Responsible Steel™
Certified Site

Responsible Steel™
CERTIFIED SITE
RSCS 001

Presented to

ACE/2024/108799.1

SIJ - SLOVENSKA INDUSTRIJA JEKLA

SITE NAME AND ADDRESS

SIJ, d.d.,
Gerbičeva ulica 98
SI 1000 LJUBLJANA, SLOVENIA

SIJ Acroni d.o.o
Cesta Borisa Kidriča 44
SI 4270 JESENICE, SLOVENIA

SIJ Metal Ravne d.o.o.
Koroška cesta 14
SI 2390 RAVNE NA KOROŠKEM, SLOVENIA

CLIENT NAME AND ADDRESS

SIJ, d.d.
Gerbičeva Ulica 98,
SI 1000 LJUBLJANA, SLOVENIA

Version of the ResponsibleSteel Standard and Assurance Manual that the site was audited against

ResponsibleSteel Standard version 1.1
ResponsibleSteel Assurance Manual version 1.0

ISSUE DATE	EXPIRY DATE	NEXT SCHEDULED AUDIT	CERTIFIED SINCE
2024-03-27	2027-03-26	2025-09-27 (TBC)	2024-03-27

CERTIFICATION SCOPE

Development, production and sale of stainless steel and special steels, such as stainless steel quarto plates, alloyed tool steels (rolled and forged products), special steels (high-strength and wear-resistant steels), non-oriented electrical plates, and production of high value-added finished products such as industrial knives, rolls and cold-drawn bars

Any facilities and associated activities that are directly related to steel making or processing, that are on-site or near the site and that have been included in the certification scope or audit scope

None

CERTIFICATION BODY

AFNOR Certification
11, Rue Francis de Pressensé
93200 Saint Denis
France

afnor CERTIFICATION

AUTHORIZED CERTIFICATION BODY SIGNATURE

Ce document est signé électroniquement. Il constitue un original électronique à valeur probatoire.
This document is electronically signed. It stands for an electronic original with probationary value.

Julien NIZRI, General Manager

ResponsibleSteel(TM), 755 Hunter Street
Newcastle West NSW 2303, Australia

Validity of this certificate is subject to continued conformity with the applicable ResponsibleSteel Standard and can be verified at www.responsiblesteel.org

This certificate does not constitute evidence that a particular product supplied by the certificate holder is ResponsibleSteel certified. Products offered, shipped or sold by the certificate holder can only be considered covered by the scope of this certificate when the required ResponsibleSteel claim is clearly stated on sales and delivery documents.

Responsible™ Steel | standards & certification

Responsible Steel™
Certified Site

Annex

ACE/2024/108799.1

SIJ - SLOVENSKA INDUSTRIJA JEKLA

SITES AND FACILITIES COVERED BY THE CERTIFICATE

SIJ Acroni d.o.o: Steel mill (EAF), hot rolling mill, cold rolling mill, quarto place processing
SIJ Metal Ravne d.o.o.: Steel mill (EAF), forging shop, rolling mill

SUPPORT FUNCTION THAT CONTRIBUTED TO THE AUDIT

Ljubljana: SIJ, d.d. (headquarters), Gerbičeva Ulica 98,
SI 1000 LJUBLJANA, SLOVENIA

ResponsibleSteel(TM), 755 Hunter Street
Newcastle West NSW 2303, Australia

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Public summary audit report

This is a concise public summary of the audit report for SIJ Group, Slovenia. The full version of the audit report is in the possession of the member company and the audited sites.

Audit overview

Member name	SIJ Group
Audited entity name	SIJ Group
Number of sites **Names & location**	1. SIJ, d.d., Gerbičeva ulica 98, 1000 LJUBLJANA, SLOVENIA 2. SIJ Metal Ravne d.o.o. Koroška cesta 14, 2390 RAVNE NA KOROŠKEM, SLOVENIA 3. SIJ Acroni d.o.o. Cesta Borisa Kidriča 44, 4270 JESENICE, SLOVENIA
Certification scope	Development, production and sale of stainless steel and special steels, such as stainless steel quarto plates, alloyed tool steels (rolled and forged products), special steels (high-strength and wear-resistant steels), non-oriented electrical plates, and production of high-value-added finished products such as industrial knives, rolls and cold-drawn bars.
Standard version audited against	ResponsibleSteel Standard V1-1 Certified Site
Audit type and outcome	Surveillance audit
Certification body	AFNOR Certification, 11, Rue Francis de Pressensé, 93200 Saint Denis, France
Audit dates	**Stage 1:** 17 April + 26 May 2025 (remote) **Stage 2:** 08-11 July 2025 (on-site)

Number of auditors and audit days	Andree Treffenfeld, Sr. Lead Auditor Stage 1 (remote): 2 days remote Stage 2 (on-site) 4 days on-site
Lead auditor declaration	The findings in this report are based on an objective evaluation of evidence, derived from documents, first-hand observations at the sites and interviews with site staff, workers and stakeholders, as conducted during stage 1 and stage 2 audit activities. The audit team members were deemed to have no conflicts of interest with the sites. The audit team members were professional, ethical, objective and truthful in their conduct of audit activities. The information in this report is accurate according to the best knowledge of the auditors who contributed to the report. It should be noted that audits are snapshots that rely on sampling. Sampling of interview partners, of documentation and records, of observed operations and activities. The auditors can therefore not exclude the possibility that there are non-conformities in addition to the ones identified during the audit activities.
Next audit type and date	Re-certification audit January 2027

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Introduction

About ResponsibleSteel

Our mission is to be a driving force in the socially and environmentally responsible production of net-zero steel, globally.

We are a not-for-profit multi-stakeholder organisation founded to bring together business, civil society and downstream users of steel, to provide a global standard and certification initiative for steel. We have built a consensus on what sustainability looks like for steel – including the impacts of mining, steel production, the scrap metal supply chain, greenhouse gas emissions, water use, workers' rights, communities and biodiversity. We are the first global scheme for responsibly sourced and produced steel.

Our Members include steel makers, mining companies, automotive and construction companies as well as civil society organisations focused on labour rights, biodiversity, climate change and many other important issues.

Overview of the certification process

To become a 'Certified Site', the process below must be followed:

Site self-assessment	• Site provides general information to the certification body • Signs contract with a certification body • Conducts self-assessment
Stage 1 Audit	• Certification body reviews self-assessment and documentation • Media and stakeholder analysis • Certification body determines readiness for stage 2 audit • Stakeholders informed of audit
Stage 2 Audit	• Certification body conducts the visit, • Gathers supporting evidence through worker and stakeholder interviews • Classifies non confirmities
Audit Report	• Certification body prepares audit report and certification recommendation • Site reviews audit report • RS Assurance Panel reviews report and recommendation • Certification body amends report if needed
Certification Decision	• Certification body takes certification decision and issues certificate • Certificate, audit report summary and Assurance Panel report published on website
Surveillance	• Site implements corrective actions where required • Certification body conducts monitoring activities and surveillance audit, including interviews with workers and stakeholders

Sites can apply to be assessed against the ResponsibleSteel Standard on a voluntary basis. Conformity with the Standard is verified by independent certification bodies and auditors. They study documentation provided by the site, review relevant media and scientific publications on the site, visit the site to see operations first-hand, and interview site management, process owners, shopfloor workers and external stakeholders such as authorities, community and civil society representatives. The assessment is summarised in an audit report that is reviewed by an independent Assurance Panel. Only if that Panel is satisfied with the quality of the audit and the resulting report, can a site with a positive certification recommendation be certified. A ResponsibleSteel certificate is valid for three years and certified sites have to pass a surveillance audit after 18 months and subsequent re-certification audits to remain certified. The rules and processes for ensuring compliance with the Standard are outlined in the Assurance Manual and have been developed using the Assurance Code of Good Practice set by the ISEAL Alliance as a reference.

It should be noted that engagement of external stakeholders is not required for the additional responsible sourcing and GHG requirements. A site visit is only necessary for the additional requirements if the site's GHG data has not been independently verified before the ResponsibleSteel audit or if the site and their certification body agree that a site visit would be useful.

ResponsibleSteel provides an Issues Resolution System that any stakeholder may use to log a complaint about any aspect of the ResponsibleSteel programme. The Issues Resolution System can be accessed via the ResponsibleSteel website.

More information on ResponsibleSteel can be found on https://www.responsiblesteel.org/.

Site information

Country and town	**SIJ, d.d.** Gerbičeva ulica 98, 1000 LJUBLJANA, SLOVENIA **SIJ Metal Ravne d.o.o.** Koroška cesta 14, 2390 RAVNE NA KOROŠKEM, SLOVENIA **SIJ Acroni d.o.o.** Cesta Borisa Kidriča 44, 4270 JESENICE, SLOVENIA
Activities and products	Activities and products SIJ Group in Slovenia comprises three physical sites with the following legal entities: 1) SIJ, d.d. Gerbičeva ulica 98, 1000 LJUBLJANA, SLOVENIA SIJ d.d., Gerbičeva ulica 98, 1000 Ljubljana, Republic of Slovenia is corporate headquarters company and perform strategic planning, supervising of processes in subsidiaries and direct managing of some processes at the corporate level. Their web address is https://www.sij.si/en/ 2) SIJ Metal Ravne d.o.o. Koroška cesta 14, 2390 RAVNE NA KOROŠKEM, SLOVENIA SIJ Metal Ravne d.o.o. with approximately 1.000 employees is a producer of tools and high-speed steel, special steel and structural steel with 70,000-80,000 t of sales products per year (73,012 t in 2022). At the production site, a wide pallet of more than 200 steel grades in different dimensional shapes is produced, from carbon and alloyed structural steels to tool and special steel in the form of rolled and forged products. Clients are mainly energy, automotive and aviation industry, nuclear industry, oil and gas companies, tooling industry, mechanical engineering and medicine companies. It consists of three different production plants: - **steel mill** with input 100% recyclable steel scrap (melting in electrical arc furnace, refining and vacuum treatment – VD/VOD, Electroslag Remelting – ESR) - **forging shop** where forged products are produced and heat treated (12 MN, 25 MN and 40 MN presses, SX-40 forging machine, forged billets, forged bars and forgings). Products can be with unmachined surfaces or with bright surfaces using the method of peeling, turning and milling.

	– rolling mill where a very wide spectrum of rolled products with different surface machining finish and various final heat treatment conditions are produced (Billet Rolling Mill, Section Rolling Mill, heat treatment furnaces, machines for straightening, cutting, sandblasting, varnishing operations and for inspection of rolled products) – **The Steel Drawing Plant** produces products with a drawn, peeled or ground surface. The site's website is accessible via https://sij.metalravne.com/en/ 3) SIJ Acroni d.o.o. Cesta Borisa Kidriča 44, 4270 JESENICE, SLOVENIA The site is one of the leading producers of stainless steel and special steels in Europe with approx. 1,300 employees. It consists of five different production plants: –**steel mill**, where steel scrap is remelted in the electric arc furnace, refined in converters (Argon Oxygen Decarburization, Vacuum Oxygen Decarburization or Vacuum Degasser) and cast on the continuous casting machine. SIJ Acroni also uses 100% recyclable scrap as input material in its electric steelmaking process. – **hot rolling mill**, where quarto plates and hot-rolled strips are rolled; cold rolling mill, where cold-rolled strips and process electrical steel is produced; – **quarto plate processing**, where stainless, high-strength, wear-resistant and tool steel quarto plates are processed; – **raw materials department**, where steel scrap is purified through magnetic separation and process black and white slag. Extracted steel is returned into the process, and slag is turned into new products. The site's website is accessible via https://sij.acroni.si/en/ The sites SIJ Acroni d.o.o. and SIJ Metal Ravne d.o.o. are certified against ISO 14001, ISO 45001, ISO 50001, ISO/IEC 17025, SIJ Acroni d.o.o. is certified against ISO 9001 and SIJ Metal Ravne d.o.o. is certified against AS/EN 9001. SIJ d.d. is certified against ISO 9001, ISO 14001, ISO 45001. Annual and Sustainability Report of the SIJ Group and SIJ d.d. (see https://www.sij.si/en/company/for-investors/annual-reports/)
Year site opened	**SIJ Metal Ravne d.o.o.** • The site has a tradition of more than 400 years of steelmaking in the Meža Valley, Slovenia.

	• The year 1620 is considered to be the official beginning of steelmaking at Ravne. **SIJ Acroni d.o.o.** The company of SŽ Acroni was founded on December 23, 1992. Steelmaking in Jesenice started long before 1992. On this territory. In this region ironmaking was already developed in the 14th century.
Major extensions and / or refurbishments and year(s) when these occurred	**SIJ Metal Ravne d.o.o.** In June 1945, an open-hearth furnace was put into operation which was then followed by a new foundry, rolling mill, forging shop, axle shop and horseshoe Shop. In 1952, a press of 600 t with heating furnaces was put into operation. A new steel plant was set up in 1966, in which the first electric arc furnace of 40 t started to operate in 1967 and a second one in 1970. The year 1980 saw the setup of a modern forging line GFM for high-alloyed steels and a new UHP furnace was installed in 1991. 2006 The holding of Slovenske Železarne is renamed into the holding of SIJ - Slovenian Steel Industry; the process for privatisation of the holding SIJ–Slovenska industrija jekla started and ended in the year 2007. Between 2006 and 2014, a period of intensive investment cycle – a new forging shop of heavy forgings, blooming mill modernisation, modernisation of the teeming pit in the steel plant, a new ESR (Electro-slag remelting) plant, and modernisation of machining in the forging shop. **SIJ Acroni d.o.o.** • 1995: The construction of a new crucible furnace was completed. • 2003: There were 33 investments being worked on, of which two would have a crucial impact on the increase in production output and in the quality of the products: the line for the final annealing of finished electrical steel sheets (CRNO), and the new vacuum oxidizing and degassing (VOD) device. A contract for the third strategic investment in the modernisation of the hot-rolling mill was signed. • 2004: The company started the ecological project "Reduced Consumption of Cooling Water". The project "Reconstruction of the Anti- Noise Chamber" was completed. The modernisation of the vacuum plant was concluded.
Annual production	SIJ Acroni metric tons of 217.641 per year

	SIJ Metal Ravne metric tons of 63.609 t per year
Number of employees and contractors	**SIJ, d.d** 126 (thereof 63 male, 63 female) – employees 9 (thereof 4 male, 5 female) – contractors **SIJ Metal Ravne** 1036 (thereof 886 male, 150 female) **SIJ Acroni** 1450 (thereof 1276 male, 174 female)
Carbon reduction target	SIJ Group decarbonisation plan 2020–2030–2050 from May 2023 with a commitment to reduce CO2 intensity by 51% to 2030 compared to base year of 2020 and become carbon neutral by 2050. https://www.sij.si/assets/Nacrt-razogljicenja-2023/sij-nacrt-razogljicenja-FINAL- EN-17-5-2023.pdf
Further environmental and social information	Sustainable development | Slovenian Steel Group, d. d. (sij.si) SIJ Group is a member of WSA and EUROFER. SIJ Group is Sustainability charter member for 2023, see Sustainability Charter - worldsteel.org

Stakeholder engagement

Stakeholder engagement is an integral part of a ResponsibleSteel audit and ensures a rich and balanced collection of information and evidence. The auditors followed the methodology outlined in the Guidance on Stakeholder Engagement provided by ResponsibleSteel as well as the Introduction to ResponsibleSteel for stakeholders.

ResponsibleSteel distinguishes between external and internal stakeholders. In relation to external stakeholders, the focus is on local communities, civil society organisations, authorities, labour unions, marginalised groups and academics.

A review of the interested parties as identified by the organisation has been conducted by the auditors.

Two levels of stakeholder management are considered by SIJ Group. On the 1st level, that represents stakeholders at macro, SIJ Group level, 24 external stakeholder groups and 40+ internal stakeholders were identified. On the 2nd, local level, that focuses on stakeholders that do not hold a business or contractual relationship with sites approximately 90 relevant stakeholder representatives have been currently identified. Identification also includes their requirements and expectations of the site; they have been identified in a moderated process in recent years and prioritised according to their power and the difficulty for implementing the expectations and associated risks and opportunities. This initial analysis is revised annually in preparation for the management review by a defined group of people and confirmed by the management. The planned activities of a year are listed in the stakeholder management plan and also settled or reassessed annually.

For ResponsibleSteel, the list of stakeholders and their contact details have been provided to the certification body (per March 2023). They represent the following groups according to the standard and some additional:

Stakeholder Group	Number (per March
Academics	18
Civil society organisations (operating at local, regional, national or	0
Labour unions	4
Local communities (including their formal and informal representatives, and indigenous peoples)	16
Marginalised groups	5
National or local government authorities	2
Others	14
Politicians	2
Organizations in the field of sport, culture and humanitarian organizations	28
NGO	4

3 weeks in advance of the stage 2 audit, stakeholders had been informed of the audit by E-mail in local language (lead time of three weeks being shorter than usual, due to severe flooding in Slovenia, which affected the time for preparation of the audit). 11 external stakeholders agreed to confidential interviews (Organizations in the field of sport and culture, local government authorities, a NGO and others). Most interviews were carried out by telephone interviews and some by visiting the stakeholder. Overall, the feedback was very positive and confirmed the audit team's impression that the entity is quite an active corporate citizen and is supporting the communities where they operate. Just one concern was raised regarding vibrations being felt outside the production site in Ravne, but the audit team doubts that the site is the source of these vibrations, as the person felt the vibrations even when the site was in a standstill.

SIJ, d.d.:

The number of workers on-site (including full- and part-time) at the site is currently at 135, 8 contractor workers (3 male and 5 female) and one male student. They work in one shift; from Monday to Thursday from 7.30 till 16.00 and on Fridays from 7.30 till 13.30.

SIJ Acroni

	Men	Women	Together
Employees of SIJ Acroni	1111	145	1256
Contractor workers	160	28	188
Temporary work of pensioners (contractor workers)	5	1	6
TOGETHER	1276	174	1450

The work is organised in different shift patterns: one shift work, two shift work, three shift work and 12/24.

SIJ Metal Ravne

	Men	Women	Together
Employee SIJ Metal Ravne	849	146	995
Contractor workers	71	23	94
Temporary work of pensioners (contractor workers)	26		26
TOGETHER	886	150	1036

The work is organized in different shift patterns: one shift work, two shift work, three shift work, four shift work.

Worker interviews were conducted with 1 group á 5 persons, 1 group of 4 persons, 4 groups of 3 persons and 24 individuals.

The auditors selected the groups of people to be interviewed on the basis of an anonymous staffing plan (employee roster). A total of 45 workers were interviewed, focussed on blue-collar workers.

37 men and 8 women were interviewed. These numbers include 4 white-collar workers.

Their feedback was generally positive, and they confirmed that their labour rights are respected.

Workers from abroad reported they received language training free of charge.

The grievance mechanism was known to them.

Some workers mentioned that they don't understand how wages are calculated and they criticised the condition of toilets (poor cleanliness and maintenance).

Surveillance Audit 2025:

Also, during the surveillance audit, workers, their representatives and external stakeholders have been interviewed.

As in the initial audit, people to be interviewed were selected by the auditor on the basis of an anonymous staffing plan (employee roster) and a stratified sampling approach was taken with focus on blue-collar workers, women and migrant workers. A total of 45 22 workers were interviewed,

16 men and 7 women were interviewed. These numbers include 6 contractor workers and 7 male migrant workers.

Their feedback was mixed. Despite the very difficult economic situation, workers in Jesenice gave a generally positive response and expressed confidence in the actions of the management to steer the plant through the current turbulent times and they confirmed that their labour rights are respected.

Workers in Ravne responded differentiated. On one hand, they confirmed that people of different nationalities work together without any problems and that most of the workers like working at SIJ.

However, the work climate in at least one area was below expectations, as some workers reported about "bad words" and yelling from their supervisor. Most workers were unaware of the formal grievance mechanism. Further criticism was expressed regarding the lack of parking spaces and a lack of recognition.

External stakeholders were invited by the certification body (by email) to participate in confidential interviews ca. 5 weeks prior to the audit. The entity supported the effort by directly speaking to multiple stakeholders to encourage them to make themselves available for interviews.

12 persons from 11 stakeholder organisations were interviewed, 7 from Jesenice and 6 from Ravne (by telephone or in personal meetings).

As strict confidentiality was agreed, details about the responses of the interviewees will not be disclosed. But the response was overwhelmingly positive, even if some stakeholders are also affected by the economic situation of the entity.

Summary of audit findings

Conform	Conformity, the requirement is fulfilled.
Opportunity for improvement (OFI)	The respective requirement or criterion has been implemented, but effectiveness or robustness might be increased, or it is a situation that could lead to a future non-conformity if not addressed.
Minor non-conformity (NC)	Isolated, unusual or non-systemic lapse. Or a lapse with limited temporal and organisational impacts. A non-conformity that does not result in a fundamental failure to achieve the objective of the relevant requirement or related criterion. Sites can become certified with minor non-conformities, but they must have addressed them by the time of their next audit.
Major non-conformity (NC)	A non-conformity that, either alone or in combination with further non-conformities, results in or is likely to result in a fundamental failure to achieve the objective of the relevant requirement or related criterion. For example, non-conformities that continue over a long period of time, are systemic, affect a wide range of the site's production or of the site's facilities. Sites with major non-conformities cannot be certified.
Exclusion	The requirement is either **not applicable**: excluded from the audit since it is not applicable to the sites; or **not rated**: the requirement is very closely linked to another requirement where a non-conformity (NC) or opportunity for improvement (OFI) has already been raised. Sometimes, when requirements are linked to one and the same subject-matter, it is appropriate to count NCs or OFIs only once to avoid repetition.

Principles and criteria (# of requirements)	**Conform**	**OFI**	**Minor NC**	**Major NC**	**Exclusion**
Principle 1. Corporate Leadership (11)					
Criterion 1.1: Corporate Values and Commitments (6)	6	0	0	0	0
Criterion 1.2: Leadership and Accountability (5)	5|4	0|1	0	0	0
Principle 2. Social, Environmental and Governance Management Systems (29)					
Criterion 2.1: Management System (5)	4|5	0	1|0	0	0

Principles and criteria (# of requirements)	**Conform**	**OFI**	**Minor NC**	**Major NC**	**Exclusion**
Criterion 2.2: Responsible Sourcing (5)	5	0	0	0	0
Criterion 2.3: Legal compliance and signatory obligations (6)	6	0	0	0	0
Criterion 2.4: Anti-Corruption and Transparency (8)	6|7	0	1|0	0	1
Criterion 2.5: Competence and awareness (5)	5	0	0	0	0
Principle 3. Responsible Sourcing of Input Materials (129) N/A (NOTE: not applicable, as the sites do not seek certification to the additional requirements)					
Principle 4. Decommissioning and closure (14)					
Criterion 4.1: Decommissioning and closure (14)	0	0	0	0	14
Principle 5. Occupational Health & Safety (46)					
Criterion 5.1: OH&S policy (6)	6|5	0|1	0	0	0
Criterion 5.2: Health and Safety (OH&S) management system (10)	8|9	0	2|1	0	0
Criterion 5.3: Leadership and worker engagement on OH&S (9)	8|9	1|0	0	0	0
Criterion 5.4: Support and compensation for work-related injuries or illness (8)	2|4	0	0	0	6|4
Criterion 5.5: Safe and healthy workplaces (5)	2|4	1	2|0	0	1|0
Criterion 5.6: OH&S performance (2)	2	0	0	0	0
Criterion 5.7: Emergency preparedness and response (6)	6	0	0	0	0
Principle 6. Labour Rights (72)					
Criterion 6.1: Child and juvenile labour (9)	5	1|0	0|1	0	3
Criterion 6.2: Forced or compulsory labour (7)	6|0	1|0	0	0	0
Criterion 6.3: Non-discrimination (9)	7	2|1	0|1	0	0
Criterion 6.4: Association & collective bargaining (12)	6|7	5|2	0|2	0	1
Criterion 6.5: Disciplinary practices (5)	3	2|1	0|1	0	0
Criterion 6.6: Hearing and addressing worker concerns (5)	5	0	0	0	0
Criterion 6.7: Communication of terms of employment (5)	4	1|0	0|1	0	0
Criterion 6.8: Remuneration (11)	4|6	2|0	1|0	0	4|5

Principles and criteria (# of requirements)	**Conform**	**OFI**	**Minor NC**	**Major NC**	**Exclusion**
Criterion 6.9: Working time (7)	5|5	1|0	1|1	0	0
Criterion 6.10: Worker well-being (2)	2	0	0	0	0
Principle 7. Human Rights (19)					
Criterion 7.1: Human rights due diligence (5)	3|4	1	1|0	0	0
Criterion 7.2: Security practice (9)	4|6	0	2|0	0	3
Criterion 7.3: Conflict-affected and high-risk areas (5)	1|2	0	1|0	0	3
Principle 8. Stakeholder engagement and communication (29)					
Criterion 8.1: Stakeholder engagement (10)	10	0	0	0	0
Criterion 8.2: Grievances and remediation of adverse impacts (12)	11	1|0	0|1	0	0
Criterion 8.3: Communicating to the public (7)	7	0	0	0	0
Principle 9. Local Communities (27)					
Criterion 9.1: Commitment to local communities (8)	8	0	0	0	0
Criterion 9.2: Free, Prior & Informed Consent (3)	0	0	0	0	3
Criterion 9.3: Cultural heritage (7)	1|5	0	4|0	0	2
Criterion 9.4: Displacement and Resettlement (9)	0	0	0	0	9
Principle 10. Climate Change and GHG emissions (31|32)					
Criterion 10.1: Corporate commitment to achieve the goals of the Paris Agreement (7)	7	0	0	0	0
Criterion 10.2: Corporate Climate-Related Financial Disclosure TCFD (2)	2	0	0	0	0
Criterion 10.3: Determination of GHG emissions for the purpose of site level GHG emissions reduction targets and planning (4)	3|4	0	0	0	0
Criterion 10.4: Determination of site level GHG emissions for the purpose of reporting the GHG emissions intensity for the production of crude steel (29) (NOTE: not applicable, as the sites do not seek certification to the additional requirements.)	N/A	N/A	N/A	N/A	N/A

Principles and criteria (# of requirements)	**Conform**	**OFI**	**Minor NC**	**Major NC**	**Exclusion**
Criterion 10.5: Site-level GHG emissions reduction targets and planning (11)	10|11	0	0	0	1|0
Criterion 10.6: Requirements to market or sell products as ResponsibleSteel certified (8) (NOTE: not applicable, as the sites do not seek certification to the additional requirements)	N/A	N/A	N/A	N/A	N/A
Criterion 10.7: GHG emissions disclosure and reporting (8) (NOTE: 10.7.2 and 10.7.3 are not applicable, as the sites do not seek certification to the additional requirements)	6	0	0	0	2
Principle 11. Noise, emissions, effluents and waste (35|33)					
Criterion 11.1: Noise and vibration (7)	7	0	0	0	0
Criterion 11.2: Emissions to air (8)	8	0	0	0	0
Criterion 11.3: Spills and leakage (9)	8|9	0	1|0	0	0
Criterion 11.4: Waste, by-product and production residue management (11|9)	9|9	0	1|0	0	1|0
Principle 12. Water Stewardship (29)					
Criterion 12.1 Water-related context (7)	5|6	2|1	0	0	0
Criterion 12.2 Water balance and emissions (8)	7	0	0	0	1
Criterion 12.3 Water-related adverse impact (6)	6	0	0	0	0
Criterion 12.4 Managing water issues (8)	6|7	1|0	0	0	1
Principle 13: Biodiversity (25)					
Criterion 13.1: Biodiversity commitment and management (25)	9|10	0	0	0	16|15
	Conform	**OFI**	**Minor NC**	**Major NC**	**Exclusion**
Total (534|365)	**272**	**10**	**8**	**0**	**67**

* Note that the Total in the table does not correspond to the sum of Confom, OFI, Minor NC, Major NC and Exclusion due to the way that requirements and conformity classifications are counted.

Exclusions

# of requirement	Reason for exclusion
2.4.4 Anti-Corruption and Transparency	According to Transparency International's Corruption Perception Index 2022, Slovenia, the country in which the organization operates, ranks41st out of 180 countries and received a score of 57 out 100 possible (the best country was scored 88). The score is > 50, therefore, this criterion is currently not applicable to the organization.
Principle 4 Decommissioning and Closure	This principle is currently not applicable as no site closure has been announced.
5.4.2 Support and compensation for work-related injuries or illness	This requirement is not applicable to the organization as in their area of operation (Slovenia), compensation for work-related injury, illness or death is regulated by law.
5.4.3 Support and compensation for work-related injuries or illness	This criterion is not applicable as the organization is operating in Slovenia, which is a country in which compensation for work-related injury, illness or death is provided through a government scheme, collective bargaining agreement or mandatory benefits by law.
5.5.3 Safe and healthy workplace	This criterion is not applicable as the organization does not provide on-site housing.
6.1.3 Child and juvenile labour	This criterion is not applicable, as the assessment of the site's risk of engaging or tolerating the use of child labour was evaluated as not material.
6.2.3 Forced or compulsory labour	This criterion is not applicable, as the human rights due diligence did not identify any material risk related to forced or compulsory labour.
6.4.2 Provide for alter- native means if freedom of association and collective bargaining is restricted by law	This criterion is not applicable, as the national law does not restrict workers' organizations.
6.8.5	There are no on-site shops at the sites.

On-site shops	Surveillance Audit 2025: The canteen in Ravne offers some take-away food to buy on top of the meals that are served. Therefore this requirement is applicable.
6.8.6 Accommodation provided by employer	This criterion is not applicable, as the organization does neither directly nor indirectly provide accommodation.
6.8.7 Living Wage	This criterion is not applicable, as the workers' representation has not requested a living wage. Note: In Slovenia, minimum wage is defined by law, which the sites strictly follow. The Minimum Wage Act (ZMinP) stipulates that the net minimum wage is set at a minimum of 120 percent and a maximum of 140 percent of the minimum cost of living.
7.1.3 Human rights due diligence	The entity's risk assessment did not identify any case where it has caused/causes or has contributed/contributes to human rights-related risks or adverse impacts.
7.2.2 Extensive Security Measures	This criterion is currently not applicable to the organization, as the sites are not located in an area where there is a need for extensive measures to ensure security of people, property and assets. Note: Security is not equipped with firearms.
7.3.a, c Conflict-affected and High risk Areas	This criterion is currently not applicable to the organization, as it does not operate in a conflict-affected or high-risk area (see https://www.cfr.org/interactive/global-conflict-tracker/?category=us), https://www.crisisgroup.org/.
9.2 Free, Prior and Informed Consent (FPIC)	This criterion is not applicable as there are minorities but no indigenous peoples in the sites' areas of influence (see ResponsibleSteel Assurance Manual version 1.0, section 2.1.4, guidance on certification scope, see https://minorityrights.org/country/slovenia/
9.3.5 Cultural Heritage	There is no critical cultural heritage in the site's area of influence of the sites, as confirmed by research of the audit team and interviews.
9.4 Displacement and Resettlement	This criterion is not applicable as displacement or resettlement did not take place and is not planned to take place. (see ResponsibleSteel Assurance Manual version 1.0, section 2.1.4, guidance on certification scope).

10.5.1.d Site-level GHG or CO2 emissions reporting and disclosure	There are no arrangements to offset the GHG emissions at this time.
10.5.1.e Site-level GHG or CO2 emissions reporting and disclosure	There are currently no "credit emissions".
10.4.5 Waste, by-product and production residue management	The sites only have temporary storage of waste until it is handed over only to the receivers of this waste. The old permanent waste disposal sites at both locations are closed (under decommission), rehabilitated and monitored in accordance with all applicable legislation.
12.2.4 Water balance and emissions	There are applicable standards, targets regarding WRR (water framework directive), local law defines measurements. Therefore, this requirement is not applicable, as regulatory standards are defined by the authorities and completed in the operating permits.
12.1.2 a-d Biodiversity commitment and management	Sites don't have plans to initiate activities or plan associated facilities in or immediately adjacent to the World Heritage sites or to the Protected areas of the IUCN protected area management categories I-VI and conservation areas protected under national or local law or to the Indigenous and community-conserved areas (ICCAs) or to the Ramsar sites or to the Key Biodiversity Areas (KBAs).
12.1.4 Critical Habitat	This criterion is not applicable, as there is no critical habitat in the area of influence of the organisation
12.1.9 b+c Competent Party Verification	This criterion is not applicable to the entity, as the biodiversity study did not identify residual impacts which would lead to net loss of natural habitat or affect critical habitat.
12.1.11 Controversy	No habitat as described in 11.1.2 in the area of influence. Therefore, the sites have been no subject of controversy

Strengths

The entity is very committed to ResponsibleSteel and its vision and mission. Despite being badly hit by severe flooding of the country and especially in the Ravne area in the weeks prior to the audit, the entity continued its preparation and implementation of the RS standard.

SIJ Group has signed the world steel Sustainable Development Charter to show their commitment to the seven sustainability principles of the industry.

The business model is based on circularity and ca. 94% of the steel input is from scrap.

The audit team was impressed by the efforts to raise awareness of RS and its requirements among employees.

Progress in the implementation of RS received the attention of top management.

Certified management systems are in place for Quality (ISO 9001), Environment (ISO 14001), Occupational Health & Safety (ISO 45001). The production sites in Jesenice and Ravne are also certified against ISO 50001 – Energy Management.

As a measure for good accounting practice and to reduce corruption risks, company rules prohibit cash transactions for transactions concerning raw materials, supplies and services.

Workers from abroad received language training to ease integration.

Wages are based on collective agreements. Union representatives confirmed that co-operation with management is always fair.

The entity received a certificate as "Family Friendly Enterprise" in 2023.

Stakeholder management is active and especially the communities where the sites are operating value the contributions of the entity. SIJ Group partners with the Slovenian Olympic Committee.

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The entity worked intensively on its ESG reporting and did a very thorough and comprehensive analysis of its GHG emissions (see SIJ sustainability report 2024, page 95f.; accessible via this link: https://cms.sij.si/storage/2081/Annual_report_SIJ_Group_SIJdd_2024_FINAL_EN.pdf).

Areas for improvement

During the audit, a few areas were identified that require the attention of the sites and 8 minor non-conformities against requirements of the ResponsibleSteel Standard were raised. The sites are required to effectively address the non-conformities before the next audit. The non-conformity findings are related to:

Non-conformities

5.2.2.a: "The OH&S management system includes effective documented procedures to Identify all applicable OH&S laws and regulations and ensure that relevant requirements are effectively implemented" –

The entity does not fully ensure that relevant requirements from all applicable OH&S laws and are effectively implemented, as deficiencies were observed in the use of PPE, risk assessment and operation of forklift trucks.

Note: The following 7 non-conformities are all related to contracts with recruitment agencies:

6.1.4: "The site's contracts with employment and recruitment agencies and with other external providers of workers explicitly prohibit the use of child labour." –

Migrant workers from Nepal are directly employed at Ravne. Only recruitment services were used. The contracts with these recruitment agencies do not contain a specific clause prohibiting child labour.

6.3.4 "The site's contracts with employment and recruitment agencies and other external providers of workers explicitly prohibit discrimination." –

The contracts with these recruitment agencies contain a clause regarding "equal opportunities" but they do not contain a specific clause prohibiting discrimination.

6.4.5.b "The site provides information on the provisions of any collective bargaining agreements that apply to site workers carrying out similar work, for employment and recruitment agencies to review and consider" –

The entity has not demonstrated that it provided information on the provisions of any collective bargaining agreements that apply to site workers carrying out similar work, for its recruitment agencies to review and consider.

6.4.5.c "The site requires employment and recruitment agencies to comply with 6.4.1 of this Standard" -

The entity has not demonstrated that it required its recruitment agencies to comply with 6.4.1 of this Standard.

6.5.4: "The site's contracts with employment and recruitment agencies and other external providers of workers explicitly prohibit the use or threat of using undignified disciplinary practices." –

The contracts with the recruitment agencies do not contain a specific clause prohibiting explicitly the use or threat of using undignified disciplinary practices.

6.9.2: The site's contracts with employment and recruitment agencies and other external providers of workers explicitly bind them to the provisions of the site's public policy on working time." –

The entity's contracts recruitment agencies do not explicitly bind them to the provisions of the site's public policy on working time.

6.7.2: "The site's contracts with employment and recruitment agencies and other external providers of workers explicitly ask for the terms of employment to be communicated to workers at the beginning of the working relationship and when changes are made to the terms, using languages, methods and channels that are understood and are easily accessible to workers." –

The contracts with the recruitment agencies do not ask for the terms of employment to be communicated to workers at the beginning of the working relationship and when changes are made to the terms, using languages, methods and channels that are understood and are easily accessible to workers.

8.2.3.c "The site has documented procedures [on its effective grievance mechanism] to document its response in line with its defined process and provide that response to the party raising the concern, if that party is known." –

Jesenice: The response time to answer complaints from neighbours who complained about noise or dust is not adequate. 2-3 weeks response time were observed. The process is not well established (coordination between environmental and communication depts.)

Opportunities for improvement

1.2.5 Consider prioritizing action at site Ravne by addressing deficiencies in supervisory conduct, worker relations, and occupational health and safety, while reinforcing the positive practices at site Jesenice to ensure consistency across all operations.

5.1.2.c Due to the economic situation, some bigger projects are put on hold. However, consider continuing the renovations and upgrading to demonstrate the company's commitment to worker wellbeing.

5.5.2.a Consider improving the design of break rooms in order to improve cleanability and the aesthetic of these rooms.

6.3.1.c Consider to specifically addressing migrant worker in the Code of Ethics and/or Group Operating Policy.

6.4.5.a As in the future there might be a situation that the entity uses agency workers, consider to be explicit on those workers' rights right to collectively bargain, and their freedom of association in the code of ethics.

6.4.5.d As in the future there might be a situation that the entity uses agency workers, prepare for requiring employment and recruitment agencies to agencies to adhere to collective bargaining agreements that apply to them.

6.5.1 The code is clearly expressing the expected professional behaviour ("Let's be respectful ","Let's be kind to others", "Let's not harass", still it should be explicit on "undignified disciplinary practices".

12.1.2 Consider taking action regarding engagement in water related platforms.

12.1.3.d Consider looking also at the natural water-related infrastructure.