

2021

ESG & Sustainability Report

2020
2021

ESG & Sustainability Report

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Message from the CEO



Dear stakeholders,

Over our long history our primary concern has been to operate and grow responsibly. It is also our greatest duty; we must strive for continuous improvement in all aspects of sustainability, while taking a responsible stance on environment, society and governance (ESG).

To that end, with great joy and pride we have prepared the Company's first Sustainability Report.

Our goal is to communicate our progress in this area to all stakeholders, share our values, and highlight our best practices. At the same time, through the pages of this Report, we seek to capture the value the Company generates for its own people, for the market, for society as a whole and for the natural environment. Our aim is that this Report serves as a tool for improving our own performance, as well as for creating additional opportunities for dialogue with all stakeholders.

2021 was a constructive year in which we performed well in economic, social and environmental terms; and even though the pandemic-related restrictions continue to exist, this fact has filled us with optimism and hope for what lies ahead.

I cannot emphasise enough that the Company's most valuable capital, its staff, made a truly decisive contribution to achieving these positive results.

Our staff and associates' health and safety was –and remains– a top priority for us and we are committed to continuing to be at their side, offering practical assistance. During these difficult pandemic times, we responded rapidly to safeguard everyone's health, putting in place initiatives and new procedures that were fully in line with government guidelines. Over the last 2 years we revised all procedures and systems relating to occupational health and safety in an effort to minimise risks and allow us to effectively address any incidents in good time.

Placing particular emphasis on the development and advancement of our staff, in 2021 we provided 1,465 hours of training and continued to implement our onboarding course for new recruits.

As part of our environmental management activities, we adopted environmentally responsible and sustainable practices, taking all necessary measures in accordance with existing national and European legislation and international practices. Over the 2-year period 2020-2021 we implemented

a series of programmes that primarily involved making energy improvements to our buildings and equipment, engaging in proper waste management, and increasing environmental awareness among all employees. So far we have already made major investments to protect the environment and reduce our carbon footprint. To that end, we have installed photovoltaic renewable energy systems at the Company's facilities in Thessaloniki and Aspropyrgos in Attica. In fact, we managed to generate 46% of the total amount of energy consumed throughout all of 2021 from the RES plants we installed.

Firmly committed on our goal of remaining number one in the Greek steel market and attaining a prominent position in the Balkan market too, we will continue to focus on our own sustainable and responsible development.

We will continue to face our challenges together, transforming them into opportunities and targets for a sustainable future, ensuring both that we generate value for our stakeholder groups and that the Company performs well and remains profitable.

Antonis Karadeloglou
CEO

“ *Corporate Responsibility*
is a key factor
in our operations and growth ”



The Company

The Company at a glance

SIDMA Steel is a leader in the trade and industrial processing of steel products, as well as in the production of metal building materials and thermal insulation panels. It has two integrated steel service and processing centers (Steel Service Centers) in Athens and Thessaloniki, and production facilities in the Lamia Industrial Area for the design and production of thermal insulation panels. The Company's primary concern is to achieve long-term and sustainable development throughout its business activities. The high quality of its products and the best possible service for customers are priorities and benchmarks for the Company.



**Over 90 years
of steel experience and expertise**

This report focuses on SIDMA Steel's presence in Greece, where our company has been listed on the Athens Stock Exchange since 2005.



**High-quality products
& optimum customer service**

We are constantly capitalising on new technologies, maintaining a modern and dynamic production structure. Our business activity is characterized by strong expertise and know-how, operational efficiency, and a thorough knowledge of the business environment. We implement state-of-the-art systems, supported by highly specialised human resources.



**Specialisation
and technology**



**Highly qualified
personnel**



Our Company is committed to always operating with respect for its people, society and the environment. We emphasise meeting needs and creating value for our customers, partners, shareholders and all of our stakeholders. We act transparently and in full awareness of our social responsibility.



**Respect for
our people**



**Respect for
the environment**



**Respect
for society**

Strategic priorities

Goals and priorities



“ We strive to build long-term partnerships with our customers, understanding their needs and responding promptly to them, honouring our commitments, offering innovative solutions through high-quality products and services. ”



“ We strive to remain leaders in the Greek steel market and gain a leading position in the Balkan market. ”



“ We strive to achieve the goals we have set, based on teamwork, and to maintain our safe and merit-based work environment, offering all employees opportunities for professional advancement and development of knowledge and skills. ”



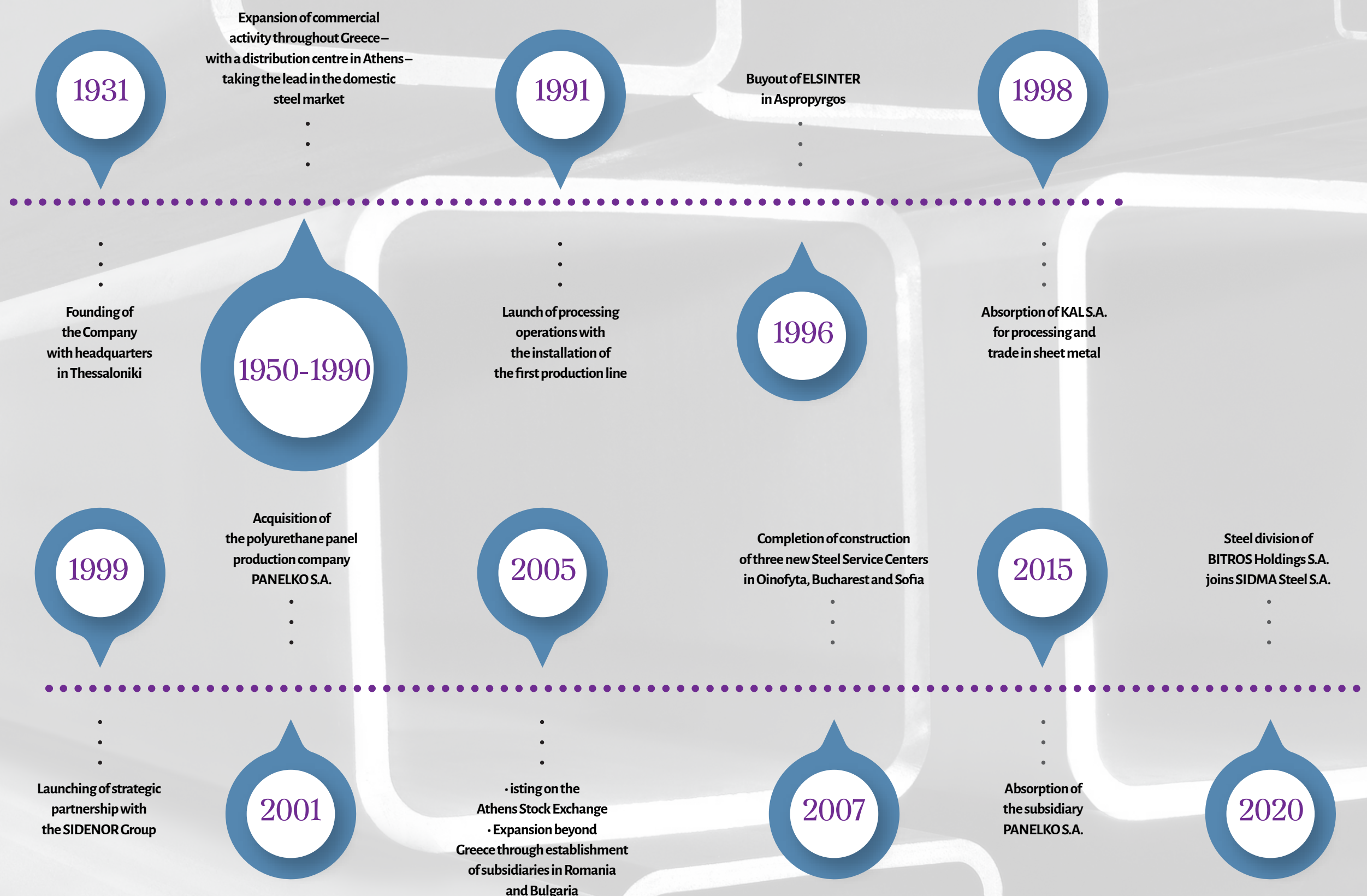
“ We strive, for society as a whole, to be an example of a Company that is constantly developing based on social responsibility, standing out for our sensitivity towards our people and the efforts we make to protect the natural environment and support vulnerable social. ”

International presence

SIDMA Steel has been active since 1931, occupying a leading position in the trade and industrial processing of steel products. It is active in the metals and other sectors, at the cutting edge of the modern business environment. Beyond Greece, SIDMA Steel is active in six other countries: **Albania, Bulgaria, Romania, Serbia, North Macedonia and Cyprus.**



90 years of success



Our facilities in Greece

The Company has three manufacturing and production facilities in Greece, as well as sales offices:

- › **Aspropyrgos, Attica**, is home to the Company's registered offices, its central offices, the Commercial Department and the distribution and processing center.
- › **Oraiokastro, Thessaloniki**, is home to Administrative Services, the Commercial Department and the Distribution and Processing Center.
- › **The Lamia Industrial Area**, is home to production facilities of metal building materials and insulation panels.



Our products

We have a long tradition, experience and know-how in the industry. The main product categories, on which our manufacturing and commercial activity is focused, according to the final form of the products, are: flat products, long products, tubes products, wire products (representation), and Prefabricated building elements.

Flat Products



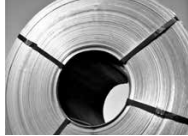
Hot Rolled Coils & Sheets



Pickled & Oiled



With surface pattern



Cold Rolled Coils



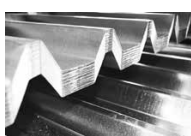
Galvanized Coils & Sheets



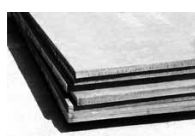
Prepainted



Plastified Coils & Sheets



Galvanized sheets Corrugated & Trapezoidal

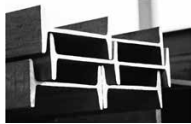


Quatro & shipbuilding Plates

LONG PRODUCTS



Squares



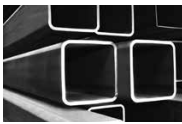
Wide Flange



Crane Rails - Steel Rails

With a focus on high quality products, excellent customer service and an extensive, fully organized distribution and storage network for our products, SIDMA Steel ensures its dominant position in the market.

TUBES PRODUCTS



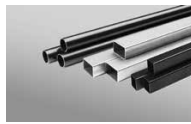
Hollow Structural Sections as Rolled & Galvanized



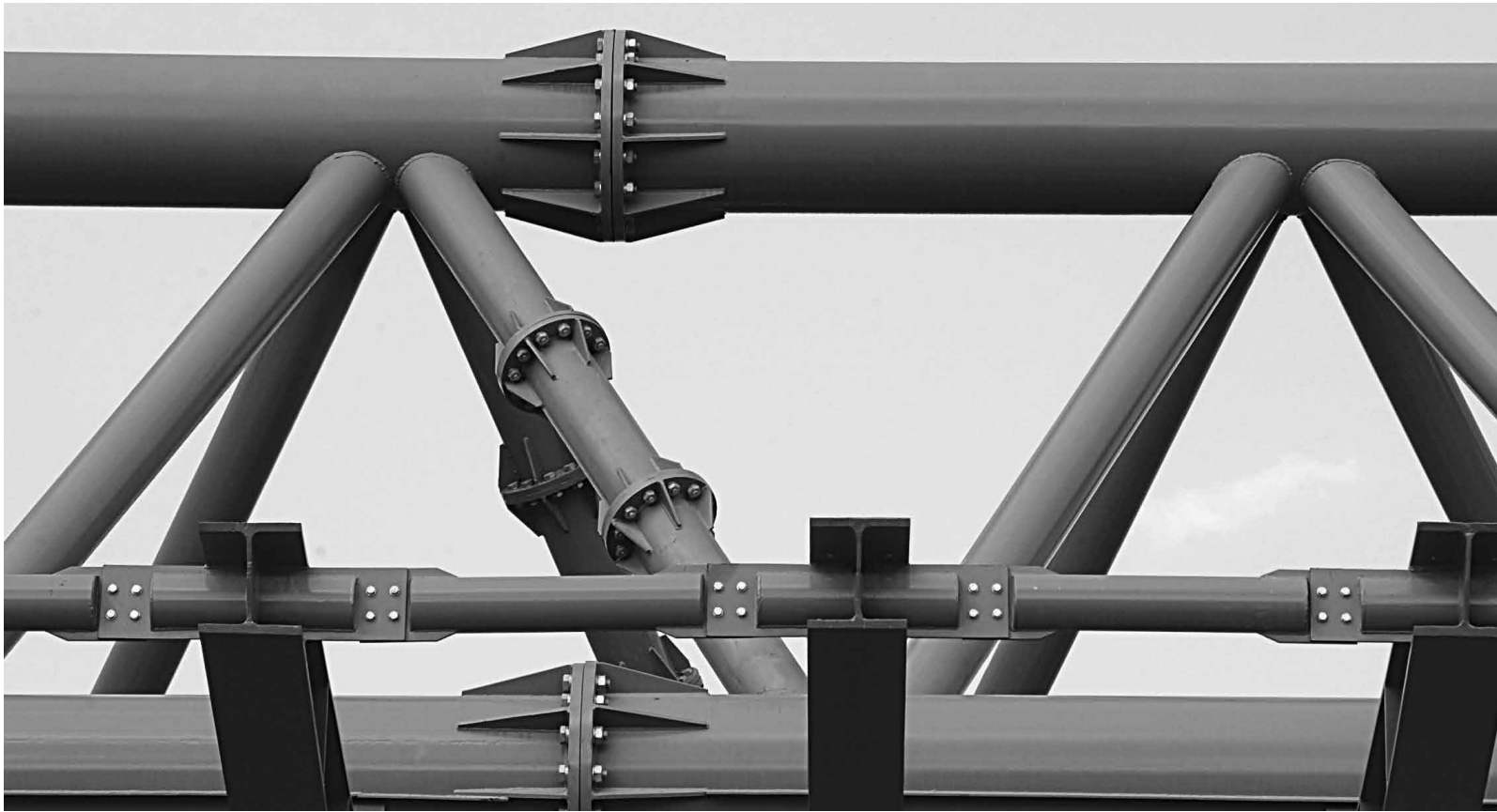
ERW Construction & Scaffolding Steel Tubes



ERW Construction Galvanized Steel Tubes



Thin Wall Tubes



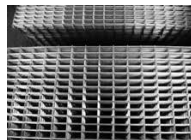
WIRE PRODUCTS



Galvanized Wire

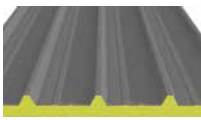


Black Wire

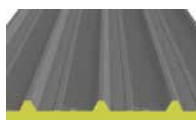


Galvanized Fencing Mesh

Prefabricated building elements



Roofing panels



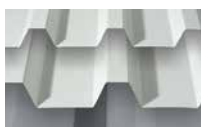
Wall cladding panels



Cold Room panels



Mineral wool panels



Trapezoidal Profiles



Purlins /Flashings

Quality Management

We remain firmly committed to producing, trading and processing high-quality products and providing high-level services, with the ultimate goal of optimising customer satisfaction and trust.

For this reason, we have adopted an integrated framework for quality management, which is founded on the implementation of modern methods of production, control, management, timely distribution of products and achieving minimum costs, not just for the Company, but also for customers.

More specifically, we focus on:

- ▶ Creating an organisational framework and implementing modern management procedures that encourage improvement of product quality on every level.
- ▶ Modernization and continuous improvement of mechanical equipment, as well as strengthening of technical knowledge with a skilled workforce.
- ▶ Implementation of appropriate procedures to ensure their effectiveness and adequacy, and optimum response to our customers' needs.
- ▶ Continuous improvement and refining of communication skills and cooperation between the Company's departments.
- ▶ Providing information and training for employees of all job levels on issues of quality management and health & safety at work.

We strive to maintain and improve our outstanding performance through continuous monitoring of the quality management system and the related quality objectives, which have been established and are monitored for each of the Company's operations and activities. More specifically, these objectives are monitored and reviewed annually at the regular meeting between the Management, the Directors and the Supervisors of the Integrated Quality and Workplace Health & Safety (WHS) Management System at each facility.



We implement a Quality Management System in accordance with the requirements of the ELOT EN ISO 9001:2015 standard



Compliance with the relevant Greek and EU legislation



Provision of products and services that meet the requirements, needs and expectations of our customers, taking any customer comments or observations under careful consideration.



We ensure that every employee is fully informed about quality and health & safety issues, as well as customer service.



We recognise the potential occupational risks and implement measures to eliminate these risks. We recognise business opportunities and act to capitalise on them.

Customer-oriented approach

Our constant goal is to maintain our customers' preference and trust. Enhancing our customer-oriented culture, we are committed to understanding their needs and responding in a direct and effective manner, honouring our commitments and offering innovative solutions with high-quality products and services.

To ensure this and achieve the company goals, we have developed a specific process based on the following axes:

Systematic assessment of customer satisfaction



We emphasise evaluation of customer satisfaction through a specially designed questionnaire in order to effectively collect each customer's views regarding the personnel who sold the products, the quality of the products, and their general opinion of the company. We also collect the necessary suggestions for improvements.

Ongoing communication with customers, feedback on their comments, and actions for improvements



- ▶ To this end, we complete a specific form for returns of products carried out by customers, implementing a specific procedure for registration of the product by the salesperson, notification of the Commercial Manager, investigation of the quality problem by the Technical Directorate. The process is completed with corrective actions.
- ▶ Additionally, it is important to record customer comments and provide feedback in our corporate strategy and operation. As such, we have a special form that contributes to the recording of any comments and the taking of relevant actions.

Ensuring a high level of service and response



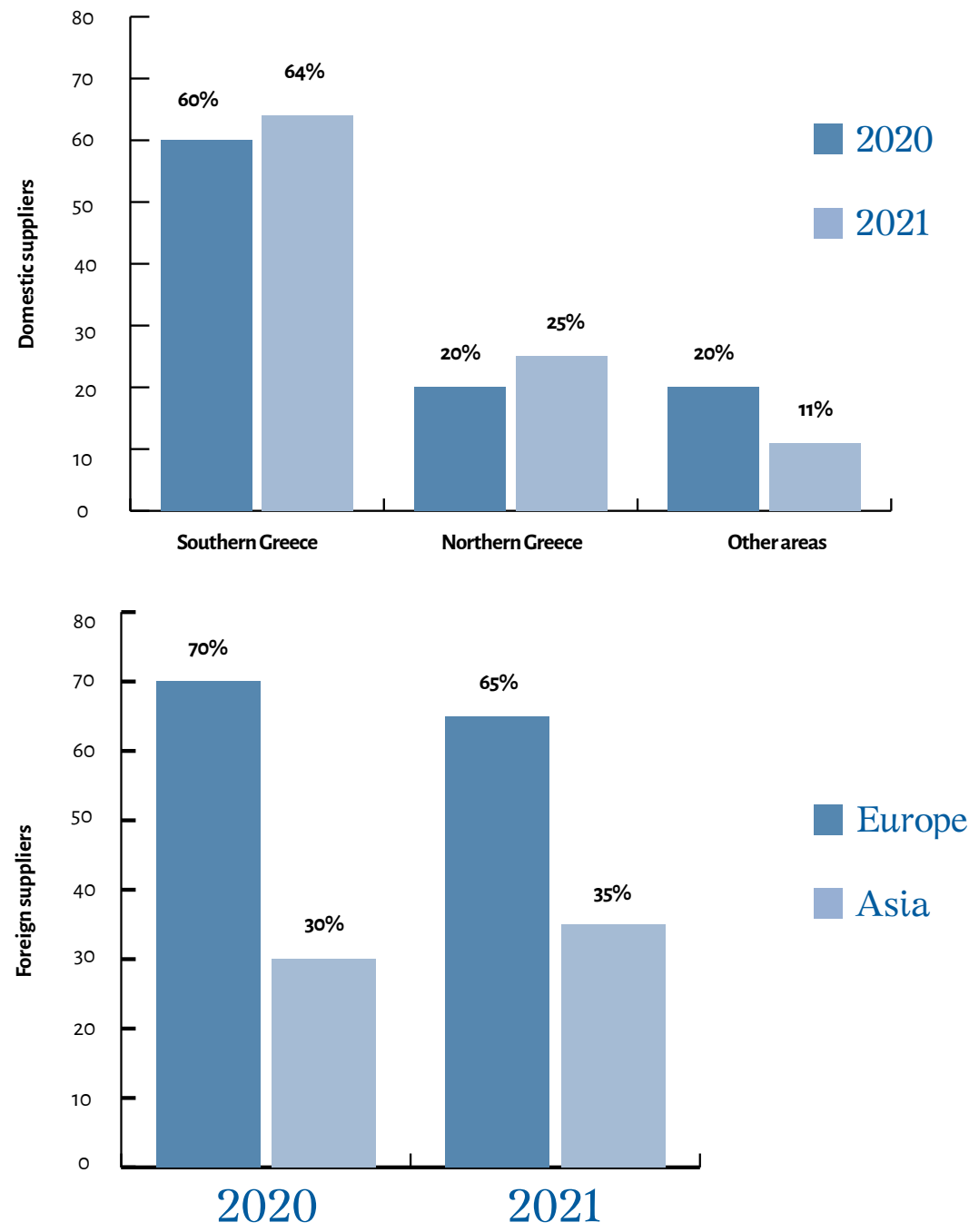
To ensure a high level of service and response to our customer orders, we have developed a procedure for managing order bids. This procedure sets out the method for receiving and executing orders from domestic and international customers for products the Company produces and sells. Issues assessed include understanding the customer's requirements, the conditions and technical capabilities of production, the sufficiency of raw materials, and the ability to meet delivery deadlines.

Supply chain

The basic principles of our operations are flexibility, consistency and the development of long-term relationships of trust and cooperation with our customers and suppliers. In the framework of our quality management system, in accordance with the ISO 9001 international standard, we focus on the responsibility of the supply chain and have developed targeted practices to maintain mutually beneficial relations with our suppliers.

A key factor contributing to effective cooperation with the Company's partners and suppliers is ongoing communication, via both electronic and telephone communication, as well as through personal contacts.

Geographical distribution of suppliers



Percentages of purchases from suppliers	2020	2021
Purchases from domestic suppliers	38%	32%
Purchases from foreign suppliers	62%	68%

The Company's production activity requires mainly raw and ancillary materials produced in foreign countries, which is why the percentage of supplies from international suppliers is consistently high. However, in the context of our ongoing support for the local communities near which we operate, we make sure that we source as many products and services as possible from local suppliers and contractors.

Code of Conduct for suppliers and partners

We have developed a Code of Conduct for Company suppliers and partners. The Code aims to ensure that our suppliers, consultants and partners share our company's fundamental values and principles of responsible business practices. We expect all of our partners to work in compliance with these principles and the Company Code, and to promote them in the context of their own supply chain.

The Code of Conduct for suppliers and partners emphasises the following principles:

- Business ethics and anti-corruption
- Labour and human rights
- Workplace Health & Safety
- Protection of the environment
- Compliance with laws and regulations

Evaluation of suppliers and partners

We have adopted and implement a specific procedure for evaluating each supplier and partner. In the context of this procedure, we assess key aspects of cooperation and the services/products provided, such as product quality, the level of competitiveness based on which our partner or supplier operates, price, payment method and consistency regarding delivery of the final product or service.

Number of evaluated suppliers*	2020	2021
Number of suppliers evaluated during the year	320	720
Number of suppliers evaluated according to environmental criteria	320	593
Number of suppliers evaluated based on labour and social criteria	50	55

* Of the Company's total active suppliers for the relevant year



Sustainable
Development
at the heart of
our operations



Sustainable development is a top priority for our Company. It is firmly incorporated into our strategy through our regular review of all issues that are material for our partners, the planning of appropriate actions and goals, and the implementation of relevant environmental and social practices.

“Our contribution towards the Global Sustainable Development Goals”



Our Company incorporates the principles of sustainable development into the way it operates, aiming to create value with a social and environmental orientation. Through our strategic priorities and goals, we seek to responsibly manage economic, social and environmental challenges and mitigate the negative impacts arising from our operations. In this context, we support international initiatives, such as the UN Global Sustainable Development Goals, and we adopt best practices in managing sustainable development and corporate responsibility issues.

Sustainable Development Policy and priorities

Our commitment to sustainable development is reflected in our internal procedures and policies. The Sustainable Development Policy we have adopted and implement clearly sets out the Company's position and the priorities on which it develops targeted actions and initiatives, with the ultimate goal of continuously improving its performance.

Our Sustainable Development Policy is in line with the Company's values of responsibility, integrity, transparency, effectiveness and innovation. The Policy is determined by the Top Management, which is committed to:

- › implementation of the Sustainable Development Policy on all levels and in all sectors of the Company's operations.
- › strict compliance with applicable law and full implementation of standards, policies, internal directives and relevant procedures applied by the Company, as well as other requirements arising from voluntary agreements which the Company subscribes to and accepts.
- › open, two-way communication with stakeholders in order to recognize and record their needs and expectations.
- › providing a healthy and safe work environment for human resources, partners and visitors.
- › protecting human rights and providing a fair and non-discriminatory work environment.
- › continuous efforts to reduce our environmental footprint through the implementation of responsible actions and preventive measures.
- › cooperating with an supporting the local community to contribute to the sustainable development of the local areas where it operates.
- › consistently endeavouring to create added value for stakeholders.

Our strategy is based on four fundamental priorities that promote responsibility throughout the range of our business operations:



Good governance and responsible operation



Caring for the individual and society



High-quality products and services



Environmental responsibility

Good governance and responsible operation

Our strong corporate structure and the strict procedures we follow with regard to transparency and combating corruption result in good corporate governance of our organisation and achievement of our goals. We systematically assess business risks with the aim of safeguarding shareholders' interests and achieving positive economic results. At the same time, we pursue responsible development and expansion of our portfolio, helping to strengthen the markets in which we operate. In the same context, we are constantly improving our products and services, as customer satisfaction is a key priority for us. We also expect responsible business conduct from our suppliers and partners, promoting sustainability throughout our supply chain.

High-quality products and services

We are always committed to producing and marketing high-quality products and providing excellent services, encouraging innovation, applying modern practices and investing in the training and specialisation of our employees. We implement a Quality Management System, and in the context of our continuous improvement we set specific quality goals.

Caring for the individual and society

One of our key priorities is to provide a safe and secure work environment, free from discrimination, through which workers are motivated and evolve. We offer opportunities for development through the educational programmes we implement, and a key component of our philosophy is to attract and retain talented human resources who have a high sense of responsibility, creativity and a vision for the future. We respect and support internationally recognised human rights and implement fair remuneration policies for all of our people. Among other things, our Company designs and implements initiatives that meet the basic needs of local communities and various NGOs and organisations, demonstrating its hands-on support.

Environmental responsibility

We strive to continuously improve our environmental performance. We endeavour to minimise our environmental impact, aiming to reduce energy consumption and manage all types of waste efficiently. In this direction, we conduct our business operations in accordance with applicable law and will implement high environmental standards in all of our operations and activities. At the same time, we train and inform our people on an ongoing basis, consolidating the concept of environmental awareness within our Company.

Managing sustainability issues

To effectively manage issues of sustainable development and corporate responsibility, our Company has set up a Sustainable Development Team, which is responsible for creating and overseeing the sustainable development strategy.

Responsibilities of the sustainability team

- Monitor developments in corporate responsibility issues on both a national and international level
- Propose actions and initiatives for inclusion in the Company's sustainable development strategy.
- Collect and analyze data and information on sustainable development and corporate responsibility from all Company departments
- Create and publish SIDMA Steel's Sustainability Report
- Coordinate and monitor the implementation of sustainable development initiatives and programmes.
- Monitor progress in achievement of the goals set under the Sustainable Development pillars

Stakeholder engagement

Our Company has recognised as stakeholders the natural and/or legal persons who are directly or indirectly linked to, influence or are affected by our decisions and operations. We pursue systematic, substantive and two-way communication with all groups, aiming at continuous response to their needs and concerns, as the creation of relations of trust and mutual respect are key elements of the sustainable development strategy that governs the Company.











Creating added value for stakeholders

Our activities and social initiatives are designed to create added value. This added value – our company's social product – contributes to both the wider economic development of the country and the more specific support of our stakeholders. The added value created by SIDMA Steel over the past two years is set out below:

	2020	2021
Employees	€5.1 million	€5.7 million
Customers and investments	€0.6 million	€1.1 million
Suppliers	€96.7 million	€191.1 million
State and authorities	€4.9 million	€9.49 million
Financial institutions	€3.7 million	€18.8 million

Our goal is to create added value for all stakeholder groups

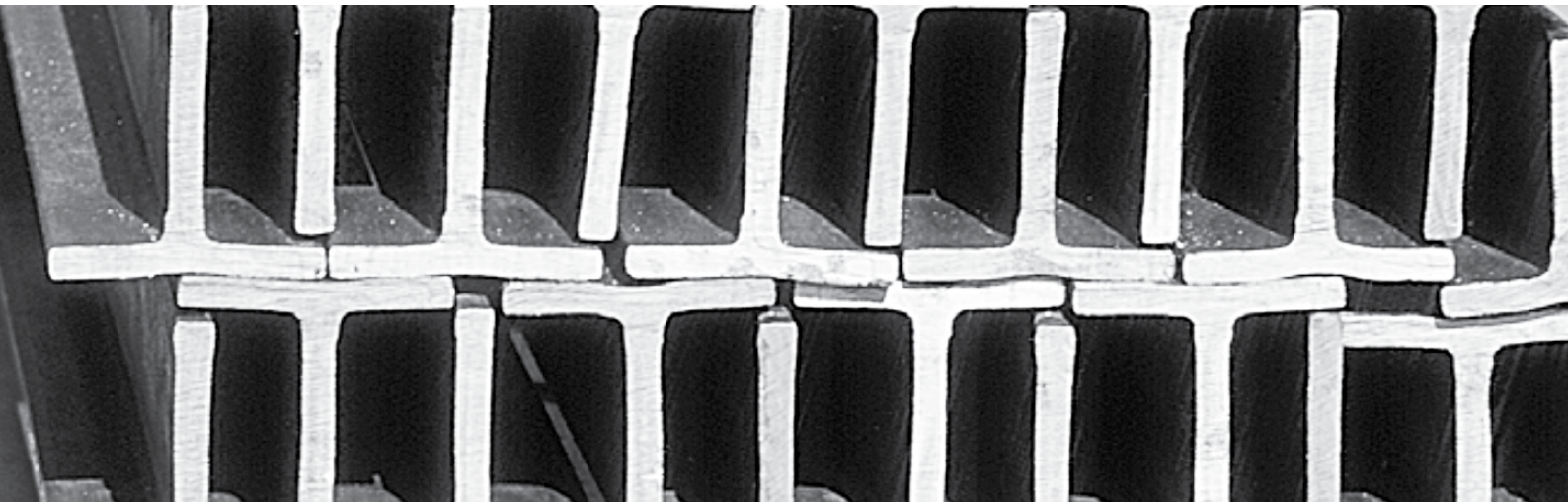
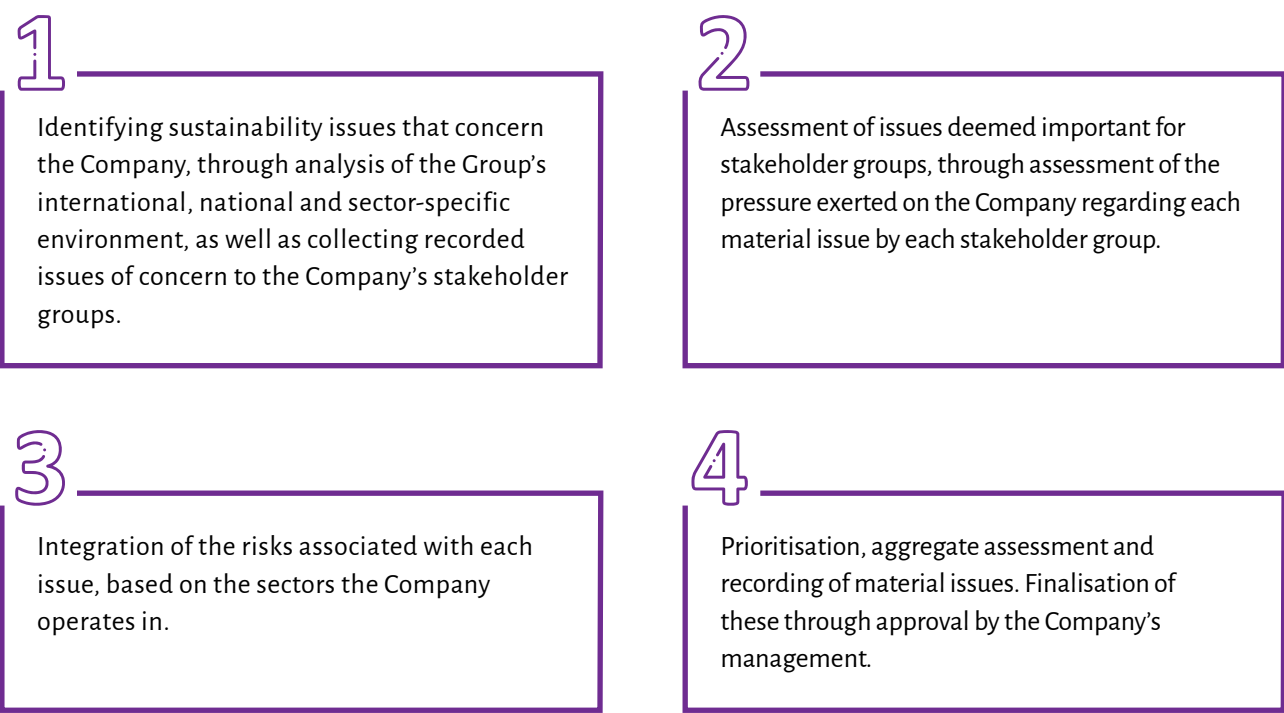
Stakeholder groups	Shareholders 	Investors 	Employees 	Customers 
Channels of Communication	General meeting of shareholders	Press releases, announcements, presentations	Intranet	Telephone/electronic communication
	Press releases, announcements, presentations	Social media	Telephone and electronic communication	Regular meetings
	Social media	Telephone and electronic communication	Human resources department	Sales Department
	Telephone/electronic communication	Annual financial report	Open communication with management	Social media
	Annual financial report	Sustainability Report	Social media	Press releases & announcements
	Sustainability Report		Events and seminars	Sustainability Report
Key issues	Growth, profitability and good reputation of the Company	Growth, profitability and good reputation of the Company	Health and safety at work	Quality and reliability of products & services
	Good corporate governance and business ethics	Good corporate governance and business ethics	Recognition and rewarding of skills	Management and resolution of problems and complaints
	Ensuring timely and reliable information	Ensuring timely and reliable information	Training and development of professional and personal skills	Transparency, information and open communication
	Effective Risk Management	Effective Risk Management	Equal opportunities and benefits	Safety and labelling of products:
	Boosting competitiveness	Boosting competitiveness	Collaboration and open communication with management	Customer-oriented approach
			Stable work environment	
			Transparency, open dialogue and information	
The Company's Response	Publication of results and financial statements in order to continuously and fully inform shareholders	Publication of results and financial statements in order to continuously and fully inform investors	Implementation of relevant policies and procedures	Ensure high quality of products and services provided
	Sustainability Report	Sustainability Report	Provision of equal opportunities for training and development	Continuous communication with customers to respond to their needs and complaints
	Continuous improvement of the economic performance and reputation of the Company	Improvement of performance on sustainability issues	Additional benefits	Continuous strengthening of customer-oriented philosophy
			Open communication and dialogue	

Stakeholder groups	Suppliers 	State and Authorities 	Local communities 	Financial institutions 
Channels of Communication	Procurement department	Telephone and electronic communication -when required	Press releases, announcements, presentations	Telephone/electronic communication
	Press releases, announcements, presentations	Annual financial report	Telephone and electronic communication with local organisations	Press releases, announcements, presentations
	Social media		Information campaigns	Annual financial report
	Telephone/electronic communication		Sustainability Report	Sustainability Report
	Regular meetings			
	Sustainability Report			
Key issues	Transparency, information and open communication	Responsible and compliant Company operations	Supporting local suppliers and boosting local employment	Reliability, integrity and transparency
	Transparency, information and open communication	Good corporate governance and business ethics	Support for local community initiatives:	Effective risk management
	Timely payment and favourable payment terms	Payment of taxes and employer contributions	Information and open communication on Company operations	Financial performance
	Stable and mutually beneficial cooperation		Protection of the environment	Effective Risk Management
	Training and information			Sustainable Development
	Compliance with market laws and regulations			
The Company's Response	Creation of close cooperation and transparent communication	Full compliance with the law	Support of local suppliers	Publication of results and financial statements
	Training and information programmes for suppliers		Jobs for the local community	Positive response to obligations
			Actions for improving the Company's environmental performance	Improving sustainability performance

Materiality analysis and map

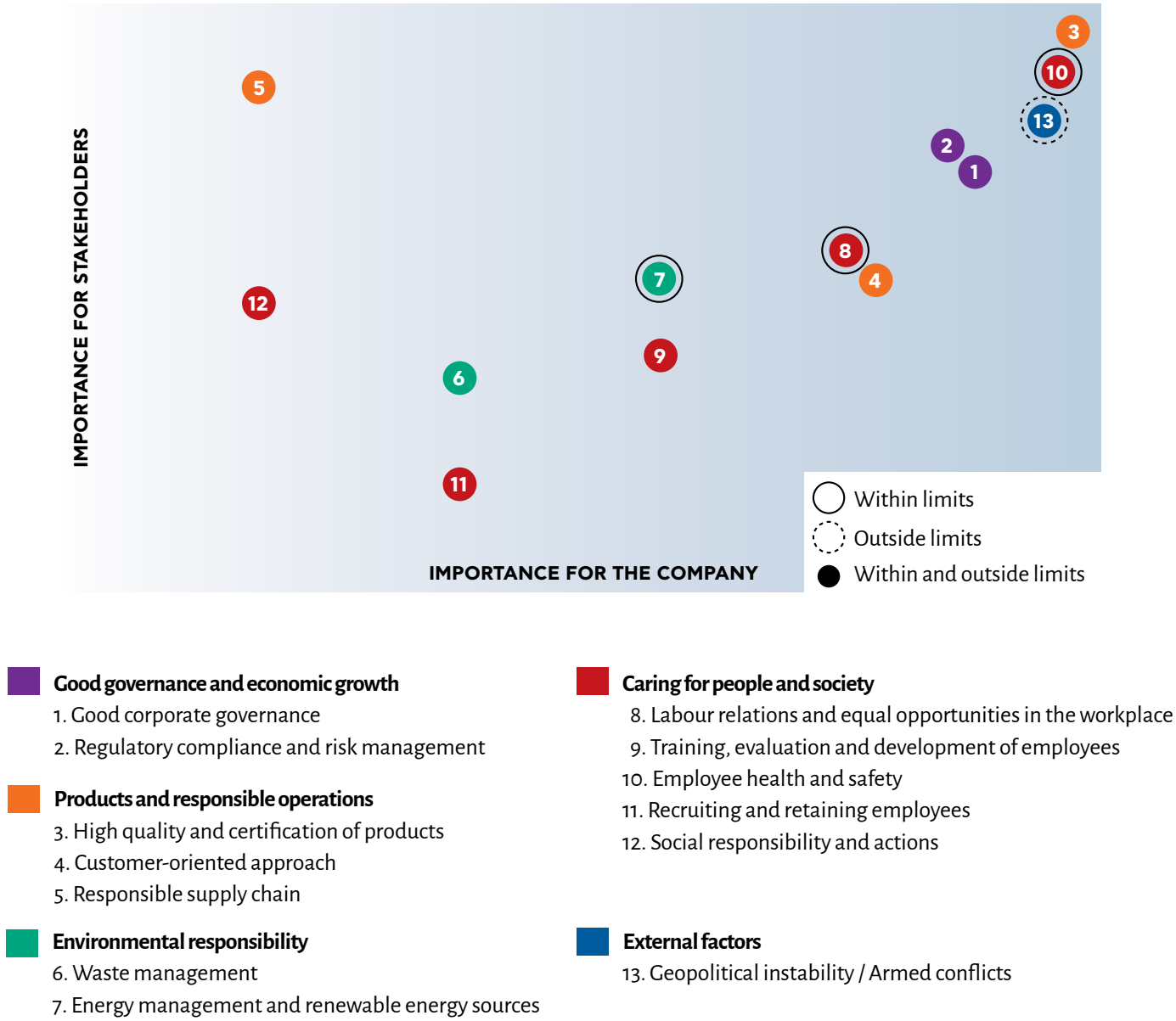
Our Company analysed and identified the material issues that affect its operation – issues that arise from the major impacts of its operations on the economy, society and the environment. Assessment of the Company’s material issues is a key element in continuously improving its performance in strategic sectors, defining goals, and developing the annual action plan. The process of assessing and prioritising issues incorporates the expectations of the Company’s stakeholders with regard to its performance on sustainability issues. It is based on the GRI Standards guidelines and incorporates elements from the Sustainability Accounting Standards Board (SASB) standard for the sector. The stages of the materiality analysis carried out were as follows:

Stages for determining material issues



The results of the assessment are presented on the following materiality map:






SIDMA Steel materiality map

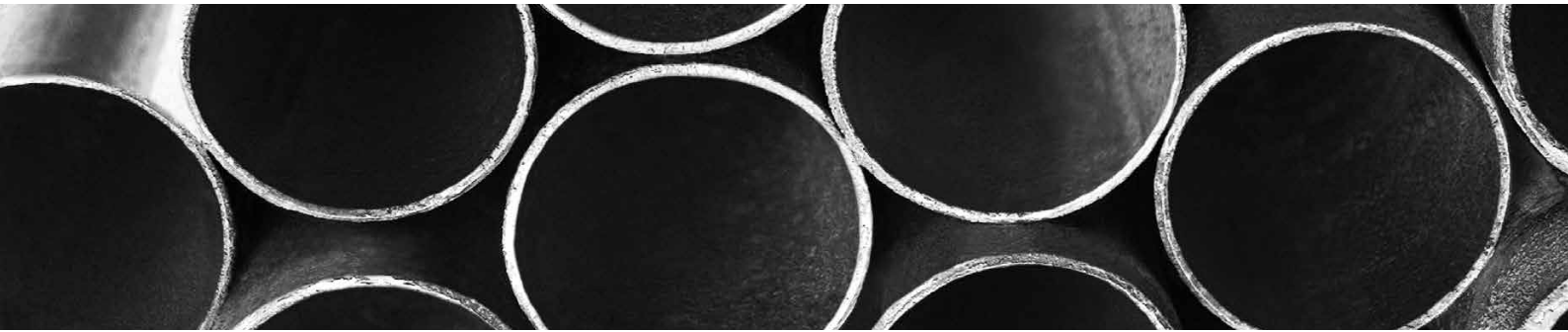








The process of determining and evaluating material issues (materiality analysis) contributes significantly to identifying issues related to long-term strategic goals and their alignment with the principles of sustainable development, monitoring the Company’s performance on economic, social and environmental issues, and recognition of all individual issues that may have a material impact on the Company’s stakeholders.

SIDMA Steel’s contribution towards the UN Sustainable Development Goals

At SIDMA Steel, we have adopted the UN 2030 Agenda as expressed through the Sustainable Development Goals (SDGs). Our priority is to meet the goals that are directly linked to the activities and challenges of our sector and the issues we recognized at material. The link between our material issues and the Sustainable Development Goals (SDGs) is set out in detail below.

Sustainable Development Axis		1 NO POVERTY	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	5 GENDER EQUALITY	7 AFFORDABLE AND CLEAN ENERGY
Good governance and economic growth Material issues 1. Good corporate governance 2. Regulatory compliance and risk management						
Products and responsible operations Material issues 3. High quality and certification of products 4. Customer-oriented approach 5. Responsible supply chain						
Caring for people and society Material issues 6. Labour relations and equal opportunities in the workplace 7. Training, evaluation and development of employees 8. Employee health and safety 9. Recruiting and retaining employees 10. Social responsibility and actions						
						
Environmental Responsibility Material issues 11. Waste management 12. Energy management and renewable energy						
						



8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	The Company’s contribution
					Our Company pursues sustainable economic growth through good corporate governance and transparent management. The Company's organisational structure, with its system of risk management and internal audit, contributes to the achievement of its short- and long-term goals, while measures are taken to effectively manage transparency and corruption issues. The Company's policies and procedures are in effect in every activity and operation, and its responsible conduct is diffused throughout the organisation.
					SIDMA Steel invests in the high quality of its products, striving for continuous improvement. We put special emphasis on our customer's satisfaction through responding to their needs and requirements. We also select our suppliers based on responsibility and sustainable development criteria, developing a responsible supply network.
					To ensure the satisfaction and well-being of our employees, we take care to provide an excellent work environment, with the potential for continuous training and advancement, acknowledging their dedication. The health and safety of our people is a top priority, and we always make sure reduce occupational risks through investments and continuous awareness-raising. Operating with respect for our fellow human beings, we actively support local communities and NGOs, implementing actions and initiatives.
					Our Company complies with and implements the strictest regulations and standards relating to environmental protection. It operates in compliance with the principles of circular economy, ensuring optimal management of natural resources, promoting recycling of metals, and utilising secondary raw materials. We also invest in renewable energy sources, contributing to the response to climate change.



Our human resources



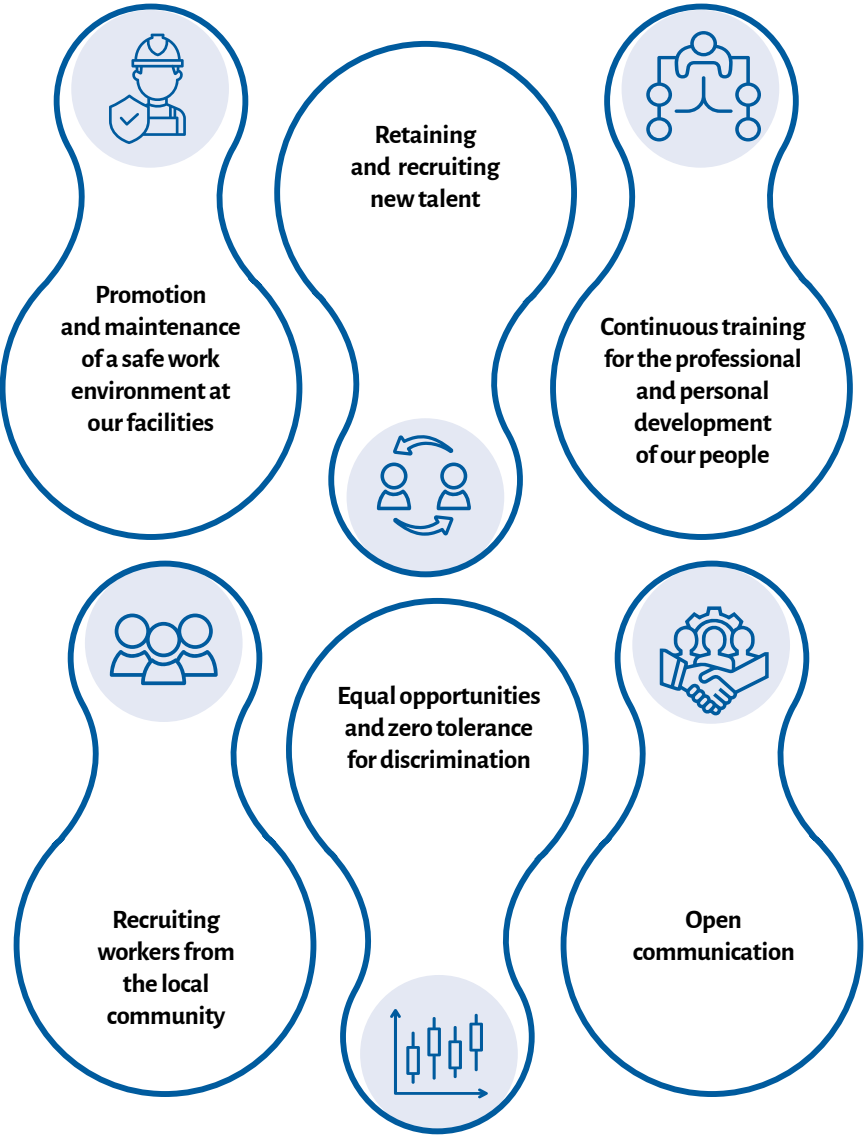
Developing and maintaining a constructive work culture is a cornerstone of developing our people's skills and optimising their potential. Human capital is our most precious resource, and in this context we focus on maintaining a fair and meritocratic environment in which the full potential of all our employees is utilised.

*“Our contribution
towards the Global Sustainable
Development Goals”*



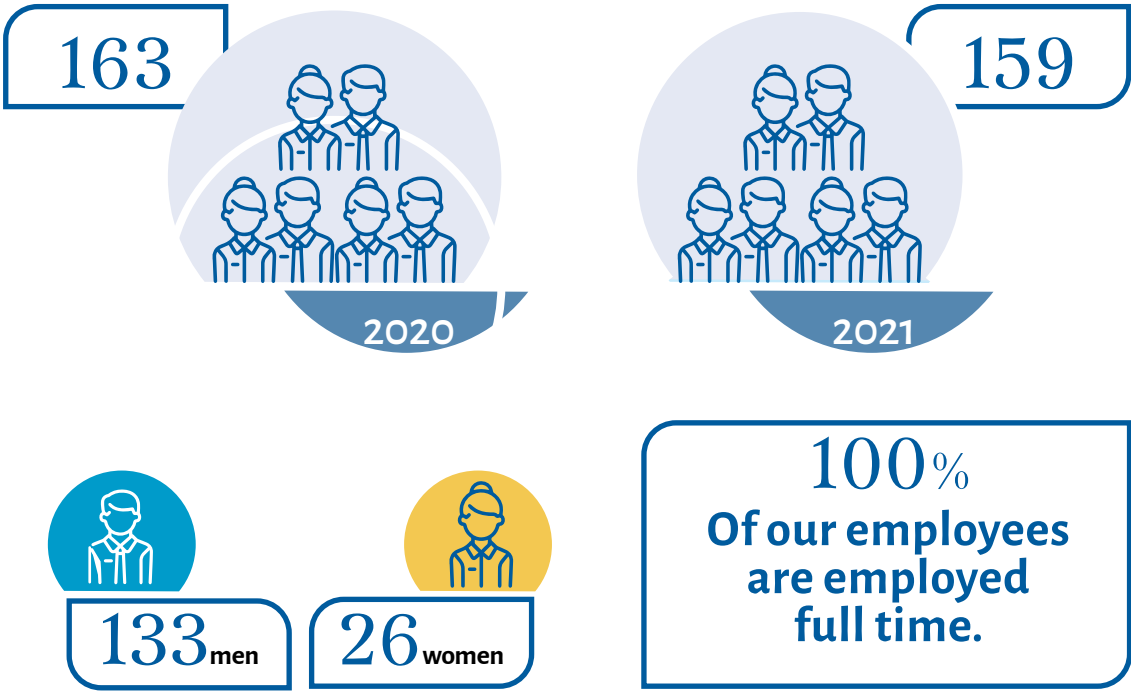
Human resources profile

Since the founding of our company, we have placed human resources at the center of our operation, supporting each employee throughout their professional career and development. In this context, we are committed to promoting a merit-based work environment with appropriate working conditions and with respect for all. The main axes we focus on in terms of human resources issues are:

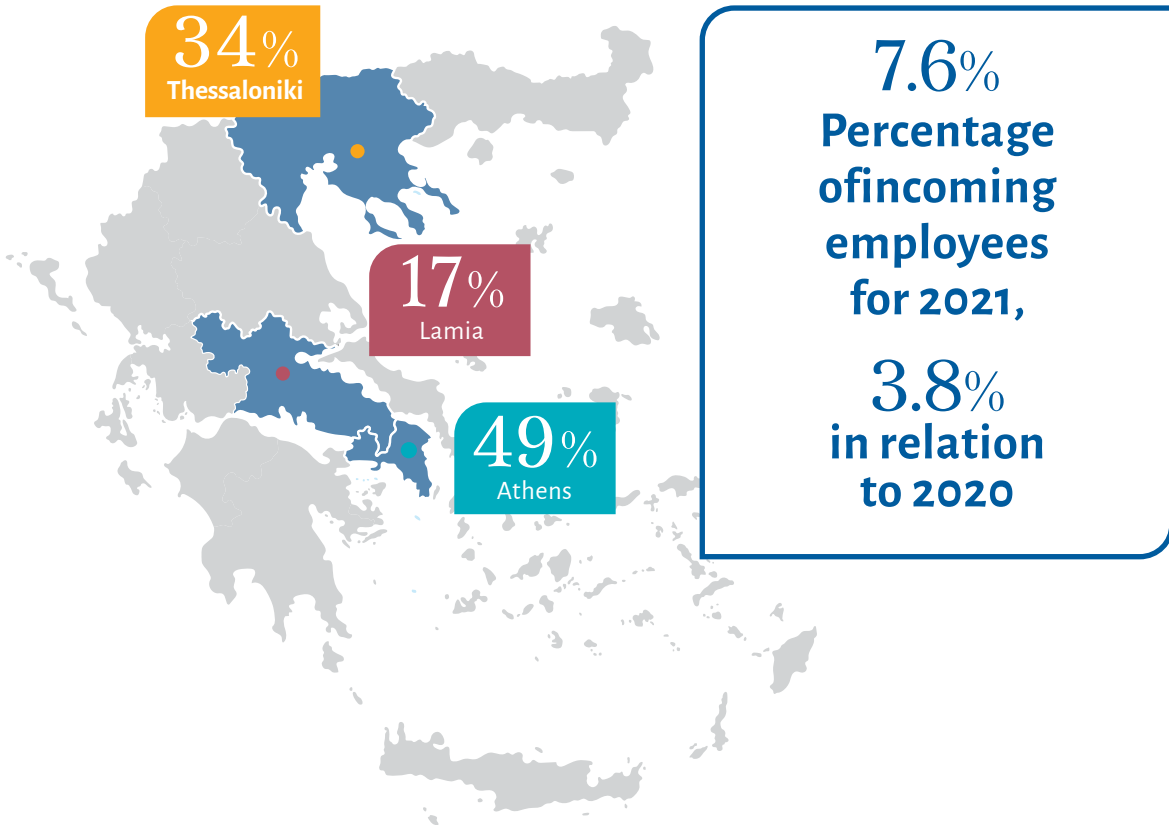


We implement Rules of Procedure and have adopted a Code of Conduct and Business Ethics that includes the fundamental principles, rules and values that shape the framework of our operations. The Code is based on the ten principles of the UN Global Compact on Human Rights and Working Conditions and applies to all Board members, shareholders, employees, customers and business partners.

All employees

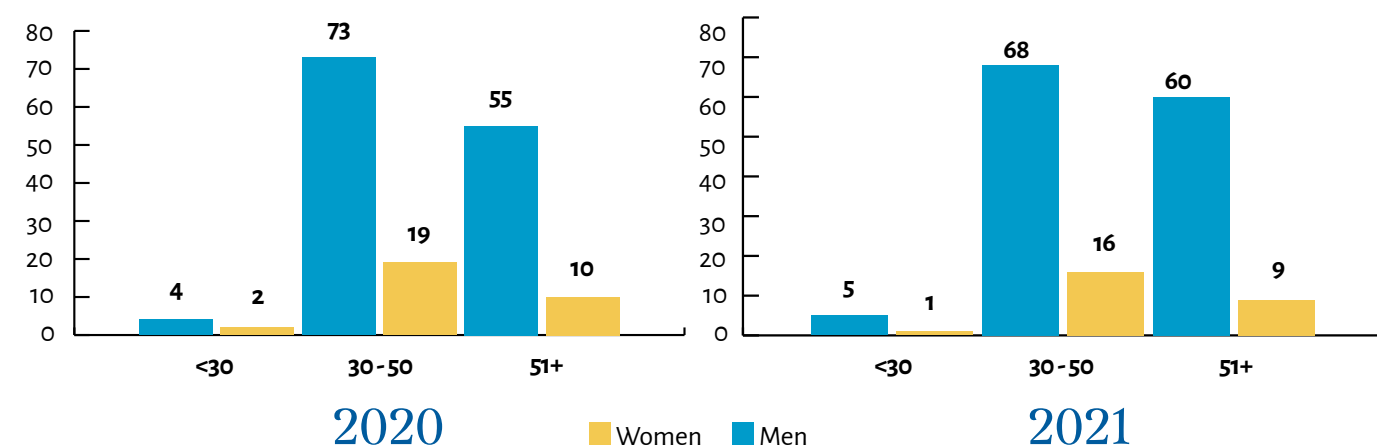


Distribution of human resources by geographical location

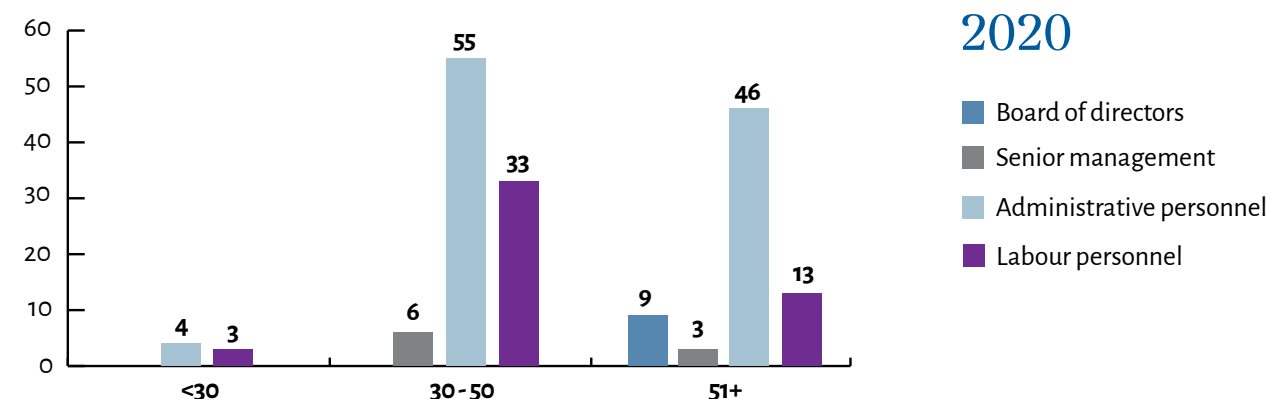


On 31 December 2021, our Company employed 159 people, 93% of whom are management and labour, while 7% are senior executives. 49% of human resources are employed at the Company's Athens facilities, with 34% and 17% based in Thessaloniki and Lamia, respectively. Regarding age distribution of employees, 4% are under 30 years old, 59% are between 30 and 50 years old, while 39% are over 50 years old.

Distribution of human resources by gender and age

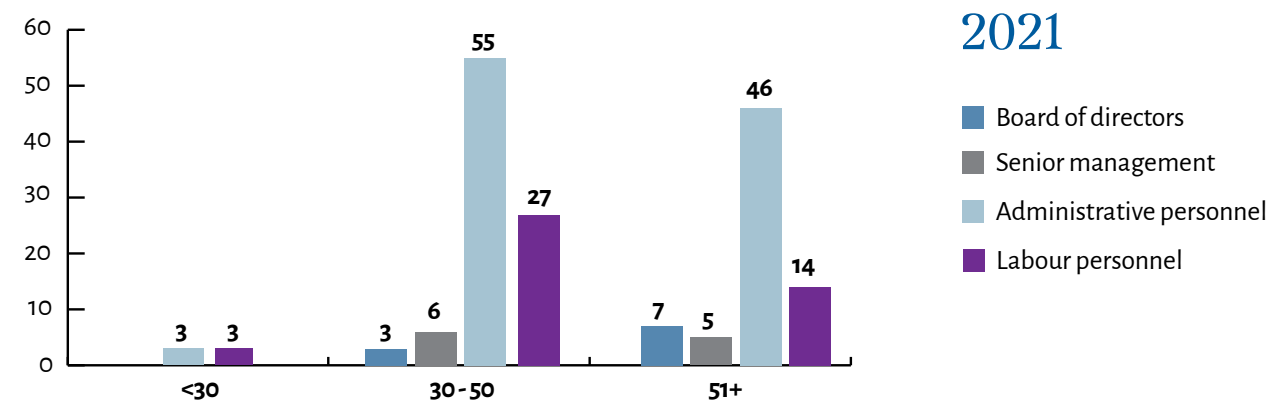


Distribution of human resources by job level* and age



2020

■ Board of directors
■ Senior management
■ Administrative personnel
■ Labour personnel



2021

■ Board of directors
■ Senior management
■ Administrative personnel
■ Labour personnel

Distribution of human resources by job level* and gender



2020

■ Board of directors
■ Senior management
■ Administrative personnel
■ Labour personnel

2021

■ Board of directors
■ Senior management
■ Administrative personnel
■ Labour personnel

* The members of the board of Directors are not counted in total employees

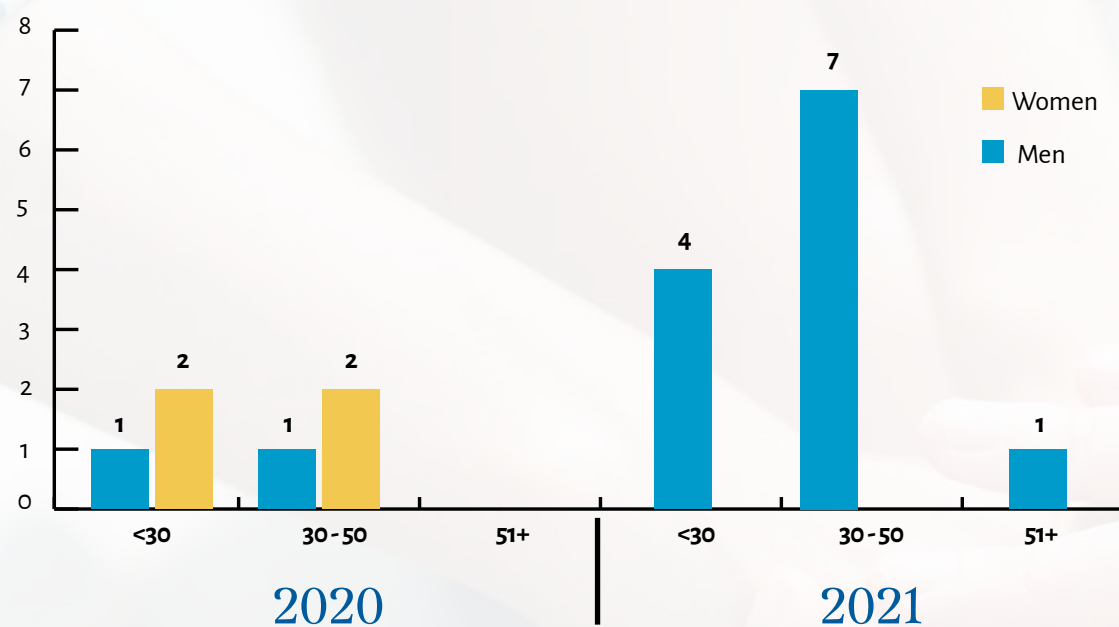
Recruiting and retaining employees

At SIDMA Steel, we endeavour to recruit highly trained and educated people with professional qualifications and personal characteristics that are in line with our values and culture. For this reason, we follow specific practices for recruiting and hiring new employees, applying reliable and objective criteria, with emphasis on experience and skills.

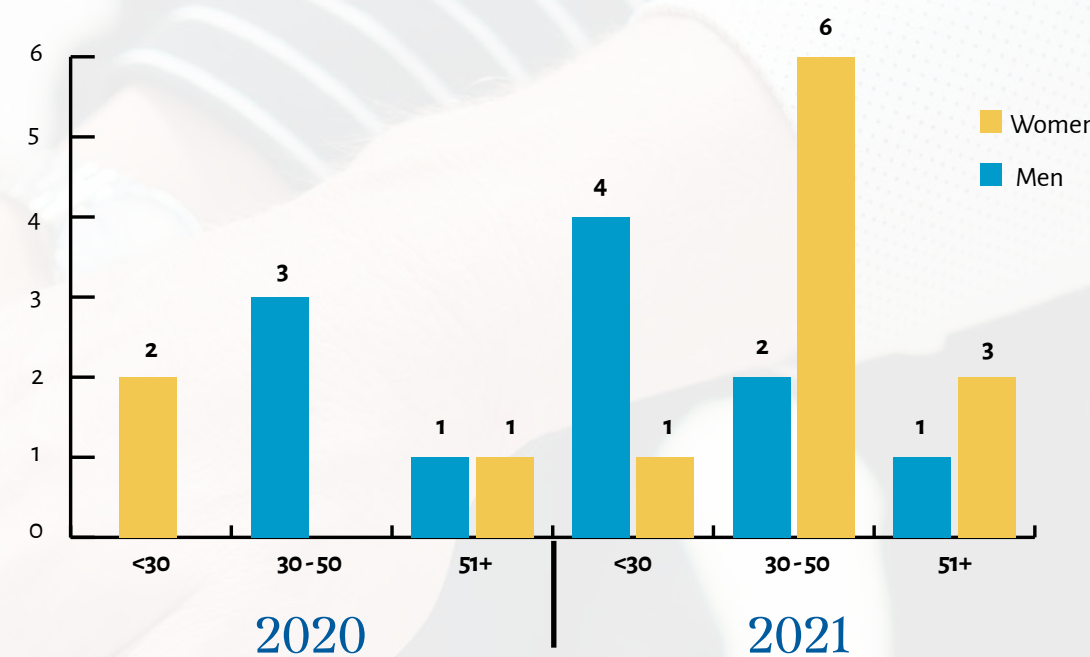
Our goal is to build relations of trust with our human resources so that together we can envision the future we want to build.

“ We put particular emphasis on supporting and developing the local community, integrating into our human resources employees from the regions in which we operate. ”

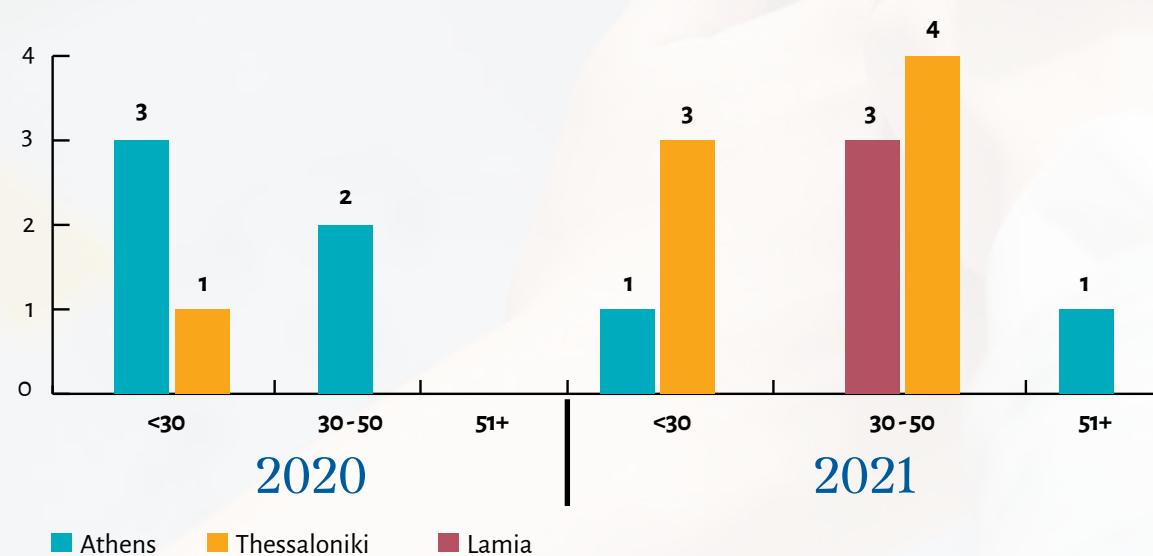
Hirings by gender and age



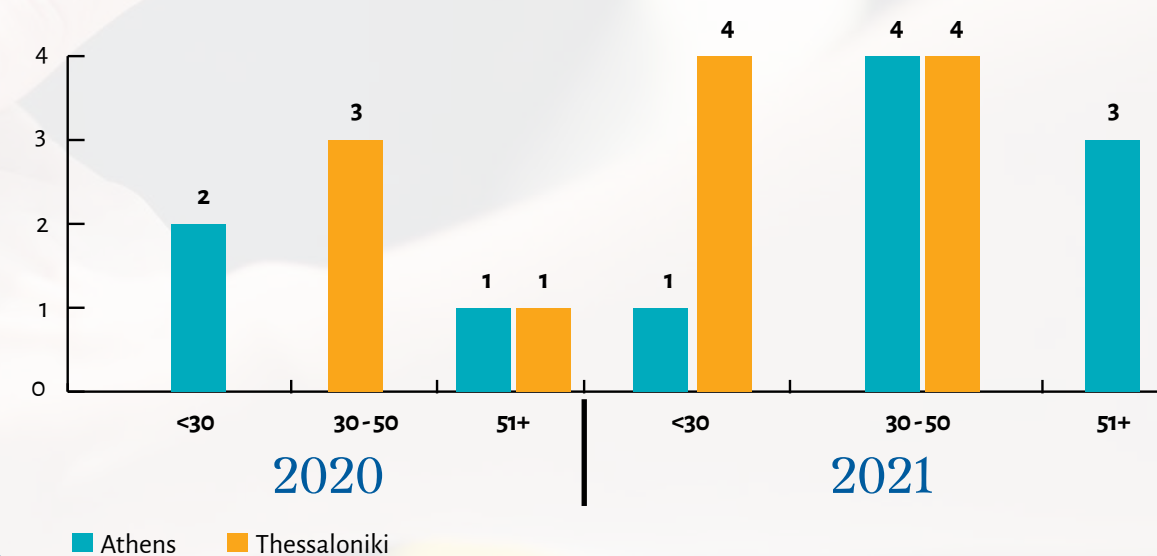
Departures by gender and age



Hirings by age and geographical location



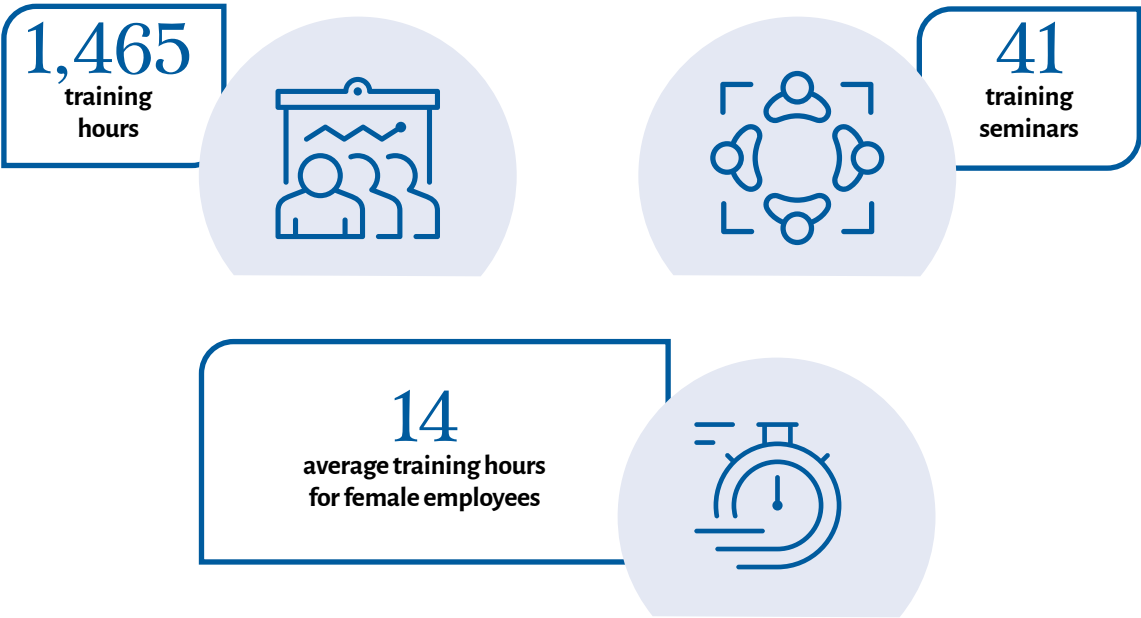
Departures by age and geographical location



Training, evaluation and development of employees

Employee training

One of our key priorities is the continuous development of our employees in order to open new horizons for them and nurture their knowledge, skills and talents, contributing to the expansion of their skills and the achievement of their personal goals. For this reason, our Company puts special emphasis on providing educational programmes on new technologies, systems, methods and procedures, as well as on raising employee awareness of health, safety and environmental issues.



At the Company, we have developed and implemented a structured and comprehensive information, education and development programme that concerns all of our employees, regardless of job level and based on the role and needs of each individual and the position they occupy. The key points of the training programme concern the following:

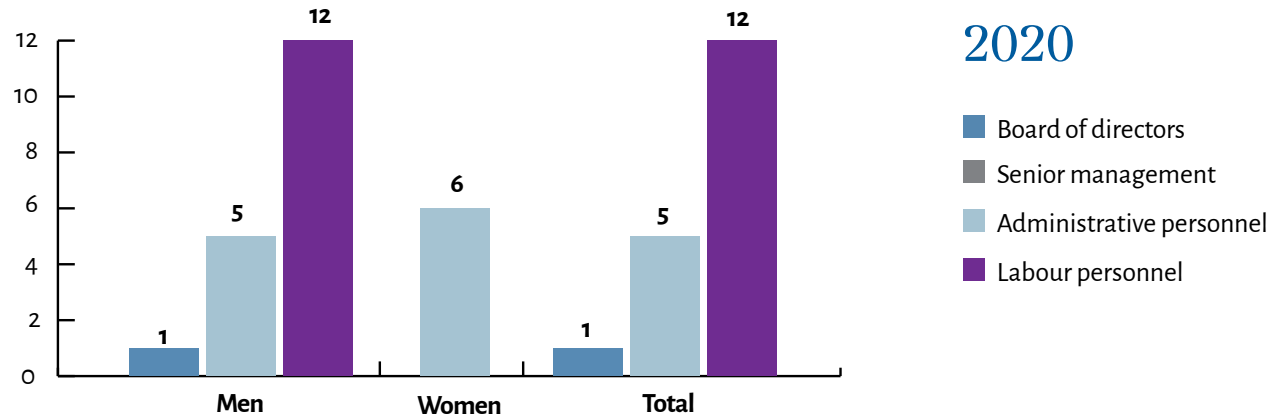
- Smooth integration of new employees into the company.
- Targeted training and information for management personnel.
- Training for members of the Board of Directors and senior management (introductory and ongoing training), depending on their area of responsibility.
- Strengthening of employee skills.
- Personal development of employees, with emphasis on meeting training needs that are not directly related to the jobs they perform.

Training of the Company's new employees

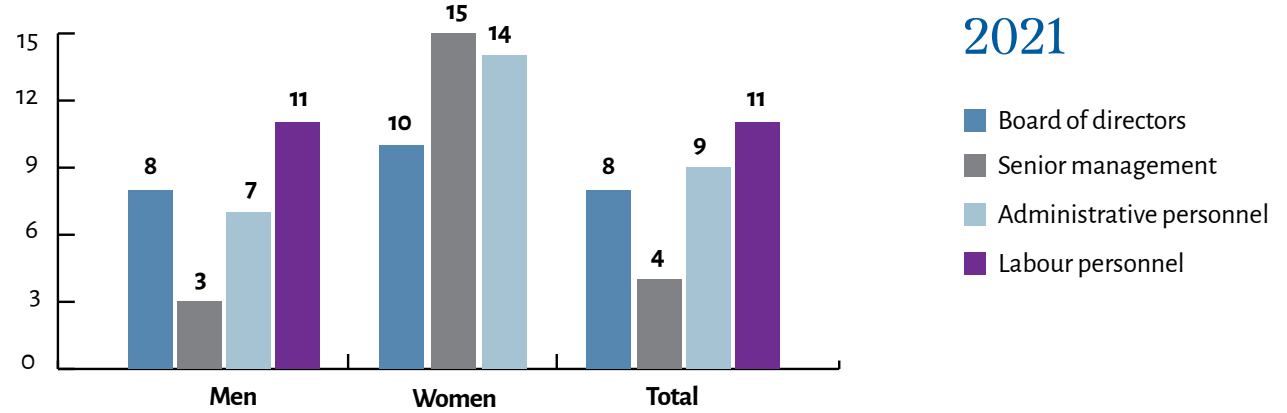
The training programme we implement includes orientation of new employees so that they can receive all the information necessary for their smooth integration into the Company. Our goal is to acquaint new employees with the workplace, their duties and their new colleagues, and includes:

- Information about the Company, its structure, organisation, products, the markets it serves, and the main channels of communication between Management and employees.
- Information about the Company's values and vision.
- Training in the requirements of each job and the necessary equipment, including protective equipment.
- Information about the company's rules and policies.

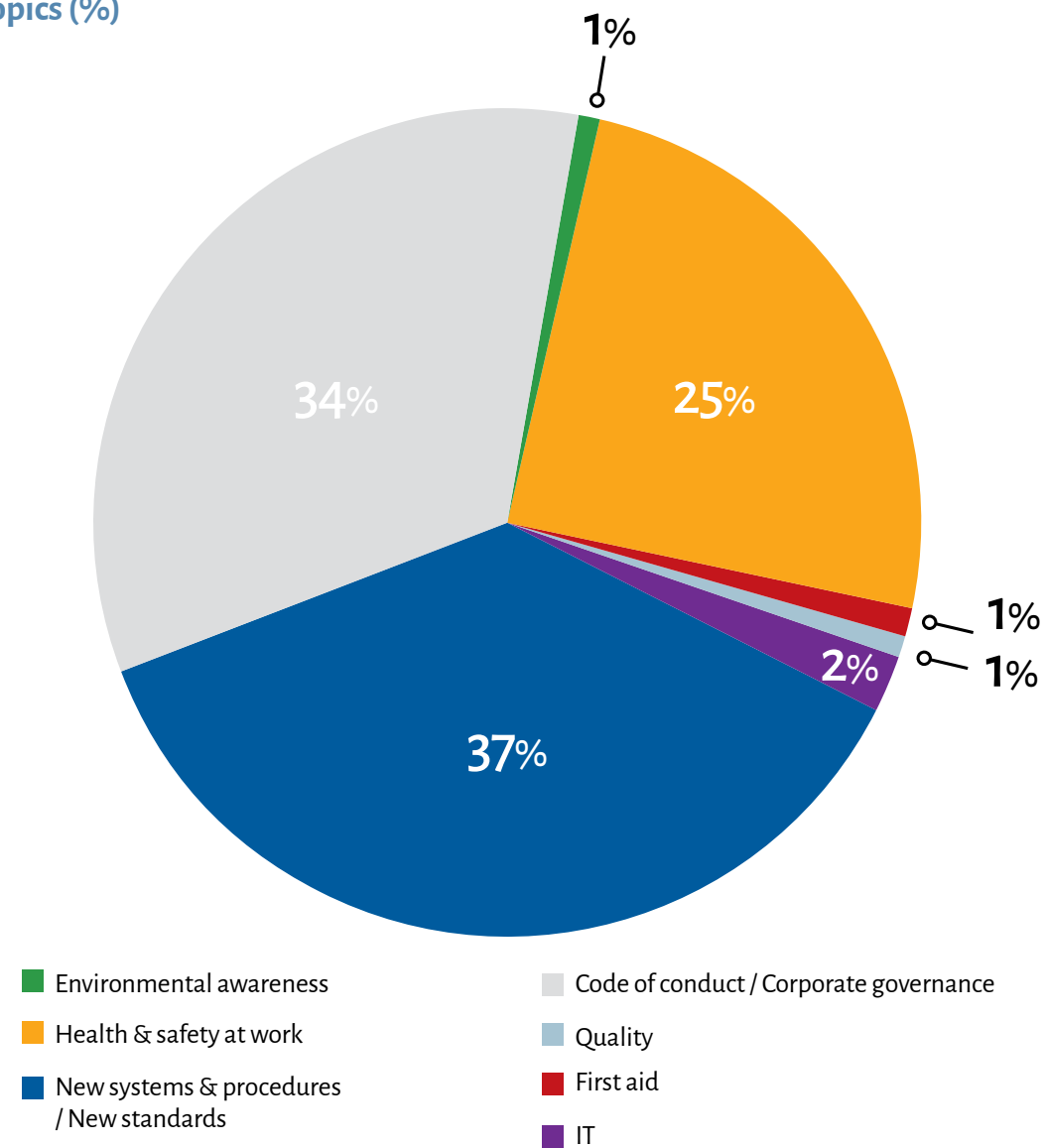
Average training hours



Average training hours



Training topics (%)



Employee evaluation

Performance evaluation is a key component of our people's continuous improvement and their personal and professional development. Through our process, we acknowledge the positive contribution of all employees and offer additional incentives for further improvement through our targets.

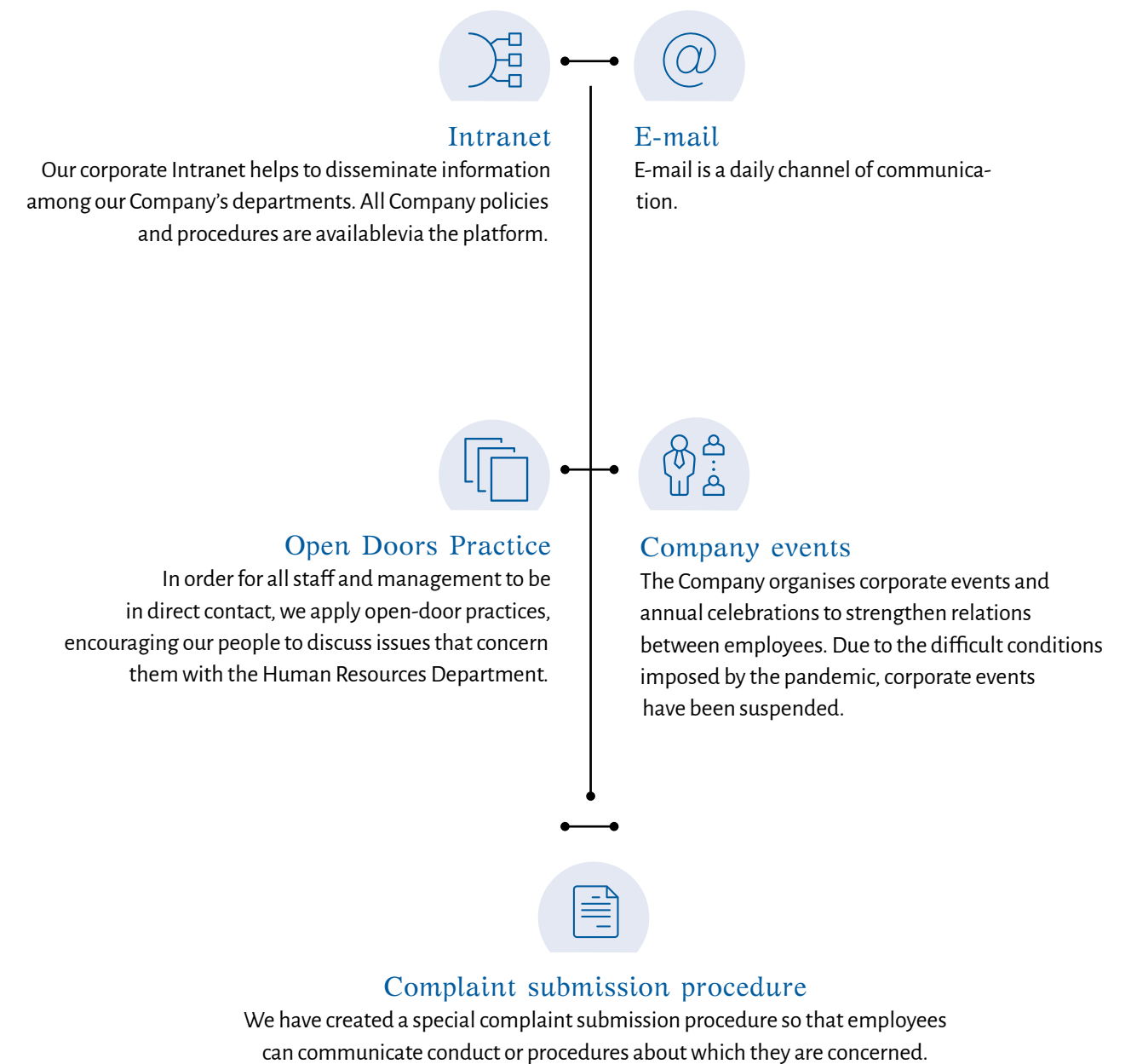
To date, the Company has implemented an integrated evaluation system only for Management Personnel, who are all evaluated annually.

A comprehensive evaluation system is expected to be developed within the next two years. This system will be applied to all of our human resources and will be fully in line with our vision, values and culture. Evaluation of employees through this system will take place on an annual basis, with the aim of providing suitable incentives for all employees.

Communication and internal relations






At SIDMA Steel, we aim at continuous, interactive and substantial communication with our people, and through this we foster excellent relations between employees and Management, while at the same time promoting the Company's values and culture. Open communication is the foundation for strengthening relations of trust with our employees.

The Company's Management ensures that employees are immediately informed of and fully understand every new policy and procedure adopted and implemented. The most important channels we use are:



Employee benefits

We seek to actively meet the daily needs of our employees and provide additional benefits beyond the provisions of the law. In this direction, we offer the following to our employees:

-  Private insurance with full participation of the Company
-  Vouchers
-  Gifts for the children of our employees upon their admission to institutions of higher learning.
-  Hospital and outpatient care coverage for the members of our employees' families
-  Christmas gift vouchers

Protection of human rights

In our Company, we recognise and respect internationally enshrined and inalienable human rights and statutory labour rights. We are committed to operating with dignity and respect in order to offer equal opportunities. We show zero tolerance for any incident of discrimination, we condemn child and forced labour, and we oppose any form of harassment or violent conduct in our operations. We also expect all of our partners to behave accordingly.

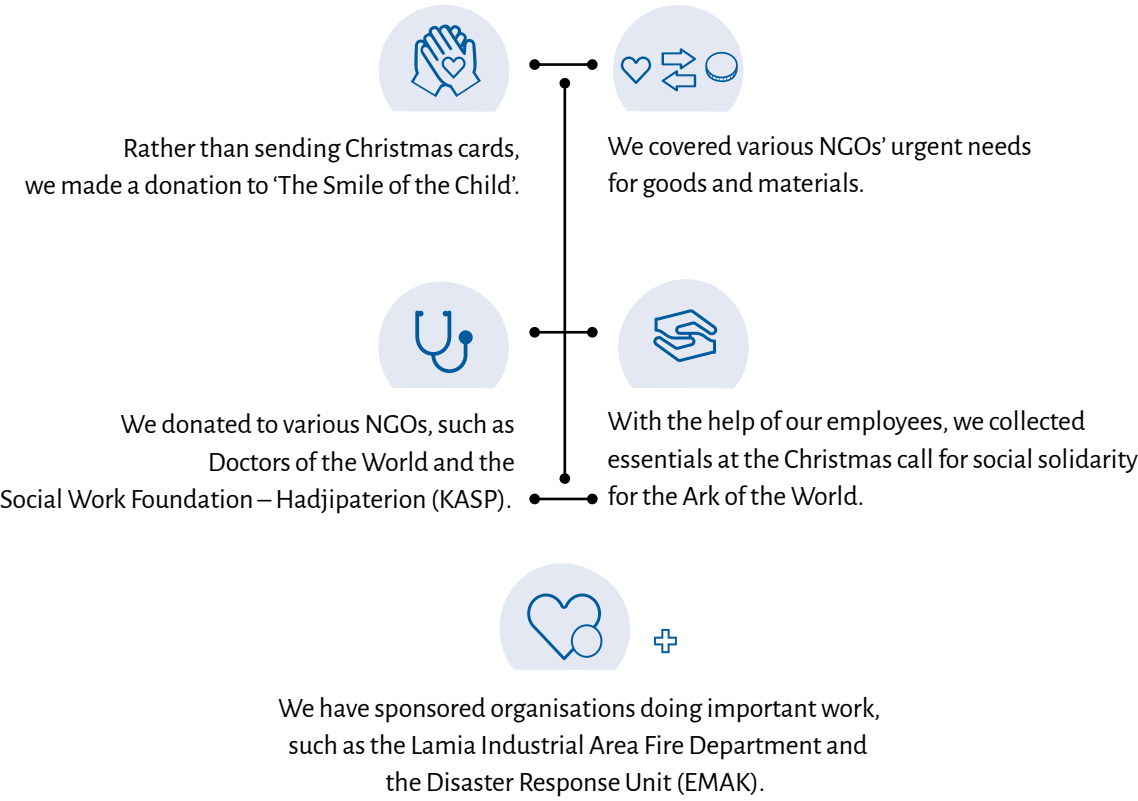
We show zero tolerance for issues related to violence and harassment in the workplace.

Over the past two years, no instances of discrimination have been recorded at our facilities.

Our social contribution

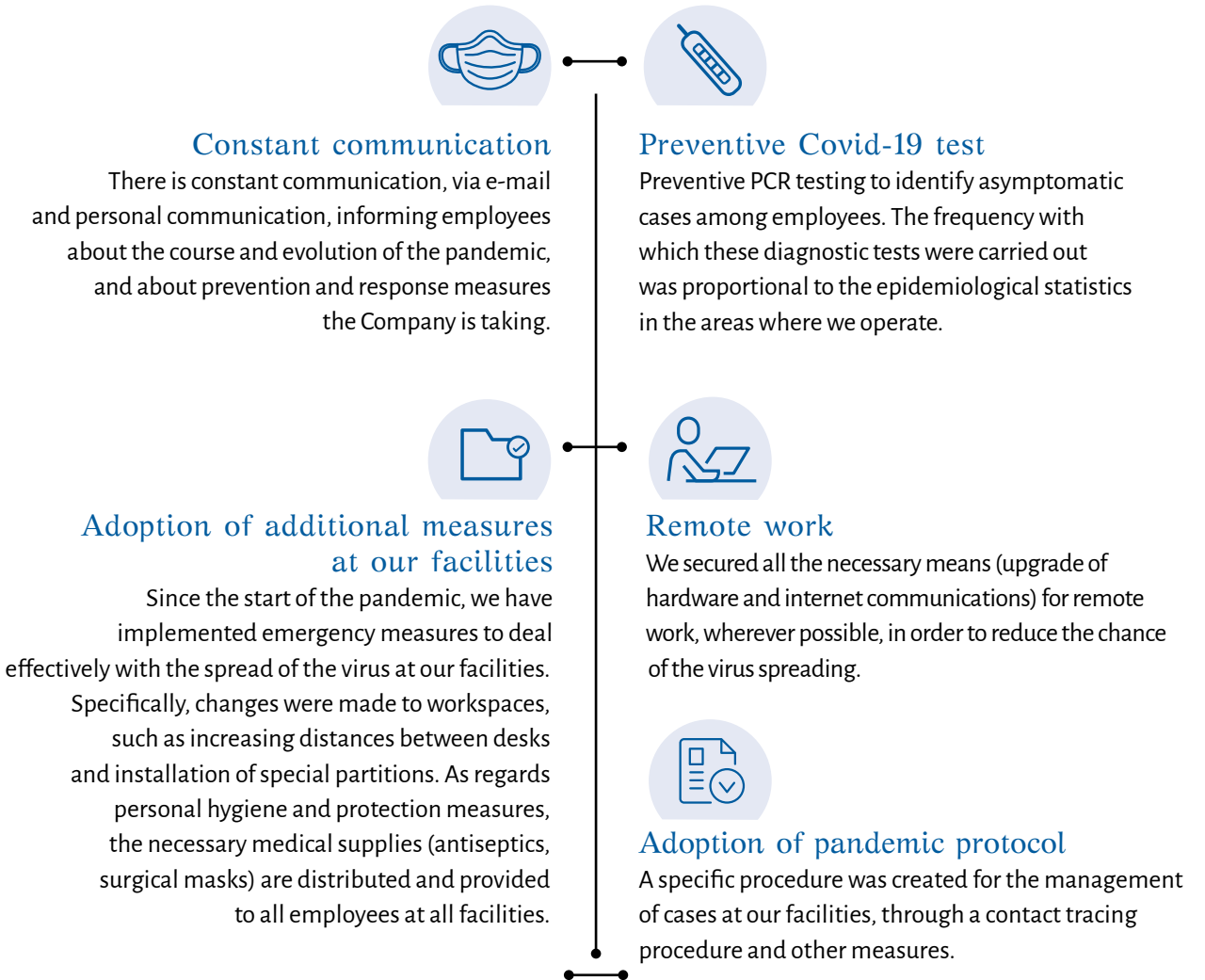
SIDMA Steel and all of its employees take care to establish long-term relations with local communities in the locations where the Company operates. Our key priority is to operate responsibly and respect the local and broader community with the aim of increasing our positive impact and creating value. Based on the Sustainable Development Policy we are implementing, we try to stand by our fellow human beings who are in need, cultivating substantial relationships with NGOs and various organisations. In this direction, we plan and implement actions that meet the basic needs of society on issues including protection of vulnerable groups: education, health, environment, and culture. These actions are also accompanied by a commitment from Management, which also provides financial support for the organisations we work with.

During 2021:



Our approach to the COVID-19 pandemic

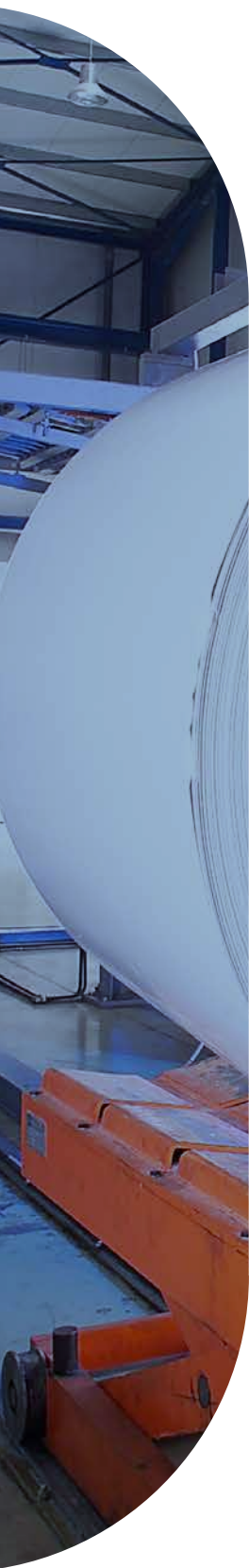
The Covid-19 pandemic is one of the biggest challenges the global business sector has had to respond to in recent years. Our response to the pandemic was immediate. We developed initiatives and new regulations that are fully in line with government directives, safeguarding the health and safety of our employees and our uninterrupted operation. The framework of actions being implemented at the Company to limit the spread of the pandemic concerns all of our employees and external partners, and it applies at all of our facilities. More specifically, the Company undertook the following actions:



Our Targets

Human resources targets	Target year
Employee satisfaction survey on relations with the Company and colleagues, and on their personal satisfaction	2022
Extension of the evaluation system to all job levels	2023
Combination of evaluation system with training programmes	2023





Health and safety at work

One of our key business practices is to ensure a safe work environment. We recognise our responsibility to pursue continuous improvement in all aspects of Health and Safety, and we set the strategic goal of zero accidents at our facilities.

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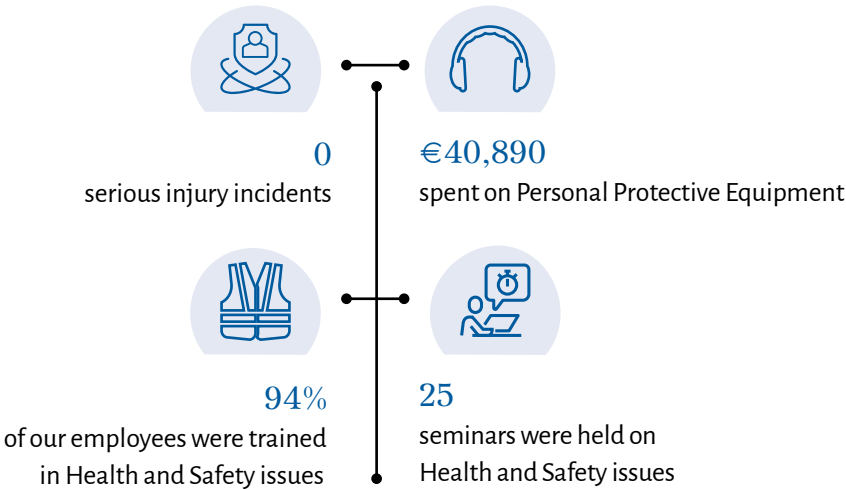
Health and safety management framework

At SIDMA Steel, we strive daily to protect our people's health and safety. We prioritise ensuring optimum working conditions and constantly upgrading the equipment of our production units in order to minimise the chances of an accident or incident occurring. The main factors contributing to the effectiveness of our practices are prevention and timely handling of risks, constant awareness and training, and monitoring of health and safety procedures.

In this context, we have developed a single Quality, Health and Safety Management System at work, modelled on the **ISO 9001:2018 and ISO 45001:2018** standards, which applies to all facilities and covers all our operations. The goal of the system is:

- ▶ Timely identification and immediate assessment of risks associated with Health and Safety at work.
- ▶ To correctly inform and train our employees on safe work and conduct issues.
- ▶ Adoption of new procedures – when required – and implementation of targeted actions to strengthen the organisation's safety culture, capitalizing on the inspections carried out.

Our performance at a glance for the two-year period 2020 - 2021



Health and safety policy

Recognising the importance of maintaining safe working conditions and spaces for our employees, subcontractors and partners, we ensure continuous improvement of our procedures through our Health and Safety Policy. The Policy, which was updated in 2021, aims at making safety management a primary responsibility of all management and employees, and through this we are committed to establishing a monitoring measurable safety indicators, as well as the regular review of safety goals

Policy Excerpt

We recognise Occupational Health and Safety as an absolute priority. Avoiding incidents and creating and maintaining a work environment in which risks have been identified, assessed, prevented and eliminated is a key concern.

In collaboration and consultation with our employees, we implement programmes and apply standards and practices for a safe working environment, in accordance with the ISO 45001:2018 standard. The implementation of an effective programme for occupational Health and Safety management is an integral part of our business activities from this perspective as well:

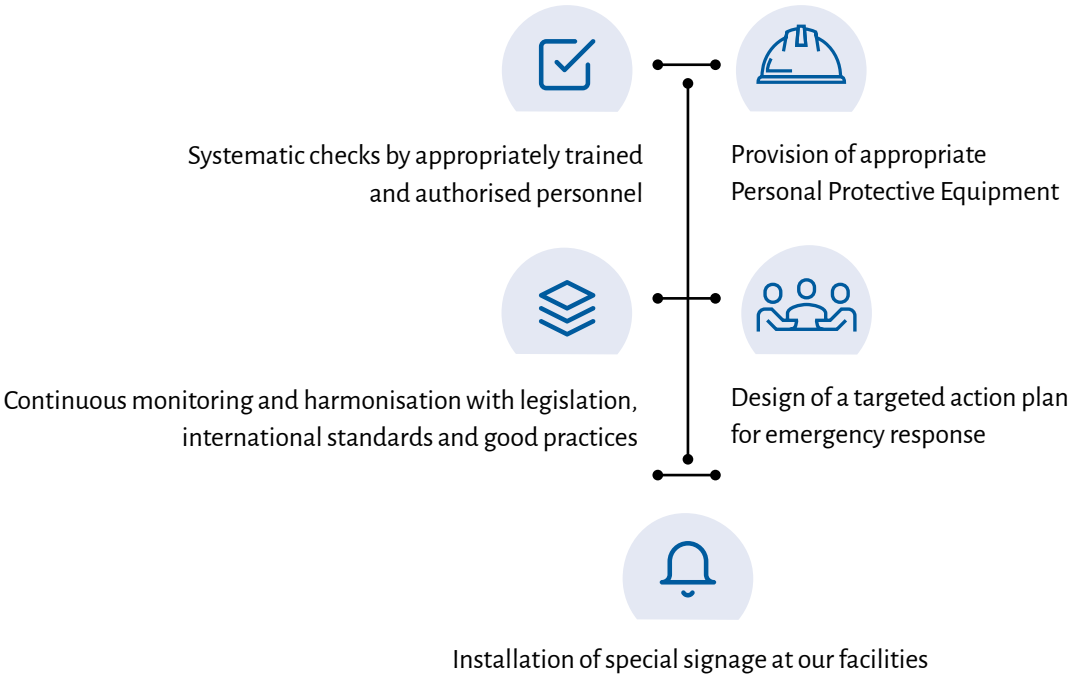
- ▶ We will work to identify, assess and mitigate risks associated with known causes of work-related injuries inside our workspaces.
- ▶ We will strive to ensure that all employees, on every level, are aware of and faithfully implement health and safety practices in the workplace.
- ▶ We will ensure that any incidents are evaluated and included in the integrated management review program.

Health and Safety System

In addition to the issues covered by the Policy, an important role in the proper management of the relevant issues is played by the Health and Safety system, which is implemented at all facilities and is designed to analyse the root causes that could lead to an incident or accident in the workplace.

Through implementation of the System, we put special emphasis on responding promptly to accidents and incidents, while in the case of any incident, we make sure that improvement actions are taken immediately and additional preventive measures are taken.

As part of the System, we implement a variety of procedures and, among other things, ensure:



Effective monitoring of Health and Safety issues

Health and Safety Officers

Prevention is a key component of our philosophy. It is the priority of the Safety Technician and the Occupational Physician of each facility to prevent accidents in all workspaces and protect the health of employees and visitors, also keeping them informed on an ongoing basis.

Health and Safety risk assessment

We also engage in preventive identification of occupational risks. We carry out risk assessment of specific procedures, based on which we determine the necessary control measures and carry out the necessary corrective actions in each case. For the proper recording and assessment of the risks, we take into account:

- ▶ Previous incidents and reports of near misses
- ▶ Archived emergency analysis forms
- ▶ The results of internal and external inspections
- ▶ Applicable Greek and European law
- ▶ Consultation with employees

Employees themselves play an important role in identifying risks, and they can submit observations and proposals for improvement on Health and Safety issues.

The Occupational Risk Assessment (ORA) Study of each facility is another tool for effective monitoring and assessment of potential risks. The ORA is revised following any change or modification of the equipment and is validated during the annual review of the Health and Safety Management System.

Incident management

If an incident occurs, irrespective of its severity, the Safety Technician and the Occupational Physician are notified. An investigation is then carried out, and the circumstances under which the incident occurred are analysed. The results of the analysis are recorded in the Emergency Incident Analysis Form, for the purpose of briefing the Management and the Human Resources Department so that all the necessary corrective actions can be planned to avoid similar incidents. The key stages in the incident management procedure are outlined below:



Training and awareness-raising

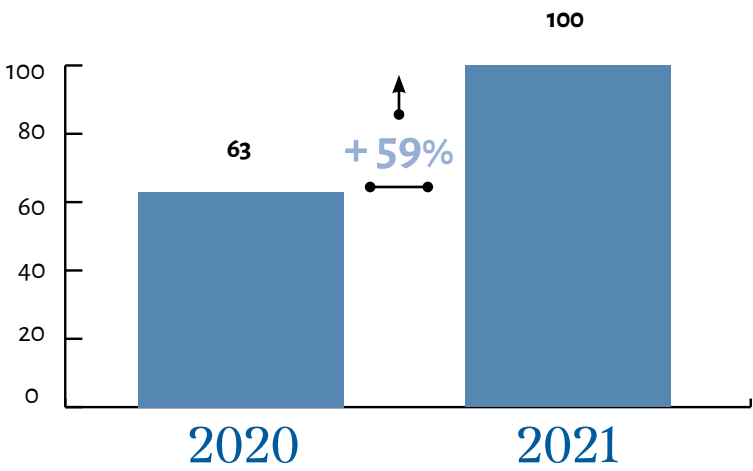
We take constant care to promote our safety culture by continuously raising employee awareness and encouraging exchange of opinions.

In this context, continuous training is implemented for all employees, in all jobs, so that they are informed and highly trained in order to respond to any difficulty or risk.

The training programme is determined on an annual basis and is formulated based on the needs of employees and proposals from departments and the Safety Technician. Due to the nature of our activities, all of our employees at the Company participate in training programmes aimed at strengthening the organisation's safety culture.

In the production, maintenance and storage departments, employees receive training from the Safety Technician in the safe use of production equipment and machinery, as well as personal protective equipment, before taking up their duties. Subsequently, their supervisor is responsible for providing information on the specific risks of each job, in accordance with the Occupational Risk Assessment Study. In 2021, a total of 13 seminars were held on Health and Safety issues and were attended by all of the Company's employees.

Total training hours on Health and Safety issues



Additionally, all employees attend specialised training to respond to emergencies related to:

- | | | |
|----------------|---------------------------------|--------------------------------------|
| Earthquakes | First aid | Explosions during production process |
| Fire | Flooding | |
| Thermal stress | Management of Covid-19 pandemic | |

Continuous improvement

Setting Improvement Goals

We constantly evaluate our Health and Safety performance, and in this context we set specific Progress Goals. Based on the specific Goals, we define the relevant actions that must

Inspections

The Company has also set up a programme of internal and external inspections, on an annual as well as extraordinary basis, in order to:

- Recognise and assess risks in the workplace
- Verify the extent of compliance with measures for safe conduct by employees and subcontractors at our facilities
- Check that orderliness is maintained in all spaces
- Check fire safety procedures
- Verify the extent to which company policies, procedures and directives are implemented

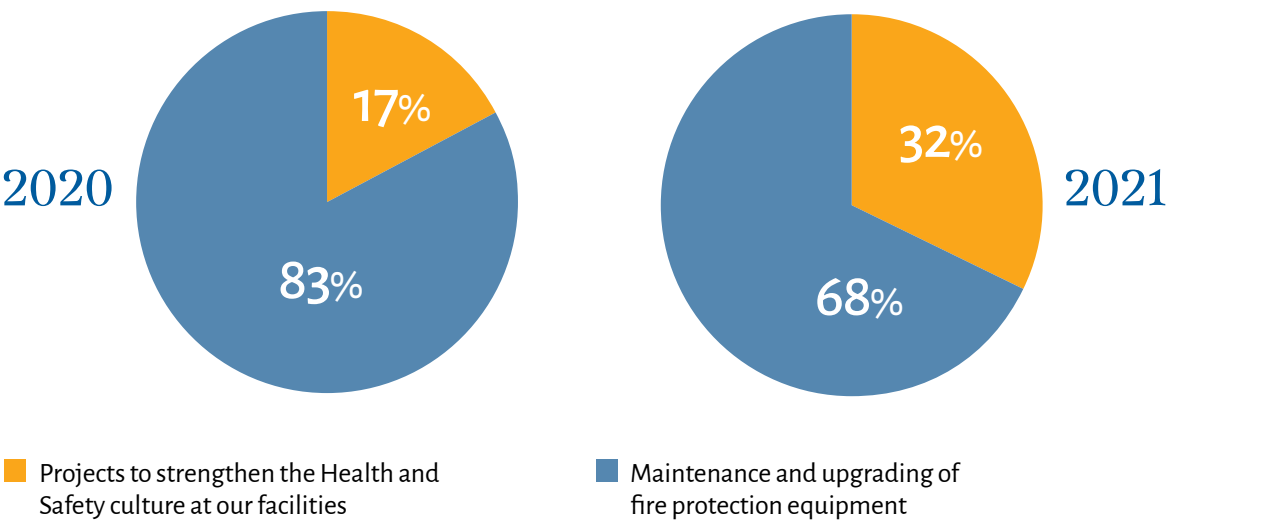
Internal inspections, depending on their purpose and subject, are implemented by the Directors of Company departments in collaboration with the Safety Technician or Occupational Physician. After the inspections are completed, written reports of the findings and action plans are entered in the Health and Safety Management System records.

Investments in Health and Safety

In addition to the above, we implement a number of programmes aimed at continuously improving the way we handle Health and Safety issues. Total investments for the two-year period 2020-2021 came to €181,470 and mainly concerned:



Investments in Health and Safety*



* Personal Protective Equipment (PPE) is not included in investments

Key Performance Indicators

We systematically monitor and record our Health and Safety performance. The following table sets our performance for the two-year period 2020-2021

SIDMA STEEL S.A.	2020	2021
FREQUENCY RATE		
LTIFR (Lost Time Injury Frequency Rate) of employees	6,4	0
INCIDENT SEVERITY RATE		
LTISR (Lost Time Injury Frequency Rate) of employees	204	0
ABSENTEEISM RATE		
AR (Absenteeism Rate) of employees	0.75%	0.78%
INCIDENTS		
Number of employee-involved accidents	2	0
NUMBER OF OCCUPATIONAL ILLNESSES		
Number of occupational illnesses among employees	0	0

** Lost Time Incident Rate (LTIR): (number of incidents resulting in absence from full-time work / man-hours worked) x10⁶
 LTISR (Lost Time Injury Frequency Rate): (Number of days of absence from work due to an accident / man-hours worked) x10⁶
 Absenteeism Rate (AR) (Number of days of absence from work due to any inability / man-days of work) %

Our Target

	Target year
Updating of Occupational Risk Assessment Studies	2022



Responsibility for the environment



At SIDMA Steel, we operate with sensitivity and responsibility towards the natural environment, and through the actions we implement, we are committed to continuously reducing our environmental footprint.

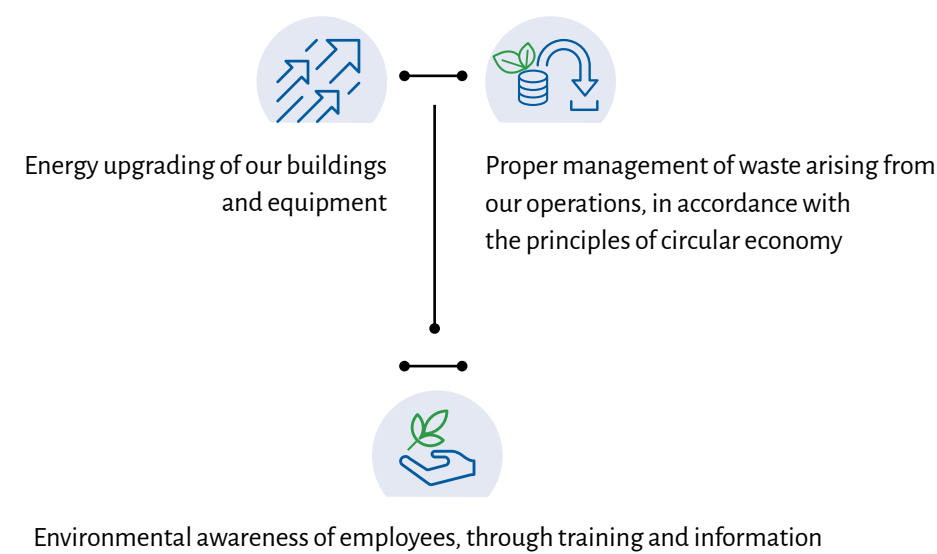
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Our environmental responsibility

AtSIDMA Steel, we adhere to the strictest rules and standards that pertain to respect for and protection of the environment, taking into account all scientific developments, and we constantly evaluate and control all environmental aspects of our activities. Furthermore, we adopt environmentally responsible and sustainable practices and take all necessary measures in accordance with existing national and European law, as well as international trends.

We have adopted and implemented an Environmental Policy, in the context of which we implement actions based on the principle of prevention, which mainly concern:



Environmental Policy excerpt

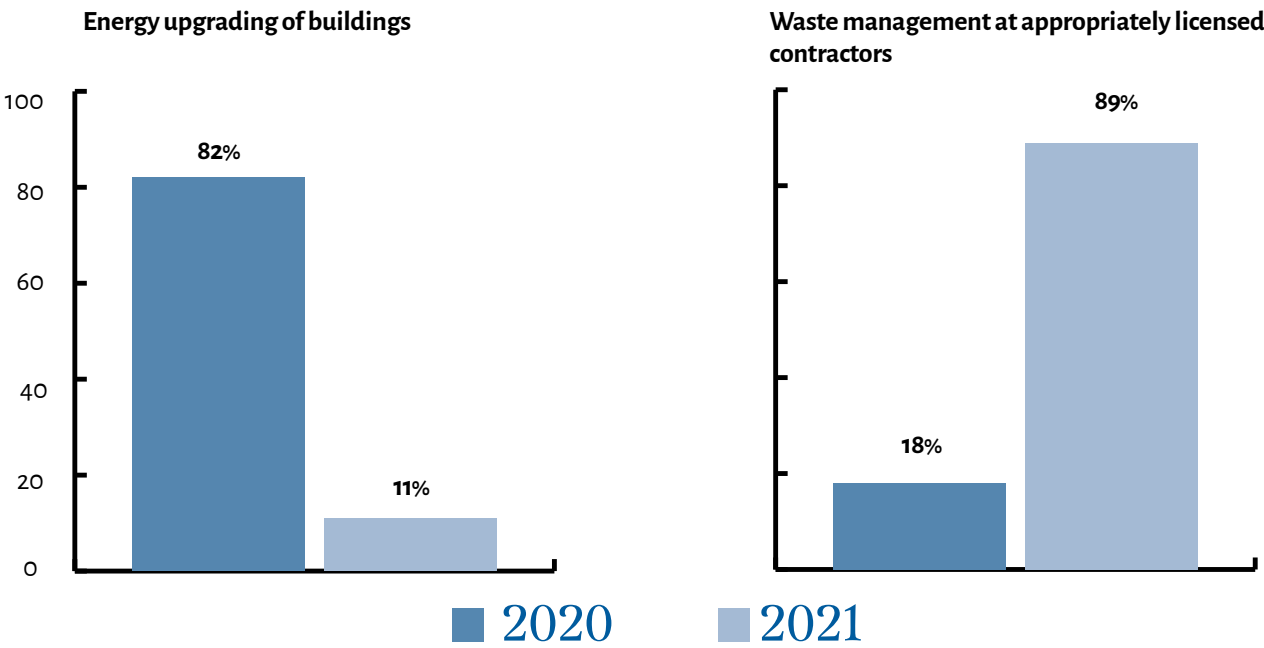
SIDMA Steel duly takes into account the impact it may have on the environment and, in order to achieve its goals for sustainable development, commits to:

- ▶ Carrying out its business in accordance with current legislation, implementing high environmental standards at intra-company level
- ▶ Taking all necessary measures to prevent gaseous, liquid or solid pollution
- ▶ Evaluating and improving overall environmental performance
- ▶ Implementing continuous training and information of personnel on environmental issues
- ▶ Consolidating the notion of environmental sensitivity and environmental vision throughout the Company's personnel pyramid

In the context of preventing all forms of pollution, we take care to identify in a timely manner all possible events that may cause a relevant incident. Based on the environmental incident management procedure and the stringent safeguards in place, we immediately record any such incidents, so that we can take all appropriate measures to respond to them.

In addition to the Policy, we carry out significant investments annually in environmental protection and reduction of our carbon footprint. Specifically, during the two-year period 2020-2021, our investments exceeded €150,000.

Investments in environmental protection for the two-year period 2020-2021



Natural resource management and performance

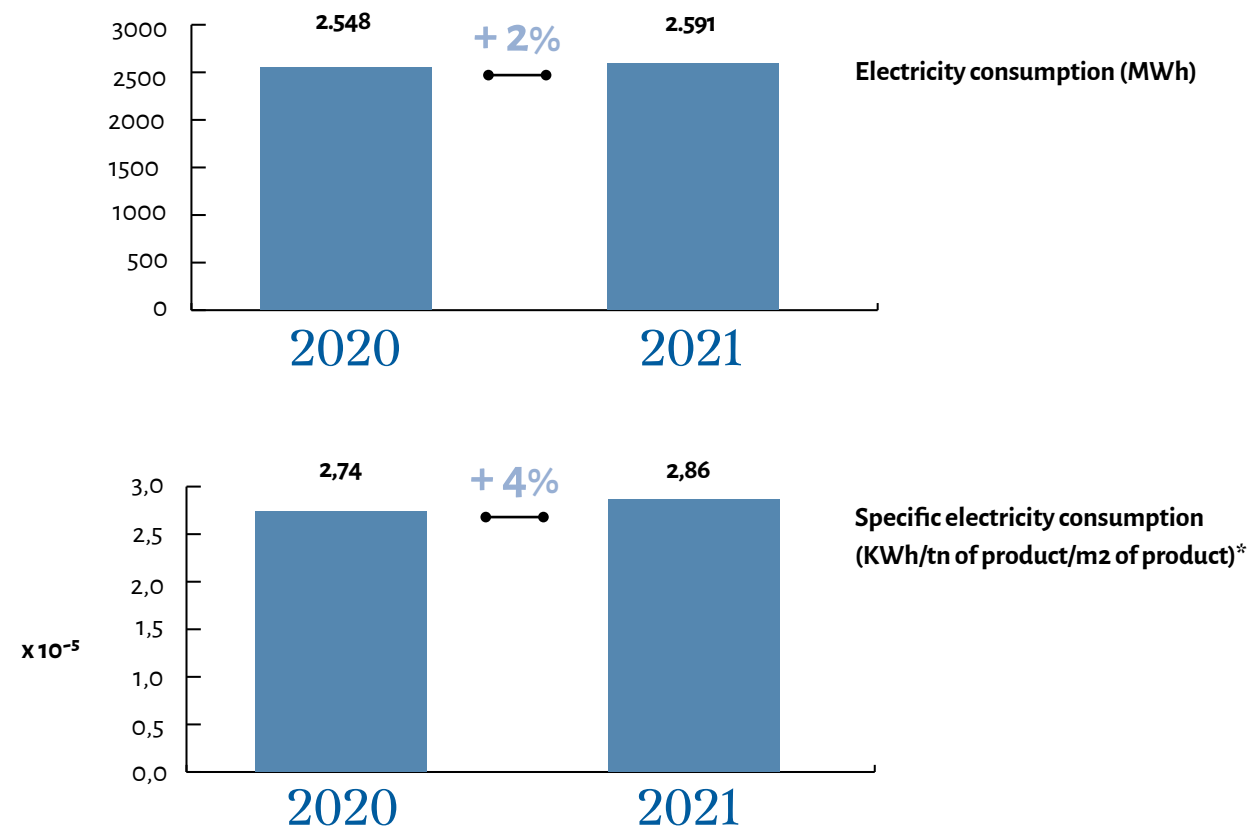
At SIDMA Steel, we attach special importance to responsible energy management and reduction of our carbon footprint. We systematically monitor energy consumption and respond immediately to any relevant issue that may arise. Additionally, in the efficient use of the energy we consume, we adopt highly efficient energy technologies that reduce the amount of energy required per tonne of product produced.

Electricity consumption

To cover the energy needs of our products and other activities, our facilities use electricity from the national grid and, at the same time, we have installed renewable energy production systems (photovoltaic panels) on the roofs of our production units in Thessaloniki and Aspropyrgos, Attica.

In 2021, our consumption of electricity produced by RES reached 1,196 MWh.

46% of our annual electricity consumption for 2021 came from the RES units installed at the Thessaloniki and Aspropyrgos production plants.



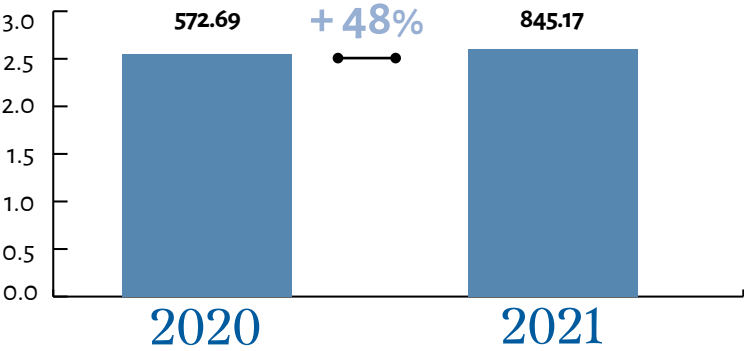
* Specific electricity consumption is calculated based on total consumption per tonne of product and surface area (m²) of product.

Thermal energy consumption

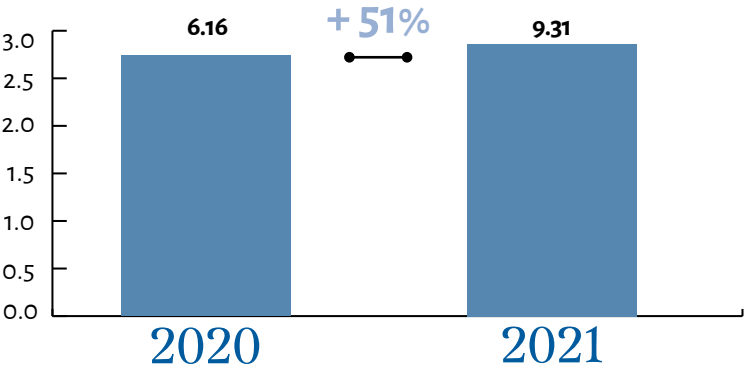
The total thermal energy consumed by our Company for 2020 came to **1,287 MWh**, including motor vehicle and truck fuels. For 2021, thermal energy consumption came to **1,488 MWh**, showing a slight increase due to more visits to customers and increased volume of production. With the exception of transport fuels, the thermal energy consumed at our facilities derives from the use of natural gas, diesel and LPG, which are used to operate the equipment at the manufacturing facilities.

* Specific thermal energy consumption is calculated based on total consumption per tonne of product and per surface area (m²) of product.

Annual thermal energy consumption of facilities (MWh)



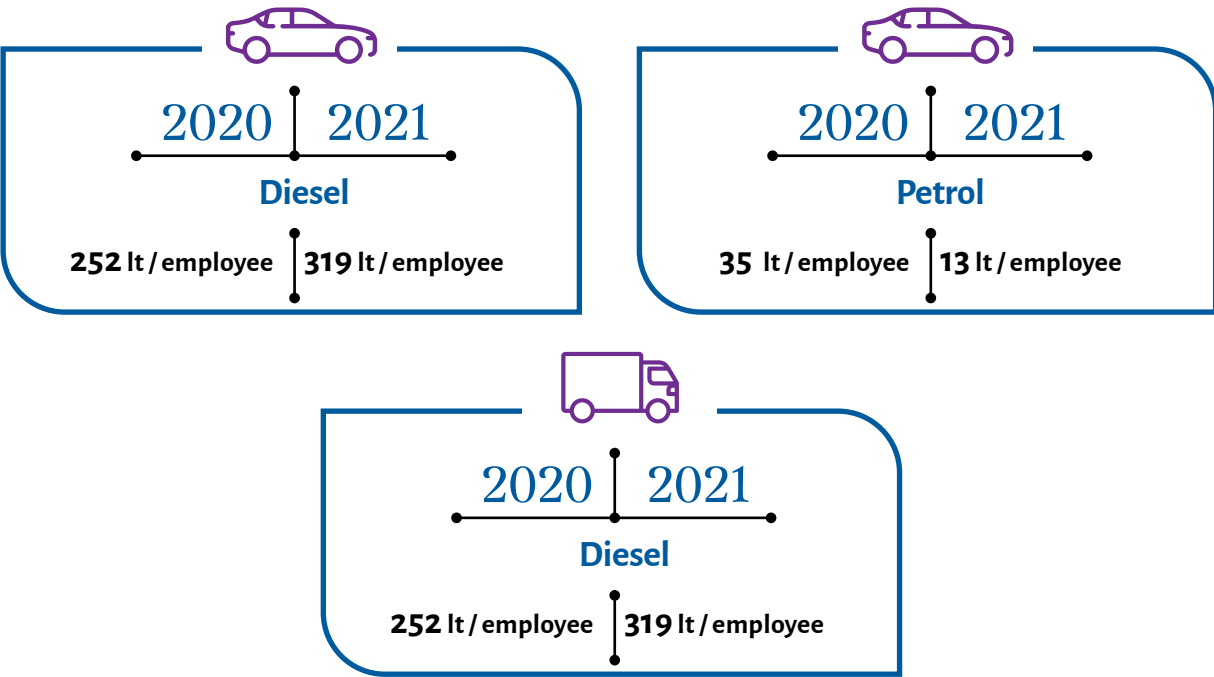
Specific thermal energy consumption at our facilities (kWh/tn of product/ m² of product)



Fuel consumption for corporate vehicles

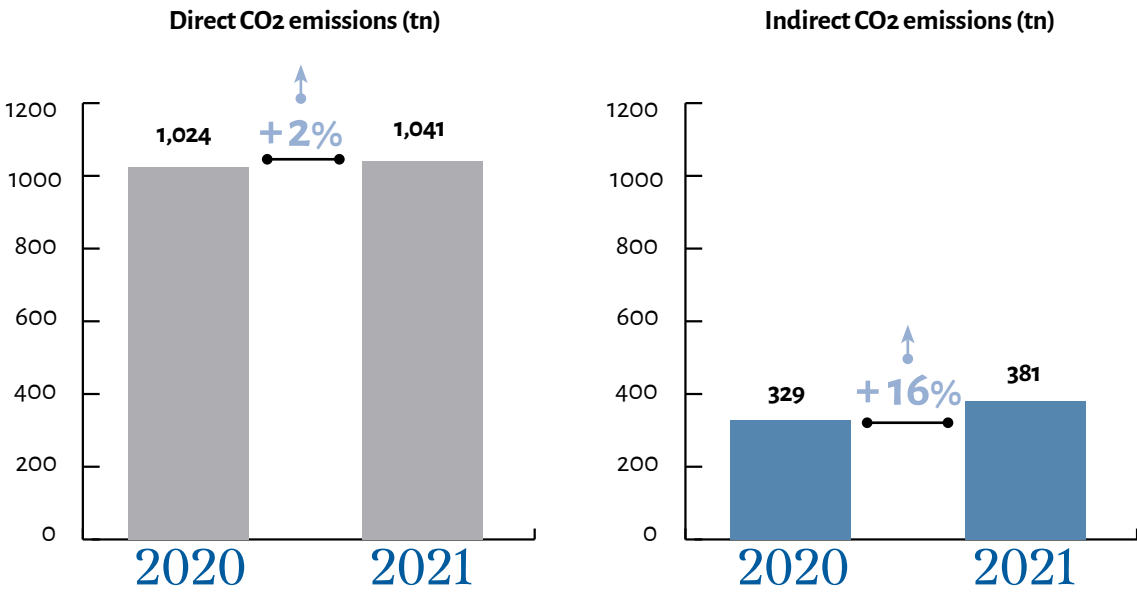
Our corporate fleet is powered by diesel and petrol, and diesel is also used for our trucks and product transport. In 2021, total consumption of fuel fell by 10% compared to 2020.

Specific fuel consumption for vehicles



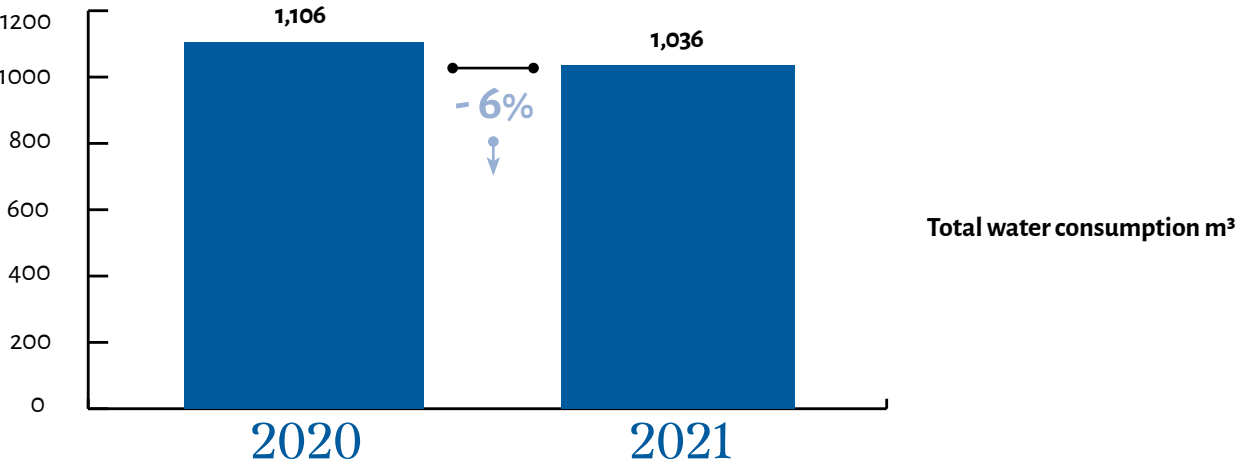
Air emissions

We aim to reduce carbon dioxide emissions and limit climate change, making a substantial effort to reduce the air pollution emitted by our operations. We record both direct and indirect CO2 emissions, and we monitor our performance closely so that we can implement the appropriate measures to reduce our emissions.



Water consumption

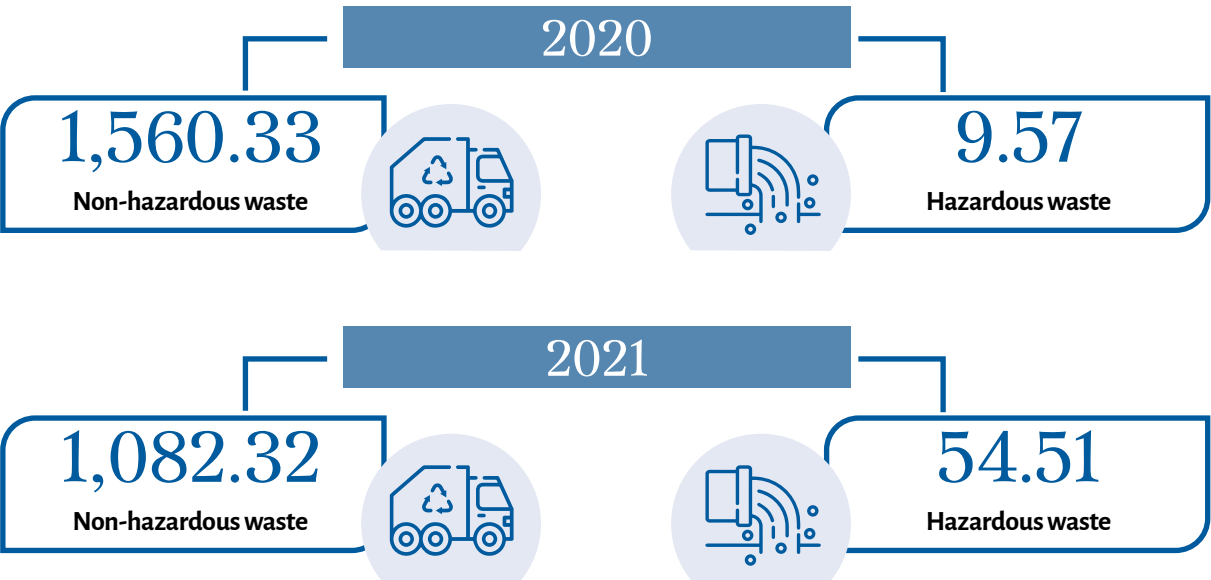
At SIDMA Steel, despite the fact that our operations are not characterised as water intensive, we take every possible measure to ensure the rational use of water and, where possible, to save water, as it is a precious natural resource. The water we use comes from local water supply networks and licensed drilling at our facilities in Thessaloniki



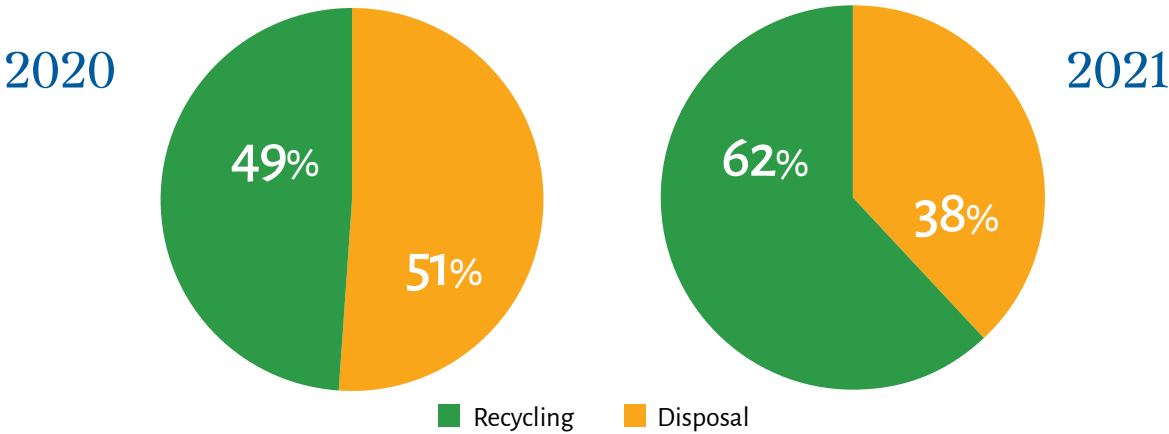
Waste management

Responsible management of waste resulting from our operations is an important priority for us. With respect for the natural environment, we implement the principles of circular economy, aiming to reduce the volume of waste produced by our manufacturing process and increase the quantities sent for recycling. The solid waste resulting from our operations is separated into hazardous waste (such as waste from paint and varnish containing organic solvents, packaging containing hazardous substances) and non-hazardous solid waste (such as paper, plastic, metal). Proper management of the quantities produced is carried out through our cooperation with appropriately licensed companies.

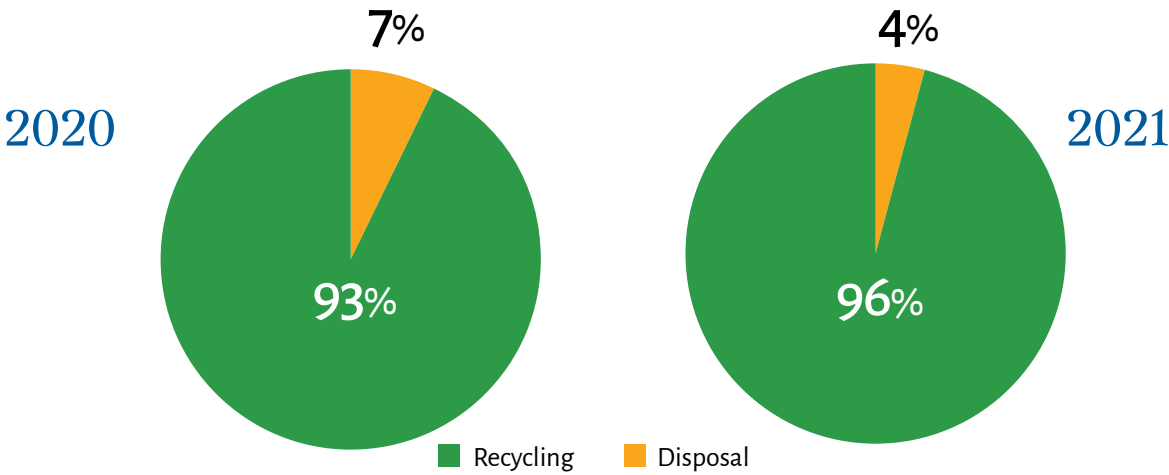
Total quantities of waste (tn)



Hazardous waste by management method * (%)



Non-hazardous waste by management method (%)



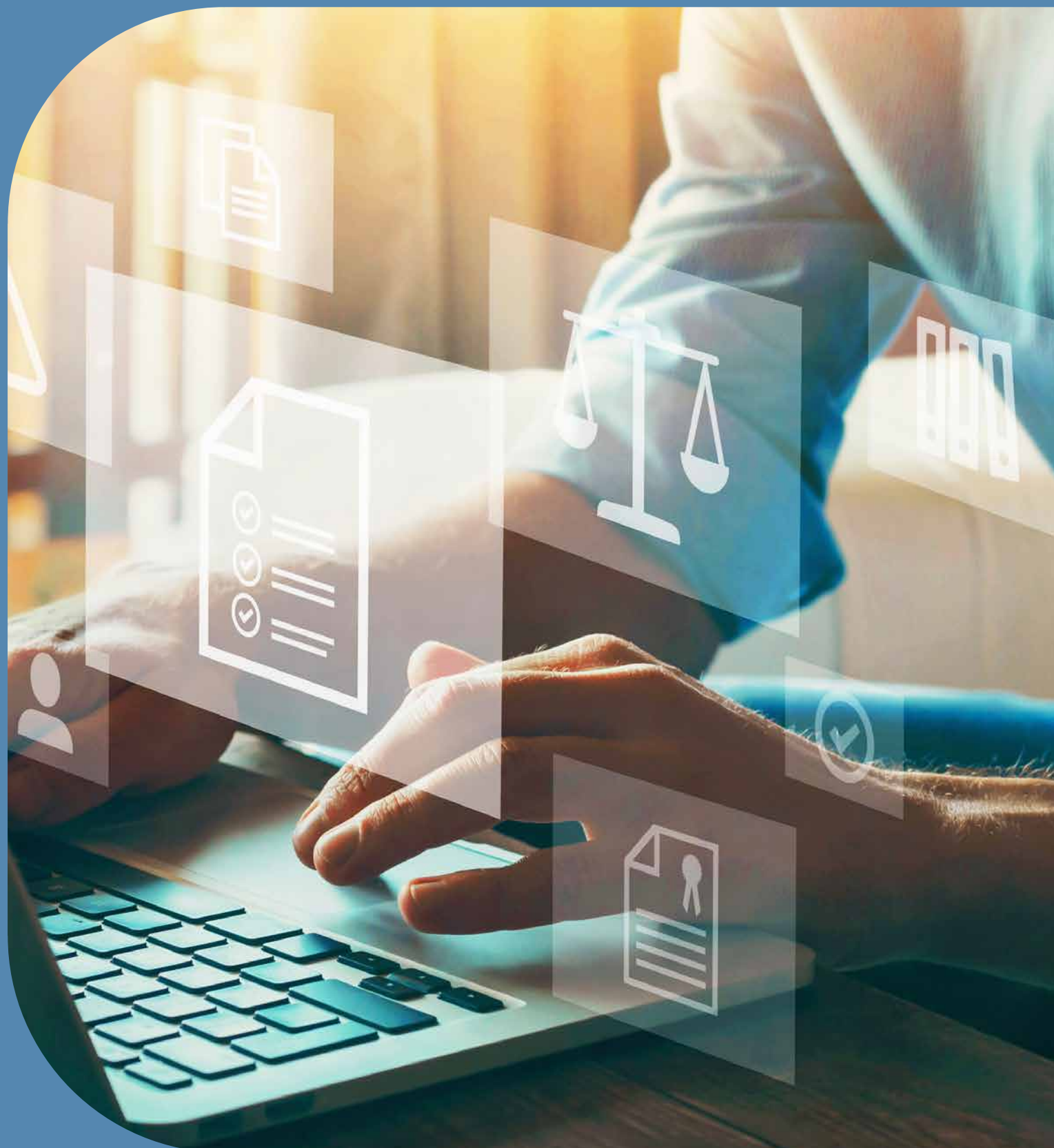
* Disposal of hazardous waste relates to storage pending further processing (D15).

Our Target

Environmental targets	Target year
Reduction in thermal energy consumption by 5%	2022



Responsibility and transparency in governance

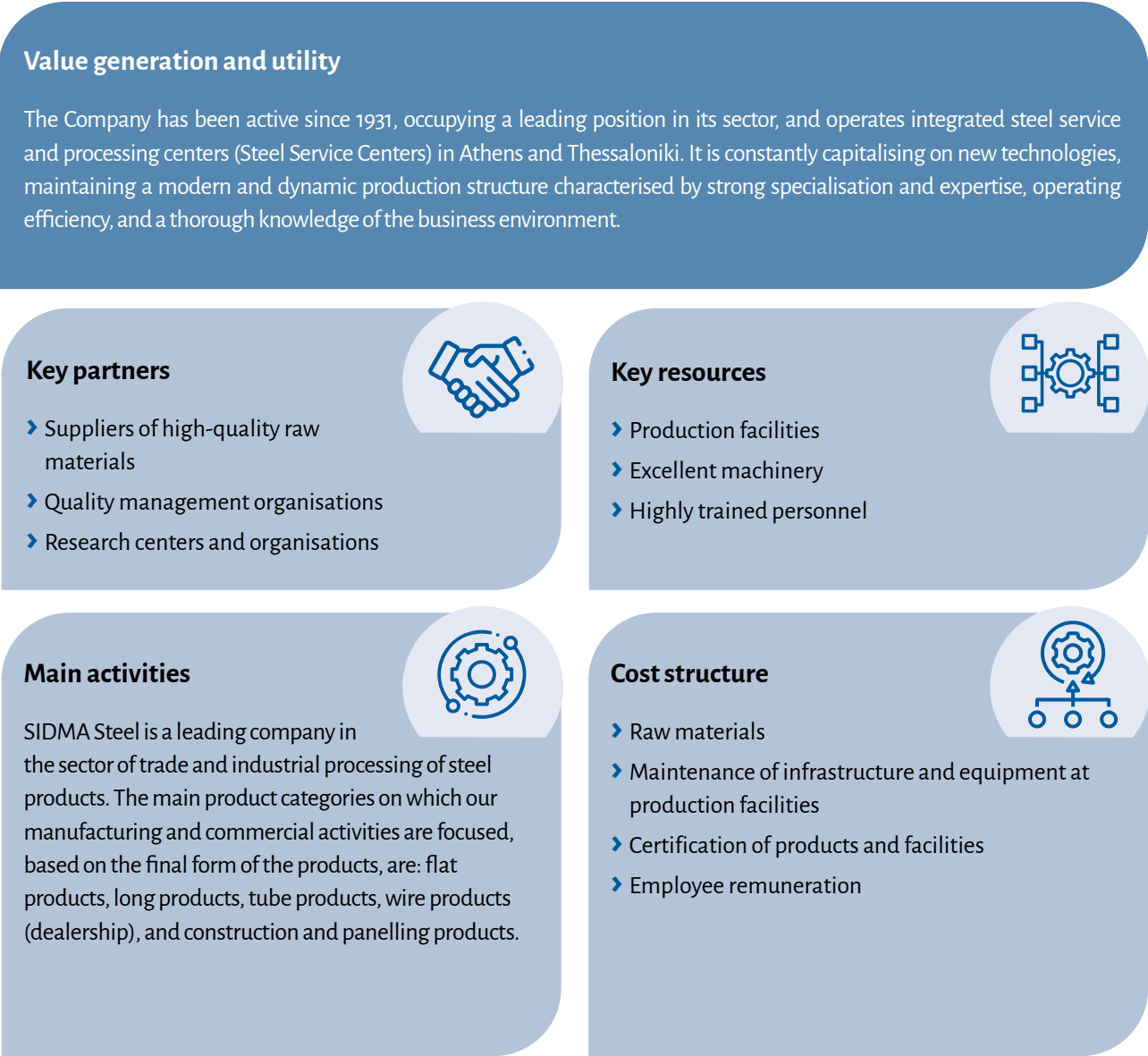


SIDMA Steel has set the strategic goal of conducting its business with transparency, based on the highest standards of business ethics and integrity. Our fundamental principles, rules and values reflect the Company's culture, which, in combination with good management and transparency in governance, form the framework of its corporate activities and determine its day-to-day conduct and practices.

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Our business model



With the aim of continuously improving the provision of high-quality products and services, we incorporate important strategic factors into our daily operations. These concern our customer-oriented philosophy and immediate response to customer needs, maintaining and developing the Company's competitive advantages, and determining the resources required for growth in the international and domestic markets. The business model we implement is described above.

Business model canvas generation by Alexander Osterwalder and Yves Pigneur



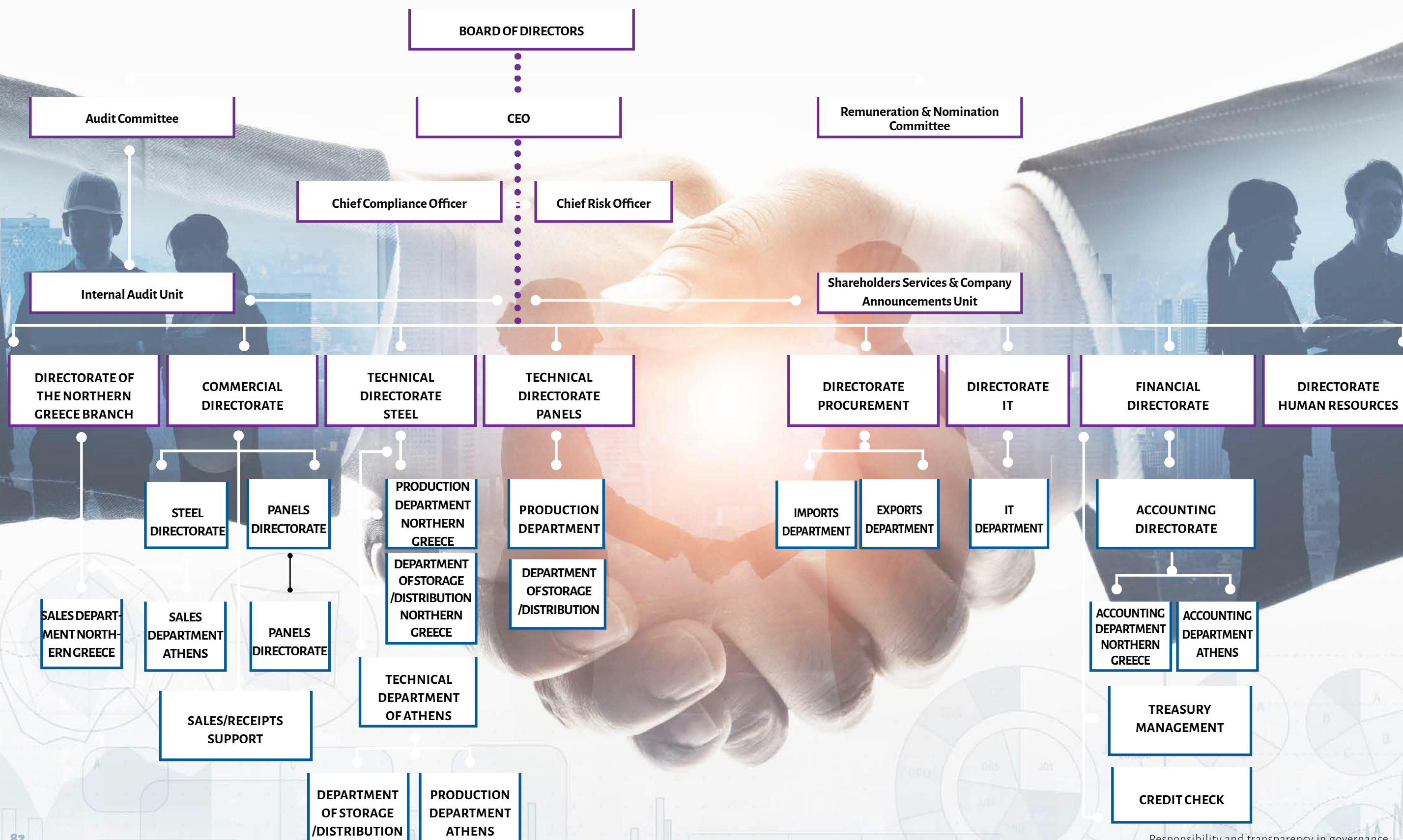
Corporate governance system

The Company's operational benchmark is the implementation of corporate governance principles, as dictated by Greek law, international best practices and the corporate conduct framework of companies listed on the Athens Stock Exchange. We have adopted and implement the Hellenic Corporate Governance Code, aiming at transparency in communication with all stakeholders and immediate and ongoing briefing of investors.

At Sidma Steel, we have recognised that Corporate Governance concerns a set of principles related to the proper functioning, organisation and management of an organisation, and based on these principles, we have set as our priority the maximisation of the Company's value and the promotion of the legitimate interests of all those connected with it.

Organisational structure

Making a continuous effort to consistently meet the expectations of all stakeholder groups, at SIDMA Steel we ensure the enhancement of transparency and independence in the context of management and auditing, implementing the provisions of the legal and regulatory framework that pertain to our operations. Moreover, the Company's excellent organisational structure contributes to effective management and the achievement of Management's strategic goals, strengthening its competitive advantages. The organisational structure is schematically presented in the following organisational chart:



Board of Directors

The Board of Directors governs the Company as a collective body and is responsible for charting corporate strategy, maximising the value of SIDMA Steel and defending the rights of its shareholders. The Board of Directors is also competent to decide on any action that concerns the management of the Company, the management of company's assets and the general pursuit of its targets. It reports to the Company's General Meeting and consists of executive, non-executive and independent non-executive members.

The company is directed by a 10-member Board of Directors It has also drawn up a suitability and credibility policy designed to ensure that the composition of the Board of Directors reflects the knowledge, skills and experience required for the exercise of its responsibilities, ensuring the exercise of good and effective management for the benefit of all stakeholders. The implementation of this policy ensures the acquisition and retention of persons with abilities, knowledge, skills, experience, independence of judgement, guarantees of morals and good reputation, which ensure the exercise of good and effective management for the benefit of the Company and its shareholders.

Remuneration & Nomination Committee

The Remuneration and Board Member Nomination Committee is a single committee and is responsible for appointing the right persons to become members of the BoD and making proposals to the BoD regarding the remuneration policy for its members, the company's key management executives and the head of the Internal Audit unit. The members of the committee are appointed by the Company's Board of Directors.

The Committee is responsible for formulating, auditing implementation of and periodically reviewing the Company's remuneration policy, taking into account the long-term interests of shareholders, investors and employees, as well as the public interest, and it is oriented towards long-term, prudent and sound management of the Company and prevention or minimisation of conflicts of interest that are detrimental to such management.

Audit Committee

The Company has established an Audit Committee, which is appointed by the General Meeting of Shareholders. To carry out its work, it has unhindered and full access to the information it needs during the discharge of its duties, and it is provided with all the necessary resources for the fulfilment of its purposes. The overriding concern of the Audit Committee is to support the Company's Board of Directors in fulfilling its mission with regard to:

- › ensuring the effectiveness of accounting and financial systems, financial reporting, auditing mechanisms, risk management systems, and corporate risk management systems,
- › ensuring compliance with the legal and regulatory framework
- › effective implementation of the Principles of Good Governance,
- › and submission of reports on issues that arise during the exercise of its duties.

Internal Audit System (IAS)

In accordance with the relevant regulatory framework, we implement an Internal Audit System that consists of control mechanisms and relevant procedures that cover all of the Company's activities, ensuring its effective and safe operation. The system ensures:

- › consistent implementation of the business strategy through the efficient use of available resources,
- › recognition and management of risks undertaken,
- › the completeness and reliability of the data and information required for accurate and timely determination of the company's financial situation and preparation of reliable financial statements,
- › compliance with the applicable regulatory framework, internal regulations, company policies and procedures, and the Code of Conduct,
- › defence of the interest of the Company, the shareholders and those transacting with the company,
- › effective functioning of IT systems to support operational strategy and secure movement, processing and storage of critical operational data.

Assessment of the adequacy of the IAS is carried out based on best international practices, with the Company and its major subsidiaries participating in the assessment process. The scope of the IAS evaluation project is decided by the Company's Board of Directors in accordance with its stated policy.

Internal Audit Unit

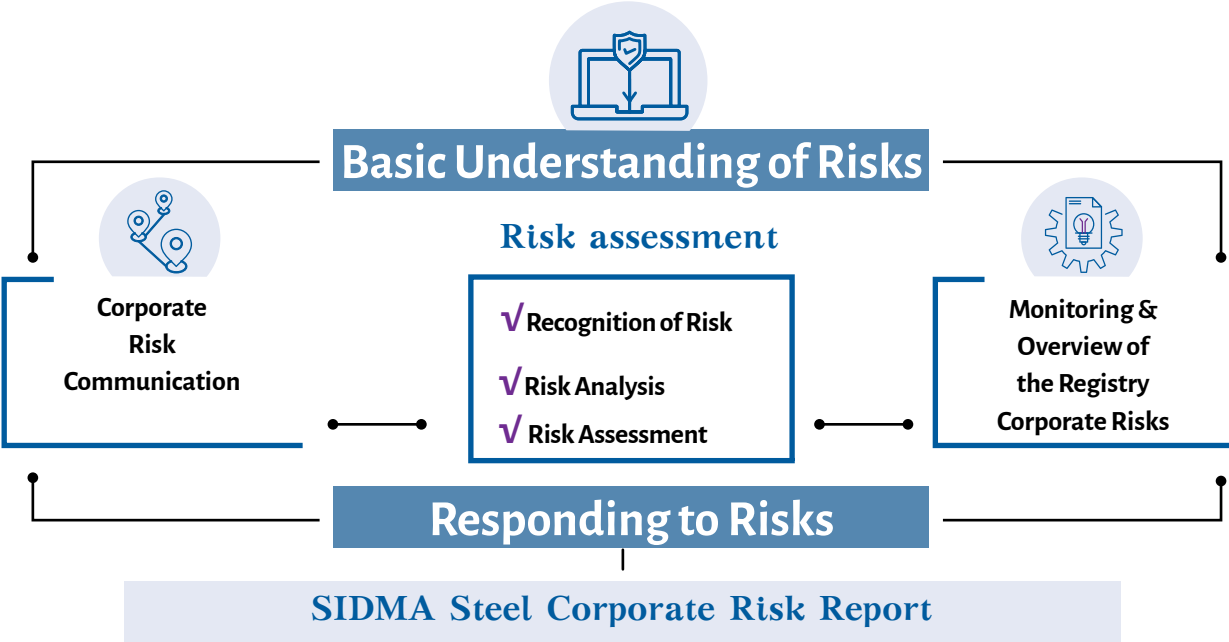
Internal Audit is carried out by the Internal Audit Unit, the main purpose of which is to monitor and improve the Company's operations and policies regarding the Internal Audit System, and more specifically to improve corporate governance, risk management and audit procedures. The Unit has and applies and internal operating regulation that is approved by the Board of Directors, on the proposal of the Audit Committee. The head of the internal audit unit is appointed by the Company's Board of Directors, on a proposal from the Audit Committee, and has the appropriate knowledge and relevant professional experience.



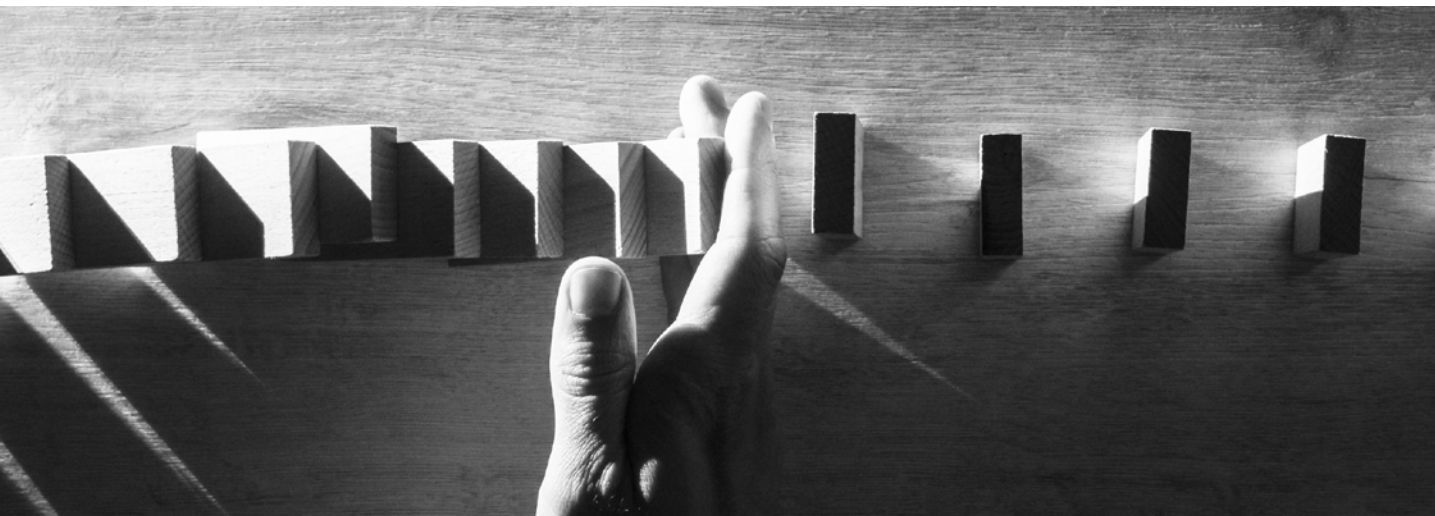
Risk Management

Risk management is a continuous process that covers all of the Company’s activities, contributing to its effective operation. In combination with the Risk Management Policy applied at SIDMA Steel, we have appointed a Risk Management Officer whose main responsibility is to monitor and improve the Company’s operations and policies with regard to effective risk management.

The Risk Assessment methodology used is in accordance with the requirements of the ISO 31000:2019 standard. SIDMA Steel’s Corporate Risk Management methodology is also applied to the analysis and assessment of material issues concerning sustainable development (Materiality Analysis), in order to determine the materiality of these issues and their impacts on the company’s operation. The results of the individual risk assessments are included in the Company Risk Register so that they can be systematically analysed and monitored. The following diagram illustrates SIDMA Steel’s Corporate Risk Management framework:



Within the framework of adopting a systematic and disciplined approach to identifying, recording, assessing and managing risks, there is a Risk Management Action Plan. Implementation of these actions is audited periodically and progress is monitored by the competent departments.



Most important non-financial risks

The main categories of non-financial risks recognised by the Company concern response to climate-related risks and occupational health and safety – risks that could potentially directly or indirectly affect the smooth operation of the Company.

Climate change

One of the most serious global issues is climate change and its repercussions, which affect business activities, the natural environment itself, and society as a whole. Companies globally have to respond to transition risks – resulting from the transition to a low-carbon economy and the relevant European and global policies, which require significant measures to improve energy efficiency and the transition to green energy – as well as natural risks, the most important of which are natural disasters and extreme weather.



Health and safety at work:

One of the most important risks associated with social and labour issues is the health and safety of all employees and the Company’s partners. Aiming at systematic monitoring and continuous improvement of health and safety performance and parameters, at SIDMA Steel we implement an integrated management system and accident reduction programme, investing in continuous training and awareness-raising for our employees.



Covid-19 Pandemic:

Since the outbreak of the pandemic, the Company’s management has taken all the necessary measures, with the primary goal of ensuring the safety of its employees and the greatest possible continuity in its operations. The Company continued operating normally by carrying out sales to customers, making purchases from suppliers and fulfilling its obligations, as (a) the sector it operates in is one of the least affected in the market, (b) it applies strict credit control, making its customers the most reliable in the market and (c) it has a wide range of suppliers in various countries, ensuring seamless continuity in its supply chain.



Regulatory compliance

The main purpose of regulatory compliance is to establish and implement appropriate and up-to-date policies and procedures, with the aim of promptly achieving full and ongoing compliance by the Company with the regulatory framework in force at a given time. The Company has appointed a Compliance Officer with full access to all information and data necessary for the performance of his/her duties. The Compliance Officer's main responsibility is to implement the policy established by the Company's Board of Directors, in accordance with the applicable legislative and regulatory framework, and to carry out periodic inspections in accordance with the Company's Annual Compliance Programme, investigating whether the requirements have been met.

In the above framework, we have adopted and implement policies and procedures regarding Regulatory Compliance and Business Ethics. These include:

- › Code of Conduct & Business Ethics,
- › Code of Conduct for suppliers/partners
- › Ethical and Regulatory Compliance Programme
- › Regulatory Compliance Mission Statement
- › Anti-bribery policy
- › Whistleblowing management policy
- › Methodology for assessing Regulatory Compliance risks

Whistleblowing management

Because we are committed to operating and growing based on the values of integrity and transparency, we have instituted specific communication procedures to provide all of our employees and partners with the opportunity to submit complaints, observations, or other reports. To achieve this goal, we implement a Whistleblowing Management Policy, based on which members of the Board of Directors, management executives, employees, customers, suppliers and partners are encouraged to submit reports of criminal offences, suspected incidents of illegal conduct, and serious irregularities/omissions in relation to regulations or even Company policies and procedures.

The relevant policy sets out the framework in which we receive, assess and investigate all reports, with the aim of always safeguarding the anonymity of the whistleblower. The Whistleblower Management Policy is accompanied by a clear procedure for the submission and management of reports, with rapid reflexes and clear roles, while the Compliance Officer plays an important role in their management and resolution.

Preventing and combating corruption and bribery

We condemn and refuse to tolerate any type of bribery or any corrupt practices or illegal professional activity. In compliance with the anti-corruption and anti-bribery laws, we have adopted an Anti-Bribery Policy, guided by our Code of Conduct & Business Ethics, which concerns all of our employees, partners and business partners.

Our primary concern is to operate transparently, in compliance with the codes of ethics and conduct, both within our organisation and in our dealings with third parties.

Performance and economic growth

SIDMA's turnover in 2021 came to €150.1 million, up from €93.9 million 2020, for an increase of 60%, while dealership sales came to €197.9 million, up from €123.4 million 2020, for an increase of 60.4%. Earnings before interest, taxes, depreciation and amortization (EBITDA) came to €20.2 million, up from €5.6 million in 2020, mainly due to the increase in turnover and gross profit by 44%, while pre-tax profitability amounted to €26.4 million, up from €0.4 million 2020. Accounting treatment of the refinancing of the Company's loan obligations, completed within the year, contributed to the improvement of the results before taxes.

Financial performance data (in euros)	2020	2021
Total revenue (turnover)	97,953,440	154,955,901
Operating profit	3,898,015	19,023,077
Operating cost	94,055,425	135,932,824
Payments to capital providers	3,705,353	18,800,169
Profit / (losses) before tax	368,571	26,361,346
Net profit / (losses) after tax	493,356	20,557,266
Total payments to state agencies (total of direct and indirect taxes paid)	4,900,114	9,463,482
Equity	3,670,619	24,465,007
Total investments	620,955	1,112,203
Total assets	131,656,161	146,078,247

Report Methodology

Scope and limits

This Sustainable Development Report is the first report from SIDMA Steel S.A., with a reference period from 1 January 2021 to 31 December 2021, and it includes information on the Company for the year 2020, for reasons of comparability of data. Through the Report, SIDMA Steel aims to inform its stakeholders fully and transparently regarding its performance in matters of sustainable development and corporate responsibility. The Report highlights SIDMA Steel's initiatives, programmes and goals, as well as the contribution of its activities to the environment, society and the economy. The qualitative and quantitative information presented in the Report covers all of SIDMA Steel's operations in Greece.

Methodology

Methodology

- › The principle of “materiality and determination of materiality”
- › The principle of “responding to stakeholders' needs”
- › The principle of the “overall framework of the organisation's Sustainable Development performance”
- › The principle of “completeness of the information presented and determination of limits”

Moreover, the guidelines of the sectoral SASB model, specific indicators of the Athens Stock Exchange's Guide to Public Disclosure of ESG Information, and the 17 UN Sustainable Development Goals (SDGs) have been taken into account.

To provide objective information and the most accurate presentation of stakeholder expectations, a Materiality Analysis was carried out, based on a consistent methodology and with the aim of recognising the organisation's most material issues. The relevant procedure and its results are presented in detail in

the section titled “Sustainable Development at the heart of our operations.” SIDMA Steel received guidance and support from Grant Thornton (<http://www.grant-thornton.gr>) in drafting this Report.



External audit of data

No external auditing of the data in this Report has been performed by an independent third party. Nevertheless, recognising the usefulness and added value this procedure may have, the Company will consider the potential for an external audit for the next report.

Sources of information

The data and information published in the Sustainable Development Report have been collected based on the recording procedures applied by SIDMA Steel, as well as from the databases maintained in the framework of implementation of the management system. At points where we present data arising from processing or based on assumptions, the method used to calculate the data is always stated, in accordance with the GRI Standards guidelines.

Contact us

Pursuing two-way, open and continuous communication with our stakeholders, we encourage any constructive observations or comments that can contribute to improving our performance and actions on Sustainable Development.

SIDMA Steel

188 Megaridos Ave., 19300 Aspropyrgos, Attica
ATTN: Matina Tsili

Human Resources Director/Chief Compliance Officer

info@sidma.gr
www.sidma.gr



Correlation tables with standards and guidelines

GRI Content Index

GRI Standards	Disclosure	Page number and/or URL
GRI 101: Foundation 2016		
GRI 102: General Disclosures 2016 (option «core»)		
Organizational profile		
102-1	Name of the organization	ΣΙΔΜΑ Μεταλλουργική Ανώνυμη Εταιρία https://sidma.gr/el/
102-2	Activities, brands, products, and services	pp. 10-11, 14-15, 18-19, 20 https://sidma.gr/el/platea/ , https://sidma.gr/el/epimiki-proionta/ https://sidma.gr/el/proionta-solinourgias/ https://sidma.gr/el/surmatourgika-proionta/ https://panelco.gr/
102-3	Location of headquarters	pp. 10-11, 16-17 https://sidma.gr/el/epikoinonia/
102-4	Location of operations	pp. 10-11, 13, 14-15, 16-17 https://sidma.gr/el/epikoinonia/ https://sidma.gr/el/geografiki-parousia/
102-5	Ownership and legal form	pp. 90 https://sidma.gr/el/metoxiki-synthesi/ https://sidma.gr/el/oikonomikes-katastaseis-mitrikis/
102-6	Markets served	pp. 10-11, 13, 16-17, 18-19
102-7	Scale of the organization	pp. 13, 16-17, 31, 42-45, 89
102-8	Information on employees and other workers	pp. 10-11, 13, 16-17, 18-19
102-9	Supply chain	pp. 13, 16-17, 31, 42-45, 89
102-10	Significant changes to the organization and its supply chain	pp. 10-11, 13, 16-17, 18-19
102-11	Precautionary principle or approach	pp. 12, 28-30, 31-33, 48-50, 51, 52, 53, 54, 60-61, 62, 63, 63-65, 70-71, 85, 86-87, 88, 89
102-12	External initiatives	Hellenic Corporate Governance Code, (HCGC)), Sustainable Development Goals (SDGs), GRI Standards.
102-13	Membership of associations	Hellenic Federation of Enterprises (SEV), Association of Importers-Exporters of Steel Products.
Strategy		
102-14	Statement from senior decision-maker	p. 7
Ηθική και ακεραιότητα		
102-16	Values, principles, standards, and norms of behavior	Sustainable Development Policy, Health and Safety Policy, Environmental Policy, Code of Conduct & Business Ethics, Code of Conduct for suppliers and partners, Ethical and Regulatory Compliance Programme, Regulatory Compliance Mission Statement, Anti-bribery policy, Whistleblowing management policy.

GRI Standards	Disclosure	Page number and/or URL
Governance		
102-18	Governance structure	pp. 81, 82-83, 84
Stakeholder engagement		
102-40	List of stakeholder groups	pp. 31-33
102-41	Collective bargaining agreements	100% of employees are covered by collective bargaining agreements.
102-42	Identifying and selecting stakeholders	pp. 31-33
102-43	Approach to stakeholder engagement	pp. 31-33
102-44	Key topics and concerns raised	pp. 31-33
Reporting practice		
102-45	Entities included in the consolidated financial statements	p. 90
102-46	Defining report content and topic Boundaries	pp. 34-35
102-47	List of material topics	pp. 34-35
102-48	Restatements of information	p. 90 There is no specific restatements of information
102-49	Changes in reporting	p. 90
102-50	Reporting period	1/1/2021 – 31/12/2021
102-51	Date of most recent report	This report is the Company's first Sustainable Development Report
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	p. 90
102-54	Claims of reporting in accordance with the GRI Standards	p. 90
102-55	GRI content index	p. 94
Good corporate governance		
Material issue for: Shareholders, Investors, Employees, Customers, Suppliers, State and Authorities, Local communities, Financial institutions		
103: Management Approach	103-1, 103-2, 103-3	pp. 7, 12, 28-30, 31-33, 80, 81, 85, 87, 88, 89
GRI 205: Anti-corruption	205-3 Confirmed incidents of corruption and actions taken	No incident of corruption was recorded during the reporting period (2021).

GRI Standards	Disclosure	Page number and/or URL
Regulatory compliance and risk management		
Material issue for: Shareholders, Investors, Employees, Customers, Suppliers, State and Authorities, Local communities, Financial institutions		
103: Management Approach	103-1, 103-2, 103-3	pp. 7, 12, 28-30, 31-33, 80, 81, 85, 87, 88, 89
Company Indicator	Corporate Risk Management Framework	p. 86
High quality and certification of products		
Material issue for: Shareholders, Investors, Employees, Customers, Suppliers		
103: Management Approach	103-1, 103-2, 103-3	pp. 7, 10-11, 12, 16-17, 18-19, 20, 28-30, 31-33
Company Indicator	Implementation of a Quality Management System	p. 20
Customer-oriented approach		
Material issue for: Shareholders, Investors, Employees, Customers		
103: Management Approach	103-1, 103-2, 103-3	pp. 7, 10-11, 12, 16-17, 18-19, 20, 28-30, 31-33
Company Indicator	Customer satisfaction assessment	p. 21
Responsible supply chain		
Material issue for: Shareholders, Customers, Suppliers		
103: Management Approach	103-1, 103-2, 103-3	pp. 7, 10-11, 12, 16-17, 18-19, 20, 28-30, 31-33
GRI 204: Procurement Practices	204-1 Proportion of spending on local suppliers	p. 22
GRI 308: Supplier Environmental Assessment	308-1 New suppliers that were screened using environmental criteria	p. 23
GRI 414: Supplier Social Assessment	414-1 New suppliers that were screened using social criteria	p. 23
Energy management and renewable energy sources		
Material issue for: Employees, Customers, State and Authorities		
103: Management Approach	103-1, 103-2, 103-3	pp. 7, 12, 28-30, 31-33, 71-74
GRI 302: Energy	302-1 Energy consumption within the organization	p. 72
	302-4 Reduction of energy consumption	p. 71

GRI Standards	Disclosure	Page number and/or URL
Waste management		
Material issue for: Employees, Customers, State and Authorities, Local communities		
103: Management Approach	103-1, 103-2, 103-3	pp. 7, 12, 28-30, 31-33, 71-75
GRI 306: Waste (2020)	306-3 Waste generated	pp. 74-75
Labour relations and equal opportunities in the workplace		
Material issue for: Employees, Customers, State and Authorities, Local communities		
103: Management Approach	103-1, 103-2, 103-3	pp. 7, 12, 28-30, 31-33, 41, 44, 52
401: Employment	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	p. 52
Employee health and safety		
Material issue for: Shareholders, Investors, Employees, Customers, State and Authorities, Local communities		
103: Management Approach	103-1, 103-2, 103-3	pp. 7, 12, 28-30, 31-33, 41, 54, 59, 60-61, 62, 63, 64-65
GRI 403: Occupational Health and Safety (2018)	403-1 Occupational health and safety management system	pp. 60-61
	403-5 Worker training on occupational health and safety	pp. 60, 63
	403-9 Work-related injuries	p. 65
Training, evaluation and development of employees		
Material issue for: Employees, Customers, Local communities		
103: Management Approach	103-1, 103-2, 103-3	pp. 7, 12, 28-30, 31-33, 41, 42, 52
GRI 404: Training and Education	404-1 Average hours of training per year per employee	p. 49
Recruiting and retaining employees		
Material issue for: Employees, Local communities		
103: Management Approach	103-1, 103-2, 103-3	pp. 7, 12, 28-30, 31-33, 41, 42, 52
401: Employment	401-1 New employee hires and employee turnover	pp. 45-47
Social responsibility and actions		
Material issue for: Employees, Local communities		
103: Management Approach	103-1, 103-2, 103-3	pp. 7, 12, 28-30, 31-33, 41, 42, 52
Company Indicator	Number of social actions implemented annually	p. 53

Table of ATHEX ESG Reporting Guide (2019 edition)

ESG Classification	ID	TYPE	METRIC TITLE	PAGE NUMBER
Environment	C-E1	Core	Scope 1 emissions	p. 73
	C-E2	Core	Scope 2 emissions	p. 73
	C-E3	Core	Energy consumption within the organization	pp. 71-72
	SS-E5	Sector-specific	Waste management	pp. 74-75
Social	C-S1	Core	Female employees	pp. 42-45
	C-S4	Core	Employee training	pp. 48-50
	C-S5	Core	Human rights policy	There is no official human rights policy in written form but all of the related topics are covered in the Code of Conduct & Business Ethics.
	C-S6	Core	Collective bargaining agreements	The entirety of the workforce is covered by collective bargaining agreements.
	C-S7	Core	Supplier assessment	pp. 22-23
	A-S1	Advanced	Stakeholder engagement	pp. 31-33
	SS-S6	Sector-specific	Health and safety performance	p. 65
Governance	C-G2	Core	Business ethics policy	pp. 42, 89
	A-G1	Advanced	Business model	p. 80
	A-G2	Advanced	Materiality	pp. 34-35
	A-G3	Advanced	ESG targets	pp. 54, 65, 75
	A-G5	Advanced	External assurance	Not externally assured

Feedback form

Which SIDMA Steel S.A. stakeholder group do you belong to?

- ☐ Shareholders
 ☐ Investors
 ☐ Employees
☐ Customers
 ☐ Suppliers
 ☐ Local community
☐ State / Authorities
 ☐ Financial Institutions

Other: _____
 _____ (please describe)

How would you evaluate SIDMA Steel S.A. CSR Report?

Report Sections	Excellent	Satisfactory	Requires improvement
The Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sustainable development at the heart of our operations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Human Resources	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Health and safety at work	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Responsibility for the environment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Responsibility and transparency in governance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Overall Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

How easy was it to find information on the topics that interest you in the Report?

- ☐ Very easy
 ☐ Quite easy
 ☐ Relatively easy
 ☐ Not easy at all

How would you evaluate the graphical representation and visual aspects of the Report?

- ☐ Exceptional
 ☐ Good
 ☐ Average
 ☐ Bad

Did the choice of information and their representation in the report contribute sufficiently to the formation of a complete picture of SIDMA's operation?

- ☐ Yes
 ☐ No
 ☐ Improvement is required

Please describe any issues that you feel may not have been adequately covered in this Report:

Are there any improvement suggestions regarding this Report that you would like to communicate?

Please send this filled-in form
to the following address / email address:

SIDMA Steel S.A.
 Megaridos 188 Avenue, 19300 Aspropyrgos, Attica
 For the attention of:
 Mrs. Matina Tsili
 Human Recourses Director/Chief Compliance Officer



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