



# **SUSTAINABILITY AND SOCIAL RESPONSIBILITY REPORT**

 **STALMA**

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# 1. Letter from the Management Board

Dear Partners, Employees and Friends of STALMA, development, responsibility, quality and openness to the future – these are the words that best capture our company's philosophy. For over three decades, we have been creating not only durable, high-quality steel products but also solid foundations for relationships with employees, contractors and local communities. Today, we operate not only in Poland but deliver products to customers in nearly 30 countries worldwide – we are proud to say that our steel creates the world around us. We look far ahead – because steel is the material of the future, and we want to be part of a future that is green, safe and full of respect for people and nature.

Thank you for being part of this shared journey.

President of the Management Board of STALMA



## 2. Who we are – history, culture, values

STALMA is a Polish family-owned company with 100% domestic capital and a tradition dating back to 1994. We originate from the Lublin region, an area known for entrepreneurship, hard work and innovation. Our headquarters is located in Lublin and our modern production plant with full infrastructure is in Niedrzwica Duża.

We produce high-precision steel products. We believe that steel is the future — over 85% recyclable, universal, durable and indispensable for the sustainable infrastructure development of the modern world.

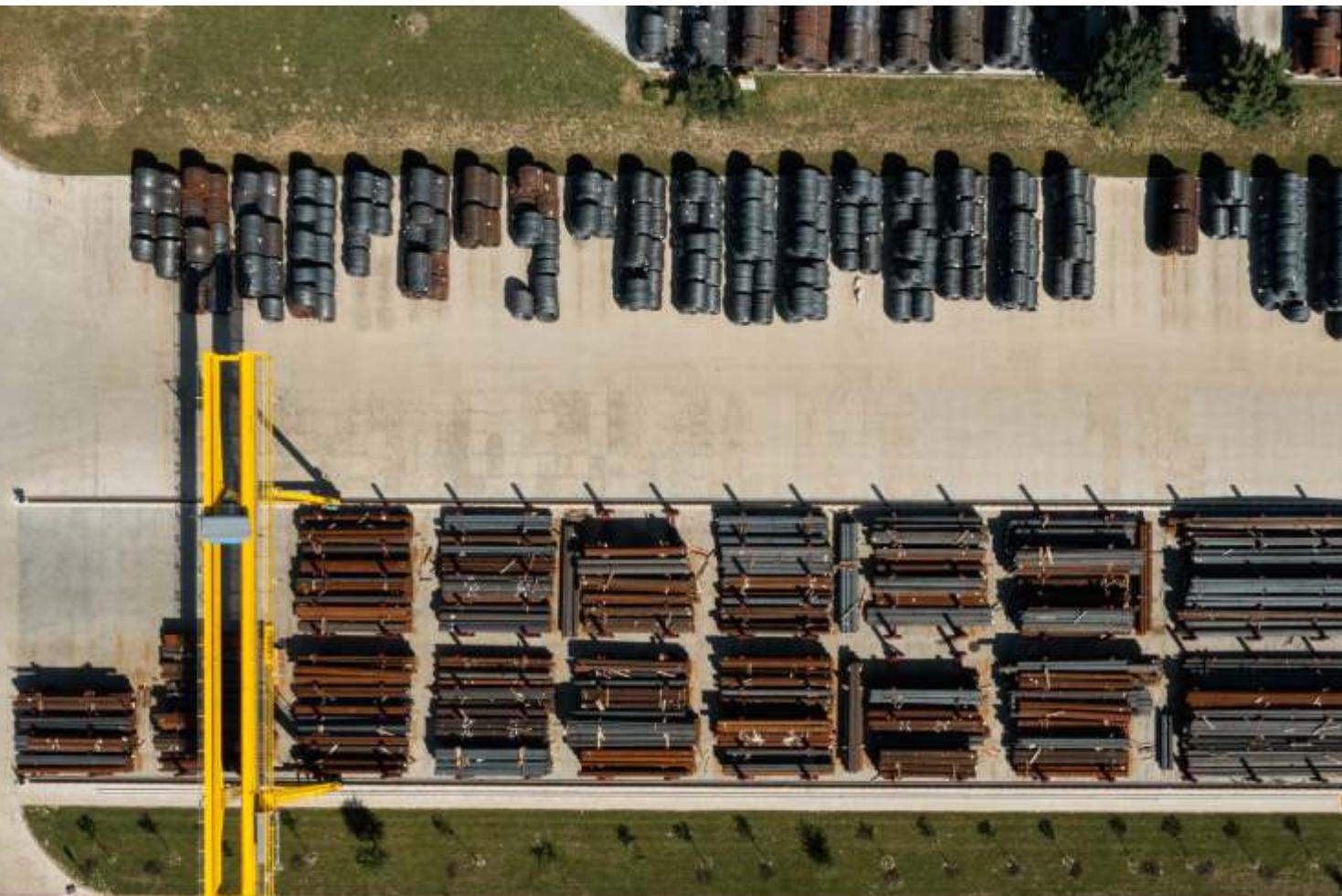


## 3. Our vision

We want to provide the highest quality steel in the shortest possible time, supporting the development of key economic sectors.

We aim to be an innovation leader in the industry, investing in our machinery park and employee competencies.

We want to create added value and develop responsibly toward the environment, customers, employees and the region.



# 4. Sustainable development: our approach

This report presents our activities in the Environmental, Social and Governance (ESG) as well as Corporate Social Responsibility (CSR) areas. Step by step, we translate our vision into goals and daily operations, building a company ready for a sustainable future.

Sustainable development is a common goal for the entire STALMA team – not a separate project.

Our activities focus on 4 pillars:

Pillar	Main areas
Environment	Purchasing and supply chain RES and energy efficiency DSR program Emissions, recycling and waste management Green mobility Environmental compensation and employee micro-projects
Product	Innovation and green steel Quality control Audits and standards for suppliers Packaging and logistics Norms and certificates
People	Employment stability Equality and organizational culture Competency development and HSE Health and well-being
Surroundings	Local leader and partner in the region Sports and a healthy lifestyle

# 5. Environmental responsibility

Ecological transformation of production and constant optimization of our environmental impact remain at the center of our strategy, following the model of global steel corporations. Our environmental policy covers a wide spectrum of activities:

## ***Purchasing and supply chain***

We purchase raw materials exclusively from verified European partners who adhere to strict environmental standards. We closely monitor the carbon footprint of our supply chain and ensure suppliers adhere to agreed-upon delivery terms.

## ***RES and energy efficiency***

Since 2023, we have been producing energy from a photovoltaic installation. Additionally, we install modern and energy-efficient heat pumps and constantly reduce energy losses, as confirmed by energy audits, thermal imaging studies and monitoring of production energy consumption.

## ***DSR Program***

We participate in the DSR (Demand Side Response) program – this is our contribution to the security of the Polish power grid and the reduction of peak power consumption – a solution used by industry leaders.





### ***Emissions, recycling and waste management***

In line with best practices in natural resource management and limiting the exploitation of the natural environment, we have implemented modern production processes that allow us to effectively reduce the amount of waste generated, reduce electricity consumption, greenhouse gas emissions and water consumption.

We analyze the environmental impact of each new project.

We recycle >90% of production waste, implementing a circular economy model particularly valued in the steel industry.

We collaborate with certified external companies that further recover waste.

Every ton of production is monitored for its CO<sub>2</sub> footprint, following the example of EU steel industry leaders. This circular economy significantly reduces overall CO<sub>2</sub> emissions.

### ***Green mobility***

Our passenger car fleet is mostly electric, plug-in or hybrid. We have 4 electric vehicle charging stations and are gradually eliminating combustion vehicles. All our trucks meet the EURO 6 standard.

### ***Environmental compensation and employee micro-projects***

Each new investment is covered by a compensation plan — planting plants, creating flower meadows and creating nesting boxes. Employees are initiating the establishment of insect hotels, animal feeding and environmental education for children.



# 6. Product responsibility

Our goal and commitment is to produce the steel of tomorrow – green, certified, perfectly controlled at every stage of the production process, until the final product is created.

## ***Innovation and green steel***

Our products are designed with minimal impact on the climate in mind. A large portion of our products are made from scrap-based steel mills. This allows us to offer products with a low carbon footprint. We also prioritize continuous development: in recent years, we have made numerous investments in the development of our machinery, launching fully automated drawing, peeling and grinding lines utilizing the latest technological advances. We are investing in further projects related to process automation and robotization, following global trends in Industry 4.0. Processes refined by experienced staff enable us to achieve the highest quality and minimize input material and energy consumption.

### ***Quality control***

Our products undergo rigorous quality control, including automated flaw detection (eddy current, laser detection) and comprehensive testing in a modern laboratory. These high standards enable us to supply the most demanding industries, including automotive, machinery, tools, precision components, pneumatic and hydraulic fittings, household appliances and railways.

### ***Audits and standards for suppliers***

We hold our suppliers to the highest standards throughout the entire service and production chain. We sign quality agreements with them that specify our requirements. We regularly audit suppliers, ensuring their compliance not only with quality standards but also with environmental, health and safety and ethical standards.

## ***Packaging and logistics***

We offer eco-friendly packaging solutions (anti-corrosion foil, cardboard tubes, wooden packaging) and all transport is carried out using closed trailers, which minimizes the risk of product damage and has a positive impact on the environment.



## Norms and certificates

We hold and periodically renew the most important industry certifications:

**ISO 9001 – Quality Management**

**IATF 16949 – Automotive**

**ISO 14001 – Environment**

**ISO 45001 – Occupational Health and Safety**



IATF 16949:2016



ISO 9001:2015



ISO 14001:2015



ISO 45001:2018

# 7. Responsibility for people

We are a family-owned company currently employing approximately 230 people, united by passion, knowledge and mutual respect. We believe that employees are paramount and every initiative supporting them brings value to the company and the community.

Our goal is to create the best possible working conditions and development opportunities for our employees, while maintaining the highest ethical standards. We adhere to the Code of Ethics and Corporate Social Responsibility and support our employees in improving their qualifications and developing their professional careers.

## ***Employment stability***

Our primary goal for employees is to provide them with stable working conditions and create new jobs as the company grows. For years, we have been providing stable, safe workplaces – we currently employ approximately 230 people in various regions of Poland, primarily in Lublin and Niedrzwica Duża. We invest in employee comfort – new offices, ergonomic production halls and infrastructure and production lines with noise and dust reduction systems, creating a workplace that is friendly to employees and the environment.



## ***Equality and organizational culture***

In accordance with our Code of Ethics and Corporate Social Responsibility, we support equality and diversity: women already represent 12% of our entire staff and 30% of those employed in our offices. We extend the professional careers of seniors – we currently have 14 retirees working with us. We promote a culture of dialogue: employees have the opportunity to submit ideas, signal needs and suggest changes.



## ***Development and HSE***

We ensure a clean and safe working environment in accordance with standards and legal regulations. Through training and preventative measures, we educate employees so they understand the importance of occupational health and safety and, as a result, make every effort to avoid workplace hazards and accidents.

We regularly train our employees in hard, specialized and soft skills. We collaborate with local schools and universities to organize internships and placements and to help young graduates find their first job.

Our occupational health and safety management system is compliant with ISO 45001, encompassing prevention, rapid response and a culture of safety.



## **Health and well-being**

We offer our employees additional insurance, health packages, pension plans, Multisport and the opportunity to participate in cultural and sporting events.



# 8. Responsibility for the surroundings

We are the largest employer in the Niedrzwica Duża commune and one of the largest in Lublin and the surrounding area. We consciously invest in the local economy and community development, generating growth momentum for the region and local businesses. We develop infrastructure, collaborate with local governments and support local culture and events.

## *Local leader and partner in the region*

40% of our staff are residents of the Niedrzwica Duża commune. We are the largest employer in the area. We support local education and the development of higher education institutions — we collaborate on research with technical universities, train students and participate in job fairs.



### ***Sports and healthy lifestyle***

We have supported and continue to support people with ambition and dreams – the volleyball players of Bogdanka LUK Lublin and Polish national team player Wilfredo Leon in their championship season, the speedway riders of Orlen Oil Motor Lublin – multiple Polish Champions and the basketball players of AZS UMCS Lublin. Furthermore, we have been supporting sports and events for children and young people for years, because we know the importance of physical activity and team values.



## 9. Summary

STALMA is not just about steel production – it is about development, responsibility, quality and openness to the future.

STALMA.RESPONSIBLY is not just a slogan – it is a commitment to people, the planet and future generations.

As a responsible, innovative and reliable partner – we invite anyone who wants to build a sustainable, modern industry to collaborate with us.

