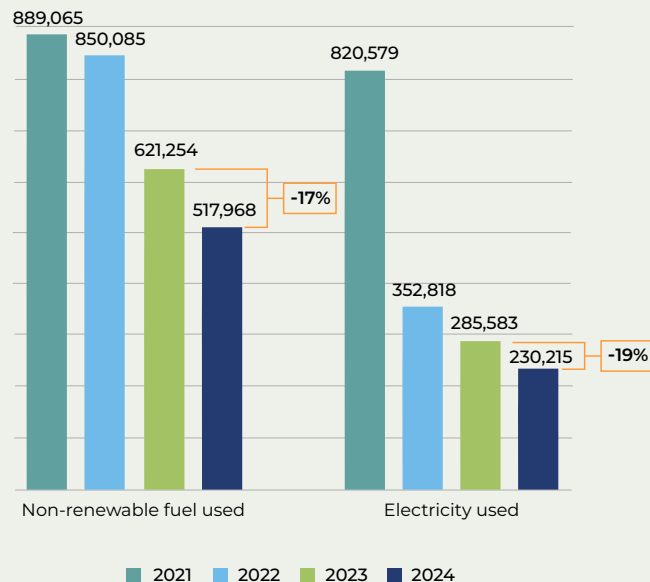
Energy is a fundamental component of Portovesme's production activities, which, due to the nature of the processes involved, require significant amounts of energy supply. **The Company is constantly committed to identifying opportunities to reduce consumption**, exploring innovative solutions and evaluating changes to production processes, with the aim of contributing to a reduction in both energy requirements and related emissions.

The double materiality analysis identified the **material risk of a significant increase in energy costs**, with a consequent need to modify production processes.

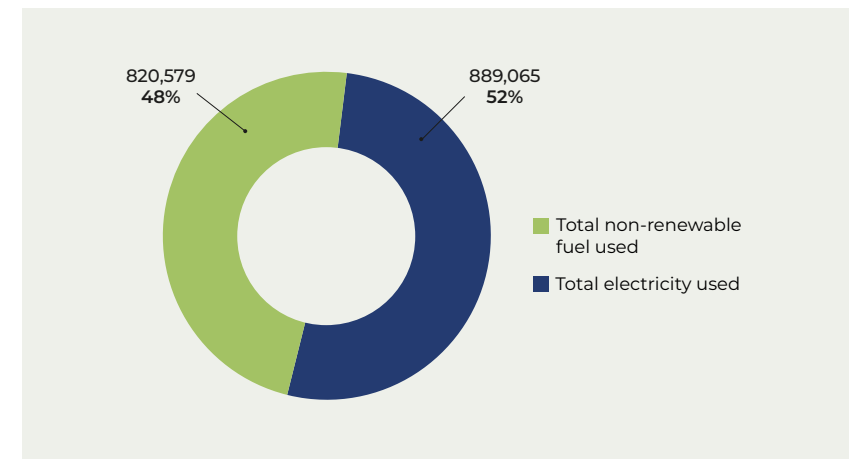
In 2024, Portovesme reduced its energy consumption due to the shutdown of the Zinc line. Among the reducing agents used, anthracite was replaced by pet coke due to the difficulty in sourcing it, while there was an increase in the use of fluid fuel oil to replace the heat energy previously recovered from the KSS and Roasting plant, currently inactive, used to produce the steam required by the SX plant.

In order to limit energy consumption as much as possible, the **drying plant has been replaced with a plant for recovering heat from other processes**, ensuring that the only electricity demand not met by internally produced energy is that relating to the operation of the machines.

Energy used by type (MWh)



Energy used by source (MWh)



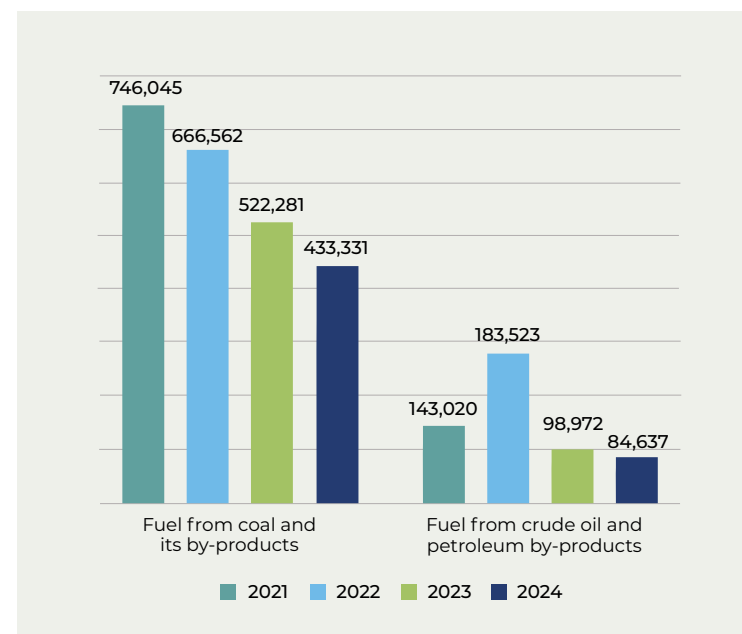
## Energy consumption *continued*

The highest energy consumption still occurs at the **Portoscuso site**, where the **most energy-intensive production assets** are located, accounting for approximately 99.6% of energy for a total of 745,372 MWh. Of this, approximately 69% relates to the consumption of non-renewable fuels purchased by the Company and approximately 31% to electricity purchased on the market. The San Gavino Monreale plant has much lower energy consumption, equal to 2,465 MWh, 59% of which is related to electricity.

The Genna Luas landfill requires electrical energy input for the water treatment plant and, to a lesser extent, for lighting and office needs. In 2024, its consumption amounted to 344,775 MWh. Fuels are only used for minor activities such as the transport of waste for storage and are not included in Portovesme's consumption figures as they are managed by third-party suppliers.



Fuel used by type (MWh)



# Pollutants



Portovesme aims to **prevent the dispersion of pollutants** to preserve human health, promote responsible management of hazardous substances and prevent their dispersion into water and soil.

The double materiality analysis has identified the following risks related to pollutants<sup>13</sup>:

- **Risk of air pollution** due to inadequate monitoring or on-site accidents, such as the release of harmful substances, with reputational and financial consequences;
- **Risk of soil pollution** following the release of contaminants such as heavy metals, with financial and reputational consequences.

Portovesme has adopted the following policies to prevent and mitigate any risks and impacts related to pollutants<sup>14</sup>:

- Environmental Policy integrated into the integrated management system;
- SGA certification in accordance with ISO 14001;
- Glencore Environmental Standard including the implementation of ICMM expectations.

The Company is equipped with two functions dedicated to the prevention of any potential pollution risks, each with its own control and verification systems:

- The **Health, Safety and Environment (HSE) function**, which monitors the company's performance related to the emission of pollutants through the application of the environmental limits defined by the AIA and the best available technologies (BAT)<sup>15</sup>;
- A **function dedicated to the management of soil and groundwater remediation**, aimed at eliminating pollutants resulting from past production activities, which is monitored through the targets defined in the remediation project.

Portovesme S.r.l. uses SVHC substances in accordance with the REACH Regulation, registered with ECHA. Currently, no replacement or mitigation plans have been implemented, nor have specific objectives been defined for the management and reduction of the use of these substances.

Over the last four years, **no exceedances of emission limits have been detected from the factory chimneys**. This result is due to careful environmental management and the temporary suspension of some

emission points, in line with strategies for the containment and continuous improvement of environmental performance and the changed production structure. Regarding emissions into water, continuous monitoring tools have been installed to allow the realignment of water to limit values before discharge.

**In 2024, no events occurred where pollutants had a negative impact on the environment.**

In particular, the Portoscuso plant contributes to almost all atmospheric emissions of pollutants and to all emissions into water and soil.

Emissions into water and soil amounted to **9,787,796 kg<sup>17</sup>**, consisting of:

- Fluoride: **7,544 kg**;
- Chloride: **9,780,000 kg**;
- Zinc and its compounds: **121 kg**;
- Lead and its compounds: **31 kg**;
- Mercury and its compounds: **9 kg**;
- Copper and its compounds: **43 kg**;
- Cadmium and its compounds: **29 kg**;
- Arsenic and its compounds: **19 kg**.

<sup>13</sup> The Company is currently unable to estimate the financial effects of the impacts caused by pollutant emissions. There is currently no monitoring of microplastics generated and/or used during production processes.

<sup>14</sup> Although the policies mentioned do not describe mitigation measures relating to the spread of pollutants, such actions are established separately on an annual basis. The prevention of accidents and emergencies relating to the dispersion of pollutants is dealt with in the Significant Accident Prevention Policy, which is updated every two years.

<sup>15</sup> The targets applied to pollutant emissions are mandatory and based on the ecological limits defined by CSC and CSR regulations for soil and water and on the reference limits for air quality.

<sup>16</sup> It is currently not possible to estimate the revenues derived from activities that use hazardous and very hazardous substances. It is not possible to estimate the costs of measures for the protection and remediation of the environment from pollutants.

<sup>17</sup> Data for previous years is not available.

## Water resources



Water is an essential element for Portovesme and must be protected both for use in production processes and for the local environment. With this perspective, the Company is committed to **purifying and recirculating the water used in the production processes at the Portoscuso site**, thereby reducing the use of this resource for these processes and investing in actions to **increase water storage**.

In fact, the double materiality assessment has identified **a material opportunity concerning water resources and the increase of its recirculation on a large scale to reduce operating costs**<sup>18</sup>.

Portovesme does not have dedicated water resource management policies and refers to Glencore Group policies, which include the protection of water resources and maximising their reuse.

There are no policies relating to marine resources, as there are no direct discharges into the sea.

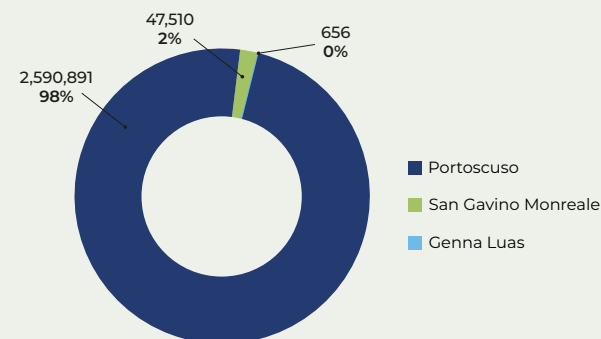
At Portovesme, groundwater remediation is underway, aimed at restoring water quality<sup>19</sup>: contaminated water is pumped, treated in a plant and then reused within the plant. Similarly, at San Gavino, an emergency safety measure is active, which will evolve into operational safety (MISO) once the definitive project is approved.

Groundwater remediation activities are accompanied by measures to optimise water circuits. At the Genna Luas site, permeate from the osmosis plant is reused, contributing to a reduction in external water withdrawal. Currently, the risk of water supply shortages is considered very limited.

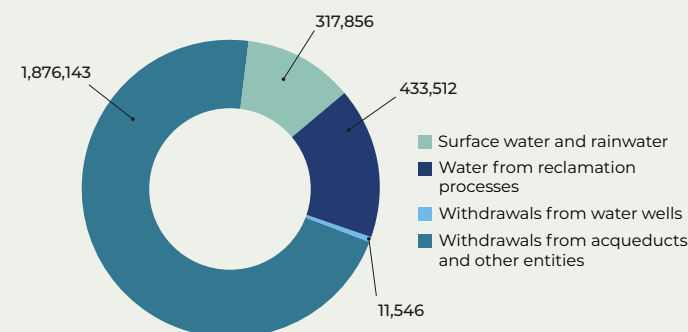
<sup>18</sup> Currently, it is not possible to quantify the financial effect of the material opportunity identified.

<sup>19</sup> There are no specific targets, as KPIs defined by the management system are used for monitoring and the remediation objectives are defined in the remediation project authorisation.

Water withdrawal (m<sup>3</sup>)



Water withdrawal by source (m<sup>3</sup>)



## Water resources *continued*

Water consumption at the Portoscuso plant has significantly decreased compared to 2023 due to the closure of the electrolysis, smelting and SX lines; the water withdrawn has been partially treated for human consumption and sanitary services, while the kitchen area has used water withdrawn from the aqueduct.

Portoscuso has a continuous discharge system for outgoing water, which is treated and tested to assess its suitability for discharge according to the parameters set by the consortium. In addition, monthly checks on the discharged water are carried out by a third-party entity.

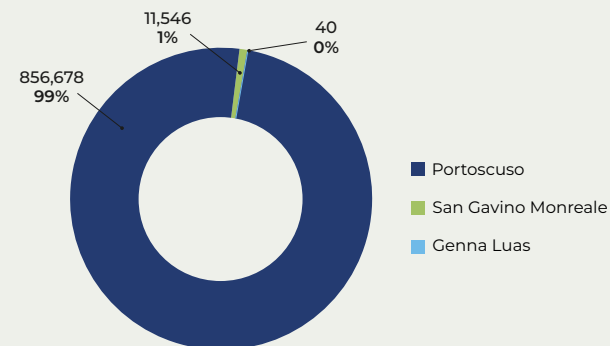
The San Gavino site partially reopened in October 2024, leading to an increase in staff compared to 2023 and a consequent increase in water consumption for human use. Water discharge at San Gavino is discontinuous. Before being discharged, the water is always analysed through auto-sampling to verify compliance

with the parameters defined by the Integrated Environmental Authorisation (AIA) and Legislative Decree 152/06.

In 2024, the Genna Luas landfill extracted water exclusively for human use, maximising the use of reusable permeates from the leachate treatment plant. Water discharges are limited to treated first flush rainwater only, as the available water resource is completely reused for plant management activities.

In March 2024, the Genna Luas landfill received a warning from the regulatory body following an inspection by Arpas (the Sardinian Regional Agency for Environmental Protection) regarding non-compliance with certain requirements of the Comprehensive Environmental Authorisation and the related Monitoring and Control Plan. The warning was resolved on 23/01/2025 with all the issues raised being resolved.

Water consumption (m<sup>3</sup>)



## Process materials and waste



Our business is based on **the recovery of waste from the steel industry** by reusing and adding value to the metal it contains, which is used **as an alternative to raw materials extracted from mines**. Portovesme responsibly manages the materials entering and leaving its plants with procedures and controls aimed at reducing waste in line with the basic principles of the circular economy, while ensuring safety and quality.

Portovesme constantly monitors the environmental impacts associated with the use of resources and the circular economy, although it currently lacks quantitative information on the expected financial effects of material risks and opportunities in this area. In qualitative terms, there is an **economic advantage linked to the recovery of the percentage of zinc contained in incoming material**, classified as waste. However, one of the main **risks identified is the potential unavailability of steel mill fumes**, an essential raw material for the production process.

L'analisi di doppia materialità ha identificato i seguenti rischi, impatti ed opportunità materiali:

- **Opportunities for collaboration with universities** to find commercial outlets for the slag produced by the Waelz process;

- **Positive impact on current recycling** and secondary raw material production **activities**, reducing the need to extract raw materials;
- **Risk related to the shortage of incoming material**, resulting in the shutdown of production activities and financial loss;
- **Risk related to issues with the management** and residual capacity of the **Genna Luas** landfill.

The Company adopts and implements Glencore's Policy on the sourcing of materials, requiring its suppliers to adhere to the same guidelines.

Furthermore, due to its registration with the London Metal Exchange, the Company applies a series of standards regarding sustainability and responsible sourcing.

All incoming materials are classified as waste. Currently, the recovery rate of zinc from steel mill fumes is 98% of the content, corresponding to 28% of the total mass treated.

## Waste generated

All waste generated is managed and tracked according to the correct classification and in compliance with the provisions of Part Four of Legislative Decree No. 152 of 3 April 2006 and subsequent amendments and additions (known as the Consolidated Environmental Act)<sup>20</sup>.

Waste from the production activities of the Portoscuso and San Gavino Monreale sites, once collected, is sent to authorised facilities and to the landfill owned by Genna Luas, while waste from plants that is similar to urban waste, derived from non-industrial civil activities, is collected and managed by the municipal separate collection service.

In 2024, the main types of waste sent to the Genna Luas landfill are:

| CER CODE | DESCRIPTION      | TONNES            |
|----------|------------------|-------------------|
| 100501   | Waelz plant slag | 133,508.66 tonnes |
| 190814   | Clarifier sludge | 855 tonnes        |

<sup>20</sup> There are no targets aligned with ESRS standards.

# Social

## Our workers



Since its establishment, Portovesme s.r.l. has always believed that the management of the complexity of its processes and the high quality of its products were the result of the professional competence, collective commitment and skills of its employees. For this reason, it has always been considered a specific corporate duty to guarantee them a high level of well-being at work, striving to protect their health and safety and combat all forms of discrimination and harassment.

In order to mitigate the effects of the corporate crisis as much as possible, Portovesme has secured a **redundancy fund until April 2026** and has entered into **trade union agreements for mutually agreed pension advances**. The effects of these actions have been monitored through monthly reports and meetings with trade unions, executives and company managers. The company continues to study alternative business projects to create job opportunities (black mass plant for Portovesme).

The results of the double materiality analysis<sup>21</sup> identified the following impacts and risks as material<sup>22</sup>:

- **Positive impact on the workforce**, resulting from effective initiatives to attract, retain and develop skills;
- **Negative impact caused by workers' exposure to harmful substances**<sup>23</sup>;

<sup>21</sup> The double materiality analysis considered the entire Portovesme workforce potentially impacted by its activities (direct and indirect workers, consultants and other professionals).

<sup>22</sup> There are no material impacts arising from the transition plans towards a more sustainable production system.

<sup>23</sup> This negative impact is related to the nature of Portovesme's operations and is systemic to the production process currently in use. No workers have been identified as being particularly exposed to this risk, or for whom this risk may be more harmful.

- **Risk of skilled employees being approached by competitors**<sup>24</sup>.

The negative impact related to exposure to harmful substances, as well as the risk of losing specialised labour, would be significantly reduced with the implementation of the new production plant<sup>25</sup>.

Portovesme adopts the following policies and procedures relating to its workforce:

- Code of Conduct;
- Glencore Safework Policy;
- Anti-Harassment Policy;
- Procedure for 'Competence Management, Awareness, Education and Training of Personnel';
- Disciplinary Procedure;
- Procedure for "Selection, Recruitment and Management of Personnel and Expense Reimbursements";
- Anti-Harassment Policy (Anti-Harassment and Discrimination).

<sup>24</sup> This material risk is particularly relevant given the dependence of production activities on skilled labour.

<sup>25</sup> It is not possible to quantify the resources dedicated to managing material impacts.

<sup>26</sup> Portovesme has implemented the Safework policy and uses the internal HSE management system to prevent and monitor work-related risks.

## Our workers *continued*

Company policies and procedures also address issues such as forced labour and child labour and are aligned with international human rights standards<sup>27</sup>.

Portovesme has implemented a **whistleblowing system** for both internal and external stakeholders, extending the channels of communication for reporting complaints. During 2024, one report was received from an internal stakeholder, which was analysed through the internal control system and closed without further action. Any reports found to be substantiated following internal checks are reported to the Chief Executive Officer for appropriate action to be taken<sup>29</sup>.

Through its anti-harassment policy and procedure, which is aligned with international and group principles of respect for human rights, the company is committed to ensuring the health and safety of all workers and to operating in an inclusive environment free from all forms of violence and discrimination based on ethnic and racial origin, colour, sexual orientation, gender identity, disability, age, religion and political orientation.

<sup>27</sup> None of the business operations or geographical areas involved in the Portovesme value chain are at risk of forced labour or child labour.

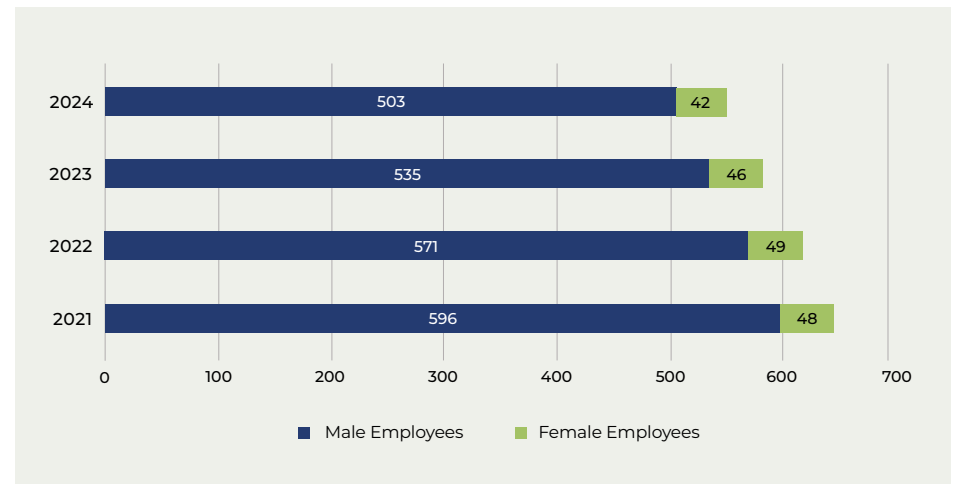
<sup>28</sup> The report was made by email by an employee who raised concerns about the work of the Human Resources department; internal investigations did not reveal any significant issues and the report was subsequently closed without any action being taken.

<sup>29</sup> If the Chief Executive Officer or a member of the Board of Directors is the subject of the report, the complaint is sent directly to the Group Compliance system.

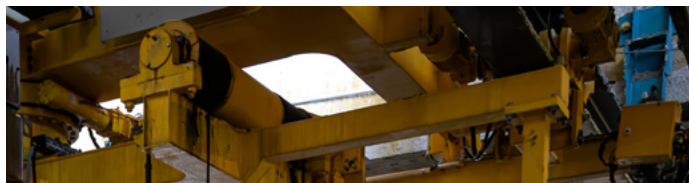
In 2024, there were no incidents of discrimination, harassment or human rights violations against the workforce, no complaints were made through the internal grievance system and, therefore, no fines or penalties were issued in relation to incidents or complaints of discrimination and harassment.

The Company verifies the effectiveness of its engagement with its workforce through periodic questionnaires and any complaints made through the internal grievance system, which are tracked and monitored through specific procedures that also guarantee the protection of the complainant from any form of retaliation.

### Employees



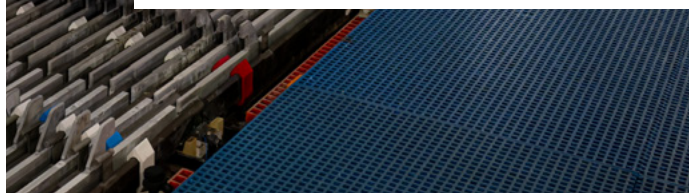
## Our workers *continued*



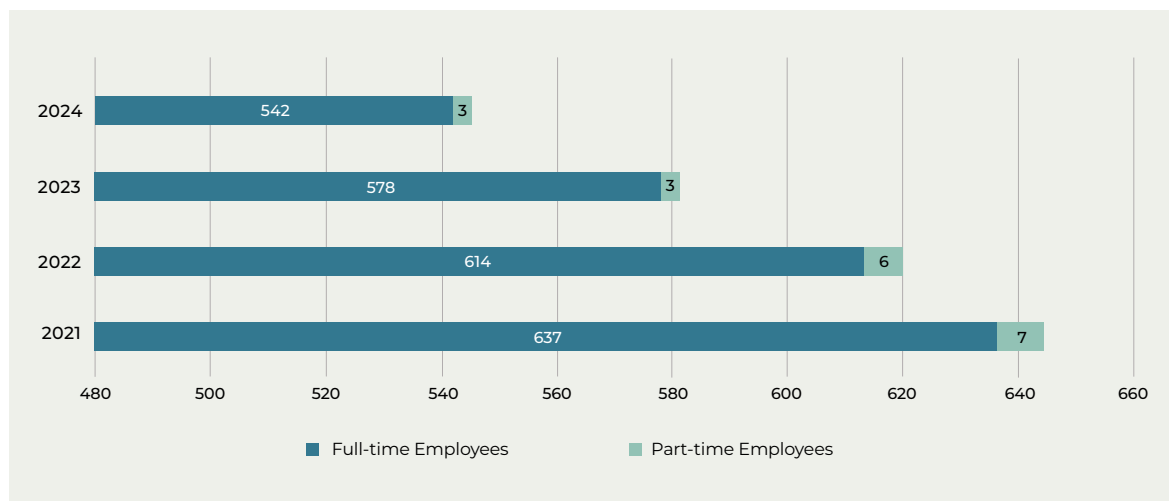
Like the past years, most of Portovesme's employees have a full-time contract.



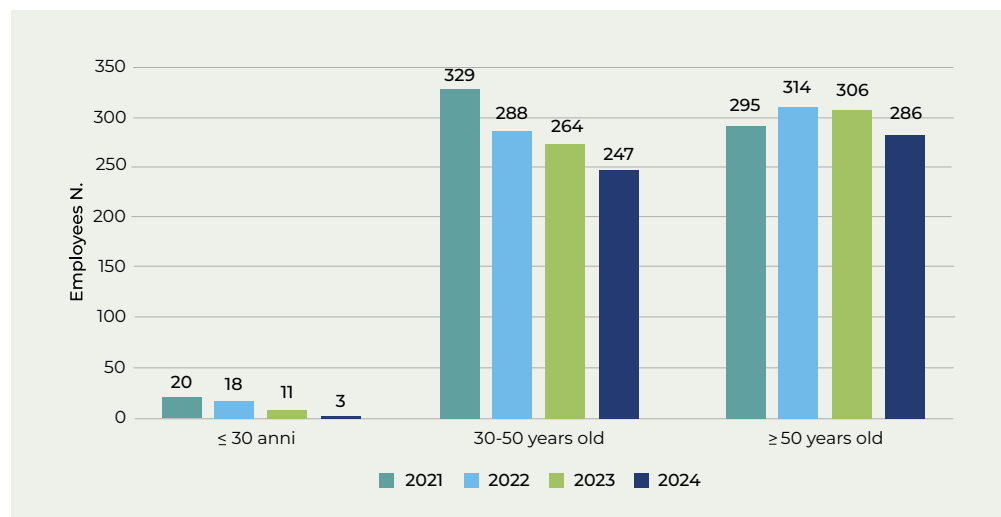
In 2024, Portovesme had many employees under 30 years of age leaving the company.



### Employees by contractual arrangement



### Employees by age



## Our workers *continued*

Starting in 2022, following the international energy crisis and the shut-down of part of the Zinc Line, **workers at the roasting, leaching and electrolysis plants were placed on temporary layoff** and, where possible, **reassigned to other plants**; younger workers were reassigned to the Solvent Extraction (SX) plant. In October 2024, the SX and electrolysis plants were shut down and emptied, and those not involved in these operations were reassigned to other plants.

Despite the reduced need for labour, Portovesme wanted to provide maximum support to its staff and to the local community. It therefore organised a **rotation system** that allowed **three people to take turns performing the same role**, maintaining a workforce three times larger than necessary to carry out the activities. Despite this, around 90 workers decided to remain on full temporary layoff, opting out of the rotation system.

Eighty per cent of the workers who left the company in 2024 benefited from **retirement incentives**, taking advantage of the possibility of using two years of monthly unemployment benefits (NASPI) to reach the required contribution period or age for retirement. The remaining 20% of workers resigned to seek more stable employment.

All employees in the workforce are **covered by** the sector's **National Collective Bargaining Agreement** (CCN) and represented by workers' union representatives.

Portovesme's top management consists of 14 individuals, of whom:

- 13 are men (93%);
- 1 is a woman (7%).

These practices show how Portovesme ensures transparency regarding its workforce and manages its workforce responsibly in line with ESRS regulations.



## Health and Safety

Portovesme operates with **the health and safety of its workers**, its main asset, **as a priority** and requires external suppliers to comply with the Health and Safety System.

The company Health and Safety System<sup>30</sup> is a guarantee of the quality of Portovesme's work. It is constantly updated in line with new legislation and internal company requirements and covers:

- All direct and indirect employees;
- Production activities;
- All company sites.

The management system integrates the **SafeWork minimum safety requirements** (Glencore Protocol) to manage potentially fatal hazards in the workplace and to create and promote safe workplaces at all levels of our business.

**The Management System is periodically subjected to internal audits and external surveillance audits, conducted by certification bodies in accordance with ISO 45001 and by Glencore Corporate in accordance with the "SafeWork" requirements**, through leading organisations of experts in the field of occu-

pational health and safety. Moreover, the Portovesme plant falls under the "Seveso III Directive" - Legislative Decree No. 105 of 26 June 2015 and is thus subject to specific regular inspections.

Portovesme identifies, analyses and assesses all company risks and hazards, including risks of accidents with serious consequences<sup>31</sup>.

in its Risk Assessment Document, drawn up in accordance with Article 28 of Legislative Decree 81/2008 and constantly updated using company know-how. For prompt intervention in case of need, Portovesme has set up a **permanent company health centre** equipped with various medical-diagnostic devices (e.g. ultrasound scanners, echocardiographs and defibrillators) and ensures the presence of at least one competent doctor registered in the ministerial register and an ambulance service from Monday to Friday from 08:00 to 20:00. During night shifts, weekends and public holidays, the departments ensure the presence of first aid personnel and first aid kits in each department.

Thanks to the surveillance carried out during activities, **workers can report hazards and risks** in the

workplace through the appropriate application (Procedure PGS05), thus initiating the process of risk reduction and hazard elimination.

All levels of the company follow the SafeWork protocol and the Visible Field Leadership (VFL) programme, where top management also periodically interacts with workers to improve the quality of the working environment and reinforce the importance of safety in the workplace<sup>32</sup>.

The Company has also adopted a free **Employee Assistance Programme** (EAP) for employees, provided by a leading international company in the sector. The service, **which is fully paid for by the company**, allows each employee to rely on a **free and anonymous psychological**, professional and legal **assistance system** to resolve everyday problems related to work, relationships, emotional difficulties, communication, family issues or simply to learn how to deal with and solve problems. The service is available 24 hours a day, 7 days a week, and can be accessed through a variety of channels, including telephone, email, a dedicated app and a website.

<sup>30</sup> The Health and Safety System complies with Legislative Decree 81/2008 on health and safety at work and Legislative Decree 105/2015 on the risks of accidents related to the use of hazardous substances.

<sup>31</sup> As for 2023, the identified risks of accidents with serious consequences are: structural failure, uncontrolled release of energy, confined spaces, working at height, molten metals, interactions with mobile equipment, fires and explosions.

<sup>32</sup> The company's values relating to occupational safety are reinforced through advertising activities via email, leafleting and posters within the plant.

## Remuneration and social protection

**All Portovesme employees are entitled to family leave**, as established by the National Collective Bargaining Agreement for the sector and current national legislation on the matter<sup>33</sup>.

The company chooses not to disclose data considered confidential, such as information on the average remuneration of employees by gender and the ratio between the average remuneration and the remuneration of the highest-paid individual within the company, although it will be necessary to comply with EU rules on 'pay transparency' from 2026 onwards.

The entire Portovesme workforce receives an adequate salary, established in accordance with the provisions of the National Collective Bargaining Agreement for the sector.

**All Portovesme employees are covered by social protection** in the event of loss of income due to illness, unemployment that began during their period of employment with the Company, acquired disabilities or work-related accidents, parental leave, retirement or other critical event<sup>34</sup>.

**All Company employees enjoy extra-professional insurance coverage**, free of charge and fully paid for by the Company, for any accidents and damages that may occur outside of normal working life.

<sup>33</sup> No information is currently available on employees who have taken family leave.

<sup>34</sup> It is not currently possible to compare the salaries of Portovesme employees with benchmark averages.

## Welfare

Another objective of Portovesme is to achieve **full sustainability of its systems**, paying particular attention to **the quality of life of its direct and temporary employees**, not only within the company, but also in their personal and family lives. To this end, it offers its employees and their families the opportunity to participate in **health promotion initiatives**, such as voluntary services and medical and health care services, leisure and wellness, education, sports and supplementary pension schemes.

These services are **available outside working hours** and are guaranteed through a **system of agreements and reimbursements** based on sector-specific healthcare funds and contractual company welfare schemes.

The Company encourages employees to join insurance funds by paying an **annual contribution towards the membership fees for each employee enrolled**. The 'Fonchim' supplementary pension fund allows employees to build up an **additional pension** at the end of their professional career (known as the 'second pillar'), obtained from the payment of severance pay and the employee's contribution, supplemented by the Company's contribution.

On the healthcare front, there is also the "Faschim" fund, which is financed by monthly contributions from participating employees and monthly payments made by the company on their behalf. This fund provides **insurance cover** for employees and

their families in the event of specialist medical examinations, disability and hospitalisation, which are automatically financed and/or reimbursed by the fund.

Since 2021, a **contractual welfare platform** has been implemented, allowing voluntary members to allocate part of their variable remuneration (production bonus, attendance bonus and hardship allowance) to the platform, creating a tax-free portfolio that can be spent on the purchase and/or use of goods and services such as medical and healthcare expenses, disability assistance, travel, sports and education. In addition to covering the platform's operating costs, the Company also makes an additional contribution to workers who join the scheme.

The Company provides all employees with the option to obtain a public transport season ticket for commuting between work and home at no cost. This measure contributes to reducing accident risk, decreasing the number of vehicles on the road, lowering CO<sub>2</sub> emissions, and conserving energy for the Community.

From 2023, staff will have access to the employee portal, a **welfare platform** and the **Cornerstone platform** for training courses.

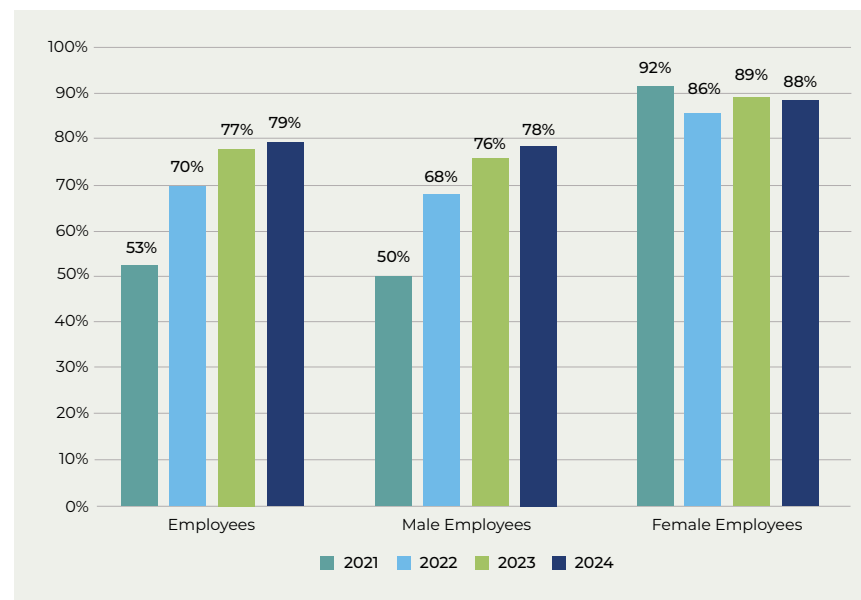
The Employee Assistance Programme provides workers, and their families with access to a 24/7 psychological support system and legal assistance.

## Training and skills development

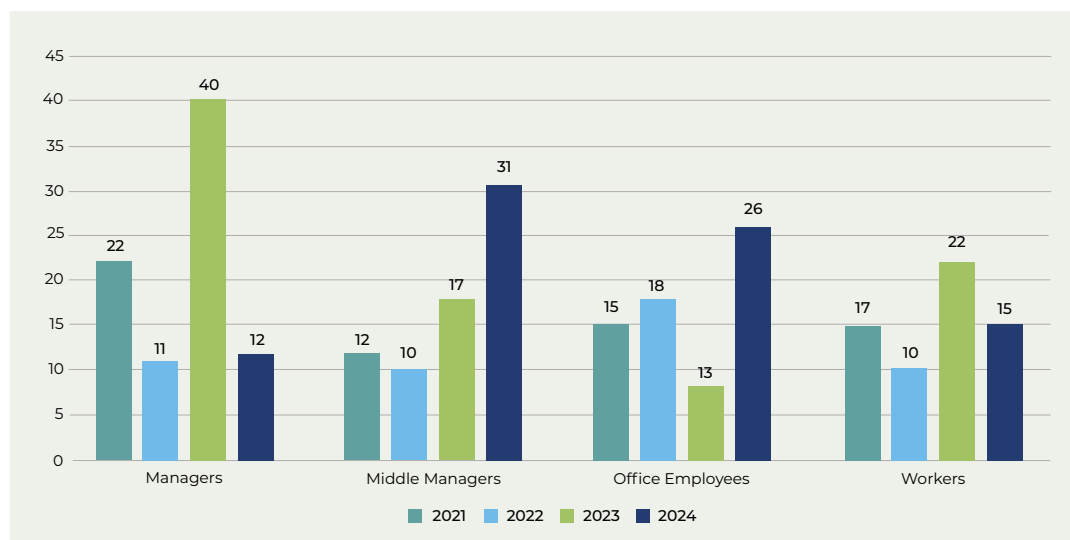
**Training activities have been maintained despite the implementation of the furlough scheme.** In 2024, Glencore's Advance platform continued to offer all employees training on health, safety, environmental matters, waste management, and general competencies, including English language skills.

The Company adopts and implements systems for the periodic evaluation of the performance and professional development of its employees.

Percentage of employees undergoing periodic performance evaluation



Average hours of training per employee in each category

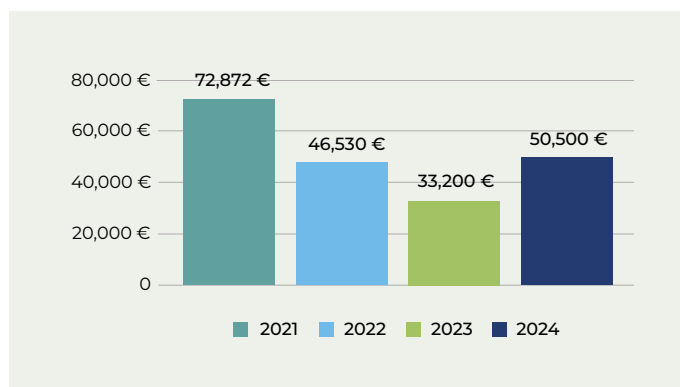


## Living with the local community



Portovesme is constantly committed to **maintaining a close relationship with the local community**, promoting its economic growth and development.

Expenditures for the local communities<sup>35</sup>



The double materiality assessment identified a material **positive impact on local communities**, consisting of **the company's actual economic contribution** in terms of job continuity, taxes, royalties and local contracts, confirming Portovesme's commitment to the local area and community, despite the critical issues of the period.

The communities impacted by the Company's activities are entities involved in authorisation permits, municipalities impacted by industrial activities (environment and citizens' health), local community workers, technical institutes training new talent, and universities involved in study projects<sup>36</sup>.

Portovesme implements the following Glencore corporate policies in relation to its relationship with communities<sup>37</sup>:

- "Social Performance & Human Rights"
- "Social contribution"
- "Social media guidelines"
- "Safe work performance expectations"

Local communities have access to **the whistleblowing channel, advertised on the Company's website and in its Sustainability Reports**, through which to share concerns about the company's activities, although no complaints have been received to date; there have also been no cases of non-compliance with national and international regulations on the human rights of local communities.

With a view to corporate sustainability, Portovesme is committed to contributing to the promotion and enhancement of talent in our territory through various initiatives.

In 2024, Portovesme provided a €3,500 scholarship and two €15,000 scholarships to employees' children who achieve a high school diploma with at least a 95/100 grade, to support them in spending a year living and studying abroad.

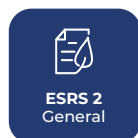
<sup>35</sup> The amount for 2021 has been corrected from €23,000 to €72,872.

<sup>36</sup> No analysis has yet been carried out to identify particularly vulnerable members of the community at greater risk of being negatively impacted by the company's activities.

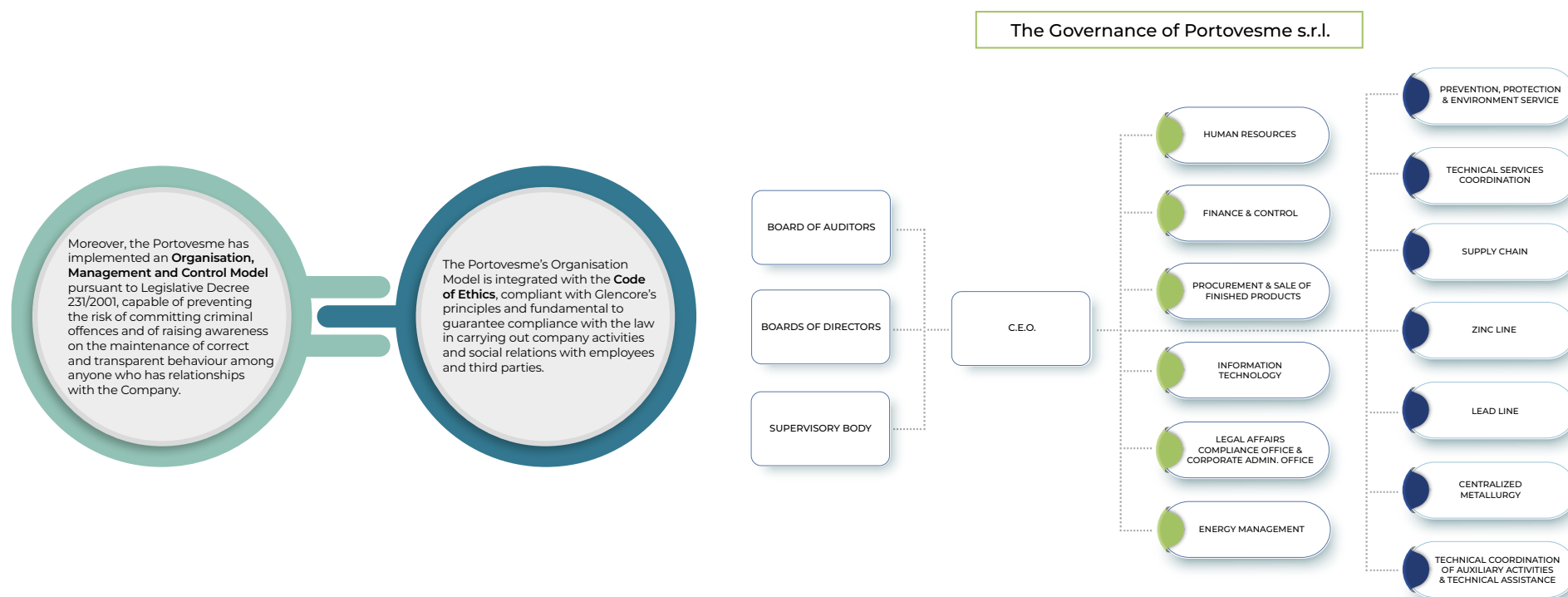
<sup>37</sup> Portovesme does not currently have action plans or targets for impacted communities. The policies mentioned do not outline human rights commitments towards impacted communities.

# Governance

## Corporate structure



The company structure is headed by **the Board of Directors<sup>38</sup>** (BoD), which, with the assistance of **the Board of Statutory Auditors** and **the Supervisory Body**, is responsible for the management, supervision and administration of Portovesme<sup>39</sup>.



<sup>38</sup> Information on the prevention of conflicts of interest within the Board of Directors is available in the 2023 Sustainability Report, paragraph 'Structure of Governance', page 24.

<sup>39</sup> Portovesme's administrative, management and control bodies do not include representatives of external stakeholders; internal stakeholders are represented by the Board of Statutory Auditors. The governing body does not include individuals engaged in lobbying and political influence activities, as Glencore's policies prevent the Company from engaging in such activities.

## Corporate ethics



The company has adopted a **code of ethics** and **Model 231**, together with a group code of conduct that establishes ethical principles of behaviour. These documents provide clear guidelines on how to adhere to multiple protocols and operating procedures<sup>40</sup>.

Compliance with the founding values of the corporate strategy governs the daily conduct of management, employees and all suppliers and collaborators, thus enabling the Company to conduct its business in a responsible and sustainable manner. Together with Glencore's policies, the Company has adopted its own policies and procedures, which have been approved by the Board of Directors (BoD), the Chief Executive Officer and top management, and subsequently disseminated through the employee portal and specific official company communications:

- Code of Conduct;
- Third Party Due Diligence;
- Know Your Counterparty;
- Sanctions Policy;
- Anti-Corruption Policy<sup>41</sup>;
- Anti-Fraud Policy;
- Anti-Money Laundering Policy;
- Data Protection Policy;
- Competition Law Policy;
- Information Governance Policy;
- Conflict of Interest Policy;
- Procedure for payments to/from third parties;
- Local investigation procedure for reports;
- Procedure for payments and assistance to public officials;
- Anti-harassment policy;
- Whistleblowing policies.

Each employee is subject to specific **training on values, the code of ethics and the main behavioural policies** (Annual Compliance Training). To promote the corporate culture, posters and awareness-raising signs have been displayed within the company premises. In addition, awareness-raising videos on the behaviour expected within the company and from third-party partner companies are available on the company website<sup>42</sup>.



<sup>40</sup> Further information on Model 231 and the Code of Ethics is available in the 2023 Sustainability Report, paragraph "Code of ethics, Policies and Anti-Corruption" on page 28.

<sup>41</sup> Portovesme's anti-corruption policy is in line with the principles expressed in the United Nations Convention against Corruption and with the provisions of Legislative Decree 24 of 10 March 2023 on the protection of whistleblowers and the prohibition of retaliation.

<sup>42</sup> The Company also disseminates its policies and commitments externally through its Sustainability Report, published annually, and its website.

## Anti-corruption



In order to prevent corruption offences, Portovesme has adopted its own **management model** pursuant to Legislative Decree 231/2001 which, starting from risk analysis, has resulted in a complex and organised system that fully manages the issue.

In 2024, **there were no cases, fines or penalties related to non-compliance with anti-corruption policies and procedures.**

Corruption risk analysis is conducted by Glencore for the Portoscuso, San Gavino Monreale and Genna Luas sites, while the company's reference point for this offence is **the Supervisory Body**. The risk of potential offences under Legislative Decree 231/2001 (including corruption) has been identified in the following business processes:

1. Relations with the Public Administration and Independent Administrative Authorities;
2. Purchase of goods, services and consultancy;
3. Management of financial flows;
4. Selection, recruitment and management of personnel and expense reimbursements;
5. Management of donations;
6. Management of information system security and maintenance;
7. Management and development of the production chain;
8. Management of environmental compliance;
9. Management of health and safety requirements in the workplace pursuant to Legislative Decree 81/2008;
10. Preparation of the financial statements and management of relations with shareholders and the Board of Statutory Auditors.

## Relations with suppliers



As part of its responsible business conduct, Portovesme is committed to maintaining a **relationship of trust with its suppliers** and has implemented procedures<sup>43</sup> for the constant **monitoring of payments to suppliers**, with particular attention to local and small suppliers, and the launch of weekly payment schedules.

In fact, payments to suppliers **follow the deadlines set out in the contract**: 30 days for services and electricity supply, 60 days for materials and certain service providers. In this context, payments are usually made on the due date and, in any case, generally with delays of no more than two days. 98% of payments are in line with the payment terms of suppliers<sup>44</sup> and there have never been any complaints or legal proceedings due to late payments.

Portovesme also demonstrates its commitment to the local area through its choice of suppliers. In fact, through the application of the **"Supplier Qualification", "Third Party Due Diligence"** and **"Know Your Counterparty"** procedures, the Company carries out a preliminary screening of suppliers, also taking into account the possible presence of red flags such as reputational issues, human rights violations, workplace safety, sanctions, and environmental crimes, as well as any other violations of codified ethical principles.

<sup>43</sup> There are currently no policies in place regarding the prevention of late payments.

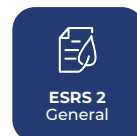
<sup>44</sup> This information is not available for years prior to 2024.

## Monitoring and management of impacts, risks and opportunities

Portovesme **controls, manages and monitors** its impacts, risks and opportunities through the use of a **risk assessment and management system**, in line with Glencore provisions, which allows it to establish risk factors, implement measures to prevent identified risks and minimise any negative impacts.

Specifically, impacts, risks and opportunities relating to material issues are identified and managed as detailed below:

- **Climate change** -> risk assessment relating to energy consumption and climate change;
- **Pollutants** -> assessments carried out in the context of environmental impact assessments related to the Integrated Environmental Authorisation (IEA), assessments carried out for the characterisation of soils and aquifers for remediation purposes, monitoring systems with external control units for dust and metals;
- **Water resources** -> assessments carried out in the context of environmental impact assessments for obtaining the IEA, management and control systems for outgoing water resources, in accordance with Table 3 of Legislative Decree 152, assessments of data relating to incoming, used and outgoing water resources at the Portovesme plant.
- **Use of resources** -> assessments carried out in the context of the environmental impact assessment for obtaining the IEA;



- **Corporate conduct** -> periodic audits carried out by the Supervisory Body (SB), audits of Management Systems, audits at corporate level, trade union control organisation (RLS) and Control Authority, assessments of any reports on the Raising Concern, Whistleblowing and Compliant & Grievances platforms.

**The Board of Directors (BoD) verifies and monitors economic aspects, environmental safety and compliance with current regulations**, as well as **social aspects**, with the assistance of the Supervisory Body, the Board of Statutory Auditors and the auditing firm Deloitte and Touche S.p.A., which annually prepare a summary report on these activities, providing a description and the results. The reports are then analysed by the Board. External stakeholders are informed annually by the Board of Directors about these activities through the publication and dissemination of the Portovesme s.r.l. Sustainability Report.

**The Board of Directors acknowledges Portovesme s.r.l.'s sustainability commitments** by approving the sustainability report covering economic, social and environmental issues, as well as medium and long-term improvement action plans. The members of the Board of Directors are involved in drafting the Sustainability Report of Glencore and Portovesme s.r.l. at a local level.



# Additional Information



## Next steps

Portovesme S.r.l. is a company in constant innovation, in step with the times, about to embark on a path of transformation and renewal. Today, everyone is required to contribute actively to a change that involves every sphere of our lives, from the environmental to the social and economic sphere, in order to pursue a common and necessary objective: sustainable and integrated development. It is precisely on this objective that the “next steps” that Portovesme will take are based.



| ESG TOPIC  | MATERIAL TOPIC                   | TARGETS FOR 2024                                                                                                                                                                       | TARGET STATUS | COMMENTS                                                                                                                                                                                                                                                                                                                                                 |
|------------|----------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Governance | ECONOMIC AND FINANCIAL SITUATION | Maintain the current high standard of supplier invoice payment times, despite the current energy crisis, and confirm the absence of complaints from suppliers regarding late payments. |               |                                                                                                                                                                                                                                                                                                                                                          |
|            |                                  | Use local suppliers for at least 95% of total services                                                                                                                                 |               | Target achieved at 88% (considering HPC and Withe Lab with local staff, this rises to 93%)                                                                                                                                                                                                                                                               |
| Social     | HEALTH AND SAFETY                | Reduce to a maximum of 8% the number of workers with Lead levels in the bloodstream above 20 µg/dl                                                                                     |               | Current status at 5.8%, contributed to by the shutdown of the Lead plants in Portoscuso, despite the SG line restarting in October 2024                                                                                                                                                                                                                  |
|            |                                  | Reduce the percentage of workers with Lead levels in the bloodstream above 15 µg/dl from 22.8% to 18%                                                                                  |               | Percentage fell to 16.7% due to the shutdown of the Lead plants in Portoscuso, despite the SG line restarting in October 2024                                                                                                                                                                                                                            |
|            |                                  | Reduce the FAIFR statistical index by 5% (from 4.8 to 4.6)                                                                                                                             |               | Statistical index achieved: 7.04%. Despite achieving zero recordable accidents, one of the best results ever for this indicator, the frequency of accidents requiring the use of first aid kits increased by 46.7% compared to 2023, rising from 4.8 to 7.04 in 2024. However, this index has improved significantly compared to the 2022 value of 12.3. |
| Social     | OCCUPATION AND EMPLOYEES         | Extension and increase of the Corporate Contractual Welfare of employees by 5% compared to 2023                                                                                        |               | Current status 35.22 (+0.4% compared to 2023). It is difficult to significantly increase membership, even though it could be an important tool in a corporate crisis such as the one currently underway.                                                                                                                                                 |
|            |                                  | Ensure that all Skill Matrices are assessed annually and that all HSEC competency requirements are included.                                                                           |               | The skill matrices for annual assessments relating to all Glencore SafeWork protocols are still being finalised.                                                                                                                                                                                                                                         |
|            |                                  | Absenteeism: further reduction of 5% compared to 2023.                                                                                                                                 |               | Widely achieved with a 13% reduction (current status 3.7%). An excellent and encouraging result, thanks to good dialogue policies and work organisation.                                                                                                                                                                                                 |



| ESG TOPIC   | MATERIAL TOPIC                                 | TARGETS FOR 2024                                                                                                                                            | TARGET STATUS | COMMENTS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|-------------|------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Social      | OCCUPATION AND EMPLOYEES                       | Personalised training courses for employees based on specific tasks, with an annual average of more than 16 equivalent hours per employee.                  |               | Current status of approximately 16.5 hours per worker. A comprehensive training plan has been put in place, with over 8,500 hours of training provided to all active employees (excluding employees on voluntary zero-hour Cigs). A total of 515 workers have been trained in various areas, including HSE, general cross-disciplinary skills and professional technical skills.                                                                                                                            |
| Social      | SUPPORT FOR THE LOCAL COMMUNITY                | Optimisation of stakeholder engagement activities' tracking through the use of a dedicated tool.                                                            |               | Stakeholder engagement activities are tracked on the Borealis application, made available to all Glencore assets.                                                                                                                                                                                                                                                                                                                                                                                           |
| Environment | ENERGY CONSUMPTION                             | Activate the implementation of the ISO 50001 management system.                                                                                             |               | The new production structure involves redefining energy flows, identifying new targets and implementing the measurement system.                                                                                                                                                                                                                                                                                                                                                                             |
|             |                                                | Reduce specific electricity consumption in the cell room to below 3,250 kWh/tonne (a 6% reduction compared to 2023) on Zinc metal cathodes produced         |               | Objective partially achieved. The objective cannot be extended to the following years given the shutdown of the Zinc cycle plant at the end of 2024.                                                                                                                                                                                                                                                                                                                                                        |
| Environment | EMISSIONS AND THE FIGHT AGAINST CLIMATE CHANGE | Continuous monitoring of Scope 3 emissions.                                                                                                                 |               | Scope 3 emissions monitoring system implemented.                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Environment | MATERIALS AND WASTE PROCESS                    | Complete the laboratory testing of the soil washing study (100%).                                                                                           |               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|             |                                                | Confirm the target of zero purchased wooden packaging                                                                                                       | N/A           | Target no longer applicable, as pallet recovery was dependent on the arrival of Walz ester oxides, which were delivered on reusable wooden pallets. However, the supply of these oxides has fallen dramatically, if not to almost zero, and the number of pallets recovered is currently insufficient to cover the needs related to the disposal of waste on pallets.                                                                                                                                       |
|             |                                                | 5% reduction in specific TK sludge production per tonne of metallic Zinc produced.                                                                          |               | In October 2024, work began on emptying the liquid solutions contained in the electrolytic cycle (SX-Electrolysis-Traditional Leaching), which, having a high concentration of Zinc and acid, led to higher TK sludge production (+7.7% compared to 2023). However, the 2024 figure is 7.4% lower than in 2022. The plants were shut down at the end of December 2024, and a portion of the solution must also be treated in 2025 by the effluent treatment plant, resulting in extra TK sludge production. |
| Environment | WATER RESOURCES                                | KPI of permeate produced equal to 45% of the water drawn from the MISO network.                                                                             |               | 44% achieved. Ambitious target, over 40% is considered an excellent result.                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|             |                                                | Reduce the risk of discharge into the sea due to excessive water accumulation on site to zero by constructing a second tank (8A) by the first half of 2025. |               | No discharge into the sea.<br>Tank 8A built and awaiting connection to the rest of the system.                                                                                                                                                                                                                                                                                                                                                                                                              |
|             |                                                | Industrial water consumption reduced by 1.5% compared to 2022.                                                                                              |               | Savings achieved equal to 21% compared to 2022.<br>Plant shutdown with consequent reduction in industrial water consumption.                                                                                                                                                                                                                                                                                                                                                                                |
|             |                                                | Reduction in pollutant concentrations in the aquifer by 5-10% by 2024, through the remediation of the Portoscuso site areas.                                |               | No significant reduction in the concentration of contaminants has been observed, but a further reduction in the spread of sources is evident. Downstream groundwater confinement is still in place.                                                                                                                                                                                                                                                                                                         |



| ESG TOPIC   | MATERIAL TOPIC                                 | NEXT STEPS FOR THE THREE-YEAR PERIOD 2025-2027                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|-------------|------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Governance  | ECONOMIC AND FINANCIAL SITUATION               | <ul style="list-style-type: none"> <li>For the three-year period 2025-2027, maintain the current high standard of suppliers' invoice payment times with zero complaints from suppliers regarding late payments.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                             |
|             |                                                | <ul style="list-style-type: none"> <li>By 2025, confirm the use of local suppliers for at least 95% of operational services (Opex)</li> <li>By 2027, achieve a percentage of local supplier usage between 96% and 98%.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                      |
| Social      | HEALTH AND SAFETY                              | <ul style="list-style-type: none"> <li>By 2025, a 5% reduction in First Aid Accidents is proposed, with a frequency of 6.69 vs 7.04 (FY '24).</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Social      | OCCUPATION AND EMPLOYEES                       | <ul style="list-style-type: none"> <li>For the three-year period 2025-2027, increase or maintain 2024' percentage of Corporate Welfare for employees.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|             |                                                | <ul style="list-style-type: none"> <li>For 2025, given the high level of rotation required throughout the plant due to organisational changes related to the Waelz-only structure, the goal is to align 100% of the skill matrices of all active workers in light of all the departmental changes made during the year.</li> <li>For 2027, ensure an advanced level of HSEC skills through the review of the Skill Matrix and the continuous improvement of annual assessment processes.</li> <li>For the three-year period 2025-2027, continuous reduction in the absenteeism rate by 3% compared to 2024.</li> </ul> |
| Social      | SUPPORT FOR THE LOCAL COMMUNITY                | <ul style="list-style-type: none"> <li>By 2025, offer personalised training courses for employees, exceeding an average of 16 hours of training per employee compared to 2024.</li> <li>For 2027, increase the average number of training hours per employee by 2% compared to 2025.</li> </ul>                                                                                                                                                                                                                                                                                                                        |
| Environment | ENERGY CONSUMPTION                             | <ul style="list-style-type: none"> <li>For the three-year period 2025-2027, implement/optimize the ISO 50001 management system.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|             |                                                | <ul style="list-style-type: none"> <li>For the three-year period 2025-2027, achieve an electrical power consumption in the service area of less than 2 MW.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Environment | EMISSIONS AND THE FIGHT AGAINST CLIMATE CHANGE | <ul style="list-style-type: none"> <li>For the three-year period 2025-2027, adapt and maintain emissions monitoring in light of organisational changes and implement improvements where possible.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                           |
| Environment | MATERIALS AND WASTE PROCESS                    | <ul style="list-style-type: none"> <li>By 2025, develop a feasibility project for the Soil Washing plant.</li> <li>For 2027, the installation of a pilot plant may be necessary.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                            |
|             |                                                | <ul style="list-style-type: none"> <li>For the three-year period 2025-2027, reduction of circulating materials and stocks in the plant in light of organisational changes.</li> <li>For the three-year period 2025-2027, reduction of 5,000 tonnes wet/year in TK old sludge stock.</li> </ul>                                                                                                                                                                                                                                                                                                                         |
| Environment | WATER RESOURCES                                | <ul style="list-style-type: none"> <li>For the three-year period 2025-2027, we are aiming for a value above 45% of permeate compared to water drawn from the MISO network.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|             |                                                | <ul style="list-style-type: none"> <li>For the three-year period 2025-2027, we aim to reduce industrial water consumption by 10% compared to 2024.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                          |

# Detailed information

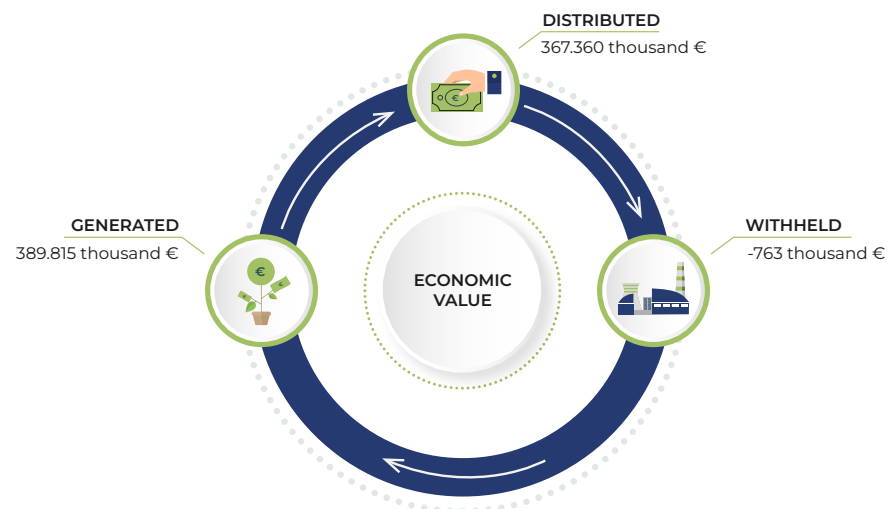
## Our products

Portovesme s.r.l. products, in tonnes

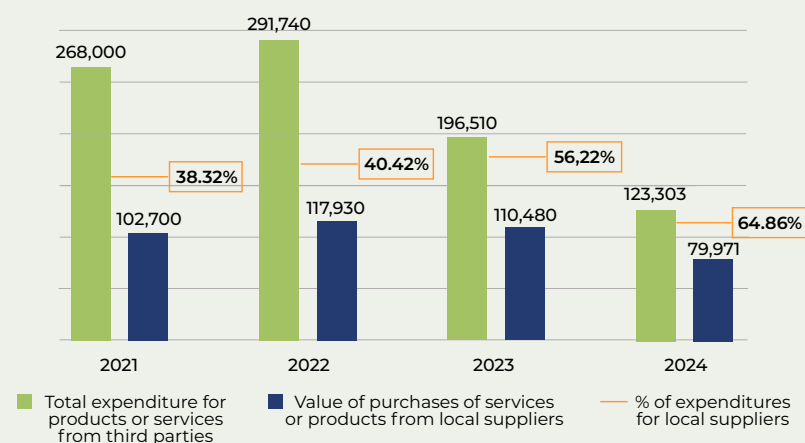
| PRODUCTS       | 2024   | TREND COMPARED TO 2023 | 2023   | 2022   |
|----------------|--------|------------------------|--------|--------|
| Zinc           | 47,506 | ↑ 3%                   | 46,117 | 44,139 |
| Lead           | 0      | ↓ 100%                 | 5,297  | 33,988 |
| Silver         | 7      | ↓ 74%                  | 27     | 190    |
| Gold           | 0      | ↓ 100%                 | 0.2    | 1      |
| Sulphuric acid | 0      | ↓ 100%                 | 5,905  | 53,963 |

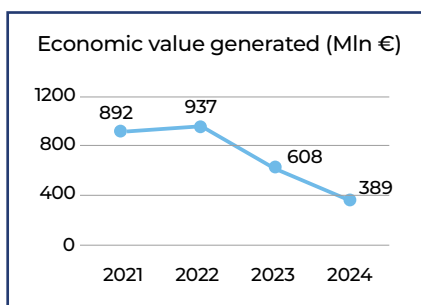
Portovesme's use of secondary materials, together with the associated emissions savings compared to the use of mined materials, also benefits its customers, allowing them to access markets that require certifications relating to the value chain of the products sold.

## Economic performance

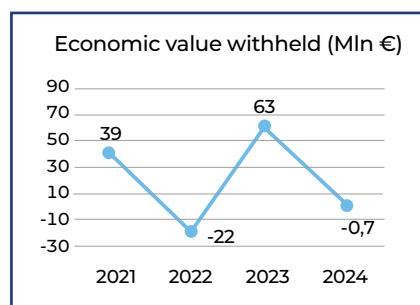


Expenditures for products or services from third parties in thousand €

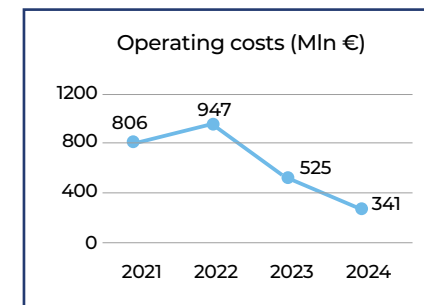




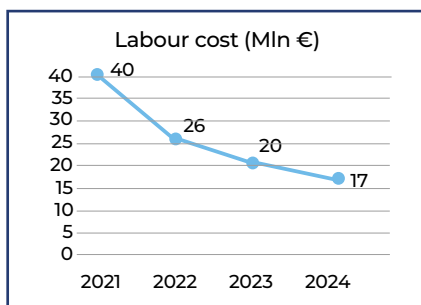
Due to the complete shutdown of the Zinc line, the economic value generated in 2024 decreased by 36% compared to 2023.



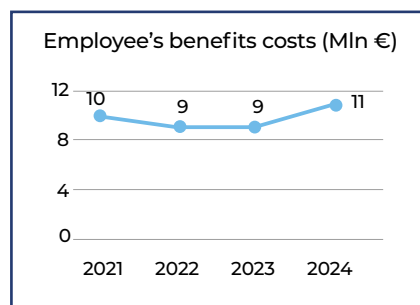
The economic value retained in 2024 was significantly lower than in 2023, due to the reduction in the company's production activity (-101.2%).



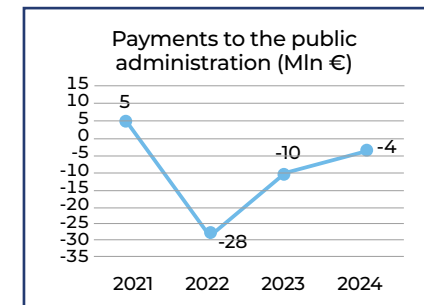
Due to the total shutdown of the Zinc plant, operating costs in 2024 fell by 35% compared to 2023.



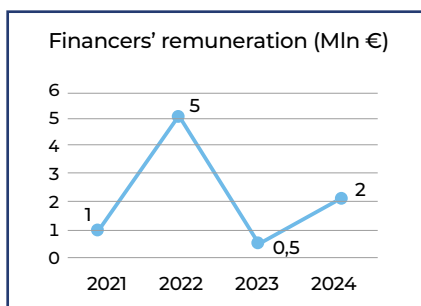
With the renewal of the redundancy fund and the reduced need for labour, labour costs decreased by 15% compared to the previous year.



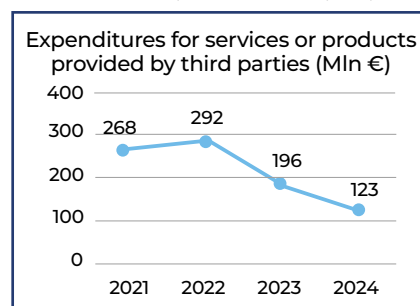
Portovesme continues to maintain its commitment to its workforce, as demonstrated by the increase in employee benefits compared to 2023 (22%)<sup>45</sup>.



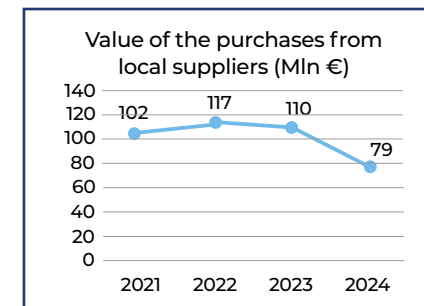
In 2024, payments to the public administration increased by 53%.



Remuneration to lenders increased by 333% compared to 2023.



Expenditure on services or products provided by third parties in 2024 decreased by 37% compared to 2023.



The value of purchases from local suppliers decreased by 28% in 2024 compared to 2023.

<sup>45</sup> Benefits include pensions, insurance, company vehicles, private health insurance, employee housing, scholarships for employees' children and severance pay.



## Integration of the internal stakeholder perspective into double materiality

All internal stakeholders were sent an online questionnaire asking them to assess the identified impacts (positive, negative, potential and current) of the Company on the environment and communities by assigning a score from 1 to 5 to the entity, scope, irremediability of the impact (only for negative impacts) and probability (only for potential impacts), using the scales shown in the following table.

| SCORE | ALL IMPACTS |              | NEGATIVE IMPACTS                 | POTENTIAL IMPACTS                                     |
|-------|-------------|--------------|----------------------------------|-------------------------------------------------------|
|       | EXTENT      | SCOPE        | IRREVERSIBILITY                  | PROBABILITY                                           |
| 1     | Negligible  | Limited      | Relatively easy to remedy        | Rare: event that could occur every 10 years or more   |
| 2     | Minor       | Concentrated | Rectifiable with moderate effort | Unlikely: an event that could occur every 5-10 years  |
| 3     | Moderate    | Average      | Difficult to remedy              | Possible: event that could occur every 1-5 years      |
| 4     | Significant | Extensive    | Very difficult to remedy         | Probable: event that could occur within a year        |
| 5     | Severe      | Global/Total | Irremediable                     | Almost certain: event that could occur numerous times |

The responses of each stakeholder were then processed to calculate the materiality of the impacts; the approaches followed were:

- For **potential impacts**, the scores assigned to entity, scope and irremediability were **added and multiplied** by probability.
- For **actual impacts**, the **highest score** among those assigned to extent, scope and irremediability was selected.

For each impact assessed, the final materiality score was calculated as the **mathematical average** of the results obtained from the questionnaires. The assessment of risks and opportunities involved **only internal stakeholders** with a good understanding of how external events and the Company's dependence on natural and social resources have a financial impact on the Company. The assessment of **financial effects** was carried out by assigning a score from 1 to 5 to the relevance of risks and opportunities and their probability, using the scales shown in the following table.

| SCORE | RELEVANCE    | PROBABILITY                                                                      |
|-------|--------------|----------------------------------------------------------------------------------|
| 1     | Negligible   | Rare: unlikely to occur during the lifetime of the system                        |
| 2     | Minor        | Unlikely: event that could occur during the lifetime of the system               |
| 3     | Moderate     | Possible: event that could occur more than once during the lifetime of the plant |
| 4     | Significant  | Probable: event that could occur once a year                                     |
| 5     | Catastrophic | Almost certain: event that could occur several times in a year                   |

Financial materiality was initially calculated separately for each internal stakeholder involved, **multiplying relevance by probability**; the final score for each risk and opportunity was then obtained by calculating the **mathematical average** of the results. The final materiality scores for impacts, risks and opportunities were **validated by the working group**, which verified their alignment with the topics that are most relevant to the Company.



## Material impacts, risks and opportunities

Material impacts, risks and opportunities are the basis for the progressive change in the Company's production activities. The future of Portovesme includes the **transition to more energy-efficient production activities**, with reduced emissions and a focus on the reuse of resources (i.e., black mass).

These changes will lead to a **substantial modification of the value chain and business model** and will allow **the positive impacts of Portovesme to be enhanced**, such as its **contribution to the local economy** and **employee loyalty**, as well as **reducing the health risks** associated with exposure to potentially harmful substances for workers.

### Material risks and opportunities

| ESRS                 | SUB-THEME                                                                 | TYPE OF IRO | BRIEF DESCRIPTION OF IRO                                                                                                                                                                                                                                                                                                                                                                                               |
|----------------------|---------------------------------------------------------------------------|-------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| E1 - Climate change  | GHG emissions                                                             | Risks       | Portovesme's activities are characterised by high emissions and, therefore, greenhouse gas emissions regulations and carbon pricing mechanisms may impose compliance costs, penalties or emission reduction targets on the activities, with an impact on financial performance and competitiveness. In particular, the update of the ETS system could reduce free CO <sub>2</sub> allowances, with a financial impact. |
|                      | Energy management                                                         | Risks       | Shocks to the Company's energy supply and demand could lead to an increase in energy costs above expected expenses, which may cause the need for process remodelling.                                                                                                                                                                                                                                                  |
|                      | Green Technological Innovation and Transition to the new production plant | Risk        | Possible opposition to the transition to the new black mass treatment plant by local communities, as it will treat materials considered waste and could therefore be perceived negatively by the community, not only for its potential pollution but also as exploitation of the territory.                                                                                                                            |
|                      |                                                                           | Opportunity | Evaluation of the design of the new process to enable operational efficiency through the use of energy-efficient and resource-saving technologies, reducing the overall cost of operations.                                                                                                                                                                                                                            |
| E2 - Pollutants      | Air pollution                                                             | Risk        | Environmental pollution as a result of inadequate monitoring or an on-site incident (e.g., release of harmful substances), resulting in fines for air pollution, violation of environmental permits, and/or reputational risks with communities and other stakeholders.                                                                                                                                                |
|                      | Soil pollution                                                            | Risk        | Risk of release of contaminants into the soil (e.g. heavy metals), which could cause soil and groundwater contamination, resulting in financial losses, fines and reputational damage.                                                                                                                                                                                                                                 |
| E3 - Water resources | Water                                                                     | Opportunity | Reduction of total water consumption in operations, for example by including large-scale water recycling within the process, reducing operating costs for inputs                                                                                                                                                                                                                                                       |
| E5 - Resources       | Circular Economy                                                          | Opportunity | Collaboration with universities to find commercial outlets for the use of waste produced by the Waelz process. (Integrate this with a potential positive impact on the community as it reduces the amount of materials destined for disposal).                                                                                                                                                                         |
|                      |                                                                           |             | A shortage of incoming material (e.g. EAFD) can lead to a halt in production and represent an economic loss.                                                                                                                                                                                                                                                                                                           |
|                      | Waste and Hazardous Materials Treatment                                   | Risk        | Issues related to the management of the Genna Luas landfill, also in relation to residual capacity.                                                                                                                                                                                                                                                                                                                    |
| S1 - Workforce       | Well-being and Attraction, Retention and Training of the Workforce        | Risk        | Risk that specialised employees will be approached by competitors due to insufficient benefits or opportunities or due to the offer of greater stability for their wellbeing and development.                                                                                                                                                                                                                          |



## Material impacts, risks and opportunities *continued*

Portovesme's **material impacts** are **mainly positive** and are closely **linked to** the company's **strategy and business model**. In fact, Portovesme's strategy has always been aimed **at enhancing the workforce and creating shared value for the local community**, as well as maintaining a strong business ethic by promoting transparency with stakeholders and maintaining voluntary safety and human rights standards.

### Material impacts

| ESRS                             | SUB-THEME                                                                 | TYPE OF IRO   | BRIEF DESCRIPTION OF IRO                                                                                                                                                                                                                                                                                                                                | ACTUAL/<br>POTENTIAL | POSITIVE/<br>NEGATIVE | TIME HORIZON        |
|----------------------------------|---------------------------------------------------------------------------|---------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|-----------------------|---------------------|
| <b>E5 – Resource Use</b>         | <b>Circular Economy</b>                                                   | <b>Impact</b> | Reducing the loss of materials in the economy caused by the disposal of goods through corporate recycling and secondary raw material production activities, decreasing the need for raw material extraction by other companies and reducing the resulting impact on the environment and nature (e.g. electronics, batteries, materials containing zinc) | Effective            | Positive              | Medium              |
| <b>S1 - Workforce</b>            | <b>Well-being and Attraction, Retention and Training of the Workforce</b> | <b>Impact</b> | Positive impact on employees, thanks to strong initiatives to attract, retain and develop skills, through increased motivation, career aspirations, wellbeing and a more inclusive corporate climate.                                                                                                                                                   | Effective            | Positive              | Short, Medium, Long |
|                                  | <b>Workers' Health and Safety</b>                                         | <b>Impact</b> | Some operations may expose employees to substances that could cause health problems (e.g., lead poisoning).                                                                                                                                                                                                                                             | Actual               | Negative              | Short               |
| <b>S3 - Affected Communities</b> | <b>Social Performance</b>                                                 | <b>Impact</b> | Significant increase in local and national economies thanks to job continuity, taxes, royalties and local procurement.                                                                                                                                                                                                                                  | Effective            | Positive              | Short, Medium, Long |
| <b>G1 - Business Ethics</b>      | <b>Safety Procedures</b>                                                  | <b>Impact</b> | Have strong and fair security policies and comply with the Voluntary Principles on Security and Human Rights (ICMM member commitment) to protect assets and employees.                                                                                                                                                                                  | Effective            | Positive              | Short, Medium, Long |
|                                  | <b>Corporate Governance and ESG</b>                                       | <b>Impact</b> | Actively managing material ESG issues as a company enables Glencore to contribute positively to people, the planet and society as a whole through its operations.                                                                                                                                                                                       | Effective            | Positive              | Short, Medium, Long |
|                                  | <b>Transparency</b>                                                       | <b>Impact</b> | Transparency increases trust among stakeholders, including employees, local communities and civil society, fostering stronger relationships and social cohesion.                                                                                                                                                                                        | Effective            | Positive              | Short, Medium, Long |

## Governance structure and corporate ethics

To monitor the correct implementation of and compliance with the Organisational Model, the Company has appointed a **Supervisory Body (SB)**. The Body is an **autonomous** entity **within the organisation**, with **powers of initiative and control**. It reports periodically on its work to the Board of Directors and is **independent of any hierarchical relationship** with it and with the Company's management.

The individual corporate functions, through so-called **information flows**, periodically send adequate information to enable the SB to **monitor any anomalies, exceptions** or **derogations** recorded during the reference period in relation to the implementation of the various protocols within the Company.

The governing and control bodies of Portovesme (Board of Directors, SB and Board of Statutory Auditors) have expertise derived **from the Company's administrative, management and monitoring activities**, which is functional to the management of impacts on the economy, the environment and people. These skills are periodically developed in the Board of Directors through involvement in the sustainability reporting process, carried out on a voluntary basis since 2021, according to the specific skills of each individual.

Composition of the governing bodies of Portovesme s.r.l.

| MEMBERS OF THE CONTROL AND GOVERNING BODIES <sup>46</sup> | BOD | SB | BOARD OF STATUTORY AUDITORS | TOTAL | %   |
|-----------------------------------------------------------|-----|----|-----------------------------|-------|-----|
| Number of men                                             | 2   | 2  | 4                           | 8     | 73% |
| Number of women                                           | 1   | 1  | 1                           | 3     | 27% |
| Number of people of other gender                          | 0   | 0  | 0                           | 0     | 0%  |
| Number of independent members                             | 0   | 3  | 0                           | 3     | 27% |
| Number of members with executive power                    | 2   | 0  | 0                           | 2     | 18% |
| Number of members without executive powers                | 1   | 3  | 5                           | 9     | 82% |

Periodically, as part of the Integrated Management Systems, **annual management meetings** are held in which sector managers establish skills (including sustainability-related skills) and improvement objectives to be achieved over the following year. The assessment of the process and the results of the management meeting are **verified by the certification body**.

<sup>46</sup> The gender gap within Portovesme's governing bodies is 0.17.

## Governance structure and corporate ethics *continued*

There are no incentives or remuneration policies related to sustainability issues for members of the governing body.

Portovesme has achieved **full compliance with current legislation on corporate ethics and anti-corruption** and, therefore, has not developed any action plans relating to corporate ethics and anti-corruption.

The **whistleblowing channel also covers reports relating to corruption offences**. No information is currently available on the training of personnel responsible for managing the whistleblowing system.

Currently, there is no dedicated policy on training on business ethics and anti-corruption issues.

The individual corporate functions periodically send adequate information to enable the SB to monitor any anomalies, exceptions or derogations recorded during the reference period in relation to the implementation of the various protocols within the Company. In addition, they provide all information concerning unlawful conduct, relevant pursuant to Legislative Decree 231/2001 and based on precise and consistent evidence, or violations of the Organisational Model. To this end, the Company has adopted the protocol "**Management of reports of violations of codes of conduct**" and established **dedicated channels**

for company personnel to report to the SB (dedicated email address and post box). Reports of violations are made by personnel with a **guarantee of anonymity**, to protect them from any retaliation.

Additional mechanisms for identifying and investigating possible violations of corporate conduct consist of **periodic audits** of management systems, corporate audits, external audits by the SB and trade union control activities.

In order to prevent or mitigate the risk of such offences being committed, Portovesme has formulated **specific control protocols for each identified instrumental/functional process**, as detailed in the 231 Management Model<sup>47</sup>.

Anti-corruption policies and procedures are communicated to all staff with company email addresses and PCs through annual training, as part of the Annual Compliance Training, and by email. They are also published on the company intranet.



<sup>47</sup> In addition to these procedures, there is a whistleblowing investigation system. Those responsible for investigating complaints made through the whistleblowing mechanism are not part of the management chain involved in the prevention and detection of corruption.

## Internal Monitoring Systems

The Chief Executive Officer is responsible for **monitoring all corporate risks, managing prevention and mitigation plans, and reporting them to the Board of Directors** after consulting with company management.

The management team participates in weekly meetings, during which they update and monitor risks, business impacts and opportunities; plan mitigation actions and define those responsible for such actions.

On a monthly basis, each area manager reports to the Chief Executive Officer, a member of the Board of Directors, on the impacts of the organisational area he or she manages, reporting on the results achieved in operational, economic, health, safety and environmental matters. Periodic meetings (biweekly/monthly) are also held with the heads of internal company departments to verify the effectiveness of existing procedures, monitor pre-set KPIs and establish any improvement actions based on the results achieved.

Since 2021, Portovesme S.r.l. has been drawing up long-term plans as part of **the Life of Asset (LoA) process**, which contains the strategies that best guarantee the achievement of the goals, policies and objectives for the next 20 years, following Glencore's reference values, including in relation to sustainable development. These objectives are then translated into a three-year plan and included in the annual budget. The pursuit of these objectives is **delegated** by the **Board of Directors to functional areas managed by executives**. The **Board of Directors** is then responsible for **verifying the achievement of the objectives included in the annual budget and assessing the effectiveness** of the system and strategy adopted, reprogramming objectives and actions based on the results of the assessments carried out.

Materiality issues are discussed at least once a year between the Chief Executive Officer and Management and, if necessary, brought to the attention of the Board of Directors, the Supervisory Board and the Board of Statutory Auditors by the Chief Executive Officer.



## Energy consumption

Portovesme's energy consumption in MWh<sup>48</sup>

|                                              | 2024       | 2023       | Δ% 2023 | 2022        | 2021         |
|----------------------------------------------|------------|------------|---------|-------------|--------------|
| Energy obtained from coal                    | 433,331    | 522,281.40 | -17%↓   | 666,561.72  | 746,045.13   |
| Energy obtained from petroleum and crude oil | 84,637     | 98,972.18  | -14% ↓  | 183,523.13  | 143,019.76   |
| Energy from fossil fuels purchased           | 230,214.53 | 285,582.84 | -19% ↓  | 352,817.54  | 820,579.34   |
| Total energy consumed <sup>49</sup>          | 748,182.53 | 906,836.42 | -17% ↓  | 1,202,902.4 | 1,709,644.23 |

The energy intensity of Portovesme's operations in 2024 was 0.002 MWh/€, calculated as total energy consumed (748,182 MWh) divided by total turnover (€ 389,815,317)<sup>50</sup>.

<sup>48</sup> As required by ESRS standards, energy consumption values have been reported in MWh, unlike in previous reports aligned with GRI standards. Energy consumption data has been calculated using the calorific value and emission factors reported in the national standard parameter tables. Where no data was available, information was obtained through product sampling and certified laboratory analysis.

<sup>49</sup> The energy consumed in 2024 is equal to 2,693,457.11 GJ (MWh\*3.6). With the new production system, there is no steam production resulting from exothermic processes. All heat produced is included in the calculations relating to energy derived from the use of energy products.

<sup>50</sup> The energy intensity in GJ for 2024 was 0.007 GJ/€.

## Climate change and transition of the production process

Risks and impacts related to climate change and energy transition, as well as activities at risk, were identified through **energy risk assessment** and **climate change risk assessment**. Political and legal events were considered, together with market and reputational aspects related to climate transition in the short, medium and long term, while **specific climate scenarios were not taken into account**.

The analysis carried out showed that **the current production structure is exposed to transition risks**. At present, it is not possible to estimate the present and future financial effects of risks and opportunities related to climate transition, given **the imminent transition to new production processes**.

In the new production structure, **emissions linked to non-process thermal consumption** are expected **to be eliminated** through **the electrification of related uses** and a simultaneous **increase in energy efficiency**. Furthermore, the new plant structure could also facilitate the use of recycled plastic polymers to replace Pet Coke.

Given the current crisis and the imminent transition of production processes, a long-term climate change transition plan has not yet been drawn up.

Despite its high emissions impact, Portovesme is constantly committed to **monitoring** and **reducing its emissions**, as reported in its budget plans, which include projects aimed at reducing Scope 1 and Scope 2 emissions. In addition, the Company adopts and is committed to **achieving the limits and targets defined in Glencore's commitments**, operating in accordance with the company's energy and climate change guidelines.

## Climate change and transition of the production process *continued*

An action plan and targets for climate-changing emissions will be developed once the new plant layout has been defined. The company's performance in relation to climate change mitigation activities and measures is monitored through the internal management system.

At present, it is not possible to estimate the amount of CapEx and OpEx required to implement decarbonisation measures, or the savings resulting from such measures.

No contracts requiring certification of electricity supply are used. No carbon credits or GHG removals have been used. No internal carbon pricing schemes are applied.

The Waelz process is considered hard to abate and therefore the net-zero target can only be achieved through emissions offsetting. The plan to achieve net-zero targets will need to be reconsidered with the new production structure and the development of the lithium process. The net-zero target is a target to be assessed within the Glencore group.

CO<sub>2</sub> emissions from Portovesme in tCO<sub>2</sub>eq.

| GHG EMISSIONS <sup>51</sup>                                                     | 2024    | 2023      | Δ% 2023 | 2022      | 2021       |
|---------------------------------------------------------------------------------|---------|-----------|---------|-----------|------------|
| <b>Scope 1</b>                                                                  | 169,315 | 220,524   | -23% ↓  | 293,785   | 310,768.84 |
| <b>Scope 2 location-based</b>                                                   | 83,107  | 71,282    | 17% ↑   | 95,139    | 208,328.19 |
| <b>Scope 2 market-based</b> <sup>52</sup>                                       | 115,239 | 79,483.61 | 45% ↑   | -         | -          |
| <b>Scope 3</b>                                                                  | 348,360 | 393,003   | -11% ↓  | 1,258,586 | 1,745,910  |
| <b>Location-based emission intensity</b> <sup>53</sup> (tCO <sub>2</sub> eq./€) | 0.0015  | 0.0011    | 37% ↑   | 0.0017    | 0.0025     |
| <b>Market-based emission intensity</b> <sup>54</sup> (tCO <sub>2</sub> eq./€)   | 0.0016  | 0.0011    | 43% ↑   | -         | -          |

<sup>51</sup> The GHG emissions in this table were calculated using the methodology defined by the EU-ETS schemes, unlike in previous years, and therefore differ from those reported in previous reports. The emissions included in previous sustainability reports were calculated directly by Glencore.

<sup>52</sup> This data is not available for 2022 and 2021.

<sup>53</sup> This indicator includes Scope 1, Scope 2 location-based and Scope 3 emissions. The value used in the denominator is equal to total revenue.

<sup>54</sup> This indicator includes Scope 1, Scope 2 market-based and Scope 3 emissions. The value used in the denominator is total revenue.



## Pollutants emitted

Total pollutants emitted (kg)<sup>55</sup>

| POLLUTANT                              | 2024             | 2023             | Δ% 2023      | 2022             | 2021             |
|----------------------------------------|------------------|------------------|--------------|------------------|------------------|
| Carbon monoxide (CO)                   | 1,565,570        | 1,066,710        | 47% ↑        | 1,339,229        | 1,032,960        |
| Nitrogen oxides (NOx)                  | 65,859           | 94,046           | -30% ↓       | 127,467          | 156,546          |
| Sulphur oxides (SOx)                   | 11,438           | 14,656           | -22% ↓       | 114,583          | 291,890          |
| Cadmium (Cd)                           | 9                | 12               | -25% ↓       | 27               | 23               |
| Lead (Pb)                              | 100.1            | 217              | -54% ↓       | 509              | 229              |
| Dioxins and furans (PCDD+PCDF)         | 0.0000172        | 0.0000094        | 82% ↑        | 0.00003          | 0.0000142        |
| Benzene                                | 720              | 576.5            | 25% ↑        | 310              | 28               |
| Chlorine and inorganic compounds (HCL) | 250              | 437              | -43% ↓       | 901              | 1,432            |
| Fluorine and inorganic compounds (HF)  | 114              | 232              | -51% ↓       | 422              | 696              |
| Particulate matter (PM)                | 2,454            | 1,806            | 36% ↑        | 8,867            | 14,030           |
| Zinc (Zn)                              | 1,041            | 1,164            | -11% ↓       | 840              | 738              |
| <b>Total</b>                           | <b>1,647,555</b> | <b>1,179,857</b> | <b>40% ↑</b> | <b>1,593,155</b> | <b>1,498,572</b> |



Currently, Portovesme has not developed an action plan dedicated to pollutant emissions. Ongoing activities focus on direct business operations and do not extend along the value chain.

Maintaining a close relationship with the local community has always been a priority for the Company, which holds regular service conferences to inform and engage the community regarding its impact on the area.

<sup>55</sup> At present, it is not possible to divide the pollutants produced, emitted or purchased by hazard class. Data on pollutants are collected and analysed by internal management software.

## Input resources

Where possible, the products purchased by Portovesme come from **local** suppliers, who are required to **adhere to the company's policies** on sustainability and social responsibility.

Portovesme's production process is **inherently oriented towards the recovery of secondary materials**. However, there are currently no specific policies dedicated to the reuse of secondary materials for activities related to the main production processes.

Portovesme has conducted tests to reduce the use of virgin carbon (reducing agents) through the use of plastics from Refuse-Derived Fuel (RDF), but the results have not been satisfactory. However, it has been possible to optimise consumption per unit of product processed through the use of a balanced mix of carbons as input.

An active **plan** for the **reuse of internal circulating materials is in place**, aimed at maximising recovery and strengthening the circular approach in business processes. In this context, all capital investments (CAPEX) and part of the operating costs (OPEX) concretely contribute to the achievement of environmental sustainability objectives.

Portovesme adopts key performance indicators (KPIs) for process management<sup>56</sup>, with the aim of improving operational management conduct and, consequently, company profitability. These KPIs are developed in compliance with regulatory limits on emissions, contributing to the monitoring of environmental performance. The results are shared through Service Conferences and annual reports, including Sustainability Reports. Environmental data is collected through **direct measurements**, in order to ensure transparency, reliability and consistency with the standards adopted by the Group.

Input materials in tonnes<sup>57</sup>

|                               | 2024   | 2023   | Δ% 2023 | 2022   | 2021    |
|-------------------------------|--------|--------|---------|--------|---------|
| Blende                        | 0      | 3,838  | -100% ↓ | 48,132 | 153,467 |
| Galene                        | 3,451  | 20,262 | -83% ↓  | 51,103 | 57,375  |
| Zn oxides                     | 27,189 | 14,118 | 93% ↑   | 14,480 | 8,430   |
| PB oxides                     | 10,348 | 4,836  | 114% ↑  | 24,813 | 22,236  |
| Pet coke                      | 42,195 | 37,553 | 12% ↑   | 43,104 | 47,168  |
| Anthracite                    | 1,560  | 14,347 | -89% ↓  | 29,371 | 31,754  |
| Coke                          | 11,859 | 6,701  | 77% ↑   | 3,696  | 6,430   |
| Heavy oil                     | 821    | 1,539  | -47% ↓  | 1,242  | 819     |
| Fluid oil                     | 4,184  | 4,927  | -15% ↓  | 6,750  | 5,305   |
| Industrial LPG (from network) | 1,353  | 1,456  | -7% ↓   | 3,835  | 4,611   |
| Industrial LPG (propane)      | 41,109 | 174    | -76% ↓  | 629    | 704     |
| Process diesel                | 0      | 179    | -100% ↓ | 2799   | 491     |
| Heating diesel                | 169    | 144    | 17% ↑   | 204    | 240     |
| Diesel fuel                   | 40,897 | 14,832 | 176% ↑  | 56,422 | 53,712  |
| Hydrochloric acid             | 2,026  | 2,620  | -23% ↓  | 2,582  | 1,500   |

<sup>56</sup> Portovesme uses KPIs defined by its internal management system to monitor its performance.

<sup>57</sup> The production processes do not use biological materials.



## Input resources *continued*

|                                                    | 2024    | 2023   | Δ% 2023    | 2022   | 2021   |
|----------------------------------------------------|---------|--------|------------|--------|--------|
| Hydrogen peroxide                                  | 2,613   | 3,436  | -24% ↓     | 3,148  | 2,069  |
| Ammonium chloride                                  | 24.5    | 21.7   | 13% ↑      | 21.7   | 79     |
| Mn dioxide                                         | 0       | 593.2  | -100% ↓    | 553.6  | 532    |
| Limestone                                          | 408     | 403    | 1% ↑       | 3,892  | 3,605  |
| Dolomitic lime                                     | 6,229   | 10,017 | -38% ↓     | 9,794  | 5,454  |
| Hydrated lime                                      | 16      | 5      | 220% ↑     | 12     | 21     |
| Super-ventilated hydrated lime in bulk 65% hydrate | 0       | 0      | 0%         | 0      | 1,197  |
| Sodium carbonate                                   | 657     | 246    | 167% ↑     | 362    | 430    |
| Activated carbon                                   | 21      | 44.4   | -53% ↓     | 58.2   | 70     |
| Portland cement                                    | 0       | 0      | 0%         | 0      | 8,057  |
| Liquid chlorine                                    | 0       | 0      | 0%         | 1      | 5      |
| Flocculant (polyelectrolyte)                       | 3.5     | 9.4    | -63% ↓     | 14.05  | 54     |
| Ca/Mg alloy                                        | 0       | 16.1   | -100% ↓    | 99.7   | 122    |
| Calcium oxide                                      | 15,716  | 13,164 | 19% ↑      | 15,182 | 18,808 |
| Oxygen                                             | 26      | 736    | -96% ↓     | 198    | 688    |
| Aluminium polychloride                             | 646,160 | 761.1  | -84,798% ↓ | 892.4  | 1,189  |

|                                                                       | 2024         | 2023       | Δ% 2023 | 2022       | 2021       |
|-----------------------------------------------------------------------|--------------|------------|---------|------------|------------|
| Sand                                                                  | 200          | 0          | 200% ↑  | 0          | 100        |
| Caustic soda 30%                                                      | 2,558        | 1,666      | 54% ↑   | 3,734      | 5,967      |
| Caustic soda flakes                                                   | 0            | 2.5        | -100% ↓ | 21.5       | 24         |
| Copper sulphate                                                       | 0            | 0          | 0%      | 0          | 8          |
| Sodium sulphate                                                       | 0            | 0          | 0%      | 0          | 2,214      |
| SOLVENT (D2EHPA)                                                      | 62           | 112        | -45% ↓  | 64         | 12         |
| SX Diluent                                                            | 364          | 416        | -13% ↓  | 338        | 212        |
| Liquid sulphur                                                        | 0            | 0          | 0%      | 38         | 73         |
| Graphite electrodes                                                   | 0            | 10         | -100% ↓ | 414        | 584        |
| Steelworks fumes                                                      | 207,536      | 212,239    | -2% ↓   | 219,968    | 232,628    |
| Lead glass                                                            | 0            | 0          | 0%      | 2,006      | 3,609      |
| Absolute weight of secondary or recycled materials used <sup>58</sup> | 207,536      | 212,239    | -2% ↓   | 221,974    | 236,237    |
| Percentage of secondary or recycled materials used                    | 20           | 57         | -65% ↓  | 40         | 35         |
| Total resources used                                                  | 1,028,687.11 | 371,423.99 | 177% ↑  | 549,973.81 | 682,051.75 |

<sup>58</sup> Steel mill fumes enter the Portovesme plant as waste and are processed to recover residual zinc and produce zinc metal.



## Output resources

The main products resulting from the Portovesme's production process are **Zinc** (Zn) and **Silver** (Ag) **cathodes**, basic materials intended to be used as raw materials by the end customers<sup>59</sup>. As they are primary products, the concept of reparability does not apply. The waste produced consists of slag from primary and secondary production (Waelz slag).

The data in this table shows the weight of sold products only; unsold products owned by Glencore and regulated by "Tolling Agreement" have not been considered.

Portovesme products in tonnes

|                             | 2024   | 2023     | Δ% 2023 | 2022       | 2021       |
|-----------------------------|--------|----------|---------|------------|------------|
| <b>Total product weight</b> | 47,513 | 57,346.2 | -17%↓   | 132,281.28 | 348,010.41 |
| <b>Zn cathodes</b>          | 47,506 | 46,117   | 3%↑     | 44,139     | 140,676    |
| <b>Gold</b>                 | 0      | 0.2      | -100%↓  | 0.86       | 0.89       |
| <b>Silver</b>               | 7      | 27       | -74%↓   | 190.42     | 187.52     |
| <b>Lead</b>                 | 0      | 5,297    | -100%↓  | 33,988     | 43,409     |
| <b>Sulphuric acid</b>       | 0      | 5,905    | -100%↓  | 53,963     | 163,737    |

Waste produced by Portovesme in tonnes<sup>60</sup>

|                                                                                   | 2024       | 2023       | Δ% 2023 | 2022       | 2021       |
|-----------------------------------------------------------------------------------|------------|------------|---------|------------|------------|
| <b>Total waste generated*</b>                                                     | 153,169.14 | 161,420.44 | -5%↓    | 184,984.32 | 275,971.2  |
| <b>Total hazardous waste generated</b>                                            | 17,476.72  | 18,697.43  | -7%↓    | 42,886.64  | 122,216.23 |
| <b>Total non-hazardous waste generated</b>                                        | 135,692.42 | 142,723.01 | -5%↓    | 142,097.68 | 153,754.98 |
| <b>Total hazardous waste prepared for other recovery operations*</b>              | 206.79     | 320.35     | -35%↓   | 344.08     | 499.22     |
| <b>Total non-hazardous waste prepared for other recovery operations*</b>          | 1,021.21   | 1,411.83   | -28%↓   | 1,152.21   | 1,757.7    |
| <b>Total hazardous waste diverted from disposal</b>                               | 206.79     | 320.35     | -35%↓   | 344.08     | 499.22     |
| <b>Total non-hazardous waste diverted from disposal</b>                           | 1,021.21   | 1,411.83   | -28%↓   | 1,152.21   | 1,757.7    |
| <b>Total hazardous waste prepared for incineration</b>                            | 0          | 0          | 0       | 0          | 0          |
| <b>Total non-hazardous waste prepared for incineration</b>                        | 0          | 0          | 0       | 0          | 0          |
| <b>Total hazardous waste prepared for landfill*</b>                               | 995.16     | 2,274.18   | -56%↓   | 30,679.66  | 114,914.88 |
| <b>Total non-hazardous waste prepared for landfill*</b>                           | 134,308.46 | 141,296.9  | -5%↓    | 140,861.08 | 151,947.32 |
| <b>Total hazardous waste prepared for other recovery and disposal operations*</b> | 16,274.76  | 16,102.9   | 1%↑     | 11,862.9   | 6,802.13   |

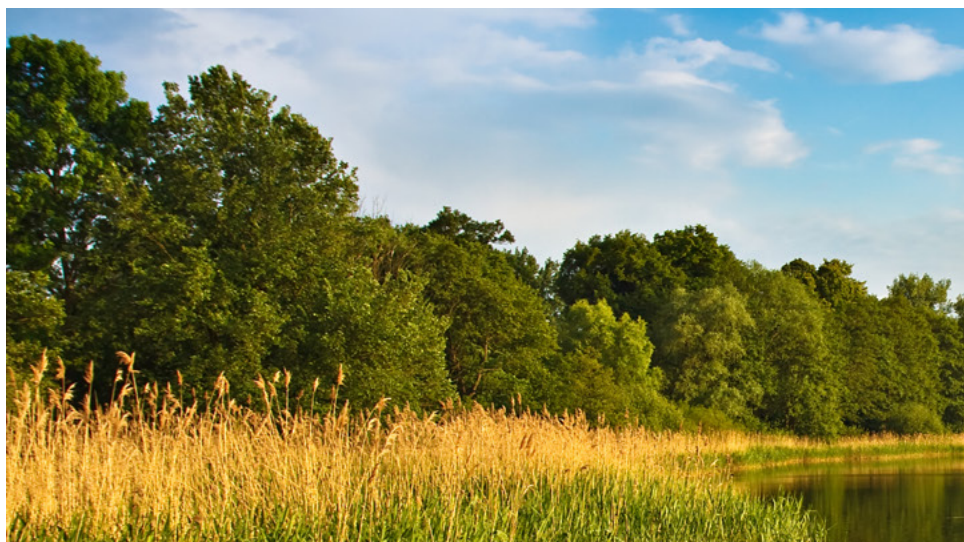
<sup>59</sup> Portovesme's products are used as raw materials by its customers and are therefore 100% reused in other products.

<sup>60</sup> Portovesme does not prepare hazardous and non-hazardous waste for reuse, recycling and incineration. No radioactive waste is produced. The data for 2021, 2022 and 2023 relating to the waste categories marked with \* have been corrected with respect to what was reported in previous reports. The quantities of waste produced have been calculated using the loading/unloading register, as required by law. Portovesme uses the "Every SWS" management system to monitor the waste produced for each relevant category and disposal method.



## Output resources *continued*

|                                                                                | 2024       | 2023       | Δ% 2023  | 2022       | 2021       |
|--------------------------------------------------------------------------------|------------|------------|----------|------------|------------|
| Total non-hazardous waste prepared for other recovery and disposal operations* | 362.75     | 14.28      | 2,440% ↑ | 84.39      | 49.96      |
| Total hazardous waste prepared for disposal                                    | 17,269.92  | 18,377.08  | -6%↓     | 42,542.56  | 121,717.01 |
| Total non-hazardous waste prepared for disposal                                | 134,671.21 | 141,311.18 | -5%↓     | 140,945.47 | 151,997.28 |
| Non-recycled waste                                                             | 151,902.85 | 159,688.26 | -5%↓     | 183,488.03 | 273,714.29 |
| Percentage of non-recycled waste                                               | 99%        | 99%        | 0%       | 99%        | 99%        |
| Reclaimed land                                                                 | 3,299.04   | 7,502.56   | -56%↓    | 10,318.46  | 7,377.1    |

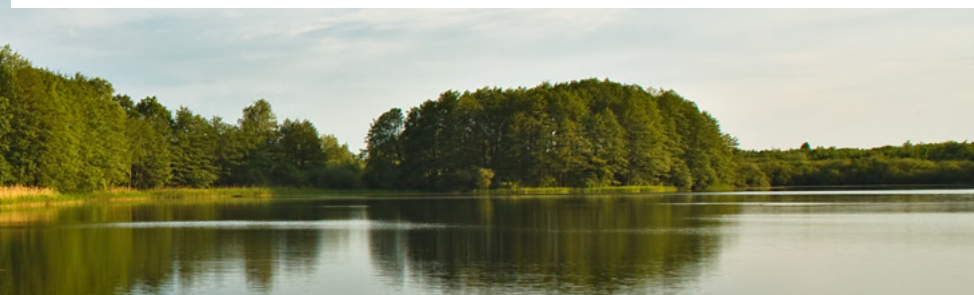


## Water balance

Portovesme monitors water consumption through **direct measurements carried out using meters** installed at each site. Water supply is obtained through external deliveries and internal sources, depending on the location.

At the Portovesme site, drinking water (also used for the canteen area) and industrial water are supplied by **the local industrial consortium**. In San Gavino, drinking water (also used for canteen services and sanitary facilities) comes from **Abbanoa**, while water used for cooling the furnaces is drawn from extraction **wells**, as is the water used to irrigate the lawns. At the Genna Luas site, the permeate generated by the osmosis plant is reused for internal activities, contributing to the reduction of external water resources, while 20-litre water bottles are used for drinking purposes.

The water leaving the Portoscuso plant is treated and then transferred **to the SICIP Industrial Consortium Treatment Plant**. The water leaving the San Gavino Monreale plant is treated and discharged into the **Rio Mannu** river. The Genna Luas landfill collects and treats the effluent water and, if necessary, discharges it into the **Rio Croccorighedda** surface water body.





## Water balance *continued*

### Water balance of Portovesme (m<sup>3</sup>)

| SITE                                                     | 2024      | 2023      | Δ% 2023  | 2022        | 2021        |
|----------------------------------------------------------|-----------|-----------|----------|-------------|-------------|
| WATER WITHDRAWAL                                         |           |           |          |             |             |
| Portoscuso                                               | 2,590,891 | 2,534,519 | 0.02%↑   | 2,910,014   | 3,699,605   |
| San Gavino Monreale                                      | 47,510    | 48,258    | -0.01%↓  | 53,339      | 78,716      |
| Genna Luas                                               | 656       | 759       | -0.14%↓  | 346         | 1,067       |
| Total                                                    | 2,639,057 | 2,583,535 | 2%↑      | 2,963,699   | 3,779,388   |
| WATER CONSUMPTION                                        |           |           |          |             |             |
| Portoscuso                                               | 856,678   | 815,992.6 | 5%↑      | 1,176,334.6 | 1,610,480.6 |
| San Gavino Monreale                                      | 11,546    | 18,120    | -36.28%↓ | 10,255      | 8,640       |
| Genna Luas                                               | 40        | 730       | -94.52%↓ | 346         | 1087        |
| Total consumed in areas subject to water stress          | 868,264   | 834,112.6 | 4.09%↑   | 1,186,589.6 | 1,619,120.6 |
| Total consumed in areas not subject to high water stress | 0         | 730       | -100%↓   | 346         | 1,087       |
| Total reused water                                       | 188,805   | 145,090   | 30.13%↑  | 199,994     | 13,604      |
| Total water stored                                       | 56,026    | 29,445    | 90.27%↑  | 24,170      | 58,901      |
| Changes in stored water                                  | 26,581    | 5,275     | 403.9%↑  | -34,731     | 14,236      |
| Total consumed                                           | 868,264   | 834,842.6 | 4%↑      | 1,186,935.6 | 1,620,207.6 |
| Water intensity                                          | 0.0022    | 0.0013    | 62%↑     | 0.0012      | 0.0018      |

| SITO                | 2024      | 2023      | Δ% 2023 | 2022      | 2021      |
|---------------------|-----------|-----------|---------|-----------|-----------|
| WATER DISCHARGE     |           |           |         |           |           |
| Portoscuso          | 1,734,213 | 1,718,526 | 0.91%↑  | 1,733,679 | 2,089,124 |
| San Gavino Monreale | 27,371    | 30,138    | -9.18%↓ | 43,084    | 70,076    |
| Genna Luas          | 616       | 0         | 100%↑   | 0         | 0         |
| Total               | 1,762,200 | 1,748,664 | 0.77%↑  | 1,776,763 | 2,159,200 |





## Workforce characteristics

Characteristics of the Portovesme workforce<sup>61</sup>

|                                         | PORTOSCUSO | SAN GAVINO<br>MONREALE | GENNA<br>LUAS | TOTAL<br>2024 | 2023 | Δ% 2023 | 2022 | 2021 | REASON FOR<br>CHANGE                               |
|-----------------------------------------|------------|------------------------|---------------|---------------|------|---------|------|------|----------------------------------------------------|
| Male employees                          | 455        | 48                     | 0             | 503           | 535  | -6%↓    | 571  | 596  | Turnover stopped<br>and departures<br>not replaced |
| Female employees                        | 42         | 0                      | 0             | 42            | 46   | -9% ↓   | 49   | 48   |                                                    |
| Number of employees <sup>62</sup>       |            |                        |               | 545           | 581  | -6% ↓   | 620  | 644  |                                                    |
| Permanent male employees                | 455        | 48                     | 0             | 503           | 535  | -6% ↓   | 571  | 596  |                                                    |
| Permanent female employees              | 42         | 0                      | 0             | 42            | 46   | -9% ↓   | 49   | 48   |                                                    |
| Total permanent employees <sup>63</sup> |            |                        |               | 545           | 581  | -6% ↓   | 620  | 644  |                                                    |
| Full-time male employees                | 455        | 48                     | 0             | 503           | 535  | -6% ↓   | 571  | 596  |                                                    |
| Full-time female employees              | 39         | 0                      | 0             | 39            | 43   | -9% ↓   | 43   | 41   |                                                    |
| Total full-time employees               |            |                        |               | 542           | 578  | -6% ↓   | 614  | 637  |                                                    |
| Male part-time employees                | 0          | 0                      | 0             | 0             | 0    | 0%      | 0    | 0    |                                                    |
| Female part-time employees              | 3          | 0                      | 0             | 3             | 3    | 0%      | 6    | 7    |                                                    |
| Total part-time employees               |            |                        |               | 3             | 3    | 0%      | 6    | 7    |                                                    |

<sup>61</sup> The number of employees is calculated as the headcount as at 31 December 2024. Data for 2021 is not available for the categories marked with an asterisk (\*). There are no employees with disabilities.

<sup>62</sup> There are no other types of employees.

<sup>63</sup> There are no variable-hour or fixed-term employees.



## Workforce characteristics *continued*

|                                   | PORTOSCUSO | SAN GAVINO<br>MONREALE | GENNA<br>LUAS | TOTAL<br>2024 | 2023 | Δ% 2023 | 2022 | 2021 | REASON FOR<br>CHANGE                                                                                                                                                   |
|-----------------------------------|------------|------------------------|---------------|---------------|------|---------|------|------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Employees from Sulcis *           | 456        | 7                      | 0             | <b>463</b>    | 490  | -5% ↓   | 521  | -    | Turnover stopped<br>and departures<br>not replaced                                                                                                                     |
| Employees not from Sulcis *       | 41         | 41                     | 0             | <b>82</b>     | 91   | -10% ↓  | 99   | -    |                                                                                                                                                                        |
| Employees who left the company    | 33         | 3                      | 1             | <b>37</b>     | 39   | -5% ↓   | 32   | 23   |                                                                                                                                                                        |
| Turnover rate                     | 6,64       | 6,25                   | 0             | <b>6,79</b>   | 6,7  | 1% ↑    | 5,2  | 3,6  |                                                                                                                                                                        |
| Non-employees <sup>64</sup>       | 315        | 11                     | 8             | <b>334</b>    | 322  | 4% ↑    | 410  | 621  |                                                                                                                                                                        |
| Employees under 30 years of age   | 3          | 2                      | 0             | <b>5</b>      | 11   | -54% ↓  | 18   | 20   | Growth in average<br>age due to no<br>new recruitment<br>of young staff<br>Growth in average<br>age without new<br>hires of young<br>staff<br>Growth in average<br>age |
| % Employees under 30 years of age | 0%         | 4%                     | 0%            | <b>1%</b>     | 2%   | -       | 3%   | 3%   |                                                                                                                                                                        |
| Employees aged 30-50              | 227        | 34                     | 0             | <b>261</b>    | 264  | -1% ↓   | 288  | 329  |                                                                                                                                                                        |
| % Employees aged 30-50            | 46%        | 71%                    | 0             | <b>48%</b>    | 43%  | -       | 46%  | 51%  |                                                                                                                                                                        |
| Employees over 50 years of age    | 267        | 12                     | 0             | <b>279</b>    | 306  | -9% ↓   | 314  | 295  |                                                                                                                                                                        |
| % Employees over 50 years of age  | 54%        | 25%                    | 0             | <b>51%</b>    | 49%  | -       | 51%  | 46%  |                                                                                                                                                                        |

<sup>64</sup> Non-employees are reported as full-time equivalents (FTEs) and were calculated as an average during 2024. Non-employees have a contract with Portovesme and perform tasks such as industrial assistance, industrial and civil cleaning, transport, canteen services, mechanical and electrical maintenance, security and surveillance.

## Workforce characteristics *continued*

The company uses a communication system that involves **publishing policies on the company intranet** and employee portal, which requires mandatory acknowledgement of the policies posted.

Compliance with the principles expressed in the anti-harassment policies and procedures is monitored through internal control systems. The company's performance regarding its workforce is monitored through KPIs defined by the internal management system and the targets described in the sustainability report (see chapter 'Next Steps'), sharing the same objectives as the company policies<sup>65</sup>, although a structured action plan has not yet been defined.

To understand the needs of its workers, **regular meetings** are held (daily with senior management, weekly with trade unions and quarterly with the rest of the workers) with worker representatives or the workers themselves, also aimed at **informing company processes** or activities to mitigate current and potential negative impacts<sup>66</sup>.

Portovesme promotes the existence and operation of **the grievance channel**, established directly by Portovesme, through the company intranet, posters and flyers displayed in the plants. The workforce's awareness of the grievance mechanism and its effectiveness are monitored through **periodic questionnaires and interviews with trade unions**.

Currently, there is no action plan related to Portovesme's workforce and no formal process has been established to mitigate or provide remedy for the negative impacts on the workforce. Portovesme relies on periodic dialogues with its workforce and their representatives to define appropriate responses to its negative impacts.

### Services performed by indirect employees



<sup>65</sup> Workers and their representatives were not directly involved in monitoring the company's performance against defined targets.

<sup>66</sup> The Governing Body is responsible for engaging with the workforce and ensuring that the results of the engagement inform the company's approach. Portovesme does not have a Global Framework Agreement, or other agreements with worker representatives regarding respect for human rights.

# Occupational health and safety

## Occupational health and safety

|                                                                                                                                          | 2024    | 2023    | Δ% 2023 | 2022    | 2021      |
|------------------------------------------------------------------------------------------------------------------------------------------|---------|---------|---------|---------|-----------|
| Number of fatalities related to workplace accidents or occupational diseases among own workforce <sup>67</sup>                           | 0       | 0       | 0%      | 0       | 0         |
| Number of fatalities related to occupational accidents or diseases for external workers working at company sites <sup>68</sup>           | 0       | 0       | 0%      | 0       | 1         |
| Number of recordable workplace accidents for own workforce                                                                               | 0       | 0       | 0%      | 0       | 0,89      |
| Recordable accident rate for own workforce                                                                                               | 0       | 0       | 0%      | 0       | 0,89      |
| Hours worked                                                                                                                             | 606,685 | 699,639 | 0%      | 970,613 | 1,122,120 |
| Number of recordable cases of occupational diseases among employees                                                                      | 0       | 0       | 0%      | 0       | 0         |
| Number of working days lost due to accidents at work, occupational diseases and fatalities caused by occupational diseases for employees | 0       | 0       | 0%      | 0       | 0         |

<sup>67</sup> There have been no cases of workplace accidents with serious consequences for Portovesme workers.

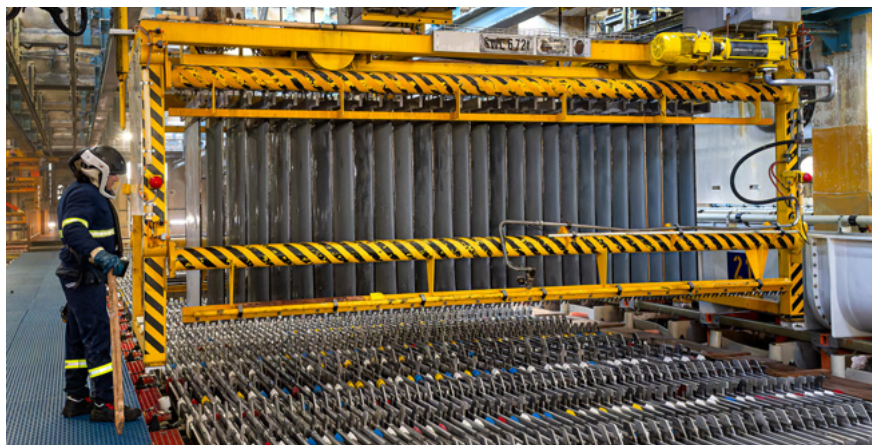
<sup>68</sup> There have been no cases of workplace accidents with serious consequences for third-party workers whose activities and/or workplace are under Portovesme's control.



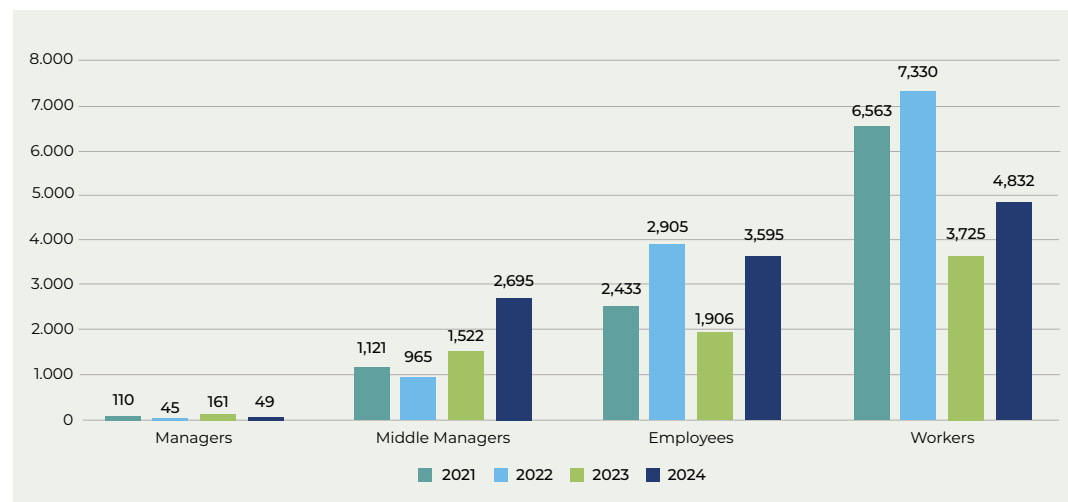
# Training and assessment of professional performance

## Training and professional development of Portovesme employees

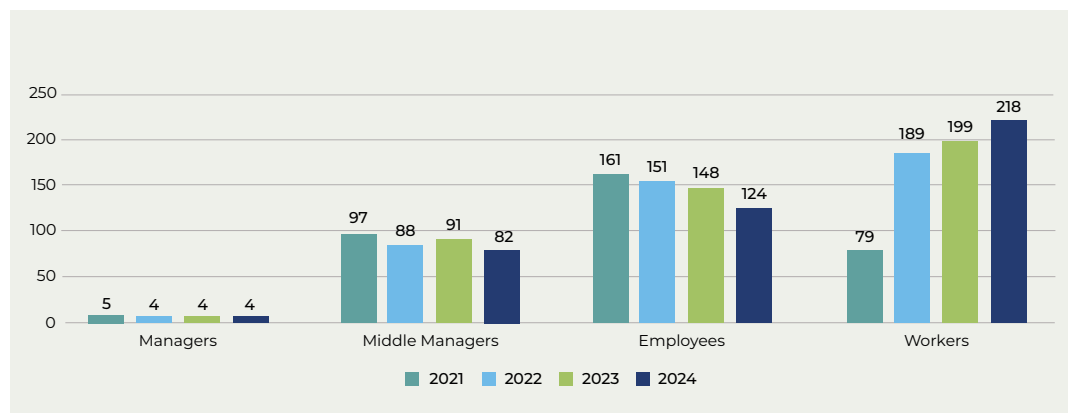
|                                                                                                                  | 2024  | 2023 | Δ% 2023 | 2022 | 2021 |
|------------------------------------------------------------------------------------------------------------------|-------|------|---------|------|------|
| Percentage of employees who participated in periodic performance and professional development reviews            | 79%   | 77%  | 2% ↑    | 70%  | 53%  |
| Percentage of male employees who participated in periodic performance and professional development assessments   | 78%   | 76%  | 2% ↑    | 68%  | 50%  |
| Percentage of female employees who participated in periodic performance and professional development assessments | 88%   | 89%  | -1% ↓   | 86%  | 92%  |
| Average hours of training completed by each employee male                                                        | 19.46 | 19   | 1% ↑    | 13   | 16   |
| Average hours of training completed by each female employee                                                      | 33.00 | 13   | 146% ↑  | 7    | 11   |



## Hours of training per category



## Employees that have participated to periodical performance evaluations



# ESRS Table of Contents and GRI Reconciliation

| ESRS            | MATERIAL DISCLOSURE REQUIREMENT |                                                                                                                                 | GRI STANDARD                                                                                                  | REF. CHAPTER                                                                                                                  | PAGE             | NOTES                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|-----------------|---------------------------------|---------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ESRS2 - General | BP-1                            | General criteria for preparing sustainability statements                                                                        | GRI 2-2 (a, b, c), GRI 2-3                                                                                    | Methodological Note, ESRS Table of Contents and GRI reconciliation                                                            | 8, 71            | This Sustainability Report was published in November 2025                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|                 | BP-2                            | Disclosure in relation to specific circumstances                                                                                | GRI 2-4 (a, a-i, a-ii)                                                                                        | Methodological Note; ESRS Table of Contents and GRI reconciliation                                                            | 8, 71            | To facilitate alignment with ESRS standards, the following information has been modified compared to previous sustainability reports. a) Governance structure: this year, the definition has been expanded to include the Supervisory Board and Board of Statutory Auditors; b) Carbon dioxide emissions, which this year were calculated using the ETS methodology; c) Donations made in 2021, due to a correction; d) Energy consumption, reported here in MWh instead of GJ; e) Waste produced in previous years, the values of which have been corrected. |
|                 | GOV-1                           | Role of the administrative, management and control bodies                                                                       | GRI 2-9 (a, b, c-i, c-ii, c-v, c-vi, c-vii, c-viii), 405-1 (a-i), GRI 2-12 (b), GRI 2-13 (a, b), GRI 2-17 (a) | Governance Structure and Business Ethics; Corporate Structure; Monitoring and Management of Impacts, Risks and Opportunities. | 55-56, 42-43, 45 | The members of the Board of Directors, Supervisory Board and Board of Statutory Auditors remain in office for 3 financial years. Davide Garofalo, member of the Board of Directors, also serves as Chief Executive Officer of the Company. Stakeholders are represented within the Governing Body by the Board of Statutory Auditors.                                                                                                                                                                                                                         |
|                 | GOV-2                           | Information provided to the company's administrative, management and control bodies and sustainability issues addressed by them | GRI 2-12 (a, b-ii, c), GRI 2-13 (b), GRI 2-16 (a, b), GRI 2-24 (a-i)                                          | Monitoring and Management of Impacts, Risks and Opportunities; ESRS Table of Contents and GRI reconciliation                  | 45, 71           | In 2024, no critical issues were reported to the Governing Body, apart from issues related to the downsizing of production facilities.                                                                                                                                                                                                                                                                                                                                                                                                                        |
|                 | GOV-3                           | Integration of sustainability performance into incentive systems                                                                | GRI 2-19 (b)                                                                                                  | Governance Structure and Business Ethics                                                                                      | 55-56            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|                 | GOV-4                           | Statement on due diligence                                                                                                      |                                                                                                               | Monitoring and Management of Impacts, Risks and Opportunities                                                                 | 45               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|                 | GOV-5                           | Risk management and internal controls on sustainability reporting                                                               |                                                                                                               | Methodological Note                                                                                                           | 8                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|                 | SBM-1                           | Strategy, business model and value chain                                                                                        | GRI 2-6 (a, b, c, d), GRI 201-1 (a-i), GRI 3-3 (e-ii)                                                         | About us; Our mission; Our products and production process; Economic performance; Our products                                | 9-14, 50-51      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|                 | SBM-2                           | Stakeholder interests and opinions                                                                                              | GRI 2-29                                                                                                      | The Stakeholder Engagement Process                                                                                            | 18-21            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |



## ESRS Table of Contents and GRI Reconciliation *continued*

| ESRS                     | MATERIAL DISCLOSURE REQUIREMENT |                                                                                                                  | GRI STANDARD                                                   | REF. CHAPTER                                                                                                                                                                | PAGE         | NOTES                                                                                                                                                                                                                                                                             |
|--------------------------|---------------------------------|------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ESRS2 - General          | SBM-3                           | Relevant impacts, risks and opportunities and their interaction with the business strategy and model             | GRI 3-2, GRI 201-2 (a, a-ii), GRI 3-3 (a, b), GRI 413-2 (a-ii) | Identification of Material Impacts, Risks and Opportunities; Material ESG Topics; Material Impacts, Risks and Opportunities                                                 | 22, 53-54    | Compared to the 2023 sustainability report, the following topics were found to be material: emissions of pollutants. However, compared to FY 2023, the following topics were not found to be material: a) economic performance; b) contribution to the local area; c) employment. |
|                          | IRO-1                           | Description of processes for identifying and assessing relevant impacts, risks and opportunities                 | GRI 3-1, GRI 2-14                                              | Double Materiality Assessment; Integration of the perspective of internal stakeholders in double materiality; Monitoring and management of impacts, risks and opportunities | 17, 52, 45   |                                                                                                                                                                                                                                                                                   |
|                          | IRO-2                           | ESRS disclosure requirements covered by the corporate sustainability statement                                   |                                                                | Identification of Material Impacts, Risks and Opportunities; ESRS Table of Contents and GRI reconciliation                                                                  | 22, 71-76    |                                                                                                                                                                                                                                                                                   |
| ESRS E1 – Climate change | E1.GOV-3                        | Integration of sustainability performance into incentive systems                                                 | GRI 2-19 (b)                                                   | Governance Structure and Business Ethics                                                                                                                                    | 55-56        |                                                                                                                                                                                                                                                                                   |
|                          | E1-1                            | Transition plan for climate change mitigation                                                                    |                                                                | Emissions and Climate Change                                                                                                                                                | 26-27        |                                                                                                                                                                                                                                                                                   |
|                          | E1.SBM-3                        | Significant impacts, risks and opportunities and their interaction with the business strategy and model          | GRI 201-2 (a-i, ii), GRI 3-3 (a)                               | Emissions and Climate Change; Methodological Note, Energy consumpt                                                                                                          | 26-27, 8     |                                                                                                                                                                                                                                                                                   |
|                          | E1.IRO-1                        | Description of processes for identifying and assessing relevant climate-related impacts, risks and opportunities |                                                                | Climate change and transition of the production process; Methodological Note; Monitoring and management of impacts, risks and opportunities                                 | 58-59, 8, 45 |                                                                                                                                                                                                                                                                                   |
|                          | E1-2                            | Policies related to climate change mitigation and adaptation                                                     | GRI 3-3 (c )                                                   | Emissions and climate change                                                                                                                                                | 26-27        |                                                                                                                                                                                                                                                                                   |
|                          | E1-3                            | Actions and resources related to climate change policies                                                         | GRI 3-3 (c ), GRI 201-2 (a-iv), GRI 305-5 (a)                  | Emissions and climate change; Climate change and production process transition                                                                                              | 26-29, 58-59 |                                                                                                                                                                                                                                                                                   |
|                          | E1-4                            | Objectives relating to climate change mitigation and adaptation                                                  | GRI 3-3 (e-i, ii, iii)                                         | Climate change and production process transition; Next steps                                                                                                                | 58-59, 47-49 |                                                                                                                                                                                                                                                                                   |



## ESRS Table of Contents and GRI Reconciliation *continued*

| ESRS                                     | MATERIAL DISCLOSURE REQUIREMENT |                                                                                                                                                      | GRI STANDARD                                              | REF. CHAPTER                                                                   | PAGE         | NOTES                                                                                                                             |
|------------------------------------------|---------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------|--------------------------------------------------------------------------------|--------------|-----------------------------------------------------------------------------------------------------------------------------------|
| ESRS E1 – Climate change                 | E1-5                            | Energy consumption and energy mix                                                                                                                    | GRI 302-1 (a, b, c-i), GRI 302-3                          | Energy consumption                                                             | 28-29, 58    | The energy intensity ratio was calculated by dividing the total energy consumption within the organisation by the total revenues. |
|                                          | E1-6                            | Scope 1, 2, 3 gross GHG emissions and total GHG emissions                                                                                            | GRI 305-1 (a), GRI 305-2 (a, b), GRI 305-3 (a), GRI 305-4 | Climate change and production process transition; Emissions and climate change | 58-59, 26-27 | Emissions intensity considers Scope 1, 2 and 3 emissions, for which only CO <sub>2</sub> emissions are considered.                |
| ESRS E2 – Pollutants                     | IRO-1                           | Description of processes to identify and assess relevant impacts, risks and opportunities related to pollution                                       | GRI 3-1                                                   | Monitoring and management of impacts, risks and opportunities                  | 45           |                                                                                                                                   |
|                                          | E2-1                            | Policies related to pollution                                                                                                                        | GRI 3-3 (c)                                               | Pollutants                                                                     | 30           |                                                                                                                                   |
|                                          | E2-2                            | Pollution-related actions and resources                                                                                                              | GRI 3-3 (d)                                               | Pollutants emitted                                                             | 60           |                                                                                                                                   |
|                                          | E2-3                            | Pollution-related targets                                                                                                                            | GRI 3-3 (e-ii)                                            | Pollutants                                                                     | 30           |                                                                                                                                   |
|                                          | E2-4                            | Air, water and soil pollution                                                                                                                        | GRI 305-7 (a-i, ii, vi, vii)                              | Pollutants; Pollutants emitted                                                 | 30, 60       |                                                                                                                                   |
|                                          | E2-5                            | Substances of concern and substances of very high concern                                                                                            |                                                           | Pollutants; Pollutants emitted                                                 | 30, 60       |                                                                                                                                   |
|                                          | E2-6                            | Expected financial effects of pollution-related impacts, risks and opportunities                                                                     |                                                           | Pollutants                                                                     | 30           |                                                                                                                                   |
| ESRS E3 – Water and marine resources     | IRO-1                           | Description of processes for identifying and assessing relevant impacts, risks and opportunities related to water and marine resources               | GRI 3-1                                                   | Monitoring and management of impacts, risks and opportunities                  | 45           |                                                                                                                                   |
|                                          | E2-1                            | Policies related to water and marine resources                                                                                                       | GRI 3-3 (c)                                               | Water resources                                                                | 31-32        |                                                                                                                                   |
|                                          | E2-2                            | Actions and resources related to water and marine resources                                                                                          | GRI 3-3 (d), GRI 303-1 (c)                                | Water resources                                                                | 31-32        |                                                                                                                                   |
|                                          | E2-3                            | Objectives related to water and marine resources                                                                                                     | GRI 3-3 (e-ii), GRI 303-1 (d)                             | Water Resources; Next Steps                                                    | 31-32, 47-49 |                                                                                                                                   |
|                                          | E2-4                            | Water consumption                                                                                                                                    | GRI 3-3, GRI 303-1 (a, c), GRI 303-5 (a, b)               | Water balance, Water resources                                                 | 64-65, 31-32 | All Portovesme plants are located in areas experiencing water stress.                                                             |
| ESRS E5 – Resources and circular economy | IRO-1                           | Description of processes for identifying and assessing significant impacts, risks and opportunities related to resource use and the circular economy | GRI 3-1                                                   | Monitoring and management of impacts, risks and opportunities                  | 45           |                                                                                                                                   |



## ESRS Table of Contents and GRI Reconciliation *continued*

| ESRS                                           | MATERIAL DISCLOSURE REQUIREMENT |                                                                                                                                                                                                                | GRI STANDARD                                                     | REF. CHAPTER                                                                                                                            | PAGE                | NOTES                                                                                                                                                                            |
|------------------------------------------------|---------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|---------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ESRS E5 –<br>Resources and<br>circular economy | E5-1                            | Policies related to resource use and the circular economy                                                                                                                                                      | GRI 3-3 (c )                                                     | Process materials and waste                                                                                                             | 33                  |                                                                                                                                                                                  |
|                                                | E5-2                            | Actions and resources related to resource use and the circular economy                                                                                                                                         | GRI 3-3 (d), GRI 306-2 (a)                                       | Input resources                                                                                                                         | 61-62               |                                                                                                                                                                                  |
|                                                | E5-3                            | Objectives related to resource use and the circular economy                                                                                                                                                    | GRI 3-3 (e-ii)                                                   | Waste generated; Next steps                                                                                                             | 33, 47-49           |                                                                                                                                                                                  |
|                                                | E5-4                            | Resource Inputs                                                                                                                                                                                                | GRI 306-1, GRI 301-1 (a), GRI 301-2 (a)                          | Input resources                                                                                                                         | 61-62               |                                                                                                                                                                                  |
|                                                | E5-5                            | Resource Outputs                                                                                                                                                                                               | GRI 306-2 (c), GRI 306-3 (a, b), GRI 306-4 (b, c) , 306-5 (b, c) | Resource outflows                                                                                                                       | 63                  |                                                                                                                                                                                  |
|                                                | E5-6                            | Expected financial effects of impacts, risks and opportunities related to resource use and the circular economy                                                                                                |                                                                  | Materials and process waste                                                                                                             | 33                  |                                                                                                                                                                                  |
| ESRS S1 –<br>Workforce                         | SBM-3                           | Material impacts, risks and opportunities and their interaction with the business strategy and model                                                                                                           | GRI 3-3 (a, b), GRI 409-1 (a), GRI 408-1 (a, b)                  | Our workers; Impacts, Risks and Opportunities; Our products and the production process                                                  | 34-37, 53-54, 11-14 |                                                                                                                                                                                  |
|                                                | S1-1                            | Policies relating to own workforce                                                                                                                                                                             | GRI 3-3 (c ) , GRI 403-1(a)                                      | Our workers; Health and safety                                                                                                          | 34-38               |                                                                                                                                                                                  |
|                                                | S1-2                            | Processes for engaging own workers and worker representatives on impacts                                                                                                                                       | GRI 3-3 (f), GRI 2-29 (a-iii)                                    | Our workers; Workforce characteristics                                                                                                  | 34-37, 66-68        |                                                                                                                                                                                  |
|                                                | S1-3                            | Processes for addressing negative impacts and channels for employees to raise concerns                                                                                                                         | GRI 2-25 (a, b, c, e), GRI 403-2 (b), GRI 403-3                  | Our Workers; Health and Safety                                                                                                          | 34-38               | Information on the identification and management of occupational hazards is available in the 2022 Sustainability Report, chapter "Our People: Health and Safety", on pages 37-38 |
|                                                | S1-4                            | Actions taken on impacts relevant to own workforce and approaches to mitigating relevant risks and pursuing relevant opportunities in relation to own workforce, as well as the effectiveness of these actions | GRI 3-3 (d-i, d-ii, d-iii, e-i, f)                               | Our workers; Welfare; Remuneration and social protection; Health and safety; Training and skills development; Workforce characteristics | 34-40, 66-68        |                                                                                                                                                                                  |
|                                                | S1-5                            | Objectives related to managing significant negative impacts, enhancing positive impacts, and managing significant risks and opportunities                                                                      | GRI 3-3 (e- i, ii, iii)                                          | Workforce characteristics; Next steps                                                                                                   | 66-68, 47-49        |                                                                                                                                                                                  |
|                                                | S1-6                            | Characteristics of the company's employees                                                                                                                                                                     | GRI 2-7, GRI 401-1 (b)                                           | Workforce characteristics                                                                                                               | 66-68               |                                                                                                                                                                                  |



## ESRS Table of Contents and GRI Reconciliation *continued*

| ESRS                           | MATERIAL DISCLOSURE REQUIREMENT |                                                                                                            | GRI STANDARD                                                               | REF. CHAPTER                                                        | PAGE         | NOTES                                                                              |
|--------------------------------|---------------------------------|------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|---------------------------------------------------------------------|--------------|------------------------------------------------------------------------------------|
| ESRS S1 – Workforce            | S1-7                            | Characteristics of non-employee workers in the company's own workforce                                     | GRI 2-8                                                                    | Workforce characteristics                                           | 66-68        |                                                                                    |
|                                | S1-8                            | Coverage of collective bargaining and social dialogue                                                      | GRI 2-30                                                                   | Our Workers                                                         | 34-37        |                                                                                    |
|                                | S1-9                            | Diversity metrics                                                                                          | GRI 405-1 (b)                                                              | Our Employees; Workforce Characteristics                            | 34-37, 66-68 |                                                                                    |
|                                | S1-10                           | Living Wages                                                                                               | Gri 2-30                                                                   | Remuneration and Social Protection                                  | 39           |                                                                                    |
|                                | S1-11                           | Social protection                                                                                          |                                                                            | Remuneration and Social Protection                                  | 39           |                                                                                    |
|                                | S1-13                           | Training and skills development metrics                                                                    | GRI 404-3, GRI 404-1 (a-i)                                                 | Training and skills development; Training and performance appraisal | 40, 70       |                                                                                    |
|                                | S1-14                           | Health and safety metrics                                                                                  | GRI 403-8, GRI 403-9 (a-i, a-iii, a-v, b-i, b-iii, b-v), GRI 403-10 (a, b) | Occupational health and safety; Health and safety                   | 69, 38       |                                                                                    |
|                                | S1-15                           | Work-life balance metrics                                                                                  | GRI 401-3 (a)                                                              | Remuneration and social protection                                  | 39           | The entire workforce is entitled to family leave, comprising 503 men and 42 women. |
|                                | S1-16                           | Remuneration metrics (pay gap and total remuneration)                                                      |                                                                            | Remuneration and social protection                                  | 39           |                                                                                    |
|                                | S1-17                           | Incidents, complaints and serious impacts on human rights                                                  | GRI 406-1, GRI 2-27                                                        | I nostri lavoratori                                                 | 34-37        |                                                                                    |
| ESRS S3 – Affected communities | SBM-3                           | Material impacts, risks and opportunities and their interaction with the business strategy and model       | GRI 413-2                                                                  | Living with the local community                                     | 41           |                                                                                    |
|                                | S3-1                            | Policies relating to affected communities                                                                  | GRI 3-3 (c)                                                                | Living with the local community                                     | 41           |                                                                                    |
|                                | S3-2                            | Processes for engaging with affected communities regarding impacts                                         | GRI 2-29 (a-iii), GRI 413-1 (a-viii)                                       | The stakeholder engagement process; Living with the local community | 18-21, 41    |                                                                                    |
|                                | S3-3                            | Process for remedying negative impacts and channels through which affected communities can make complaints | GRI 2-25 (a, b, c, e), GRI 2-26 (a-ii), GRI 3-3 (d)                        | Living with the community; Our workers                              | 41, 34-37    |                                                                                    |



## ESRS Table of Contents and GRI Reconciliation *continued*

| ESRS                          | MATERIAL DISCLOSURE REQUIREMENT |                                                                                                                                                                                                                                      | GRI STANDARD                                                         | REF. CHAPTER                                                               | PAGE         | NOTES                                                                                                    |
|-------------------------------|---------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|----------------------------------------------------------------------------|--------------|----------------------------------------------------------------------------------------------------------|
|                               | S3-4                            | Actions taken in response to significant impacts on affected communities and approaches to managing significant risks and pursuing significant opportunities for affected communities, as well as the effectiveness of these actions | GRI 2-25 (a, b, c, e), GRI 2-26 (a-ii), GRI 3-3 (d)                  | Living with the territory                                                  | 41           |                                                                                                          |
|                               | S3-5                            | Objectives related to managing significant negative impacts, enhancing positive impacts, and managing significant risks and opportunities                                                                                            | GRI 3-3 (e-ii)                                                       | Living with the local community                                            | 41           |                                                                                                          |
| ESRS G1 –<br>Business conduct | GOV-1                           | Role of administrative, management and control bodies                                                                                                                                                                                |                                                                      | Corporate ethics; Governance structure and corporate ethics                | 43, 55-56    |                                                                                                          |
|                               | IRO-1                           | Description of processes for identifying and assessing relevant impacts, risks and opportunities                                                                                                                                     |                                                                      | Monitoring and management of impacts, risks and opportunities              | 45           |                                                                                                          |
|                               | G1-1                            | Policies on corporate culture and business conduct                                                                                                                                                                                   | GRI 2-23 (a, b, f), GRI 2-24 (a-ii, iv), GRI 2-26 (a-ii) GRI 3-3 (c) | Business ethics; Anti-corruption; Governance structure and business ethics | 43-44, 55-56 |                                                                                                          |
|                               | G1-2                            | Management of supplier relationships                                                                                                                                                                                                 |                                                                      | Relationship with suppliers                                                | 44           |                                                                                                          |
|                               | G1-3                            | Prevention and detection of active and passive corruption                                                                                                                                                                            | GRI 2-26 (a-ii), GRI 3-3 (d-i, d-ii), GRI 205-1                      | Business ethics; Governance structure and business ethics; Anti-corruption | 43-44, 55-56 |                                                                                                          |
|                               | G1-4                            | Confirmed cases of active or passive corruption                                                                                                                                                                                      | GRI 2-27, GRI 205-3                                                  | Anti-corruption; Governance structure and business ethics                  | 44, 55-56    |                                                                                                          |
|                               | G1-6                            | Payment procedures                                                                                                                                                                                                                   |                                                                      | Relationship with suppliers                                                | 44           |                                                                                                          |
|                               | N/A                             | N/A                                                                                                                                                                                                                                  | GRI 2-1                                                              | About Us, Contacts                                                         | 9, 84        |                                                                                                          |
|                               | N/A                             | N/A                                                                                                                                                                                                                                  | GRI 2-5                                                              | Letter from the Independent Auditors                                       | 83           |                                                                                                          |
|                               | N/A                             | N/A                                                                                                                                                                                                                                  | GRI 2-22                                                             | CEO's letter to the Stakeholders                                           | 4-7          |                                                                                                          |
|                               | N/A                             | N/A                                                                                                                                                                                                                                  | GRI 201-1, GRI 204-1                                                 | Our performance at a glance; Economic performance                          | 15-16, 50-51 | Local suppliers are defined as suppliers based in the provinces of Cagliari, Sulcis and Medio Campidano. |



## GRI content index

| GRI STANDARD | DISCLOSURE |                                                                         | REF. CHAPTER                                                                                                  | PAGE                | OMISSION             |        |               | NOTES                                                                                                            |
|--------------|------------|-------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|---------------------|----------------------|--------|---------------|------------------------------------------------------------------------------------------------------------------|
|              | Number     | Title                                                                   |                                                                                                               |                     | Requirements omitted | Reason | Justification |                                                                                                                  |
| 2            | 2-1        | Organisation details                                                    | About us; Contacts                                                                                            | 9, 84               |                      |        |               |                                                                                                                  |
|              | 2-2        | Entities included in the organisation's sustainability reporting        | Methodological note                                                                                           | 8                   |                      |        |               | The consolidated financial statements are not prepared, as Portovesme has no associated or subsidiary companies. |
|              | 2-3        | Reporting period and frequency, contacts                                | Methodological note; Contacts; ESRS Table of Contents and GRI reconciliation                                  | 8, 84, 71-76        |                      |        |               |                                                                                                                  |
|              | 2-4        | Review of information                                                   | ESRS Table of Contents and GRI reconciliation, Methodological note                                            | 71-76, 8            |                      |        |               |                                                                                                                  |
|              | 2-5        | External Assurance                                                      | Letter from the Independent Auditors                                                                          | 83                  |                      |        |               |                                                                                                                  |
|              | 2-6        | Activities, value chain and other business relationships (quantitative) | Our products; Our products and production process                                                             | 11-14, 50           |                      |        |               |                                                                                                                  |
|              | 2-7        | Employees                                                               | Workforce characteristics                                                                                     | 66-68               |                      |        |               |                                                                                                                  |
|              | 2-8        | Non-employees                                                           | Workforce characteristics                                                                                     | 66-68               |                      |        |               |                                                                                                                  |
|              | 2-9        | Governance structure and composition                                    | Governance structure and corporate ethics, corporate structure, ESRS Table of Contents and GRI reconciliation | 55-56, 42-43, 71-76 |                      |        |               |                                                                                                                  |
|              | 2-12       | Role of the highest governance body in overseeing impact management     | Monitoring and Management of Impacts, Risks and Opportunities                                                 | 45                  |                      |        |               |                                                                                                                  |
|              | 2-13       | Delegation of responsibility for impact management                      | Monitoring and Management of Impacts, Risks and Opportunities.                                                | 45                  |                      |        |               |                                                                                                                  |
|              | 2-14       | Role of the highest governing body in sustainability reporting          | Internal Monitoring Systems                                                                                   | 57                  |                      |        |               |                                                                                                                  |
|              | 2-16       | Communication of Critical Issues                                        | Monitoring and Management of Impacts, Risks and Opportunities, ESRS Table of Contents and GRI reconciliation  | 45, 71-76           |                      |        |               |                                                                                                                  |



## GRI content index *continued*

| GRI STANDARD | DISCLOSURE |                                                                                   | REF. CHAPTER                                                                                                             | PAGE                | OMISSION             |        |                                                                                                 | NOTES |
|--------------|------------|-----------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------|---------------------|----------------------|--------|-------------------------------------------------------------------------------------------------|-------|
|              | Number     | Title                                                                             |                                                                                                                          |                     | Requirements omitted | Reason | Justification                                                                                   |       |
| 2            | 2-17       | Collective knowledge of the highest governing body                                | Governance structure and corporate ethics                                                                                | 55-56               |                      |        |                                                                                                 |       |
|              | 2-19       | Remuneration policies                                                             | Governance structure and corporate ethics                                                                                | 55-56               | 2-19 (a)             |        | Information regarding the remuneration system for senior management is considered confidential. |       |
|              | 2-22       | Statement on sustainable development strategy<br>Sustainable development strategy | CEO's letter to the Stakeholders                                                                                         | 4-7                 |                      |        |                                                                                                 |       |
|              | 2-23       | Commitment in terms of Policy                                                     | Corporate ethics                                                                                                         | 43                  |                      |        |                                                                                                 |       |
|              | 2-24       | Integration of policy commitments                                                 | Monitoring and Management of Impacts, Risks and Opportunities; Business Ethics; Governance Structure and Business Ethics | 45, 43, 55-56       |                      |        |                                                                                                 |       |
|              | 2-25       | Processes aimed at remedying negative impacts                                     | Our workers; Living with the local community                                                                             | 34-41               |                      |        |                                                                                                 |       |
|              | 2-26       | Mechanisms for requesting clarification and raise concerns                        | Our workers; Living with the local community                                                                             | 45, 43, 55-56       |                      |        |                                                                                                 |       |
|              | 2-27       | Compliance with laws and regulations                                              | Living with the community; Business ethics; Governance structure and business ethics                                     | 44                  |                      |        |                                                                                                 |       |
|              | 2-28       | Membership of associations                                                        | Anti-corruption                                                                                                          | 9                   |                      |        |                                                                                                 |       |
|              | 2-29       | Approach to stakeholder engagement                                                | The Stakeholder Engagement Process; Our Workers; Workforce Characteristics                                               | 18-21, 34-40, 66-68 |                      |        |                                                                                                 |       |
|              | 2-30       | Collective Bargaining Agreements                                                  | Our workers                                                                                                              | 34-37               |                      |        |                                                                                                 |       |
| 3            | 3-1        | Process for determining topics material                                           | Double materiality analysis; Stakeholder engagement process; Integration of stakeholder perspectives                     | 17-21, 52           |                      |        |                                                                                                 |       |
|              | 3-2        | List of material topics                                                           | Material impacts, risks and opportunities; ESRS Table of Contents and GRI reconciliation                                 | 53-54, 71-76        |                      |        |                                                                                                 |       |



## GRI content index *continued*

| GRI STANDARD | DISCLOSURE |                                                                                        | REF. CHAPTER                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | PAGE                                                                                                    | OMISSION                                                                                                                                                                                                                                                                                                         |                           |                                                                                                                                                                                                                                          | NOTES |
|--------------|------------|----------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|
|              | Number     | Title                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                         | Requirements omitted                                                                                                                                                                                                                                                                                             | Reason                    | Justification                                                                                                                                                                                                                            |       |
| 3            | 3-3        | Management of material topics                                                          | Material impacts, risks and opportunities; Double Materiality Analysis; Business ethics; Anti-corruption; Governance structure and business ethics; Emissions and climate change; Climate change and production process transition; Next steps; Pollutants; Pollutants emitted; Process materials and waste; Input resources; Waste generated; Water resources; Our workers; Welfare; Remuneration and social protection; Health and safety; Training and skills development; Workforce characteristics; Living with the local community; Our products and the production process; Economic performance; Our products | 53-54, 17, 43, 44, 55-56, 26-29, 58-59, 47-49, 30, 60, 33, 61-62, 31-32, 34-40, 66-68, 41, 11-14, 50-51 | <ul style="list-style-type: none"> <li>• Anti-corruption (d-iii, e, f)</li> <li>• Climate change and energy (d, f)</li> <li>• Pollutants (e-i, e-iii, e-iv, f)</li> <li>• Resources (e-i, e-iii, e-iv, f)</li> <li>• Water resources (e-i, e-iii, e-iv, f)</li> <li>• Community (e-i, e-iii, e-iv, f)</li> </ul> | Incomplete information    | Information on mitigation actions, processes for tracking the effectiveness of actions, the effectiveness of actions and integration of lessons learned into policies and procedures is not currently available for all material topics. |       |
|              | 201-1      | Direct economic value generated and distributed                                        | Our performance at a glance; Economic performance                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 15-16, 50-51                                                                                            |                                                                                                                                                                                                                                                                                                                  |                           |                                                                                                                                                                                                                                          |       |
| 200          | 201-2      | Financial implications and other risks and opportunities resulting from climate change | Introduction to Material Topics; Material impacts, risks and opportunities; Emissions and climate change; Climate change and production process transition                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 24, 53-54, 26-29, 58-59                                                                                 | a-iii, a-v                                                                                                                                                                                                                                                                                                       | Information not available | No information is currently available on the financial implications of risks and opportunities or on the costs of measures implemented to manage risks                                                                                   |       |
|              | 204-1      | Proportion of expenditure made in favour of local suppliers                            | Economic performance                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 50-51                                                                                                   |                                                                                                                                                                                                                                                                                                                  |                           |                                                                                                                                                                                                                                          |       |
|              | 205-1      | Operations assessed to determine corruption risks                                      | Anti-corruption                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 44                                                                                                      |                                                                                                                                                                                                                                                                                                                  |                           |                                                                                                                                                                                                                                          |       |
|              | 205-3      | Confirmed incidents of corruption and measures taken                                   | Anti-corruption                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 44                                                                                                      |                                                                                                                                                                                                                                                                                                                  |                           |                                                                                                                                                                                                                                          |       |



## GRI content index *continued*

| GRI STANDARD | DISCLOSURE |                                                                  | REF. CHAPTER                                     | PAGE                | OMISSION             |                           |                                                                                | NOTES                                                                                                                                                                                                           |
|--------------|------------|------------------------------------------------------------------|--------------------------------------------------|---------------------|----------------------|---------------------------|--------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|              | Number     | Title                                                            |                                                  |                     | Requirements omitted | Reason                    | Justification                                                                  |                                                                                                                                                                                                                 |
| 300          | 301-1      | Materials used by weight or volume                               | Input resources                                  | 61-62               |                      |                           |                                                                                |                                                                                                                                                                                                                 |
|              | 301-2      | Recycled input materials used                                    | Input resources                                  | 61-62               |                      |                           |                                                                                |                                                                                                                                                                                                                 |
|              | 302-1      | Internal energy consumption within the organisation              | Energy consumption                               | 28-29, 58           |                      |                           |                                                                                |                                                                                                                                                                                                                 |
|              | 302-3      | Energy intensity                                                 | Energy consumption                               | 28-29, 58           |                      |                           |                                                                                |                                                                                                                                                                                                                 |
|              | 303-1      | Interactions with water as a shared resource                     | Water resources; Next steps; Water balance       | 31-32, 47-49, 64-65 |                      |                           |                                                                                |                                                                                                                                                                                                                 |
|              | 303-5      | Water consumption                                                | Water balance                                    | 64-65               |                      |                           |                                                                                | Changes in water storage in 2024 did not have a significant impact on water resources.                                                                                                                          |
|              | 305-1      | Direct greenhouse gas (GHG) emissions (Scope 1)                  | Climate change and production process transition | 58-59               | b                    | Information not available | No information is currently available on the gases included in the calculation | Portovesme does not produce biogenic CO <sub>2</sub> emissions                                                                                                                                                  |
|              | 305-2      | Greenhouse gas emissions (GHG) from energy consumption (Scope 2) | Climate change and production process transition | 58-59               |                      |                           |                                                                                | The location-based methodology considers the average intensity of GHG emissions from the networks on which energy consumption occurs, using mainly data relating to the average emission factor of the network. |
|              | 305-4      | Greenhouse gas (GHG) emission intensity                          | Climate change and production process transition | 58-59               |                      |                           |                                                                                |                                                                                                                                                                                                                 |
|              | 305-5      | Reduction of greenhouse gas emissions (GHG)                      | Emissions and climate change                     | 26-27               | b                    | Information not available | No information is currently available on the gases included in the calculation |                                                                                                                                                                                                                 |



## GRI content index *continued*

| GRI STANDARD | DISCLOSURE |                                                                              | REF. CHAPTER                                                     | PAGE      | OMISSION             |                           |               | NOTES                                                                                                                                          |
|--------------|------------|------------------------------------------------------------------------------|------------------------------------------------------------------|-----------|----------------------|---------------------------|---------------|------------------------------------------------------------------------------------------------------------------------------------------------|
|              | Number     | Title                                                                        |                                                                  |           | Requirements omitted | Reason                    | Justification |                                                                                                                                                |
| 300          | 305-7      | Nitrogen oxides (NOx), sulphur oxides (SOx) and other relevant air emissions | Pollutants; Pollutants emitted                                   | 30-60     | a-iii, a-iv, a-v     | Information not available |               | It was not possible to calculate emissions relating to persistent organic pollutants, volatile organic compounds and hazardous air pollutants. |
|              | 306-1      | Waste generation and significant impacts related to waste                    | Input resources                                                  | 61-62     |                      |                           |               |                                                                                                                                                |
|              | 306-2      | Management of significant impacts related to waste                           | Input resources; Output resources                                | 61-63     |                      |                           |               |                                                                                                                                                |
|              | 306-3      | Waste generated                                                              | Output resources                                                 | 63        |                      |                           |               |                                                                                                                                                |
| 400          | 401-1      | New employee recruitment and employee turnover                               | Workforce characteristics                                        | 66-68     |                      |                           |               | No employees were hired in 2024                                                                                                                |
|              | 401-3      | Parental Leave                                                               | ESRS Table of Contents and GRI Reconciliation                    | 71-76     | b, c, d, e           | Information not available |               |                                                                                                                                                |
|              | 403-1      | Occupational health and safety management system                             | Health and safety                                                | 38        |                      |                           |               |                                                                                                                                                |
|              | 403-2      | Hazard identification, risk assessment and accident investigation            | Health and Safety, ESRS Table of Contents and GRI reconciliation | 38, 71-76 |                      |                           |               |                                                                                                                                                |
|              | 403-3      | Occupational Health Services                                                 | Health and Safety                                                | 38        |                      |                           |               |                                                                                                                                                |
|              | 403-8      | Workers covered by an occupational health and safety management system       | Health and Safety                                                | 38        |                      |                           |               |                                                                                                                                                |
|              | 403-9      | Accidents at work                                                            | Occupational Health and Safety                                   | 69        |                      |                           |               |                                                                                                                                                |
|              | 403-10     | Occupational Illness                                                         | Health and Safety at Work                                        | 69        | c                    | Information not available |               | No information is available on workplace hazards that, if uncontrolled, pose a risk of occupational disease                                    |



## GRI content index *continued*

| GRI STANDARD | DISCLOSURE |                                                                                                           | REF. CHAPTER                                                               | PAGE      | OMISSION             |                           |               | NOTES                                                                                                                              |
|--------------|------------|-----------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|-----------|----------------------|---------------------------|---------------|------------------------------------------------------------------------------------------------------------------------------------|
|              | Number     | Title                                                                                                     |                                                                            |           | Requirements omitted | Reason                    | Justification |                                                                                                                                    |
| 400          | 404-1      | Average number of training hours per year per employee                                                    | Training and performance evaluation                                        | 70        | a-ii                 | Information not available |               | It was not possible to calculate the average number of training hours per employee broken down by employee category.               |
|              | 404-3      | Percentage of employees who receive regular assessments of their performance and professional development | Training and performance appraisal                                         | 70        |                      |                           |               |                                                                                                                                    |
|              | 405-1      | Diversity in governance bodies and among employees                                                        | Governance structure and business ethics                                   | 55-56     | a-ii                 | Information not available |               |                                                                                                                                    |
|              | 406-1      | Incidents of discrimination and corrective measures taken                                                 | Our workers                                                                | 34-37     |                      |                           |               |                                                                                                                                    |
|              | 408-1      | Activities and suppliers presenting a significant risk of child labour                                    | Our products and production process                                        | 11-14     |                      |                           |               |                                                                                                                                    |
|              | 409-1      | Activities and suppliers presenting a significant risk of incidents of forced or compulsory labour        | Our products and production process                                        | 11-14     |                      |                           |               |                                                                                                                                    |
|              | 413-1      | Operations involving the local community, impact assessments and development programmes                   | Living with the local community                                            | 41        |                      |                           |               | All Portovesme operations involve the local community, even without relying on previous analyses or conducting impact assessments. |
|              | 413-2      | Operations involving the local community, impact assessments and development programmes                   | Material impacts, risks and opportunities; Living with the local community | 53-54, 41 |                      |                           |               |                                                                                                                                    |

# Letter from the Independent Auditors

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## INDEPENDENT AUDITOR'S REPORT ON THE SUSTAINABILITY REPORT

**To the Board of Directors of  
Portovesme S.r.l.**

We have carried out a limited assurance engagement on the Sustainability Report of Portovesme S.r.l. (hereinafter also "the Company") as of December 31, 2024.

### Responsibility of the Directors for the Sustainability Report

The Directors of Portovesme S.r.l. are responsible for the preparation of the Sustainability Report in accordance with the "Global Reporting Initiative Sustainability Reporting Standards" established by GRI – Global Reporting Initiative ("GRI Standards"), with reference to the selection of GRI Standards, as stated in the paragraph "Methodological note" of the Sustainability Report.

The Directors are also responsible, for such internal control as they determine is necessary to enable the preparation of the Sustainability Report that is free from material misstatement, whether due to fraud or error.

The Directors are also responsible for the definition of Portovesme S.r.l.'s objectives in relation to the sustainability performance, for the identification of the stakeholders and the significant aspects to report.

### Auditor's Independence and quality management

We have complied with the independence and other ethical requirements of the *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code) issued by the *International Ethics Standards Board for Accountants*, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Ancona Bari Bergamo Bologna Brescia Cagliari Firenze Genova Milano Napoli Padova Parma Roma Torino Treviso Udine Verona

Sede Legale: Via Santa Sofia, 28 - 20122 Milano | Capitale Sociale: Euro 10.688.000,00 i.v.

Codice Fiscale/Registro delle Imprese di Milano Moneta Bianca Lodi n. 03049560166 - R.E.A. n. 19-1720239 | Partita IVA: IT 03049560166

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### Auditor's responsibility

Our responsibility is to express our conclusion based on the procedures performed about the compliance of the Sustainability Report with the GRI Standards, with reference to the selection of GRI Standards. We conducted our work in accordance with the criteria established in the "International Standard on Assurance Engagements ISAE 3000 (Revised) – Assurance Engagements Other than Audits or Reviews of Historical Financial Information" (hereinafter "ISAE 3000 Revised"), issued by the *International Auditing and Assurance Standards Board (IAASB)* for limited assurance engagements. The standard requires that we plan and perform the engagement to obtain limited assurance whether the Sustainability Report is free from material misstatement.

Therefore, the procedures performed in a limited assurance engagement are less than those performed in a reasonable assurance engagement in accordance with ISAE 3000 Revised and, therefore, do not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

The procedures performed on the Sustainability Report are based on our professional judgement and included inquiries, primarily with Company personnel responsible for the preparation of information included in the Sustainability Report, analysis of documents, recalculations and other procedures aimed to obtain evidence as appropriate.

Specifically, we carried out the following procedures:

- 1) analysis of the process relating to the definition of material aspects disclosed in the Sustainability Report, with reference to the methods used for the analysis and understanding of the context, identification, assessment, and prioritization of actual and potential impacts and to the internal validation of the process results;
- 2) comparison between the economic and financial data and information included in the paragraph "Economic performance" of the Sustainability Report with those included in the Financial Statements;
- 3) understanding of the processes underlying the origination, recording and management of qualitative and quantitative material information included in the Sustainability Report.

In particular, we carried out interviews and discussions with the management of Portovesme S.r.l. and we carried out limited documentary verifications, in order to gather information about the processes and procedures, which support the collection, aggregation, elaboration and transmittal of non-financial data and information to the department responsible for the preparation of the Sustainability Report.

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In addition, for material information, taking into consideration the Company's activities and characteristics:

- at Company's level:
  - a) with regards to qualitative information included in the Sustainability Report, we carried out interviews and gathered supporting documentation in order to verify its consistency with the available evidence;
  - b) with regards to quantitative information, we carried out both analytical procedures and limited verifications in order to ensure, on a sample basis, the correct aggregation of data;
- for the office and production site of Portoscuso (SU) which we selected based on its activities, its contribution to the performance indicators at the consolidated level and its location, we carried out remote meetings, during which we have met the management and have gathered supporting documentation on a sample basis with reference to the correct application of procedures and calculation methods used for the indicators.

### Conclusion

Based on the work performed, nothing has come to our attention that causes us to believe that the Sustainability Report of Portovesme S.r.l. as of December 31, 2024 is not prepared, in all material aspects, in accordance with the GRI Standards, with reference to the selection of GRI Standards, as stated in the paragraph "Methodological note" of the Sustainability Report.

DELOITTE &amp; TOUCHE S.p.A.

Signed by  
**Giuseppe Milici**  
PartnerMilan, Italy  
October 31, 2025*This report has been translated into the English language solely for the convenience of international readers.*

# Contacts

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