

A SHARED VISION

2025

SUSTAINABILITY

REPORT

A RESPONSIBLE FUTURE.

ALMAG

A SHARED
VISION
A RESPONSIBLE
FUTURE.

2025 SUSTAINABILITY REPORT

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GABRIELE GNUTTI

CHAIR

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EAR STAKEHOLDERS,
IT IS WITH GREAT SATISFACTION THAT WE PRESENT TO YOU THE FOURTH SUSTAINABILITY REPORT VOLUNTARILY PREPARED BY ALMAG S.P.A. THIS DOCUMENT REFLECTS OUR ONGOING TRANSFORMATIVE COMMITMENT TO A BUSINESS MODEL WHERE SUSTAINABILITY IS RECOGNISED AS A FUNDAMENTAL STRATEGIC PILLAR FOR THE CREATION OF LONG-TERM SHARED VALUE.

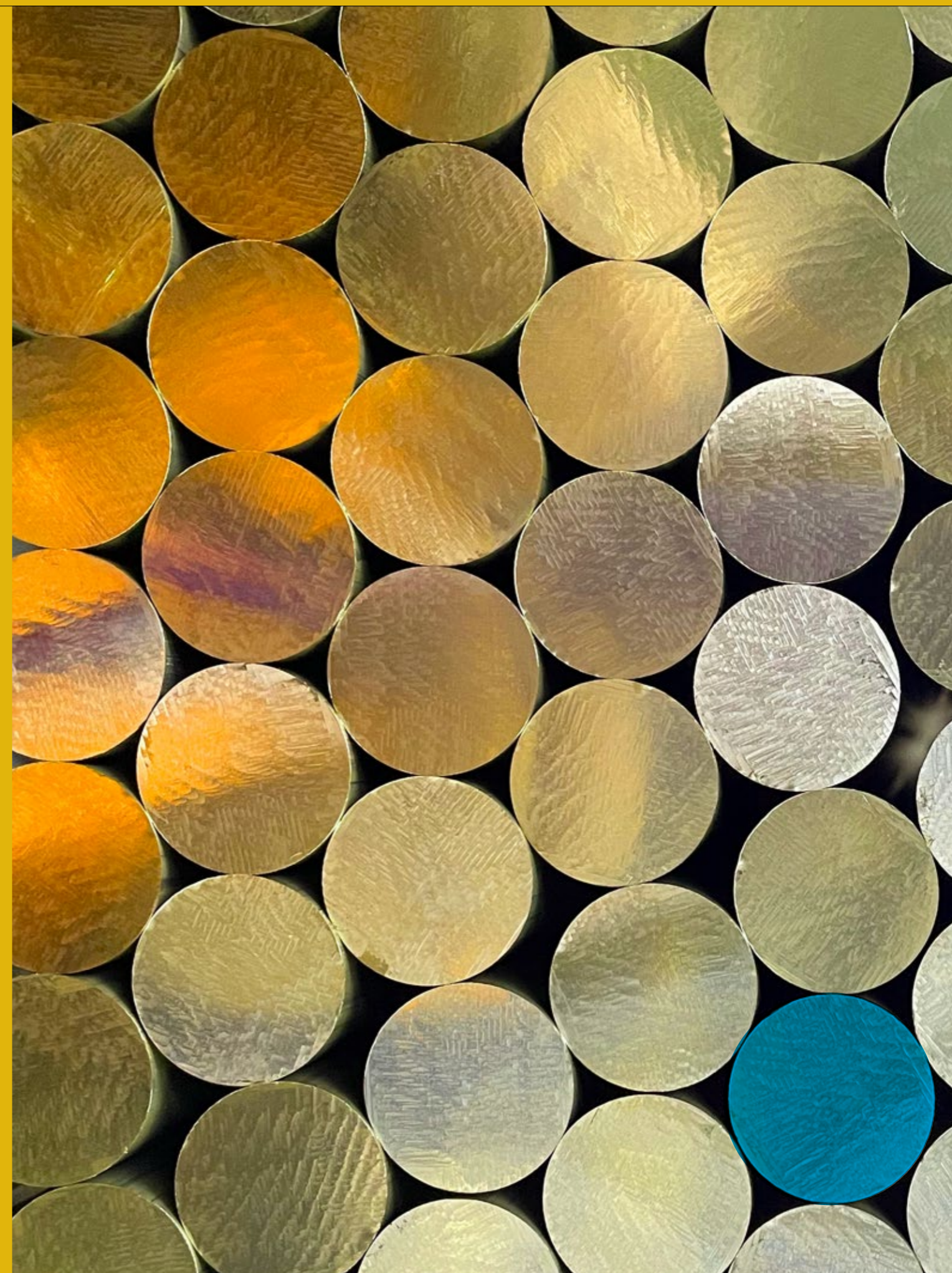
In a financial year marked by profound geopolitical uncertainty and significant challenges, Almag has once again confirmed the importance of integrating ESG (Environmental, Social, Governance) criteria into its long-term strategic vision.

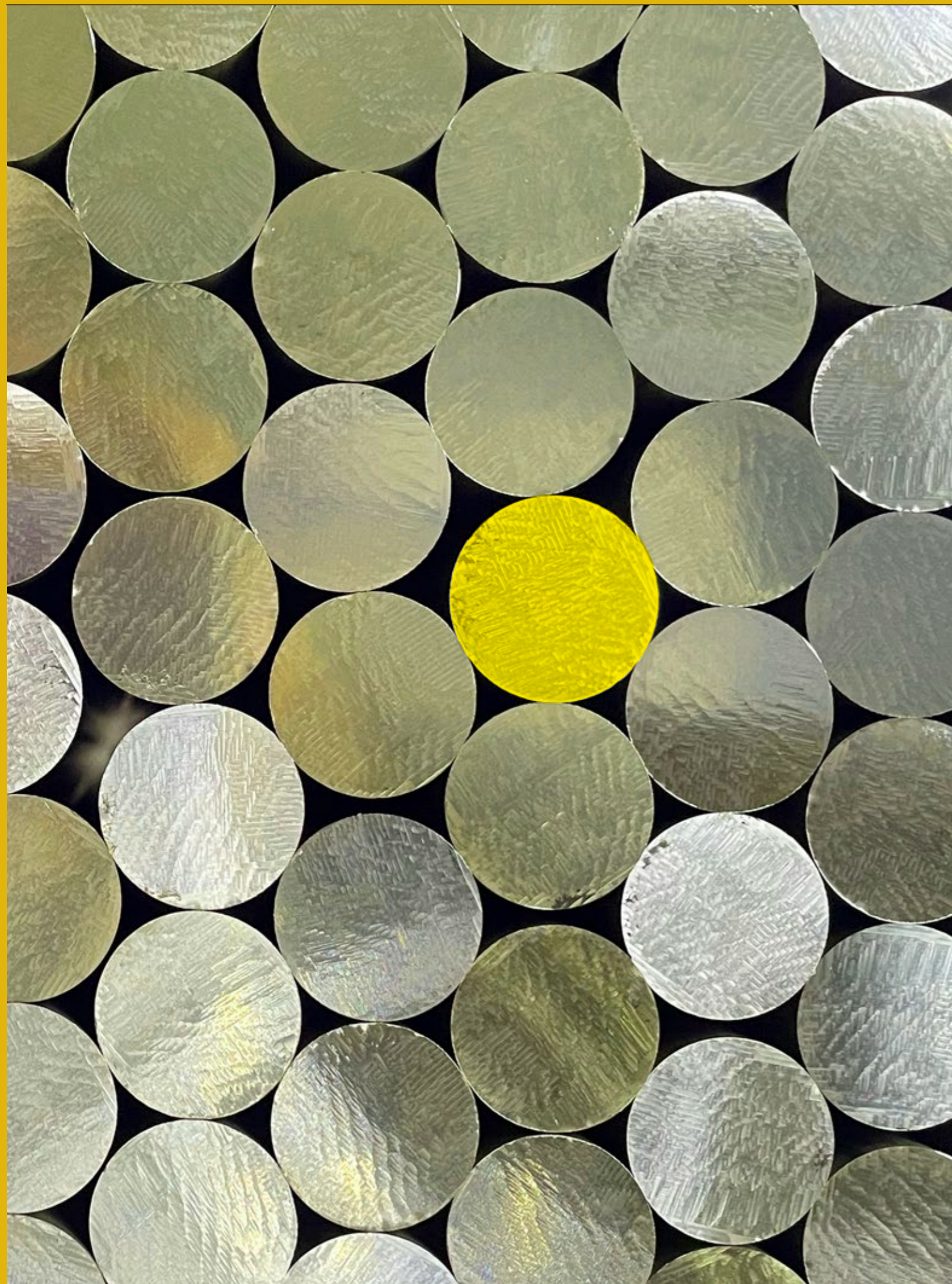
We are fully aware that the manufacturing and metallurgical sector in which we operate is inherently complex and that the ecological transition path and macroeconomic pressures that the Company had to manage throughout 2025 were challenging, in a highly volatile geopolitical and market context.

Indeed, the industry has been affected by adverse dynamics, some related to the decarbonisation of supply chains, others to market volatility and international tensions, with direct repercussions on the circular management of resources, on non-financial performance and on the responsible sourcing of raw materials, a crucial aspect in ensuring our sustainable and low-emission production footprint.

Together, we can accelerate the construction of a more equitable, resilient and sustainable future for Almag and for the community in which we operate, in line with the Sustainable Development Goals (SDGs).

Enjoy reading.





FRANCESCO MUSIG

GENERAL MANAGER



NCE AGAIN THIS YEAR, THE SUSTAINABILITY REPORT HAS BEEN PREPARED ON A VOLUNTARY BASIS AND AIMS TO ILLUSTRATE IN A CLEAR AND DETAILED MANNER OUR EVOLUTIONARY PATH TOWARDS SUSTAINABILITY, IN ACCORDANCE WITH THE DISCLOSURE PRINCIPLES PROMOTED BY INTERNATIONAL REPORTING STANDARDS.

In this documentation, you will find a comprehensive overview of our environmental, social and governance (ESG) performance, together with our objectives and concrete courses of action for the future. We are convinced that the integration of sustainability is a strategic imperative that requires the constant and continuous

refinement of our operating methodologies.

As proof of this commitment, the Company, maintaining its focus on medium/long-term growth and stability, has implemented its strategic investment plan, paying particular attention to the modernisation and optimisation of production flows.

The investments were not limited to maximising the parameters of intrinsic quality, operational efficiency and productivity, but also prioritised fundamental areas such as health, occupational safety and environmental management. This confirms the company's dedication to its employees and the socio-economic fabric in which it operates, ensuring a net positive impact on internal well-being and the protection of the surrounding ecosystem.

It is essential to emphasise that 2025 was marked by a significant acceleration in sustainability-related regulations. The European Omnibus package has, in fact, changed the mandatory content of the well-known Corporate Sustainability Reporting Directive (CSRD) and strengthened the new regulatory framework for sustainable finance. These developments, combined with international pressure to eliminate substances such as lead, have steered the market's attention towards the search for lower-impact alloys and, consequently, towards innovation in circularity and the recovery of the finished product.

The systemic risks for metallurgical companies are complex and multi-factorial: geopolitical instability, increased demand for critical raw materials, monetary tightening and regulatory compliance challenges are just some of the factors that define the difficult economic scenario in which Almag has had to operate. It is precisely these challenges that have strengthened our decision to implement robust and measurable sustainability policies as a distinctive feature of competitiveness.

Trusting in the completeness and truthfulness of the data reported here, I hope you enjoy reading the report.

92.5% OF RAW MATERIAL DERIVED FROM RECOVERY

ACHIEVEMENT OF **ISO27001** CERTIFICATION ON INFORMATION SECURITY

95% OF WASTE GENERATED INTENDED FOR RECOVERY

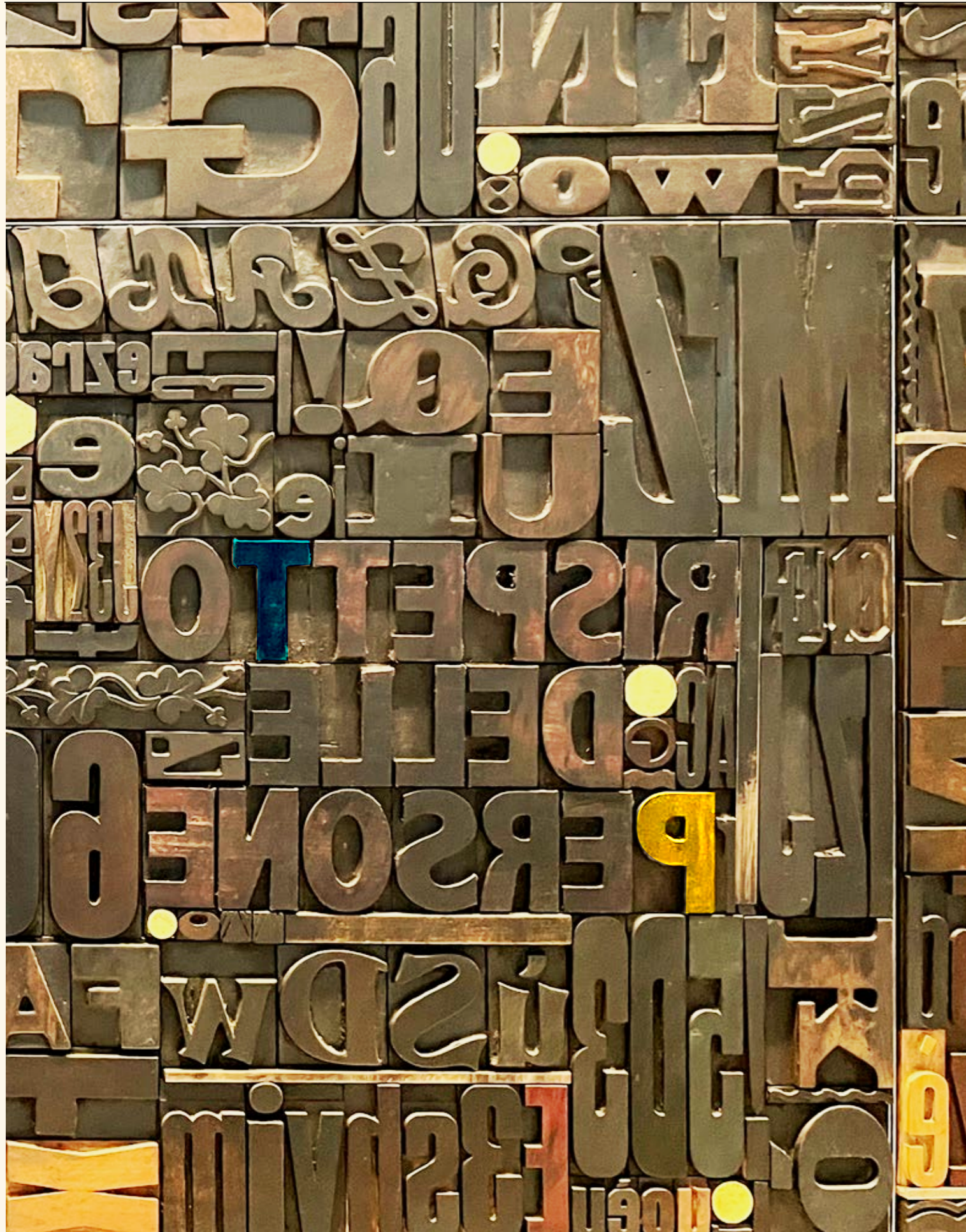
58 RAW MATERIAL SUPPLIERS ACTIVE IN 2025

5,332 HOURS OF TRAINING PROVIDED DURING THE YEAR

ECONOMIC VALUE GENERATED OF OVER **€ 380** MILLION

261 EMPLOYEES IN 2025, OF WHICH 97.3% EMPLOYED ON A PERMANENT BASIS

Company vision, mission and values



QUALITY IS A CONCEPT THAT AT ALMAG CAN BE SUMMARISED IN THREE FUNDAMENTAL PILLARS: "FLEXIBILITY IN SERVICE", "PRECISION IN METHOD" AND "INNOVATION" AND RESEARCH".

FLEXIBILITY IN SERVICE



This stems from the constant search for innovative and adaptable solutions, designed to respond promptly to the specific needs of customers. This capability is supported by careful sizing of the finished product warehouse, which allows Almag to offer a wide range of options that are always available, thus ensuring a fast and flexible service.

PRECISION IN METHOD



This is ensured by meticulous attention to surface quality, dimensional tolerances and the straightness of bars and semi-finished products. Almag uses state-of-the-art casting, extrusion and drawing processes, supplemented by some of the most automated systems in the industry. This advanced technology is complemented by direct control by highly specialised operators, who help to minimise errors or imperfections, thereby maximising production efficiency.

INNOVATION AND RESEARCH



These allow Almag to keep pace with a dynamic market. By studying and researching innovative solutions, the company aspires to meet even the highest expectations, consolidating its position of leadership and specialisation in the sector.

Identity and profile of Almag S.p.A.



LMAG S.p.A. IS A JOINT-STOCK COMPANY WITH A SOLE SHAREHOLDER, SUBJECT TO MANAGEMENT AND COORDINATION BY HOLDING UMBERTO GNUTTI (HUG S.P.A.), OPERATING IN ITALY AND BASED IN RONCADELLE AND LUMEZZANE, IN THE PROVINCE OF BRESCIA.



The HUG group

Almag S.p.A. has its roots in the industrial tradition of Lumezzane, a district in the north of the province of Brescia, where the Gnutti family started their business in 1860, based on the production and hot forging of copper and aluminium alloys.

Over the years, this business has expanded through various acquisitions and shareholdings, leading to the establishment of HUG S.p.A. in 2011.



HOLDING UMBERTO GNUTTI SPA



Almag S.p.A.



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FOUNDED IN 1946, ALMAG S.P.A. BEGAN PRODUCING NON-FERROUS ALLOYS FOR HOT FORGING IN 1954, AND THEN, A DECADE LATER, SPECIALISED IN THE PRODUCTION OF BARS AND PROFILES. TODAY, IT IS ONE OF THE LEADING COMPANIES IN EUROPE FOR THE PRODUCTION AND SALE OF BRASS BARS, AS WELL AS ONE OF THE MAIN ITALIAN PLAYERS IN THE METALLURGICAL SECTOR.

The Almag S.p.A. core business is the production of **solid and hollow brass bars** for turning and stamping, which are then processed by third-party companies to create components for the plumbing, construction, automotive and electromechanical sectors.

The headquarters of Almag S.p.A. are located in **Roncadelle (BS)**, in Via Vittorio Emanuele II 39, where both the plant dedicated to the production of **extruded billets** and the administrative and management offices are located. In **Lumezzane (BS)**, on the other hand, there are two production divisions, which house offices, production with extrusion and drawing lines, a finished product warehouse and a spare parts warehouse; both are specialised in the processing of hollow bars.

Almag S.p.A.











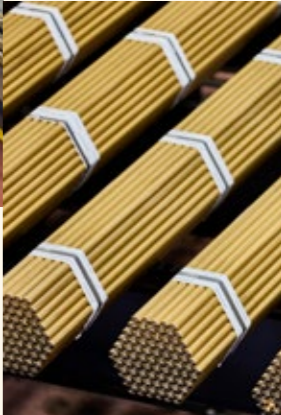

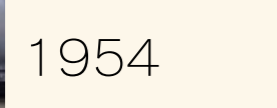

Almag S.p.A. recognises **quality** as a crucial element in maintaining competitiveness, profitability and reputation in the market. For this reason, it is committed to providing each customer with customised products that comply with the specific requirements. This goal is achieved thanks to a team of highly qualified and constantly updated professionals, supported by the continuous innovation of the production facilities.

The Almag production process is distinguished by **the use of some of the most automated technologies in the industry**, which ensure high standards of precision and quality. The production of brass billets and bars is managed through strictly controlled and tracked phases: from casting to drawing, with particular attention to the composition of the alloys and the surface quality of the finished product. The use of **automated warehouses** optimises the storage and flow of materials, ensuring efficient and timely deliveries.

From the point of view of voluntary compliance, Almag has obtained and maintained several international certifications: **ISO 9001:2015** for quality management, **ISO 14001:2015** for environmental management, **ISO 45001:2023** for occupational health and safety, **ISO 50001:2018** for energy management and **ISO 14064-1:2018** for monitoring greenhouse gas (GHG) emissions. In 2025, Almag also obtained the **Information Security Management System (ISMS)** certification, in accordance with **ISO 27001:2022**.

In line with the principles of social responsibility, Almag adopts a **Code of Ethics** and voluntarily publishes an annual **Sustainability Report**, now in its fourth edition, which comprehensively illustrates its environmental, social and governance performance, thereby strengthening stakeholder trust and its corporate reputation.

The history of ALMAG

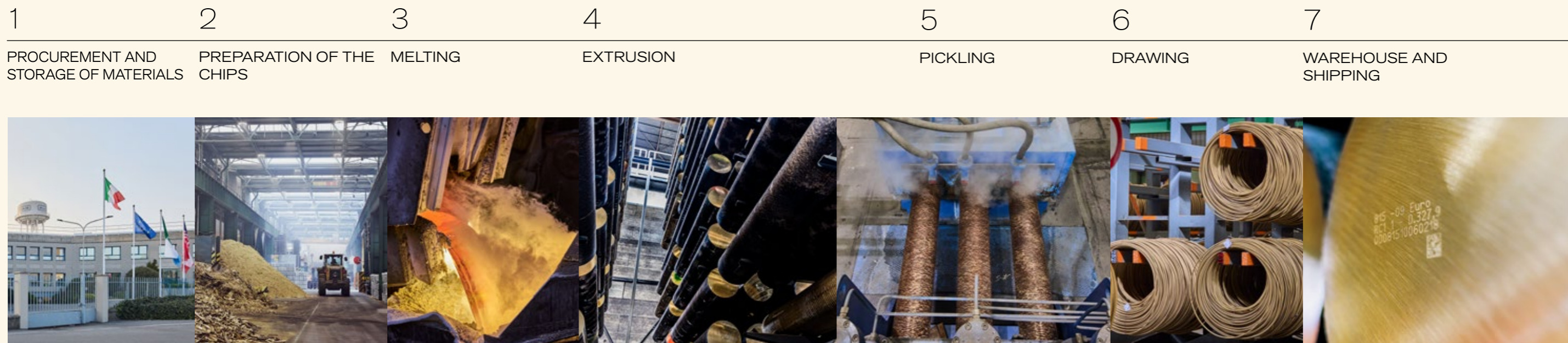
1860	1946	1966	1994	2003	2011	2015	2021	2022	2025
<p>the Gnutti family begins the production and hot pressing of copper and aluminium alloys.</p> 	<p>Almag S.p.A. is founded in Lumezzane.</p> 	<p>Almag S.p.A. begins its metallurgical activity aimed at the production of bars and profiles.</p> 	<p>Production is transferred to the new operating complex in Roncadelle.</p> 	<p>The new foundry department is launched, which will replace the Lumezzane plant.</p> 	<p>Establishment of the Holding Umberto Gnutti (HUG S.p.A.).</p>  <p>Adoption of the Code of Ethics and Conduct.</p> <p>Adoption of the Organisation and Management Model (MOG 231).</p>	<p>Almag S.p.A., Roncadelle site, obtains Environmental Management System certification in accordance with ISO 14001:2015.</p> 	<p>Almag S.p.A. obtains Energy Management System certification in accordance with ISO 50001:2018.</p> 	<p>Merger by incorporation of the company Berna Ernesto S.p.A.</p> <p>Preparation of the first Sustainability Report of Almag S.p.A.</p> <p>Calculation of the Organisation's Carbon Footprint in accordance with UNI EN ISO 14064-1:2018.</p> 	<p>Almag S.p.A. obtains the Information Security Management System (ISMS) certification, in accordance with ISO 27001:2022.</p> 
	<p>1954</p> <p>Almag S.p.A. begins the production of non-ferrous alloys for hot forging.</p> 		<p>1996</p> <p>Almag S.p.A., Roncadelle site, obtains Quality Management System certification in accordance with ISO 9001:2015.</p>	<p>2005</p> <p>Membership of the Ramet Consortium, a research consortium company made up of 22 metallurgical companies in the province of Brescia.</p>		<p>2016</p> <p>Almag S.p.A., Lumezzane site, obtains the Occupational Health and Safety Management System certification, in accordance with ISO 45001:2018.</p> <p>Membership of the Workplace Health Promotion (WHP) Network - Lombardy.</p>		<p>2023</p> <p>Preparation of the second Sustainability Report of Almag S.p.A.</p>	<p>2024</p> <p>Preparation of the third Sustainability Report of Almag S.p.A.</p>
		<p>1997</p> <p>Almag S.p.A., Lumezzane site, obtains Quality Management System certification in accordance with ISO 9001:2015.</p>			<p>2012</p> <p>Almag S.p.A., based in Roncadelle, obtains certification of the Occupational Health and Safety Management System, in accordance with ISO 45001:2018.</p> 				<p>2018</p> <p>Almag S.p.A. acquires the company Berna Ernesto S.p.A. at the two production sites in Lumezzane.</p>

The production process of S.p.A.

The Almag S.p.A. offer focuses on the production of **semi-finished brass products for turning and moulding**, used by client companies to manufacture finished components mainly in the plumbing, construction, automotive and electromechanical sectors. There are three main types of bars:

1. **solid brass bars for turning**, characterised by high standards of straightness and surface quality, with an optimised chemical composition that reduces tool wear and allows for quick set-up times when the production batch changes;
2. **hollow brass bars for turning**, available in standard and customised versions, with different thicknesses and profiles, both internal (such as star holes, hexagonal holes or bugnettes) and external (knurled, toothed, square);
3. **brass bars for stamping**, designed for hot plastic deformation and intended to maximise the durability, aesthetic and functional properties of the forged component.

The Almag S.p.A. production process takes place in the three plants in Roncadelle and Lumezzane, each of which features a high degree of automation. Each billet is identified with a unique code and managed using **advanced LGV robotic solutions**.



The process begins with the receipt of processing waste, recovered material (turning chips, moulding burrs, etc.), copper scrap and virgin raw material. The material is qualitatively checked in the laboratory and stored according to the category to which it belongs.

Before melting, the chips are moved to the departments, where they undergo a washing process in a turning washing system that separates the water-oil component from the turning itself, in order to guarantee the quality of the metal bath and avoid the release of pollutants into the air during the subsequent melting process.

The material undergoes a laboratory analysis phase and is then sent to the four electric furnaces, respecting the state diagrams of the individual alloys produced. In this phase, the material is poured from the melting furnaces to the holding furnaces, which, in turn, load the continuous casting furnaces. The metal, undergoing the primary cooling phase in an ingot mould and subsequently with water spray, solidifies in the form of billets.

The billets, cut to a conventional size of 2 metres and stored in the automated warehouse, are heated in methane-fired furnaces and then extruded to obtain bars or coils. This processing also takes place at the Lumezzane plant.

After extrusion, the bars stored in the extruded material warehouse undergo chemical treatment in sulphuric acid, followed by rinsing in tanks of cold and hot water. This process is aimed at removing the surface oxide layer and removing impurities resulting from previous processing.

Coils and rods are cold drawn to obtain the required characteristics in terms of size, length and desired end finish, and are then collected in bundles.

A talking code is applied to the finished product by means of a label, and it is stored in the automated warehouse pending the planning of shipments, both for Italy and abroad.

focus



INVESTMENTS IN TECHNOLOGICAL INNOVATION AND MODERNISATION OF PRODUCTION PROCESSES

As part of a strategy focused on technological innovation and strengthening its competitiveness, the company is engaged in a comprehensive investment programme aimed at modernising its production facilities and optimising its industrial processes.

During 2024, Almag initiated a major investment to boost the production of hollow bar by installing a new, highly automated line at the Via Brescia site in Lumezzane. The project, which is currently in progress, includes an automatic billet magazine, a magazine for the billets, two coupled heating furnaces, a new press with extrusion power doubled to 2,800 tonnes, an extrusion bench and an automatic pickling system for the extruded rods. The project was created to respond to the new regulations on alloys with low or no lead content, which require greater extrusion power, allowing the company to maintain high quality standards and competitiveness in the market.

At the same time, Almag has started renewing its fleet of automatic trolleys, replacing the obsolete vehicles with five new laser-guided vehicles. These ensure greater operational reliability and the ability to reach the third level of the warehouse, improving efficiency, traceability and safety in material handling. The upgrade has been carefully tested to ensure a smooth and uninterrupted transition of the production cycle that links the extrusion and drawing stages.

Finally, the introduction of a state-of-the-art chamfering machine is in the start-up phase. It is designed to process two bars simultaneously and is equipped with a straightness control system that verifies the perfect linearity of the product. This innovative machine significantly reduces manual bevel adjustment and enables predictive maintenance logic thanks to advanced sensors, with tangible benefits in terms of quality, reliability and production speed.



Almag S.p.A. sustainability strategy



ALMAG PLACES SUSTAINABILITY AT THE CENTRE OF ITS STRATEGIC VISION, CONSIDERING IT A DRIVER FOR IMPROVING ITS ENVIRONMENTAL AND SOCIAL IMPACT, AS WELL AS FOR STIMULATING NEW GROWTH OPPORTUNITIES. THE COMPANY IS LOOKING TO THE FUTURE WITH THE AIM OF TRANSLATING TECHNOLOGICAL AND CULTURAL PROGRESS INTO CONCRETE AND LASTING VALUE, NOT ONLY IN ECONOMIC TERMS, BUT ALSO FOR THE COMMUNITY AND THE ENVIRONMENT.

Research and innovation, fundamental elements in the company's development path, guide the selection of technological solutions and processes aimed, where possible, at reducing energy consumption and emissions. The Almag production process is characterised by a **circular approach**: more than 90% of the bars are made from material derived from processing waste, moulding burrs and scrap, while 95% of the waste generated is sent for recovery to be regenerated.

This socially responsible approach promotes balanced and lasting development, integrating production needs with environmental protection and social well-being, and consolidating a constant commitment to the **creation of shared value**.

Since 2022, Almag has published its first voluntary Sustainability Report, a fundamental tool for communicating the company's commitment to ESG and strengthening dialogue with stakeholders through the transparent sharing of objectives and results. This process has facilitated in-depth analysis, consolidating the monitoring and continuous improvement of environmental, social and governance performance.

Since 2023, Almag has been carrying out periodic analysis and calculation of its carbon footprint (Organisation Carbon Footprint) in accordance with the UNI EN ISO 14064-1:2018 standard and subject to certification by an accredited third party. This analysis makes it possible to measure the overall greenhouse gas emissions both generated by its own operations and indirectly linked to the company's activity and its value chain, enabling the definition of effective strategies for their progressive reduction.

In addition, a **Sustainability Committee** was established at the beginning of 2025 with the aim of strengthening structured and shared governance on sustainability issues. It includes the main company departments, including General Management, Finance, Plant Management and Production Management, together with the departments of Human Resources, Purchasing (raw materials and general purchasing), Innovation, Investment and Energy, HSE, Training and Quality Control.

The Committee meets three times a year: one plenary session and two thematic meetings with a restricted composition, in which only the departments directly involved in the topics discussed participate. This operating method makes it possible to **make corporate governance concretely participatory on sustainability issues**, while ensuring **timely monitoring** of the projects developed in the various areas of the company. The establishment of the Committee demonstrates the company's desire to systematically integrate sustainability issues into decision-making processes, promoting a **structured, cross-functional and participatory approach**.

In addition, Almag integrates the Sustainable Development Goals (SDGs) of the United Nations 2030 Agenda into its sustainability strategy. The SDGs, adopted in 2015 by 193 UN member countries, represent a global framework to promote balanced sustainable development on a global scale, involving institutions, businesses, organisations and citizens in achieving 17 ambitious goals that address environmental, social and economic issues.

To concretely implement these goals, Almag has defined a detailed plan of specific actions and commitments, which is subject to periodic monitoring and continuous updating through a structured process of public reporting. Below is a summary table of the objectives for 2025, broken down by sustainability dimension and reference SDGs, as defined by Almag in the previous 2024 Sustainability Report. The analysis shows that **78% of the objectives (11 projects out of 14) have been completed**.

Almag S.p.A. sustainability strategy

ENVIRONMENT

SOCIAL

GOVERNANCE

Monitoring the organisation's carbon footprint



Increase in the share of self-produced renewable energy from photovoltaics



Progressive replacement of part of the company fleet with hybrid or electric vehicles



Heat recovery from new compressors



Detection and elimination of compressed air leaks



Replacement of fan impellers for fume extraction filter

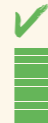


BBS Lean project on the extruders

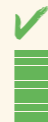


Initiatives for employees:

- first-year party
- ceremony for new parents and children of employees who have excelled in their studies
- mountain trip
- HUG NEWS newsletter
- maintenance of the WHP Programme



Preparing a training plan for different company categories on sustainability issues



Conducting a survey on corporate welfare to understand the needs of employees



Introducing ESG criteria in the selection and qualification phase for direct suppliers



Adoption of the HUG Group Sustainability Policy



Strengthening information security management by obtaining ISO27001 certification



Formalisation of roles and responsibilities in the field of risk management



¹ Currently underway; to be adopted in 2026



THE CONTENTS OF THIS CHAPTER AND THE FOLLOWING ONES HAVE BEEN DEFINED ON THE BASIS OF THE RELEVANCE OF THE VARIOUS SUSTAINABILITY TOPICS, IN ACCORDANCE WITH THE GUIDELINES ON SUSTAINABILITY REPORTING. ALMAG S.P.A. HAS ANALYSED AND REPORTED ON THE MOST SIGNIFICANT ENVIRONMENTAL, SOCIAL AND GOVERNANCE ASPECTS FOR ITS BUSINESS, BOTH IN RELATION TO THE IMPACTS GENERATED ON THE ENVIRONMENT AND ON PEOPLE, AND WITH RESPECT TO THE EXTERNAL RISKS AND OPPORTUNITIES TO WHICH THE COMPANY IS EXPOSED.

In order to identify the relevant (or material) sustainability topics reported in this document, a materiality analysis was conducted, understood as a structured process aimed at identifying the **Impacts, Risks or Opportunities (IRO)** related to the company's activities. According to the dual materiality approach, in fact, an issue is defined as material according to one or both of the following perspectives:

Inside-out (or impact materiality)



Impacts generated by the company on the world, employees and/or the community. These impacts can be **positive or negative** (with particular attention paid to the latter, as also emphasised by due diligence or corporate responsibility practices) and can be **actual** (if they have occurred) or **potential** (if there is a possibility that they will occur).

Outside-in (or financial materiality)



Financial risks or opportunities linked to ESG aspects, to which the company is exposed for various reasons, are linked to impacts generated by the company itself or to exogenous factors (such as the market, regulations, natural and/or geopolitical events).

The materiality analysis process was structured in various steps that made it possible to **define and assess internally**, with key figures in the company, the most relevant IRO and sustainability issues and, subsequently, to **involve stakeholders** (internal and external) by gathering their opinion on the relevance of certain topics. Specifically, Almag involved the following categories of stakeholders through questionnaires:

- 1 BOARD OF DIRECTORS

- 2 OWN WORKFORCE¹ AND ITS REPRESENTATIVES (RSU TRADE UNION)

- 3 CUSTOMERS

- 4 INVESTORS AND BANKS

- 5 SUPPLIERS

- 6 LOCAL COMMUNITIES

The methodology used and the process followed are explained in the Appendix to the section "Methodology for the assessment of Impacts, Risks and Opportunities and the identification of material topics".

¹ With regard to the category of employees, the heads of the various company departments (first and second lines) were involved, as shown in the company organisation chart in force at the time of data collection.

The stages of the analysis

ANALYSIS OF *DATA* AND *DOCUMENTS* TO UNDERSTAND THE BUSINESS CONTEXT

IDENTIFICATION OF IMPACTS, *RISKS* AND *OPPORTUNITIES* (IRO) AND RELATED ESG TOPICS

ASSESSMENT OF *IRO* IN ACCORDANCE WITH THE CRITERIA SET OUT IN THE CSRD

STAKEHOLDER ENGAGEMENT THROUGH PERSONALISED QUESTIONNAIRES FOR EACH CATEGORY

PRIORITISATION OF IRO BASED ON *SCORE* ASSIGNED INTERNALLY AND BY STAKEHOLDERS

The final output of the analysis is represented by the bar charts below, which summarise the **prioritisation process of the scores assigned by both the company and the stakeholders involved**. This graphical representation is intended to provide a clear and immediate reading of the level of relevance of the material topics identified, facilitating understanding of the strategic priorities that have emerged.

The materiality analysis was in fact designed with the aim of identifying and prioritising the most significant impacts, risks and opportunities, in order to direct the company's actions towards **maximising positive impacts and opportunities** for value creation, as well as towards **preventing and mitigating negative impacts** and associated risks. With reference to the actual impacts, the level of relevance is determined exclusively on the basis of the internal assessment conducted by the company. With regard to **potential impacts**, as well as **risks and opportunities**, the **materiality assessment also incorporates the contributions and scores expressed by stakeholders**, with a view to comparison and inclusiveness.

The Impacts, Risks and Opportunities (IRO) thus identified and represented will be explored in more detail in the respective thematic chapters of this document, which will illustrate the relevant quantitative and qualitative data, as well as the policies, actions and management and mitigation strategies adopted by the company. In these sections, each IRO will be referred to in a footnote by its title and classification, preceded by the symbol "S".

ACTUAL IMPACTS

= ACTUAL POSITIVE IMPACT

= ACTUAL NEGATIVE IMPACT

AREA	MATERIAL TOPIC	RELATED IRO TITLE	DESCRIPTION	RELEVANCE FOR THE COMPANY AND FOR STAKEHOLDERS
SOCIAL *	S1 - Corporate well-being	Employee well-being	Almag offers various services aimed at the well-being of employees, in addition to the provisions of the relevant National Collective Labour Agreement.	
SOCIAL *	S1 - Training and skills development	Employee training	Almag invests in structured training plans on various topics, in addition to the training required by current legislation, on occupational health and safety.	
GOVERNANCE *	G1 - Corporate culture	Certifications and governance	Almag has an integrated management system for quality, health and safety, the environment, energy and information security.	
SOCIAL *	S3 - Impacts related to community well-being	Partnership with the local area	Almag is committed to creating a regional network of partnerships with the aim of strengthening ties with local communities, creating shared value and generating innovation and benefits for communities through sectoral partnerships.	
ENVIRONMENTAL *	E1 - Climate change mitigation and adaptation	Contribution to global emissions	The topic is relevant because every manufacturing company contributes to global emissions.	
SOCIAL *	S1 - Health and safety	Accidents at work	The topic is relevant because the company is exposed to the risk of accidents.	
ENVIRONMENTAL *	E5 - Resource inputs, including resource use	Recovery of raw materials	Almag re-introduces waste from its own processing and from customers' processing into its production process.	
ENVIRONMENTAL *	E5 - Waste	Waste generation	The topic is relevant because every manufacturing company generates waste	
ENVIRONMENTAL *	E3 - Water consumption and withdrawal	Water withdrawal	The topic is relevant because every manufacturing company has a water requirement, which is higher or lower depending on the specific process uses.	

POTENTIAL IMPACTS

= POTENTIAL NEGATIVE IMPACT

AREA	MATERIAL TOPIC	RELATED IRO TITLE	DESCRIPTION	RELEVANCE FOR THE COMPANY AND FOR STAKEHOLDERS
ENVIRONMENTAL *	E2 - Substances of concern or of extreme concern	Lead in brass	Almag produces bars in different brass alloys, some with a lead content which, while improving the workability of the material, has been classified as a substance hazardous to health (EU Directive 2020/2184).	
ENVIRONMENTAL *	E2 - Pollution	Exceeding emission limits	Almag is subject to an AIA - Integrated Environmental Authorisation (Roncadelle site) and an AUA - Single Environmental Authorisation (Lumezzane sites) and periodically monitors atmospheric emissions. In general, the measurements carried out over time have always resulted in a value below the legal limits; however, this environmental matrix is constantly monitored as an inherent element of the activity carried out.	
SOCIAL *	S1 - Health and safety	Risk of accidents	The topic is relevant because every manufacturing company is exposed to the risk of accidents and occupational illnesses.	
SOCIAL *	S2 - Health and safety	Conflict minerals	Almag uses tin in its production process and is therefore indirectly exposed to the risks associated with "conflict minerals", despite not importing directly from countries at risk.	
SOCIAL *	S1 - Gender equality and equal pay for work of equal value	Women in senior positions	Low number of women in senior positions.	

RISKS AND OPPORTUNITIES

■ = OPPORTUNITY ■ = RISK

AREA	MATERIAL TOPIC	RELATED IRO TITLE	DESCRIPTION	RELEVANCE FOR THE COMPANY AND FOR STAKEHOLDERS
ENVIRONMENTAL *	E2 - Substances of concern or of extreme concern	Adaptation of machinery for new alloys	The progressive elimination of lead from brass alloys is leading to modifications or replacement of the machinery/equipment used for its processing.	<div style="width: 100%; height: 15px; background-color: white; border: 1px solid black; position: relative;"> <div style="position: absolute; top: 0; left: 0; width: 20%; height: 100%; background-color: red;"></div> </div>
ENVIRONMENTAL *	E1 - Energy	Increase in energy costs	As an electricity-consuming company, Almag is particularly sensitive to the risk of rising electricity costs, which are directly influenced by market fluctuations.	<div style="width: 100%; height: 15px; background-color: white; border: 1px solid black; position: relative;"> <div style="position: absolute; top: 0; left: 0; width: 20%; height: 100%; background-color: red;"></div> </div>
GOVERNANCE *	G1 - Corporate culture	ESG strategy	Opportunity to strengthen the ESG strategy by monitoring and reporting on sustainability performance, promoting continuous improvement and transparency through the sustainability report and other communication tools.	<div style="width: 100%; height: 15px; background-color: white; border: 1px solid black; position: relative;"> <div style="position: absolute; top: 0; left: 0; width: 20%; height: 100%; background-color: green;"></div> </div>
GOVERNANCE *	G1 - Management of relationships with suppliers	Supply chain disruptions	Risk of supply chain disruptions.	<div style="width: 100%; height: 15px; background-color: white; border: 1px solid black; position: relative;"> <div style="position: absolute; top: 0; left: 0; width: 20%; height: 100%; background-color: red;"></div> </div>
GOVERNANCE *	G1 - Cybersecurity	Data breach	Risk of exposure to cyber-attacks or data loss.	<div style="width: 100%; height: 15px; background-color: white; border: 1px solid black; position: relative;"> <div style="position: absolute; top: 0; left: 0; width: 20%; height: 100%; background-color: red;"></div> </div>
SOCIAL *	S1 - Secure employment	Turnover	Risk of employee turnover due to external opportunities or a growing awareness of their professional and personal needs.	<div style="width: 100%; height: 15px; background-color: white; border: 1px solid black; position: relative;"> <div style="position: absolute; top: 0; left: 0; width: 20%; height: 100%; background-color: red;"></div> </div>
ENVIRONMENTAL *	E5 - Resource inputs, including resource use	Strategic raw materials	The use of strategic raw materials such as copper and zinc exposes Almag to the risk of price volatility and supply problems in periods of international tension or export restrictions from third countries that dominate world production.	<div style="width: 100%; height: 15px; background-color: white; border: 1px solid black; position: relative;"> <div style="position: absolute; top: 0; left: 0; width: 10%; height: 100%; background-color: red;"></div> </div>
GOVERNANCE *	G1 - Corruption: incidents, prevention and detection, including training	Incidents of corruption	This aspect is kept under control thanks to the adoption, implementation and continuous updating of the Organisation, Management and Control Model.	<div style="width: 100%; height: 15px; background-color: white; border: 1px solid black; position: relative;"> <div style="position: absolute; top: 0; left: 0; width: 5%; height: 100%; background-color: red;"></div> </div>

THE MATERIAL TOPICS OF ALMAG S.p.A.

The topics related to the identified IRO are therefore the following (divided by ESG sphere):

ENVIRONMENTAL AREA *

CLIMATE CHANGE

POLLUTION

WATER RESOURCES

RESOURCE USE AND THE CIRCULAR ECONOMY

SOCIAL AREA *

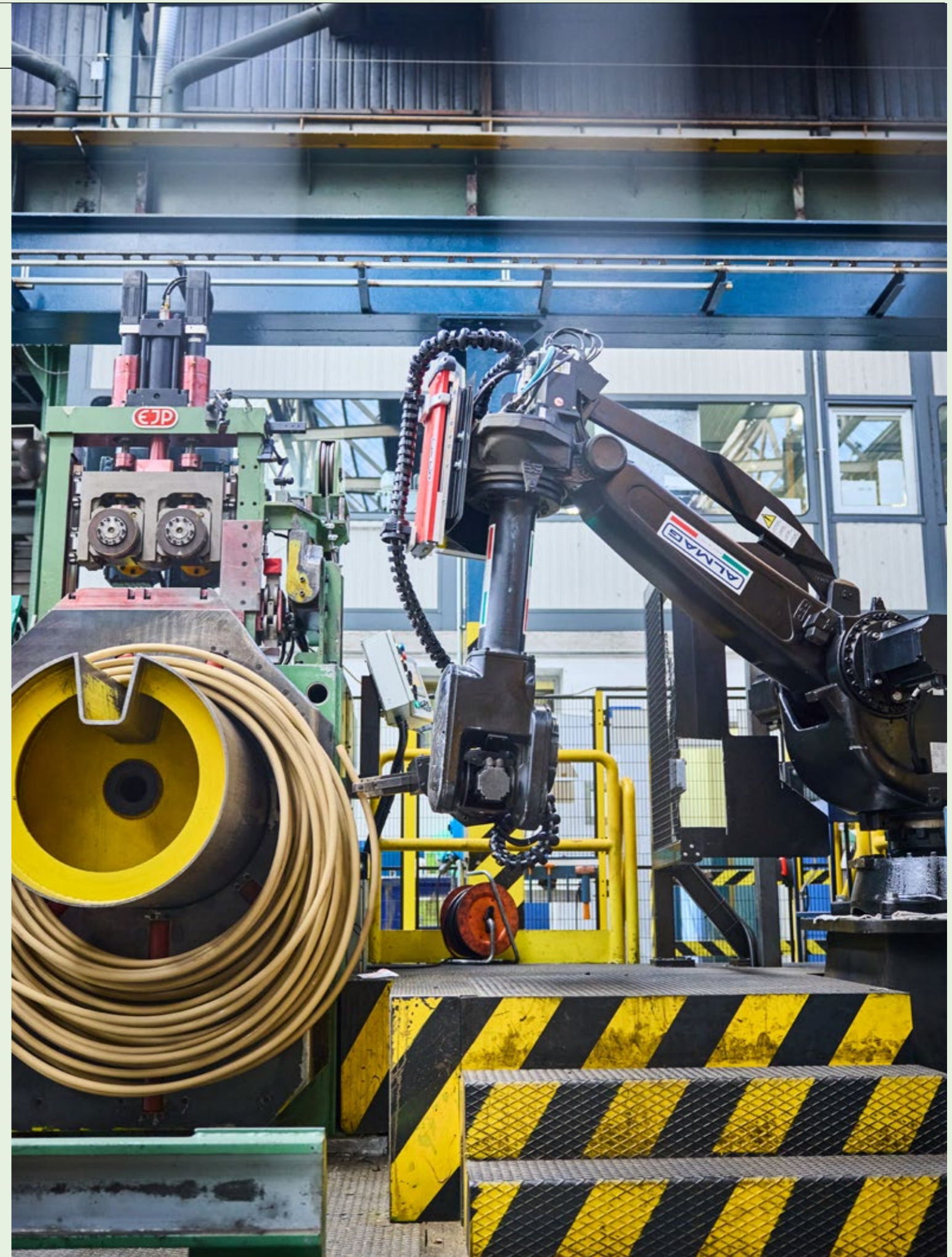
OWN WORKFORCE

WORKERS IN THE VALUE CHAIN

AFFECTED COMMUNITIES

GOVERNANCE AREA *

BUSINESS CONDUCT





WITH REGARD TO THE COMPANY'S ENVIRONMENTAL MATRICES, ENERGY AND ATMOSPHERIC EMISSIONS ARE THE MOST RELEVANT AREAS FOR ALMAG, IN LINE WITH WHAT IS OBSERVED IN THE SECTOR TO WHICH IT BELONGS. THE COMPANY'S PRODUCTION PROCESSES ARE, IN FACT, CHARACTERISED BY A SIGNIFICANT NEED FOR ELECTRICITY AND NATURAL GAS, THE TWO MAIN CARRIERS THAT HAVE A PREDOMINANT IMPACT ON TOTAL ENERGY CONSUMPTION.

In addition to energy consumption and greenhouse gas (GHG) emissions, the organisation's production activities also have a significant impact on the **emission of pollutants into the atmosphere**, which are regulated by specific environmental permits, and on the **abstraction and use of water resources**; the latter is mainly taken from wells and to a lesser extent from the water supply system and is used both for domestic purposes and in industrial processes.

In response to these impacts, Almag has consolidated a structured approach over time, adopting and developing a series of tools and initiatives aimed at mitigating impacts and continuously improving its environmental performance. As a result, the company has implemented several strategies, including:

- Annual calculation and certification of the organisation's carbon footprint according to ISO 14064-1 (since 2022)
- Integrated Quality, Health and Safety, Environment and Energy Management System (QEHSEn)
- ISO 14001 certification for the management of environmental aspects (since 2015)
- ISO 50001 certification for the management of energy aspects (since 2021)

- Periodic energy audits and implementation of some of the efficiency measures suggested in the audits
- 490.68 kWp photovoltaic system covering the automated warehouse in Roncadelle (since 2021)
- Adoption of reverse osmosis systems in pickling processes and in the foundry, aimed at recovering and reusing water resources, separating waste substances without altering their chemical composition
- Finished products composed of more than 92% recycled material, derived from internal processing residues and from recycling, coming from the collection of copper and brass scrap
- Development of copper-zinc alloys with alternative elements to lead to ensure workability and quality, reducing potential impacts on health and the environment
- 95% of the waste produced is sent for recovery.

In line with its sustainability strategy and Code of Ethics, Almag has always shown a strong interest in environmental protection; the environmental objectives that the company has set for the coming year are listed below.

OUR ENVIRONMENTAL PROTECTION OBJECTIVES:

SDGs	TOPIC	FUTURE ACTIONS
	Energy and energy efficiency	<ul style="list-style-type: none"> • Increase in the share of renewable energy through self-production with photovoltaics (photovoltaics on canopies/offices, Roncadelle) • Checking and reducing compressed air leaks (to be started in Lumezzane and completed in Roncadelle) • Revamping of the foundry's refrigeration systems (Roncadelle) • Installation of new annealing and normalising furnaces (Lumezzane) • Extension of the energy consumption monitoring software to the Lumezzane plants as well • Adherence to the Energy Release 2.0 mechanism
	Atmospheric emissions	<ul style="list-style-type: none"> • Annual update and certification of the Organisation's Carbon Footprint study • Progressive replacement of part of the company fleet with hybrid or electric vehicles
	Waste management and the circular economy	<ul style="list-style-type: none"> • Installation of a new extrusion line (Lumezzane) • Development of copper-zinc alloys with the addition of alternative elements to lead to allow adequate workability • Assessment of the possibility of increasing the percentage of recovered copper in the composition of the brass alloy in the medium to long term

Climate change

ENERGY

A fundamental environmental aspect for Almag activities is **energy consumption**, related both to the energy carriers used in the production processes and to the fuels used to run the company fleet.

Almag specialises in the production of brass bars of different shapes and sizes, intended for turning and moulding. The production process is divided into the three main macro-phases of casting, extrusion and drawing, for a detailed description of which, please refer to the initial introductory chapter. At the **Roncadelle** production site, Almag mainly uses two energy carriers: **electricity and natural gas**¹.

In particular, **electricity drawn from the national grid accounts for 74% of the total energy requirement**, while **natural gas accounts for 25%**. In addition to the share of electricity drawn from the grid, there is the **electricity produced by the photovoltaic system**, amounting to 562,235 kWh in 2025, which **supplies 100% of the energy needs of the fully automated finished product warehouse**, ensuring prompt delivery to the customer. The remaining share, amounting to approximately 1%, is attributable to the fuels used for the company fleet, which is mainly **diesel-powered**.

The **foundry's induction furnaces** are the main source of electricity consumption, followed by the **extrusion presses**.

With regard to natural gas, the **billet heating furnaces** are the main contributors to consumption (about 61% of the total natural gas consumption), followed by the **incoming material washing plant** to separate the emulsion from the turning (about 19%).

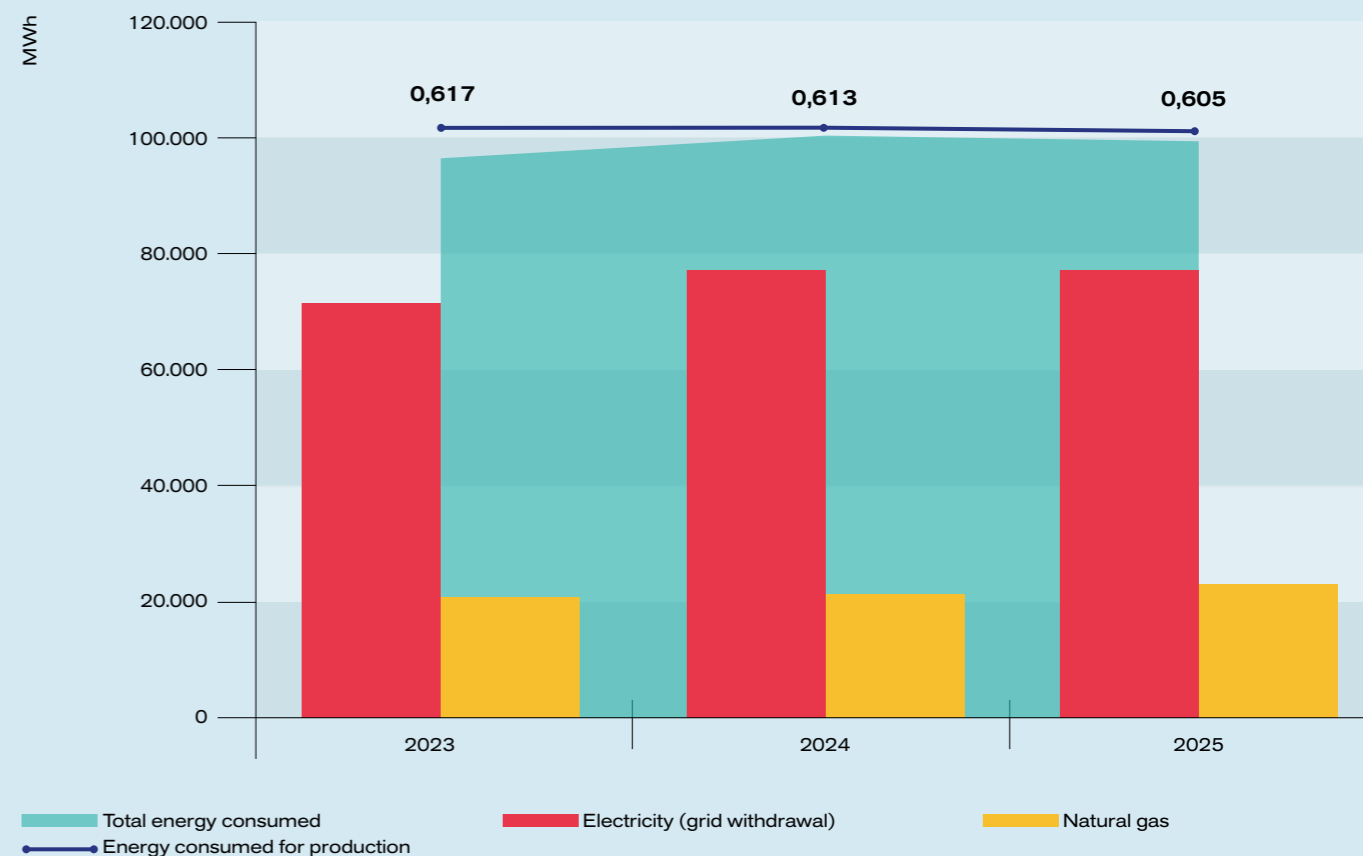
The following graph shows the two main energy carriers mentioned above and the trend of the energy intensity index.

With reference to total energy consumption, expressed in MWh, there is a slight increase in 2025 compared to 2024 (+1.5%); this change is mainly attributable to the increase in production volumes in the foundry (+2.9%), due to which there was a slight increase in both electricity withdrawal (+1.4%) and natural gas consumption (+1.8%). To conclude the general overview, there is also an increase in fuel consumption (+4.7%) and a 2.6% increase in energy production from the photovoltaic system.

On the other hand, with regard to the **energy intensity index**, calculated as the ratio between total consumption (in MWh) and the tonnes of brass bars (billets) produced in the foundry, there is an **improvement of 1.3%** compared to 2024; this shows that the increase in energy consumption was lower, in relative terms, than the growth in production volumes.

This is due to **greater efficiency** in the use of the plants, which has had the effect of diluting both the impact of consumption related to the maintenance of the furnaces and the fixed consumption of the auxiliary plants on production.

RONCADELLE ENERGY CONSUMPTION



Only the extrusion and drawing processes are carried out at the **Lumezzane** production sites. The main energy carriers are **electricity (35.4%) and natural gas (64.2%)**, while a residual share (0.4%) comes from the **fuels used for the company fleet**, which is almost entirely **diesel-powered**.

The **pumps of the billet extrusion presses** account for most of the electricity consumption, followed by the **drawing lines and the production of compressed air**. As for natural gas, **billet heating furnaces** are the main consumers, followed by **pickling plants**.

¹ Starting from the 2025 reporting year, energy consumption is expressed in MWh, replacing the previous conversion to TOE (tonnes of oil equivalent), in order to ensure a more direct and consistent representation of the energy carriers used. This methodological update results in a different percentage distribution of consumption between the different energy sources.

With reference to total energy consumption, expressed in MWh, the following graph shows a slight increase in consumption compared to 2024 (+2.8%), in a context of growth in production volumes (+12%).

In detail, compared to 2024, in 2025 there was an increase in electricity consumption (+6.1%) and, although to a lesser extent, in natural gas consumption (+1.4%).

Energy intensity, calculated as the ratio between total consumption (in MWh) and the production volumes of the extrusion department, shows a significant improvement in 2025 compared to 2024 (-8.6%), highlighting a lower growth in energy consumption, in relative terms, compared to the increase in production volumes; this trend reflects an improvement in overall energy efficiency.

For several years, Almag has been paying particular attention to the issue of energy efficiency, with the aim of reducing both consumption and related costs, while mitigating the financial risks arising from possible increases in the market prices of electricity and natural gas².

During 2025, the company continued its commitment to energy efficiency through a series of **targeted and technically advanced interventions in the plants**, in line with the requirements of the ISO 50001 standard.

Significant efficiency measures have been completed at Roncadelle, including the **revamping of the compressor room**, which will allow an estimated 20% improvement in energy efficiency compared to the previous configuration, as well as greater operational continuity in the event of a plant shutdown. The intervention results in expected energy savings of approximately 622 MWh/year.

Also with reference to the compressor room, a **heat recovery system** based on energy recovery technology was implemented, which allows heat to be transferred from the oil used to cool the compressors to the water. This is subsequently used, through additional exchangers, to support the heating system of the office building, the canteen and the changing rooms (also for sanitary uses), with an expected saving of approximately 42,000 Sm³/year of natural gas.

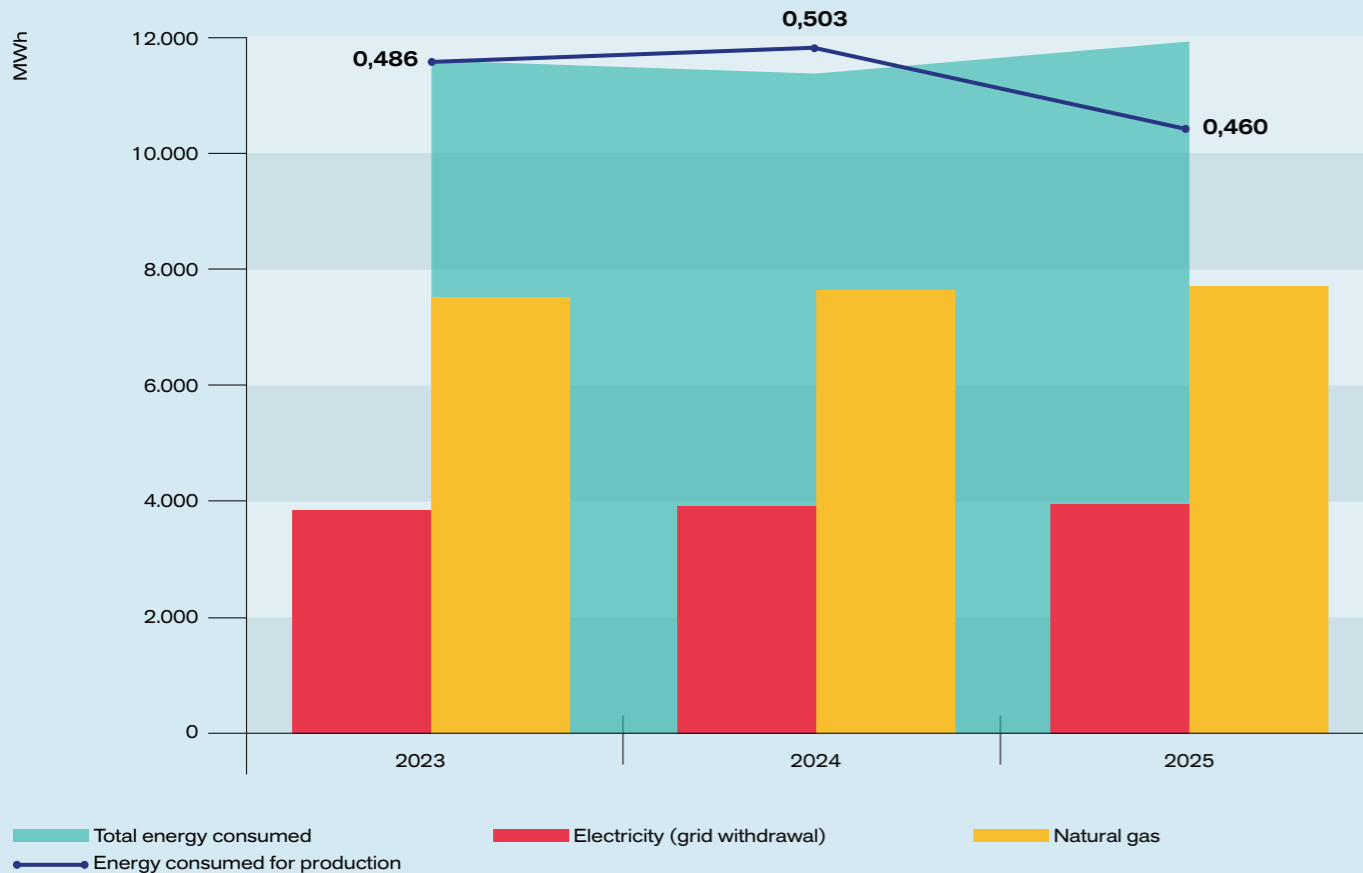
Finally, a further step forward in terms of improving the efficiency of energy consumption related to the offices was taken with the **installation of a new chiller for cooling them**, which is estimated to reduce consumption by 38 MWh/year.

Another substantial investment made during the year was the **replacement of the impellers in the foundry's extraction system**, which is estimated to result in total energy savings of around 350 MWh/year.

Finally, the work of **checking for compressed air leaks continued and the repair of leaks is underway**; this activity, which is essential for optimising the energy consumption of production facilities, has already shown positive results in terms of reducing waste.

As for the Lumezzane plants, the **cleaning of the boiler serving the pickling process** was successfully completed, with an estimated annual saving of about 3,700 Sm³ of natural gas. Finally, an energy efficiency improvement was carried out on the annealing furnace at the Via Brescia site, by **modifying the loading baskets**, which made it possible to increase the saturation of the production cycles, resulting in an estimated reduction in gas consumption of approximately 6,500 Sm³/year.

ENERGY CONSUMPTION LUMEZZANE



² § Risk: Increase in energy costs.

Climate change

CLIMATE CHANGE MITIGATION AND ADAPTATION

Energy consumption is closely linked to the production of **greenhouse gases (GHG)**³, since each energy source generates a specific amount of CO₂ equivalent, thus contributing to global GHG emissions⁴. In this context, all initiatives aimed at improving energy efficiency are also strategies to reduce the organisation's emissions impact.

To this end, **measuring the carbon footprint** is a fundamental and preliminary step in managing GHG emissions. This process of quantifying and reporting emissions is essential to **understand the organisation's environmental impact** and to structure a **strategic plan of actions to reduce GHG emissions** in the short, medium and long term.

Since 2022, Almag has been analysing and calculating the **Organisation's Carbon Footprint**, in accordance with the verification criteria of the international standard UNI EN ISO 14064-1:2018, which refers to three main categories:

- **Scope 1**, which includes direct emissions from sources owned or controlled by the company, such as the combustion of fuels or industrial processes;
- **Scope 2**, which covers indirect emissions from the production of electricity, heat or steam purchased and used by the company;
- **Scope 3**, which covers all other indirect emissions attributable to the value chain, both upstream (extraction and transport of raw materials, production of components, extraction and distribution of natural gas, fuels and electricity, etc.) and downstream (transport of finished products, use by the consumer, transport and treatment of waste, etc.).

The **Carbon Footprint** calculation, updated and monitored annually, is **verified and validated by an accredited third party** in accordance with the Verification Protocols of ISO 14064-3:2019, to ensure its accuracy, completeness and compliance with international standards. **Almag has voluntarily chosen to undergo this certification process**, to concretely demonstrate its commitment to transparent reporting of its emission performance.

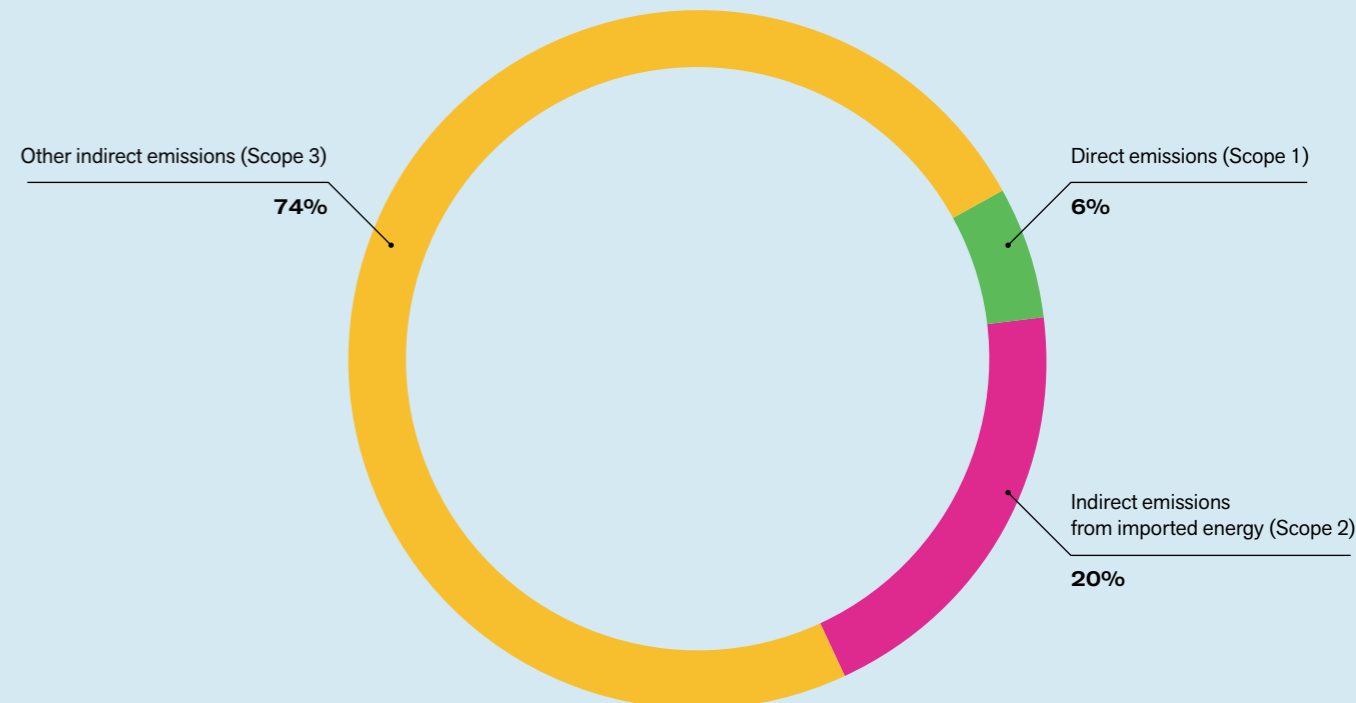
Almag total GHG emissions for the year 2025 amount to **120,921 tCO₂eq**⁵; of these, **7,179 tCO₂eq.** (about 6% of the total) are **direct emissions (Scope 1)** from **natural gas and diesel** used for the production process and office heating, and from the fuel consumption of the **company fleet**⁶.

Scope 1 also includes emissions associated with **refrigerant gas leaks**, amounting to approximately 143 tCO₂eq., mainly from the air conditioning and refrigeration systems located within the plants.

The **withdrawal of electricity from the grid (scope 2)**, mainly used to power the induction furnaces for metal smelting, generated **24,344 tCO₂eq.**⁷, equal to about 20% of the total.

The most significant share of Almag emissions (74%) is attributable to **scope 3**: in particular, **21,428 tCO₂eq.** derive from the transport of incoming raw materials, outgoing finished products, internal movements between plants, as well as the transport of waste generated by production activities, business travel and employee commuting. The remaining **67,970 tCO₂eq.** are attributable to the **materials used and processed by Almag** for the production of brass bars.

BREAKDOWN OF GHG EMISSIONS (2025)



³ Greenhouse gases are substances in the atmosphere that trap heat and contribute to global warming. The main GHG include carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O).

⁴ § Actual negative impact: Contribution to global emissions.

⁵ Tonnes of CO₂ equivalent (tCO₂e) is a unit of measurement used to express the impact on global warming of different greenhouse gases, such as methane (CH₄) and nitrous oxide (N₂O), in terms of the amount of carbon dioxide (CO₂) that would have the same effect. Carbon dioxide is used as a reference because it is the most common and widespread greenhouse gas, thus allowing the emissions of various greenhouse gases to be compared and added together using their Global Warming Potential (GWP), which represents the global warming potential of each gas compared to CO₂ over a specific time period (usually 100 years).

⁶ An assessment is underway regarding a gradual replacement with hybrid or electric vehicles, in addition to the installation of dedicated charging infrastructure in company car parks, to support more sustainable mobility

⁷ Calculation made on the basis of a location-based scenario: the emission factor used for the analysis takes into account the national energy mix

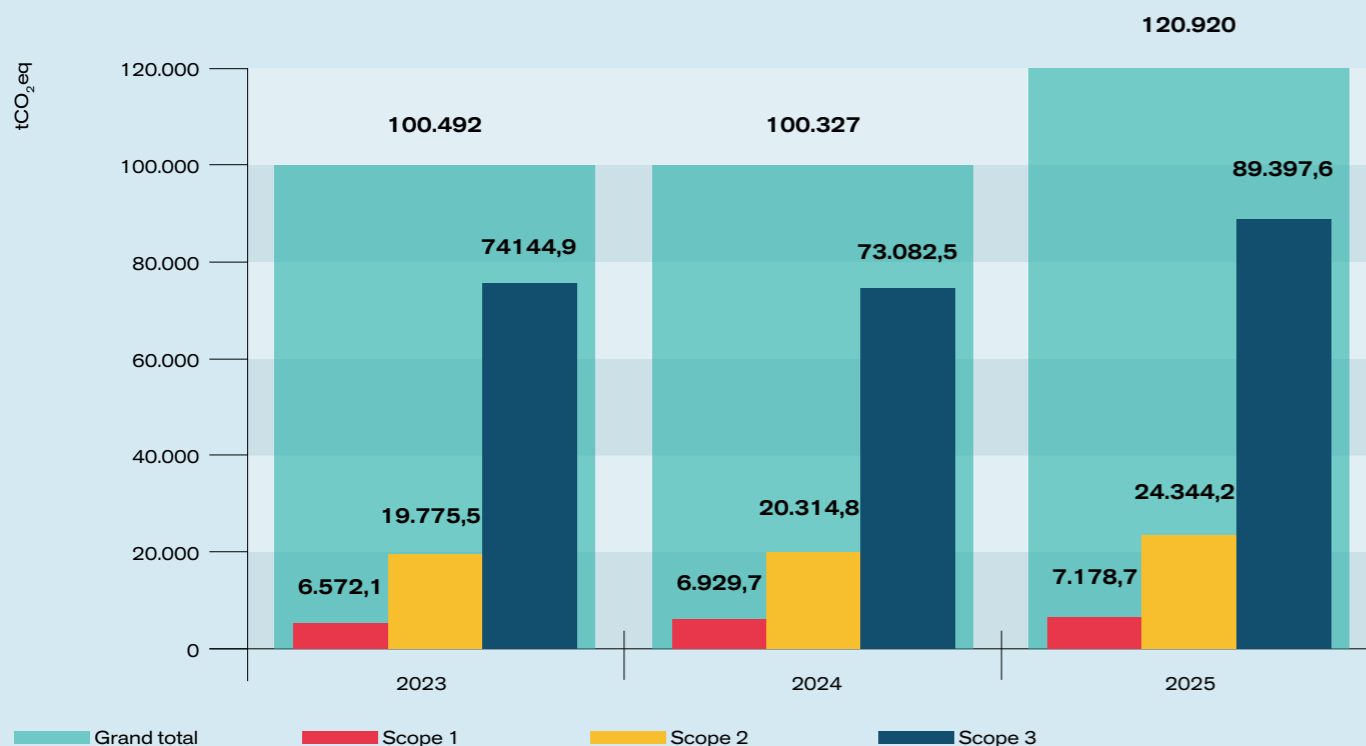
As shown in the graph below, greenhouse gas (GHG) emissions in 2025 increased from 100,327 tCO₂eq. in 2024 to 120,921 tCO₂eq., recording an overall increase of 20%.

This change is attributable both to the increase in energy consumption, as described in the previous paragraphs, and to the updating of the emission factors used for the calculation. In particular, the nationally calculated electricity emission factor increased significantly, from 0.26 kgCO₂eq./kWh in 2024 to 0.31 kgCO₂eq./kWh in 2025, contributing to an increase in indirect emissions associated with electricity consumption.

However, the most significant contribution to the increase in GHG emissions is attributable to the procurement of virgin raw materials, in particular zinc and copper, whose associated emissions exceed 60,000 tCO₂eq., representing about 50% of the total GHG emissions.

This trend is mainly linked to the choice of the supply mix, influenced both by strategic market choices and by the need to increase stocks of virgin material in anticipation of future needs, as well as by the evolution of the regulatory framework that requires a reduction in the lead content of alloys. This has led to greater use of virgin raw materials, in order to ensure greater control of the chemical and physical characteristics of the finished product.

GHG EMISSIONS TREND

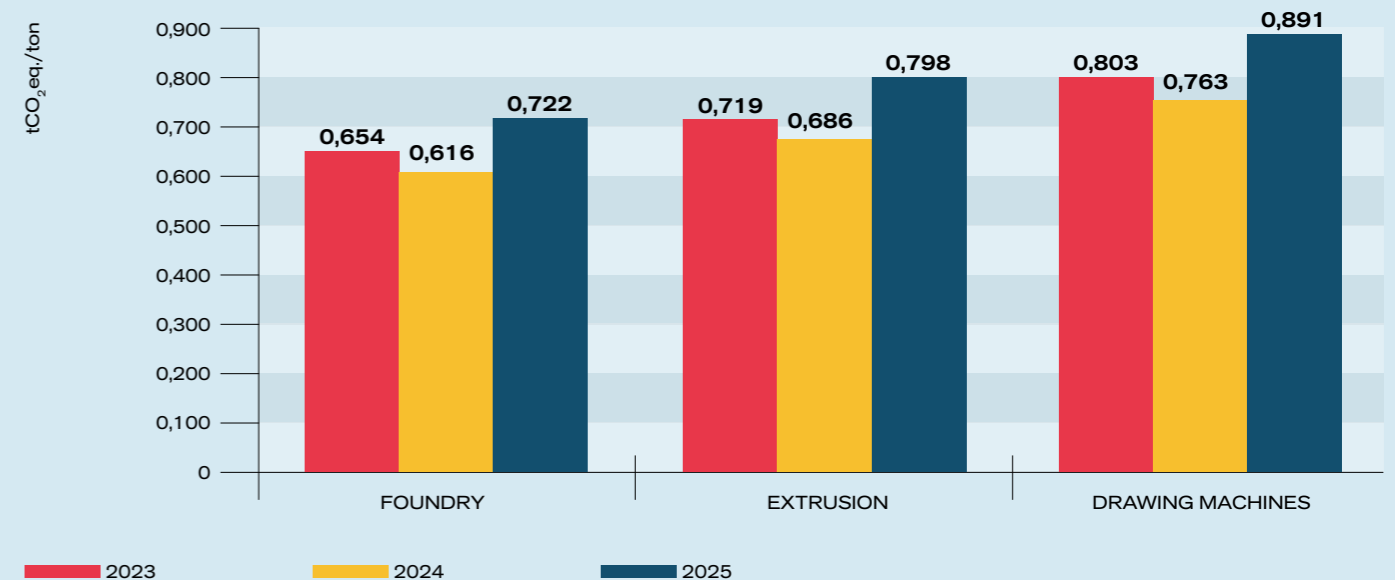


The tables below, on the other hand, show the emission intensity indices, given by the ratio between total emissions and production for 2025, with reference to the three main processing stages: smelting, extrusion and drawing; each stage has processing waste, so the associated index (tCO₂eq./tonne of billets produced) increases along the production flow.

FOUNDRY	Value	Unit of measurement	EXTRUSION	Value	Unit of measurement	DRAWING	Value	Unit of measurement
Emission index	0,722	tCO ₂ eq/ton	Emission index	0,798	tCO ₂ eq/ton	Emission index	0,891	tCO ₂ eq/ton

Compared to 2024, there is a worsening in emission intensity: in 2025, in fact, GHG emissions increased more than proportionally to production volumes, reaching higher levels than in previous years, for the reasons set out above.

EMISSION INDEX TRENDS



Among the initiatives adopted to reduce GHG emissions, in 2025 Almag joined the Energy Release 2.0 mechanism, covering 27,439 MWh of electricity consumption, equivalent to more than 33% of total needs, with energy from renewable sources at a controlled price⁸. This approach not only reduces the short-term energy cost, but also integrates a long-term strategy for the energy transition and the decarbonisation of its activities.

⁸ This mechanism allows energy-intensive companies to immediately benefit from renewable energy for a three-year period, binding the company to a commitment to develop sufficient new renewable capacity to return the advanced energy over the following twenty years.

Pollution

POLLUTING EMISSIONS



LMAG S.p.A. IS SUBJECT TO ANNUAL MONITORING OF POLLUTING EMISSIONS IN ACCORDANCE WITH THE PROVISIONS OF THE INTEGRATED ENVIRONMENTAL AUTHORISATION (AIA) FOR THE RONCADELLE SITE AND IN ACCORDANCE WITH THE SINGLE ENVIRONMENTAL AUTHORISATIONS (AUA) FOR THE LUMEZZANE PLANTS.

The main substances monitored include dust, heavy metals, total organic compounds, polycyclic aromatic hydrocarbons, nitrogen oxides and carbon monoxide, as well as inorganic acids and oil mists, mainly generated by the melting and holding furnaces, the methane furnaces for heating billets, the heat treatment furnaces and the turning washing systems. Monitoring is carried out through periodic sampling and continuous measurements, supplemented by advanced filtration systems to ensure compliance with the authorised limits.

The potential exceeding of regulatory limits represents an environmental risk and a possible prerequisite for the application of sanctions by the competent authorities; in recent years, there have been no instances of exceeding the limits⁹: the checks carried out have consistently confirmed full compliance with the prescribed limit values.

Furthermore, since 2005, Almag has been a member of the RAMET Consortium, an environmental research consortium composed of 22 metallurgical companies in the province of Brescia, which aims to carry out studies and projects aimed at reducing air pollutant emissions and, more generally, promoting environmental protection. In detail, the specific objective of the companies belonging to the Consortium is to reduce emissions of pollutants into the atmosphere by 50% and organic micro-pollutants by 80% compared to the limit values defined by law.

Among the investments in the field of pollution prevention and mitigation, we highlight the one made in 2022, relating to the installation of a new fume extraction and abatement system, capable of increasing the extraction flow rate, which went from 360,000 to 500,000 Nm³/h. The project phases included the addition of 2 interchangeable fans, new inlet and outlet pipes and the installation of a new filter with soundproofed panels, as well as the replacement of 2 axial cyclones with 4 new cyclones and new high-efficiency filter bag assemblies. The high-efficiency cyclones have enabled a significant increase in the abatement of emitted dust: in the first two months of using the new filter, in fact, emissions from the foundry were reduced by 18% compared to the average for the same period in 2021.

With regard to odour emissions, on the other hand, an olfactometric survey was conducted in 2023 according to the UNI EN 13725 standard, which confirmed levels of odour perception in the "low" threshold, both inside and outside the plant.

Finally, with regard to noise pollution, periodic noise monitoring activities are carried out. In addition, after having pre-established and shared the specific points relating to the controls with the Provincial Authority, day and night tests were carried out in 2023 to compare noise input and output. The results confirmed full compliance with the regulatory limits, without revealing any critical issues. Finally, the installation of the new bag filter for dust abatement also contributed to reducing the noise impact, thanks to soundproofing solutions integrated into the system.

⁹ § Potential negative impact: Exceeding emission limits

Water resources

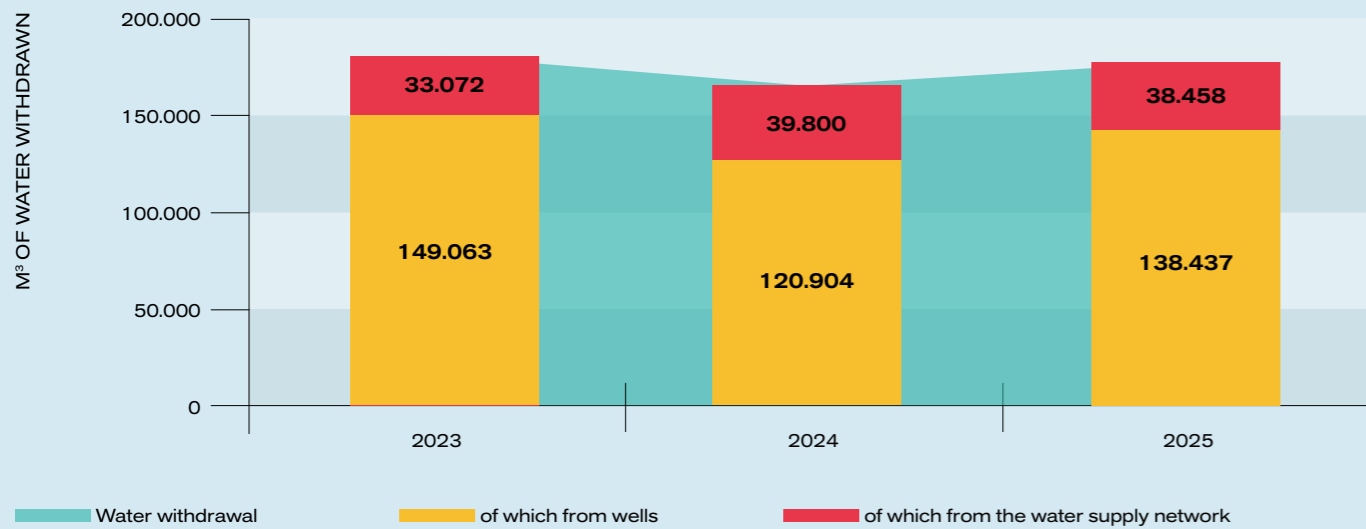
WATER WITHDRAWAL



THE WITHDRAWAL OF WATER RESOURCES IS A SIGNIFICANT ISSUE FOR ALMAG, WITH A TOTAL ANNUAL CONSUMPTION OF MORE THAN 175,000 M³ INTENDED BOTH FOR PROCESS ACTIVITIES, SUCH AS THE COOLING OF BILLETS AND PRESSES, CHEMICAL PICKLING AND BAR WASHING, AND FOR SANITARY AND FIRE-FIGHTING USES¹⁰.

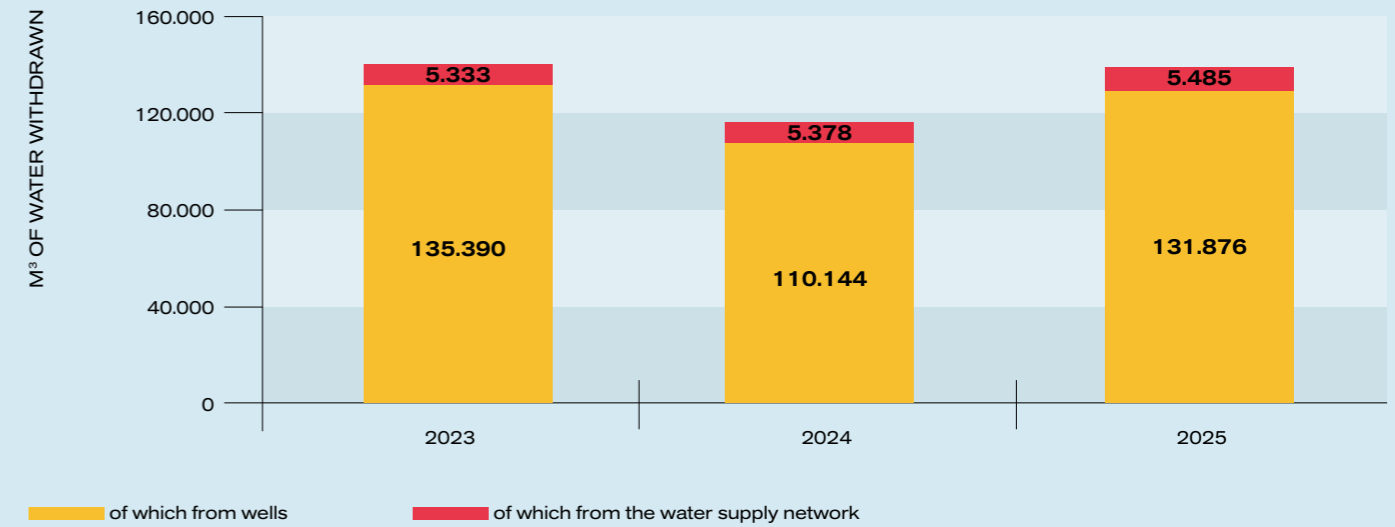
During 2025, total water consumption amounted to 176,895 m³, an increase compared to 2024 (160,704 m³), but in line with 2023 (182,135 m³). In 2025, 78% of the water withdrawal was covered by a 60-metre-deep well (138,437 m³) and 22% by the aqueduct (34,458 m³).

TOTAL WATER WITHDRAWAL



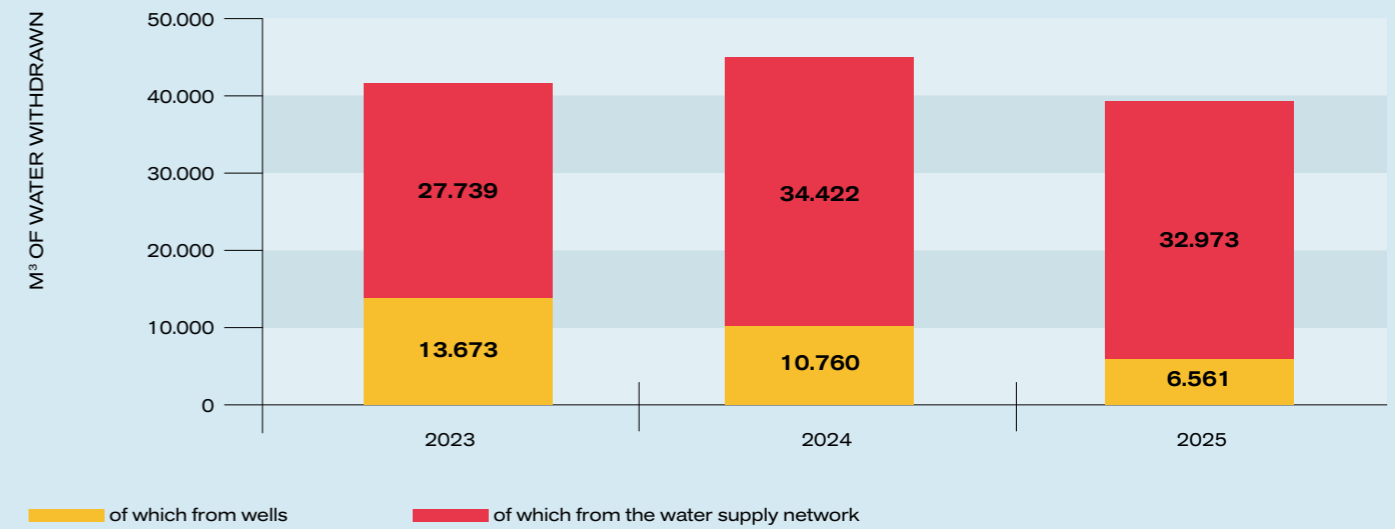
At the individual plant level, at the Roncadelle site, water withdrawals in 2025 increased by 19% compared to 2024, reaching 137,361 m³.

WATER WITHDRAWAL RONCADELLE



At the two Lumezzane plants, on the other hand, there was an overall reduction of 13%, from 45,182 m³ in 2024 to 32,973 m³ in 2025; this is linked to the reduction in both the withdrawal from the aqueduct (-4%) and the withdrawal for well water, which fell by 39% compared to 2024.

WATER WITHDRAWAL LUMEZZANE



¹⁰ § Actual negative impact: Water withdrawal

Given the importance of the issue, Almag continues to carry out activities aimed at limiting and reducing water withdrawal, such as the reuse of first flush rainwater, treated by mechanical ultra-filtration, and the introduction of reverse osmosis systems in the pickling and foundry plants, replacing traditional water softeners, with benefits in terms of efficiency and reduced consumption.

As for water discharges, on the other hand, the Almag plants in Lumezzane are subject to the Single Environmental Authorisation (AUA) for the disposal of industrial wastewater generated by the chemical pickling and bar washing processes in the public sewer system. The wastewater generated is treated using chemical-physical systems equipped with neutralisation, flocculation and sand filtration, to prevent polluting emissions that could compromise the quality of surface water and aquatic ecosystems.

For the Roncadelle site, which is authorised by an Integrated Environmental Authorisation (AIA), industrial discharges (washing of pickling lines, cooling water and treated rainwater) are managed by a chemical-physical treatment and purification plant before being delivered to the Surface Water Body (CIS), while civil wastewater is disposed of in the municipal sewer system. All plants have automatic blocking systems in the event of anomalies and are monitored with daily, monthly and six-monthly checks.



Resource use and the circular economy

RESOURCE INFLOWS

IN THE BRASS BAR PRODUCTION SECTOR, THE PURCHASE AND USE OF STRATEGIC RAW MATERIALS¹¹ SUCH AS COPPER AND ZINC, WHICH ARE FUNDAMENTAL COMPONENTS OF THE ALLOY, EXPOSES THE COMPANY TO THE RISK OF PRICE VOLATILITY AND POTENTIAL SUPPLY CHAIN ISSUES, PARTICULARLY IN THE EVENT OF GEOPOLITICAL TENSIONS OR EXPORT RESTRICTIONS BY THE MAIN PRODUCING COUNTRIES (INCLUDING CHILE, PERU, THE DEMOCRATIC REPUBLIC OF THE CONGO AND CHINA).

Regulatory developments are added to these factors. In particular, EU Directive 2020/2184 provides for new plants, starting from 1 January 2027 and progressively by 2036 for all European Union countries, the reduction of the lead content in materials intended to come into contact with drinking water so that the release of lead into water is less than 2.5 µg/l. This regulatory change leads to new challenges for the brass processing industry, as the absence of lead reduces the workability of the material, making production processes more difficult. Lead, in fact, acts as a natural lubricant during mechanical processing and its removal requires the introduction of alternative elements (such as silicon, bismuth, antimony and selenium) in order to ensure equivalent performance.

This transition also implies an increase in production complexity and operating costs, linked both to the conversion of plants and to the possible increase in the use of virgin raw material, with a consequent reduction in the proportion of recycled material traditionally used in lead alloys.

In this context, Almag, already NSF 372 certified for product compliance with the reduced lead content requirement in the United States and aligned with EU Directive 2020/2184 on lead content in materials intended to come into contact with drinking water, is committed to developing Copper-Zinc alloys with alternative elements to lead that guarantee optimal workability and quality of the finished product, while protecting the health of end users.

¹¹ § Risk: Strategic raw materials

focus



THE TRANSITION TO LOW-LEAD BRASS ALLOYS

The brass processing sector is increasingly moving towards the use of "low-lead" or "lead-free" alloys, i.e. with a low (<0.2%) or zero (<0.1%) lead content.

The demand for these alloys is driven both by the potential environmental and human health issues associated with the use of lead and by the increasingly stringent regulatory landscape. Lead, often added to brass alloys, is an element that improves their workability, but is subject to restrictions.

The transition to an industry capable of properly processing these alloys poses significant challenges for companies in the sector, including the development of new procedures and the adaptation of production processes. Brass alloys that do not contain lead are in fact characterised by poor metal workability.

For some time now, Almag has been embarking on a path of innovation for the production of components made with "low-lead" or "lead-free" alloys.

For these purposes, a new production line is planned at the Lumezzane plants, which will consist of:

- a new automatic billet magazine with the possibility of billet entry-exit,
- a new automatic billet magazine,
- two new coupled billet heating furnaces,
- a new press,
- a new extrusion bench
- a new automatic pickling system for extruded rods.

The line will be integrated with the two extruders currently present at the Via Padre Bolognini (Lumezzane) site and is designed for the processing of new alloys with no or low lead content, which require greater extrusion power. In this context, the new press will have a power of 2,800 tonnes, about double that of the presses currently installed, and will be combined with an extrusion bench almost 60 metres long, which is also twice the size of the current ones. This configuration will allow Almag to maintain its competitiveness in the hollow bar market over time.

A key element of this transition is the collaboration with Brawo, a Group company specialising in hot forging and precision machining of non-ferrous metals, mainly brass and aluminium. The synergy between the two companies allows us to offer customers comprehensive support in the adoption of new alloys, providing technical solutions and expertise to meet regulatory and market challenges.

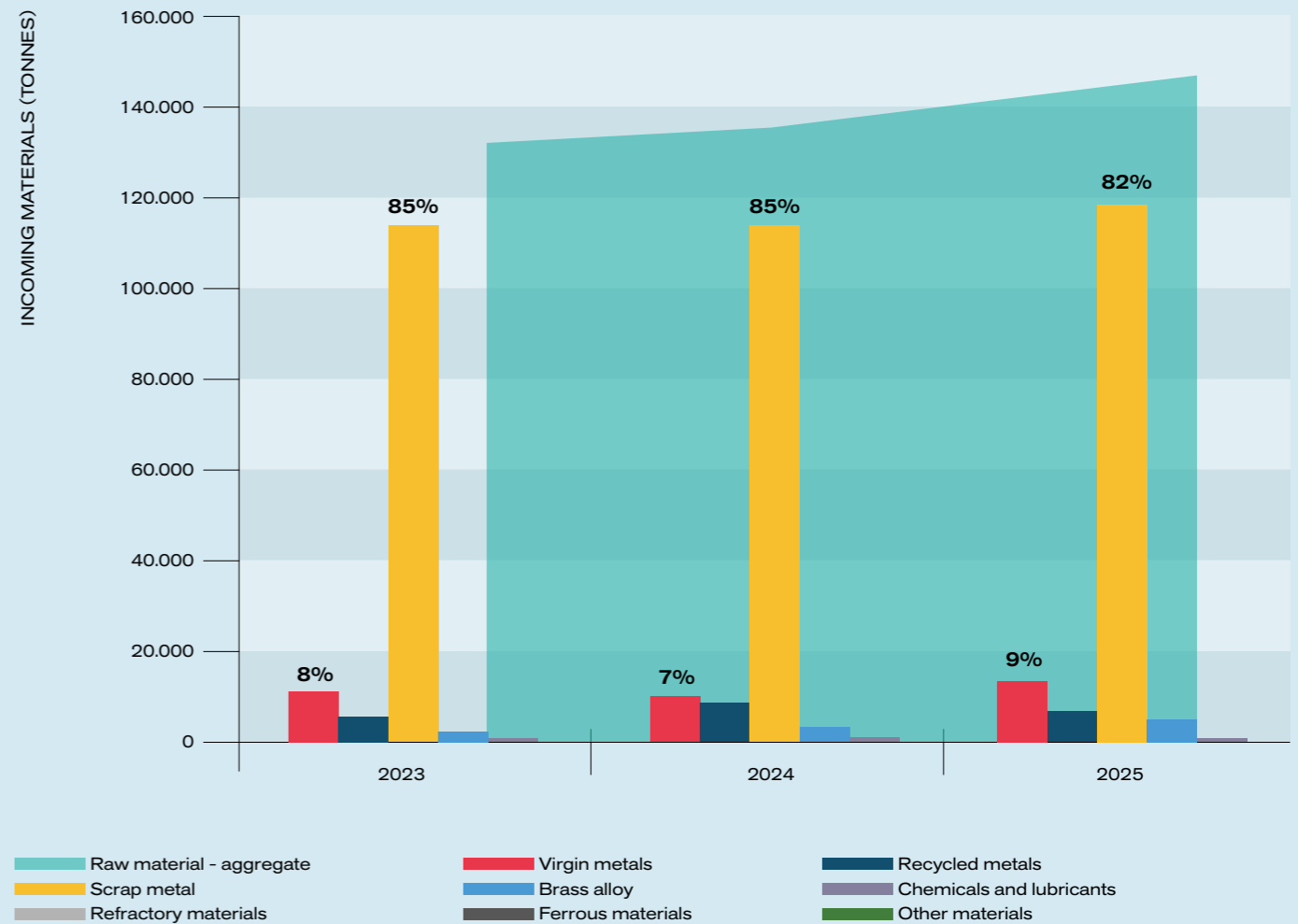
¹ § Risk: Lead in brass
² § Risk: Adaptation of machinery for new alloys

As shown in the graph below, the main incoming raw materials are recovered from scrap and processing residues resulting from the company's own processing activities and those of its customers (turning chips, moulding burrs, etc.) and metal scrap (copper and brass). This makes it possible to reduce dependence on virgin raw materials and to reduce the overall volume of waste produced, as it is reintroduced into the production cycle, in line with the principles of the circular economy. This allows Almag to apply the concepts of circularity within its production process, the finished product of which is, in fact, composed of more than 92% material derived from recovery or recycling¹².

With reference to the 2025 data, there is an increase in the proportion of virgin metals purchased (from 7% in 2024 to 9% in 2025) which, as mentioned, play a fundamental role in the search for alternative materials to lead.

In 2025, the total volume of incoming raw materials exceeded that of the previous two years. Of the materials, 82% consist of brass and copper scrap metal, while the remaining share is mainly represented by primary metals, such as copper and zinc, as well as marginal contributions of aluminium and tin.

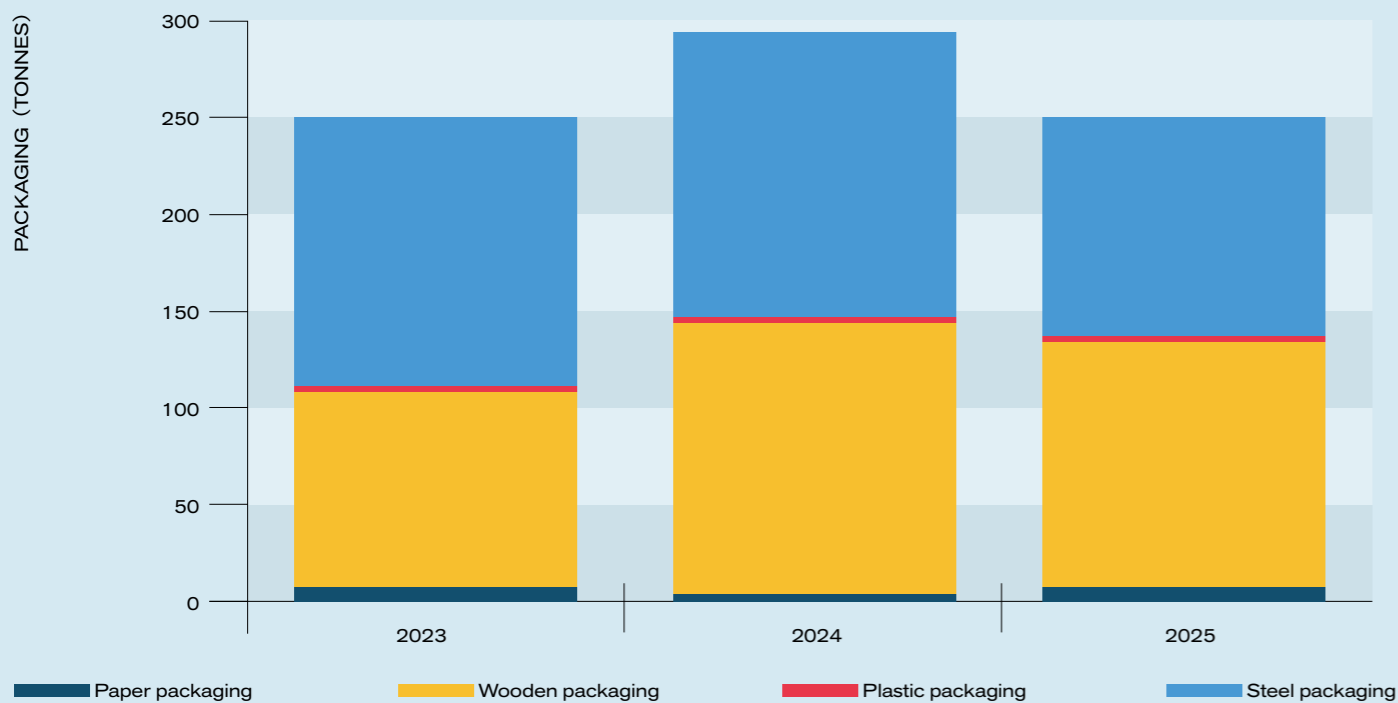
INCOMING MATERIALS



¹² § Actual positive impact: Recovery of raw material.

In terms of **packaging**, the total quantity purchased and used for outgoing products decreased slightly compared to 2024, from 287 to 233 tonnes, returning to the levels recorded in 2023. As shown in the figure, the predominant component in terms of weight is **wooden crates** (50.7%), followed by **metal straps** used to transport the finished product (43.2%). Compared to 2024, there is a **reversal** in the usage mix, with wooden crates once again prevailing over metal straps.

PACKAGING BY TYPE OF MATERIAL



Resource use and the circular economy

WASTE

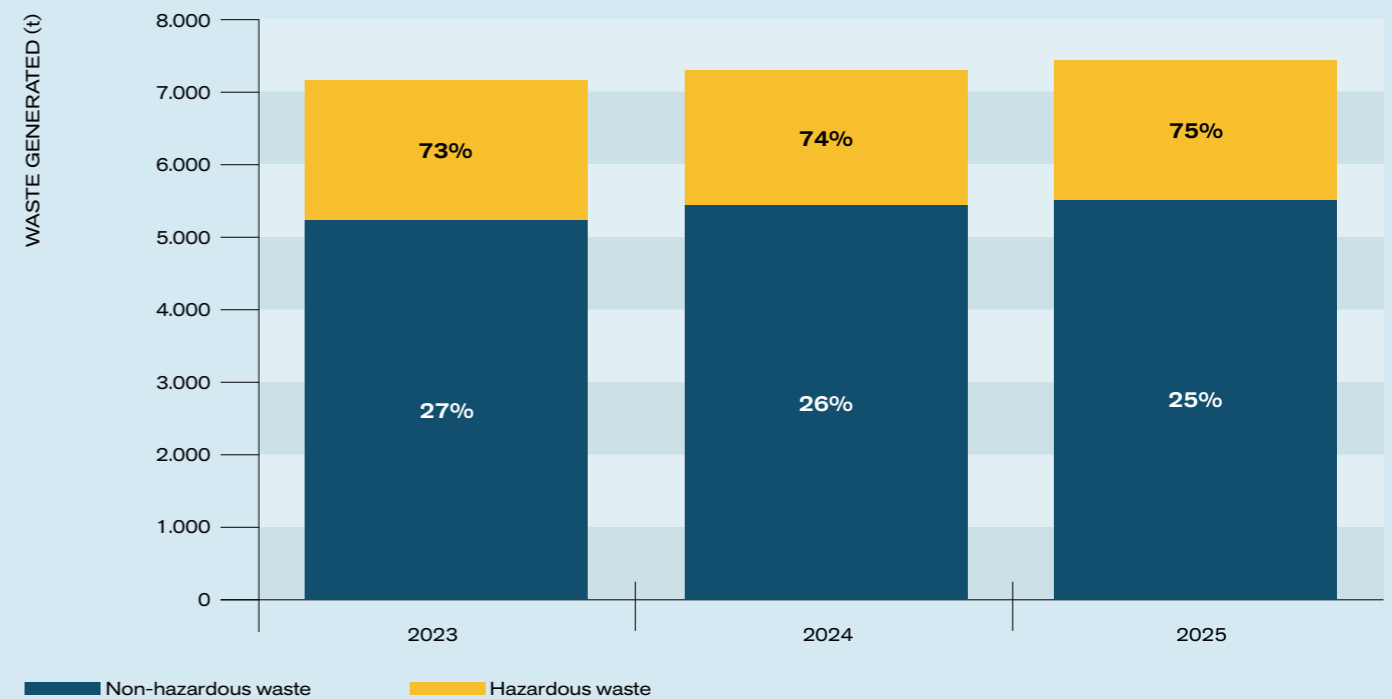
Almag generates a significant amount of **waste**, of which about 25% is classified as **hazardous**¹³.

The graph shows the trend in waste production over the three-year period 2023–2025: the figures are constant, although in 2025 there was a **slight increase** in the total amount of waste produced, which rose from 7,323 tonnes in 2024 to 7,557 tonnes in 2025 (+3%).

In 2025, the main type of waste is represented by the **smelting slag** generated at the Roncadelle site, amounting to 3,542 tonnes (47% of the total). This is followed by **powdery residues** from the fume abatement systems (1,328 tonnes), which, thanks to their recoverable metal content, are sent for recovery by specialised operators.

At the **Lumezzane** sites, the waste produced derives exclusively from the processing process (extrusion and drawing), the quantity of which in 2025 was approximately **278 tonnes**, an increase of 16% compared to 2024 (240 tonnes), but still constant in percentage terms (3.7%) compared to the total waste produced at the three plants.

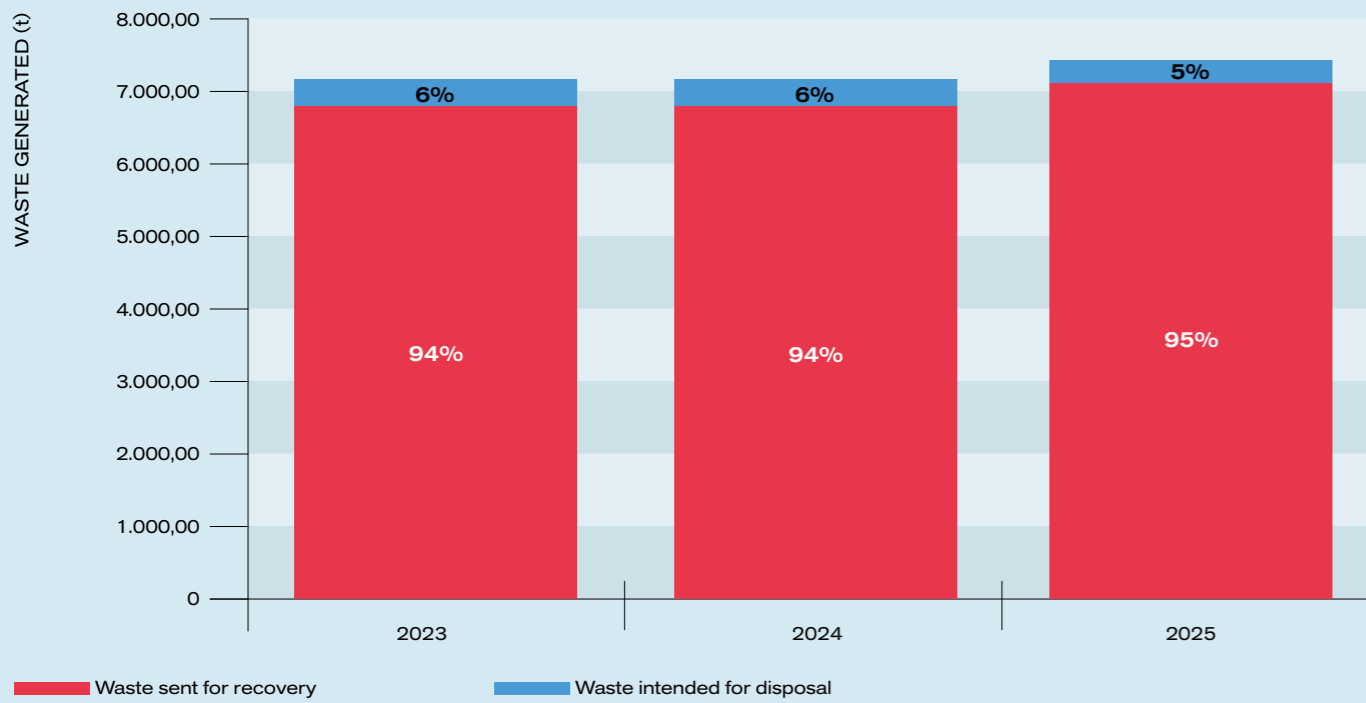
WASTE PRODUCTION TREND



¹³ § Actual negative impact: Waste production.

As for the destination of the waste, in 2025, 95% was sent for recovery operations, while the remainder was sent for disposal. Compared to 2024, there is a substantial alignment both in the volumes of waste generated and in the proportions destined for recovery and disposal.

WASTE DESTINATION







AT ALMAG, THE CONCEPT OF SUSTAINABILITY IS NOT LIMITED TO THE ENVIRONMENTAL AND GOVERNANCE DIMENSIONS, BUT EXTENDS IN AN INTEGRATED MANNER TO THE SOCIAL DIMENSION, CONSIDERING HUMAN CAPITAL AS A STRATEGIC AND CENTRAL ELEMENT FOR THE COMPANY'S SUCCESS.

Almag actively promotes the mental and physical well-being of its employees through accident prevention, workplace health and safety policies, and initiatives aimed at reconciling people's private and professional lives. Structured training programmes, welfare systems and support tools for both professional and personal growth are made available.

At the same time, the company is committed to giving back part of the value generated to the community, supporting social projects and developing partnerships with institutions, schools, associations and other local stakeholders.

The objective of Almag is clear and inspiring: to make a tangible contribution to social progress, strengthening the link between business and community and promoting a corporate culture based on responsibility and shared well-being.

Personnel management, well-being and development

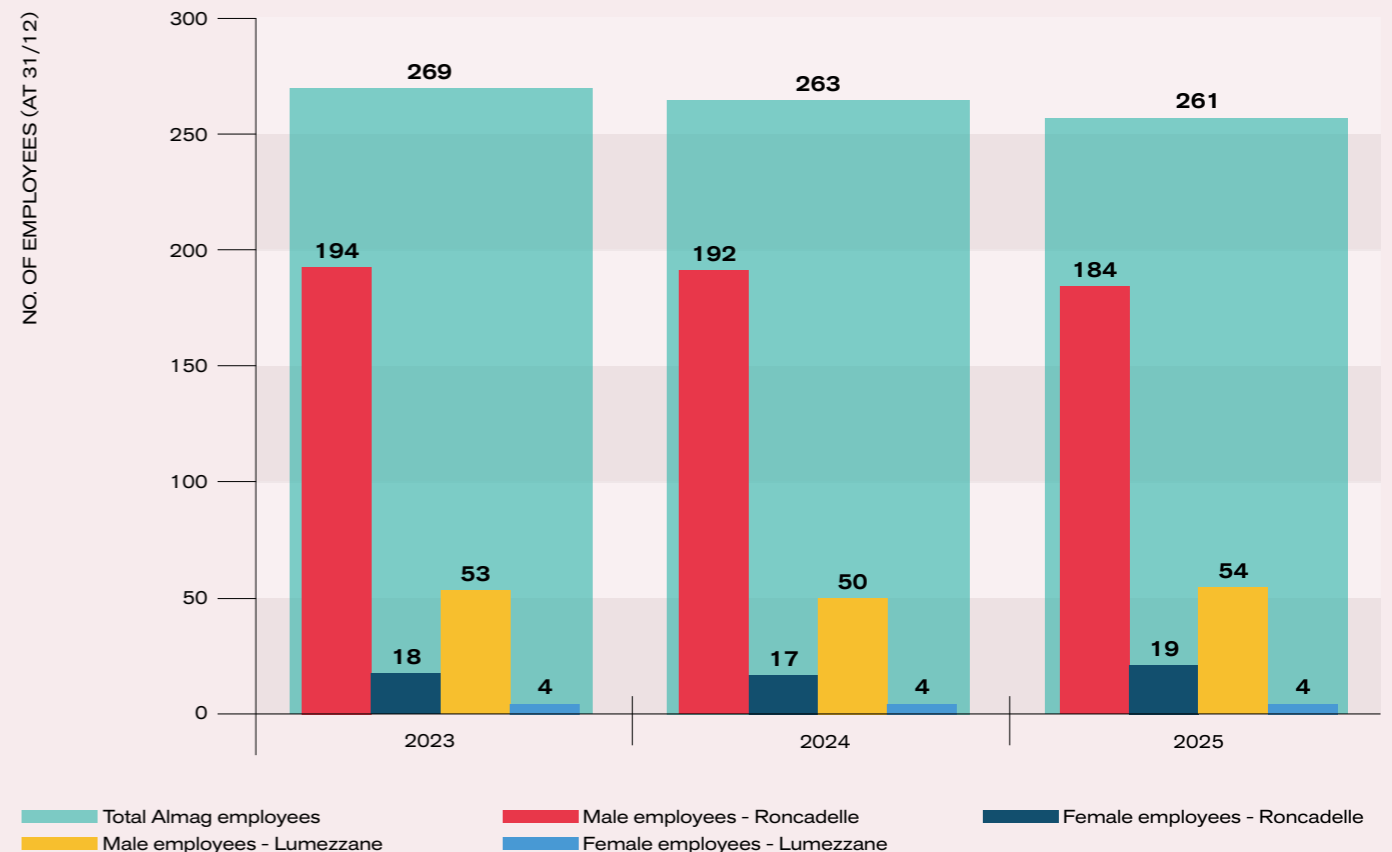
PEOPLE MANAGEMENT

For Almag, human capital is a determining factor in the functioning and development of the company's activities. The skills, experience and contribution of people enable the company to maintain high quality standards and ensure continuity and efficiency in production processes, while promoting the professional growth of its employees.

The company's workforce as at 31/12/2025 consisted of 261 employees, of whom 78% were employed at the Roncadelle plant and 22% at the two Lumezzane plants.

Over the last three years, the workforce has decreased slightly, from 269 employees in 2023 to 261 in 2025 (-3%), while maintaining substantial stability in the gender composition.

PERSONNEL MANAGEMENT



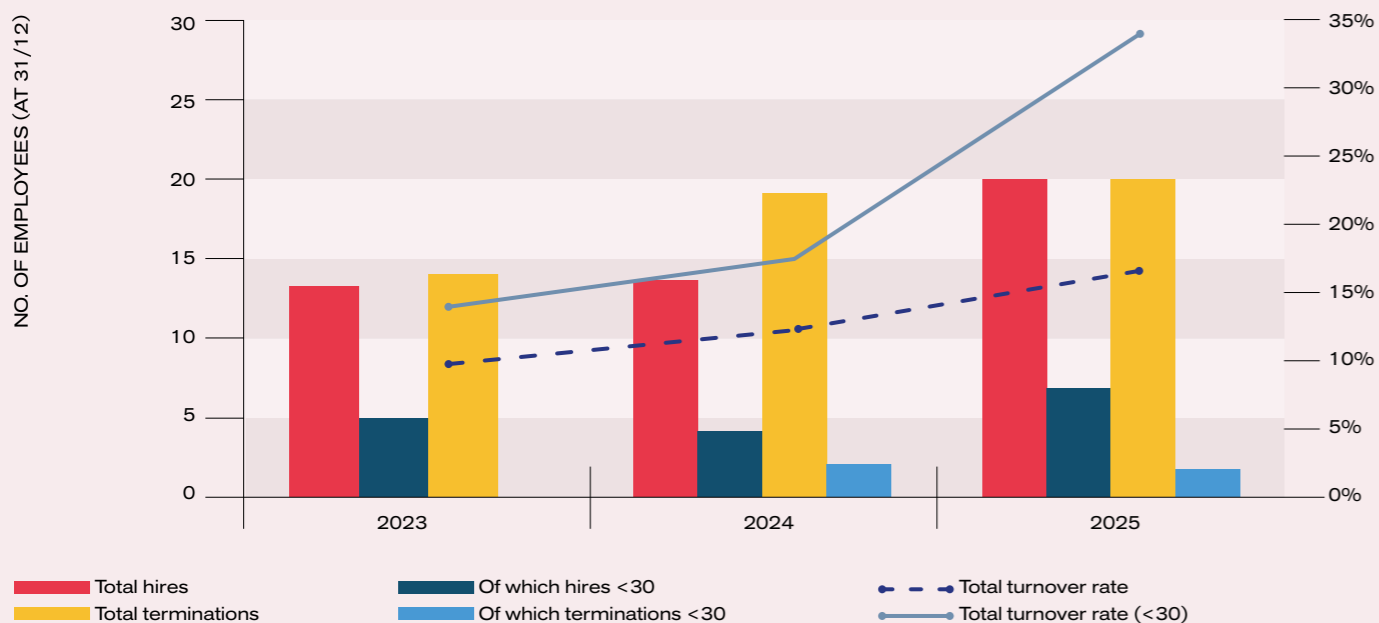
With reference to the dynamics of staff entry and exit, in the three-year period 2023–2025, there is a gradual increase in the overall mobility of the workforce.

In fact, **new hires** increased from 13 in the two-year period 2023–2024 to 20 in 2025, while in the same period, **terminations** increased from 14 in 2023 to 19 in 2024, reaching 22 in 2025¹. Therefore, the **overall turnover rate** also increased, from 10% in 2023 to 12% in 2024 and 15% in 2025. However, the overall turnover value is significantly lower than the **national benchmark** for the industrial sector calculated by Confindustria (2024)², which is 22.9%.

A particularly significant element concerns the younger component of the company population. In fact, **workers under 30 show higher levels of mobility than the company average**, a phenomenon that reflects dynamics typical of the early stages of a career path, characterised by greater experimentation and career changes. In this sense, the turnover rate for this age group increased from 14% in 2023 to 18% in 2024, reaching 33% in 2025.

During 2025, 7 of the 20 new hires were workers under 30, compared to a total of 22 terminations, 2 of which were in the same age group. The figure shows that, despite the greater mobility among younger workers, the company continues to encourage the entry of new resources in the early stages of their professional careers, contributing to the gradual generational change and the strengthening of skills in the long term. The **risk of turnover** is mainly influenced by factors related to the historical context and the characteristics of the employees, such as interest in external opportunities and/or a growing awareness of their professional needs, both in terms of flexible working hours and financial expectations; however, it should be emphasised that, even in the presence of this risk, the overall turnover remains low compared to the national index³.

PERSONNEL TURNOVER



As regards the **age composition** of the company's workforce, there is a slight decrease compared to 2023, mainly affecting the middle age group of the company's workforce (30–50 years old), which falls from 147 to 136 employees.

The younger component (< 30 years old), while showing higher mobility, goes from 34 employees in 2023 to 31 in 2025. The **over-50s**, on the other hand, show a gradual increase from 88 to 94, in line with the figure for 2024 (93). The physiological ageing process of the workforce will require attention in the coming years: in fact, although the phenomenon is currently attributable to a moderately low risk category, it will require attention in the future in the management of generational transitions, in order to ensure an adequate transition and development of skills in each role.

EMPLOYEES BY AGE GROUP



Analysing the data by plant, differences emerge in the age distribution of employees: in **Roncadelle**, 14% of the workforce is under 30, 51% belongs to the 30–50 age group and 35% is over 50. In **Lumezzane**, on the other hand, the composition is different, with a lower percentage of young people (5%), 55% of employees in the 30–50 age group, and 40% of the company population in the over-50 category.

¹ The calculation of terminations in 2025 also includes an employee transferred from the Roncadelle site to the Lumezzane site.

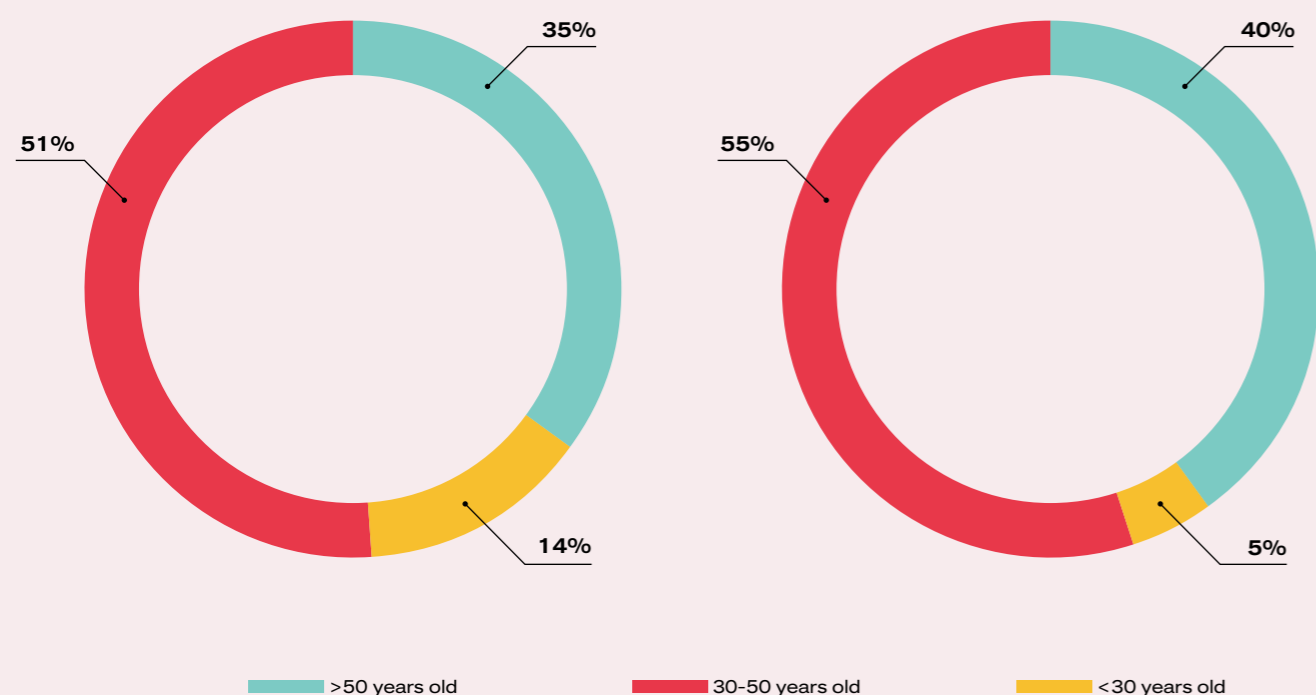
² Source: Confindustria Labour Survey 2025 (Confindustria Labour Survey 2025 | Confindustria)

³ § Risk: Turnover

More generally, it should be noted that 50% of the total hires between Roncadelle and Lumezzane, in relation to this reporting period, belong to the under-30 category, compared to no terminations in the same age group.

EMPLOYEES BY AGE GROUP - RONCADELLE (2025)

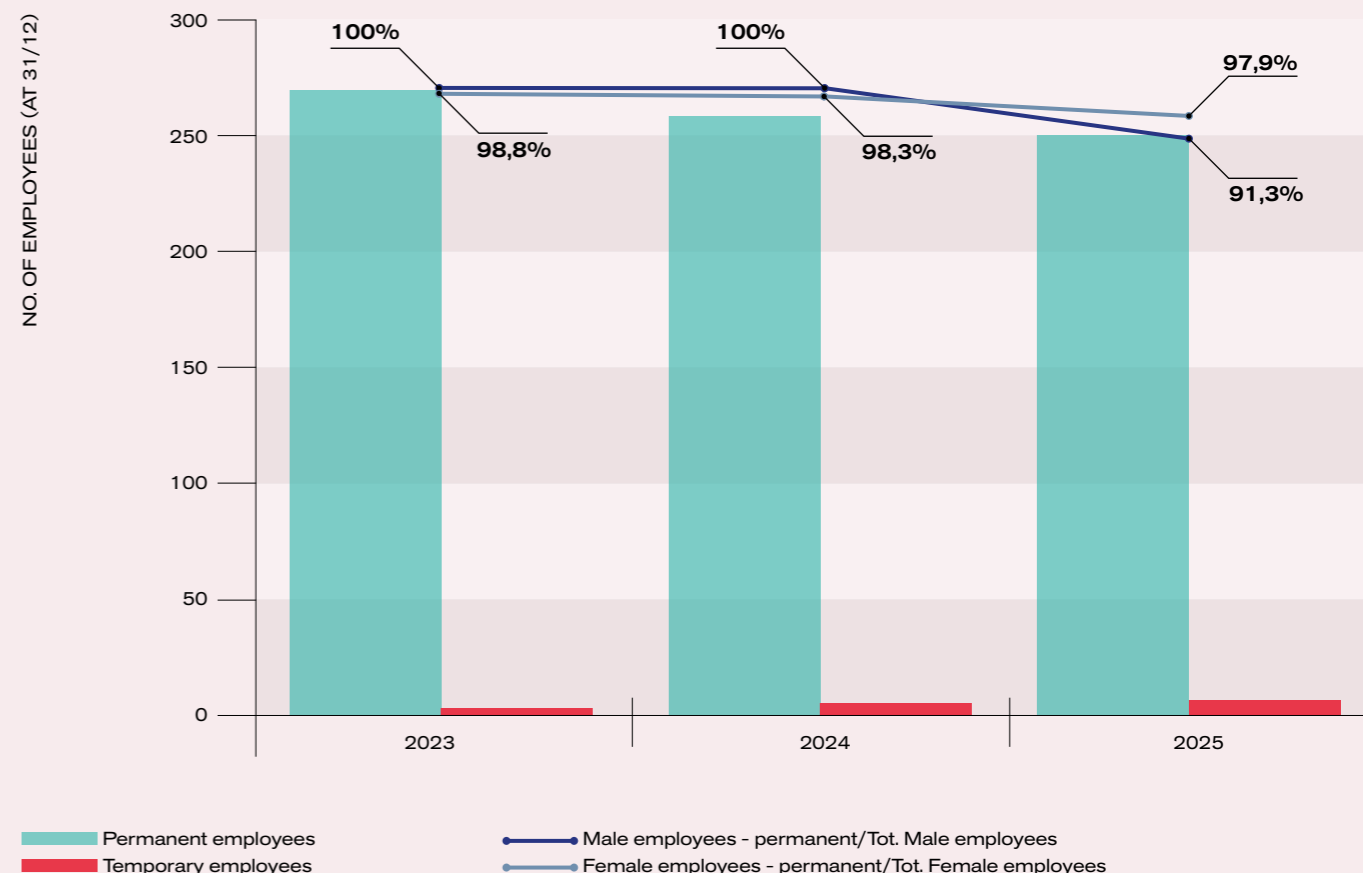
EMPLOYEES BY AGE GROUP - LUMEZZANE (2025)



In 2025, 97.3% of the total workforce is employed on a permanent basis (97.5% of the staff in Roncadelle and 96.6% in Lumezzane). This figure, which is higher than the average of 95.8% recorded by the Confindustria Labour Survey (2024)⁴, confirms a high level of employment stability.

With regard to the breakdown by contract type, the graph below illustrates the evolution of the breakdown between temporary and permanent contracts. The number of women with permanent contracts remained unchanged compared to 2024 (21 women); it should be noted that in 2025, compared to 2 terminations (women), 4 women were hired, two on temporary contracts and two on permanent contracts.

CONTRACT TYPE

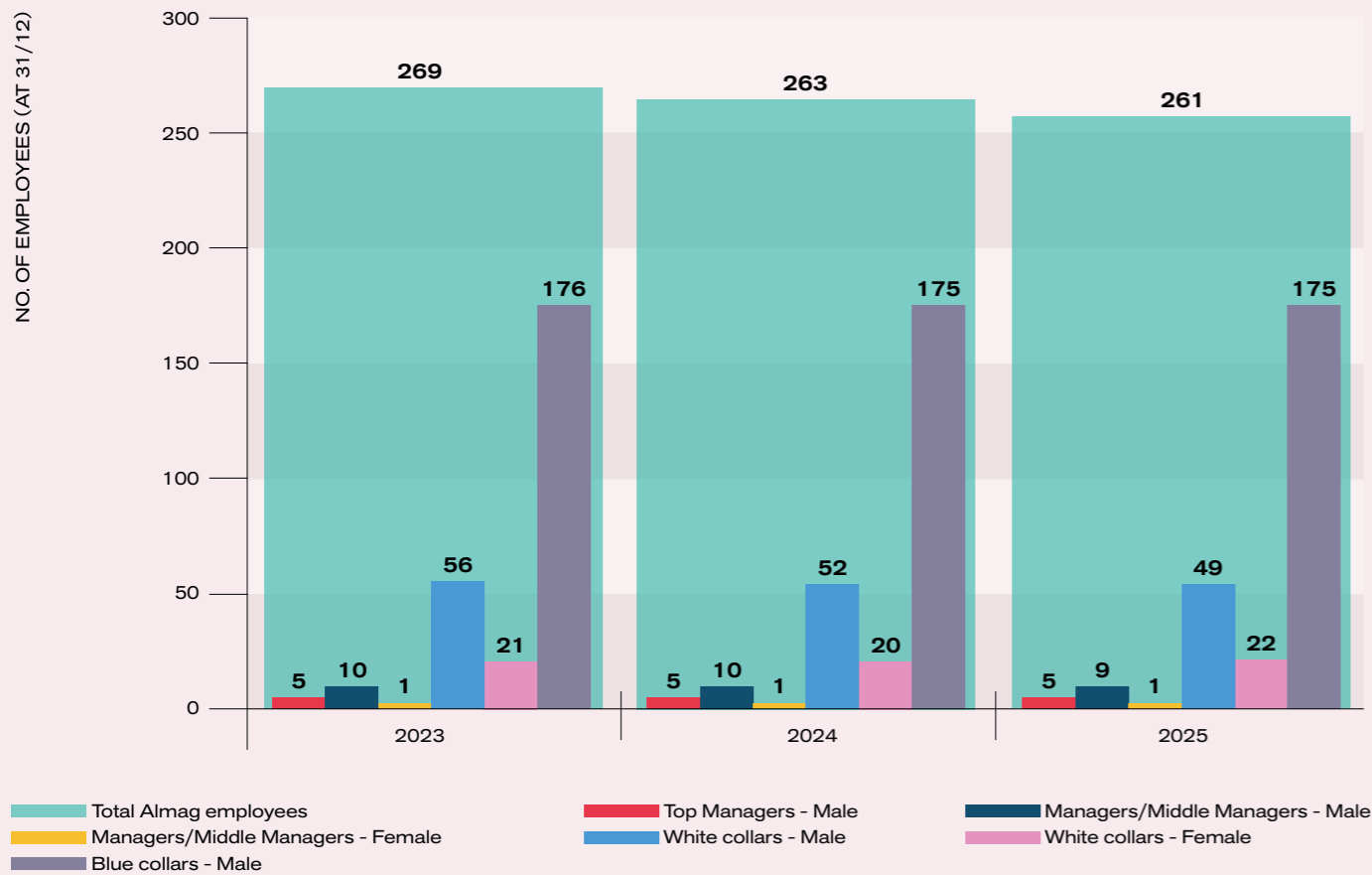


With respect to the breakdown of personnel by contractual status, the Almag internal composition remains substantially stable in the period 2023-2025. There is a prevalence of operational positions, consistent with the organisation's production structure, followed by clerical duties. In 2025, blue collars represent 66% of the workforce, while white collars make up 28% (20% men and 8% women). The remaining share of the company's workforce is divided between executives (2%) and middle managers (4%).

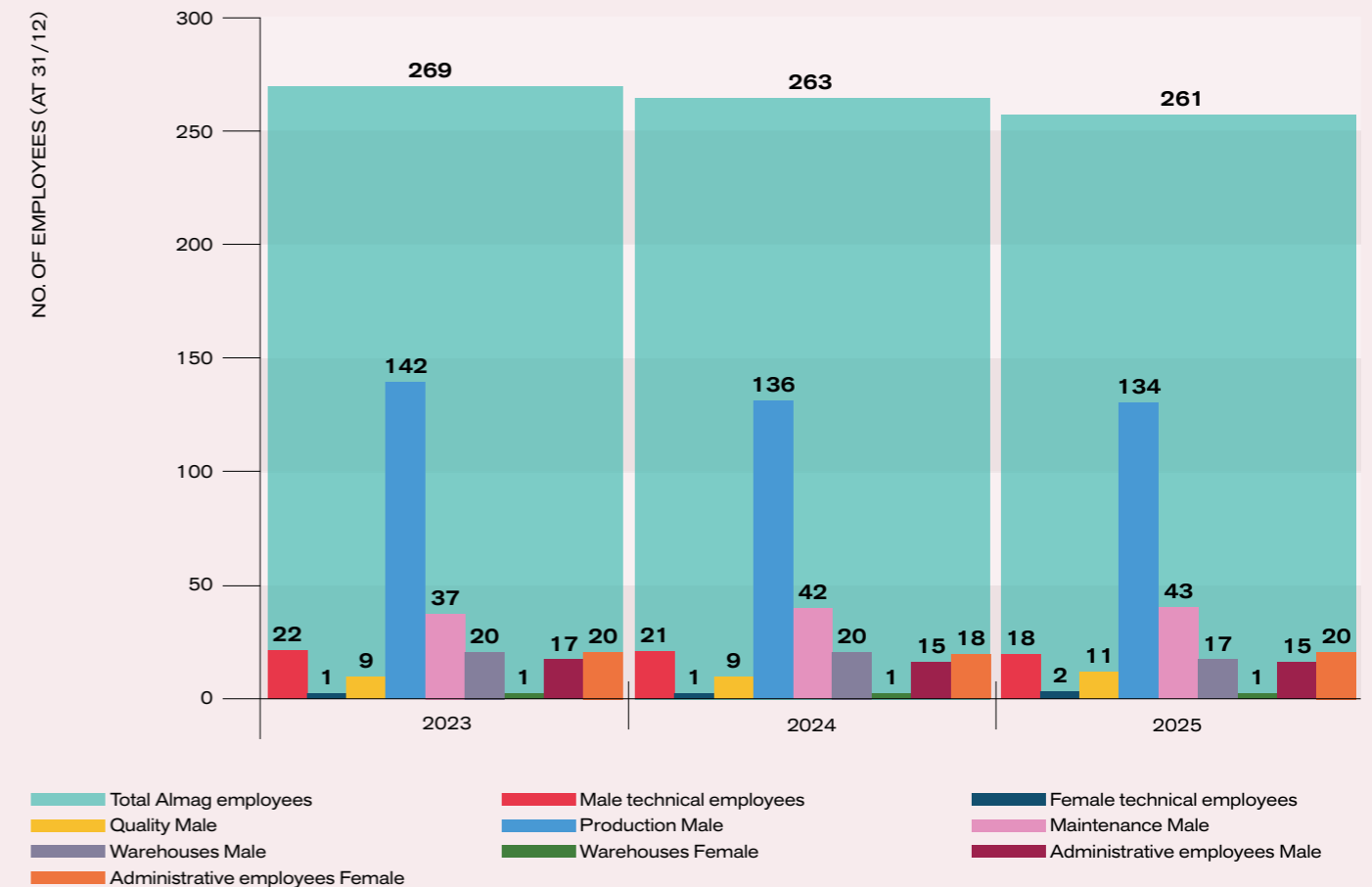
As regards the breakdown of personnel by company function, the internal composition also remains constant in the three-year period 2023-2025, with some slight variations. In particular, there is a decrease in the production side, which goes from 142 employees in 2023 to 134 in 2025. The workforce is mainly concentrated in the Production and Maintenance areas, which together represent about 68% of the company's population. These are followed by Technical employees (8%) and Administrative employees (13%), where there is a greater gender balance: in 2025, out of a total of 35 administrative employees, 20 are women.

⁴ Source: 2025 Confindustria Labour Survey (<https://www.confindustria.it/pubblicazioni/indagine-confindustria-sul-lavoro-del-2025/>)

BREAKDOWN OF EMPLOYEES BY JOB CATEGORY



BREAKDOWN OF EMPLOYEES BY FUNCTION



The presence of women in the company has remained substantially stable over time, standing at 8% of the total and mainly concentrated in clerical roles. In 2025, there are 22 female employees, accounting for 30% of the total number of employees, and 1 female middle manager, corresponding to 10% of the total number of middle managers.

In this context, the limited presence of women is mainly attributable to structural factors related to the composition of the technical-industrial labour market, as well as to the historical male predominance in the professional profiles required by the sector. According to the most recent Eurostat data, in 2024 women represent 40.5% of scientists and engineers in the European Union, but their presence drops to 22.4% in the manufacturing sectors⁵. In addition, in the specific case of the company, there has been very little turnover in top positions (managers, middle managers and executives) over the last 10–15 years, which has contributed to maintaining an almost unchanged composition of the female workforce over time⁶.

In this context, an analysis of the gender pay gap was carried out. The remuneration survey examined the entire company population (Executives, Middle Managers, Blue collars, White collars) and considered the total annual remuneration⁷, relating it to the paid hours worked⁸, thus obtaining a homogeneous and comparable indicator of the average hourly remuneration by gender.

Based on this methodology, in 2025 the average hourly wage was 25.59 €/h for men and 20.92 €/h for women, showing a gap of -22.33% to the detriment of women.

This difference must be interpreted in light of the company's employment structure, which is characterised by the high proportion of the foundry production sector, which is historically and structurally predominantly male and associated with higher average pay levels, partly due to specific allowances, shifts and on-call bonuses. The female population, on the other hand, is mainly present in clerical roles, with a very limited presence in operational roles.

⁵ Source: Eurostat (2026), Steady rise: female scientists & engineers reach 7.9 mln (<https://ec.europa.eu/eurostat/web/products-eurostat-news/w/edn-20260211-1>)

⁶ § Potential negative impact: Women in senior positions

⁷ Gross annual salary + car fringe benefit + flexible benefits + sickness/accident/maternity supplements

⁸ Holidays, leave and training hours, excluding hours of absence due to illness, accident and maternity

Personnel management, well-being and development

PERSONNEL WELL-BEING

The company promotes initiatives aimed at fostering health and work-life balance, seeking to contribute to the creation and maintenance of a positive work environment⁹.

In line with this approach, an **internal survey** was carried out in 2025 using an anonymous questionnaire distributed to all personnel. The initiative, in line with the requirements of the IATF 16949 standard, aims to **measure the level of satisfaction and awareness** of employees with respect to their role, organisational dynamics and the work environment, providing useful information for **monitoring the company climate** and identifying potential areas for improvement.

In a similar perspective of personnel involvement and active participation, the company has launched an internal initiative called the "idea box". Located in the reception area, the box allows all staff to make suggestions and report possible improvements related to the company's production processes. The initiative is inspired by the improvement form already in use in the company, but introduces an additional level of participation, inviting people to contribute with **concrete proposals for optimising production activities**. The suggestions collected will be examined by a special committee and, if deemed valid and functional, the person who made the suggestion will be involved in the process of implementing the improvement and will be recognised for their contribution.

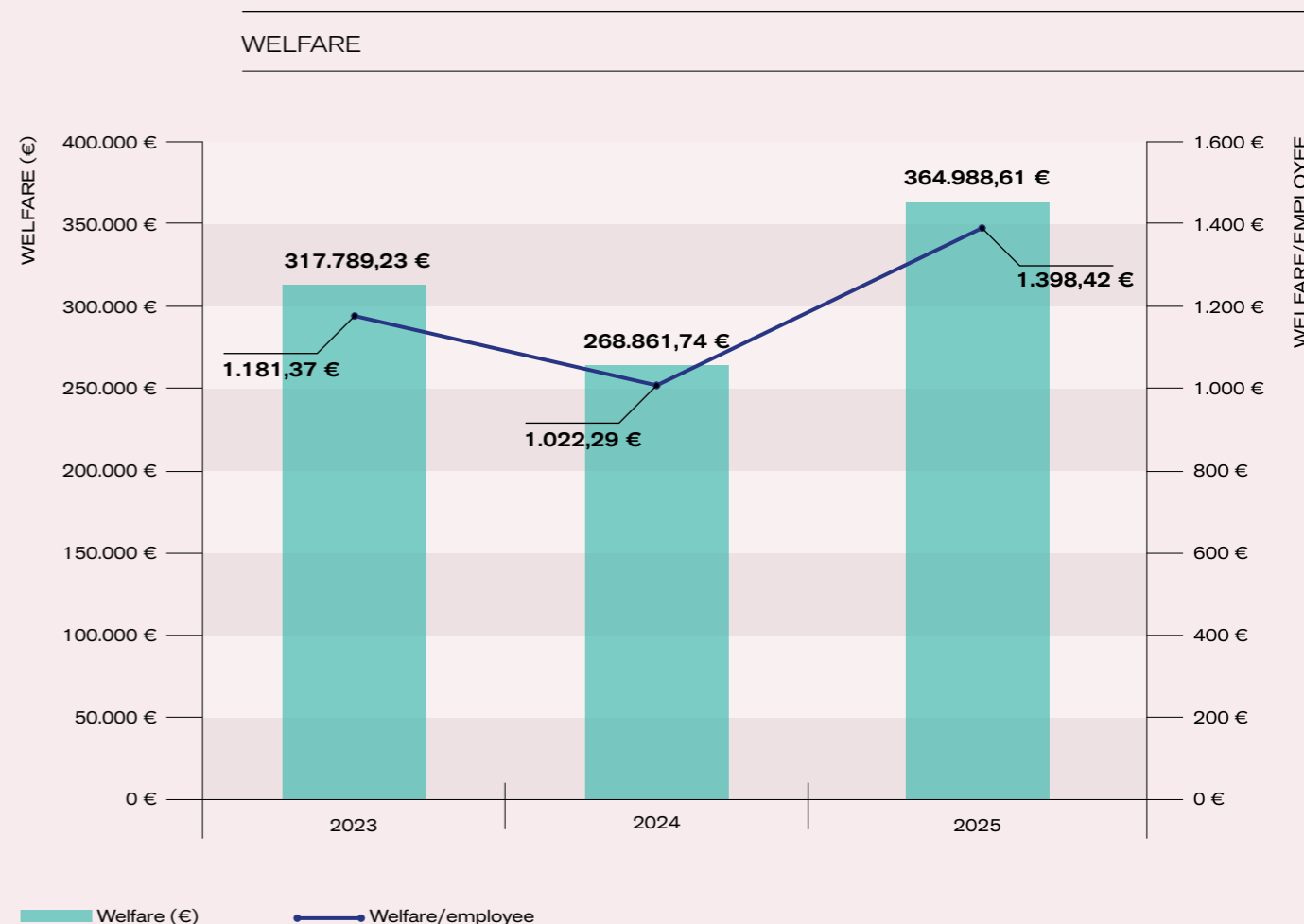
WELFARE AZIENDALE

The Almag'corporate welfare programme complements the protections already guaranteed by the relevant National Collective Labour Agreements (CCNL), which ensure employees have fundamental rights such as healthcare, parental leave and social security contributions.

The welfare system is divided into a structured and diversified set of services, designed to meet the needs of employees and their families. This includes **supplementary healthcare** and **long-term care** benefits to support health protection; **reimbursements for education** (nurseries, schools, universities, master's degrees, campuses and school books) and for **assistance to family members**, **contributions for public transport**, and **supplementary pension schemes**. The offer is completed by **vouchers and services for recreational and sports activities**, which promote the mental and physical well-being of people even outside the company context. The methods of disbursement are flexible, through reimbursements or direct purchases, with generally rapid turnaround times (the month following approval or the first available pay slip).

In 2025, the company disbursed **€364,988.61** in welfare, an increase compared to the amounts disbursed in the previous two years: in absolute terms, disbursements to employees went from €317,789 in 2023 to €268,862 in 2024, to just under €365,000 allocated in 2025. This trend is even more evident when compared to the number of employees, which has decreased slightly (from 269

as of 31/12/2023 to 261 as of 31/12/2025): **per capita welfare** decreased in 2024 (€1,022 compared to €1,181 in 2023), but increased in 2025, reaching **€1,398 per employee**. The impact on the economic result also confirms this trend: against a net profit that contracted in 2024 and recovered in 2025, the **welfare/profit ratio** increased from 1.43% in 2023 to 1.97% in 2024 and remained at that level in 2025.



In addition, to strengthen its closeness to its staff, Almag provides a **birth kit** to celebrate the arrival of new children in employees' families and awards **scholarships and prizes** to deserving students, the daughters and sons of employees, supporting their educational path.

Upon hiring, the company provides the **HUG Card**, a card that allows employees to take advantage of numerous benefits thanks to agreements with local businesses and service providers. The agreements also arise from recommendations made by staff, thus helping to meet internal needs and strengthen the link between the company and the local area.

⁹ § Actual positive impact: Employee well-being

focus



COMPANY SENIORITY: THE VALUE THAT COMBINES PASSION AND TEAM SPIRIT

In an ever-changing world of work, **company seniority** is often perceived as a mere number that measures the time spent in an organisation. In reality, it represents something much more significant: it is a wealth of experience, skills and relationships that contribute decisively to the company's growth and the strength of internal relationships.

For this reason, in 2025, Almag rewarded the loyalty of those who have been dedicating their heart and passion to the company for over 25 years.

For each of these colleagues, their attachment to the company has become an added value for the whole of Almag, becoming a driving force for innovation, capable of guiding newcomers and passing on and keeping alive the sense of belonging. Dedication to their role has transformed routine into a continuous quest for improvement, creating an environment in which commitment has gone beyond mere duty.



FOCUS: ALMAG IS A "WORKPLACE THAT PROMOTES HEALTH"

For years, Almag has been a formal participant in the Lombardy Region's **Workplace Health Promotion (WHP)** programme, the aim of which is to develop best practices every year, in collaboration with ATS Brescia, Confindustria Brescia and the network of participating companies, in order to promote organisational changes in the workplace to make them conducive to the spread of healthy lifestyles and contribute to the prevention of chronic diseases.

In 2025, Almag was recognised as a "**Workplace that promotes health**" for the ninth consecutive year, testifying to the company's ongoing commitment to promoting the mental and physical well-being of its employees. The initiatives developed cover various areas of intervention, including the promotion of **proper nutrition** – through the quality of the company canteen and vending machine offerings – and **support for physical activity**, with initiatives that encourage exercise, active mobility on the home-work commute and internal projects such as "**Stairs for Health**".

Particular attention is also paid to the prevention of risky behaviour, through **awareness-raising activities on the consumption of tobacco, alcohol and other addictions**, as well as training sessions for employees. These initiatives are accompanied by cross-cutting practices aimed at health prevention and the constant presence of the company doctor.

The WHP award confirms the approach adopted by Almag, which interprets **safety and health in the workplace** from a broad perspective, not limited to physical health, but extended to the promotion of conditions that foster the lasting overall well-being of people within the organisation.

Training and skills development



LMAG CONSIDERS TRAINING A STRATEGIC ELEMENT FOR THE COMPANY'S DEVELOPMENT, AS IT CONTRIBUTES TO CREATING AWARENESS AMONG PEOPLE, UPDATING PROFESSIONAL SKILLS AND CONTINUOUSLY IMPROVING ORGANISATIONAL AND PRODUCTION PROCESSES.

With this in mind, the organisation periodically analyses the training needs of the company workforce and defines a **dedicated training plan** for each year. This process makes it possible to promote the **continuous improvement** of technical (**hard skills**) and transversal (**soft skills**) skills, supporting the professional development of staff and the strengthening of overall organisational capabilities¹⁰.

In 2025, the total number of training hours was 5,332, a decrease of approximately 22% compared to 2024¹¹.

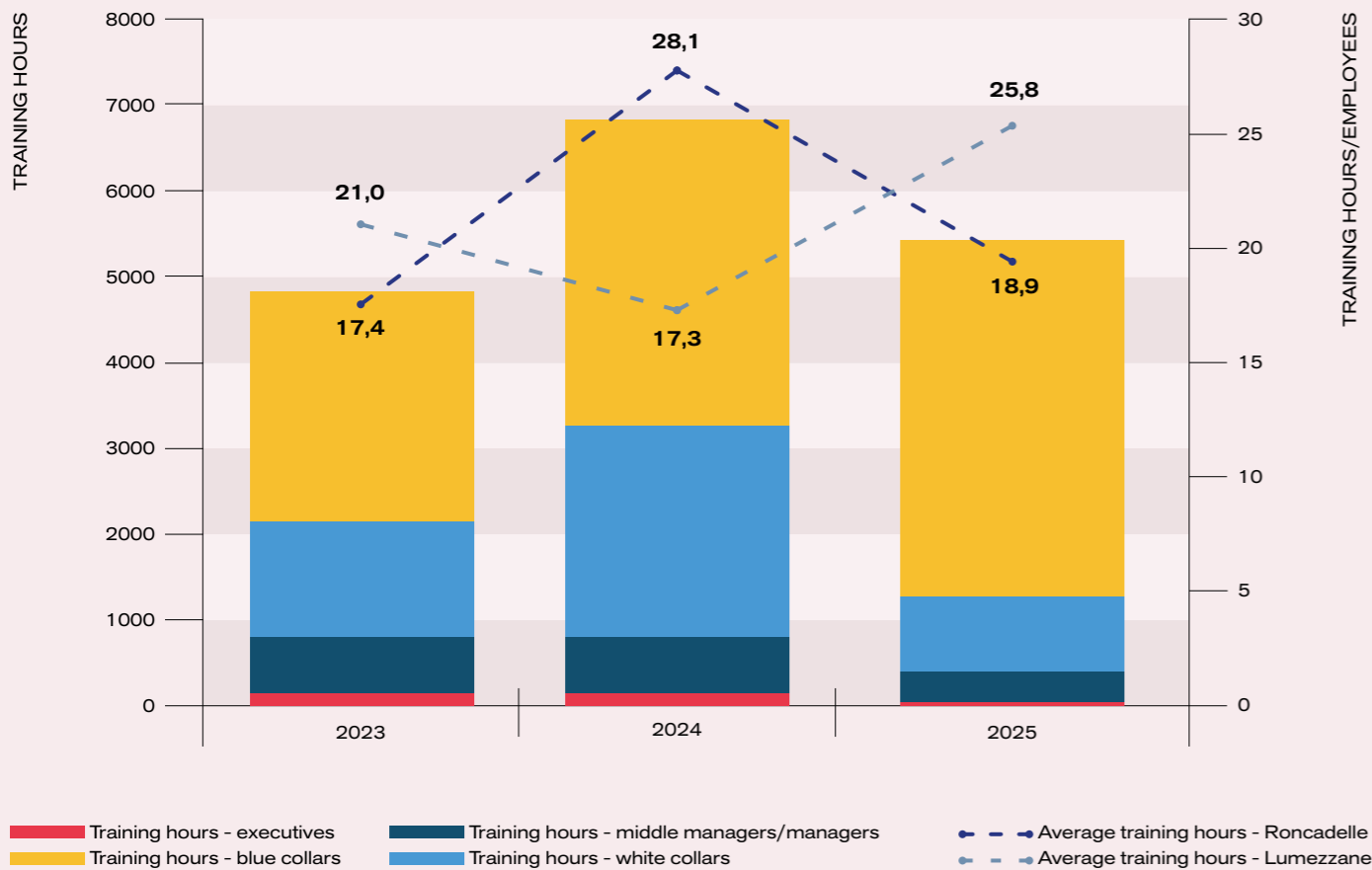
Analysing the breakdown by role, the largest share provided is for **blue collars**, consistent with the manufacturing nature of the company, where the majority of staff perform operational activities. For this reason, a large part of the training, in particular that relating to technical skills and health and safety, is aimed at this category, with percentages between **55%** and **76%** of the total hours depending on the year in question, as shown in the graph below. White collars receive a lower share, between **30%** and **39%**, while middle managers and managers account for about **10%** of the total hours. Training for executives remains the most limited, at less than **5%**.

¹⁰ § Actual positive impact: Training for employees

¹¹ For the purposes of reporting on training, the data collection included only the hours provided to direct employees.

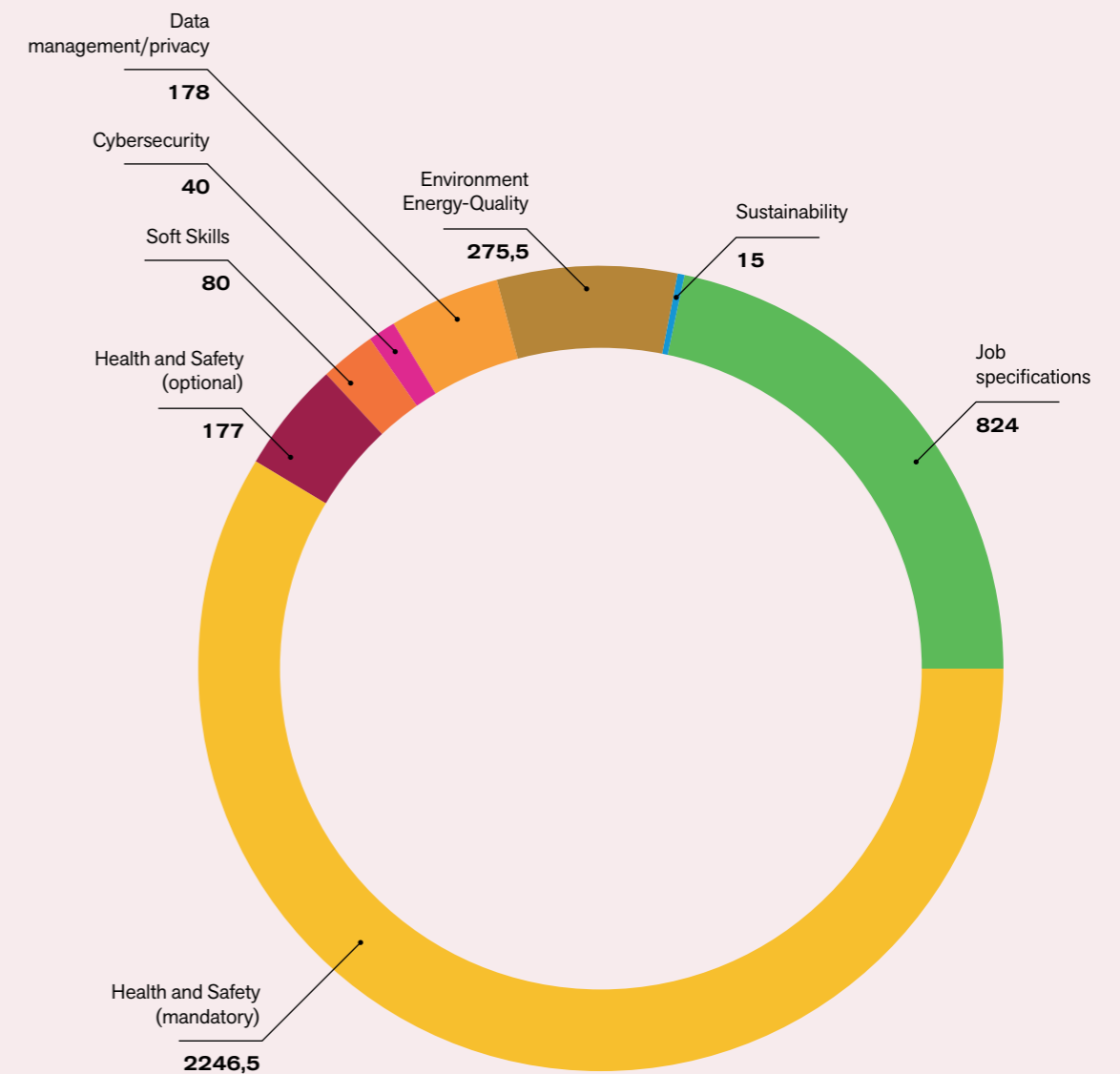
Training and skills development

TOTAL TRAINING HOURS PER YEAR BY JOB CATEGORY



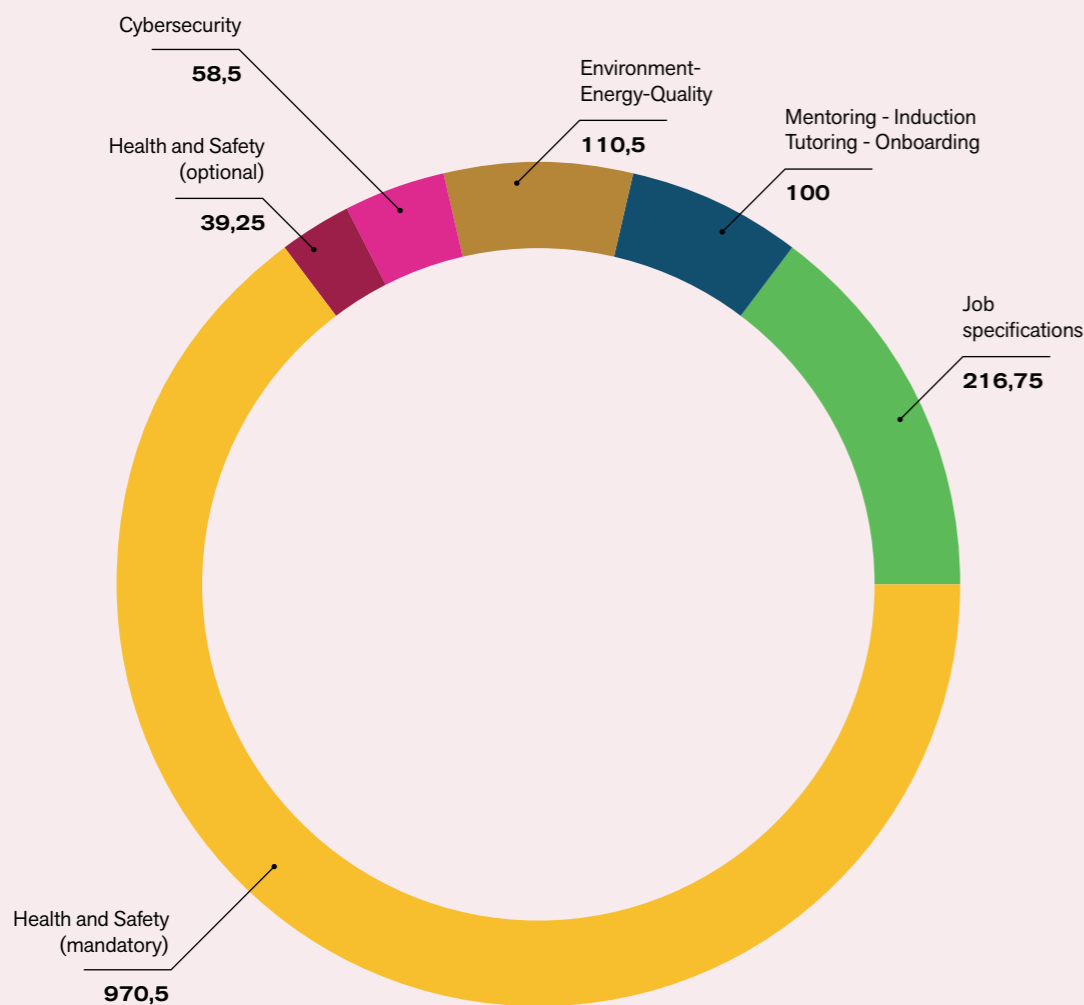
In 2025, the training hours provided were distributed across different topics at the two production sites. At the Roncadelle site, the main share (59%) concerned the Health and Safety hours required by law with 2,246.5 hours, followed by Job-Specific training with 824 hours. Further training activities covered Environment-Energy-Quality (275.5 hours), Data Management and Privacy (178 hours) and optional Health and Safety (177 hours), as well as courses on Soft Skills (80 hours), Cybersecurity (40 hours) and Sustainability (15 hours).

TRAINING HOURS BY TOPIC (2025) - RONCADELLE



At the Lumezzane site, training also focused mainly on mandatory Health and Safety with 970.5 hours (65%), followed by Job-Specific training (216.75 hours) and Mentoring, Induction Tutoring and Onboarding activities (100 hours). There were also 110.5 hours on Environment-Energy-Quality, 58.5 hours of training in Cybersecurity and 39.25 hours of optional Health and Safety.

TRAINING HOURS BY TOPIC (2025) - LUMEZZANE



The high number of hours dedicated to health and safety training is linked in particular to the presence in the company of over 200 operators assigned to the use of the overhead crane between the Roncadelle and Lumezzane sites. The recent regulatory development, following the 2025 State-Regions agreement, has in fact introduced a specific and structured training course for this role, with a duration of 10-11 hours between the theoretical and practical parts and with a very small ratio between trainer and participants, especially during the practical exercises. This has entailed a significant organisational commitment for the company, which has nevertheless chosen to invest fully in this aspect to ensure the highest safety standards.

In addition, Almag has also strengthened training on specific risks as required by Legislative Decree 81/2008, by organising in-house specialist courses delivered by qualified internal trainers, who are able to transfer skills directly related to the company's risks and production processes. This approach has made it possible to make training more targeted, practical and effective, helping to spread a solid safety culture within the organisation.

In parallel with the training activities, the company also promotes the development and consolidation of skills through structured performance assessment processes, linked in particular to individual MBO (Management by Objectives) systems. In 2025, at the Roncadelle site, 25 employees were involved in the assessment process, including 23 men (4 executives, 7 middle managers and 12 white collars) and 2 women (1 middle manager and 1 white collar). At the Lumezzane site, the process involved 3 male employees (1 executive and 2 middle managers).

Finally, the company's commitment to training also extends externally, through collaborative initiatives with schools, technical institutes and internship programmes, which aim to promote the orientation and development of the skills of the new generations. In 2025, at the Roncadelle site, a curricular internship and a School-Work Training (FSL) project were launched in collaboration with secondary schools.

In addition to these initiatives, there was a collaboration with the ITS Machina Lonati, which saw 10 students enrolled in the Sustainability Manager course visit the company. The meeting was an important opportunity for discussion: the students were able to learn more about the role of the Sustainability Manager, the main challenges related to integrating sustainability into company strategies, the future prospects of the sector and the path taken by Almag in this area, with particular attention also to the processes of preparing the sustainability report. The experience also led to the start of an internship in the company for one of the students involved, which will begin in January 2026, strengthening the link between training, career guidance and the world of work.

focus



PARTICIPATION IN "DOMANI LAVORO 2025"

Once again this year, Almag participated in the Domani Lavoro Fair, held in November at the Brixia Forum, together with its subsidiary Brawo. The fair involved companies from different sectors and gave students the opportunity to learn about the companies and their products.

Health and safety of people



ATTENTION TO HEALTH AND SAFETY IS OF PRIMARY IMPORTANCE TO ALMAG AND FORMS THE BASIS OF THE COMPANY'S DAILY WORK.

Attention to **health** and **safety** is of primary importance to Almag and forms the basis of the company's daily work.

While constantly striving to eliminate hazards and reduce risks through the adoption of mitigation strategies, Almag is aware that, especially in the manufacturing sector, the risk of accidents cannot be completely ruled out and must therefore be constantly considered in analysis and assessment activities¹².

In addition to complying with the prevention requirements set out in current legislation and the relevant technical standards, the company provides its staff with **adequate personal protective equipment** and ensures careful **health monitoring** that goes beyond the specific risks of individual tasks. This is accompanied by a constant commitment to **training and informing staff**, through continuous refresher activities aimed at strengthening safety awareness and culture.

With this in mind, Almag also invests in innovative technological solutions that can further improve safety in the workplace. These include the introduction of **artificial intelligence-based systems applied to forklifts, which will be used in production spaces in the future**. These anti-collision safety systems are able to monitor the presence of people or vehicles in the surrounding areas, detect obstacles in the depth of field and automatically slow down the vehicle as it approaches, helping to reduce reaction times and the risk of accidents. Artificial intelligence also enables forklifts to recognise signs in the workplace and automatically adjust their behaviour.

¹² § Potential negative impact: risk of accidents

To support pedestrian safety and internal traffic management, **digital signage** has also been installed at the Roncadelle Foundry department near the sectional doors, areas where both heavy vehicles and people pass through. Thanks to dedicated sensors, the system detects the passage of vehicles and automatically projects the STOP signal, temporarily preventing the passage of pedestrians until the area is completely clear. Once the passage is clear, the system signals that it is possible to proceed.

As evidence of the company's ongoing commitment to protecting the health and safety of its people, the organisation also has an **Occupational Health and Safety Management System that complies with the UNI EN ISO 45001:2018 standard**. The certification, obtained in 2021 following the release of the update to the **OHSAS 18001** standard, which had already been adopted by the company since 2012, represents a recognised international standard for the proactive management of risks related to health and safety in the workplace.

During 2025, a total of **14 accidents were recorded within the Almag perimeter**, an increase compared to the 8 that occurred in 2023 and the 9 in 2024. Of these, 11 occurred at the Roncadelle plant, resulting in a total of 239 days of absence, and 3 at the Lumezzane sites, resulting in a total of 87 days of absence¹³.

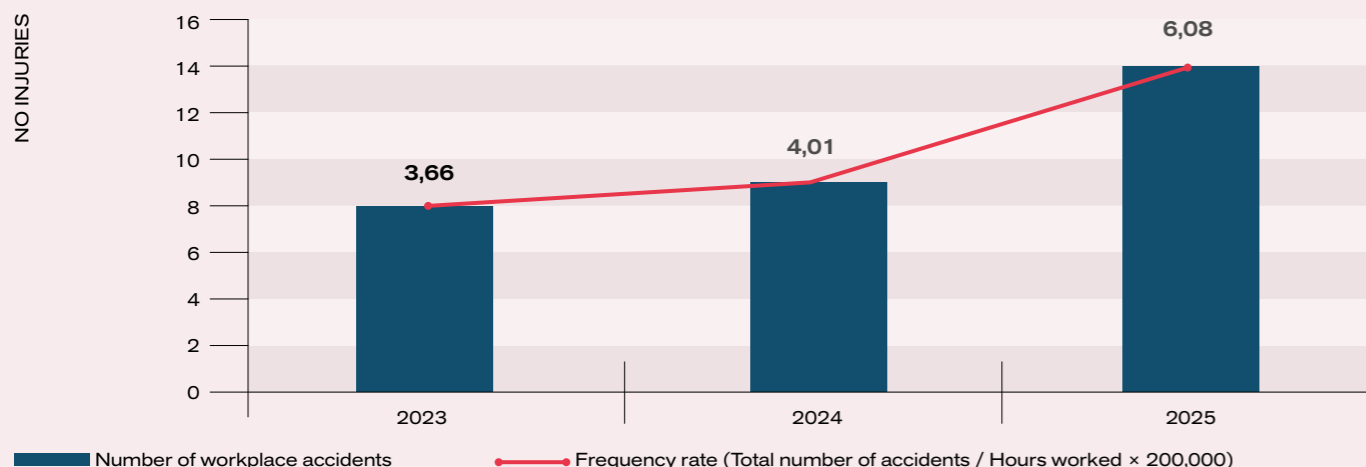
There were no cases of occupational diseases or serious accidents, understood as events with a prognosis of more than 180 days. On the other hand, **2 commuting accidents** were recorded, relating to the journey from home to work and not connected to work activities or business trips.

¹³ § Actual negative impact: accidents at work

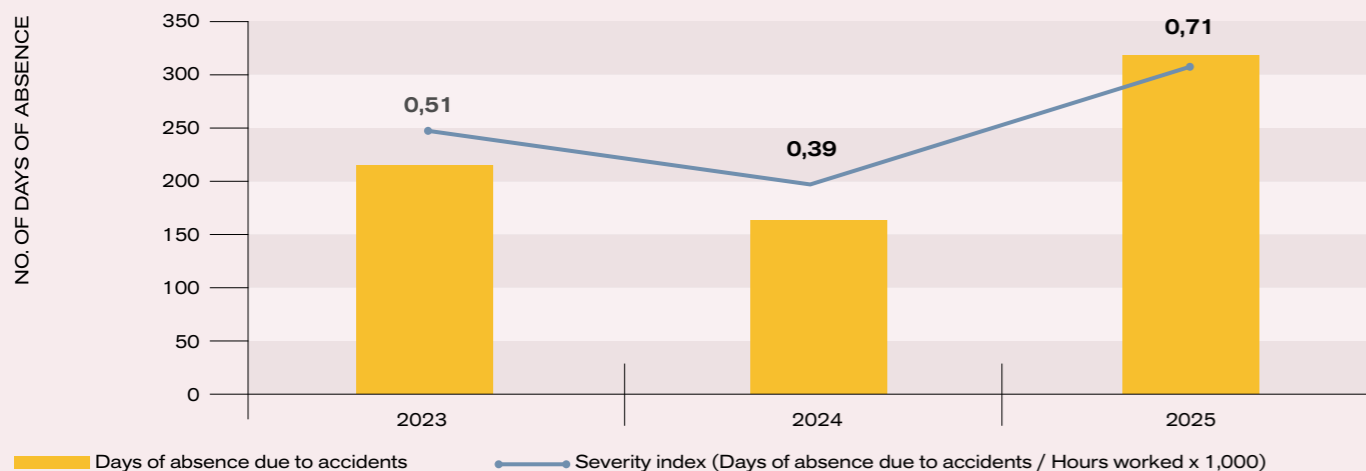
The company also monitors improvement and near miss reports, collecting information and suggestions relating to both the environment and health and safety in the workplace, paying attention to each report with a view to continuous improvement.

Compared to 2024, the frequency rate of accidents at work increased from 4.01 to 6.08¹⁴. The severity index also increased, from 0.39 to 0.71¹⁵.

FREQUENCY RATE



SEVERITY RATE



¹⁴ Accident frequency rate: calculated as the ratio between the total number of accidents and the hours worked in the reference period, multiplied by a normalisation factor, according to the formula: Total number of accidents / Hours worked x 200,000.

¹⁵ Accident severity index: calculated as the ratio between the days of absence due to an accident and the hours worked in the reference period, multiplied by a normalisation factor, according to the formula: Days of absence due to accident / Hours worked x 1,000.

Workers in the value chain



THE TERM CONFLICT MINERALS REFERS TO RAW MATERIALS EXTRACTED IN AREAS WHERE THEIR USE IS ASSOCIATED WITH ARMED CONFLICT, SYSTEMATIC VIOLATIONS OF HUMAN RIGHTS AND FORMS OF ILLEGAL OR FORCED LABOUR. THE EXTRACTION OF THESE MINERALS CAN HAVE SERIOUS SOCIAL IMPACTS, INCLUDING CHILD EXPLOITATION, HAZARDOUS WORKING CONDITIONS, HUMAN TRAFFICKING AND THE IMPOVERISHMENT OF LOCAL COMMUNITIES

There are four main conflict minerals, often referred to by the acronym "3TG": Tin, Tantalum, Tungsten and Gold; these minerals are used in electronic components, metal alloys, industrial tools and jewellery, but their exploitation in risk areas frequently contributes to financing armed groups and perpetuating social and environmental violations.

Since 2021, Regulation 2017/821 has been in force throughout the European Union, affecting all those who import 3TGs from conflict or high-risk areas. The due diligence obligations outlined in the regulation only concern mining companies and mineral traders, as well as foundries and refineries. With respect to the downstream phase, however, the regulation imposes due diligence obligations only on companies that directly import these metals. Therefore, companies involved in the subsequent stages (production, assembly or end use), such as Almag, are not included.

In its production process, Almag uses Tin in limited quantities as a correction element for two brass alloys (CW510L, CW727R). These alloys represent less than 3% of the total annual production of the Foundry department and, in most cases, it comes from remelting and not from the primary extraction cycle¹⁶.

¹⁶ § Potential negative impact: conflict minerals

Aware of the problems related to the sourcing of these materials, Almag shares the Policy to Combat Conflicts in the Democratic Republic of the Congo or in neighbouring countries and carries out checks on its raw material suppliers to ensure that the Tin does not come from the aforementioned conflict zones. In addition, at the specific request of customers, Almag completes the templates for due diligence on the supply chain of conflict minerals (e.g. CMRT, EMRT, AMRT, SXRT), guaranteeing the traceability of the raw material and ensuring that all information is verified and complies with the required standards.

Creating value in communities



LMAG HAS ITS ROOTS IN THE BRESCIA AREA AND OVER THE YEARS HAS BEEN COMMITTED TO MAINTAINING AND STRENGTHENING TIES WITH LOCAL COMMUNITIES, WITH THE AIM OF CREATING SHARED VALUES, GENERATING INNOVATION AND BENEFITS FOR THE ENTIRE REGIONAL NETWORK¹⁷.



Relations with the local area are characterised by networks with other companies in the metallurgical sector that were founded and developed in the Province. Thanks to these connections, Almag can establish synergies for its stakeholders, taking part in associations and consortia that, through the sharing of experiences, allow networking and the enrichment of corporate know-how.

Some associations and consortia in the metallurgical sector with which Almag collaborates are:



CONFINDUSTRIA BRESCIA

With over a century of history, it represents and protects entrepreneurs and companies in the Brescia area.



RAMET CONSORTIUM

This is an environmental research consortium made up of 22 metallurgical companies in the province of Brescia, of which Almag has been a member since 2005. Together, the companies are committed to reducing air pollutant emissions and promoting environmental protection.



ASSOMET – National Association of Non-Ferrous Metal Industries

An association committed to safeguarding the sector's operating conditions in the fields of energy, customs, taxation and trade policy, in order to achieve competitive conditions comparable to those of the main European countries and competitors in the national industry.



AIM - Italian Metallurgy Association

A cultural organisation that promotes the dissemination of the science and technology of metallic materials.



IWCC – International Wrought Copper Council

Almag is a board member of the international association for the copper and copper alloy manufacturing industry. Founded in 1953, the IWCC has members all over the world: in Europe, Japan, China, India, Malaysia, South Africa, Korea, Taiwan, Thailand and the United States.

¹⁷ § Potential positive impact: Partnership with the local area

Almag has always supported various projects to support the communities that reside in the area in which it operates, selecting projects on the basis of three criteria:

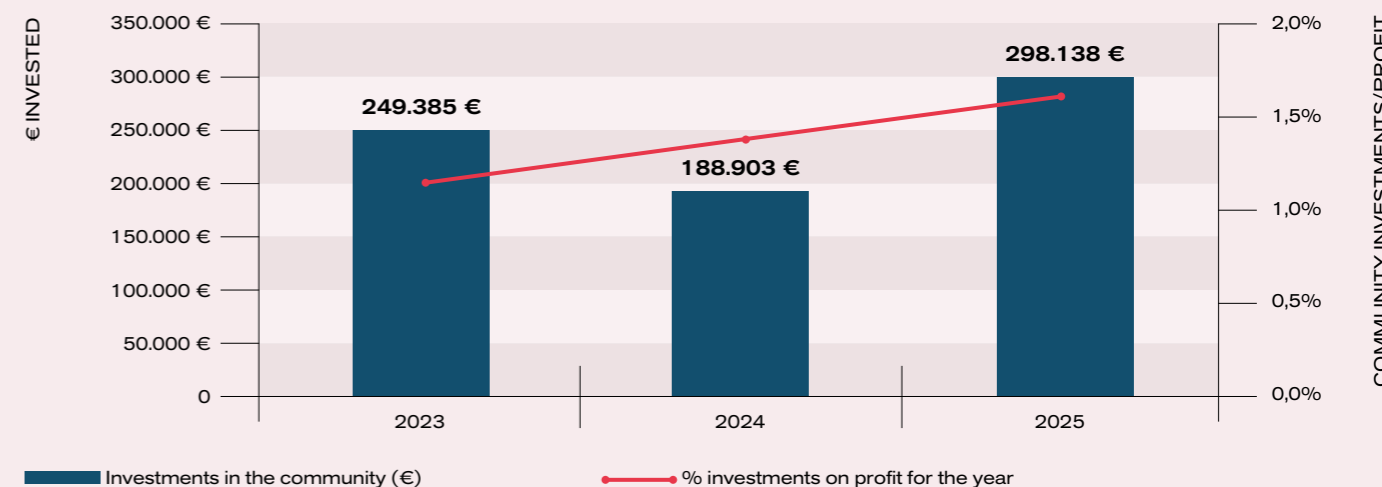
- **Relevance to the community:** each action must be characterised by attention to the needs and expectations of the community;
- **Inclusiveness:** projects whose benefits extend to a large group of citizens are a priority;
- **Synergy:** for each action and initiative, we seek the maximum collaboration with local authorities in order to combine resources and knowledge.

Supporting organisations such as foundations, schools, parishes and associations also allows us to have a tangible presence in the local community. A significant example of this commitment is the **renewal of the means of transport for the elderly and people with disabilities in the Municipality of Roncadelle**. Originally donated by the company in 2009, the vehicle had served the community for sixteen years, ensuring mobility for those experiencing physical difficulties. In the summer of 2025, having noted the natural deterioration of the vehicle, **Almag contributed to the purchase of a new, modern and functional vehicle** equipped for 9 seats, providing an amount of approximately €70,000. The vehicle is fully at the disposal of the Municipality and is used by trained operators.

Almag also supports occasional solidarity initiatives, such as its participation in December 2025 in the **AIL Brescia** initiative to sell poinsettias and chocolate, aimed at raising funds for research and care for blood diseases. These examples show how the company interprets its social role not only as a manufacturing company, but also as an entity that is attentive to the needs of the local area and concretely committed to the community.

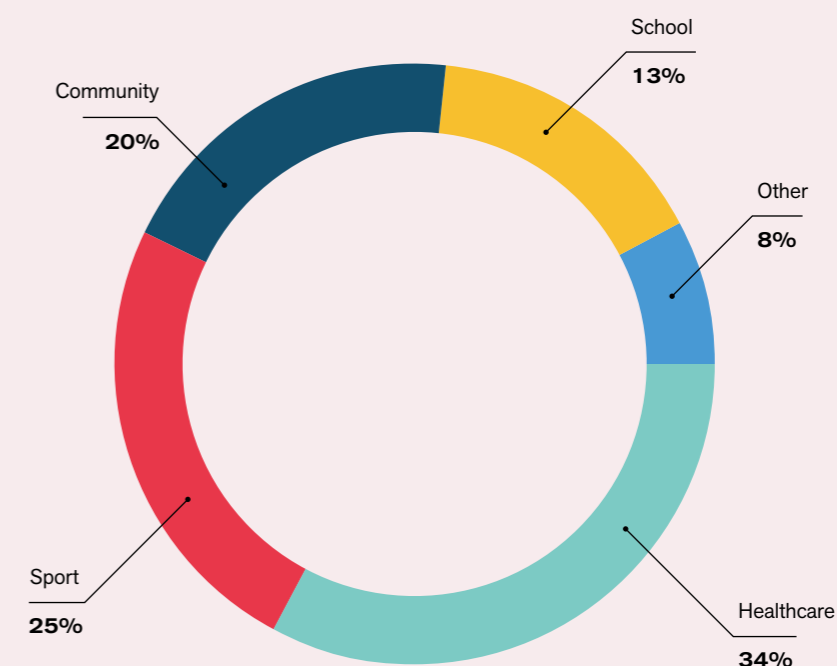
The Company makes a tangible contribution to the creation of value in the local area through **donations and sponsorships**. In the three-year period analysed, investments in the community show an overall upward trend. In **2025**, there was also an increase in donations compared to the previous year, reaching almost **€300,000 (€298,138)**. Comparing charitable donations to economic performance, a steady improvement emerges over the three-year period, with the index rising from 1.12% in 2023 to 1.38% in 2024, and to 1.61% in 2025. Overall, the trend shows a constant and conscious commitment to social responsibility.

INVESTMENTS IN THE COMMUNITY



In 2025, the allocation of the €298,138 earmarked for the community shows a clear hierarchy of priorities in the interventions. The largest share, **34%**, was allocated to the **health sector**, confirming a strong focus on areas with a high social impact. This is followed by **support for sports activities**, which accounts for **25%** of the resources, indicating the importance attached to promoting well-being and social cohesion. A significant part of the funds, totalling 33%, was also allocated to **support the local area and education**, through contributions to **municipal bodies (20%)** and **schools (13%)**, while the remaining 8% concerns donations to local cultural associations.

BREAKDOWN OF DONATIONS + SPONSORSHIPS (2025)



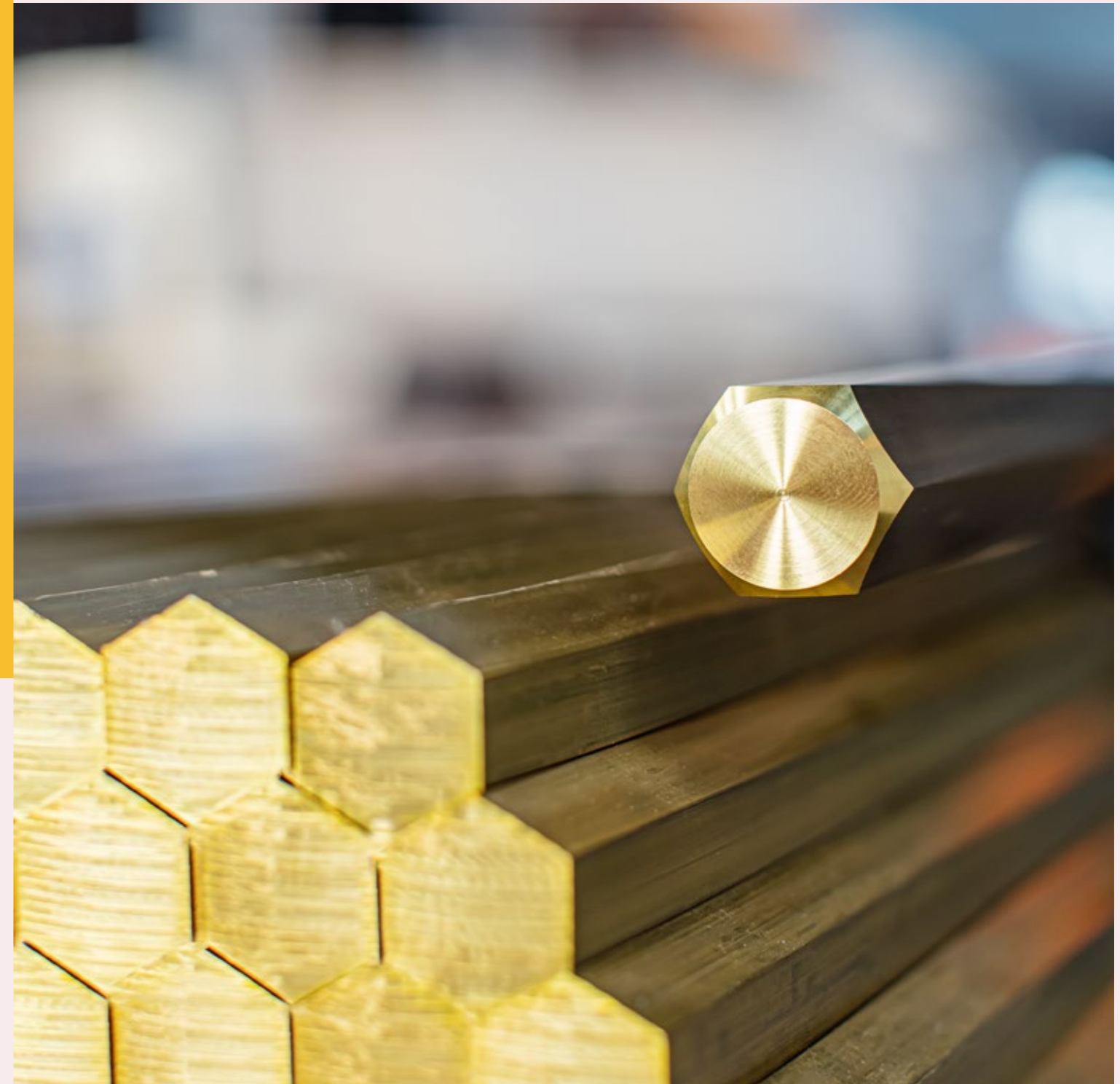
focus



THE VALUE OF RELATIONSHIPS: WHEN THE COMPANY BECOMES A COMMUNITY

The focus on people's well-being and the balance between private life and work also translates into the organisation of initiatives that involve employees and their families, strengthening the sense of belonging and the community dimension of the company. The main recurring activities, which will also be offered in 2025, include:

- **Ceremony for new parents and deserving students:** a symbolic and participatory moment dedicated to colleagues who have become parents and to the children of employees who have distinguished themselves in their school and university careers. The initiative celebrates growth, from the first months of life to academic achievements, emphasising the importance of education and personal commitment.
- **Award ceremony for over 25 years of service in the company:** a celebratory moment dedicated to recognising and celebrating the dedication and commitment of those who, with passion and professionalism, have contributed to the growth and success of the company for more than 25 years.
- **HUG Summer Happening – Borno Edition:** a day of meeting and socialising in the mountains of Borno, in Valcamonica (BS), which involved over 220 employees and family members of the HUG Group companies. The event included excursions of varying difficulty and a convivial lunch in a mountain hut, offering an informal opportunity for sharing, contact with nature and strengthening relationships between colleagues.
- **"Festa del Primino":** an initiative dedicated to the children of employees who are preparing to start primary school. In the Terme di Boario park, in Valcamonica (BS), the children took part in fun activities and received a small school kit, enjoying a moment of celebration and light-heartedness together before the start of their new educational journey.





R

RESPONSIBLE BUSINESS MANAGEMENT IS A KEY ELEMENT FOR ALMAG, WHICH DIRECTS ITS WORK TOWARDS THE PRINCIPLES OF INTEGRITY, TRANSPARENCY AND LONG-TERM VALUE CREATION. THESE PRINCIPLES ARE EXPRESSED IN THE CODE OF ETHICS AND CONDUCT, WHICH IS THE REFERENCE POINT FOR DAILY WORK AND FOR RELATIONS WITH ALL STAKEHOLDERS.

The company adopts a vision based on **continuous improvement**, which translates into a constant commitment to **product innovation, supply chain mapping and maintaining high levels of customer satisfaction**.

This approach is supported by a **solid governance structure** that, over the years, has implemented a series of management tools and systems aimed at responsibly and comprehensively overseeing all dimensions of the business – economic, environmental, social, ethical and organisational. With this in mind, the company has adopted the **Organisation, Management and Control Model** pursuant to Legislative Decree 231/2001 and an **integrated and certified management system** that includes **Quality (ISO 9001), Environment (ISO 14001), Occupational Health and Safety (ISO 45001), Energy (ISO 50001), Information Security (ISO 27001)**, as well as the calculation of the Organisation's **Carbon Footprint (ISO 14064-1)**.

In the process of consolidating governance, Almag achieved important objectives in 2025:

- **Obtaining certification for the information security management system**, in accordance with **ISO 27001**, which strengthens the protection of company data and sensitive information, ensuring the confidentiality, integrity and availability of information and helping to mitigate cybersecurity risks.
- **Formalisation of roles and responsibilities in the field of risk management**, helping to make the management of corporate risks more structured and effective.

At the same time, initiatives have been launched that are still in the implementation phase, including the **integration of environmental, social and governance (ESG) criteria in the selection and qualification processes of direct suppliers**, with the aim of assessing the level of maturity of the supply chain in terms of sustainability and promoting the dissemination of these principles along the entire value chain.

Business conduct

A COMPLEX AND CONSTANTLY EVOLVING OPERATING CONTEXT, ALMAG ENSURES THAT ITS WORK IS CARRIED OUT IN FULL COMPLIANCE WITH NATIONAL AND EU REGULATIONS, WITH THE AIM OF PROTECTING THE INTERESTS OF STAKEHOLDERS AND GENERATING VALUE OVER TIME.

The adoption of an **ethical approach to business management** is a key factor in strengthening the company's reputation, helping to consolidate an image based on reliability, transparency and integrity. Also in 2025, the constant commitment to monitoring regulatory compliance meant that **there were no incidents of non-compliance, nor cases of corruption or anti-competitive conduct**, in line with the positive trend of previous years¹.

To ensure that its activities are conducted responsibly, Almag uses a structured system of principles, rules and procedures that are summarised in its **Code of Ethics and Conduct**. The document, approved by the Board of Directors in 2012 and updated in 2023, defines the conduct expected of all those who work on behalf of the company or have relations with it. Specific principles are defined for each of these relationships, aimed at ensuring fairness, quality, transparency and professional competence. Particular attention is also paid to the management of conflicts of interest. These principles apply without exception to both internal staff and third parties and are further detailed in the Organisation, Management and Control Model. There is also a specific **Disciplinary Code for executives**, updated in 2023.

To support this system, Almag has adopted its own **Organisation, Management and Control Model** since 2012, pursuant to Legislative Decree 231/2001, a voluntary choice that demonstrates the company's commitment to preventing unlawful conduct and operating according to principles of legality and transparency. The 231 Model constitutes a structured set of controls, procedures and rules aimed at preventing offences of various kinds, including tax, administrative, environmental and commercial offences, and is subject to periodic updates to ensure its effectiveness over time.

To facilitate the reporting of any violations, the company has also implemented a specific reporting procedure, called the "**Procedure for reporting violations (Whistleblowing)**", accessible to both employees and external stakeholders. Since July 2023, a dedicated IT platform has been in place that allows reports to be sent, guaranteeing the anonymity of the whistleblower, in accordance with current privacy legislation. The reports are handled by the Reporting Manager, who verifies their validity and assesses whether further investigations should be initiated. No reports were recorded in 2023 and 2024, while in 2025, 3 reports were received, all of which were handled.

¹ § Risk: Incidents of corruption

Corporate governance



TO ENSURE MANAGEMENT BASED ON PRINCIPLES OF INTEGRITY AND TRANSPARENCY, ALMAG HAS DEFINED A GOVERNANCE STRUCTURE THAT IS STRUCTURED AND SUPPORTED BY DEDICATED TOOLS

The main bodies that oversee the governance system are: the **Board of Directors (BoD)**, the **Supervisory Body (SB)** and the **Board of Statutory Auditors**. The current **Chair**, Gabriele Gnutti, who also holds the position of **Managing Director**, has the broadest powers of ordinary and extraordinary administration.

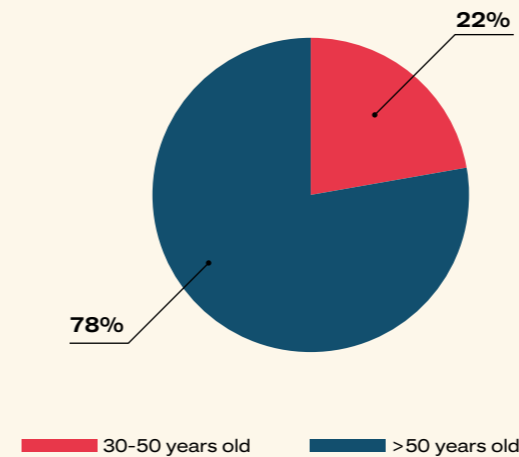
BOARD OF DIRECTORS

The **Board of Directors** represents the top level of corporate governance and is composed of **nine members** appointed by the Ordinary Shareholders' Meeting, representing the shareholder structure. The directors remain in office for a maximum period of three financial years and may be reappointed at the end of their term. The BoD is entrusted with the management of both ordinary and extraordinary activities, with the aim of pursuing the company's strategies and results.

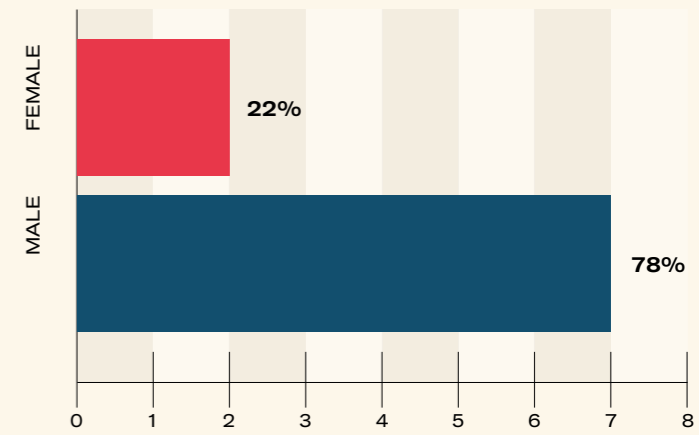
In 2025, the Board is composed of nine members, including two women; two members are under 30, while seven are over 50. Six directors belong to the controlling shareholder group, while the remaining three have been identified on the basis of specific professional skills, in particular:

- a profile with strong local roots, selected for entrepreneurial skills and international experience;
- a professional with established experience in the industrial, managerial and executive fields;
- a legal expert with proven expertise in the sector.

COMPOSITION BOD BY AGE GROUP



COMPOSITION BOD BY GENDER



The Board of Directors supervises the impacts generated by the organisation, in particular on **health and safety** and **environmental** topics: these aspects are formally presented by the General Manager during an annual institutional meeting, while any minor critical issues are the subject of periodic updates to the Chair. The operational management of impacts is supported by a system of delegations formalised through notarial powers of attorney, which clearly assign responsibilities and objectives to the different organisational levels.

With regard to sustainability, the Board of Directors plays a **strategic guidance** role, defining ESG objectives and evaluating the initiatives proposed by senior management. In particular, the General Manager promotes concrete actions, which are submitted to the Board of Directors for inclusion in the company's short-, medium- and long-term strategies. To support these activities, the organisation has qualified internal resources and makes use of the contribution of external consultants. In this context, an **ESG Committee** has been established, with the function of supporting governance in the monitoring and integration of sustainability strategies. Composed of 12 members, who actively participate in the annual sustainability performance reporting project, the Committee promotes the active involvement of top management, contributing to the identification of KPIs and the monitoring of ESG risks, through periodic discussions and the coordination of the departments involved².

SUPERVISORY BODY

The responsibility for monitoring compliance with and proper application of the Organisation, Management and Control Model is entrusted to the **Supervisory Body (SB)**; the body is appointed by the BoD and is composed of **three external members**, one of whom acts as Chair, belonging to the technical and legal-economic professional categories and characterised by the prerogatives of independence, competence and business continuity.

The Body is obliged to meet at least three times a year, as well as whenever the Chair requests it from at least one member.

The SB is also required to promptly inform the Board of Directors and the Board of Statutory Auditors about violations and non-compliant conduct, suggesting any revisions, amendments or additions to the control procedures necessary to prevent infringements.

Finally, it should be noted that there is a specific regulation that governs its proper functioning and verifies compliance with current regulations and related obligations.

BOARD OF STATUTORY AUDITORS

The **Board of Statutory Auditors**, the Company's supervisory body, acting in conjunction with an Independent Auditor, oversees compliance with the law, respect for the principles of proper administration and the adequacy of the organisational and accounting structure. It is composed of **three members**, two men and one woman, appointed by the Ordinary Shareholders' Meeting, who remain in office for three financial years.

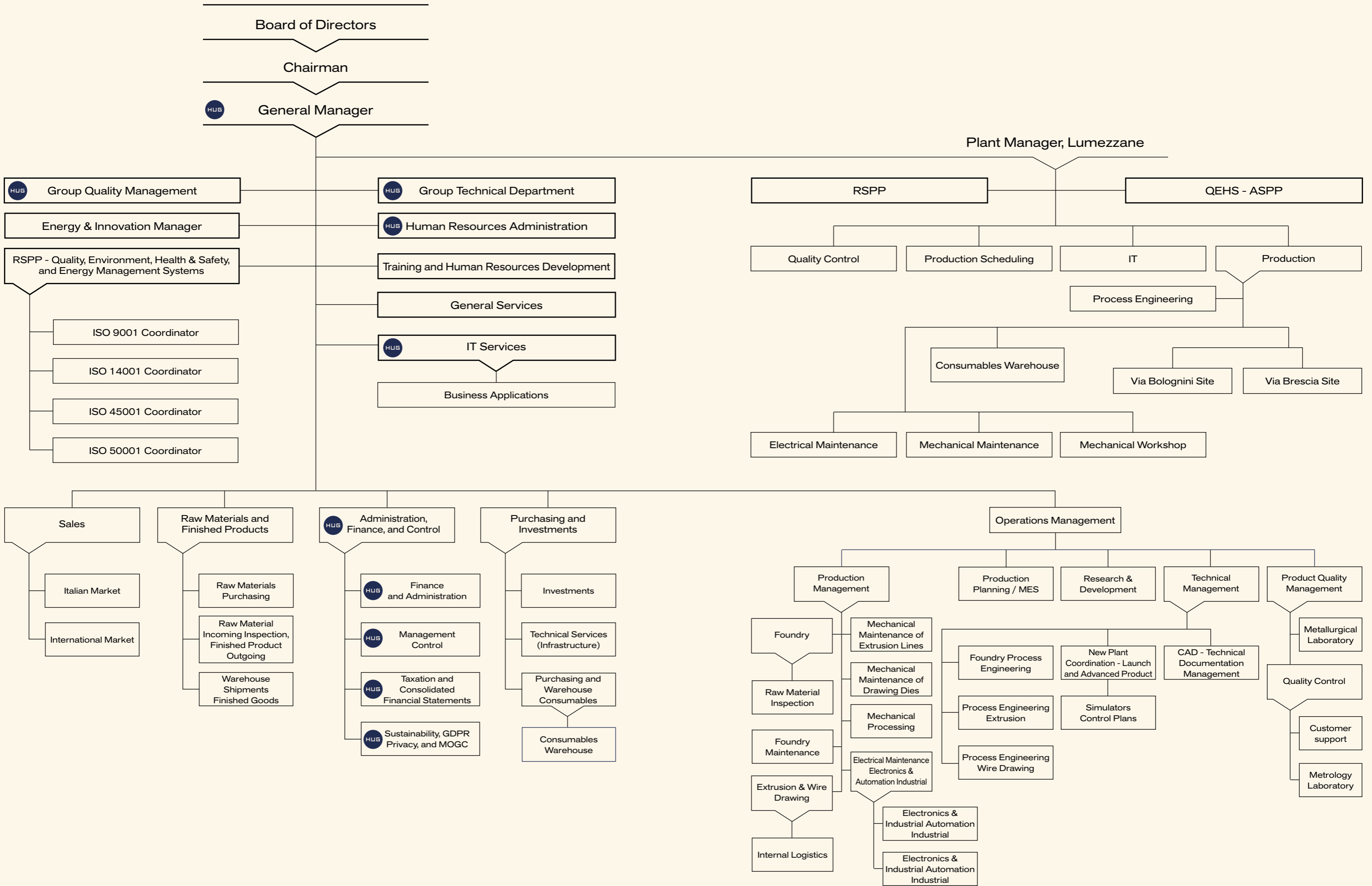
Company structure

The current organisational structure assigns a central role to the General Management, which is responsible for both the management of the Roncadelle and Lumezzane plants and some functions transversal to the entire organisation. In particular:

1. Operations Department
2. Purchasing
3. Energy & Innovation Manager
4. RSPP (Responsible for Service of Prevention and Protection) – Quality, Environment, Health and Safety, Energy Management Systems
5. Personnel Administration
6. Human Resources Training and Development
7. General Services
8. IT Services
9. Sales
10. Raw Materials and Finished Product
11. Administration, Finance and Control

Below is the Almag organisational chart updated to October 2025.

² § Opportunities: ESG Strategy



Integrated Management System

Almag adopts an integrated approach to the management of the main ESG areas through its **Quality, Environment, Occupational Health and Safety, and Energy and Cybersecurity Policy**, which defines the organisation's commitments in relation to product quality, environmental protection, energy efficiency and the safety of workers and the company's information assets.

In this context, the company promotes the continuous improvement of its performance, ensuring high quality standards in production processes and paying particular attention to the prevention of pollution, the responsible use of natural and energy resources and the protection of health and safety, through the prevention of accidents and occupational illnesses and the dissemination of a strong safety culture.

In 2025, in addition to maintaining the management systems already in place, Almag obtained certification for the **Information Security Management System**, in accordance with the **ISO 27001** standard. This management system is aimed at ensuring the confidentiality, integrity and availability of company data, and applies to all types of information, both in digital and paper format.

This policy is the foundation of the **Integrated Management System**³, which is structured and certified in accordance with the main international standards:

ISO 9001

Quality Management System

ISO 14001

Environmental Management System

ISO 14064-1

Organisation Carbon Footprint

ISO 45001

Occupational Health and Safety Management System

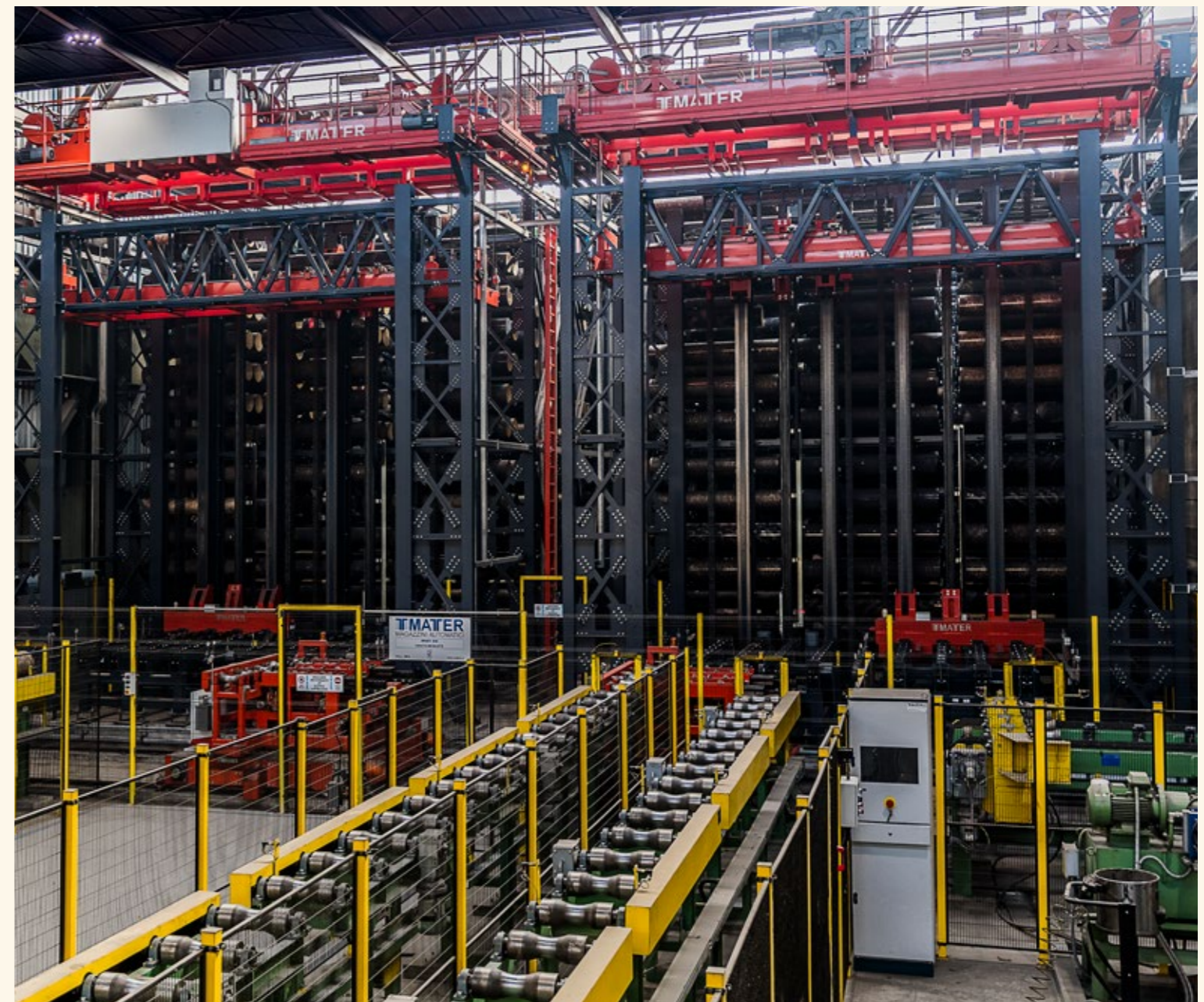
ISO 50001

Energy Management System

ISO 27001

Information Security Management System

The adoption of the latter system in the list allows for the **structured management of the main IT risks**, including cyber attacks and potential data breaches, as well as data loss resulting from malfunctions or degradation of information systems or due to inadequate staff training⁴. In this context, the company has strengthened its control system through specific organisational and management measures, including the appointment of a **Privacy Officer**, the adoption of **dedicated policies**, the implementation of **whistleblowing channels** and the development of **internal training programmes on cybersecurity topics**.



³ § Actual positive impact: Certifications and governance

⁴ § Risk: Data breach

focus



PROCEDURE FOR MANAGEMENT IN THE EVENT OF A "DATA BREACH" OR "PERSONAL DATA BREACH"

In recent years, the risk of personal data breaches has become increasingly relevant for organisations, regardless of their size or sector.

The most recent data confirm the scale of the phenomenon at European level as well: in 2024, in the main EU countries, more than 130,000 cases of personal data breaches were recorded, demonstrating that the risk is now structurally widespread. Added to this is the economic impact, with the average global cost of a breach being \$4.88 million according to the IBM Cost of a Data Breach Report 2024, a figure that is constantly growing. These elements highlight how, in a context characterised by the increasing digitalisation and sophistication of cyber attacks, there is a need for companies to invest in preventive tools and measures, training and skills development to increase their ability to prevent, detect and promptly manage the risk of cyber attacks.

In this context, in 2024 Almag adopted an ad hoc procedure in order to provide guidance on the correct management of security breaches relating to personal data managed by the Company. The procedure, which is part of the broader information security management system (compliant with the regulatory requirements of ISO 27001), stipulates that any employee who detects or receives reports of a possible breach is required to immediately notify the internal privacy contact person, through formalised and tracked channels. Following the report, a prompt analysis is initiated to assess the actual data compromise and the level of risk to the rights and freedoms of data subjects, considering factors such as the type and sensitivity of the data, the number of individuals involved and the possible consequences.

Based on the results of the assessment, the Company proceeds, where necessary, to notify the Control Authority within 72 hours, to notify the data subjects in cases of high risk, and to provide any information to customers, suppliers or other data controllers involved.

The procedure also governs the methods of containing the incident, the adoption of corrective and preventive actions and the document management of the event, through the systematic recording of breaches, decisions taken and measures adopted, in line with the principle of accountability provided for by EU Regulation 2016/679 ("GDPR").

Economic performance

Also in 2025, in continuity with what was done in the reports of previous years, the generation of value for the organisation and its stakeholders is measured in accordance with the parameters established by the International Standards for Non-Financial Reporting of the Global Reporting Initiative (GRI Standards), which identify two main items:

- **Directly generated economic value:** includes net revenues, other revenues and income, financial income and changes in inventories of finished goods and work in progress to order.
- **Economic value distributed:** includes operating costs⁵, employee wages and benefits⁶, payments to capital providers⁷, and payments for⁸ investments in the community⁹.

In 2025, Almag generated an economic value of over €380 million (€385,924,258), an increase of 9.4% compared to 2024. Of this amount, 97% (over €373 million) was distributed to stakeholders – suppliers, employees and collaborators, shareholders, financial institutions, public bodies and communities – according to the proportions shown in the pie chart below.

The retained value, intended for the support and development of the business, stands at 3% (€12,668,317), down from the previous year (when it stood at €23,343,654). This reduction is mainly attributable to the increase in the value distributed, in particular due to higher payments to capital providers – linked to the distribution of an extraordinary dividend of €20 million to the parent company HUG – and the increase in payments to governments, which almost quintupled compared to 2024 due to the cessation of significant tax benefits related to Industry 4.0.

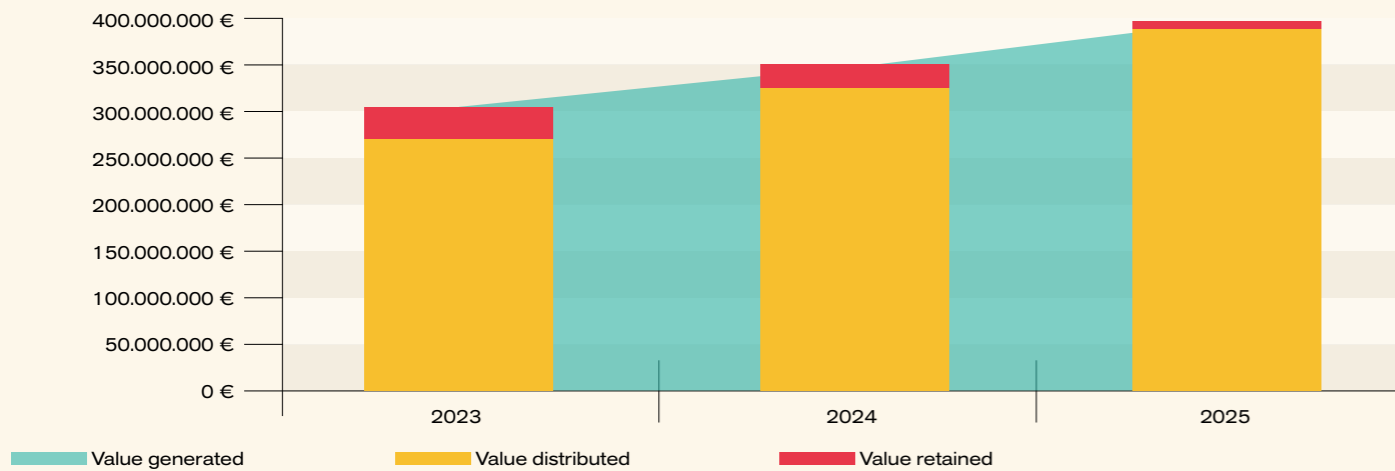
⁵ In addition to the main items in the Income Statement (B6, B7, B8), operating costs also include the change in inventories of raw materials (B11) and other operating expenses (B14), net of taxes and duties reclassified under taxes (C20) and included in the item "payments to governments".

⁶ Salaries and benefits also include voluntary components for employees (e.g. flexible benefits), in addition to those provided for in the National Collective Labour Agreement (CCNL).

⁷ Payments to capital providers include interest expense on debts and dividends distributed to the parent company HUG (€10 million per year in 2023 and 2024; €20 million in 2025).

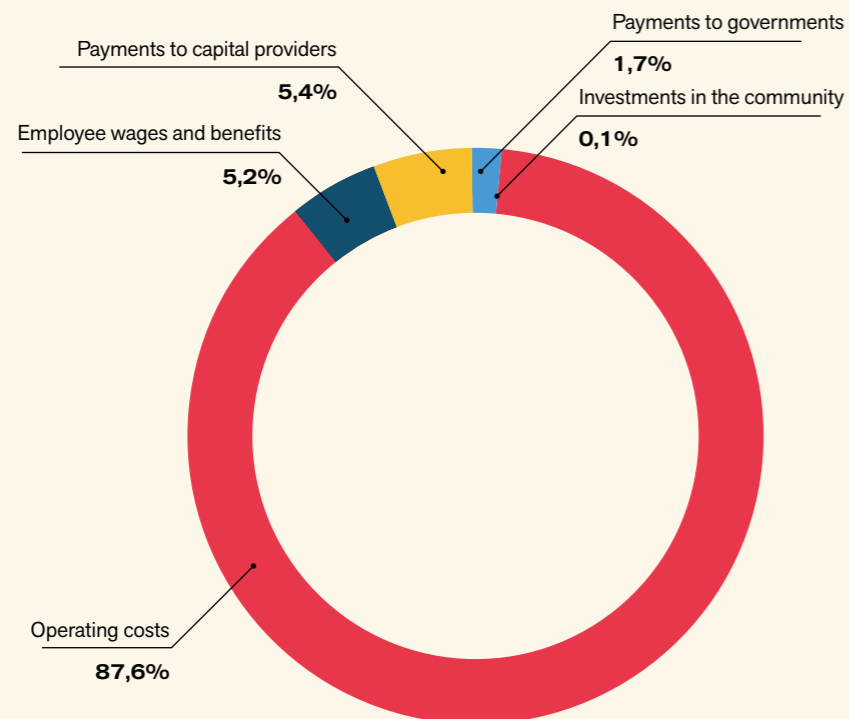
⁸ The donations in 2025 are divided between healthcare (33.5%), sport (25.4%), local authorities/municipalities (20.0%), schools (12.5%) and other initiatives (8.4%).

RECLASSIFICATION ECONOMIC PERFORMANCE



In 2025, most of the economic value distributed (87.6%) was absorbed by operating costs. A significant part was allocated to capital providers (5.4%), also as a result of the extraordinary dividend distributed to the parent company HUG S.p.A., followed by the remuneration of Almag employees and collaborators (5.2%). Smaller amounts relate to payments to the Public Administration, amounting to 1.7% of the total distributed, and initiatives in favour of the local community, which in 2025 amounted to €298,138 (0.1%), still recording an increase of 58% compared to the previous year.

BREAKDOWN OF DISTRIBUTED VALUE (2025)



Supply chain management

Almag manages the main risks associated with supply chain management in a structured manner. These include possible disruptions in the supply of materials and the increase in the cost of raw materials, which could affect the company's competitiveness. Linked to this aspect, there is also a potential risk of material substitutability: significant upward changes in the price of brass may encourage the use of alternative materials, making any conversion processes complex and costly¹⁰.

In order to mitigate these risks, Almag adopts a structured approach to supplier management, based on a selection policy that prioritises quality, reliability, operational capacity and continuity of service. The company promotes the diversification of supply sources, reducing possible critical dependencies, and requires its partners to sign a Code of Conduct as a prerequisite for the start of the contractual relationship. There are also preventive and ongoing checks on suppliers, which also extend to indirect supplies, as well as audits and document checks, including the request for environmental certifications. In this regard, a platform for the evaluation and monitoring of suppliers was adopted in 2025, which also incorporates sustainability-related criteria. In addition, on-site visits were made to 6 strategic suppliers during the year, with the aim of initiating a structured phase of monitoring and promoting the improvement of environmental performance along the supply chain.

In 2025, Almag established business relationships with 58 raw material suppliers. The presence of lead in the scrap in circulation required greater use of virgin raw material for the production of low-lead brass. This approach ensures compliance with new regulatory requirements, in particular Directive (EU) 2020/2184 on water intended for human consumption (Drinking Water Directive), which provides for stricter limits on the lead content in materials in contact with drinking water.

With regard to payment practices, Almag guarantees a high level of punctuality in compliance with the deadlines agreed with suppliers. In particular, for supplies settled by bank draft, payments are made in full compliance with the contractual deadlines; for those managed by bank transfer, any deviations are limited and generally do not exceed 7 days from the due date.

In detail, raw material suppliers, which represent about 80% of the total value of supply costs, receive payments within a maximum term of 30 days, while for service providers (accounting for about 12% of total supply costs) payment terms are generally between 60 and 90 days from the end of the month. For residual supplies, the organisation adopts a fixed-date payment policy, with a due date on the 10th or 12th of the month following the service.

¹⁰ § Risk: Supply chain disruptions



Methodological note



THIS DOCUMENT CONSTITUTES THE FOURTH EDITION OF THE SUSTAINABILITY REPORT OF ALMAG S.P.A. (IN THE DOCUMENT ALSO REFERRED TO MORE BRIEFLY AS "ALMAG"), PREPARED ANNUALLY WITH THE AIM OF INFORMING STAKEHOLDERS ABOUT SUSTAINABILITY PERFORMANCE IN THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) AREAS, WITH A PARTICULAR FOCUS ON THE 2025 FINANCIAL YEAR.

The Report was prepared on a voluntary basis in accordance with the Global Reporting Initiative Standards 2021 (hereinafter "GRI Standards"), updated to 2023, following the "with reference to" approach. All content that refers to the GRI Standards is indicated in the GRI Content Index, presented in the appendix to this document. The analysis and identification of Impacts, Risks and Opportunities (IRO), according to the dual materiality approach, have been developed in line with the most recent European Union directives, in particular with the CSRD (Corporate Sustainability Reporting Directive) and the related standards (ESRS) published by EFRAG.

The topics reported in this Report are those that, following an assessment process in which a number of internal and external stakeholders participated, were found to be priorities and capable of reflecting both the impacts – positive and negative, actual and potential – generated by the company's activities, and the risks and opportunities of a financial nature faced by the company, in line with the principle of dual materiality (for more details, see Chapter 2 – Almag S.p.A. material topics and impacts and the section of the Appendix "Methodology for the assessment of Impacts, Risks and Opportunities and the identification of material topics"). The material topics thus identified have been explored in depth in the dedicated chapters and associated with the UN Sustainable Development Goals as part of the 2030 Agenda.

The Report has been prepared following the principles of accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness and verifiability.

Each topic covered refers to the reporting period covering the entire year 2025, from 1 January to 31 December. Where available, the document provides a comparison with the data for the financial years 2023 and 2024, in order to present the trend of the company's performance over a longer time horizon.

The reporting scope of this 2025 Sustainability Report concerns Almag S.p.A., with reference to the production site in Roncadelle, located at Via Vittorio Emanuele II 39, and the production plants located in Lumezzane at Via Brescia 19 and Via Padre Bolognini 46-50.

The drafting of the document was supported by the consulting firm Fedabo S.p.A. SB.

Methodology for assessing Impacts, Risks and Opportunities and identifying material topics



THE PROCESS USED TO IDENTIFY THE IMPACTS, RISKS AND OPPORTUNITIES OF ALMAG S.P.A. (DEALT WITH IN CHAPTER 2 OF THIS REPORT) IS THE DUAL MATERIALITY ANALYSIS, RECOMMENDED AND REGULATED BY THE MOST RECENT EUROPEAN DIRECTIVE ON SUSTAINABILITY REPORTING (CSRD – CORPORATE SUSTAINABILITY REPORTING DIRECTIVE)¹ AND THE RELATED ESRS STANDARDS².

As mentioned in the dedicated section, the materiality analysis consisted of an initial phase of internal identification and assessment of the relevant Impacts, Risks and Opportunities, followed by a stakeholder engagement phase. In the **first part of the analysis**, the company's business context and interdependencies were examined in depth, including through the review of relevant documents and discussions with key internal figures.

During this phase, each IRO (Impact, Risk, Opportunity) identified was also assigned a numerical value on a scale of 1–4, in accordance with the criteria set out in the CSRD³. The comparison with internal strategic figures regarding the IRO allowed us to obtain scores that were as objective, informed and precise as possible.

Actual impacts were assessed on the basis of magnitude, which in turn comprises the criteria of: **severity** (significance of the harm/benefit generated), **scale** (extent) and, for adverse impacts only, the **irreparable nature** of the impact (whether it is possible or impossible to restore the previous situation). For **potential impacts**, on the other hand, in addition to the magnitude calculated in this way, the **probability** of occurrence was also taken into account. Finally, the analysis of **risks and opportunities** took into account the variables of **potential magnitude** (i.e., the possible impact that the economic harm/benefit may have on the company's business) and **likelihood**. The scale used for each criterion is as follows:

SCALE 1-4

SEVERITY	1	LOW
	2	MODERATE
	3	HIGH
	4	VERY HIGH
SCOPE	1	VERY LIMITED
	2	MODERATELY EXTENSIVE
	3	EXTENSIVE
	4	WIDESPREAD
IRREMIABLE IN NATURE	1	IT IS POSSIBLE TO RESTORE THE SITUATION TO HOW IT WAS BEFORE THE IMPACT WITHIN SIX MONTHS
	2	IT IS POSSIBLE TO RESTORE THE SITUATION TO HOW IT WAS BEFORE THE INCIDENT, BUT NOT WITHIN SIX MONTHS
	3	IT IS POSSIBLE TO RESTORE THE SITUATION TO HOW IT WAS BEFORE THE INCIDENT ONLY PARTIALLY
	4	IT IS NOT POSSIBLE TO REMEDY THE IMPACT CAUSED
LIKELIHOOD	1	REMOTE
	2	LOW
	3	MODERATE
	4	HIGH
POTENTIAL SEVERITY	1	LOW
	2	MODERATE
	3	HIGH
	4	VERY HIGH

In addition to the numerical values, qualitative variables were also assigned in order to define the various IRO more precisely and accurately. Specifically, for actual and potential impacts, the level of **causality** was also taken into account, i.e., the distinction between impacts that are **directly caused**, contributed to cause (if the company is not the sole cause of the impact), or **related to the business** (i.e., linked to business relationships with the upstream or downstream value chain, but not attributable to the company's own activities).

For potential impacts, risks and opportunities, a **time horizon** was also identified in line with the requirements of the relevant standards, namely **short-term** (within one year of the reporting period), **medium-term** (within five years) and **long-term** (beyond five years).

Once the internal analysis phase had been completed, **stakeholders were involved** – that is, those affected by the company's activities, as well as 'users of sustainability reporting' (such as existing and potential investors, banks, partners, governments and NGOs)⁴. Specifically, **potential impacts** (both positive and negative) and **risks and opportunities** were discussed with stakeholders in order to gather their views on the importance and strategic nature of the issues identified as material; actual impacts, having already occurred and been verified, were not discussed in depth with stakeholders.

¹ CSRD Corporate Sustainability Reporting Directive (2022/2464).

² ESRS European Sustainability Reporting Standard, contained in the delegated act of the European Commission, dated 31/07/2023.

³ The reporting standards, both in their official version and in the implementation guidelines provided by EFRAG, the body that developed the standards, give the company maximum freedom with regard to how it assesses materiality. To ensure that the assessment was comparable and objective, it was decided to use a consistent scale that would produce data that was as objective as possible.

⁴ This definition of stakeholders is based on the guidelines set out in the reporting standards and the associated implementation guides issued in 2024.

Details of the values assigned internally to each Impact, Risk, and Opportunity (IRO)

The opinions of the various stakeholders were collected by means of dedicated questionnaires containing questions relevant to the interests and expertise of the specific category, with the aim of ensuring the most coherent and informed responses possible, as well as focusing attention on the specific interests of each. Indeed, in line with the guidance also provided by EFRAG implementation guidance on materiality assessment⁵, it was deemed of little value to ask all questions to each stakeholder involved, given the varying degrees of interest and knowledge that different stakeholders have regarding each topic analysed.

The categories of stakeholders involved were:

- 1 Board of Directors
- 2 Workforce and its representatives (RSU trade union)
- 3 Customers
- 4 Banks and Financial Institutions
- 5 Suppliers
- 6 Local communities

In the questionnaire, stakeholders were asked to assign different levels of strategic importance to each issue surveyed, using a scale from 1 to 4. The results of the questionnaires were used to re-rank the priority of the identified potential impacts, risks and opportunities, yielding the bar charts presented in chapter 2 of this document. This method allowed Almag S.p.A. to assess the strategic importance of various sustainability topics and any related improvement actions, also taking into account the perceptions of various stakeholders.

ACTUAL NEGATIVE IMPACTS

TOPIC	IRO TITLE	CONTRIBUTION METHOD	SEVERITY		
			SEVERITY	SCOPE	IRREVERSIBLE NATURE OF THE IMPACT
E1 - Climate change mitigation and adaptation	Contribution to global emissions	DIRECTLY CAUSED	2	3	3
E3 - Water consumption and withdrawal	Water withdrawal	DIRECTLY CAUSED	2	1	3
E5 - Waste	Waste generation	DIRECTLY CAUSED	3	2	2
S1 - Health and safety	Accidents at work	DIRECTLY CAUSED	2	2	4

ACTUAL POSITIVE IMPACTS

TOPIC	IRO TITLE	CONTRIBUTION METHOD	SEVERITY	
			SEVERITY	SCOPE
E5 - Resource inputs, including resource use	Recovery of raw material	DIRECTLY CAUSED	3	2
S1 - Corporate well-being	Employee well-being	DIRECTLY CAUSED	3	4
S1 - Training and skills development	Training for employees	DIRECTLY CAUSED	3	4
S3 - Impacts related to community well-being	Partnership with the local area	DIRECTLY CAUSED	3	3
G1 - Corporate culture	Certifications and governance	DIRECTLY CAUSED	4	3

⁵ EFRAG IG 1 – Materiality Assessment Implementation Guidance. Para. 201 https://www.efrag.org/sites/default/files/sites/webpublishing/SiteAssets/IG%201%20Materiality%20Assessment_final.pdf

POTENTIAL NEGATIVE IMPACTS

TOPIC	IRO TITLE	CONTRIBUTION METHOD	SEVERITY			LIKELIHOOD	TIME HORIZON
			SEVERITY	SCOPE	IRREVERSIBLE NATURE OF THE IMPACT		
E2 - Pollution (of air, water, soil, living organisms and food resources)	Exceeding emission limits	DIRECTLY CAUSED	3	3	3	2	SHORT-TERM
E2 – Substances of concern (or extreme concern)	Lead in brass	CONTRIBUTED TO CAUSING	3	3	3	3	LONG-TERM
S1 - Health and safety	Risk of accidents	DIRECTLY CAUSED	4	2	3	3	SHORT-TERM
S1 - Gender equality and equal pay for work of equal value	Women in senior positions	DIRECTLY CAUSED	3	2	1	2	MEDIUM-TERM
S2 - Health and safety	Conflict minerals	RELATED TO OWN BUSINESS ACTIVITY	3	2	3	2	MEDIUM-TERM

RISKS

TOPIC	IRO TITLE	POTENTIAL SEVERITY	LIKELIHOOD	TIME HORIZON
E1 - Energy	Increase in energy costs	3	3	SHORT-TERM
E2 – Substances of concern or extreme concern	Adaptation of machinery for new alloys	3	3	MEDIUM-TERM
E5 - Resource inputs, including resource use	Strategic raw materials	2	2	SHORT-TERM
S1 - Secure employment	Turnover	3	2	SHORT-TERM
G1 - Management of relationships with suppliers	Supply chain disruptions	3	3	MEDIUM-TERM
G1 - Corruption: Incidents, prevention and detection, including training	Incidents of corruption	3	1	SHORT-TERM
G1 - Cybersecurity	Data breach	3	2	SHORT-TERM

OPPORTUNITIES

TOPIC	IRO TITLE	POTENTIAL SEVERITY	LIKELIHOOD	TIME HORIZON
G1 - Corporate culture	ESG Strategy	3	3	SHORT-TERM

Data tables

ENVIRONMENTAL DIMENSION

ENERGY CONSUMPTION-RONCADELLE

GRI 302-1	UNIT OF MEASUREMENT	2023	2024	2025
Electricity	MWh	70,219.64	73,335.19	74,360.88
Electricity from RES	MWh	553.62	547.76	562.23
Thermal energy (natural gas)	MWh	23,153.83	24,997.90	25,452.39
Fuel: diesel	l	812.31	795.12	837.77
Fuel: petrol	l	95.69	154.58	156.49

ENERGY CONSUMPTION-LUMEZZANE

GRI 302-1	UNIT OF MEASUREMENT	2023	2024	2025
Electricity	MWh	3,855.95	3,905.18	4,142.50
Thermal energy	MWh	7,409.07	7,406.27	7,506.30
Fuel: diesel	MWh	30.09	56.94	26.59
Fuel: petrol	MWh	15.46	0.90	15.14

GHG EMISSIONS

GRI 305-1, 305-2, 305-3	UNIT OF MEASUREMENT	2023	2024	2025
Direct emissions (Scope 1)	tCO ₂ eq.	6,572.1	6,929.7	7,178.7
Indirect emissions from imported energy (Scope 2)	tCO ₂ eq.	19,775.5	20,314.8	24,344.2
Indirect emissions (Scope 3)	tCO ₂ eq.	74,144.9	73,082.5	89,397.6
Tot. GHG emissions	tCO ₂ eq.	100,492.5	100,327.0	120,920.6

WASTE

GRI 306-1, 306-3	UNIT OF MEASUREMENT	2023	2024	2025
Waste generated	tonnes	7,242.01	7,322.97	7,556.84
Hazardous waste	tonnes	1,985.52	1,915.53	1,913.97
Waste sent for recovery	tonnes	6,818.11	6,871.82	7,127.45
Waste sent for disposal	tonnes	441.09	451.14	407.87

PACKAGING

GRI 301-1, 301-2	UNIT OF MEASUREMENT	2023	2024	2025
Total packaging	tonnes	233.76	287.41	233.09
Paper packaging	tonnes	10.00	5.00	10.00
Plastic packaging	tonnes	4.62	4.82	4.19
Wooden packaging	tonnes	103.42	129.88	118.18
Steel packaging	tonnes	115.72	147.71	100.72
Total packaging	tonnes	233.76	287.41	233.09
Of which renewable materials	tonnes	113.42	113.42	113.42
Of which non-renewable materials	tonnes	120.34	120.34	120.34

WATER CONSUMPTION AND WATER DISCHARGES

GRI 303-3, 303-4, 303-5	UNIT OF MEASUREMENT	2023	2024	2025
Water withdrawal	mc	182,135	160,704	176,895
of which from the water supply network	mc	33,072	39,800	38,458
of which from wells	mc	149,063	120,904	138,437
Water discharges	mc	88,125	86,978	97,008
of which from industrial water	mc	87,800	86,633	94,872
of which from rainwater	mc	325	345	2,136

Data tables

SOCIAL DIMENSION

NEW HIRES AND EMPLOYEE TURNOVER (RONCADELLE)

GRI 401-1	2023	2024	2025
Number of employees	212	209	203
Number of joiners	9	12	16
Number of leavers	12	15	20
Overall turnover rate	10%	13%	17%
Number joiners under 30	3	4	6
Number of leavers under 30	0	2	2

NEW HIRES AND EMPLOYEE TURNOVER (LUMEZZANE)

GRI 401-1	2023	2024	2025
Number of employees	57	54	58
Number of joiners	4	1	1
Number of leavers	2	4	0
Overall turnover rate	11%	9%	7%
Number joiners under 30	2	0	1
Number of leavers under 30	0	0	0

EMPLOYEES BY GENDER AND CONTRACT TYPE (RONCADELLE)

GRI 2-7, 401-1	2023	2024	2025
Male on permanent contracts	191	188	181
Female on permanent contracts	18	17	17
Male on temporary contracts	3	4	3
Female on temporary contracts	0	0	2
Male full-time	193	192	184
Female full-time	16	15	18
Male part-time	1	0	0
Female part-time	2	2	1

EMPLOYEES BY GENDER AND CONTRACT TYPE (LUMEZZANE)

GRI 2-7, 401-1	2023	2024	2025
Male on permanent contracts	53	50	52
Female on permanent contracts	4	4	4
Male on temporary contracts	0	0	2
Female on temporary contracts	0	0	0
Male full-time	53	50	54
Female full-time	2	2	2
Male part-time	0	0	0
Female part-time	2	2	2

WORKFORCE BREAKDOWN (RONCADELLE)

GRI 2-7 GRI 401-1, 405-1	2023	2024	2025
<i>BY AGE GROUP</i>			
< 30	33	26	28
31 – 50	115	113	104
>50	64	70	71
<i>BY GENDER</i>			
Male	194	192	184
Female	18	17	19
<i>BY JOB CATEGORY</i>			
Senior managers	4	4	4
Managers/middle managers	9	10	8
White-collar workers	70	66	65
Blue-collar workers	129	129	128
<i>BY FUNCTION</i>			
Technical employees	17	16	13
Quality	7	7	9
Production	111	106	101
Maintenance	29	34	34
Warehouses	15	15	13
Administrative employees	33	31	33

WORKFORCE BREAKDOWN (LUMEZZANE)

GRI 2-7 GRI 401-1, 405-1	2023	2024	2025
<i>BY AGE GROUP</i>			
< 30	1	1	3
31 – 50	32	30	32
>50	24	23	23
<i>BY GENDER</i>			
Male	53	50	54
Female	4	4	4
<i>BY JOB CATEGORY</i>			
Senior managers	1	1	1
Managers/middle managers	2	1	2
White-collar workers	7	6	6
Blue-collar workers	47	46	47
<i>BY FUNCTION</i>			
Technical employees	6	6	7
Quality	2	2	2
Production	31	30	33
Maintenance	8	8	9
Warehouses	6	6	5
Administrative employees	4	2	2

TRAINING HOURS (RONCADELLE)

GRI 404-1,2,3	2023	2024	2025
Total hours of training (employees)	3,681	5,879	3,836
Hours per employee	17	28	19
<i>TRAINING HOURS BY TOPIC</i>			
Mentoring - Induction Tutoring - Onboarding	-	44	-
Job specifications	966	706	824
Health and Safety (mandatory)	1,623	2,417	2,247
Health and Safety (optional)	68	1,115	177
Soft Skills	686	887	80
Anti-corruption	-	28	-
Cybersecurity	-	93	40
Data management/privacy	157	48	178
Environment-Energy-Quality	-	444	276
Sustainability	151	208	15
<i>TRAINING HOURS BY JOB CATEGORY (EMPLOYEES)</i>			
Senior managers	169	159	41
Managers/middle managers	471	498	207
White-collar workers	1,328	2,536	913
Blue-collar workers	1,713	2,687	2,676
<i>TRAINING HOURS BY DEPARTMENT (EMPLOYEES)</i>			
Technical employees	-	891	519
Quality	-	245	132
Production	-	1,608	1,842
Maintenance	-	1,724	550
Warehouses	-	132	155
Administrative employees	-	1,280	639

TRAINING HOURS (LUMEZZANE)

GRI 404-1,2,3	2023	2024	2025
Total hours of training (employees)	1,196	936	1,496
Hours per employee	21	17	26

TRAINING HOURS BY TOPIC

Mentoring - Induction Tutoring - Onboarding	-	12	100
Job specifications	58	252	217
Health and Safety (mandatory)	784	422	971
Health and Safety (optional)	-	-	39
Soft Skills	60	62	-
Anti-corruption	-	28	-
Cybersecurity	-	38	59
Data management/privacy	16	4	-
Environment-Energy-Quality	337	139	111
Sustainability	-	28	-

TRAINING HOURS BY JOB CATEGORY (EMPLOYEES)

Senior managers	31	12	27
Managers/middle managers	47	12	11
White-collar workers	149	97	79
Blue-collar workers	969	815	1,379

ACCIDENT TRENDS (RONCADELLE)

GRI 403-9	2023	2024	2025
Hours worked (H)	349,854	360,775	368,531
Accidents (Ni)	7	8	11
Commuting accidents	1	1	2
Serious accidents (Nig)	0	0	0
Days of absence (Gi)	212	136	239
Frequency Index (Ni x 200,000 / H)	18.98	18.29	20.05
Severity Index (Gi x 1,000 / H)	0.53	0.51	0.39
Severity accident rate (Nig x 200,000 / H)	0	0	0

ACCIDENT TREND (LUMEZZANE)

GRI 403-9	2023	2024	2025
Employees covered by a health and safety management system	57	54	55
Employees covered by a health and safety management system subject to external audit (e.g. ISO 45001)	57	54	55
Employees covered by a health and safety management system subject to internal audit	57	54	55
Hours worked (H)	87,592	88,205	91,691
Accidents (Ni)	1	1	1
Commuting accidents	0	0	0
Serious accidents (Nig)	0	0	0
Days of absence (Gi)	9	39	87
Frequency Index (Ni x 200,000 / H)	2.28	2.27	6.54
Severity Index (Gi x 1,000 / H)	0.10	0.44	0.95
Incidence Index (Ni x 1,000 / emp. 31/12)	17.54	18.52	51.72
Serious accidents (Nig x 200,000 / H)	0	0	0

WELFARE AND BENEFITS

	2023	2024	2025
Workers with access to welfare benefits	98%	98%	100%
Total welfare provided (€)	317,789.23 €	268,861.74 €	364,988.61 €
Welfare/employee	1,181.37 €	1,022.29 €	1,398.42 €
Welfare/profit for the year	1.43%	1.97%	1.97%

INTERNSHIPS (RONCADELLE)

	2023	2024	2025
Number of curricular placements	0	0	1
Number of extracurricular placements	0	0	0
ASC/PCTO projects	1	0	1
Total placements	1	0	2

GENDER PAY GAP

	2023	2024	2025
Average hourly pay for men (€/h)	n/a	n/a	25.59
Average hourly pay for women (€/h)	n/a	n/a	20.92
Gender Pay Gap = (Hourly pay M – Hourly pay F) / Hourly pay M x 100	n/a	n/a	22.33%

GOVERNANCE DIMENSION

VALUE GENERATED AND DISTRIBUTED

GRI 201-1	2023	2024	2025
Value generated	312,000,984 €	352,652,653 €	385,924,258 €
Value distributed	273,926,412 €	329,308,999 €	373,255,941 €
Operating costs	241,718,343 €	298,416,781 €	326,987,664 €
Employee wages and benefits	17,805,370 €	18,810,981 €	19,333,656 €
Payments to capital providers	10,941,764 €	10,553,000 €	20,193,779 €
Payments to governments	3,211,550 €	1,339,334 €	6,442,703 €
Investments in the community (donations + sponsorships)	249,385 €	188,903 €	298,138 €
Value retained	38,074,572 €	23,343,654 €	12,668,316 €

MEMBERS OF THE BOD

GRI 2-9	2023	2024	2025
Total	9	9	9
Of which women	2	2	2
Of which employees	1	1	0
≤ 30 years old	2	2	2
30-50 years old	1	1	0
≥ 50 years old	6	6	7

RAW MATERIAL SUPPLIERS

GRI 204-1	2023	2024	2025
Total suppliers used in the year	54	60	58

WHISTLEBLOWING

GRI 2-16	2023	2024	2025
No. of reports received	0	0	3
No. of reports handled	0	0	3
Average time taken to resolve reports (days)	0	0	90

CORRUPTION

GRI 205-3	2023	2024	2025
Cases confirmed	0	0	0
No. of convictions	0	0	0

PRIVACY AND DATA SECURITY

GRI 205-3	2023	2024	2025
Complaints received regarding breaches of customer privacy by third parties	0	0	0
Complaints received regarding breaches of customer privacy from governments and public authorities	0	0	0
Complaints received regarding breaches of the privacy of other individuals (non-customers) from third parties	0	0	0
Complaints received regarding breaches of the privacy of other data subjects (non-customers) from governments and public authorities	0	0	0
Number of identified data breach incidents	0	0	1
Number of identified data loss incidents	0	0	0

GRI CONTENT INDEX

GRI CONTENT INDEX

Statement of use	Almag S.p.A. has reported the information mentioned in this GRI content index for the period: 01/01/2025 – 31/12/2025 following the "with reference to" option of the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI CONTENT INDEX

GRI 2: General Disclosures 2021	2-1 Organisational details	6 - Appendix; Methodological note
	2-2 Entities included in the organisation's sustainability reporting	6 - Appendix; Methodological note
	2-3 Reporting period, frequency and contact point	6 - Appendix; Methodological note
	2-4 Restatements of information	Any changes are indicated in the text.
	2-5 External assurance	Not applicable
	2-6 Activities, value chain and other business relationships	1 - Identity and profile of Almag S.p.A.; Almag S.p.A. 1 - Identity and profile of Almag S.p.A.; The history of Almag S.p.A. 1 - Identity and profile of Almag S.p.A.; The production process of Almag S.p.A. 5 - Governance Dimension; Supply Chain Management
	2-7 Employees	4 - Social Dimension; Personnel Management, Well-being and Development
	2-8 Workers who are not employees	They were not counted in the reporting
	2-9 Governance structure and composition	5 - Governance Dimension; Corporate Governance 5 - Governance Dimension; Corporate Structure
	2-10 Nomination and selection of the highest governance body	5 - Governance Dimension; Corporate Governance
	2-11 Chair of the highest governance body	5 - Governance Dimension; Corporate Governance
	2-12 Role of the highest governance body in overseeing the management of impacts	5 - Governance Dimension; Corporate Governance
	2-13 Delegation of responsibility for managing impacts	5 - Governance Dimension; Corporate Governance
	2-14 Role of the highest governance body in sustainability reporting	5 - Governance Dimension; Corporate Governance
	2-15 Conflicts of interest	5 - Governance Dimension; Business Conduct

GRI 2: General Disclosures 2021	2-16 Communication of critical concerns	5 - Governance Dimension; Business Conduct 6 - Appendix; Data Tables
	2-17 Collective knowledge of the highest governance body	Not applicable
	2-18 Evaluation of the performance of the highest governance body	Not applicable
	2-19 Remuneration Rules	Not applicable
	2-20 Process to determine remuneration	Not applicable
	2-21 Annual total compensation ratio	Not applicable
	2-22 Statement on sustainable development strategy	1 - Identity and profile of Almag S.p.A.; Sustainability Strategy of Almag S.p.A.
	2-23 Policy commitments	5 - Governance Dimension
	2-24 Embedding policy commitments	5 - Governance Dimension
	2-25 Processes to remediate negative impacts	2 - Material Topics and Impacts of Almag S.p.A. 5 - Governance Dimension; Corporate Governance
	2-26 Mechanisms for seeking advice and raising concerns	5 - Governance Dimension; Business Conduct
	2-27 Compliance with laws and regulations	5 - Governance Dimension; Business Conduct
	2-28 Membership associations	4 - Social Dimension; Creating Value in Communities
	2-29 Approach to stakeholder engagement	2 - Material Topics and Impacts of Almag S.p.A. 6 - Appendix; Methodology for assessing Impacts, Risks and Opportunities and identifying material topics
2-30 Collective bargaining agreements	4 - Social Dimension; Personnel Well-being	
GRI 3: Material topics 2021	3-1 Process to determine material topics	2 - Material Topics and Impacts of Almag S.p.A. 6 - Appendix; Methodology for assessing Impacts, Risks and Opportunities and identifying material topics
	3-2 List of material topics	2 - Material Topics and Impacts of Almag S.p.A. 6 - Appendix; Details of the Values Assigned Internally to Each Impact, Risk and Opportunity
	3-3 Management of material topics	2 - Material Topics and Impacts of Almag S.p.A. 6 - Appendix; Methodology for assessing Impacts, Risks and Opportunities and identifying material topics

GRI 201: Economic performance 2016	201-1 Direct economic value generated and distributed	5 - Governance Dimension; Economic Performance
	201-2 Financial implications and other risks and opportunities due to climate change	3 - Environmental Dimension; Climate Change
	201-3 Defined benefit plan obligations and other retirement plans	Not applicable
	201-4 Financial assistance received from government	Not applicable
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	5 - Governance Dimension; Business Conduct 6 - Appendix; Data Tables
	205-2 Communication and training about anti-corruption policies and procedures	Not applicable
	205-3 Confirmed incidents of corruption and actions taken	5 - Governance Dimension; Company Conduct 6 - Appendix; Data Tables
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	6 - Governance Dimension; Company Conduct 6 - Appendix; Data Tables
GRI 301: Materials 2016	301-1 Materials used by weight or volume	3 - Environmental Dimension; Use of Resources and Circular Economy
	301-2 Recycled input materials used	3 - Environmental Dimension; Use of Resources and Circular Economy
	301-3 Reclaimed products and their packaging materials	3 - Environmental Dimension; Use of Resources and Circular Economy
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	3 - Environmental Dimension; Climate Change
	302-2 Energy consumption outside of the organisation	3 - Environmental Dimension; Climate Change
	302-3 Energy intensity	3 - Environmental Dimension; Climate Change
	302-4 Reduction of energy consumption	3 - Environmental Dimension; Climate Change
	302-5 Reductions in energy requirements of products and services	Not applicable
GRI 303: Water and effluents 2018	303-1 Interactions with water as a shared resource	3 - Environmental Dimension; Water resources
	303-2 Management of water discharge-related impacts	3 - Environmental Dimension; Water resources
	303-3 Water withdrawal	3 - Environmental Dimension; Water resources
	303-4 Water discharge	3 - Environmental Dimension; Water resources
	303-5 Water consumption	3 - Environmental Dimension; Water resources

GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	3 - Environmental Dimension; Climate Change
	305-2 Energy indirect (Scope 2) GHG emissions	3 - Environmental Dimension; Climate Change
	305-3 Other indirect (Scope 3) GHG emissions	3 - Environmental Dimension; Climate Change
	305-4 GHG emissions intensity	3 - Environmental Dimension; Climate Change
	305-5 Reduction of GHG emissions	3 - Environmental Dimension; Climate Change
	305-6 Emissions of ozone-depleting substances (ODS)	Not applicable
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Not applicable
GRI 306: Effluents and Waste 2016	306-3 Significant spills	Not applicable
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	3 - Environmental Dimension; Use of Resources and Circular Economy
	306-2 Management of significant waste-related impacts	3 - Environmental Dimension; Use of Resources and Circular Economy
	306-3 Waste generated	3 - Environmental Dimension; Use of Resources and Circular Economy
	306-4 Waste diverted from disposal	3 - Environmental Dimension; Use of Resources and Circular Economy
	306-5 Waste directed to disposal	3 - Environmental Dimension; Use of Resources and Circular Economy
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	5 - Governance Dimension; Supply Chain Management
	308-2 Negative environmental impacts in the supply chain and actions taken	Not applicable
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	4 - Social Dimension; Personnel Management, Well-being and Development
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Not applicable

GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	4 - Social Dimension; Health and Safety of People
	403-2 Hazard identification, risk assessment, and incident investigation	4 - Social Dimension; Health and Safety of People
	403-3 Occupational health services	4 - Social Dimension; Health and Safety of People
	403-4 Worker participation, consultation, and communication on occupational health and safety	4 - Social Dimension; Health and Safety of People
	403-5 Worker training on occupational health and safety	4 - Social Dimension; Health and Safety of People
	403-6 Promotion of worker health	4 - Social Dimension; Health and Safety of People
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	4 - Social Dimension; Health and Safety of People
	403-8 Workers covered by an occupational health and safety management system	6 - Appendix; Data Tables
	403-9 Work-related injuries	4 - Social Dimension; Health and Safety of People
	403-10 Work-related ill health	6 - Appendix; Data Tables
GRI 404: Training and education 2016	404-1 Average hours of training per year per employee	4 - Social Dimension; Training and Skills Development
	404-2 Programmes for upgrading employee skills and transition assistance programmes	Not applicable
GRI 405: Diversity and equal opportunity 2016	405-1 Diversity of governance bodies and employees	5 - Governance Dimension; Corporate Governance 6 - Appendix; Data Tables
	405-2 Ratio of basic salary and remuneration of women to men	4 - Social Dimension; Personnel Management, Well-being and Development 6 - Appendix; Data Tables
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	5 - Governance Dimension; Company Conduct 6 - Appendix; Data Tables
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	4 - Social Dimension; Creating Value in Communities
	413-2 Operations with significant actual and potential negative impacts on local communities	4 - Social Dimension; Creating Value in Communities
GRI 418: Customer privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	6 - Appendix; Data Tables

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