



# SUSTAINABILITY REPORT 2023

TOSYALI ALGERIA

*This report provides relevant information to stakeholders on Tosyali-Algeria's commitment to sustainable development. It highlights ethical governance, environmental and social performance, as well as the economic performance of the company using significant performance data.*

*Together, we are building a sustainable and prosperous future*

## Summary

- I. Presentation of Tosyali Algeria
- II. Tosyali Algeria's commitment to Sustainable Development
- III. Governance
  1. Business Ethics
  2. Human Rights
  3. Alert and report collection mechanism
  4. Risk identification and assessment
- IV. Environmental, Social and Economic Performance
  1. Environmental performance:
    - 1.1. Energy consumption
    - 1.2. Reducing greenhouse gas emissions:
    - 1.3. Waste Management
    - 1.4. Water consumption
    - 1.5. Conservation of natural resources
    - 1.6. Environmental preservation initiatives
    - 1.7. Measuring ecotoxicity
  2. Social performance
    - 2.1. Employee safety and health
    - 2.2. Workers' rights:
    - 2.3. Diversity and inclusion:
    - 2.4. Relations with local communities:
    - 2.5. Corporate social responsibility initiatives:
  3. Economic performance:
    - 3.1. Responsible sourcing:
    - 3.2. Stakeholder engagement:
- V. Sustainability goals and future outlook:
- VI. Innovation

## I. Presentation of Tosyali Algeria

### Historical

Tosyali Algeria is the leader in the steel industry in Algeria. The integrated complex is located in the industrial zone of Bethioua, 30 km from Oran, the second largest city in the country.

In 2013, an initial investment of \$500 million was devoted to the creation of units for the production of concrete reinforcing bars, one of the most demanded construction materials in the country. The initial production capacity was 1.2 million tonnes per year, covering 28% of domestic demand and thereby reducing imports, resulting in considerable foreign exchange savings. Tosyali Algeria uses the country's ferrous waste as raw material, which benefits the environment and promotes the use of local resources.

This investment has created more than 1,000 direct jobs in the region, significantly reducing unemployment. Tosyali Algeria also offers high value-added positions and interesting career opportunities for graduates of local technical universities.

In 2015, faced with strong demand and imports of wire rod, an investment of \$250 million was made to build a wire rod production unit. This created jobs and helped meet 60% of the national requirement for wire rod, used to manufacture various products such as wire mesh, wire, nails, screws, etc.

In 2018, Tosyali Algeria continued its development with investments exceeding 2.5 billion euros. The third phase of the project aims to increase the production capacity of concrete bars with a steel mill with a capacity of 2.2 million tonnes of liquid iron for the production of billets. Two new concrete round rolling mills will be powered by this new steelworks.

To integrate iron ore into the finished product, Tosyali Algeria has set up a pellet production unit with an annual capacity of 4 million tonnes. This unit powers the largest direct reduction unit in the world, capable of producing 2.5 million tonnes per year of HDRI and CDRI (Hot and Cold Direct Reduced Iron).

Tosyali Algeria has the world's largest DRI production facility with an annual capacity of 2.5 million tonnes and the largest arc furnace powered by DRI, breaking world production records with 2.23 million tonnes in 2020, 2.28 million tonnes in 2021 and 2.2 million tonnes in 2022.

### Vision

As a steel company, our vision is to contribute to a sustainable future globally by producing integrated green steel in our factory based on technology, innovation, research and development, as well as clean energy resources in Algeria. Tosyali Algeria shares the same objectives as Algeria: promoting the country's mineral wealth, developing a steel industry with high added value, creating jobs in this sector, strengthening the qualifications of human resources, reducing dependence on imports and encouraging exports.

### Assignment

In line with our sustainable development goals, as one of the most important and strategic integrated steel production centers in the Mediterranean and Africa, we are committed to providing examples of excellence in the global steel industry by producing high quality green steel products with a reduced carbon, water and ecological footprint every day.

### Values

Solidarity around sustainable societal and cultural projects reflects the human dimension of our action. The promotion of skills, the development of natural resources while respecting the environment, and the performance of our industry guide our resolute actions towards success.

### Green Steel

Tosyali Algeria is recognized among the most environmentally friendly facilities in the world for green steel production, thanks to its DRI production and use of the most advanced technologies.

## II. Tosyali Algeria's commitment to Sustainable Development

In a global context where sustainability has become a major concern, Tosyali Algeria recognizes the importance of its responsibility towards stakeholders and the environment. The company is committed to adopting sustainable practices and integrating responsible principles into its business strategy, through the Tosyali Sustainability Policy SUSTP-SUST-001. This includes reducing its environmental footprint, promoting employee health and safety, contributing to the economic development of local communities and establishing transparent and accountable governance.

Tosyali Algeria strives to act realistically and proactively to face sustainability challenges and to create a positive impact in its operations. In terms of responsible governance, it is committed to respecting ethical standards, fighting against corruption, conflicts of interest and unfair practices. Environmentally, Tosyali Algeria is committed to monitoring and reducing its greenhouse gas emissions, implementing sustainable waste management and maximizing the efficiency of its resources. Regarding the social aspect, Tosyali Algérie is committed to permanently respecting workers' rights and promoting diversity, equity and inclusion within its company. On the economic level, Tosyali Algeria actively contributes to the economic and social development of local communities. Regarding responsible purchasing, Tosyali Algeria strives to strengthen its supplier selection criteria by integrating sustainability considerations into its purchasing process.

As part of its future projects, here is how Tosyali Algérie plans to realize its commitments through the Tosyali Algérie sustainability policy SUSTP-SUST-001:

### 1. Responsible environmental management:

- Comply with all legal requirements for air emissions and hazardous air pollutants, including GHGs, by implementing appropriate measures and controls.
- Adopt practices aimed at preserving and improving biodiversity in all its activities, favoring environmentally friendly technologies and methods.
- Respond proactively and transparently to all environmental complaints, taking appropriate corrective action to minimize the impact of our activities on the environment.
- Implement effective and sustainable waste management practices, promoting recycling, reuse and reduction at source, in accordance with current standards and regulations.
- Promote the recovery of waste, by investing in technologies and processes to recover and reuse materials efficiently and responsibly.

### 2. Reduction of carbon footprint:

- Implement additional initiatives to reduce the carbon footprint, including through investments in cleaner and more efficient technologies.
- Adopt ISO 50001 energy management systems and improve the energy efficiency of facilities.
- Increase the use of recycled materials and promote circularity in the value chain.

### 3. Commitment to employee health, safety and well-being:

- Guarantee a safe and healthy working environment for all its employees, strictly complying with all occupational health and safety laws and regulations.
- Implement training and awareness programs on occupational risks, aimed at preventing workplace accidents and promoting the physical and mental well-being of its employees.
- Ensure fair and competitive remuneration conditions for all its employees, ensuring salaries and benefits consistent with industry standards and legal requirements.
- Promote equal opportunities and combat all forms of discrimination in the recruitment and human resources management process, by promoting diversity and inclusion.

### 4. Commitment to employee development and support:

- Implement deeper training and professional development programs to strengthen employee engagement.
- Promote the health and well-being of employees by promoting work-life balance.
- Oppose child labor and human rights violations.

5. The economic, social and community contribution:

- Explore opportunities for sustainable economic development in local communities where Tosyali Algérie is present, seeking to create jobs and support local economic growth in a responsible manner.
- Establish partnerships with social enterprises, support local projects and promote social innovation, contributing to the sustainable economic and social development of local communities.
- Increase community engagement by strengthening engagement with local communities, supporting social, economic and environmental initiatives that benefit society as a whole, and fostering collaboration and partnership with local stakeholders.

6. Responsible practices throughout the supply chain:

- Foster responsible practices by encouraging the use of sustainable materials, waste reduction and product traceability throughout the supply chain, to minimize environmental impact and promote sustainability.
- Promote ethical business practices and collaborate with suppliers to improve supply chain sustainability, ensuring that its business activities benefit both the company and its stakeholders, while adhering to standards of ethics and social responsibility.

### III. Governance

#### 1. Business Ethics

Tosyali Algeria, in its commitment to sustainability, recognizes the importance of transparent and ethical corporate governance. This transparency is much more than a simple social requirement; it is an ethical imperative to protect the interests of all stakeholders. The company is committed to maintaining an honest relationship with its stakeholders by responding to their concerns in a transparent manner and integrating the principles of corporate responsibility into its daily activities.

To strengthen its commitment to sustainable development, Tosyali Algeria increasingly integrates social, economic and environmental concerns into its management every day. It invests in the well-being of employees, the protection of the environment and the development of clean energies. In addition, Tosyali Algeria has adopted a code of ethics to guide its actions in compliance with current ethical standards. (ER-SUST-001 Tosyali Ethics Rules)

#### 2. Human rights

Tosyali Algeria has developed its sustainability policy (SUSTP-SUST-001) focused on human rights and ethical labor practices, including the fight against modern slavery and child labor, while ensuring conditions of fair work, respect for working hours and freedom of association. This policy is publicly available and regularly reviewed to ensure its relevance.

In a firm commitment to human rights and ethical governance, Tosyali Algeria is committed to respecting all applicable legislation in accordance with the United Nations Guiding Principles on Business and Human Rights, as well as the ILO Declaration on Fundamental Principles and Rights at Work.

Additionally, a human rights risk assessment was carried out to identify and mitigate potential risks in the company's operations.

It has also set up an email address (Stakeholder.claim@tosyalidz.com) for a grievance and complaint system for employees and stakeholders to report concerns relating to human rights, security, health, working conditions, business ethics, etc., without fear of reprisal, in accordance with the United Nations Guiding Principles.

These actions aim to prevent and remedy human rights abuses linked to business activities, ensuring responsible management of human rights and working conditions.

To monitor respect for human rights, key performance indicators have been established.

No.	Indicators	2022	2023
1	Total number of discrimination cases	0	0
2	Number of human rights violations observed or reported.	0	0
3	Claim related to unfair wages	0	0

### 3. Alert and report collection mechanism

Tosyali Algeria has set up an independent mechanism, an email address on its website (Stakeholder.claim@tosyalidz.com), guaranteeing confidentiality and impartiality in the processing of all communications received. It is committed to carefully reviewing each complaint, concern and suggestion, and responding to them in a transparent and timely manner. Tosyali views this feedback as a valuable opportunity for continuous improvement and strengthening its commitment to its sustainability values and goals.

By establishing this open and accessible communication mechanism, Tosyali reaffirms its commitment to responsible and participatory corporate governance, where all voices are heard and taken into account in its decisions and actions.

### 4. Risk identification and assessment

Through its materiality matrix, Tosyali Algeria identifies the environmental, social, economic and responsible sourcing issues deemed relevant for its strategy. These issues are evaluated according to their importance to the company and its stakeholders, while taking into account the relevant requirements of the latter.

Once these issues have been identified, Tosyali Algeria carries out an analysis of the risks and opportunities associated with them. These risks and opportunities are assessed based on their severity and likelihood, then classified and prioritized accordingly.

Then, appropriate actions aimed at mitigating risks or preventing serious harm are implemented.

## IV. Environmental, Social and Economic Performance

### 1. Environmental performance

#### 1.1 Environmental Management Approach in Tosyali Algeria:

At Tosyali Algeria, our commitment to environmental management is the cornerstone of our sustainable development strategy. As a leading steel producer, we recognize our responsibility to minimize our environmental footprint and contribute positively to the planet.

Our environmental management program is designed to integrate sustainable practices into all facets of our operations, ensuring compliance with national and international environmental regulations while continually striving for improvement. Successfully obtaining ISO 14001 certification in May 2023 demonstrates our commitment to maintaining a robust environmental management system.

#### ISO 14001 Certification: An Important Step in Environmental Management

Obtaining ISO 14001 certification is an important step for TOSYALI ALGERIE. This internationally recognized standard specifies the requirements for an effective environmental management system (EMS). It provides a framework that allows us to systematically manage our environmental responsibilities, thereby contributing to the environmental pillar of sustainability.

The certification process involved a thorough assessment of our environmental policies, procedures and practices. Our ability to meet the stringent requirements of ISO 14001 demonstrates our proactive approach to environmental management. Key aspects of this certification include:

#### Systematic Risk Management

We have implemented comprehensive processes to identify, assess and manage environmental risks associated with our operations. This ensures that potential environmental impacts are proactively addressed, thereby minimizing damage to the environment.

#### Compliance and Improvement

ISO 14001 requires continuous monitoring and assessment of compliance with legal and other requirements. We are committed not only to respecting these obligations, but also to continually improving our environmental performance.

## Sustainable Use of Resources

The certification emphasizes the efficient use of resources, including water, energy and raw materials. By optimizing our consumption of resources, we reduce waste and our environmental impact.

### Pollution Prevention

We have established measures to prevent pollution at its source. This includes reducing emissions, effectively managing waste and implementing practices that prevent environmental contamination.

### Stakeholder Engagement

ISO 14001 encourages stakeholder engagement, including employees, customers, suppliers and the community. We actively seek feedback and collaborate with these groups to improve our environmental initiatives.

### Transparency and Accountability

Our environmental management system is subject to regular internal and external audits. This ensures transparency and accountability, demonstrating our commitment to environmental excellence.

We are committed to monitoring and minimizing the intensity of our greenhouse gas emissions. Through the implementation of advanced technologies and the optimization of our production processes, we aim to reduce our carbon footprint and contribute to global efforts to combat climate change.

The environmental and social impacts of the transport of our products, goods and personnel are a major concern. We are committed to reducing these impacts by optimizing logistics, using environmentally friendly transportation options and implementing effective route planning to minimize emissions.

Our sustainable waste management practices emphasize reuse, recycling and by-product recovery. By reducing the consumption of water, energy and natural resources, we strive to improve material efficiency and reduce our environmental impact.

The protection of biodiversity and the prevention of ecotoxicity are an integral part of our operations. We implement strict measures to avoid ecological damage and preserve natural habitats, ensuring that our activities do not compromise the health of ecosystems.

We are committed to continually improving our environmental performance throughout the life cycle. This involves regular evaluation and improvement of our processes to achieve better environmental results.

Through these initiatives, Tosyali Algeria is dedicated to not only meeting, but exceeding environmental standards. Our ISO 14001 certification is a clear indicator of our adherence to rigorous environmental management practices. We believe that by fostering a culture of sustainability and responsible practices, we can have a significant impact on preserving our planet for future generations.

Our efforts are documented and reviewed annually to ensure transparency and accountability, reflecting our unwavering commitment to environmental stewardship and sustainability.

## 1.2 Initiatives to reduce atmospheric emissions and greenhouse gases (GHG)

At Tosyali Algeria, we are firm in our commitment to minimizing environmental impact and spearheading sustainable steel production. Our global approach to reducing atmospheric emissions integrates cutting-edge practices and innovative projects. Here are the main initiatives and practices implemented:

### Use of natural gas:

We prioritize the use of natural gas in our steel production processes. Natural gas, being a cleaner energy source compared to traditional fossil fuels, results in reduced pollutant emissions and a reduced environmental footprint.

### Future integration of green hydrogen:

Looking ahead, we plan to replace natural gas with green hydrogen in our production processes. Green hydrogen, produced from renewable energy sources, promises to significantly reduce our carbon emissions and improve our sustainability.

### Electric arc furnaces (EAF):

Our steel smelting processes use electric arc furnaces, known for their efficiency and significantly lower carbon footprint compared to traditional blast furnaces. This supports our goal of sustainable steel production.

#### Adherence to the best available techniques (BAT):

All of our dust collection systems comply with Best Available Techniques (BAT), ensuring that our air emissions control measures align with the highest industry standards and effectively minimize particulate emissions.

### Monitoring of internal atmospheric emissions:

We conduct rigorous internal monitoring of air emissions using advanced dust monitoring equipment installed in our smokestacks. This continuous monitoring allows us to maintain our emissions within prescribed limits.

### Carbon footprint and transport impact:

We diligently prepare Environmental Product Declarations (EPDs) to provide transparent and comprehensive information on the environmental impacts of our products. Additionally, we actively calculate the scope of our carbon footprint, encompassing Scope 1, Scope 2 and Scope 3 emissions, to gain a comprehensive understanding of our greenhouse gas emissions across the entire supply chain. value. This includes a thorough assessment of transport impacts, ensuring we account for emissions from the delivery of raw materials to the distribution of finished products.

### Partnership with ONEDD:

We have established a contract with the National Office for the Environment and Sustainable Development (ONEDD) to carry out quarterly checks of atmospheric emissions. This partnership ensures that our air quality management practices are regularly reviewed and validated by an authoritative body.

### Voluntary measurements of atmospheric emissions:

Beyond mandatory controls, we carry out numerous voluntary measurements of air emissions on our factory premises and in surrounding residential areas. This proactive approach demonstrates our commitment to preserving the health of our employees and local communities.

### Air quality modeling:

As part of our environmental and social impact assessment (ESIA) study, we carried out air quality modeling in accordance with the standards of the International Finance Corporation (IFC). This study, carried out in collaboration with SLR Consulting, helps us understand and mitigate the impacts of our operations on air quality.

### Closed conveyor system:

We moved from using trucks to a closed conveyor system to transport iron ore from the port to our facilities. This change has significantly reduced our carbon footprint and minimized dust emissions associated with transportation. Previously, we transported 6,000 tonnes per day by truck. Now, with the new system, we are able to transport 4,000 tonnes per hour.

### Quality and monitoring of filter bags:

To ensure our emissions remain within regulatory limits, we prioritize selecting the highest quality filter bags for our chimneys. We rigorously adhere to the filter replacement process, use an hourly monitoring system on our SCADA platform and perform regular visual inspections

No.	Parameter (mg/Nm3)	2022	2023
1	CO	394.75	239.5
2	NOx	660.85	851.15
3	SO2	5.7	2:25 p.m.
4	MP	795.8	534



notable reduction in CO and particle emissions compared to 2022. However, we observed an increase in NO<sub>x</sub> and SO<sub>2</sub> emissions, which we are responding to through improved monitoring and mitigation strategies.

Through these initiatives, Tosyali Algeria not only adheres to strict environmental standards but also leads the steel industry towards a more sustainable and responsible future. Our current and future efforts reflect our unwavering commitment to environmental stewardship and community well-being.

## 1.3 Waste Management

### Post-consumer waste management

In 2023, we entered into an agreement with a waste collection service to ensure the proper treatment of our waste. This partnership highlights our commitment to sustainable waste management and aligns with our broader environmental goals.

### Strategic partnership with LAFARGE HOLCIM for Co-Incineration

As part of this agreement, our waste is sent to LAFARGE HOLCIM, the world leader in construction materials and solutions, for co-incineration. Unlike traditional incineration methods, co-incineration involves using waste as an energy source in industrial processes, such as cement production. This innovative approach offers several environmental and operational advantages:

**Energy recovery:** Co-incineration maximizes the energy potential of our waste by using it as an alternative fuel source. This process helps reduce reliance on fossil fuels, thereby reducing greenhouse gas emissions and contributing to energy efficiency.

**Waste minimization:** By diverting waste from incineration and conventional landfills, we significantly reduce the volume of waste to be disposed of. This aligns with our goal of minimizing our environmental footprint through effective waste management practices.

**Reduction of harmful emissions:** Traditional waste incineration can release harmful pollutants into the atmosphere. Co-incineration at LAFARGE HOLCIM is carried out according to strict regulatory standards, ensuring that emissions are controlled and minimized, thereby protecting air quality and public health.

**Circular economy:** this partnership supports the principles of a circular economy by transforming waste into a valuable resource. It illustrates how industrial symbiosis can create sustainable solutions that benefit both the environment and the economy.

### Impact on our sustainable development goals

This strategic partnership enhances our environmental management program by integrating advanced waste treatment methods that contribute to our sustainable development goals. The main impacts include:

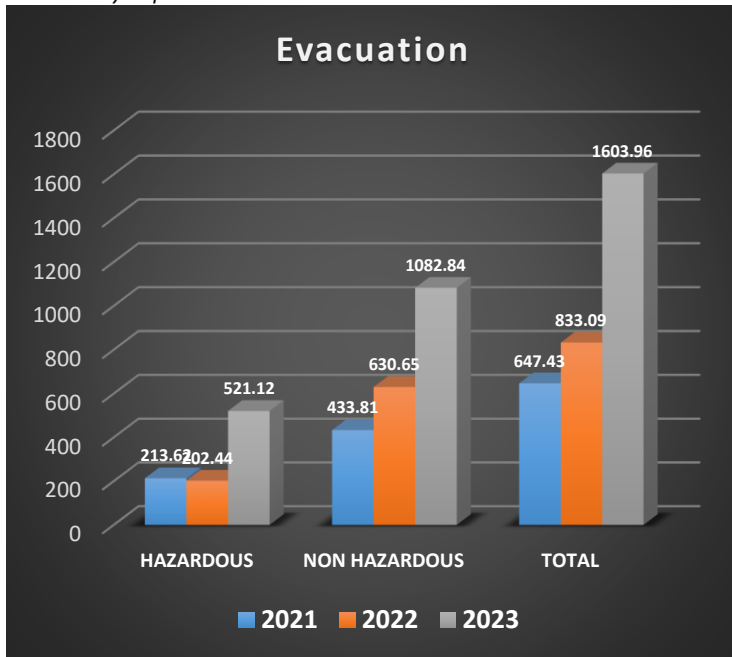
**Reduced carbon footprint:** By using waste as a fuel source, we help reduce overall carbon emissions, supporting global efforts to combat climate change.

**Resource efficiency:** Co-incineration promotes the efficient use of resources, in line with our goals of reducing consumption of natural resources and improving material efficiency.

**Improved Environmental Performance:** This agreement signifies a proactive approach to managing our environmental responsibilities, demonstrating our commitment to achieving better environmental outcomes through innovative practices.

### Commitment to continuous improvement

We are committed to continually improving our environmental performance throughout the life cycle. This involves regular assessment and improvement of our processes to ensure we are always at the forefront of sustainable practices. Our partnership with LAFARGE HOLCIM is a clear example of how we are evolving our waste management strategies to achieve these goals.



Treatment method (post-consumer waste)	2022	2023	Total
INCINERATION, CO-INCINERATION	38.36	236.36 <sup>(1)</sup>	274.72
RECYCLING, REUSE	795.09	1367.6 <sup>(2)</sup>	2162.69
<b>Total</b>	<b>833.45</b>	<b>1603.96</b>	<b>2437.41</b>

(1) The amount of waste incinerated has increased because waste from air filters has not been disposed of for two years due to the lack of a qualified waste collector.  
 (2) The amount of recycled/reused waste has increased because we have started recycling wood waste

### By-product management

One of the main areas of focus is the processing and utilization of waste slag generated from our operations.

#### Generation and treatment of slag waste

Our electric arc furnaces (EAF) generate more than 1,000 tonnes of slag per day. To responsibly manage this significant volume of slag waste, we have established strategic partnerships with industry leaders to ensure efficient treatment and beneficial use of this by-product.

#### Partnership with HARSCO for slag treatment

To facilitate the efficient treatment of slag, we have partnered with HARSCO, a global provider of environmental solutions for industrial waste. HARSCO's expertise in slag processing allows us to efficiently separate the metal content from the slag and process the remaining material, converting it into valuable products.

#### Use of treated slag in construction

Our commitment to sustainability extends beyond processing to the beneficial use of processed slag. We have partnered with LAFARGE HOLCIM to use processed slag as supplementary cementitious materials (SCM) in concrete production. This collaboration offers several advantages:

- Improved concrete properties: Treated slag improves the durability, strength and durability of concrete, thereby contributing to the production of high-quality construction materials.
- Reduction of CO2 emissions: by replacing part of traditional cement with processed slag, we reduce the carbon footprint of concrete production, in line with our goal of minimizing greenhouse gas emissions.
- Protection of natural resources: The use of treated slag helps prevent the depletion of natural resources by reducing the use of natural aggregate extraction. This not only preserves natural resources, but also minimizes the environmental impact associated with quarrying activities.

Year	2022	2023
Quantity evacuated to LAFARGE (tons)	5179.44	5600

## Research and Development with the CNTPP

In addition to our practical applications, we are also investing in research to explore other uses for processed slag. We partnered with the National Center for Environmental Prevention and Protection (CNTPP) to conduct an in-depth study on the application of treated slag in various fields, including construction. This study aims to:

- Identify new uses: explore innovative applications for processed slag in construction and other industries, thereby increasing their utility and value.
- Optimizing material efficiency: Investigate methods to maximize the performance and environmental benefits of slag-based materials.
- Supporting sustainable development: providing information and recommendations that contribute to the wider adoption of sustainable practices in the construction sector and beyond.

Internal recycling of scrap metal waste: in 2023, the quantity of scrap metal from rolling mills and smelting workshops is 107,095 tonnes, compared to 54,295.8 tonnes in 2022.

Internal enrichment plant for by-product valorization

The primary purpose of our beneficiation plant is to process and enrich iron ore, allowing us to recycle and reuse various by-products generated during our production processes. This initiative not only supports our sustainability goals, but also improves our operational efficiency by reducing waste and optimizing resource usage.

Significant progress in recycling

In 2023, our enrichment plant allowed us to recycle a significant quantity of by-products. Specifically, we recycled 127,535 tons of 168,115.64 tons of by-products generated, which is equivalent to 76%.

Goals and objectives

Our ultimate goal is to achieve 100% recycling of all internally generated by-products. In achieving this goal, we aim to:

Minimize waste: Reduce the volume of waste to be disposed of, thereby reducing our environmental footprint.

Improve resource efficiency: maximize the use of all materials produced during our operations, ensuring nothing is wasted.

Promote sustainability: Contribute to a circular economy by transforming by-products into valuable resources that can be reused in our processes or in other applications.

## Recovery of grinding waste

Grinding waste is produced after magnetic separation of metal scrap, resulting in a mixture of non-ferrous materials. This mixture typically includes about 70% soil, as well as non-ferrous metals and other organic waste. Historically, these grinding wastes were sent to landfill, contributing to environmental degradation and loss of resource potential.

Transition to valorization

At the end of 2023, we embarked on a transformative journey to recover shredding waste. This initiative demonstrates our commitment to sustainability and resource efficiency. Here's how we approached this process:

Engage waste collectors for manual separation: We have partnered with waste collectors who specialize in manual separation of shredding waste. This meticulous process allows for the efficient separation of different components within the waste mixture.

Use of soil for agriculture: The separated soil, which constitutes a significant part of the crushing waste, is now valued as fertilizer for agricultural land. This not only reduces the volume of waste sent to landfill, but also provides valuable nutrients to improve soil health and agricultural productivity.

Organic Waste Management: The organic waste component is directed to specialized processing facilities, where it undergoes recycling or other appropriate disposal processes. This ensures that organic materials are managed in an environmentally friendly manner.

Recycling of non-ferrous materials: Remaining non-ferrous materials, such as aluminum and copper, are sent to recycling facilities. These materials are valuable for various industrial applications, contributing to the circular economy and reducing the need for virgin raw materials.

Impact and results

The impact of our shredding waste recovery initiative has been substantial. In 2023, we managed to divert 8,975 tonnes of grinding waste from landfills. This is a significant improvement on the 48,527 tonnes that were sent to landfill in 2022. This reduction highlights our effective waste management strategies and our commitment to reducing our environmental footprint.

Operation value

The recovery of grinding waste offers multiple advantages:

**Environmental benefits:** Reducing waste to landfill mitigates environmental pollution and conserves landfill space. It also reduces greenhouse gas emissions associated with the decomposition of waste in landfills.

**Resource recovery:** Recovery of valuable non-ferrous metals such as aluminum and copper promotes resource conservation and reduces the need to extract new materials. This contributes to the sustainability of metal resources.

**Soil enrichment:** Reusing soil as agricultural fertilizer enriches farmland and supports sustainable agriculture, promoting healthier crop growth and increased agricultural yields.

**Economic Benefits:** By reducing disposal costs and generating revenue from recycled materials, this initiative provides economic benefits to our operations. It also supports local industries involved in waste collection, recycling and agricultural recovery.

## 1.4 Energy consumption

Our efforts to manage and reduce energy consumption are multifaceted and focus on audits, certifications and renewable energy. We have an agreement with APRUE for an energy audit, which aims to identify and implement energy saving measures. Additionally, we are preparing for an ISO 50001 audit to establish a systematic approach to continually improve energy performance. We also plan to integrate solar energy into our operations, further reducing our reliance on non-renewable energy sources.

Energy consumption	2020	2021	2022	2023
Electricity (kWh)	2,323,780,000	2,355,928,000	2,382,751,000	2,706,358,000
Natural gas (m3)	794 747 590	786,306,624	821 477 386	842 520 315

These initiatives collectively strengthen our sustainability efforts by reducing energy consumption, reducing greenhouse gas emissions and minimizing our environmental impact. The energy audit with APRUE will help us identify areas where we can improve energy efficiency, leading to a reduction in energy consumption and emissions. Obtaining ISO 50001 certification will standardize our energy management practices, ensuring continuous improvement in energy performance, reducing energy waste, reducing operational costs and reducing our carbon footprint. Integrating solar energy into our operations will significantly reduce our reliance on fossil fuels, as solar energy is a clean, renewable resource that generates no emissions during operation. Despite the increase in energy consumption over the years, our initiatives and audits aim to reverse this trend by improving energy efficiency and integrating renewable energy sources, thus demonstrating our commitment to responsible management of energy and environmental management.

## 1.5 Water and wastewater management

Our liquid discharge control facilities include an industrial water treatment plant operating in a closed circuit to ensure efficient treatment and recycling of industrial water, and a domestic water treatment plant using biological treatment with three BIOMASS systems, two large BIOMASS systems of approximately 100 m<sup>2</sup> each, and two small ones, integrated into underground collection pools of 40 m<sup>2</sup>. We also use an oil/water separator for mechanical workshop operations and a settling basin for sedimentation and decantation processes. Monitoring of liquid discharges is carried out in compliance with national standards through regulatory control with ONEDD (National Observatory for the Environment and Sustainable Development). To reduce water consumption, we add shallow circulating filters to various systems to maintain water quality by separating pollutants, minimizing the need for fresh water. In addition, our wastewater recovery facility, scheduled to be commissioned in the 2nd week of March 2024, will recover 2,500 tonnes of the 7,000 tonnes of water released daily during the water preparation process. . In Steel Plant 2 facilities, approximately 720 tons of water used daily in the slag quenching process will come from wastewater collected and transferred to the slag area using an appropriate pump, thereby reducing consumption fresh water. We also overhauled the 1 sand and activated carbon raw water filtration system by renewing the DN500 distributor manifold and the entire piping system to avoid high water leakage and allow regional maintenance while the system remains operational.

By integrating these processes into our operations, we expect a measurable decrease in water consumption per tonne of production, as indicated by our planned measurements for 2024.

Units	Water consumption (m <sup>3</sup> /ton P)		
	2022	2023	Scheduled for 2024
Rolling mill 01	1.63	1.71	1.55
Rolling mill 02	1.53	1.16	0.83
Rolling mill 03	1.53	1.18	0.83
Wire rod	1.52	1.20	1h00
Steelworks 01	2.03	1.69	1.60
Steelworks 02	1.71	1.69	1.60
DRI	1.87	1.9	1.88
Valuation	0.12	0.24	0.18
Pastille	0.13	0.13	0.13

These initiatives collectively help improve sustainability by significantly reducing water waste, optimizing resource use and ensuring compliance with environmental standards. By integrating advanced water treatment and reclamation systems, we not only conserve vital water resources, but also minimize our ecological footprint. Additionally, our comprehensive approach to liquid discharge control and water treatment significantly reduces ecotoxicity by preventing harmful contaminants from entering the environment, thereby protecting local ecosystems and promoting broader ecological health.

Water Consumption (m3)			
2020	2021	2022	2023
11,247,658	15,334,558	15,428,939	15,268,713

### Environmental awareness and training improvement

As part of our commitment to sustainable development, we have significantly increased our efforts in environmental awareness and education. This progress is reflected in both the awareness planning initiatives and the internal and external training programs we have implemented.

Planning to raise awareness of environmental topics:

Topics covered: Waste management, environmental policy and environmental aspects.

Target audience: Existing workers and new workers during safety induction.

Year	2022	2023
Number of participants	446	1885

We have seen a remarkable increase in participation, with the number of workers involved in environmental awareness planning more than quadrupling between 2022 and 2023.

## Internal and External Training:

Training themes and participation:

Training	2022	2023
Number of participants	446	1885
Sustainable Development CSR & ISO NA 26000	/	20
ISO 14001 standard	79	56
Chemical risk	67	101
Master Quality Hygiene Safety Environment	12	/
Environment Delegate	16	/
Waste Management	184	/
<b>Total</b>	<b>358</b>	<b>177</b>

While the total number of participants in internal and external training decreased slightly from 358 in 2022 to 177 in 2023, we introduced new training topics such as "Sustainability, CSR and ISO NA 26000", reflecting our focus on evolving on crucial environmental issues. This diversification of training themes guarantees a global approach to environmental education, addressing both general and specialized subjects.

In 2024, we will strengthen waste management training and offer other sustainable workshops for everyone involved. This initiative will further strengthen our commitment to increasing environmental awareness and promoting sustainable practices within our organization. Our ongoing efforts aim to equip our workforce with the knowledge and skills needed to contribute to a more sustainable future.

### 1.6 Engagement in environmental partnerships

**ONEDD collaboration:** We have partnered with the National Office for the Environment and Sustainable Development (ONEDD) to carry out comprehensive measurements of atmospheric emissions and quarterly liquid discharges. This collaboration ensures precise monitoring and management of environmental pollutants.

**CNTPP Collaboration:** In collaboration with the National Center for Cleaner Production Technologies (CNTPP), we receive support in technical studies, assistance and training programs aimed at minimizing industrial pollution at its source. An important project under this partnership is an in-depth study on slag waste, exploring its potential as a raw material in the construction industry.

**APRUE collaboration:** Our partnership with the National Agency for the Promotion and Rationalization of Energy Use (APRUE) focuses on methodological and technical cooperation in energy efficiency, renewable energies and clean technologies . This collaboration is an integral part of our commitment to sustainable development and the fight against climate change.

### 1.7 Other projects to improve biodiversity and reduce ecotoxicity

We are committed to protecting and enhancing biodiversity through several key initiatives:

**Medabra Slag Dump Area Rehabilitation:** We are actively rehabilitating the Medabra slag dump area to restore natural habitat and promote ecological balance.

**Creation of green spaces:** Within our factory premises, we have created 135,000 square meters of green spaces. These green spaces contribute to the local ecosystem by providing habitats for various species and improving air quality.

**Tree Planting Initiative:** We have a strategic plan to plant 200 more trees within a 2 km radius of TOSYALI boundaries. This initiative aims to enhance local biodiversity and sequester carbon, thereby contributing to our overall environmental sustainability goals.

**Mitigation of dust dispersion:** To combat the dispersion of dust from our iron ore storage areas, we implemented a complete solution including a 14 meter high wind wall and a watering system integrated. These measures aim to effectively contain dust, thereby protecting the environment and contributing to cleaner air quality.

## 2. Social performance

### 2.1 Employee health and safety

Tosyali Algeria implements a comprehensive Safety Management System (SMS) that reflects our unwavering commitment to safety across all business units. This system ensures the integration of workplace safety requirements and processes, providing a robust framework that supports our

Security objectives of the HSE policy.

Our SMS has been developed in accordance with the requirements outlined in the ISO 45001:2018 Occupational Health and Safety Management System to ensure alignment with international best practice. The system has been evaluated and validated by an independent third party, VERITAS OFFICE.

The nature of TA's activities involves significant health and safety risks for our employees, our subcontractors and residents near our industrial sites. That's why we continually strive to mitigate these risks through rigorous security protocols and a proactive security culture.

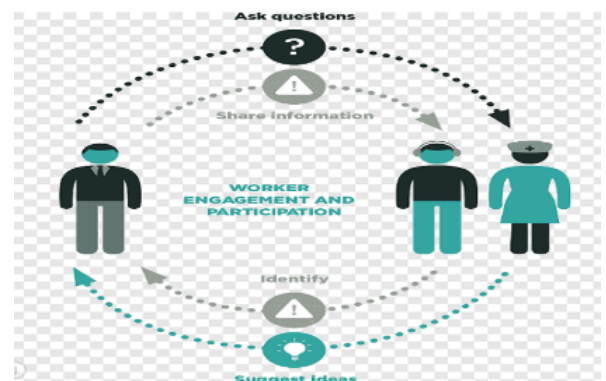


#### Hazard Identification and Risk Assessment (HIRA):

Tosyali Algeria uses Hazard Identification and Risk Assessment (HIRA) at all levels to identify hazards and conduct risk analyzes appropriate and applicable to our operations. Based on this process, controls are defined to maintain risks at acceptable levels, ensuring the safety and integrity of all employees, third parties and stakeholders. This approach allows us to proactively manage and effectively mitigate potential security issues.

#### Worker participation, consultation on occupational health and safety:

Tosyali Algeria workers are represented, in one way or another, where they are involved in different processes related to the health and safety system, TA employees and all those related to it. stakeholders are consulted during the development, implementation and evaluation of health and safety measures to the work management system. In TA, the involvement of committees health and safety is derived from the factory committee to unit committees where worker participation takes place through training, health and safety review meetings and on-site visits where workers are encouraged to discuss problems encountered in their daily lives and discuss them with the leaders.



At this time, problems are detected and corrected and actions are implemented effectively.

### Occupational health and safety prevention and physical well-being:

Tosyali Algeria has established global guidelines through our comprehensive HSE manual and HSE procedures to effectively manage risks and implement safety practices at every stage of our processes. This includes vigilant monitoring of activities at operational levels, HSE golden rules, HSE training and regulatory compliance through continuous monitoring and assessment of new applicable laws and regulations. These strategies aim to ensure that our practices remain up to date and aligned with the internal and external requirements of our stakeholders.



### LTI Indicators

The Company's efforts during the year 2023 in terms of security made it possible to obtain a reduction in LTIFR of more than 20% compared to 2022. This improvement is due to constant efforts in the field of security and in particular :

- The introduction of HSE objectives into the company's employee remuneration policy
- Implementation of HSE rules and guides, regularly updated and audited
- Training and general awareness of security issues for all levels of management
- Prevention of serious accident risks through awareness campaigns aimed at sharing the circumstances of accidents, the causes and the safety measures to follow in order to reduce the recurrence of these accidents

Employee Safety KPIs			
No.	Indicators	2022	2023
1	Frequency rate of work accidents with LTIFR stoppage: (LTI) / (WH / 1,000,000)	259	216
2	Employee working hours	7624804.9	7993941
3	LTIFR	33.97	27.02
4	Number of fatal accidents	0	0

In 2023, our accident cause analysis identified top hazards, including physical hazards, trips and falls, and thermal and chemical exposures, as the main triggers for workplace incidents. To proactively respond to these risks, a specific action plan will be initiated.

Additionally, we implement targeted training aimed at improving the safety culture among our staff, enabling them to be safe when exposed to these hazards in their daily tasks.

### Medical care

Tosyali Algeria has a very efficient health structure with all the resources available to deal with any accident and/or medical care for employees 24/7.

The main clinic includes 8 beds, 3 ambulances, an observation room, a laboratory, a pharmacy and 4 consultation rooms. The Occupational Health Center has several doctors, nurses and staff solely dedicated to ensuring the good health and monitoring of employees by offering periodic consultations and visits, on-site biological samples and functional tests such as EFR, audiometry and vibration testing.

Employee Health KPIs			
No.	Indicators	2022	2023
1	Completion rate of the 1st periodic medical examination	100%	100%
2	Rate of the 2nd periodic medical examination for highly exposed workers	100%	100%



## 2.2 Employment and mental well-being of workers

Employee mental health is not only a moral imperative, but also a strategic consideration for the business, as it directly affects the productivity, retention and overall success of the organization.

Tosyali Algeria has dedicated programs to improve the mental well-being of its employees and their families as well as in various areas, such as :

### Sporting events

As part of our commitment to the well-being of our employees, we organize football, basketball and chess tournaments every year, in which all employees have the right to participate freely. Additionally, valuable prizes are awarded to participants to enhance their motivation and satisfaction



320 Employees have participated in the tournament



284 employees and their families enjoyed various vacation destinations, including beaches, thermal resorts, the Oumra pilgrimage to Saudi Arabia, and the Sahara Desert



Tosyali Algeria sponsored up to 60% of the expenses for these trips, reflecting our commitment to supporting the well-being and happiness of our employees and their families





In the spirit of promoting employee well-being and sustainability, our company proudly sponsored a summer camp for the children of 420 employees. The camp was filled with exciting night activities, lively kids' parties, and engaging entertainment. To make the experience even more memorable, each child received special gifts. This initiative reflects our commitment to supporting our employees and their families, ensuring a fun and enriching experience for their children

As part of our company's ongoing commitment to employee well-being and community support, the annual circumcision program is meticulously organized each year. The procedures are carried out in a sophisticated clinic, ensuring the highest standards of care and safety. This program underscores our dedication to supporting our employees and their families

74 Employee have benefited from the Circumcision Program

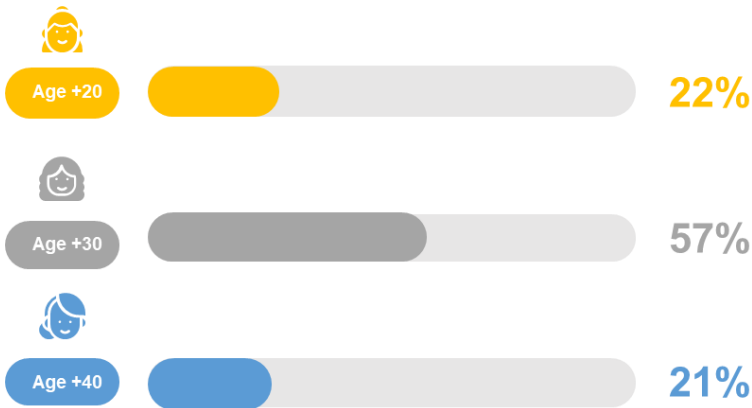


### WOMEN'S DAY

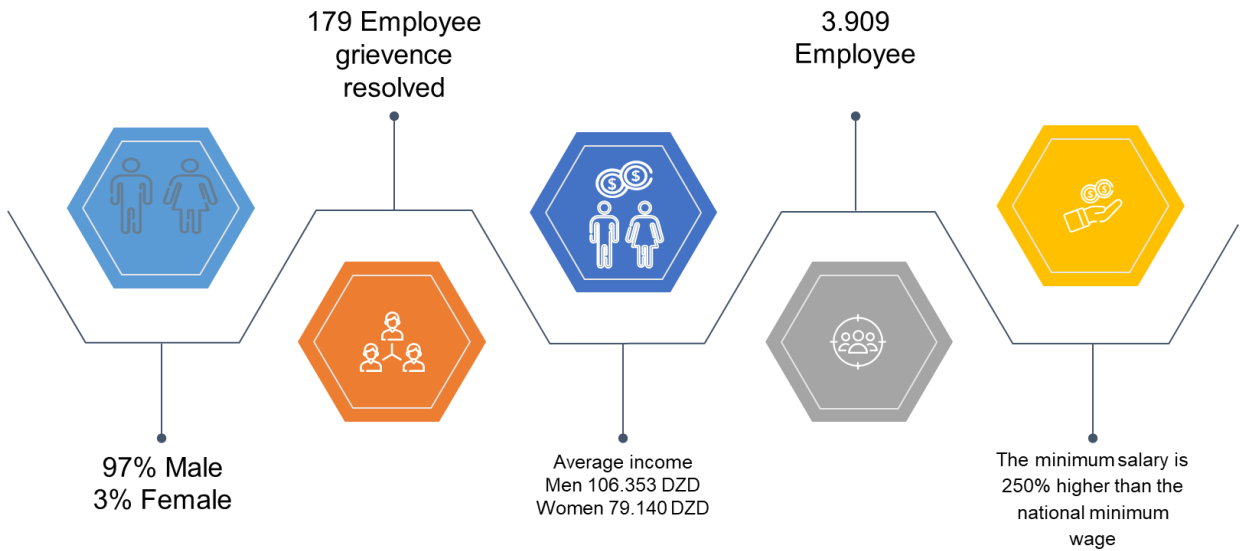
On International Women's Day, 105 women from our company were honored and celebrated. Each received a bouquet of flowers, a luxurious skin care gift set, and a gift of 10,000 dinars. This celebration reflects our commitment to recognizing and appreciating the valuable contributions of the women in our workforce



## 2.3 Responsible Employment

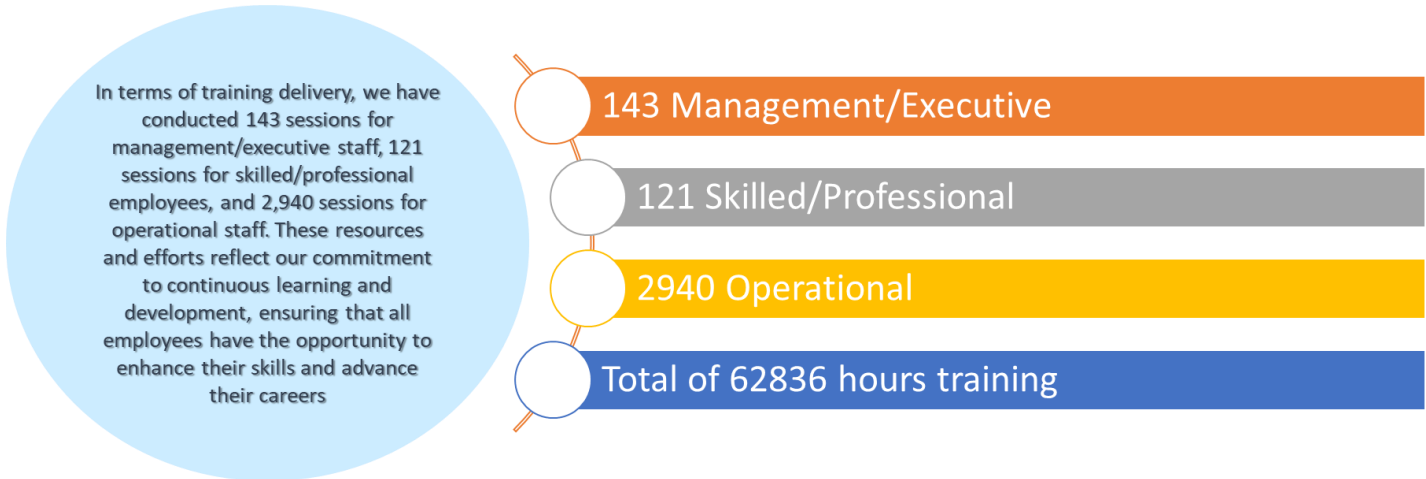


The significant presence of young employees is a considerable advantage, bringing fresh perspectives, high adaptability, and a strong enthusiasm for embracing new technologies and methodologies. This dynamic workforce, combined with the stability of undetermined work contracts, ensures our company's ability to innovate and remain competitive in the industry



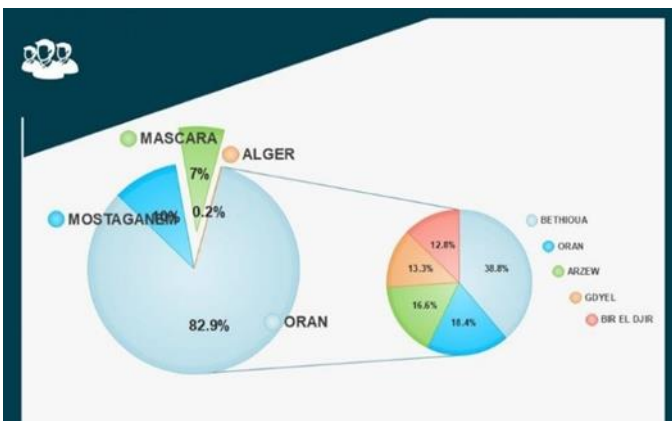
**Our company training facilities includes**  
 04 Training Rooms  
 01 Amphitheater  
 01 Training workshop  
 01 Training Supports Library  
 01 Meeting Room





Human Rights KPIs			
No.	Indicators	2022	2023
1	Employee retention rate	80%	80%
2	Number of employees with a minimum wage set by the national legal standard	0	
3	Total number of employee complaints resolved	97%	94%
4	Number of recruitments of minors carried out	0	0
5	Local recruitment rate	81.44%	81.15%
6	Number of employees with disabilities	0	0

## 2.4 Local employment



Local Employment		
	2022	2023
Number of employees	3616	3909
Local employment rate	81.44%	81.15%

## 2.5 Relations with local communities and social responsibility initiatives



Meetings with local community members, civil society organizations and local authorities to identify the priority needs of the community and determine how Tosyali Algérie can significantly contribute to meeting these needs.

TOSYALI ALGERIE has decided to partner with universities to attract new graduates and strengthen its workforce, providing access to new talents and continuing education for employees, as well as research and development collaborations for the innovation and competitiveness in the market.

### Sponsor with the University of Oran

International Conference of Metal and Mixed Construction ” to talk about the importance of steel construction.

From 13 to 14 March 2023 in Usto University



### Ramadan contest for the children of our employees and the children of the mosque of Tosyali Algeria Amir Abdulkader

On the occasion of the holy month of Ramadan we organized in partnership with the mosque of Emir Abdulkader , a Ramadan contest focused on the recitation of the Holy Quran for Tosyali’s children workers and the mosque children . 64 children , from tosyali , 86 children from the mosque .



**Distribution of a voucher worth 7,000 Algerian dinars to 71 children from needy families, to buy clothes for Eid el fitr and Adha.**



Community initiative spending		
	2022	2023
Community initiative spending	2,593,522 DZD	20,112,003 DZD

### 3. Economic performance

#### 3.1 Responsible sourcing

Tosyali Algeria is committed to responsible practices in its supply chain. The company selects its suppliers by ensuring that they respect ethics and the law. It encourages its suppliers to act responsibly, respecting human rights and the principles of business ethics.

In the selection and evaluation process, Tosyali Algeria integrates sustainability criteria, such as environmental impact and fair treatment of employees. The company regularly interacts with its suppliers to support them in improving their practices.

In addition, Tosyali Algérie engages in local purchasing from suppliers based near its operations. This contributes to local economic development and reinforces the company's positive impact on surrounding communities

Tosyali Algérie also carries out regular inspections of its suppliers to ensure compliance with its social responsibility requirements. The confidentiality and security of the information collected are guaranteed.

#### 3.2 Our engagements

- Focus on material traceability throughout the supply chain
- Reduce the social and environmental impacts associated with the transport of our products.
- Select the nearest suppliers of raw materials and other raw materials to minimize the distance between the source of raw materials and raw materials and the factory when the requirements are met.

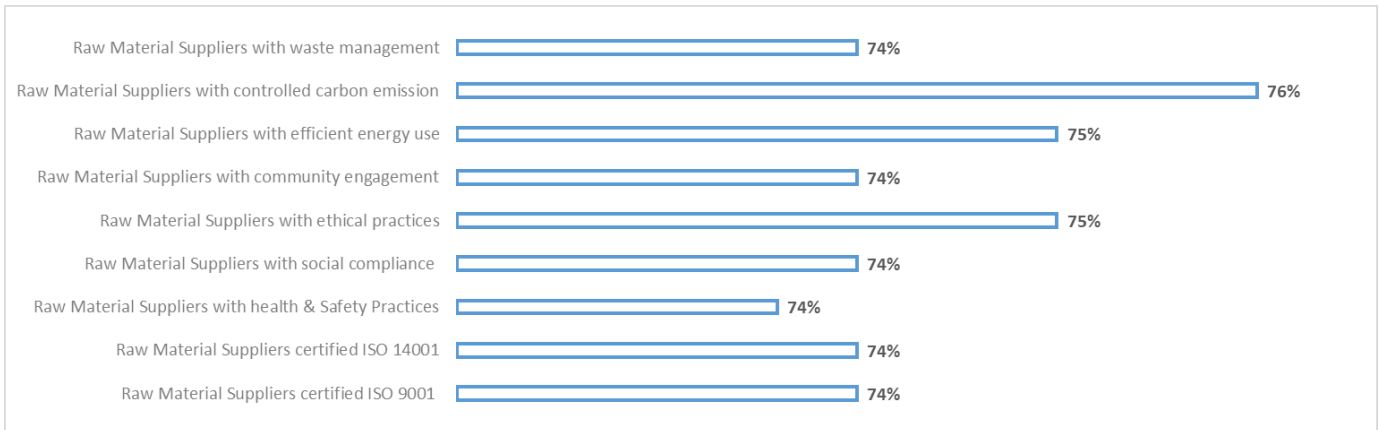
#### 3.3 Select it from our suppliers

Tosyali Algeria evaluates potential suppliers before engaging in business partnerships or sourcing activities.

We determine the traceability of the most important raw materials and suppliers in terms of impact on sustainability aspects through the mapping of our supply chain.



Our raw material suppliers are selected and evaluated for each delivery according to criteria of quality, deadlines, price, adaptation and compliance with occupational health and safety and environmental requirements (in addition to ethical impact criteria, social and economic).



### 3.4 Relationship with suppliers

- Thoroughly and carefully select suppliers to work with; determine that they have not engaged in unethical or illegal actions, make necessary reviews and determinations in accordance with relevant enforcement principles; and to encourage them to fulfill their legal obligations, to act with respect for human rights and to behave in accordance with the principles of business ethics and the fight against corruption,
- Make decisions in the selection of suppliers using objective criteria,
- Respect the rules of reasonable confidentiality and workplace safety requested during inspections and visits to suppliers.

Local Sourcing	
	2023
Total spending on local purchases	74,937,243,567 DZD
Number of supplier complaints	0



### 3.5 Stakeholder engagement

We proactively engaged our stakeholders by sending them emails to solicit feedback on the agreed outcomes regarding their expectations to allow them to review them. This approach allowed us to engage and motivate all our stakeholders, thus promoting more effective collaboration and optimal achievement of our objectives.

Category of stakeholders	Description	Stakeholder expectations	Communication tools/means	Frequency	Interest level	Level of influence
Employees and their representatives	All people employed by Tosyali	<ul style="list-style-type: none"> <li>- Working conditions and safety</li> <li>- Respect for human rights</li> <li>- Training and skills development</li> <li>- Contribution to local development</li> <li>- Respect for ethical and social standards</li> </ul>	Phone, email, meeting WhatsApp, QDMS, SMS, internal display	Regularly, usually in the form of periodic meetings	High	High
State and local authorities	Government agencies	<ul style="list-style-type: none"> <li>- Reduce your carbon footprint, manage waste effectively, use natural resources and means responsibly, and reduce energy and water consumption.</li> <li>- Respect for human rights</li> <li>- Community engagement</li> <li>- Training and skills development</li> <li>- Contribution to local development</li> <li>- Good business practices</li> <li>- Innovation research and development</li> <li>- Respect for ethical and social standards</li> <li>- Promoting local purchases</li> <li>- Transparency and traceability of products</li> </ul>	Phone, email, meeting Website, Social networks Press, Visit	Occasional or planned depending on circumstances.	High	High
Local communities	Residents and businesses adjacent to Tosyali facilities	<ul style="list-style-type: none"> <li>- Reduction of carbon footprint</li> <li>- Respect for human rights</li> <li>- Community engagement</li> <li>- Contribution to local development</li> <li>- Good business practices</li> <li>- Innovation research and development</li> <li>- Respect for ethical and social standards</li> <li>- Promoting local purchases</li> </ul>	Phone, email, meeting Website, Social networks Press, Visit	Occasional or planned depending on circumstances.	High	High
Neighborhood	Residents living near Tosyali facilities	<ul style="list-style-type: none"> <li>- Reduction of carbon footprint</li> <li>- Respect for human rights</li> <li>- Community engagement</li> <li>- Contribution to local development</li> <li>- Respect for ethical and social standards</li> <li>- Promoting local purchases</li> </ul>	Phone, email, meeting Website, Social networks Press, Visit	In case of need or specific projects	High	High
Customers and consumers	Individuals or companies purchasing Tosyali products	<ul style="list-style-type: none"> <li>- Long-term economic profitability</li> <li>- Contribution to local development</li> <li>- Good business practices</li> <li>- Respect for ethical and social standards</li> <li>- Transparency and traceability of products</li> </ul>	Phone, email, meeting Website, Social networks Press, Visit	Daily via customer service	High	High
Suppliers/Service Providers	Businesses providing goods or services to Tosyali	<ul style="list-style-type: none"> <li>- Respect for human rights</li> <li>- Community engagement</li> <li>- Contribution to local development</li> <li>- Good business practices</li> </ul>	Phone, email, meeting Website, Social networks Press, Visit	Regular and structured, integrated into procurement processes /service	AVERAGE	AVERAGE

		<ul style="list-style-type: none"> <li>- Respect for ethical and social standards</li> <li>- Promoting local purchases</li> <li>- Transparency and traceability of products</li> </ul>				
Investors	Individuals or entities investing in Tosyali projects	<ul style="list-style-type: none"> <li>- Long-term economic profitability</li> <li>- Good business practices</li> <li>- Respect for ethical and social standards</li> <li>- Transparency and traceability of products</li> </ul>	Phone, email, meeting Website, Social networks Press, Visit	During financial reporting and monitoring project progress	AVERAGE	AVERAGE
Insurance companies	Companies providing insurance coverage in Tosyali	<ul style="list-style-type: none"> <li>- Long-term economic profitability</li> <li>- Respect for ethical and social standards</li> </ul>	Phone, email, meeting Website, Social networks Press, Visit	Annual upon contract renewal	AVERAGE	AVERAGE
Associations	Charities and volunteering Nonprofits	<ul style="list-style-type: none"> <li>- Respect for human rights</li> <li>- Community engagement</li> <li>- Good business practices</li> <li>- Respect for ethical and social standards</li> </ul>	Phone, email, meeting Website, Social networks Press, Visit	Depending on events or collaborations	AVERAGE	AVERAGE
Banks	Financial institutions that Tosyali engages with	<ul style="list-style-type: none"> <li>- Long-term economic profitability</li> <li>- Good business practices</li> <li>- Respect for ethical and social standards</li> </ul>	Phone, email, meeting Website, Social networks Press, Visit	During follow-up meetings	AVERAGE	AVERAGE
The universities	Higher education, study and research establishments	<ul style="list-style-type: none"> <li>- Collaboration and partnerships</li> <li>- Professional development</li> <li>- Access to research and innovation</li> <li>- Reputation and social responsibility</li> </ul>	Phone, email, meeting Website, Social networks Press, Visit	Depending on collaborations or specific projects	AVERAGE	AVERAGE
Calibration organizations	Calibration Companies	<ul style="list-style-type: none"> <li>- Respect for human rights</li> <li>- Collaboration and partnerships</li> </ul>	Phone, email, meeting Website, Social networks Press, Visit	Depending on collaborations or specific projects, certification audits	High	High
Standardization organization	Standard associations	<ul style="list-style-type: none"> <li>- Respect for human rights</li> <li>- Collaboration and partnerships</li> </ul>	Phone, email, meeting Website, Social networks Press, Visit	Depending on collaborations or specific projects, certification audits	High	High
Interns	a student doing an internship in a company	<ul style="list-style-type: none"> <li>- Practical experience</li> <li>- Supervision and learning opportunities:</li> <li>- Regular feedback on their performance</li> </ul>	Phone, email, meeting Website, Social networks Press, Visit	Monthly during follow-up meetings	AVERAGE	AVERAGE
Certification bodies	Certification bodies	<ul style="list-style-type: none"> <li>- Product standard requirements</li> <li>- Management system requirements</li> <li>- Product Performance Report</li> <li>- Quality long-term performance reporting</li> </ul>	Phone, email, meeting Website, Social networks Press, Visit	Depending on collaborations or specific projects, certification audits	High	High

## V.Future sustainability objectives

Tosyali Algeria is committed to integrating the principles of sustainable development into all its operations, prioritizing transparency, accountability and continuous improvement. As part of this commitment, Tosyali Algeria has defined environmental, social, economic objectives, as well as ethical business practices and responsible purchasing for the year 2024. These objectives were developed taking into account international best practices, regulations local areas and the specific needs of its stakeholders.

To ensure the relevance and effectiveness of these objectives, we sought input from our stakeholders, including our employees, customers, suppliers, local authorities and the surrounding community. Their comments and suggestions, reflecting their concerns and expectations, were carefully taken into consideration.

Following this feedback, the following sustainability objectives were approved and adopted by Tosyali Algeria.

Environmental management 2024					
No.	Goals	Indicators	Targets	Frequency	Appropriate actions to achieve the objectives
1	Compliance with legal requirements	Rate of compliance with legal requirements	100%	Annual	Assessment of environmental regulatory compliance
2	Handling environmental complaints	Environmental complaint processing rate	100%	Annual	Establishment of a procedure for handling environmental complaints

Atmospheric and greenhouse gas (GHG) emissions 2024					
No.	Goals	Indicators	Targets	Frequency	Appropriate actions to achieve the objectives
1	Regulatory compliance in atmospheric emissions including GHGs	Result of atmospheric emissions analysis < regulatory limits	100%	Annual	Measurement of current atmospheric emissions and identification of main sources

Waste management 2024					
No.	Goals	Indicators	Targets	Frequency	Appropriate actions to achieve the objectives
1	Ensures proper waste management in accordance with legal requirements	Number of types of waste disposed of by an approved collector during the year	29	Annual	Implement regular monitoring of environmental laws and regulations.
2	Waste recovery	Internal recovery of ferrous waste	100%	Annual	Identification of hazardous waste
		External waste recovery rate	> 80%	Annual	Implement regular monitoring of environmental laws and regulations. Implementation of internal procedures for the management of hazardous waste.
3	Increase the rate of staff awareness of waste management	Rate of staff aware of waste management	> 35%	Annual	Launch of awareness programs on good waste management practices to minimize potential damage to the environment.

Energy consumption 2024					
No.	Goals	Indicators	Targets	Frequency	Appropriate actions to achieve the objectives
1	Control of energy consumption	Electric energy consumption rate compared to previous year	100%	Annual	Assessment of current energy consumption and identification of areas for improvement ISO 50001 certification plan
		Natural gas consumption rate compared to previous year	100%	Annual	

Water management 2024					
No.	Goals	Indicators	Targets	Frequency	Appropriate actions to achieve the objectives
1	Reduction Water Consumption	Reduce water consumption rate (RM1,2,3-SMP1-2 - WRM)	10%	Annual	Assessment of current resource consumption and identification of areas for improvement
		Reduce DRI water consumption rate	10%	Annual	
		Reduce the water consumption rate of PELLETS	10%	Annual	
		Reduce the rate of water consumption	10%	Annual	

Biodiversity and Ecotoxicity 2024					
No.	Goals	Indicators	Targets	Frequency	Appropriate actions to achieve the objectives
1	Regulatory compliance for hazardous air pollutants (ecotoxicity)	Rate of compliance with legal requirements	100%	Annual	Compliance with the chimney filter replacement schedule.
2	Improve biodiversity	Planting of locally sourced trees around the site.	200 trees/02 km	Annual	Establish a special budget for planting trees and revegetating areas.

Human Resources 2024					
No.	Goals	Indicators	Targets	Frequency	Appropriate actions to achieve the objectives
1	Maintain recruited staff (Turnover)	maintain a high employee retention rate of at least	80%	Annual	Conduct an in-depth analysis of why employees leave the company.
2	Skills assessment	Annual assessment completion rate	100%	Annual	
3	Worker complaints	Minimize the number of complaints (HR) < 2% compared to all employees Complaints / Month	<2%	Monthly	Establish a mechanism to handle employee complaints

Training 2024					
No.	Goals	Indicators	Targets	Frequency	Appropriate actions to achieve the objectives
1	Implementation of the annual professional training plan for employees	Completion rate of the annual training plan	≥85%	Annual	Provide professional development opportunities Training and development budget
2	Effectiveness of training measures	Effectiveness rate of training measures	≥95%	Annual	
3	Participation rate in training programs	Participation rate in annual training programs	≥85%	Annual	

Health and Safety at work 2024					
No.	Goals	Indicators	Targets	Frequency	Appropriate actions to achieve the objectives
1	Comply with legal requirements regarding health and safety at work	Number of legal compliances maintained	100%	Annual	Implement legal and regulatory monitoring
2	Promote worker health and safety	Reduce the rate of workplace accidents	25%	Annual	Establish an OHS management program
		Number of fatal accidents	0	Annual	
3	Carrying out the first periodic medical examination to monitor the health of workers	Rate of medical check-up carried out	100%	Annual	Establish the annual program of periodic medical examinations
4	Carrying out the second periodic medical examination to monitor the health of highly exposed workers	Rate of medical examination carried out	80%	Annual	Implement a specific medical monitoring program for all workers most exposed to occupational risks
5	Train workers on hazards and applied control measures	Number of employees trained in security measures	10 hours/worker	Annual	Organize training sessions to make employees aware of dangers and safety measures.

Human Rights Objectives 2024					
No.	Goals	Indicators	Targets	Frequency	Appropriate actions to achieve the objectives
1	Compliance with labor relations regulations	Number of labor relations regulatory compliance deviations noted or reported	0	Annual	Establish internal mechanisms to prevent regulatory compliance deviations from labor relations  Establish clear policies and internal mechanisms to prevent and address human rights gaps (discrimination, fair pay, child labor, etc.)
2	Promote equality and human rights within our organization by eliminating human rights gaps	Number of human rights violations observed or reported.	0	Annual	
3	Preventing cases of discrimination	Total number of cases of discrimination observed or reported	0	Annual	
4	Handling complaints related to discrimination	Handling complaints related to discrimination	100%	Annual	
5	Guarantee a fair salary	Zero 0 complaints related to unfair pay observed or reported	0	Annual	
6	Handling complaints related to unfair salaries	Handling complaints related to unfair salaries	100%	Annual	
7	Preventing child labor	Number of recruitments of minors carried out	0	Annual	
8	Taking into account the well-being and mental health of our employees	Number of wellness and mental health support programs	> Number of programs compared to the previous year	Annual	

Objectives on initiatives and social responsibility for 2024					
No.	Goals	Indicators	Targets	Frequency	Appropriate actions to achieve the objectives
1	Increase community engagement by organizing initiatives.	Number of community initiatives organized.	>10	Annual	Identify the needs and problems of the local community

Ethical practices 2024					
No.	Goals	Indicators	Targets	Frequency	Appropriate actions to achieve the objectives
1	Reduce the number of grievances and complaints related to: corruption, bribery and any unethical acts (unfair practices, conflicts of interest and gifts, etc.)	Corruption-related complaints	0	Annual	Establish a mechanism to handle complaints from all stakeholders
		Bribery related complaints	0	Annual	
		Complaints related to unethical acts (unfair practices, conflicts of interest and gifts, etc.)	0	Annual	

Economic Objectives 2024					
No.	Goals	Indicators	Targets	Frequency	Appropriate actions to achieve the objectives
1	Increase in the number of local suppliers	The number of local suppliers has increased	2023/2024	Annual	Conduct consultations with potential local suppliers
2	Regulatory Compliance	Conformity assessment report	2024	Annual	Implement regulatory compliance procedures
3	Increase in local employment	Number of local employees	> 60%	Annual	Collaborate with local authorities to promote job creation
4	Offer quality products	Customer satisfaction rate	85%	Annual	Regularly evaluate customer satisfaction.
		Rate of resolved customer complaints	100%	Monthly	Establish a clear procedure for the rapid and efficient handling of customer complaints.
		Rate of compliance with quality standards	100%	Annual	Implement an effective quality control process

Responsible Sourcing 2024 Objectives					
No.	Goals	Indicators	Targets	Frequency	Appropriate actions to achieve the objectives
1	Promote ethical practices with suppliers	Rate of suppliers evaluated according to ethical criteria	100%	Annual	Establish a supplier evaluation process according to ethical criteria
2	Evaluation of raw material suppliers on the criteria for obtaining the ISO 9001-14001-45001 certificate	Number of suppliers assessed ISO 9001-14001-45001	100%	Annual	Certification of certain suppliers ISO 9001-14001-45001
3	Processing supplier complaints	Number of complaints processed	100%	Annual	Reduction in the number of supplier complaints
4	Compliance with laws and regulations in force	Reduce the number of offenses identified	0	Annual	Implementation of corrective measures to comply with laws and regulations

## VI. Innovation

### Strategic water management: innovations in water conservation and sustainability

As part of our ongoing commitment to sustainable development, our company has invested 147,028,770 DZD to install new facilities for our osmosis water treatment unit. This upgrade increased our recycled water capacity by 350 m<sup>3</sup>/hour. By improving our water recycling capabilities, we are able to reduce our overall water consumption and our dependence on fresh water sources. This initiative supports our broader sustainability goals of minimizing our environmental footprint, conserving natural resources

### Product diversification

Our company has also innovated by introducing 40mm rebar into our product range. These larger diameter rebars represent an expansion of our sustainable construction materials offering, made possible by an investment of DZD 80,745,419. The ability to provide these thicker, stronger rebar allows for greater design flexibility and greater structural integrity for our customers' construction projects.

Spending on Innovation	
2023	
New Reinforcement Rebar round 40 mm diameter	80,745,419 DZD
WTP Osmosis Unit	147,028,770 DZD
<b>Total</b>	<b>227,774,190 DZD</b>