WE SHAPE INNOVATION

SUSTAINABILITY REPORT

2024

ALMAG

SUMMARY

METHODOLOGICAL NOTE

THROUGH ITS THIRD SUSTAINABILITY REPORT, ALMAG S.P.A. AIMS TO INFORM STAKEHOLDERS ABOUT ITS SUSTAINABILITY PERFORMANCE IN THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE SPHERES OVER THE PAST FEW YEARS, WITH A PARTICULAR FOCUS ON THE 2024 FINANCIAL YEAR.

The report has been prepared in accordance with the "Global Reporting Initiative" (GRI Standards), updated to 2023, following the "with reference to" approach. However, the ESG impact analysis, materiality assessment, and stakeholder engagement have been developed in line with the latest European Union directives, in particular the CSRD (Corporate Sustainability Reporting Directive) and the related ESRS standards.

The document examines both the positive and negative, actual and potential impacts generated by the company's activities, as well as financially relevant risks and opportunities, adopting the principle of double materiality. Magnitude metrics remain in place, along with probability metrics for potential impacts; however, to ensure a more accurate analysis, magnitude has been broken down into three components: severity, scope and, for negative impacts, irremediable nature. These assessments made it possible to identify the most significant sustainability topics for the organization, which are explored in dedicated chapters and linked to the United Nations Sustainable Development Goals within the framework of the 2030 Agenda.

The report has been prepared in accordance with the principles of accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness and verifiability.

Each topic addressed refers to the reporting period covering the entire year 2024, from 1st January to 31st December. The document also includes data and information relating to the previous three-year period (2022–2024).

The reporting scope of this 2024 Sustainability Report concerns Almag S.p.A., with specific reference to the production site in Roncadelle, Via Vittorio Emanuele II No. 39, and the recently acquired production facilities in Lumezzane, located at Via Brescia No. 19 and Via Padre Bolognini No 46–50.

This document was prepared in cooperation with the consulting company Fedabo S.p.A. SB.

LETTER TO STAKEHOLDERS

DEAR STAKEHOLDER,
IT IS WITH GREAT PLEASURE THAT I PRESENT TO YOU ALMAG'S THIRD SUSTAINABILITY REPORT, A DOCUMENT THAT DEMONSTRATES OUR ONGOING COMMITMENT TO A BUSINESS MODEL CENTRED ON SUSTAINABILITY AS A STRATEGIC DRIVER FOR VALUE CREATION.

In a year marked by deep uncertainty and numerous global challenges, Almag reaffirms the importance of integrating sustainability principles into its long-term business strategy.
We are aware that the environment in which metallurgical companies operate is particularly complex, so much so that it is important to acknowledge the numerous internal and external challenges the Company has faced throughout 2024, within a highly unstable economic and geopolitical context.
The industry has indeed been affected by multiple adverse factors, some related to the global demand for raw materials, others to the volatility of financial markets and international uncertainties, with direct repercussions on cost management, profitability, and the sourcing of raw materials themselves - an essential element for ensuring sustainable production.
This Report not only reflects our progress but also outlines our concrete goals for the future and the operational strategies to achieve them.
I would like to thank everyone who has contributed to this important milestone: our employees, our partners and, above all, you, our stakeholders, for the trust and support you have shown us.
Together, we can build a more sustainable future for Almag and for generations to come.

Enjoy the reading.

Gabriele Gnutti
President

LETTER FROM THE GENERAL MANAGER

DEAR STAKEHOLDER,
I'M PLEASED TO PRESENT TO YOU ALMAG'S THIRD SUSTAINABILITY REPORT, A DOCUMENT PREPARED ONCE AGAIN VOLUNTARILY THIS YEAR, WHICH TRANSPARENTLY AND THOROUGHLY ILLUSTRATES OUR JOURNEY TOWARDS SUSTAINABILITY IN LINE WITH THE GLOBALLY RECOGNISED GRI STANDARDS.

In this report, you will find information on our environmental, social and economic performance, as well as our objectives and strategies for the future, founded on the belief that sustainability is a journey marked by continuous and consistent improvement of our performance. As a confirmation of this, the company, always focused on medium- to long-term development goals, followed up on its investment plan, with a focus on improving production processes.
Investments were not limited to optimising quality, productivity and efficiency parameters, but also covered crucial areas such as safety and the environment, confirming the company's ongoing commitment to its employees and the social context in which it operates, ensuring a positive impact on both internal well-being and the surrounding environment.
We must remember that 2024 was characterised by numerous regulatory

changes, particularly those concerning sustainability with the transposition of the CSRD Directive, followed by European and international regulations focusing on the elimination of lead: these circumstances led the market's attention first to new alloys, with direct effects on processability and later on product recycling.
The market risks for metallurgical companies are multiple and interconnected; geopolitical uncertainty, growing demand for raw materials, restrictive monetary policies and regulatory challenges are just some of the elements that make the economic environment in which Almag has operated difficult and it is precisely these that have driven the decision to implement concrete sustainability policies as a lever of competitiveness.
Trusting in the transparency of the reported contents, I wish you an enjoyable read.

Francesco Musig
General Manager

VISION

Quality

Reliability

Innovation

MISSION

Exceed customer expectations with increasingly innovative solutions.

Deliver efficient lean production.

Turn projects into real business.


ALMAG

-11.4% GHG emissions compared to the base year (2022)

Over 93% raw material from recovery

94% of waste destined for recovery

6,945 training hours provided during the year

263 employees in 2024, 98.5% of whom are permanent employees

Over 50% of raw material suppliers is located in Italy

Economic value generated of more than € 350 million

HOLDING HUG

ALMAG S.P.A. IS SUBJECT TO MANAGEMENT AND COORDINATION ACTIVITIES BY HOLDING UMBERTO GNUTTI (HUG S.P.A.), OPERATING IN ITALY AND BASED IN RONCADELLE (BS).

The history of Holding Umberto Gnutti (HUG S.p.A.) began in 1860 in the industrial district of Lumezzane, in the north part of the province of Brescia, where the Gnutti family started their business activity with the production and hot pressing of copper and aluminium alloys. From this initial business, operations were expanded through various shareholdings and acquisitions over the years, leading to the establishment of HUG S.p.A. in 2011. Currently, the Holding consists of three legal entities: Almag S.p.A., Brawo S.p.A. and Vetramet, all united by the same core business.

HUG HOLDING UMBERTO GNUTTI SPA

ALMAG S.P.A.

FOUNDED IN 1946, ALMAG S.P.A. IS A JOINT-STOCK COMPANY AMONG THE FIRST IN EUROPE IN THE DESIGN AND PRODUCTION OF SEMI-FINISHED PRODUCTS IN NON-FERROUS ALLOYS, ESTABLISHING ITSELF AS ONE OF THE MAIN ITALIAN PLAYERS IN THE METALLURGICAL SECTOR. THE CORE BUSINESS OF ALMAG IS THE PRODUCTION OF SOLID AND HOLLOW BRASS RODS FOR MACHINING AND FORGING, WHICH ARE SUBSEQUENTLY PROCESSED BY THIRD-PARTY COMPANIES TO CREATE COMPONENTS FOR THE HYDRAULIC, CONSTRUCTION, AUTOMOTIVE AND ELECTROMECHANICAL SECTORS.

The headquarter is located in Roncadelle (BS), at Via Vittorio Emanuele II no. 39: here is a plant specialized in the production of extruded billets as well as the central offices. There are also two other production divisions in Lumezzane (BS), at Via Brescia no. 19 and Via Padre Bolognini no. 46-50, which handle the processing of hollow bars.

The Company is aware of the crucial role that quality plays as a factor of competitiveness, profitability, and reputation in today's market; for this reason, it is constantly committed to offering each customer a product tailored to their specific needs.

Almag pursues these goals thanks to a team of experts who are constantly upgrading and innovating their machinery. In addition, it has invested over time to obtain and maintain certifications such as ISO 9001:2015 (Quality Management), ISO 14001:2015 (Environmental Management), ISO 45001:2023 (Occupational Health and Safety), ISO 50001:2018 (Energy Management) and ISO 14064-1:2018 (Greenhouse Gas Emissions Inventory Management and Calculation). These are complemented by the adoption of a Code of Ethics and the annual publication of the Sustainability Report, confirming the company's commitment to transparency, responsibility and reliability.

OUR HISTORY

1860

THE GNUTTI FAMILY BEGINS THE PRODUCTION AND HOT STAMPING OF COPPER AND ALUMINIUM ALLOYS.

1946

ALMAG S.P.A. IS FOUNDED IN LUMEZZANE (BS).

1954

ALMAG S.P.A. STARTS PRODUCING NON-FERROUS ALLOYS FOR HOT STAMPING.

1966

ALMAG S.P.A. BEGINS METALLURGICAL ACTIVITIES FOCUSED ON THE PRODUCTION OF BARS AND PROFILES.

1994

PRODUCTION IS TRANSFERRED TO THE NEW OPERATIONAL SITE IN RONCADELLE (BS).

1996

ALMAG S.P.A., RONCADELLE SITE, OBTAINS QUALITY MANAGEMENT SYSTEM CERTIFICATION IN ACCORDANCE WITH ISO 9001:2015.

1997

ALMAG S.P.A., LUMEZZANE SITE, OBTAINS QUALITY MANAGEMENT SYSTEM CERTIFICATION IN ACCORDANCE WITH ISO 9001:2015.

2003

A NEW FOUNDRY DEPARTMENT IS LAUNCHED TO REPLACE THE PLANT IN LUMEZZANE (BS).

2005

RAMET CONSORTIUM MEMBERSHIP.

2011

ESTABLISHMENT OF HOLDING UMBERTO GNUTTI (HUG S.P.A.).

ADOPTION OF THE CODE OF ETHICS AND CONDUCT.

ADOPTION OF THE ORGANISATIONAL AND MANAGEMENT MODEL (MOG 231).

2012

ALMAG S.P.A., RONCADELLE SITE, OBTAINS OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM CERTIFICATION IN ACCORDANCE WITH ISO 45001:2018.

HUG

2015

ALMAG S.P.A., RONCADELLE SITE, OBTAINS ENVIRONMENTAL MANAGEMENT SYSTEM CERTIFICATION IN ACCORDANCE WITH ISO 14001:2015.

2016

ALMAG S.P.A., LUMEZZANE SITE, OBTAINS OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM CERTIFICATION IN ACCORDANCE WITH ISO 45001:2018.

JOINS THE WORKPLACE HEALTH PROMOTION (WHP) NETWORK – LOMBARDY.

2018

ALMAG S.P.A. ACQUIRES BERNA ERNESTO S.P.A. AT ITS TWO PRODUCTION SITES IN LUMEZZANE.

2021

ALMAG S.P.A. OBTAINS ENERGY MANAGEMENT SYSTEM CERTIFICATION IN ACCORDANCE WITH ISO 50001:2018.

2022

MERGER BY INCORPORATION OF BERNA ERNESTO S.P.A.

ALMAG S.P.A. PUBLISHES ITS FIRST SUSTAINABILITY REPORT.

CALCULATION OF THE CORPORATE CARBON FOOTPRINT IN ACCORDANCE WITH UNI EN ISO 14064-1:2018.

OUR PRODUCT LINES

THE PRODUCTION PROCESS TAKES PLACE IN THE THREE PLANTS LOCATED IN RONCADELLE (BS) AND LUMEZZANE (BS).

1

OFFICES AND PLANT SERVICES

THE DECISION-MAKING BODY, THE GENERAL OFFICES AND THE PLANT SERVICES ARE LOCATED AT THE RONCADELLE PRODUCTION SITE THESE COORDINATE LUMEZZANE FACILITIES.

2

RAW MATERIAL STORAGE

THE PRODUCTION PROCESS BEGINS WITH THE RECEIPT OF THE MATERIAL THAT WILL BE PROCESSED IN SUBSEQUENT STAGES, CONSISTING MAINLY OF MACHINING SCRAPS, RECOVERED MATERIAL (TURNING CHIPS, STAMPING BURRS, ETC.), COPPER SCRAP AND, TO A LESSER EXTENT, VIRGIN RAW MATERIAL. ONCE ON SITE, THIS MATERIAL UNDERGOES QUALITATIVE TESTING IN THE LABORATORY AND IS STORED ACCORDING TO ITS CATEGORY. AFTER RECEIVING THE MATERIAL, THE CHIPS ARE MOVED TO THE DEPARTMENTS WHERE THEY UNDERGO A WASHING PROCESS IN A TURNING WASHING SYSTEM THAT SEPARATES THE AQUEOUS-OILY COMPONENT FROM THE CHIPS, IN ORDER TO ENSURE THE QUALITY OF THE METAL BATH AND PREVENT THE RELEASE OF POLLUTANTS INTO THE AIR DURING THE SUBSEQUENT MELTING PROCESS.

3

FOUNDRY

THE MATERIAL UNDERGOES LABORATORY ANALYSIS BEFORE BEING SENT TO THE THREE ELECTRIC FURNACES, FOLLOWING THE PHASE DIAGRAMS OF THE INDIVIDUAL ALLOYS PRODUCED. AT THIS STAGE, THE MATERIAL IS POURED FROM THE MELTING FURNACES INTO HOLDING FURNACES, WHICH IN TURN FEED THE CONTINUOUS CASTING FURNACES. THE METAL THEN UNDERGOES PRIMARY COOLING IN MOULDS AND SUBSEQUENTLY WITH SPRAYED WATER, SOLIDIFYING INTO BILLETS.

4

MATERIAL HANDLING

A DESCRIPTIVE CODE IS APPLIED TO THE FINISHED PRODUCT BEFORE IT IS STORED IN THE AUTOMATED WAREHOUSE, AWAITING SCHEDULING OF SHIPMENTS EITHER WITHIN ITALY, ABROAD, OR FOR TRANSFER TO THE LUMEZZANE PLANTS FOR FURTHER MECHANICAL PROCESSING.

The company boasts some of the most automated production facilities in the sector: each billet is identified with a unique code and managed through advanced robotic solutions and radio-controlled automated trolleys operated by specialised personnel, thus ensuring an efficient process perfectly tailored to customer requirements.

5

BILLET CUTTING

THE BILLETS ARE RETRIEVED FROM THE WAREHOUSE USING AN AUTOMATIC MANIPULATOR AND CUT TO SIZE BY A CUTTING MACHINE.

6

EXTRUSION

THE BILLETS, CUT TO THE STANDARD LENGTH OF 2 METRES AND STORED IN THE AUTOMATED WAREHOUSE, ARE RETRIEVED FOR THE NEXT DEPARTMENT ACCORDING TO THE PRODUCTION SCHEDULE AND PLACED IN METHANE-FIRED OVENS TO BE HEATED TO A TEMPERATURE OF 750–800 °C. THE BILLETS ARE THEN EXTRUDED TO PRODUCE HOLLOW RODS WITH VARIOUS EXTERNAL PROFILES AND BORE SECTIONS. THIS PROCESS ALSO TAKES PLACE AT THE LUMEZZANE PLANT.

7

PICKLING

AFTER EXTRUSION, THE HOLLOW RODS STORED IN THE EXTRUDED WAREHOUSE ARE TREATED CHEMICALLY IN SULPHURIC ACID WITH SUBSEQUENT RINSING IN COLD AND HOT WATER TANKS. THIS PROCESS IS AIMED AT REMOVING THE SURFACE OXIDE LAYER AND ELIMINATING IMPURITIES.

8

DRAWING

COILS AND RODS ARE COLD-DRAWN TO OBTAIN THE REQUIRED CHARACTERISTICS IN TERMS OF BOTH SIZE, LENGTH AND FINISH OF DESIRED ENDS AND SUBSEQUENTLY COLLECTED INTO BUNDLES. THIS PROCESS ALSO TAKES PLACE IN THE LUMEZZANE PLANT.

ALMAG PRODUCTS

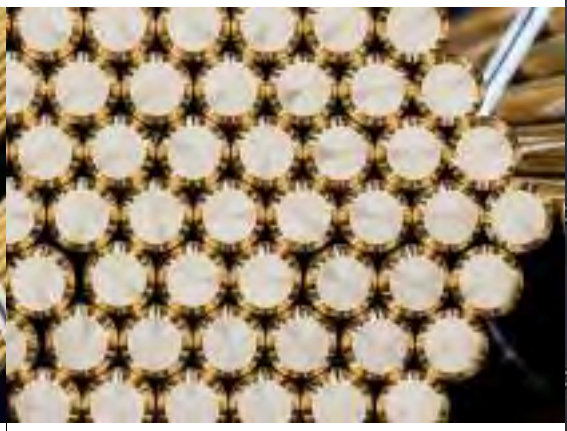
Almag product range consists of three main categories:

SOLID BRASS RODS FOR TURNING

Suitable for machining processes, with high standards of straightness and surface quality. Furthermore, thanks to the highly optimised chemical composition, tool wear is reduced, and setup times are shortened when switching between production batches.

BRASS RODS FOR HOT FORGING

This type of bar is designed for hot plastic deformation and offers characteristics that maximise the properties of the forged component in terms of durability, elastic performance, and functionality. Additionally, they ensure high performance across a wide range of applications, both during the forging phase and in subsequent machining.



HOLLOW BRASS RODS FOR TURNING

Available as standard or custom-made semi-finished products, in various thicknesses and shapes, both external (knurled, toothed, square) and internal (dimples, star-shaped holes, hexagonal).


TMATER

ALMAG VALUES

"When you have such a long history be

ALMAG'S HISTORY IS THE COMPANY'S STRENGTH AND WENT THROUGH, FROM THE FIRST TO THE LAST ROD OF BRASS, BY THE VALUES OF HONESTY, RESPECT, RELIABILITY, AND CONTINUOUS INNOVATION. FROM THE VERY BEGINNING, THE COMPANY HAS BEEN FULLY AWARE OF ITS GOALS, AND ABOVE ALL, OF ITS DETERMINATION TO ACHIEVE THEM. IT OFFERS TAILOR-MADE SOLUTIONS IN THE BRASS SECTOR AND IS COMMITTED TO CONTINUING TO DO SO IN AN INCREASINGLY SUSTAINABLE WAY.

HONESTY

It is the compass that guides Almag S.p.A.'s daily actions — both externally and internally. The company builds loyalty through legality and transparency; it demonstrates honesty through the accuracy and reliability of its communications and financial data, in the selection of suppliers and in people management.

RESPECT

Almag S.p.A. aims to grow according to the principles of sustainable development — respecting People, the Community, and the Environment. Its actions are guided daily by respect, ensuring that everyone it engages with, both inside and outside the company, is inspired and led by this same principle.

ehind you, betraying it is unacceptable.”

RELIABILITY

For Almag S.p.A., this value is embodied in its long-standing presence in the region and its financial solidity. Almag S.p.A. is a strong partner alongside its stakeholders, capable of ensuring continuity and delivering results. Reliability provides the confidence to reinvest resources — both in people and in the automation of its facilities. This makes Almag S.p.A. a company on which to build your future.

CONTINUOUS IMPROVEMENT

Aware that strong performance cannot exist without mistakes, Almag S.p.A. recognizes that its greatest achievements and quality improvements have come from identifying errors and understanding their root causes. At Almag, “quality” is expressed through three key pillars that define its working methods: flexibility in service, precision in method, and innovation, research and continuous improvement.

OVER THE YEARS, ALMAG S.P.A. HAS PROMOTED AND PURSUED STEADY GROWTH, TRANSLATING THE VALUES THAT HAVE ALWAYS INSPIRED IT INTO CONCRETE ACTIONS — VALUES THAT HAVE ENABLED THE COMPANY TO ESTABLISH ITSELF ON THE INTERNATIONAL MARKET.

Central to the company are product quality and its specialisation in creating tailor-made solutions for the customer. The qualities that have always guided Almag S.p.A.'s operations — and have enabled its growth and ongoing development, without ever compromising on quality and specialisation — are:

Flexibility in service, driven by research and the development of new solutions adaptable to market demands and the ability to respond promptly and accurately to customer needs. Thanks to the sizing of its finished product stock, Almag is able to respond quickly to customer requests while maintaining a broad and flexible offering.

Precision in method, ensured through careful attention to surface quality and dimensional tolerances of bars and semi-finished products, maximising efficiency and minimising errors and imperfections. This is achieved through the use of automated plants, cutting-edge casting, extrusion, and drawing processes, complemented by direct supervision from trained and specialized operators.

Innovation, research, and continuous improvement enable Almag to keep pace in a constantly evolving market, thanks to ongoing study, the continuous search for improved solutions, and ongoing training.

SUSTAINABILITY STRATEGY

ALMAG S.P.A. RECOGNIZES SUSTAINABILITY AS A KEY FACTOR IN OPTIMIZING ITS IMPACT AND SEIZING NEW MARKET OPPORTUNITIES, WITH A FORWARD-LOOKING APPROACH AIMED AT TRANSFORMING PROGRESS INTO GROWTH AND GENERATING VALUE NOT ONLY ECONOMICALLY, BUT ALSO ENVIRONMENTALLY AND SOCIALLY.

For this reason, sustainability has become a pillar of the company's strategy, integrating research and innovation, adopting advanced technologies and processes focused on conserving resources and reducing environmental and social impact.

In this context, since 2022 Almag S.p.A. has published a Sustainability Report, communicating its commitment and strengthening dialogue with stakeholders through transparent sharing of objectives and results. This process has enabled an in-depth internal analysis, consolidating the monitoring and improvement of ESG performance.

The company is actively engaged in combating climate and air pollution by adopting concrete measures to reduce the impact of its production activities. Since 2023, it has been conducting a Corporate Carbon Footprint in accordance with the UNI EN ISO 14064-1:2018 standard, certified by an independent third party. This process allows the measurement of total greenhouse gas emissions generated by its operations across all three plants, enabling the creation of a decarbonization plan.

Almag integrates the 17 Sustainable Development Goals (SDGs) of the United Nations 2030 Agenda into its sustainability strategy. Adopted in 2015 by the governments of 193 UN member countries, the agenda sets out a global strategy for sustainable development. Achieving these goals requires the active collaboration of institutions, organisations, businesses, and civil society.
To contribute to the SDGs, the company is continuously committed to designing and implementing improvement actions.

2025 ENVIRONMENTAL OBJECTIVES:

Monitoring of the Corporate Carbon Footprint

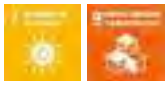
Increasing the share of renewable energy through self-production with photovoltaic systems

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

Heat recovery from new compressors

Research project and elimination of compressed air leaks implemented in 2024

Replacement of fan impellers in the smoke extraction filters



2025 SOCIAL OBJECTIVES:

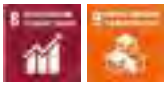
BBS Lean project on wire drawing machines

Employee initiatives planned for 2025:

"Primino" celebration

Mountain excursion

Company newsletter HUG NEWS



Renewal of participation in the Workplace Health Promotion (WHP) programme

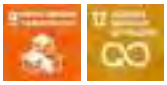
Develop a training plan for different company categories on sustainability topics

Conduct a welfare survey to understand employees' needs

2025 GOVERNANCE OBJECTIVES:

Introduce ESG criteria during the selection and qualification of direct suppliers

Drafting of a Sustainability Policy



Formalization of roles and responsibilities in risk management

For the analysis of its material impacts and topics, Almag, despite having decided to draw up the Sustainability Report voluntarily, adopted the methodology regulated by the new European sustainability reporting directive (CSRD – Corporate Sustainability Reporting Directive)[1] and by the new ESRS[2], that will become the main guidelines for sustainability reporting and disclosures (starting from FY2024 for the first companies subjected to the norm).

[1] CSRD Corporate Sustainability Reporting Directive (2022/2464).
[2] ESRS European Sustainability Reporting Standard, included in the delegated act published by the European Commission on July 31st, 2023.

THE CONCEPT OF MATERIALITY AND THE ASSESSMENT OF IMPACTS

Before proceeding to describe each step of the analysis and their results for Almag, it is appropriate to define what the concept of materiality according to the ESRS consists of. Materiality analysis aims at identifying those **environmental, social and governance issues** that are considered relevant (material) for the company. The materiality of a certain topic can derive from:

IMPACTS GENERATED BY THE COMPANY on the world, employees and/or the community. These impacts can be **positive or negative** (with special attention paid to the latter, as also reiterated 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).

FINANCIAL RISKS OR OPPORTUNITIES related to ESG aspects, to which the company is exposed for various reasons, whether related to impacts generated by the company itself or exogenous factors (such as the market, regulations, natural and/or geopolitical events).

This dual perspective is called **double materiality**, as it encompasses the two dimensions:

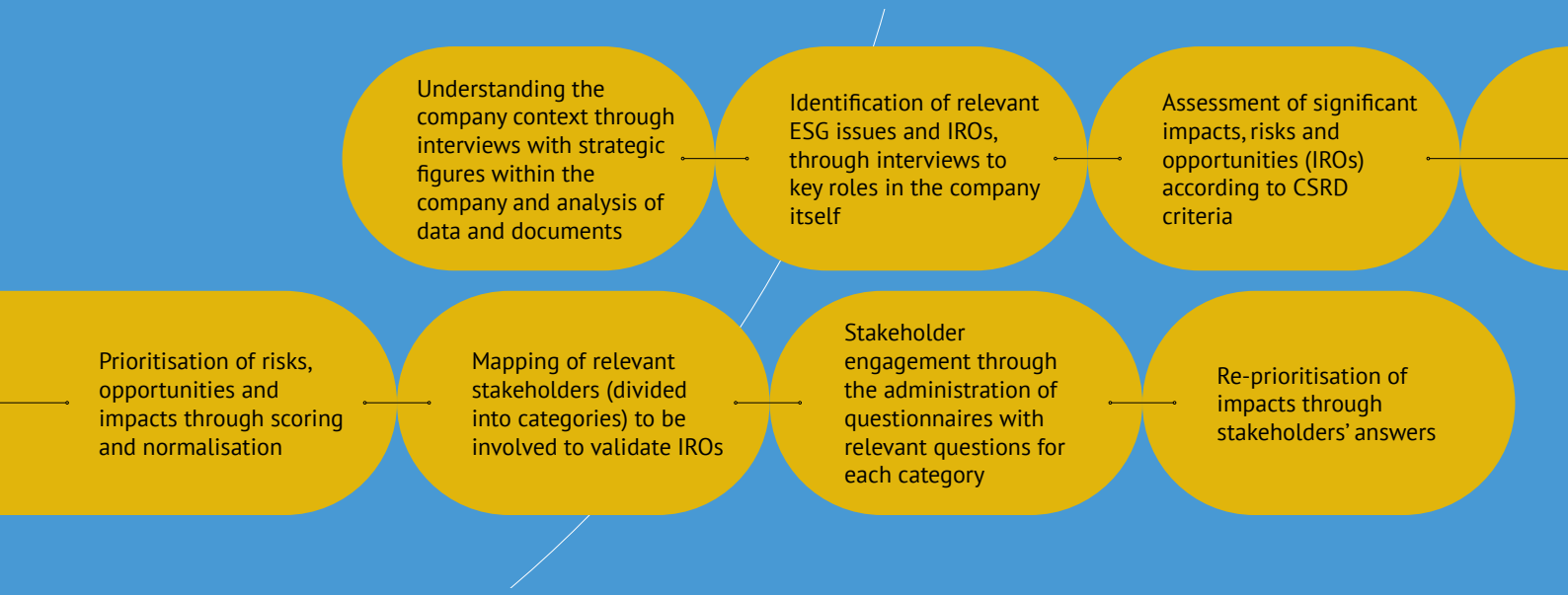
INSIDE-OUT (or **impact materiality**, which identifies the company's effects on the outside world)

OUTSIDE-IN (or **financial materiality**, which identifies risks and opportunities to which the company is exposed)

As stated by the CSRD and the ESRS, a given ESG issue can be considered material according to only one of these two perspectives or according to both.

THE STEPS OF THE ANALYSIS

The process that led to the identification of impacts and of the most strategic sustainability issues for Almag followed a path composed of several stages.



IDENTIFICATION OF IMPACTS, RISKS AND OPPORTUNITIES

The starting point for identifying Almag's impacts, risks and opportunities was a study of the **company's context and interdependencies**, carried out using various approaches. Firstly, data were collected alongside discussions with key figures within the company; once quantitative data relating to various environmental, social, economic and managerial aspects had been collected, several relevant documents - both internal and external to the company - were analyzed.

Each **IRO (Impact, Risk, Opportunity)** identified through this analysis was then attributed numerical values (scale 1-to-4) according to the criteria required by the CSRD[3]. **Actual impacts** were evaluated in their severity, which is the average of three different values regarding the impact itself: **scale** (relevance of the generated damage/benefit), scope (extension) and, only for negative impacts, **irremediable character** (whether is possible to remediate the effect and restore the previous situation).

The weight of **potential impacts** is assessed as a product of severity (calculated through the just mentioned values) and **likelihood** of the event.

While analysing generated impacts (actual and potential), the level of causality was also considered, i.e. the distinction between impacts **directly caused, contributed to causing** (if the company is not the sole contributor to the impact) or **related to the company** (i.e. linked to business relationships with the upstream or downstream value chain, but not related to the company's own activity).

Finally, **risks and opportunities** were assessed for their **potential magnitude** (how severe the damage/advantage may be for the company's activity) and their **likelihood** of occurring.

For potential impacts, risks and opportunities, a time horizon aligned with the reference standards was also identified, between short (within one year from the reporting period), medium (within five years) and long (beyond five years).

[3] The reporting standards, both in the official version and in the implementation guidance made available by Efrag (the body that drew up the standards) leave the company complete freedom as to how materiality is assessed. To make the assessment comparable and objective, it was decided to use a homogeneous scale that would give a data as objective as possible. According to the scale, a value of 4 indicates the maximum weight of each value listed below (e.g. very serious/beneficial, very extensive, very difficult to remedy, very likely) while a value of 1 indicates the minimum weight of that same value (e.g. not very serious/beneficial, not extensive, not difficult to remedy, not very likely).

CONCLUSION OF THE FIRST STEP OF THE ANALYSIS (pre-validation IROs)

In order to effectively compare the relevance of each impact, risk or opportunity for the company's business, the attributed numerical values were normalised in percentage form, providing a prioritisation of the various issues. Three bar charts were then generated, respectively for actual impacts (positive and negative), potential impacts (positive and negative) and risks and opportunities.

Subsequently, the second phase of analysis was undertaken, namely the validation of potential impacts, risks and opportunities by the various categories of internal and external stakeholders. Actual impacts, as they occurred and were therefore already verified, were not investigated with stakeholders.

STAKEHOLDER ENGAGEMENT

The reporting standards and their related implementation guidelines, issued in 2024, require the reporting company to engage with stakeholders—that isthose affected by the company's activities—as well as with "the potential users of the information gathered through sustainability reporting", such as existing and potential investors, banks, partners, governments and NGOs.

Stakeholder engagement brings multiple benefits to the IRO analysis performed, including the possibility for the company to understand how different categories of stakeholders perceive the IROs themselves and what priorities they see with reference to the company's activity and context.

The method selected to collect the opinions of the various stakeholders was the administration of **dedicated questionnaires,** aimed at identifying the strategic nature of the various topics with reference to the business reality and its value chain.

The company then proceeded to identify and select its stakeholders, ending with a total of four macro-categories, namely:

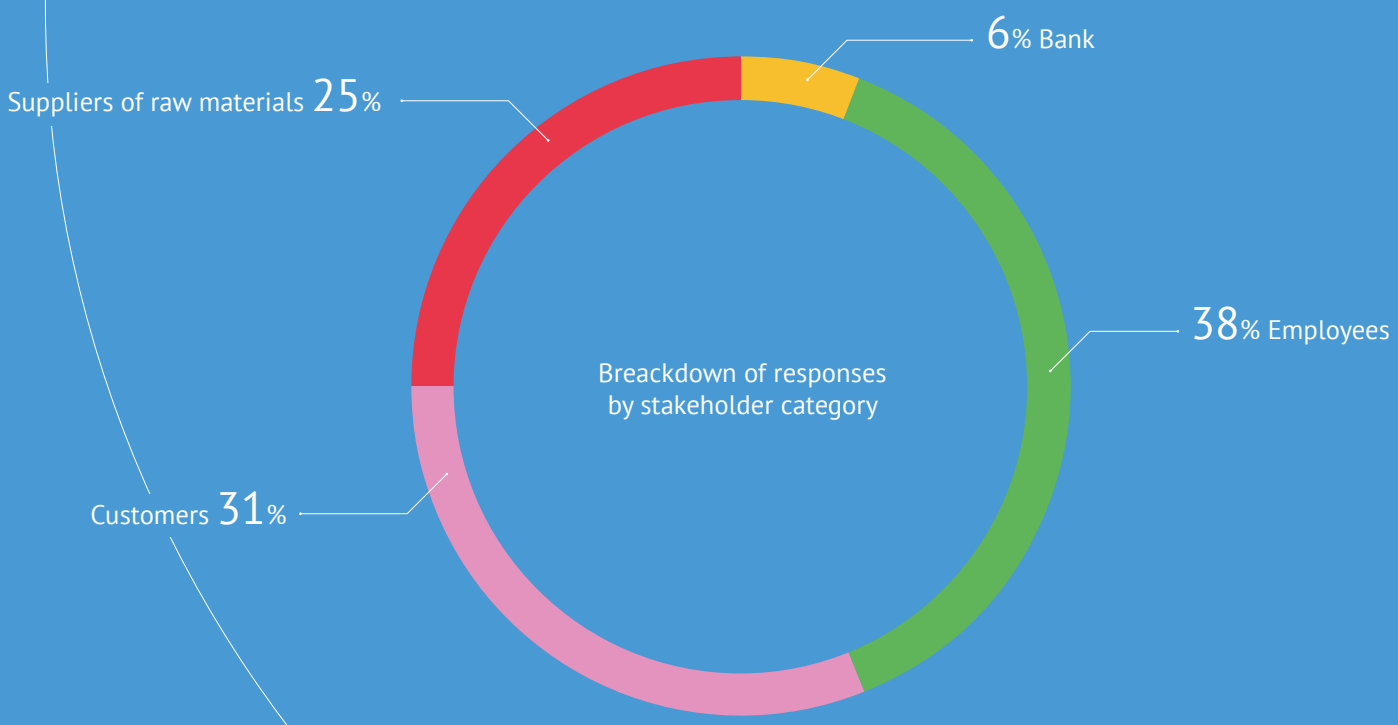
1. Managers of the various corporate functions (first and second lines)
2. Customers in Italy and abroad
3. Suppliers of raw materials
4. Investors and financial institutions

As also mentioned in the implementation guidance for the materiality analysis issued by EFRAG[4], it was deemed not significant and appropriate to ask all questions to each stakeholder involved, given the different degrees of each actor's interest and knowledge towards the different issues.

Therefore, each stakeholder was sent a survey with questions related to the interests and expertise of its specific category, to ensure answers were as relevant and informed as possible and to focus on the specific interests of each respondent.

In the questionnaire, stakeholders were asked to attribute different levels of relevance to each issue investigated, using a scale of 1 to 4. To gather as much input as possible, space was also left for additional ideas and comments.

In total, 50% of stakeholders participated in the survey and 3 left a final comment, 2 of whom were from internal stakeholders (first and second lines) and one from external stakeholders (suppliers).



[4] EFRAG IG 1 – Materiality assessment implementation guidance. Par. 2.1
https://www.efrag.org/sites/default/files/sites/webpublishing/SiteAssets/IG%201%20Materiality%20Assessment_final.pdf

CONCLUSION OF THE SECOND STEP OF THE ANALYSIS (post-validation IROs)

The results of the questionnaires were used to reprioritise the potential impacts, risks and opportunities previously identified. In addition, stakeholders were asked to prioritise the topics identified as material by the company, in this case therefore also including the actual impacts, in order to assess the perspectives of each stakeholder category involved.

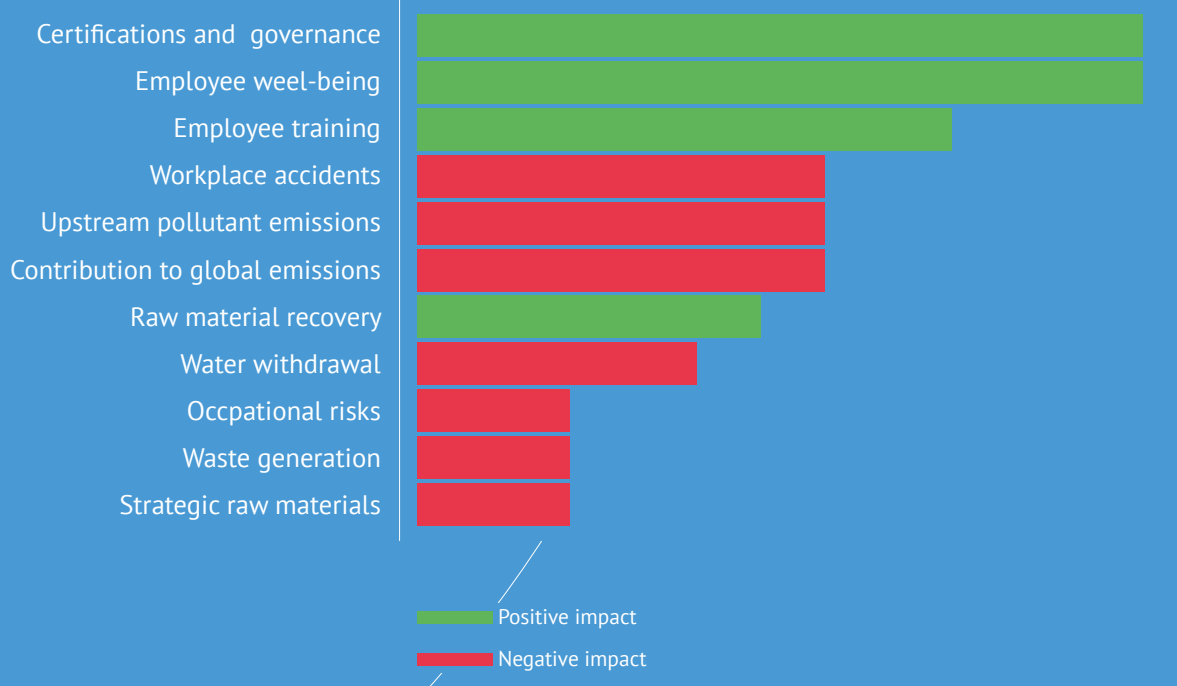
This tool allowed to assess the priorities of the various stakeholder categories and to reason about the extent of the deviation between the stakeholder perspective and the analysis carried out with internal key figures.

Below are reported the final results obtained following the stakeholder validation phase. Negative impacts or risks are indicated in red, while positive impacts or opportunities are in green.

The bar charts show the prioritisation of the various types of IROs: actual impacts (as assessed internally), potential impacts, and risks and opportunities (in their post-validation version).

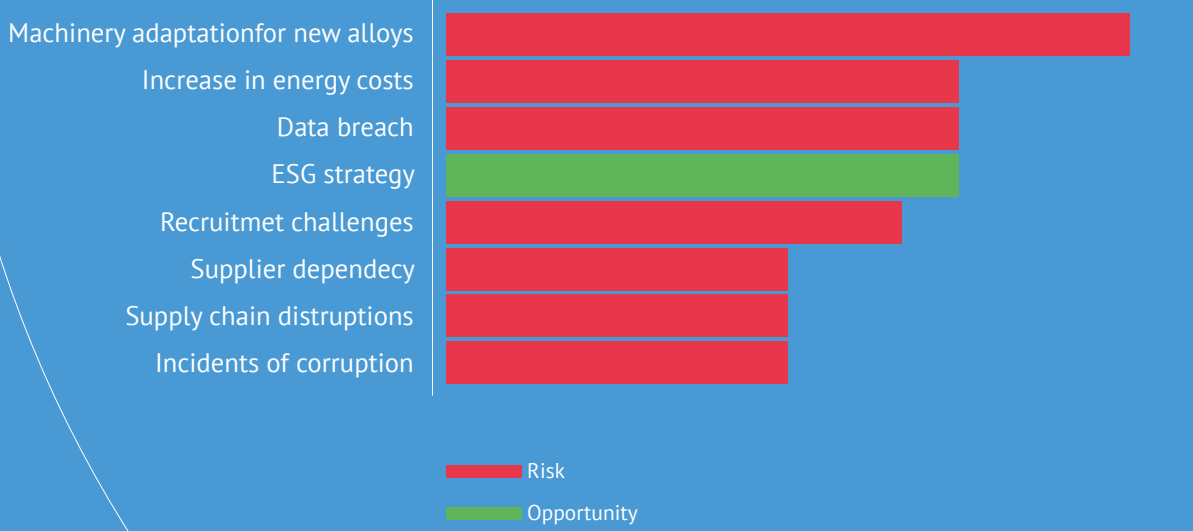
For details of each IRO, including the various strategies implemented by the company to mitigate its negative effects or enhance its benefits, please refer to the following chapters on related environmental, social and governance issues. A summary in tabular form of the numerical values attributed can be found in the appendix.

ACTUAL IMPACTS



POTENTIAL IMPACTS

RISKS AND OPPORTUNITIES



MATERIAL TOPICS OF ALMAG

Thus, this analysis allowed Almag to identify its material ESG topics, that represent the contents on which this Sustainability Report is focused[5]. Listed below are the different topics and sub-topics, divided in Environmental, Social and Governance areas, that will then be disclosed in the related chapters.

Environment

- CLIMATE CHANGE
- POLLUTION
- WATER AND MARINE RESOURCES
- RESOURCE USE AND CIRCULAR ECONOMY

Social

- OWN WORKFORCE
- WORKERS IN THE VALUE CHAIN
- AFFECTED COMMUNITIES

Governance

- BUSINESS CONDUCT

[5] EFRAG IG 1 – Materiality assessment implementation guidance. Par. 2.1
https://www.efrag.org/sites/default/files/sites/webpublishing/SiteAssets/IG%201%20Materiality%20Assessment_final.pdf

With reference to environmental sustainability performance, **energy** and **emissions** are the predominant component for Almag, as for most companies in the sector. In fact, the company's production processes require a high consumption of electricity and natural gas, with a significant impact on total energy consumption.

Production operations also affect other relevant environmental aspects, including the **emission of pollutants** into the atmosphere, regulated by specific environmental authorisations and the **consumption of water**, taken from wells and aqueducts for both civil and industrial use.

To the above, in terms of environmental impacts, must be added the necessary use of **virgin raw materials,** such as copper, aluminium and zinc. Their use for production purposes, in fact, generates impacts, especially in the upstream value chain, related to their extraction, processing and transport.

In response to these challenges, Almag has implemented several mitigation strategies, including:

- **Annual calculation and certification** of the Corporate Carbon Footprint in accordance with UNI EN ISO 14064-1:2018 (from 2023);
- **Integrated Quality, Health and Safety, Environment and Energy Management System (QEHSEn);**
- **ISO 14001 Certification** for the management of environmental aspects (from 2015);
- **ISO 50001 Certification** for the management of energy aspects (from 2021);
- Periodic **Energy Diagnosis** and **implementation** of part of the **efficiency measures** suggested in the Diagnoses;
- **622.72 kWp photovoltaic system** to cover the automated warehouse in Roncadelle (from 2021);
- **Reverse osmosis system in pickling tanks** and foundry for **water recovery and recycling,** separating waste substances without altering their chemical composition;
- **Finished products** composed of **more than 93% recovered material** from internal and customer processing residues;
- **Development of Copper-Zinc alloys with alternative elements to Lead** to ensure workability and quality, reducing toxic risks to human health;
- **Approximately 94%** of the **waste** produced is destined for **recovery.**

Almag, in line with its sustainability strategy and its Code of Ethics, has always shown a strong interest in **environmental protection**. In this regard, the objectives that the company has set for 2025 are listed below.

OUR GOALS FOR ENVIRONMENTAL PROTECTION:

SDGs	Topic	Future Actions
	**Energy and energy efficiency**	• Increasing the share of renewable energy through self-generation with photovoltaics (Roncadelle) • Research and elimination of compressed air leaks (Roncadelle and Lumezzane) • Compressor room revamping and heat recovery (Roncadelle)
	**Emissions into the atmosphere**	• Annual updating of the Corporate Carbon Footprint study • Gradual replacement of part of the company fleet with hybrid or electric vehicles • Replacement of some coils handling trolleys with self-driving trolleys (Roncadelle)
	**Waste management and circular economy**	• Development of copper-zinc alloys with the addition of alternative elements to lead to allow adequate machinability • Evaluate the possibility of increasing the percentage of recovered Copper in the composition of brass alloys

ENERGY

A key environmental aspect of Almag's business is the **energy consumption,** both in relation to the energy vectors used in production processes and the fuels used by the company's fleet. The company produces brass rods of different shapes and thicknesses, for turning and stamping. The macro-phases of the production process, to which the respective departments in the **Roncadelle plant** correspond, are:

1. **Casting**: incoming material is mostly composed of scrap from Almag's and customers' production processes, recovered material (chips from turning, moulding burrs, etc.) and copper scrap. Turning chips, in particular, are washed through an innovative system before being melted down, which separates the emulsion from the turning itself. Subsequently, the washed chips are analysed in the laboratory and sent to the four electric melting furnaces. In the second phase, casting from the melting furnaces to the holding furnaces takes place, which in turn load the casting furnaces, from which the billet emerges. In the last phase, the billet undergoes cooling processes: in the primary process it passes through copper ingot moulds lined internally with graphite and in the secondary process it is finally cooled by sprays of water directly striking its surface.
2. **Extrusion**: the billets, cut to conventional sizes, are sent to the extrusion department, where they are heated and extruded, either in the form of rods or coils.
3. **Drawing**: Rods and coils are drawn to the desired size, length and end finish. If required, pickling is carried out prior to drawing: the rods and coils undergo chemical treatment to remove the surface oxide layer and to remove impurities from previous processes.

At **Roncadelle** plant, where brass rods are produced by casting, extruding and drawing, Almag relies mainly on two energy vectors: **electricity** (86.3% of energy needs) and **natural gas** (13.2% of energy needs), while a residual share (0.5%) comes from the **fuels** used for the company's fleet, which is powered mainly by **diesel.**

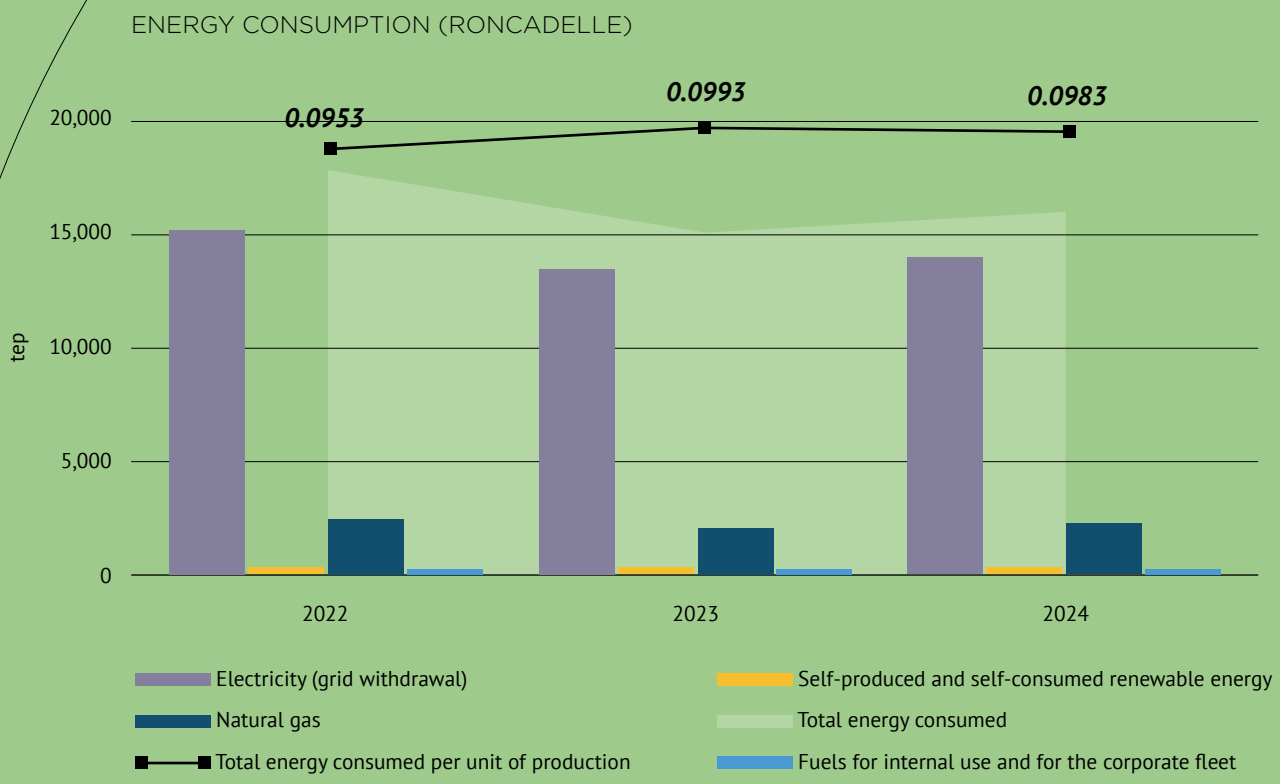
The **foundry's induction furnaces** constitute the main centre of electricity consumption, followed by the **material extrusion presses**. A portion of electricity, amounting to 547,755 kWh in 2024, is self-generated and consumed by the **photovoltaic system that supplies 100% of the energy needs of the fully automated finished product warehouse**, which guarantees prompt delivery to the customer.

As far as natural gas is concerned, the billet reheating furnaces are the largest consumer (about 48% of total natural gas consumption), followed by the washing plant of the incoming material to separate the emulsion from the turning (about 20%).

With reference to total consumption, expressed in toe[1], the graph below shows a slight increase in 2024 compared to 2023 (+4.9%), due to an increase in production volumes at the foundry (+5.9%), which made it possible to limit both the impact of consumption for maintaining furnaces and the fixed consumption of auxiliary equipment on production.

Compared to 2023, there was an increase in electricity withdrawal (+4.4%) and natural gas consumption (+8%), against an increase in fuel consumption (+4.6%) and the share of renewable energy from photovoltaics (-1.1%). **Specific consumption**, calculated as the ratio between total consumption (in toe) and tonnes of brass bars (billets) produced in the foundry, remained in line with specific consumption in 2023 (-1.0%), showing an increase in energy consumption proportional to the increase in volumes produced.

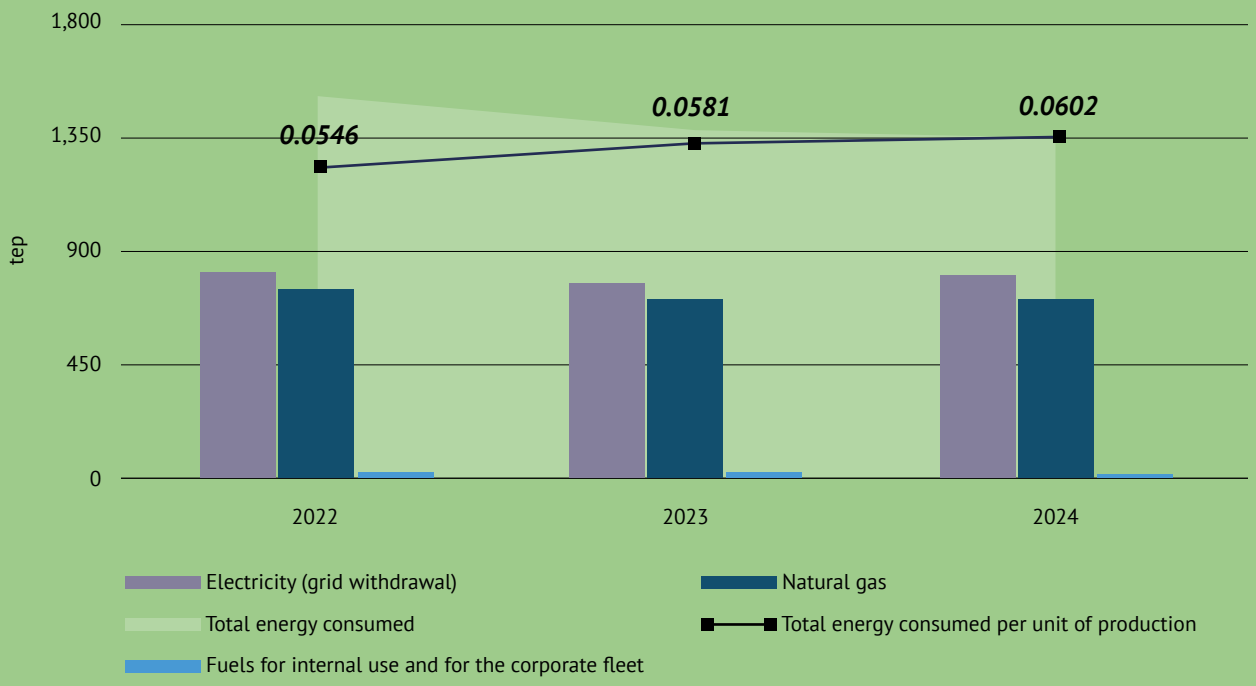
[1] The toe (Tonnes of Oil Equivalent) is a unit of measurement of energy that allows one to compare (by means of appropriate conversion factors) different energy carriers. It represents the amount of energy released by the combustion of one tonne of crude oil.



At **Lumezzane** production sites are carried out exclusively extrusion and drawing processes. The main energy vectors are **electricity** (53.7%) and **natural gas** (46.1%), while a residual share (0.2%) comes from the **fuels** used for the company fleet, which is powered almost entirely by **diesel**. **Billet extrusion presses pumps** absorb most of the electricity consumption, followed by **drawing lines** and **compressed air production**. As far as natural gas is concerned, **billet reheating furnaces** are the largest consumers, followed by pickling plants.

With reference to total consumption, expressed in toe, the following graph shows a substantial alignment between 2023 and 2024, despite the decrease in production volumes (-2.77%). The lower efficiency can be attributed to the change in the production mix (increased volumes of low-lead alloys), which requires more energy in the billet heating and extrusion phases and to the installation of compressed air blowers on the dies to eliminate oil residues on the products. Compared to 2023, there was a slight increase in electricity consumption (+1.3%), while natural gas consumption remained virtually unchanged. **Specific consumption**, calculated as the ratio of total consumption (in toe) to extrusion production, showed a slight deterioration in 2024 compared to 2023 (+3.6%).

ENERGY CONSUMPTION (LUMEZZANE)



For several years now, Almag has paid special 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 market prices[2].

During 2024, the company continued its commitment to energy efficiency through a series of **targeted and technically advanced actions**, in line with the requirements of the **ISO 50001 standard**. Among the most significant actions, the **verification of compressed air leaks has been completed and leak repair work is underway**, a fundamental activity to optimise the energy consumption of production facilities, the effectiveness of which has been confirmed by positive results.

At the same time, work was completed to improve the **consumption efficiency of the soundproofed cabins dedicated to drawing**, with equally favourable results in terms of energy savings.

A further step forward was taken with the installation of the new heat treatment furnace, with the **optimisation of the washing system for turning** and with the **optimisation of the combustion system of the billet reheating furnaces**, where the final checks on the effectiveness of the measures taken are underway. **The extension of ISO 50001 certification to Lumezzane's production sites** was also successfully completed in 2024, bearing witness to a systematic and integrated approach to energy management, which focuses on advanced technological solutions and constant monitoring of the results obtained.

[1] § Risk: Increased energy costs.

CLIMATE CHANGE MITIGATION AND ADAPTATION

Energy consumption is closely linked to **greenhouse gases (GHG)**[1] production, as each energy source generates a specific amount of CO_2 equivalent, thus contributing to global GHG emissions[2].

In this context, all initiatives aimed at improving energy efficiency are also strategies to reduce the corporate carbon footprint. In this respect, **measuring** one's **carbon footprint** is a fundamental and preliminary step in managing one's GHG emissions. This process of quantifying and reporting emissions is essential for **understanding the organisation's environmental impact and structuring a strategic plan of actions to reduce emissions** in the short, medium and long term, with a view to continuously improving its impact on the environment.

Since 2023, Almag has been carrying out the analysis and calculation of the Corporate **Carbon Footprint**, in accordance with the requirements of the international standard UNI EN ISO 14064-1:2018, referring to three main categories:

- **Scope 1**, which includes direct emissions from sources owned or controlled by the company, such as fuel combustion 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, consumer use, waste transport and treatment, etc.).

The **Carbon Footprint calculation**, which is updated and monitored annually, is **verified and validated by an accredited third party**, in accordance with ISO 14064-3, 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 **emissions performance**.

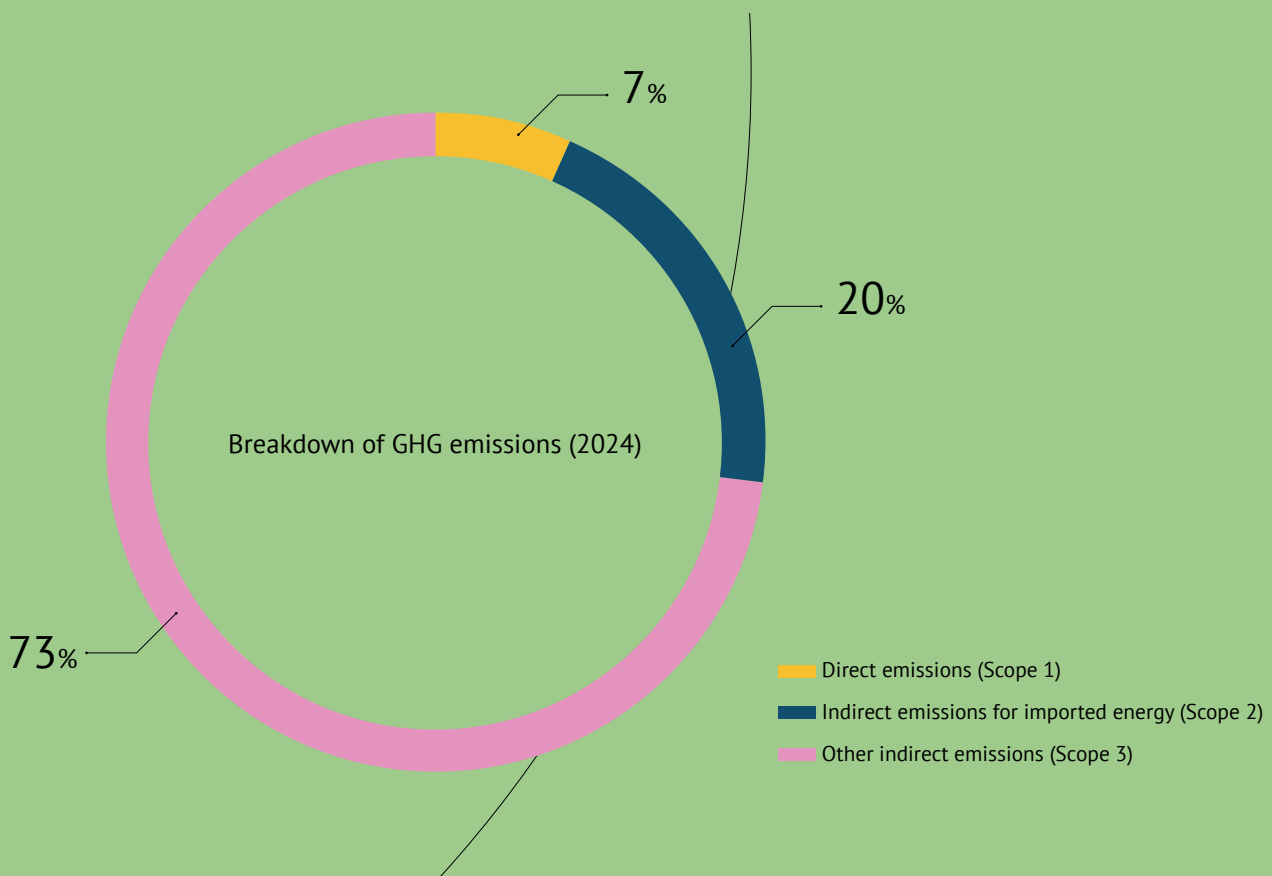
Almag S.p.A.'s total emissions for the year 2024 amount to **100,327 tCO_2eq**[3]. Of these, **6,930 tCO_2eq**. (about 7% of the total) are **direct emissions (Scope 1)** deriving from **natural gas** and diesel fuel used for the production process and

[1] Greenhouse gases are substances in the atmosphere that trap heat and contribute to global warming. The main GHGs include carbon dioxide (CO_2), methane (CH_4) and nitrous oxide (N_2O).
[2] § Actual negative impact: Contribution to global emissions.
[3] Tonnes of CO_2 equivalent (tCO_2e) is a unit of measurement used to express the global warming impact of various greenhouse gases, such as methane (CH_4) and nitrous oxide (N_2O), in terms of the amount of carbon dioxide (CO_2) 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 summed up using their Global Warming Potential (GWP), which represents the global warming potential of each gas relative to CO_2 over a specific time frame (usually 100 years).

office heating, and from the fuel consumption of the **corporate fleet**, which is currently being assessed for progressive replacement with hybrid or electric vehicles and installation of dedicated recharging infrastructures in company car parks, in support of more sustainable mobility.

Scope 1 also includes emissions associated with **refrigerant gas leaks**, amounting to approximately 60 $tCO_2eq.$, mainly from air-conditioning and refrigeration systems located within plants.

Electricity withdrawal from the grid (Scope 2), mainly used to power the induction furnaces for metal smelting, generated **20,314 $tCO_2eq.$**[1], equal to about 20% of the total. The largest share of Almag's emissions (73%) can be attributed to **Scope 3**: in particular, **20,219 $tCO_2eq.$** 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, travel and employees' home-work journeys. The remaining **52,864 $tCO_2eq.$** are attributable to the **materials** used and processed by Almag for the production of brass rods.

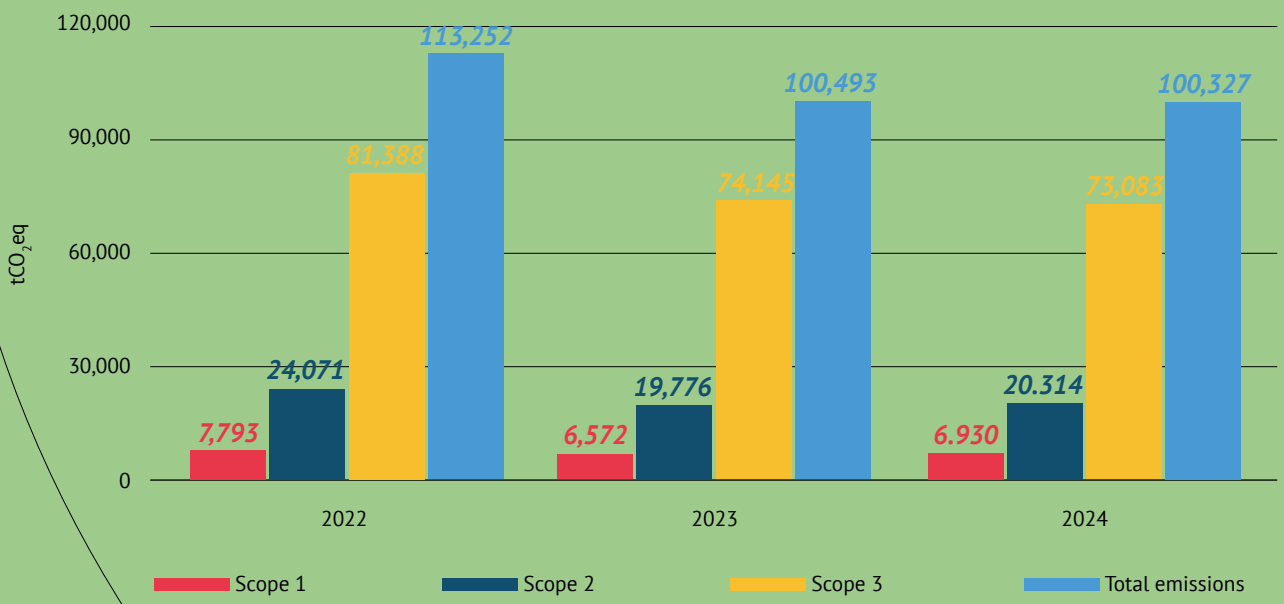


[1] Calculation based on a location-based scenario: the emission factor used for the analysis takes into account the national energy mix.

Despite the increase in energy consumption (from 16,622 to 17,373 toe) between 2023 and 2024, **overall emissions remained stable** at around **100,000 tonnes of CO2 equivalent, dropping by 11.4% compared to 2022**.

Compared to 2023, **direct emissions (Scope 1)** increased by about 5%, due to higher methane gas consumption. **Indirect emissions from Scope 2** also **increased by 2.7%** compared to 2023, due to the higher energy withdrawal from the grid required to meet production volumes. On the other hand, **indirect emissions from Scope 3**, which represent Almag's predominant emission category, **fell** from 74,145 to 73,083 tCO_2eq. (-1,4%).

GHG EMISSIONS TREND



The tables below show specific production-related emissions for 2024, calculated by relating total emissions to the quantities of product exiting each of the three main processing stages: casting, extrusion and drawing; each stage has processing waste, so the associated index (tCO_2eq./tonnes of billets produced) increases along the production flow.

Foundry	Value	UdM
Emission index	**0.616**	**tCO_2eq/ton**

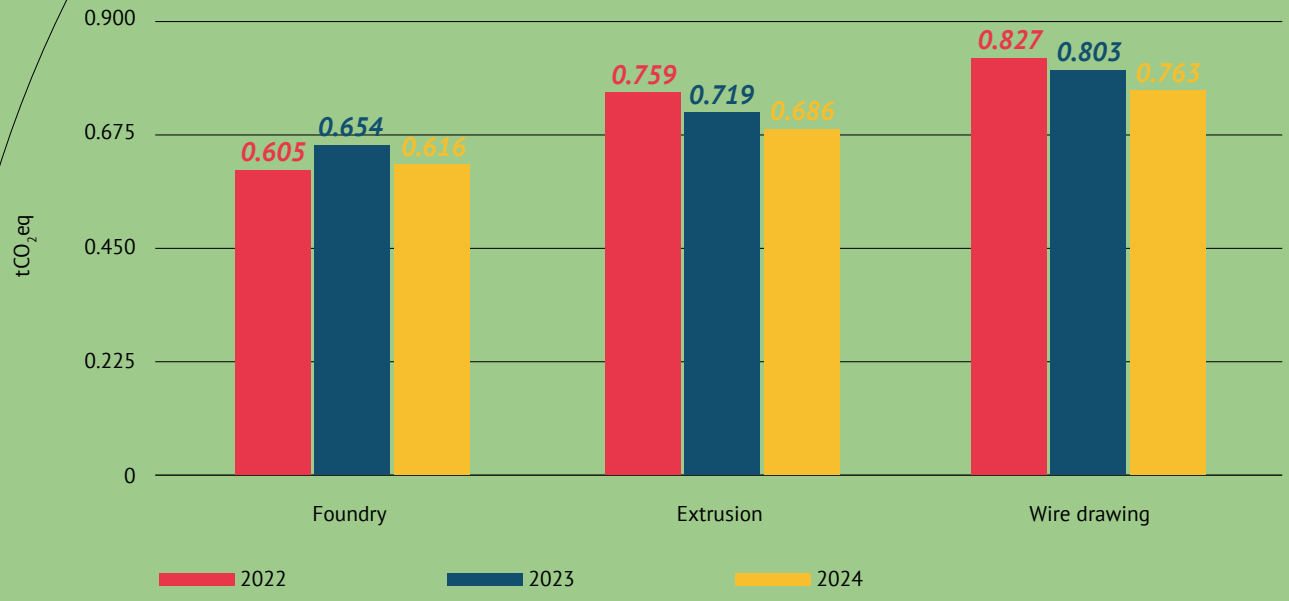
Extrusion	Value	UdM
Emission index	**0.686**	**tCO_2eq/ton**

Drawing	Value	UdM
Emission index	**0.763**	**tCO_2eq/ton**

Comparing the production indices over the three-year period 2022-2024, a decreasing trend in the emission index can be seen for the extrusion and drawing phases, while the foundry shows a more variable trend. Compared to 2023, there is in any case an improvement in the emission intensity: while emissions have remained more or less constant, the indices decrease due to the increase in volumes produced, settling at a lower level than in 2022 for the drawing and extrusion phases, in line with 2022 for the foundry.

[1] Calculation based on a location-based scenario: the emission factor used for the analysis takes into account the national energy mix

EMISSION INDEX TREND



FOCUS

MITIGATION OF THE CARBON FOOTPRINT OF CORPORATE EVENTS

During 2024, Almag also undertook another specific initiative aimed at mitigating its emission contribution. In fact, the **carbon footprint of two corporate events** held was calculated, in line with the international standard ISO 14067:2018.

The events subjected to analysis were:

- the ceremony to award scholarships to daughters and sons of Almag employees, which took place on 5 June 2024 and was attended by 76 people, divided between awardees and accompanying persons;
- the company dinner of the HUG Group, of which Almag is part, held on 19 December 2024 and attended by 594 people, divided between employees and guests.

The emission impact of both events, which generated respectively **10.8 tCO_2eq.** (company dinner) and **0.9 tCO_2eq.** (scholarship award ceremony), was mitigated through the purchase of carbon credits from the Italian Bertuzzi Valley project, an extensive valliculture project, a **sustainable aquaculture model that enhances the natural balance without the use of artificial food or fertilisers.** In addition to **protecting biodiversity**, this system **contributes to CO_2 absorption** through biomass in the seabed, playing an active role in climate mitigation.

[1] Maggiori informazioni al presente link: *https://www.youtube.com/watch?v=mmpzQT3NsGs&t=11s*

POLLUTANT EMISSIONS

Almag S.p.A. is subject to **annual monitoring of pollutant emissions** under the **Autorizzazione Integrata Ambientale (AIA)** for the Roncadelle site and under the **Autorizzazione Unica Ambientale (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 oily mists**, generated mainly by the melting and holding furnaces, methane furnaces for billet heating, and turning washing plants. This is controlled through **periodic sampling** and **continuous measurements**, supplemented by advanced filtration systems to ensure compliance with permit limits.

The risk of exceeding legally imposed limits constitutes a potential negative impact on the environment, which could also lead to sanctions by the competent bodies against the company[1]. Over the past few years, this has never been the case: checks carried out at regular intervals have consistently confirmed **compliance with the threshold values**, and the permitted concentrations of pollutants have never been exceeded.

Since 2005, Almag has also been a member of the **RAMET Consortium**, an environmental research consortium made up of 22 metalworking companies in the province of Brescia, which aims to carry out studies and projects to reduce air polluting emissions and, more generally, promote environmental protection.

Among the investments in the field of pollution prevention and mitigation, in 2022 Almag installed a **new fume suction and abatement system**, capable of **increasing the suction capacity**, which went from 360,000 to 500,000 Nm3/h. The project phases included the addition of 2 interchangeable fans, new inlet and outlet piping, 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 sleeve batteries. The high-efficiency cyclones allowed a significant increase in the abatement of emitted dust: in the first two months of using the new filter, in fact, **emissions from casting were reduced by 18%** compared to the average for the same period in 2021.

With regard to odour emissions, an **olfactometric survey** was conducted in 2023 according to UNI EN 13725, which confirmed odour perception levels in the 'low' threshold, both inside and outside the plant.

With regard to noise pollution, regular noise monitoring activities are carried out. In addition, after having pre-established and shared with the Provincial Authority the specific points relating to monitoring, **daytime and night-time tests** were carried out in 2023 to compare noise immission and emission. The results confirmed full compliance with regulatory limits, with no criticalities detected. In addition, the installation of the **new bag filter for dust abatement** also helped to reduce the noise impact, thanks to soundproofing solutions integrated in the plant.

[1] § Potential negative impact: Exceeding emission limits.

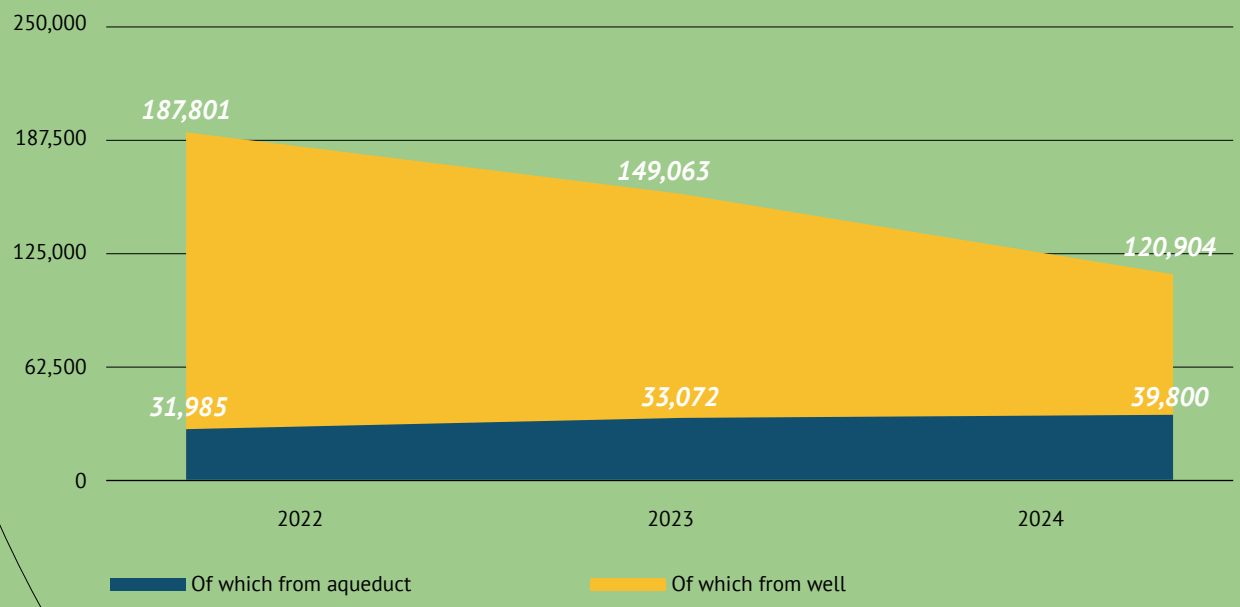
WATER RESOURCES

WATER CONSUMPTION AND WITHDRAWAL

Water is an important issue for the company, with a **total annual consumption of more than 160,000 m³** for both process activities, such as billet and press cooling, chemical pickling and rod washing, and sanitary and firefighting uses[1].

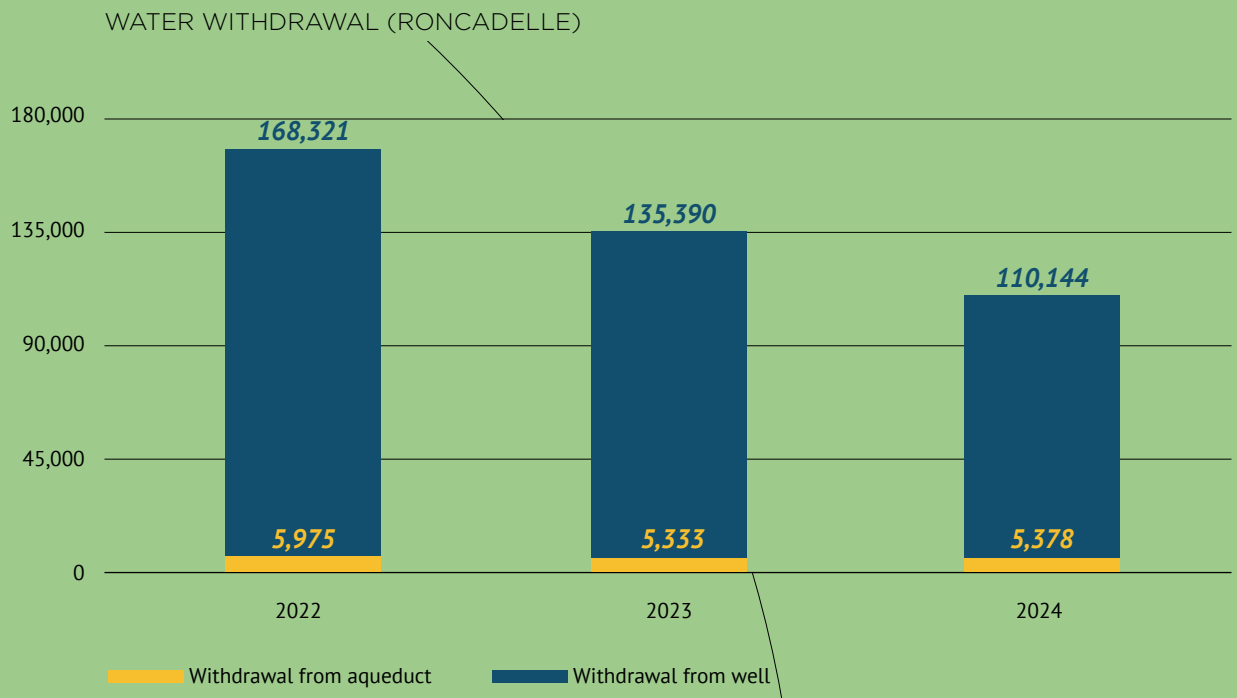
In the three-year period 2022-2024, the total water consumption amounted to **219,786 m³ (2022), 182,135 m³ (2023) and 160,704 m³ (2024), a decrease of 12% compared to 2023.** The **water supply** in **2024** was **75%** from a 60-metre deep **well** (120,904 m³) and **25%** from **aqueducts** (39,800 m³). In addition, Almag has a 600 m³ tank, located at a height of 30 metres, intended to supply the industrial plants for cooling in emergency situations and part of the plant's fire hydrant network.

TOTAL WATER WITHDRAWAL

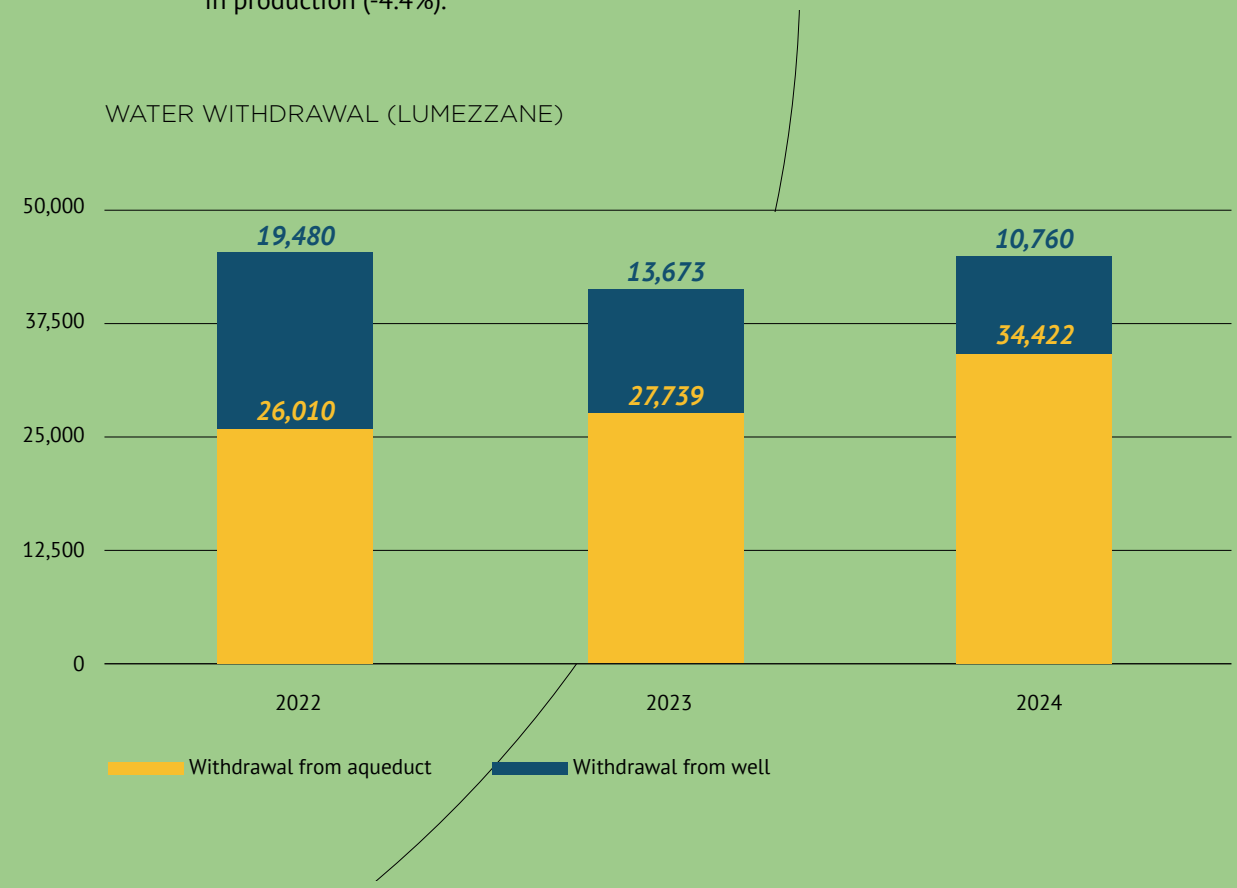


At the **Roncadelle** plant, water consumption is reduced by 18% from 140,723 m³ in 2023 to 115,522 m³ in 2024.

[1] § Actual negative impact: Water withdrawal.



At the two **Lumezzane** plants, on the other hand, water consumption increased by 9%, from 41,412 m⊠in 2023 to 45,182 m⊠in 2024. This is related to the increase in water withdrawal from the aqueduct (+24%), while water withdrawn from wells decreased by 21.3% compared to 2023, consistent with the decrease in production (-4.4%).



Given the importance of the issue, Almag continues to carry out activities aimed at containing and reducing water consumption, such as the **reuse of first rainwater**, which is returned to circulation after undergoing a mechanical ultrafiltration process.

In pickling plants and foundries, the company has introduced **reverse osmosis systems** to replace traditional softeners. This method uses semi-permeable membranes to physically separate the waste substances from the water, preserving its chemical composition and optimising the recovery of the resource, with significant water savings.

With regard to **water discharges**, Almag's **Lumezzane** site is subject to the **Autorizzazione Unica Ambientale (AUA)** for the **disposal** in the public sewer system of **industrial wastewater** generated by the chemical pickling and bar washing processes in the factories. The effluents generated are treated using chemical-physical plants equipped with neutralisation, flocculation and sand filtration to prevent polluting emissions that could compromise the quality of surface water and aquatic ecosystems.

At the **Roncadelle** site, which is authorised by the **Autorizzazione Integrata Ambientale (AIA), industrial effluents** (pickling line washing, treated cooling water and rainwater) are supervised by a chemical-physical treatment and purification plant before discharge into the Surface Water Body (CIS), while **civil effluents** are disposed of in the municipal sewage system. All plants have automatic shutdown systems in case of anomalies and are monitored with daily, monthly and six-monthly checks. In addition, the refurbishment of one of the foundry's intermediate cooling water collection tanks, part of the process water purification system, was completed in 2024 to minimise the risk of spillage.

RESOURCE USE AND CIRCULAR ECONOMY

RESOURCE INFLOWS, INCLUDING RESOURCE USE

In the field of brass rods production, the purchase and use of **strategic raw materials**[1] such as copper and zinc, key components of the alloy, exposes the company to risks related to stricter regulations and potential supply chain interruptions[2].

The upstream stages of Almag's value chain related to the processing of these metals generate slag, residues and polluting emissions that, if not managed properly, could lead to soil and water contamination, the emission of particulate matter and sulphur dioxide, as well as inefficient recycling of materials, with potential repercussions for ecosystems and human health[3].

With the introduction of **EU Directive 2020/2184**, which comes into force on 1st January 2027, the **lead content in materials intended for contact with drinking water will have to be reduced to less than 0.1%.** This regulatory change leads to new challenges for the brass processing industry, as the absence of lead reduces the workability of the material, making manufacturing processes more difficult. Lead, in fact, acts as a natural lubricant during machining and its removal requires the introduction of alternative elements (Silicon, Bismuth, Antimony, Selenium) to maintain equivalent performance.

This inevitably leads to **additional operating costs** related to the **conversion of machinery**[4] and the need to balance the increase in virgin raw material with the consequent **decrease in the percentage of recovered material** that, with the presence of lead, currently makes up the brass rod. Almag, already NSF-372 certified for product conformity to the requirement of reduced lead content in the United States and **aligned with Directive 98/83/EC** on lead content in materials intended for contact with drinking water, is working hard to **develop 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[5].

As shown in the graph below, the main raw material inputs are recovered **from scrap and machining residues from its own and its customers' processing activities** (turning chips, moulding burrs, etc.) and **scrap metal (copper and brass).** This makes it possible to **reduce dependence on virgin raw materials** (which weigh an average of 7% in the three-year period 2022-2024) and to **reduce the overall volume of waste produced, as the same is reintroduced into the production cycle, in full application of the circular economy principle.** This allows Almag to concretely apply the circularity of the production process: its **products** are, in fact, **composed of more than 93% material from recovery or recycling**[6]**.**

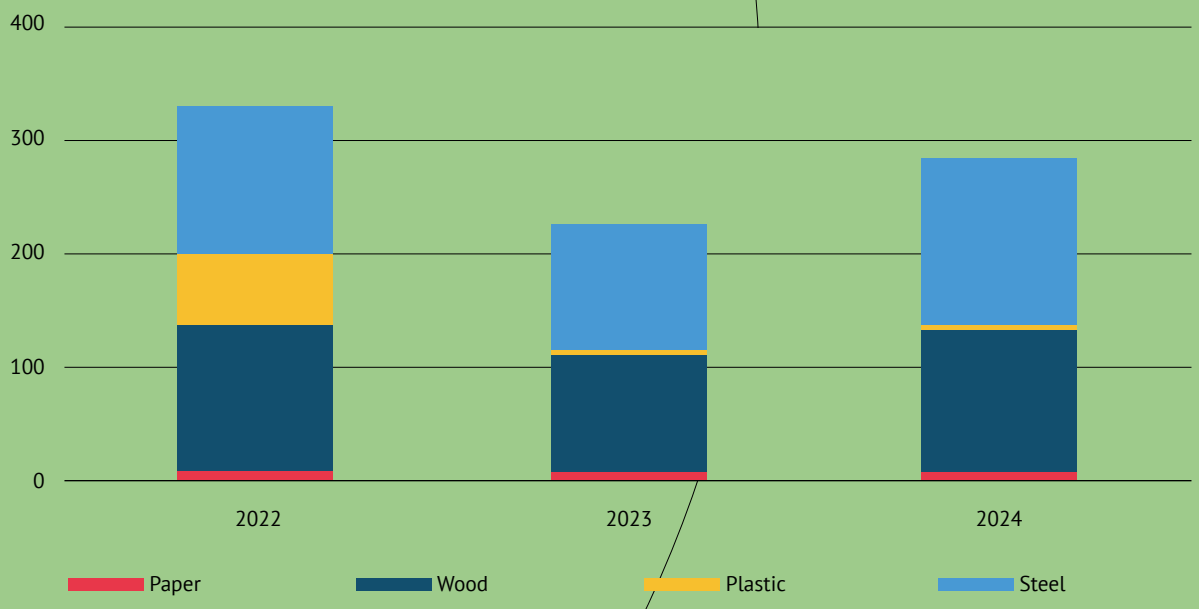
[1] § Actual negative impact: Strategic raw materials.
[2] § Risk: Supply chain interruptions.
[3] § Actual negative impact: Emissions of upstream pollutants.
[4] § Risk: Adapting machinery for new alloys.
[5] § Potential positive impact: Lead-free brass.
[6] § Actual positive impact: Recovery of raw material.

The total volume of raw material input in 2024 remained more or less in line with the previous year's volumes, at around **130,000 tonnes,** down significantly from 2022 due to lower production volumes. Of the materials, **85%** consisted mainly **of brass and copper scrap metal**, followed by **primary metals** such as copper, zinc, and to a lesser extent aluminium and tin. In addition, the quantity of purchased virgin metals decreased proportionally to the production volume, to the benefit of an increase in **recycled metals**, especially zinc and lead.

INPUT MATERIALS

In terms of **packaging**, the total quantity purchased and used for outgoing products increased slightly from 234 to 287 tonnes in 2023. As shown in the graph, the majority of packaging (by weight) consists of **metal straps** used for transporting the finished product (51.4%) and **wooden boxes** used as product containers (45.2%).

PACKAGING BY MATERIALS TYPE



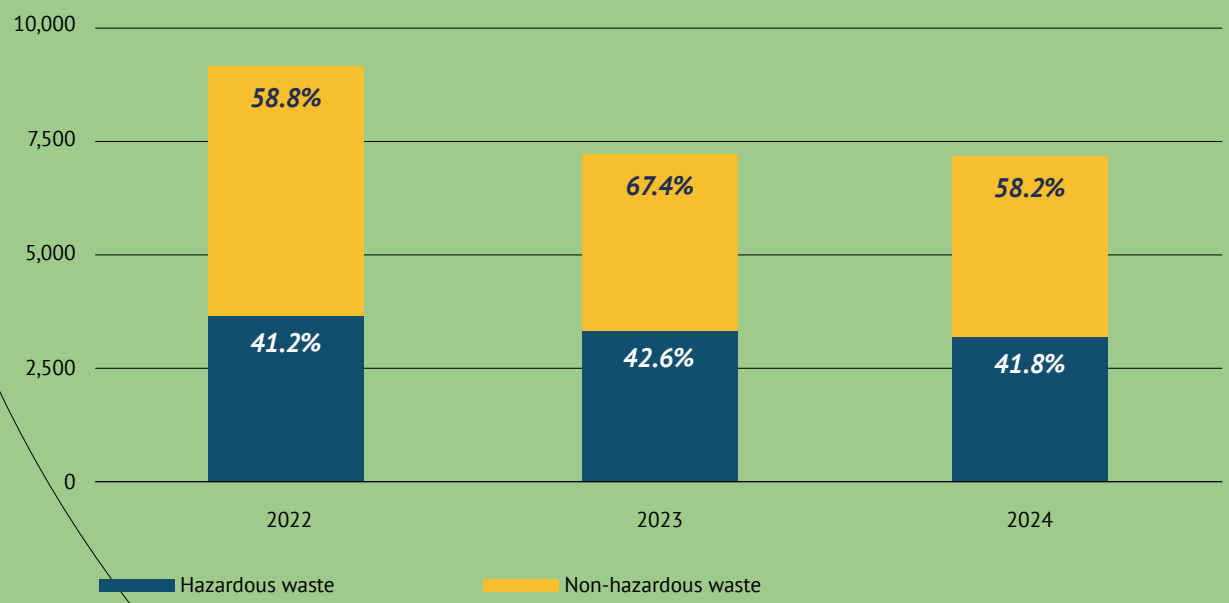
WASTE

Almag generates a significant amount of **waste**, about **42% of which is classified as hazardous**[1]. Some of the materials used come from customer offcuts and scrap copper, thus reducing dependence on virgin raw materials and decreasing the overall volume of waste produced. These materials are destined for casting, the central stage of the production process, which enables them to be transformed into semi-finished products for the production of finished products. This **circular approach maximises the use of available resources and reduces the need to acquire new raw materials.**

The graph shows the trend in waste production over the three-year period 2022-2024: the total amount of waste produced **fell from 9,225 tonnes in 2022 to 7,323 tonnes in 2024 (-21%).**

During 2024, the largest type of waste produced was **slag** generated inside the furnaces at the Roncadelle site, amounting to **3,616 tonnes (49.4%)** out of a total of 7,323 tonnes produced in the three plants. Another category of waste produced is **pulverulent residues** from **fume abatement systems (1,244 tons),** which, since they contain metals that can be reused, are sold to specialised third-party companies for recovery. At the **Lumezzane** sites, the waste produced derives exclusively from the machining process (extrusion and drawing), the quantity of which in 2024 was approximately **241 tonnes**, a decrease compared to 2023 (257 tonnes) but still constant in percentage terms (3%) compared to the total waste produced in the three plants.

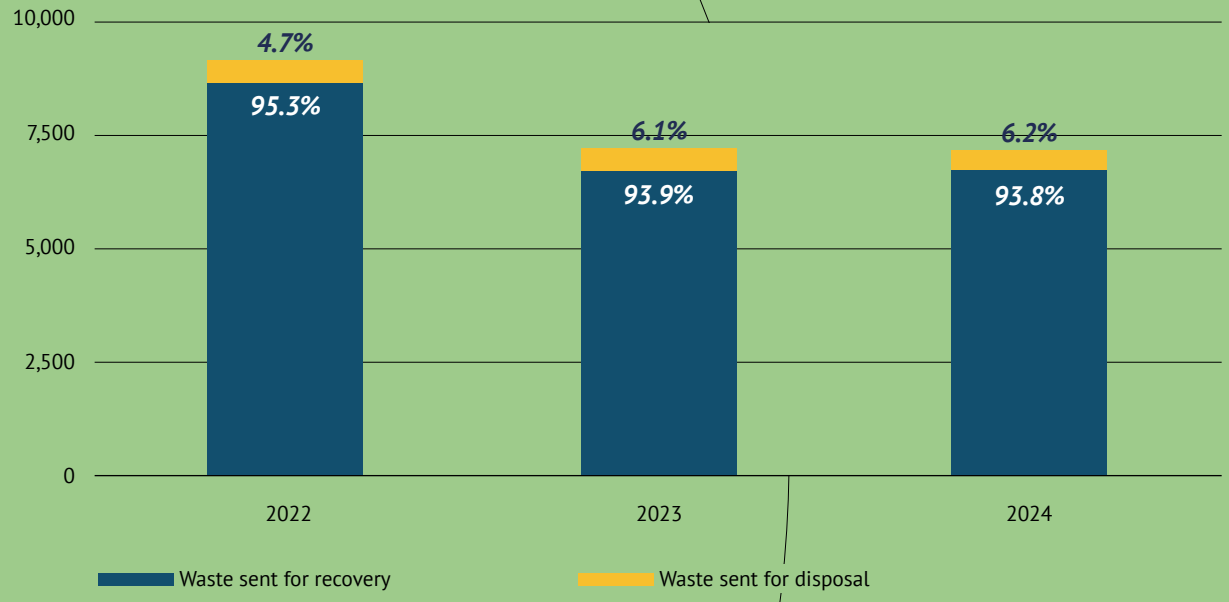
TREND IN WASTE PRODUCTION



[1] § Actual negative impact: Waste production.

Regarding the destination of waste, **94%** was sent to **recovery operations** in 2024, while the remainder was sent for disposal. Compared to 2023, there is substantial alignment in both the volumes of waste generated and the shares destined for recovery and disposal, despite the increase in production volumes at the Roncadelle plant.

WASTE DESTINATION



FOCUS "WINNOW PROJECT"

FOOD SCALE FOR CANTEEN WASTE REDUCTION

Food waste represents a global challenge of alarming proportions: every day about one billion meals are wasted, equal to one fifth of the food produced in the world, with significant economic, social and environmental repercussions. According to the most recent data, food waste is worth over 13 billion euros in Italy, divided between domestic waste (over 7 billion), distribution (around 4 billion) and production sectors. At a per capita level, there is an average weekly waste of 566.3 grams of food, an increase of 8% compared to 2023.

Almag has embarked on a structured strategy to combat food waste by adopting advanced technological solutions in its company canteen. A smart scale with two stations - in the kitchen and in the eating area - is planned to be installed in 2023 and activated in early 2024. The device quantifies production waste and post-consumption leftovers, monitoring excesses and encouraging a responsible approach among users.

The **Winnow system**, integrated with AI technology, analyses data through daily and weekly reports, identifying critical issues and optimising meal preparation. The Winnow Vision platform allows staff to visualise images of food waste and predict the quantities needed.

Aligned with **Sustainable Development Goal No. 2 (Zero Hunger)**, the adoption of the Winnow system in the company canteen is a concrete measure aimed at **reducing food waste** and **promoting responsible consumption patterns.**

IN A BUSINESS CONTEXT IN WHICH SUSTAINABILITY IS RECOGNISED AS A STRATEGIC ELEMENT, IT CANNOT BE LIMITED TO THE ENVIRONMENTAL DIMENSION ALONE, BUT MUST NECESSARILY ALSO INCLUDE HUMAN CAPITAL, UNDERSTOOD BOTH AS THE SET OF INTERNAL RESOURCES AND AS THE RELEVANT SOCIAL FABRIC.

From this perspective, Almag places the enhancement of the individual at the core of its vision, **promoting the professional and personal development of its employees** and recognising in each person their distinctive skills, talents and values. To this end, the company implements structured **training programmes** aimed at meeting the needs of its workforce, while simultaneously ensuring high standards of health, safety and wellbeing. Preventive measures are also adopted, inclusive work environments are promoted, and personalised welfare systems are developed. At the same time, with a view to giving back part of the value created and making a tangible contribution to social progress, Almag is actively committed to supporting **local communities** through targeted initiatives and synergistic collaborations with local stakeholders.

OUR 2025 SOCIAL OBJECTIVES:

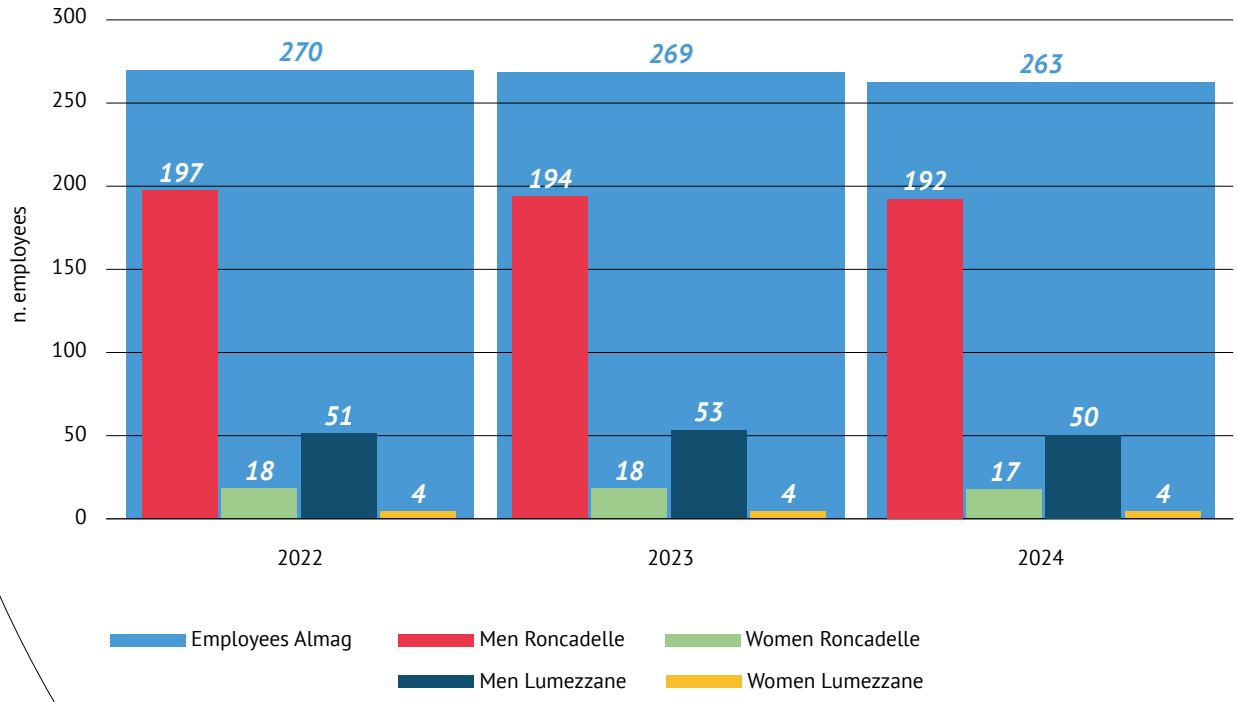
SDGs	Topic	Future actions
	**Employee Wellbeing**	Conduct a welfare survey to understand employees' needs
	**Initiatives for employees**	Party of "Primino" Mountain trip HUG NEWS Magazine WHP membership renewal
	**Training and skills development**	Develop a training plan for different company roles on sustainability topics
	**Health and Safety**	BBS project – Lean drawing area

PEOPLE MANAGEMENT

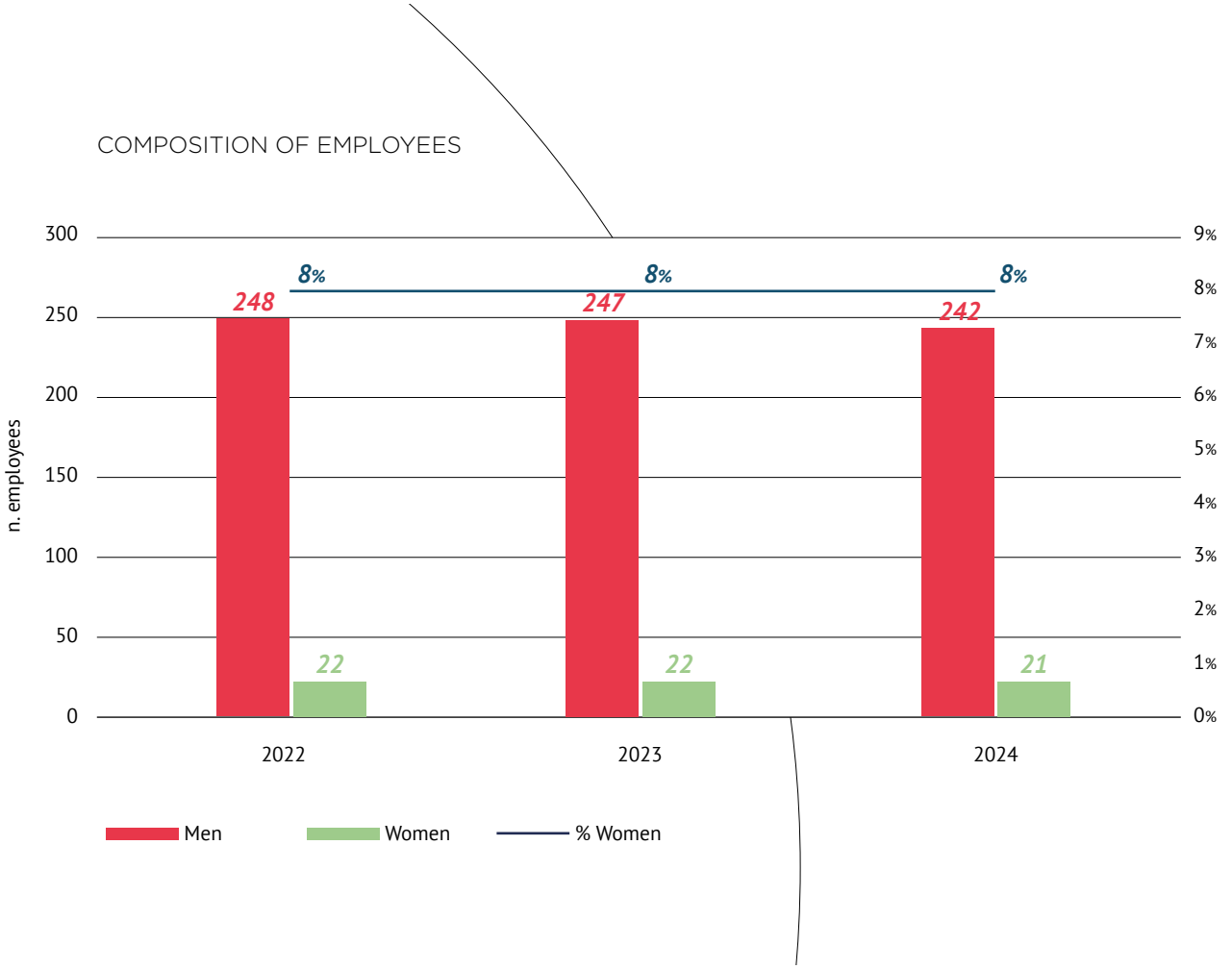
For Almag, people are a central element for business growth, and it is thanks to their commitment that the company is able to ensure a high level of quality and achieve excellent performance, while providing its human capital with opportunities to develop their professional skills.

As of 31 December 2024, Almag had a total of **263 employees,** comprising the workforce at the Roncadelle and Lumezzane plants.

LABOUR FORCE



The graph shows a slight decrease of around 2% (-6 employees) in the total workforce in 2024 compared to 2023. Over the three-year period, the gender composition of the staff has remained stable.



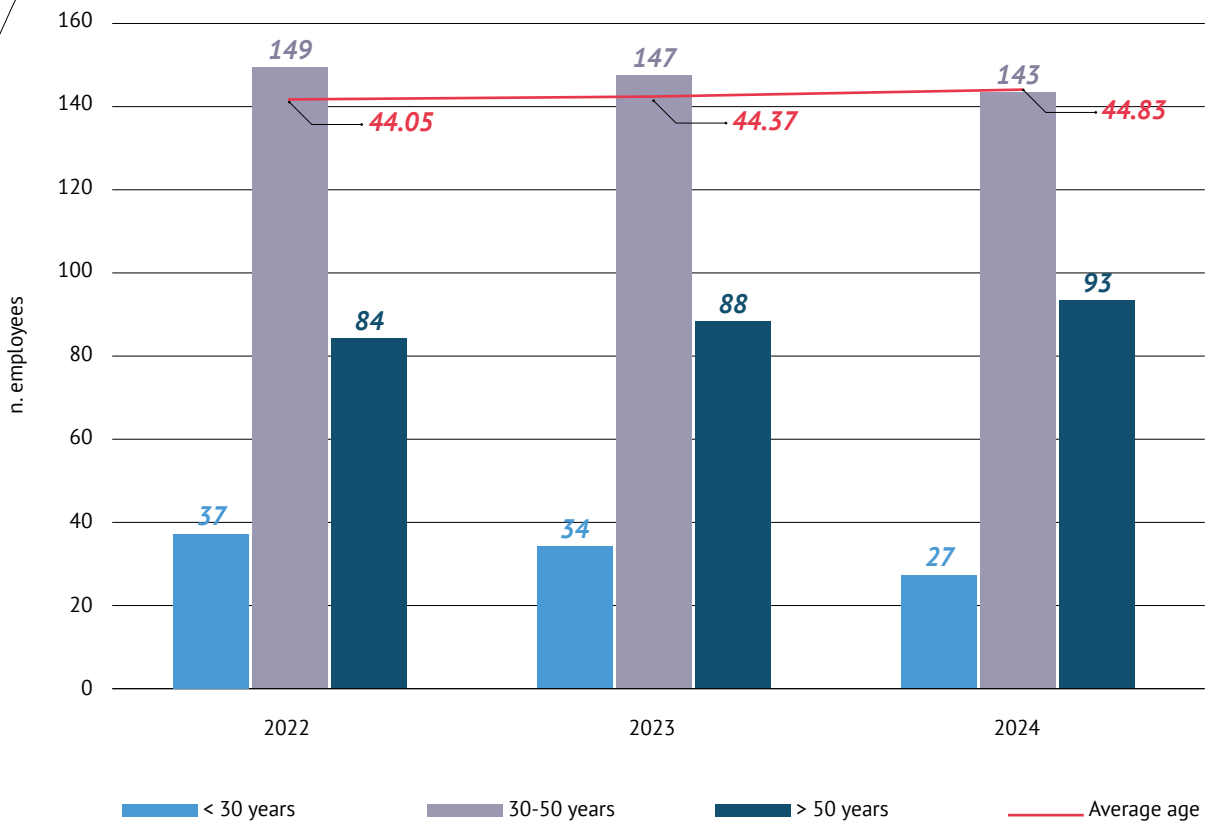
The presence of women within the company has remained constant over time, accounting for 8% of the total workforce, and is mainly concentrated in clerical roles. In contrast, operational activities are carried out exclusively by men, reflecting the nature of the industrial sector in which Almag operates.

Almag is committed to ensuring an inclusive working environment that allows everyone to express their individual qualities and skills to the fullest. Specifically, the company respects different religious practices and beliefs, embracing the **coexistence of various nationalities** as a means of promoting the cultural development of each individual.

In accordance with the relevant legislation, Law No. 68 of 12 March 1999, "Provisions for the right to work of persons with disabilities", and in line with its own ethical and moral principles regarding diversity and inclusion, Almag has, over the years, employed individuals with **disabilities**, who have mostly been integrated into the company's production processes.

Another important aspect to consider regarding Almag's workforce is **generational coexistence**, which represents a strategic opportunity to integrate experience, skills, and innovation, thereby contributing to the overall growth of the organisation. An analysis of the reference three-year period shows that the average age of employees is around 45.

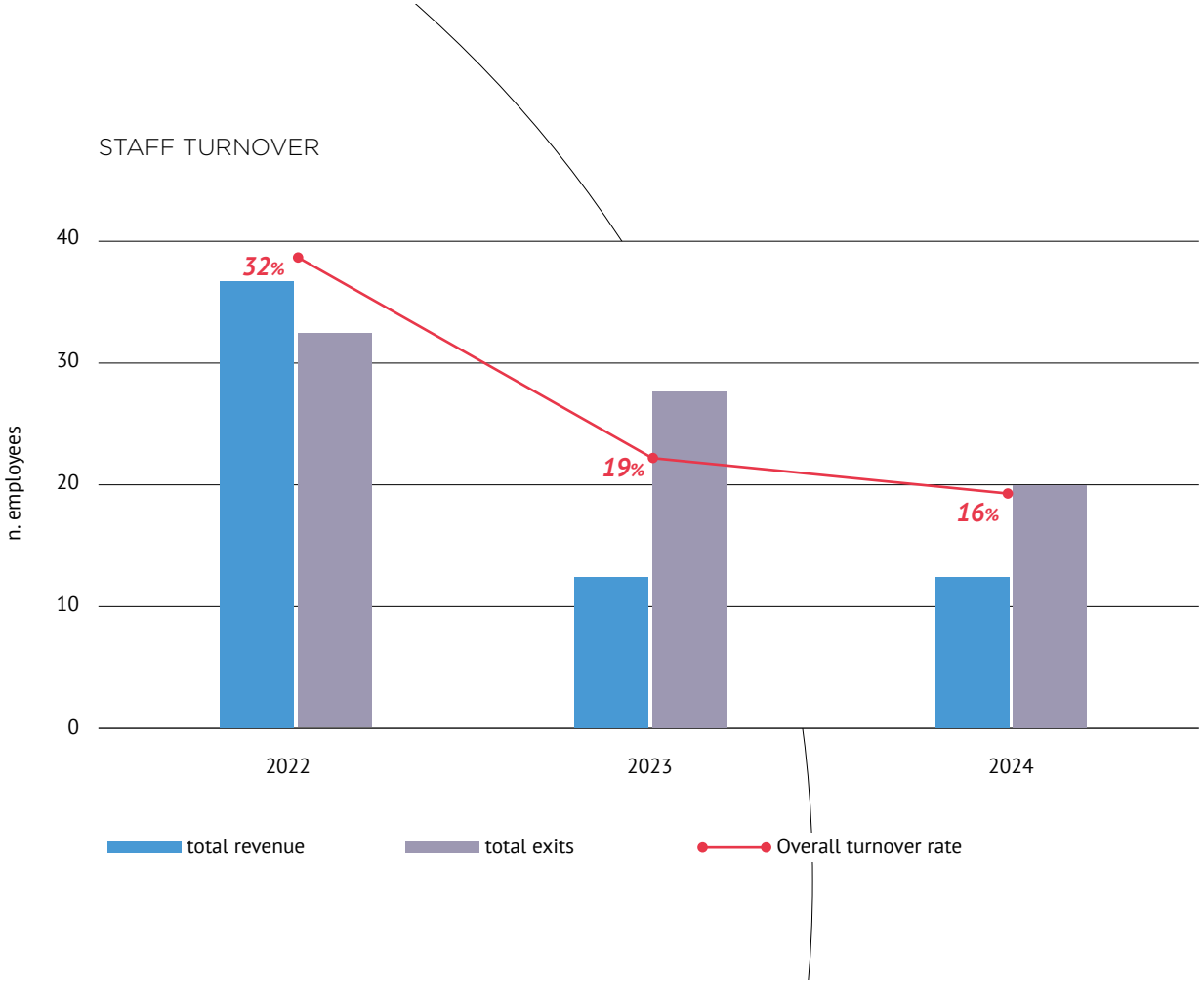
EMPLOYEES BY AGE GROUP



With regard to the **age** distribution, in 2024, as in previous years, the majority of the company's workforce is between 30 and 50 y.o. (54%). The remaining portion is divided between those over the age of 50 (35% of the total) and employees under 30 (10%).

In 2024, the staff **turnover rate** – calculated as the ratio between hires and departures during the reference period in relation to the total number of employees at year-end – stands at 16%, which is 3% lower than the rate recorded in 2023. The overall turnover rate is therefore **below the national benchmark** for the industrial sector, as calculated by Confindustria, which stands at 25.7%. [1].

[4] Source: *https://www.confindustria.it/home/centro-studi/temi-di-ricerca/valutazione-delle-politiche-pubbliche/dettaglio/indagine-lavoro-2024*

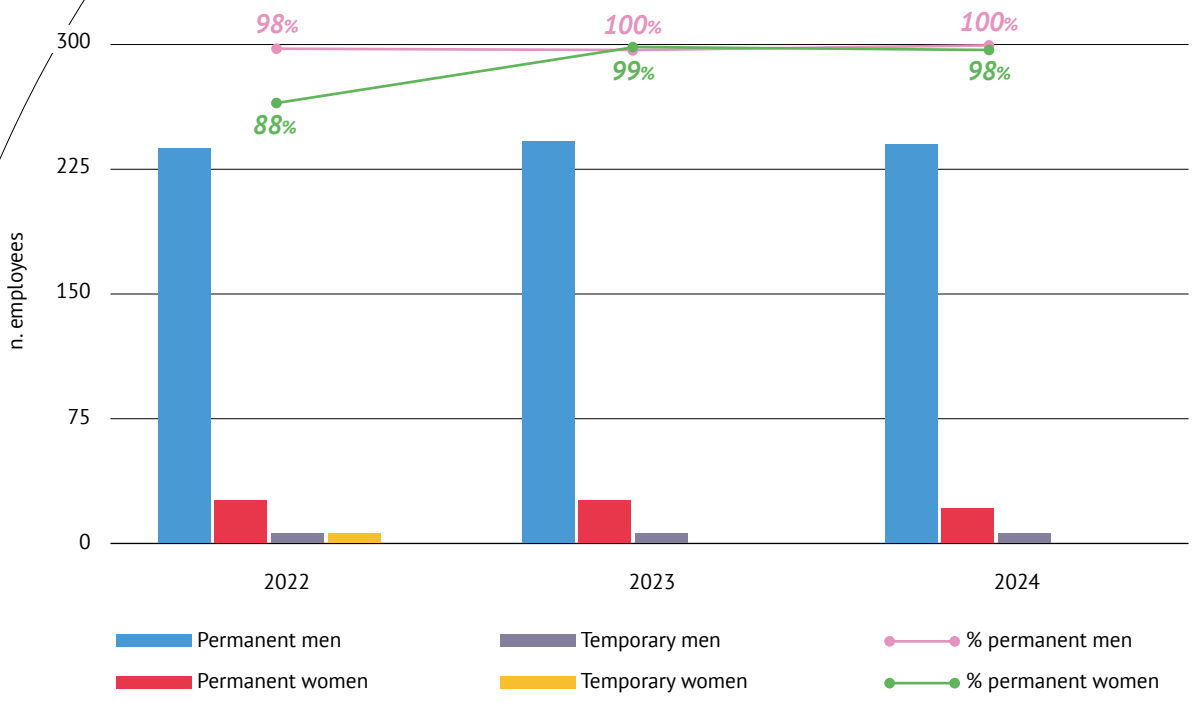


The stability of the turnover rate in 2024 compared to 2023 is the result of a consolidation in the company's growth and a limited number of departures, mainly due to retirements (8 employees) and voluntary resignations (9 employees). Nevertheless, due to a market downturn and following specific agreements with trade unions, the company requested and obtained the use of Wage Subsidy (Cassa Integrazione Ordinaria) for both direct and indirect employees at the Lumezzane site[1], the company did not implement any staff layoffs but instead created 13 new jobs, a figure in line with 2023.

In 2024, 98.5% of the total workforce was employed on **permanent contracts** (100% of the staff at the Lumezzane site and 98.1% of employees at the Roncadelle site). With regard to the breakdown by contract type, the chart below illustrates the trend in the distribution between fixed-term and permanent contracts.

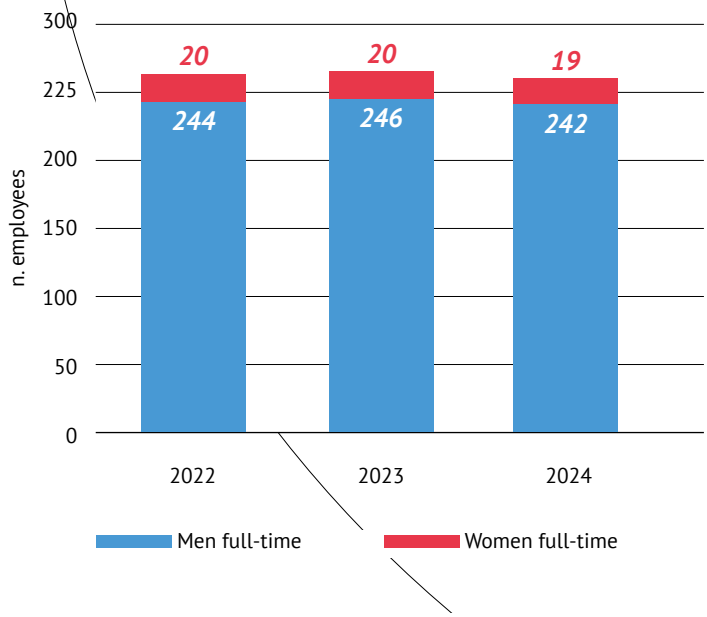
[2] § Risk: occupational risks.

EMPLOYEES BY CONTRACT AND GENDER

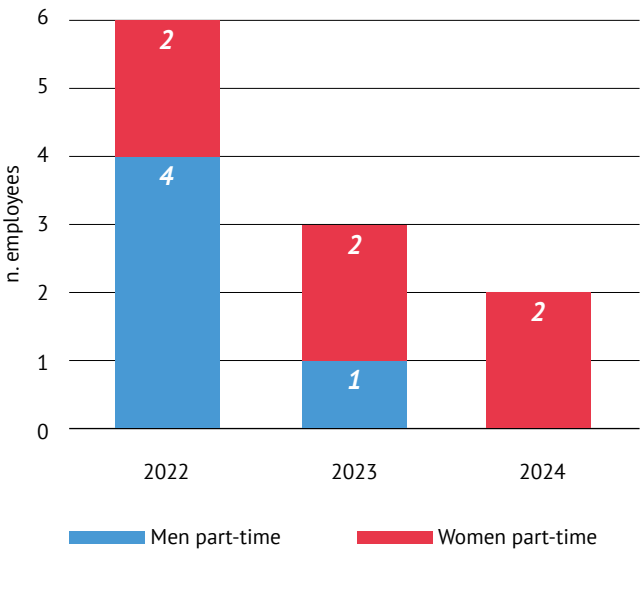


In 2024, 99.2% of the total workforce was employed on a full-time basis, while the remaining 0.8% held part-time contracts.

FULL-TIME CONTRACTS

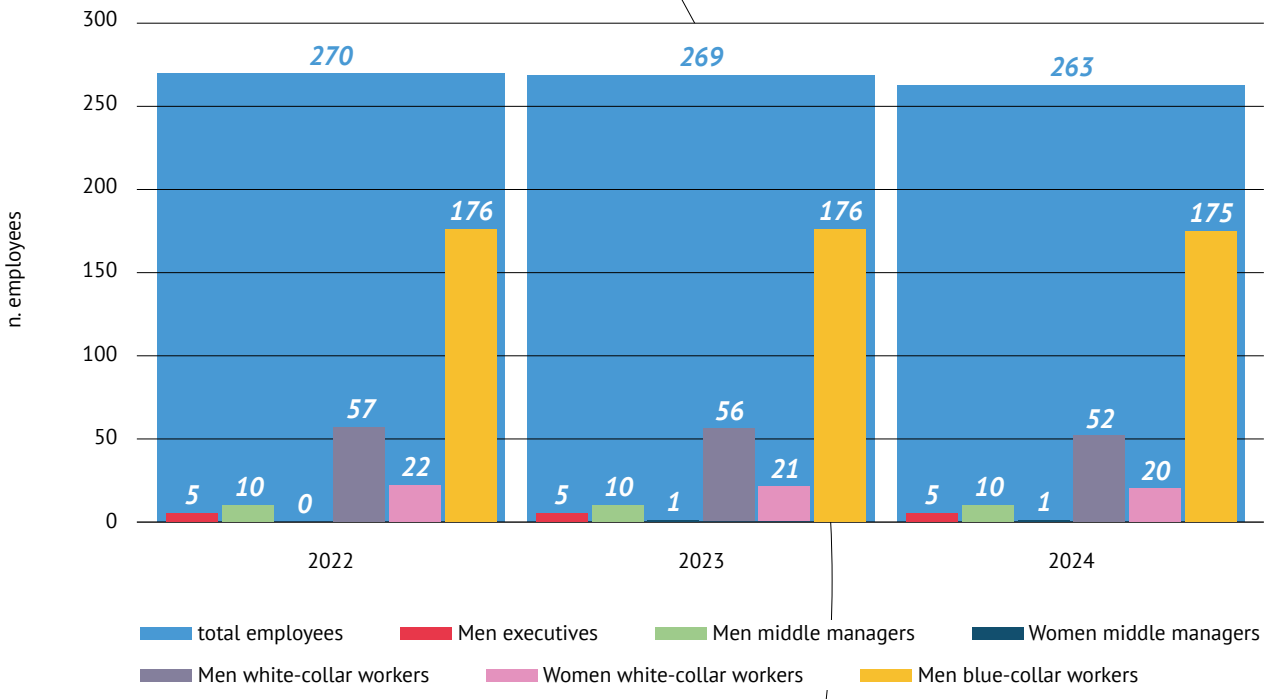


PART-TIME CONTRACTS



Regarding the breakdown of staff by role, in 2024 we observe that more than half of Almag's employees held operational positions, in line with the organisation's production structure, followed by administratives roles.

BREAKDOWN BY CLASSIFICATION AND GENDER

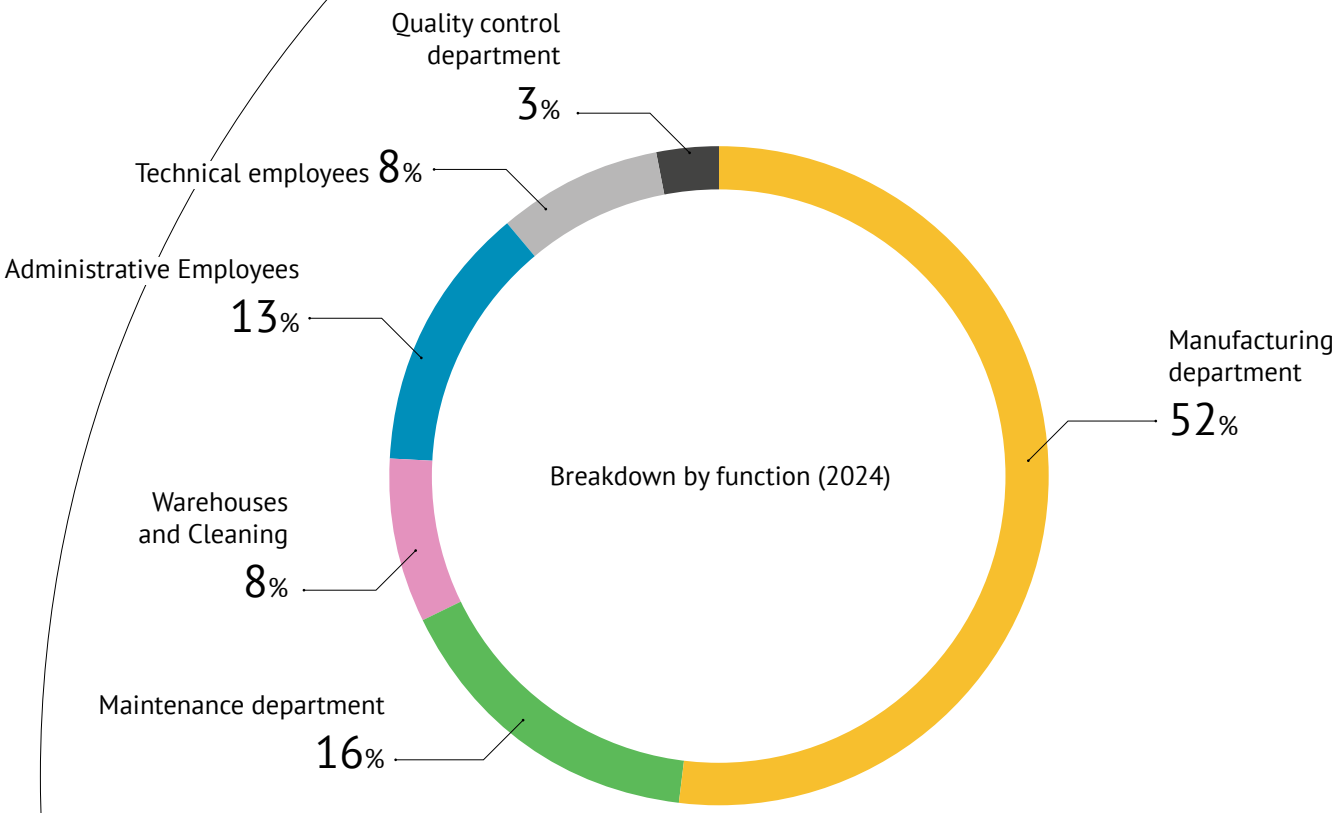


In 2024, the composition of Almag's workforce of 263 employees remained substantially stable compared to the previous referenced years. **Blue-collar workers** accounted for 67% of the total, marking a 2 percentage point increase compared to 2023, while **white-collar workers** made up 27%, showing a slight decrease of 2 percentage points from the previous year. The middle managers comprise 16 individuals, including managers and **middle managers**, of whom 1 is female.

Analysing the distribution of staff by functional area, it emerges that:

- **52% of the workforce** (136 employees) are engaged in production activities such as foundry, extrusion, drawing, and logistic;
- 16% (42 employees) are responsible for the **electrical and mechanical maintenance** of the facilities;
- **8%** (21 employees) are assigned to the warehouse;
- 3% (9 employees) work in **quality control**.

Regarding administrative staff, there are **55 employees** working in **administrative and technical roles**, with responsibilities ranging from procurement to commercial management and from production planning to operational coordination.



Among the risks related to workforce management, the company considers it essential to assess and monitor its ability to **attract new talents**[1]: the recruitment of specialised profiles in the production sector represents a growing challenge due to the limited availability of technical skills that meet the company's requirements. This risk does not concern Almag specifically but reflects a widespread situation at the national level. In fact, according to Confindustria's 2024 labour survey, around 70% of the companies interviewed report facing this issue[2].

This situation highlights a mismatch between educational offerings and the sector's needs; therefore, it is essential for Almag to continue investing in structured training programmes and in the development of internal resources through ongoing initiatives aimed at personal and professional growth and skills enhancement.

[1] § Risk: recruitment difficulties
[2] Source: *https://www.confindustria.it/home/centro-studi/temi-di-ricerca/valutazione-delle-politiche-pubbliche/dettaglio/indagine-lavoro-2024*

EMPLOYEE WELLBEING

The wellbeing of the organisation is closely linked to that of its employees[1].

In this regard, the company is actively committed to promoting a **healthy and balanced lifestyle**, focusing on both physical and mental health, and striving to ensure a work environment that supports a **balance between professional and personal life.**

Corporate welfare

Almag's **employee welfare programme** complements the protections already guaranteed by the applicable National Collective Labour Agreements (CCNL), which ensure fundamental rights for employees such as healthcare, parental leave and social security contributions. With a view to continuously improving organisational wellbeing, Almag has also introduced **supplementary Collective Bargaining**, through which additional tools and benefits are offered to employees.

The company also allocated approximately **€270,000 to employee welfare** in 2024, showing a slight decrease compared to the previous year.

[1] § Actual positive impact: employee wellbeing.

The company provides its employees with a welfare platform, through which each individual can access a sum of money to spend, averaging around €1,022 per person in 2024. Within the platform, employees can access a wide range of services divided into various thematic areas, such as:

- Culture, sport, leisure, travel and holidays;
- Vouchers for food shopping, fuel, and public transport;
- Educational expenses and training;
- Contributions to supplementary pension funds;
- Healthcare expenses, long-term care, health and family care, as well as social and welfare services.

FOCUS

COLLABORATION WITH POLIAMBULANZA HOSPITAL FOUNDATION

Also in 2024, continuing the practice of previous years, Almag renewed its collaboration with the Poliambulanza Hospital Foundation in Brescia, offering its employees the opportunity to undergo specialist medical examinations either free of charge or at discounted rates. This initiative aims to provide a complementary service to those already included in the company's welfare plan.

For 2024, Almag offered its female employees a free gynaecological package and breast examination.

Furthermore, to demonstrate its support for employees, Almag provides a **birth kit** to celebrate the newborns of its staff and **awards scholarships** to deserving students who are children of employees, with the aim of encouraging their education and development.

FOCUS/BOX

ALMAG CARD

Upon hiring, the company provides its employees with the **Almag Card**, a card that allows them to benefit from numerous discounts through agreements established with local businesses. These agreements arise from suggestions made by the employees themselves, who can send recommendations directly to the General Services Office. This approach not only enables the company to respond specifically to staff needs, valuing their preferences, but also strengthens the bond between the company and the local community through mutually beneficial and shared partnerships.

FOCUS/BOX

WORKPLACE HEALTH PROMOTION (WHP) NETWORK – LOMBARDY

Since 2016, Almag has formally joined the **Workplace Health Promotion (WHP)** programme of the Lombardy Region, which aims to develop, in collaboration with ATS Brescia, Confindustria Brescia and the network of participating companies, best practices each year to promote organisational changes in the workplace that encourage healthy lifestyles and contribute to the prevention of chronic diseases.

Several topics were actively addressed in 2024; in particular, the programme focused on nutrition, physical activity and health.

Specifically, during the year, free packages were organised for female employees, including gynaecological and breast examinations.

In the autumn, specific sessions were held with a professional nutrition biologist to explore topics related to proper nutrition linked to an active lifestyle. Following these sessions, employees who wished were able to undergo a metabolic check-up involving blood tests for total cholesterol, HDL, LDL, triglycerides, blood glucose, and uric acid.

Additionally, Almag decided to promote the culture of **healthy eating** by offering **balanced menus in the canteen** and introducing healthy food options in vending machines.

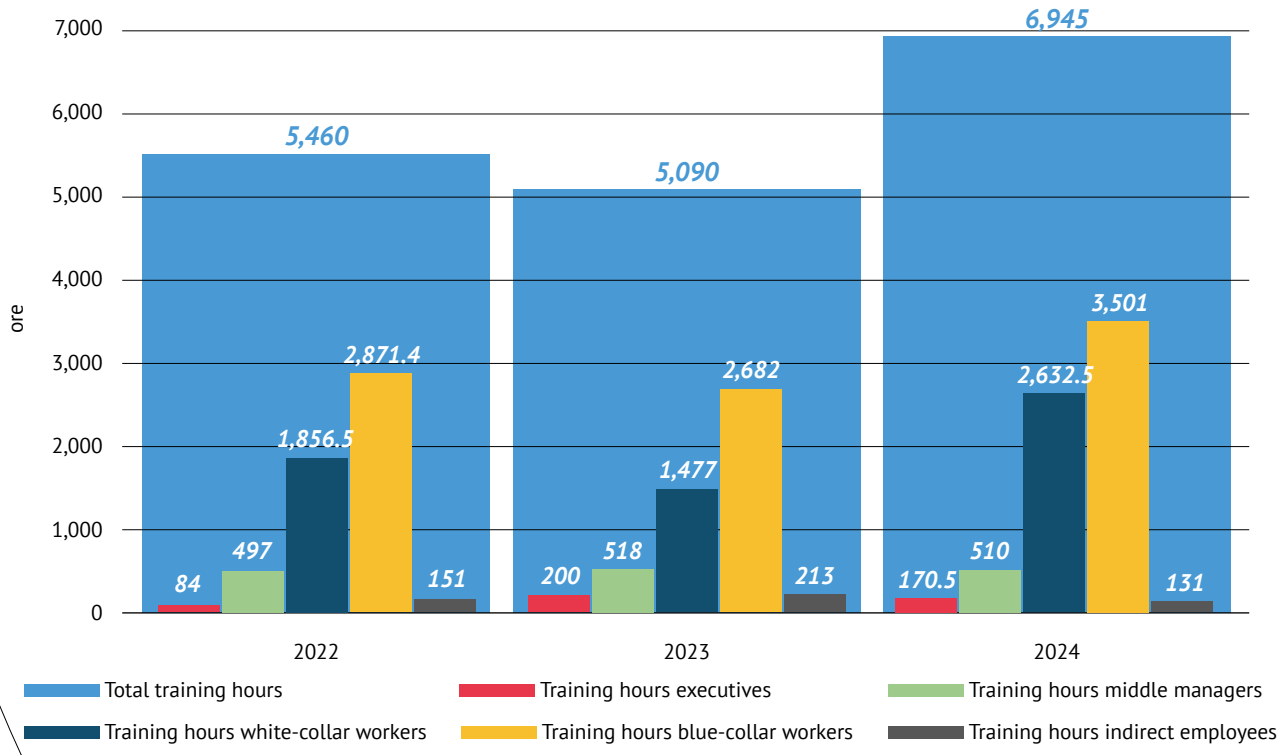
TRAINING AND DEVELOPMENT OF PEOPLE

Almag considers training as a tool to enhance the skills and potential of every employee within the company.

The organisation identifies specific training needs for employees and develops an annual **training plan** to ensure the continuous improvement of both hard and soft skills[1].

In 2024, the total training hours amounted to **6,945,** marking an increase of approximately 36.5% compared to 2023[2].

TOTAL HOURS OF TRAINING PER YEAR BY CLASSIFICATION



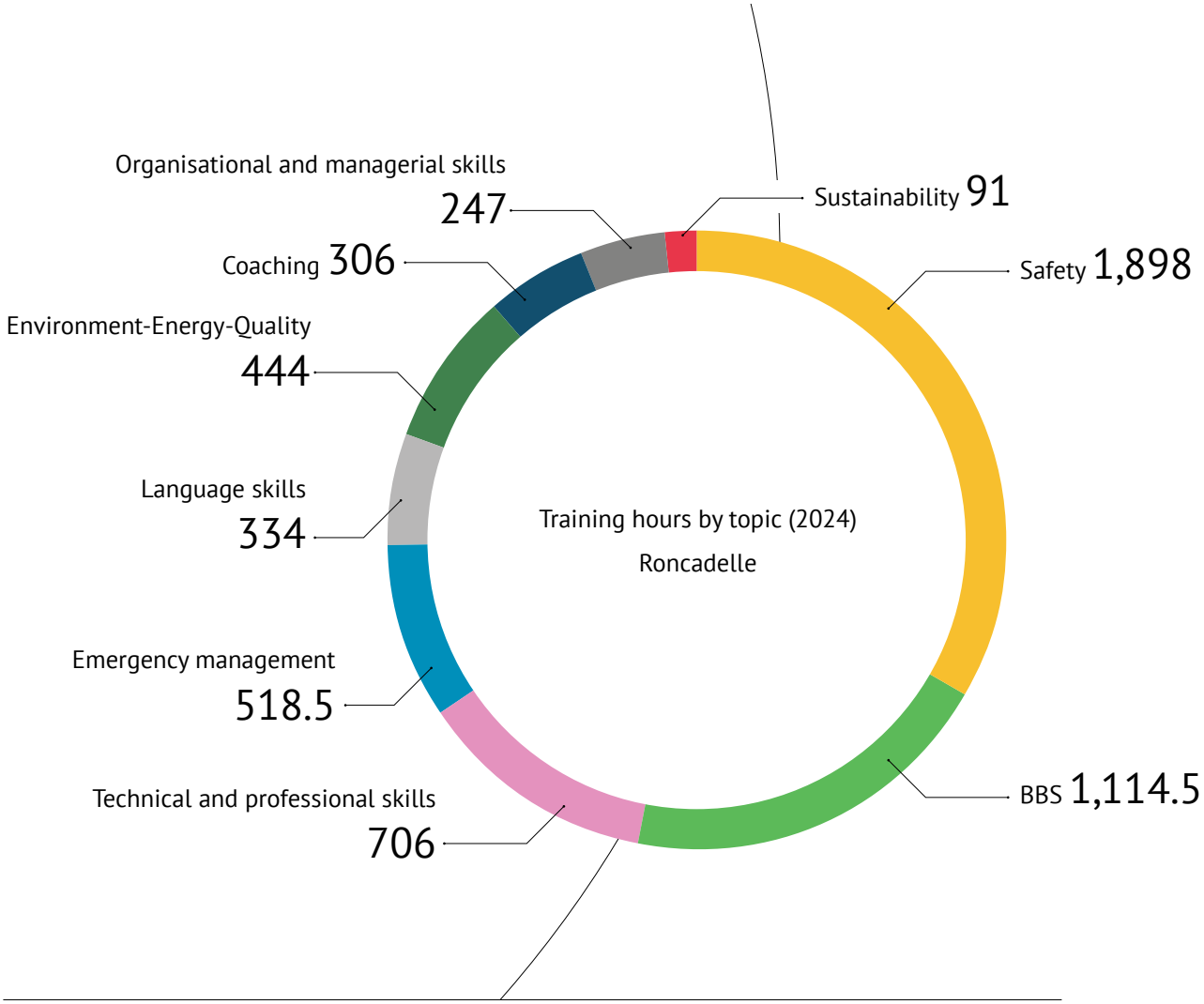
The training courses were offered to all staff (employees and temporary workers). During 2024, blue-collar workers received a total of 3,501 training hours, 819 more than in 2023, followed by white-collar workers who received 2,632.5 hours (+1,155.5 hours). The hours provided to middle managers remained consistent with previous years, while the hours dedicated to executives experienced a decline.

[1] § Positive actual impact: employee training
[2] For the reporting on training, data collection included the hours of both direct employees and temporary workers.

In 2024, the average **training hours per employee** saw a significant increase (+40%), reaching approximately **26 hours** per person, with a rise of over 7 hours compared to the figure recorded in 2023.

During 2024, the company offered courses covering a wide range of topics related to strategic aspects for the individual production sites, from maintenance to specific training for administrative functions, from environmental issues to sessions on communication and behaviour.

Specifically, for the **Roncadelle** site, the topics outlined in the following chart were planned[1].

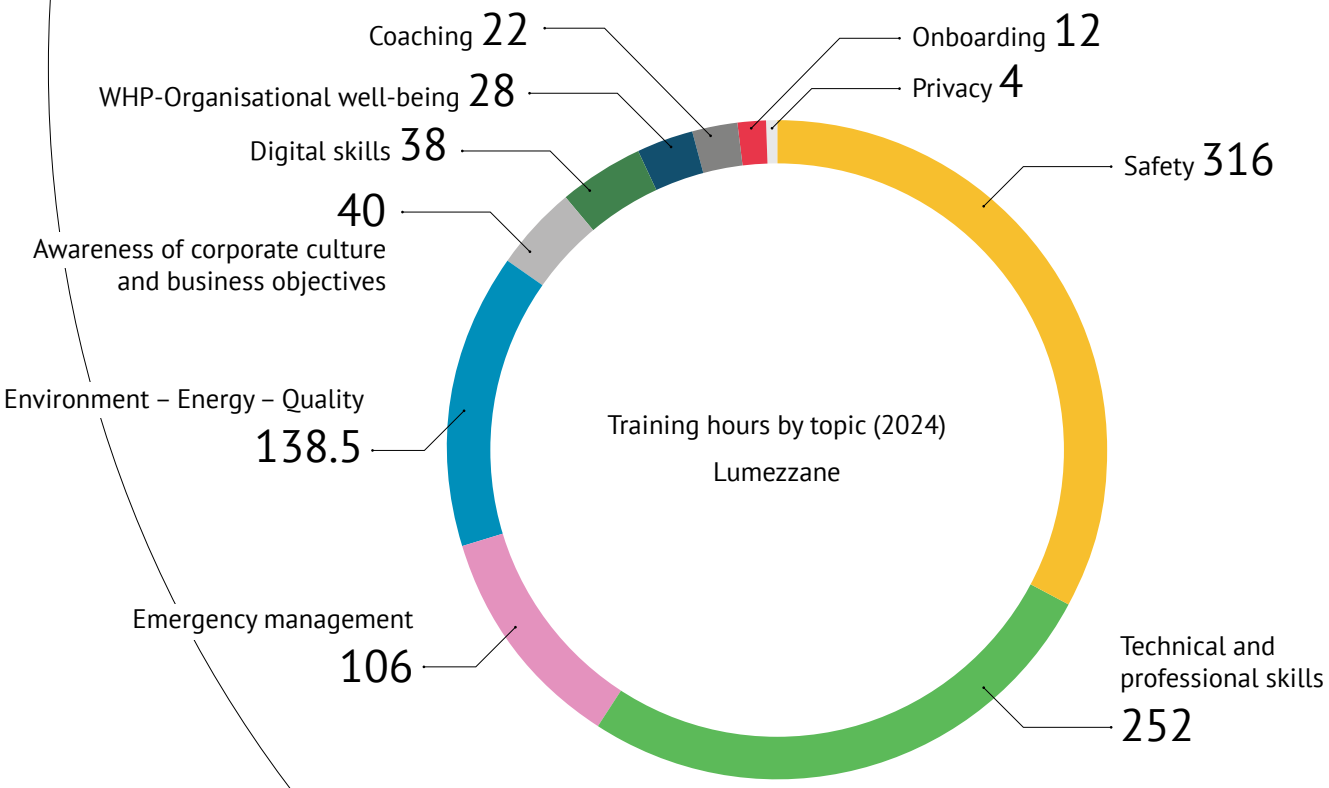


[1] The chart showing the training hours by topic for the Roncadelle plant includes the main categories representing 4% or more of the total hours delivered, in order to ensure clear graphical readability. For a detailed overview of the 2024 training plan, please refer to the table in the Appendix.

In addition to the topics shown in the chart, the company also delivered training courses on sustainability, privacy, Legislative Decree 231/01, and specific classes aimed at developing digital skills.

Consistent with initiatives started in 2023, in 2024 the company continued to place particular emphasis on Health and Safety training, scheduling both mandatory courses required by law and additional non-mandatory sessions on workplace health and safety topics, including training related to the WHP (Workplace Health Promotion) Organisational Wellbeing programme.

For the production sites in **Lumezzane**, Almag has planned transversal themes aimed at enhancing both the technical skills of workers and their relational and professional development skills.



HEALTH AND SAFETY OF PEOPLE

Almag considers the health and safety of its employees a matter of fundamental importance, forming the basis of its daily operations.

The company firmly believes that workplace accidents and occupational illnesses can and must be prevented. While actively working to eliminate hazards and minimise risks by implementing various mitigation strategies, no company - especially those operating in the manufacturing sector - can afford to overlook the risk of accidents in its analyses and assessments[1].

Almag employs a range of measures to ensure high standards of safety, health, and well-being in the workplace. In addition to complying with appropriate prevention requirements and adhering to current legislation and related technical regulations, the company provides suitable personal protective equipment, guarantees thorough health surveillance that goes beyond the specific risks of each role and subjects employees to ongoing training and information activities. Furthermore, innovation and a focus on highly automated technological solutions are at the heart of Almag's investments, including in the area of safety.

Almag has implemented an **Occupational Health and Safety Management System** in accordance with the **UNI EN ISO 45001:2018** standard. This certification, obtained in 2021 following the update from OHSAS 18001 - which had been in place since 2012 - represents an internationally recognised standard for the proactive management of health and safety risks in the workplace. The system establishes a structured framework aimed at protecting employees, preventing accidents and injuries, continuously improving working conditions, and promoting a corporate culture centred on prevention and shared responsibility.

The potential threats and identified risks, along with the personnel involved and the processes used to identify and manage them, are detailed in the Risk Assessment Document in accordance with Legislative Decree 81/08, which, supplemented by over 30 Specific Risk Assessments, is regularly reviewed and updated.

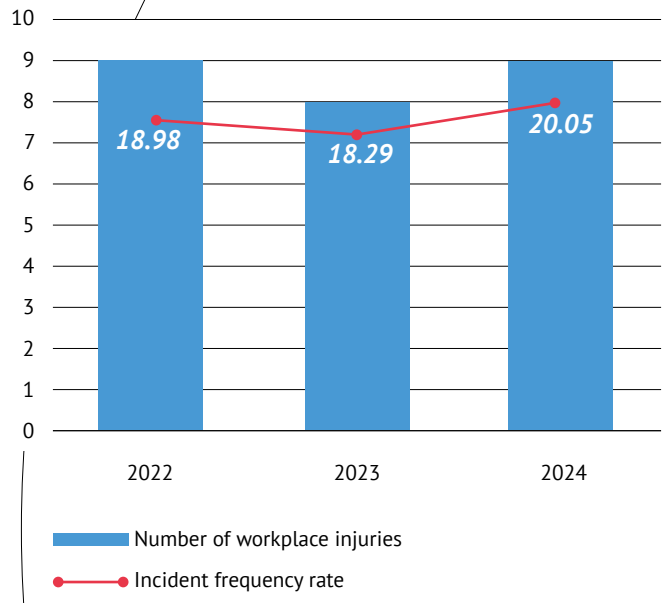
During 2024, a total of 9 **workplace injuries** were recorded within Almag's operations[2], of these, 8 occurred at the Roncadelle plant and 1 at the Lumezzane site; the number is consistent with that of the previous two years.

The company also monitors improvement reports and near-miss incidents, gathering information and suggestions related to both environmental and workplace health and safety matters, paying close attention to all employees' reports with a view to continuous improvement.

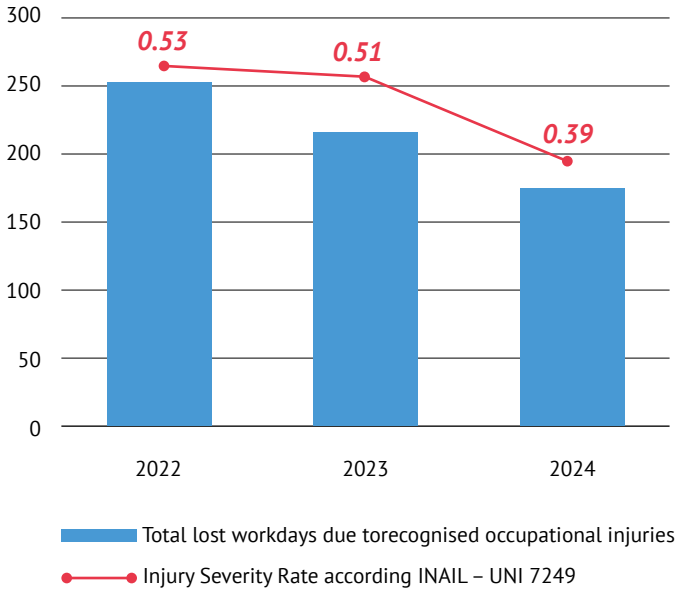
Monitoring the injuries that have occurred allows the calculation of the severity[3] and frequency rates.[4].

[1] § Potential negative impact: risk of injuries
[2] § Actual negative impact: workplace injuries
[3] Severity rate: total number of days lost due to injury ⊠1,000 ÷ total hours worked by the entire workforce.
[4] Frequency rate: number of injuries ⊠1,000,000 ÷ total hours worked by the entire workforce.

INCIDENT FREQUENCY RATE



INJURY SEVERITY INDEX



For 2024, the **frequency rate** of workplace injuries stands at **20.05**, an increase of 9.6% compared to 2023. On the other hand, the **severity rate** shows a positive outcome, at **0.39**, representing a decrease of around 25% compared to the previous two years. This demonstrates how the mitigation measures implemented by the company have led to a real improvement in internal safety and a reduction in injuries with serious consequences.

WORKERS IN THE VALUE CHAIN

Conflict minerals are natural resources extracted in contexts marked by political instability, civil wars and weak governance. The main ones include tin, tungsten, tantalum and gold.

The extraction of these minerals causes severe environmental consequences, such as deforestation, water pollution and ecosystem degradation. From a social perspective, working conditions are often critical: safety standards are lacking, child labour is widespread, and workers' rights are systematically violated. Moreover, the control of mines by armed groups helps to finance local conflicts and violence.

This situation fuels significant geopolitical tensions, attracting the interest of foreign powers and large international companies, thus contributing to the perpetuation of instability and exploitation in producing countries.

In its production process, Almag uses tin in limited quantities[1] as an element to adjust the brass alloy. This raw material comes from the upstream supply chain through indirect suppliers.

Aware of the issues related to the sourcing of conflict minerals, the company adheres to the **Conflict Minerals Policy** concerning the Democratic Republic of Congo and neighbouring countries. In this regard, Almag conducts checks on its raw material suppliers to ensure that the tin used does not originate from areas affected by armed conflicts, thereby demonstrating its commitment to ethical and responsible production.

[1] § Potential negative impact: conflict minerals

VALUE CREATION IN THE COMMUNITIES

Almag has deep roots in the Brescia area and over the years has committed to maintaining and strengthening its ties with local communities, aiming to create shared values, generate innovations and bring benefits to the entire regional network[1].

The relationships with the territory are characterised by networks with other companies in the metallurgical sector that were founded and have developed within the Province. Thanks to these connections, Almag is able to establish synergies for its stakeholders by participating in associations and consortia that, through the sharing of experiences, enable networking and enrich the company's know-how.

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

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

CONSORZIO RAMET
It is a Consortium Company for environmental research, composed of 22 metallurgical companies from the Province of Brescia, of which Almag has been a member since 2005. Together, these companies work to reduce air pollutant emissions and promote environmental protection.

ASSOMET – National Association of Non-Ferrous Metals Industries
An association committed to safeguarding the operational conditions of the sector in areas such as energy, customs, taxation, and trade policy, aiming to achieve competitive conditions comparable to those of the main European countries and competitors in the national industry.

AIM - Italian Metallurgical Association
An organisation dedicated to promoting metallurgical research and technological innovation, supporting the development and dissemination of best practices within the metallurgical sector in Italy.

IWCC - International Wrought Copper Council
Almag is a member of the board of the International Wrought Copper Council (IWCC), an association for the copper and copper alloys manufacturing industry. Founded in 1953, the IWCC has members worldwide, including Europe, Japan, China, India, Malaysia, South Africa, Korea, Taiwan, Thailand and the United States.

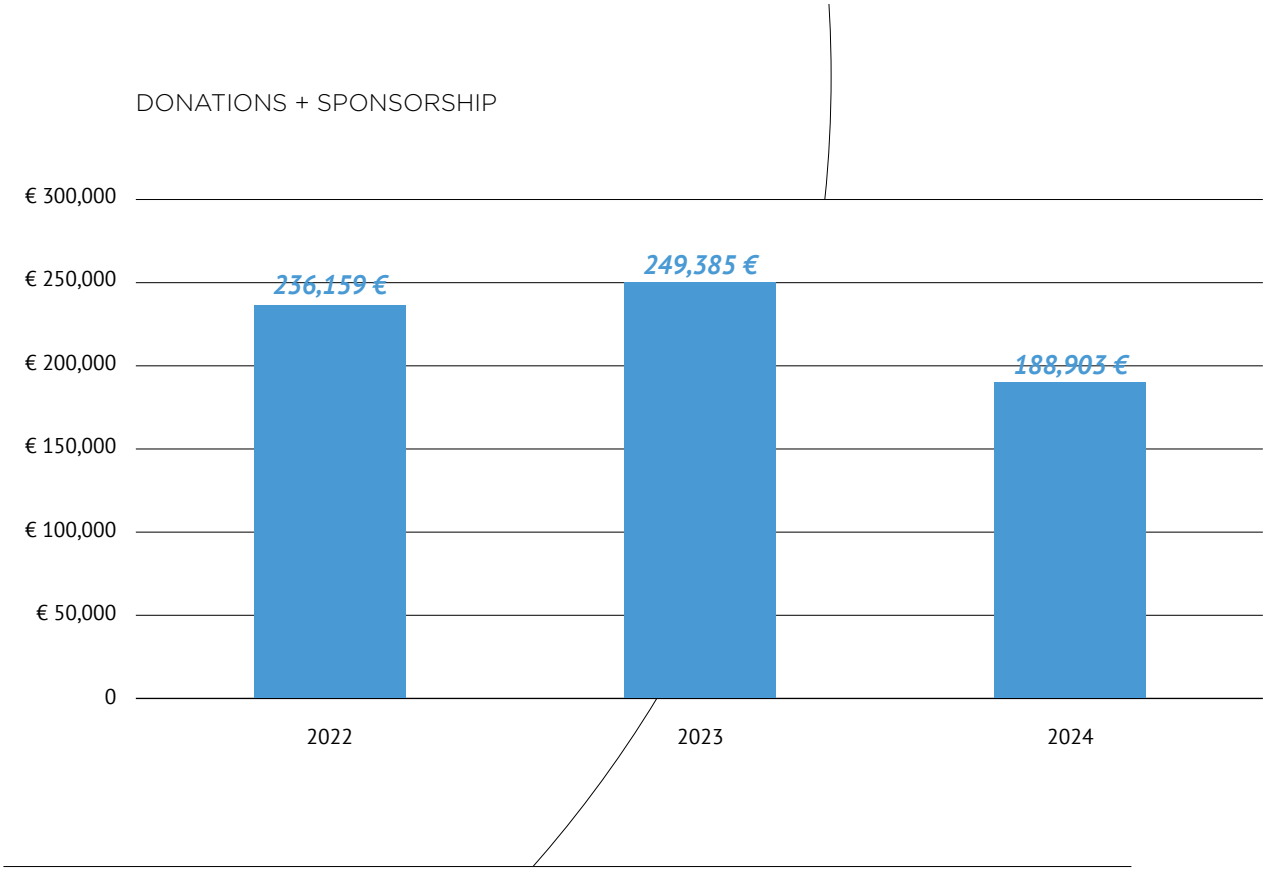
[1] § Potential positive impact: partnerships with the local community

Almag has always supported various initiatives to assist the communities residing in the areas where it operates, selecting projects based on three criteria:

- Relevance to the community: each initiative must be characterised by a focus on the needs and expectations of the community;
- Inclusiveness: projects whose benefits extend to a broad group of citizens are our priority;
- Synergy: for every action and initiative, we seek maximum collaboration with local authorities to combine resources and expertise.

Il supporto a realtà come fondazioni, scuole, parrocchie, associazioni, permette, inoltre, di essere presenti concretamente nella comunità locale.

Support for organisations such as foundations, schools, parishes and associations also enables Almag to have a tangible presence within the local community. Over time, Almag has expanded its **system of donations and sponsorships**. The economic value of donations and sponsorships in 2024 amounted to €188,903. [1]



[1] The amount is lower compared to 2023, as the previous year's figure included the cost of membership fees for certain industry associations, which have been excluded from this item for the current year.


EMATER

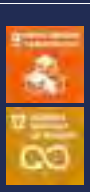
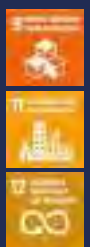
The responsible conduct of business represents a fundamental pillar for Almag.
The principles guiding its activities are enshrined in the Code of Ethics and Conduct and form the basis of the organisation's daily commitment to integrity, transparency and the creation of shared value.
Almag's vision, focused on **continuous improvement**, drives the company towards innovation in its products, while also ensuring careful management of the supply chain and customer satisfaction.
All of this is made possible by **solid governance**[1] and by an organisation that aims to generate **shared value**: fairly distributing the economic value created, while actively contributing to sustainable and long-lasting development for all stakeholders, both internal and external.

[1] § Opportunity: ESG strategy

Over time, Almag has chosen to adopt a number of strategies aimed at ensuring responsible business management, such as the implementation of an **Organisation, Management and Control Model** pursuant to Legislative Decree 231/2001 and the establishment of an **integrated management system** for quality (ISO 9001), environment (ISO 14001), occupational health and safety (ISO 45001), energy (ISO 50001), and organisational carbon footprint (ISO 14064-1), as well as the adoption of a Code of Ethics and Conduct.

These important guidelines are complemented by the objectives the company has set for 2025, which are outlined in the table below.

OUR OBJECTIVES FOR THE GOVERNANCE DIMENSION:

SDGs	Topic	Future actions
	Corporate conduct	Introduce ESG criteria during the selection and qualification of direct suppliers
	Corporate conduct	Development of the Group Sustainability Policy
	Corporate conduct	Formalisation of roles and responsibilities in risk management

CORPORATE CONDUCT

Given the complexity of the context in which Almag operates, it is essential that all activities along the value chain are carried out in full compliance with national and EU regulations, with the aim of protecting and enhancing the interests of all the organisation's stakeholders.

An ethical approach to business management is a key element in strengthening the company's reputation, helping to promote an image of reliability, integrity and transparency.

The commitment to constantly monitor compliance with regulations has resulted, once again in 2024, in no incidents of non-compliance with laws or regulations, nor any cases of corruption or anti-competitive behaviour, continuing the positive trend observed in previous years.

To ensure ethical and responsible management, Almag adopts a structured set of guidelines, procedures, and principles, which are summarised in the following sections.

CORPORATE CULTURE

Code of Ethics and Conduct

The adopted Code of Ethics and Conduct defines the rules of behaviour that Almag intends to follow in the exercise of its business activities. Originally approved by the Board of Directors (BoD) in 2012 and updated for the fifth time in 2023, the document serves as a reference point for the behaviours to be followed by all those acting on behalf of the company, as well as by anyone who maintains relations with it, with the aim of contributing to the creation of an environment conducive to the prevention of offences and the proper conduct of business.

Among the general ethical principles guiding all the organisation's activities are compliance with national, EU, and **international law** within a framework of fair competition, **honesty, diligence, integrity** and respect for the interests of all stakeholders.

Fundamental values also include **impartiality of treatment** and fairness, alongside a firm **opposition to any form of discriminatory behaviour**. Moreover, the Company places great emphasis on **respecting and protecting individual rights,** ensuring equal opportunities and non-discrimination in the workplace.

Other general ethical principles that inspire Almag's business conduct include **transparency and reliability** in the information provided externally to the organisation. Finally, **diligence** and **accuracy in the execution of business activities and professional services**, the promotion of **fair competition**, and the protection and enhancement of the company's **image** and reputation complete the aforementioned general principles.

In addition to the general principles, the Code of Ethics and Conduct defines specific values that **guide relationships with employees**, emphasising the importance of motivated and professional human resources, equal treatment, and non-discrimination. Specific principles are also outlined for **relationships with collaborators and consultants**, based on impartiality and professional competence; with **clients and suppliers**, founded on quality and fair competition; with shareholders, aimed at ensuring transparency and safeguarding company assets; with **public authorities**, in strict compliance with regulations; with competitors, aimed at preventing unfair practices and ensuring respect for intellectual property; and with the community, focused on promoting sustainable development. A specific principle is also dedicated to the management of **conflicts of interest.**

The principles and values included in this document are subject to specific procedures within the Organisation, Management and Control Model and apply, without exception, both to internal parties (employees with ongoing contracts) and to third parties who have relations with the organisation (external professionals, partners, suppliers, consultants, etc.).

Given the specific professional responsibilities and duties associated with managerial roles, it is also noted that a **Disciplinary Code for Managers** is in place, which was updated during 2023.

Organisation, Management and Control Model

For several years, Almag has chosen to adopt its own **Organisation, Management and Control Model (OMCM) aligned with the provisions of Legislative Decree 231/2001**, a regulation that establishes the administrative liability of entities for certain offences committed in their interest or to their advantage. Although not mandatory by law as a requirement for conducting business activities, this choice represents a clear commitment by the organisation to operate in accordance with the ethical **principles** of legality, transparency, and integrity.

The 231 Model, active since 2012, constitutes a structured system of rules, procedures, and controls aimed at preventing the commission of offences by the organisation, such as those of a fiscal, administrative, environmental, and commercial nature[1].

The Model is periodically updated, taking into account regulatory developments and organisational needs, reaffirming the organisation's commitment to continuously strengthening the ethical principles on which it is founded.

[1] § Risk: cases of corruption

Whistleblowing

To enable the reporting of violations of the Organisation, Management and Control Model (OMCM), a dedicated procedure, known as the "Procedure for Reporting Violations (**Whistleblowing**)," has long been established. In accordance with legislation, this procedure is accessible to all company personnel as well as external stakeholders. Anyone may submit reports via a dedicated online platform which, since July 2023, guarantees the anonymity of the whistleblower in compliance with current privacy regulations.

According to the company procedure, the platform allows users to report information concerning the possible commission of crimes or significant misconduct, of which they have become aware, and which involve Almag or one or more of its collaborators.

Reports received are analysed by the Reporting Manager, who, after verifying their validity, assesses whether there are grounds to initiate a formal investigation.

It is emphasised that the whistleblowing system adopted by Almag aligns with the most recent updates to Legislative Decree No. 231/2001, introduced following the transposition of EU Directive 2019/1937 into Italian law by Legislative Decree 24/2023.

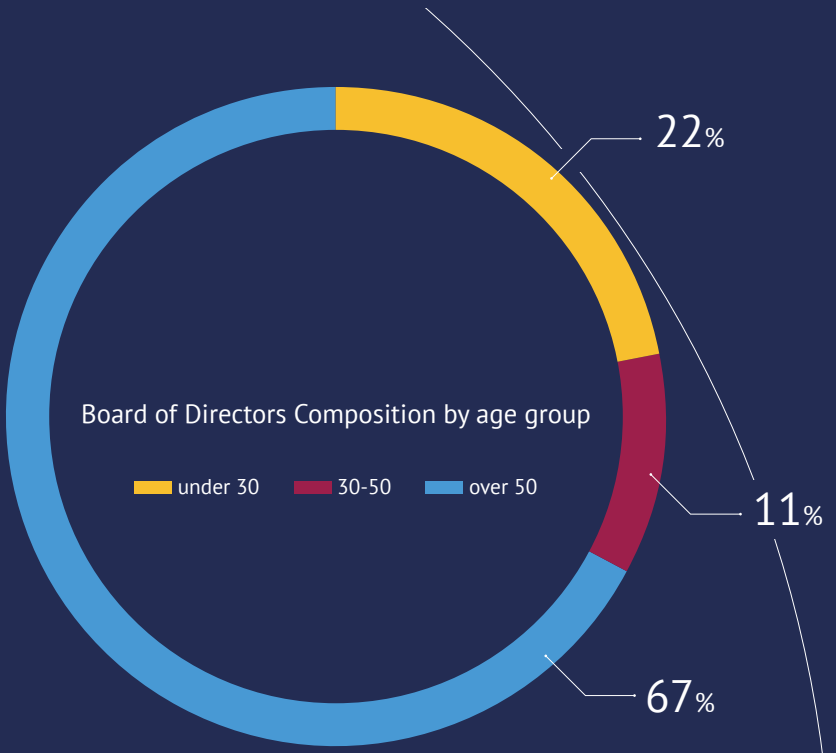
CORPORATE GOVERNANCE

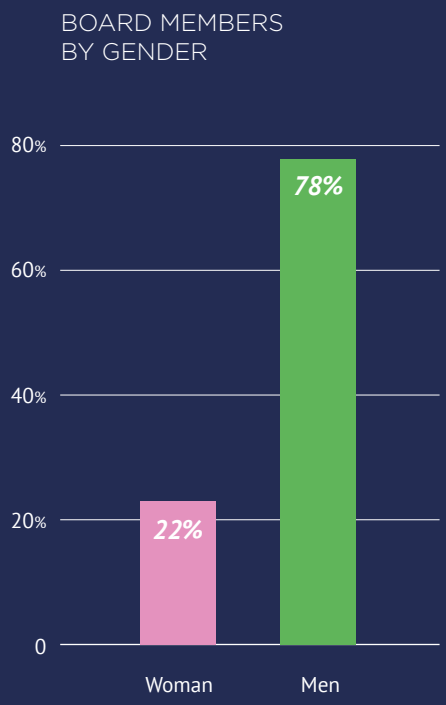
To ensure ethical and transparent governance, Almag has adopted a solid governance structure, supported by specific instruments. The main governing bodies are the **Board of Directors** (BoD), the **Supervisory Body** (Organismo di Vigilanza - OdV), and the **Board of Statutory Auditors** (Collegio Sindacale).

Board of Statutory Auditors

The highest governing body is the **Board of Directors**, composed of nine members appointed by the Ordinary Shareholders' Meeting, representing the shareholders. Board members serve for a term not exceeding three financial years and may be re-elected at the end of their mandate.

The Board of Directors manages ordinary and extraordinary activities aimed at achieving the company's objectives. In 2024, out of the nine Board members, two were women, two were under 30 years old, and one was aged between 30 and 50. Additionally, six of the nine members belong to the controlling shareholder group, while three were selected based on specific professional expertise.





The current Chairman, Gabriele Gnutti, who also serves as Chief Executive Officer, is vested with the broadest powers of ordinary and extraordinary administration. Certain types of operations, however, are reserved for the Board.

FOCUS/BOX

SUSTAINABILITY GOVERNANCE

The Board of Directors guides strategic choices and defines the organisation's sustainability objectives, granting General Management a broad mandate to review and approve short-, medium- and long-term actions and targets.

Through the assignment of notarised powers of attorney, the Board delegates operational management of activities and their related impacts, including those relevant to environmental, social, and governance (ESG) matters, to department heads in line with their respective competences. As part of the periodic management review, these individuals report to the General Manager on the progress and achievement of assigned objectives, contributing to the definition of the management strategy. In turn, the General Manager presents the Board of Directors with a report at least annually on the effectiveness of the actions taken, supported by performance data included in the company's Sustainability Report. This occasion also includes a formal session dedicated to analysing environmental issues and health and safety at work. During this session, the General Manager informs the Board of any critical issues that have arisen during the period; minor matters related to the same topics are regularly communicated to the Chairman.

In the presence of actual or potential negative impacts, Almag promptly initiates a process of gathering and analysing available information, establishing, where possible, direct dialogue with the whistleblower to obtain comprehensive feedback. Except for reports of minor significance, which nonetheless receive an appropriate response, the organisation proceeds with specific investigations, utilising internal inquiries or, if necessary, external audits. The results are shared with the relevant stakeholders, fostering transparency and continuous improvement. The Board is immediately informed of any significant negative impacts.

Supervisory Board

The responsibility for monitoring compliance with and proper implementation of the Organisation, Management and Control Model lies with the **Supervisory Body**; this entity is appointed by the Board of Directors and consists of three external members, one of whom acts as Chairman. These members come from technical and legal-economic professional backgrounds and possess the prerogatives of independence, expertise and operational continuity.

The Supervisory Body is required to meet at least three times a year, as well as whenever the Chairman requests a meeting with at least one member.

Furthermore, the Body must promptly inform the Board of Directors and the Board of Statutory Auditors of any violations or non-compliant behaviour, recommending any necessary revisions, amendments or additions to control procedures to prevent infractions.

It should also be noted that there is a specific regulation governing its proper functioning and ensuring compliance with applicable laws and related obligations.

Board of Statutory Auditors

The Board of Statutory Auditors, the company's control body, acting in conjunction with an independent auditing firm, oversees compliance with the law, adherence to 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 serve a term of three financial years.

ORGANISATIONAL STRUCTURE

The current organisational structure assigns a strategic role to the General Management, which oversees both the management of the Lumezzane plants and specific functions that span the entire organisation:

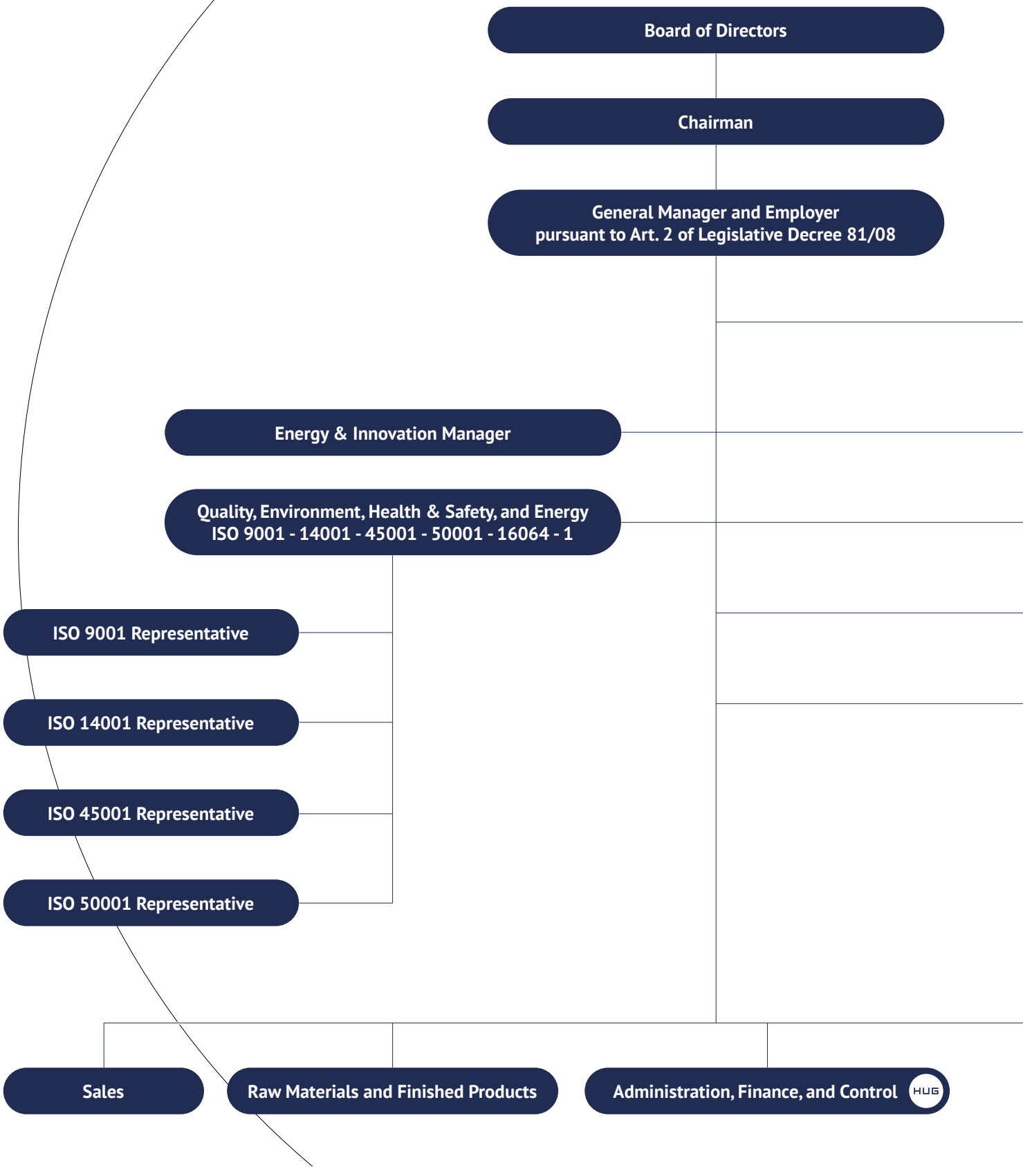
1. **Health, Safety and Environment**
2. **Energy & Innovation**
3. **General Services**
4. **Personnel Administration**
5. **IT Services**
6. **Training and Human Resources Development**

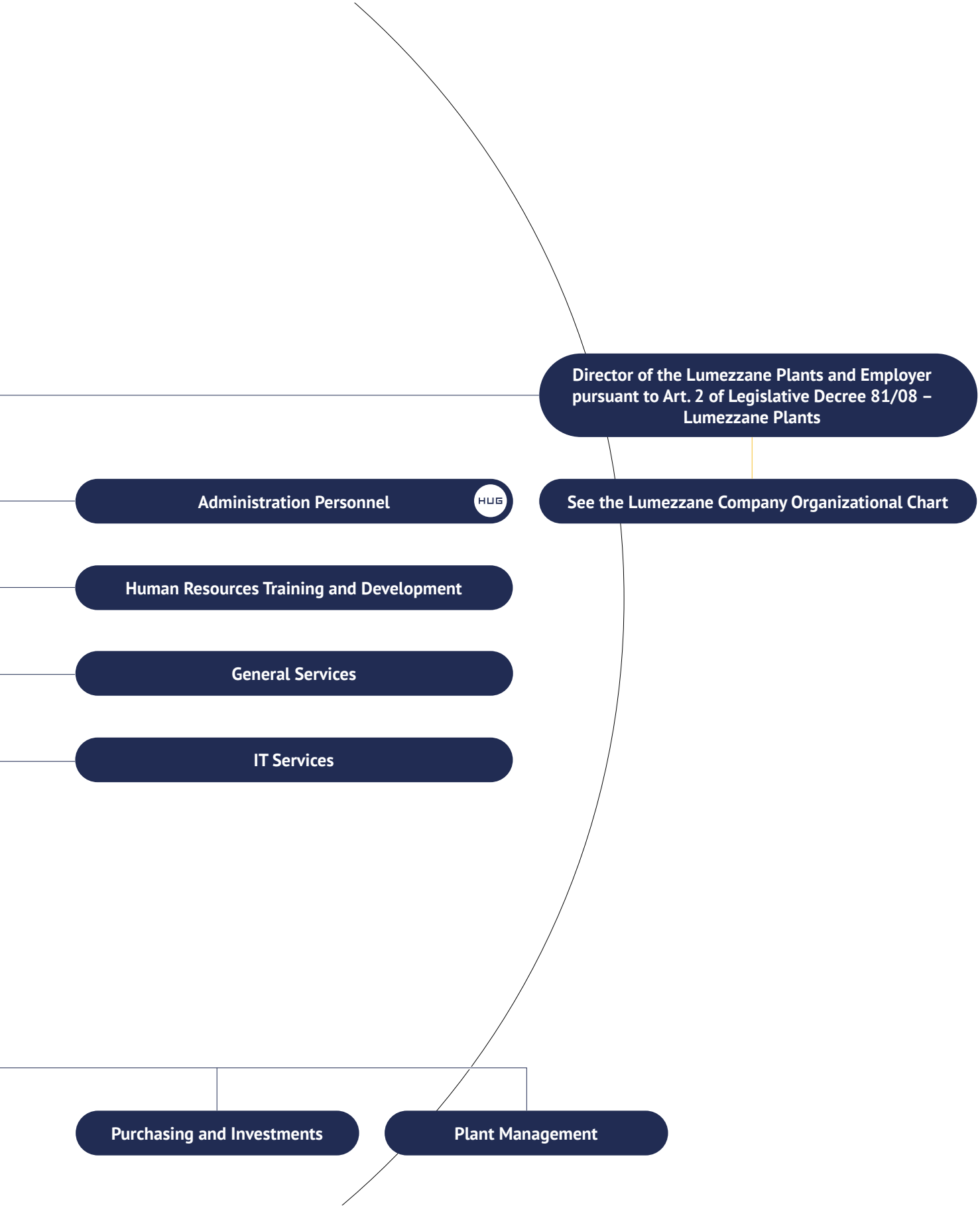
Furthermore, all company divisions report directly to the General Manager:

- **Commercial Division**
- **Raw Materials and Finished Products Purchasing Division**
- **Administration, Finance and Control**
- **Purchasing and Investments**
- **Operations Management**

GOVERNANCE DIMENSION

BELOW IS ALMAG'S ORGANISATIONAL CHART




Director of the Lumezzane Plants and Employer pursuant to Art. 2 of Legislative Decree 81/08 – Lumezzane Plants
Administration Personnel
HUG
See the Lumezzane Company Organizational Chart
Human Resources Training and Development
General Services
IT Services
Purchasing and Investments
Plant Management

ECONOMIC PERFORMANCE

At Almag, the concept of responsible business management also involves the sharing of value among all stakeholders who have contributed to its creation.

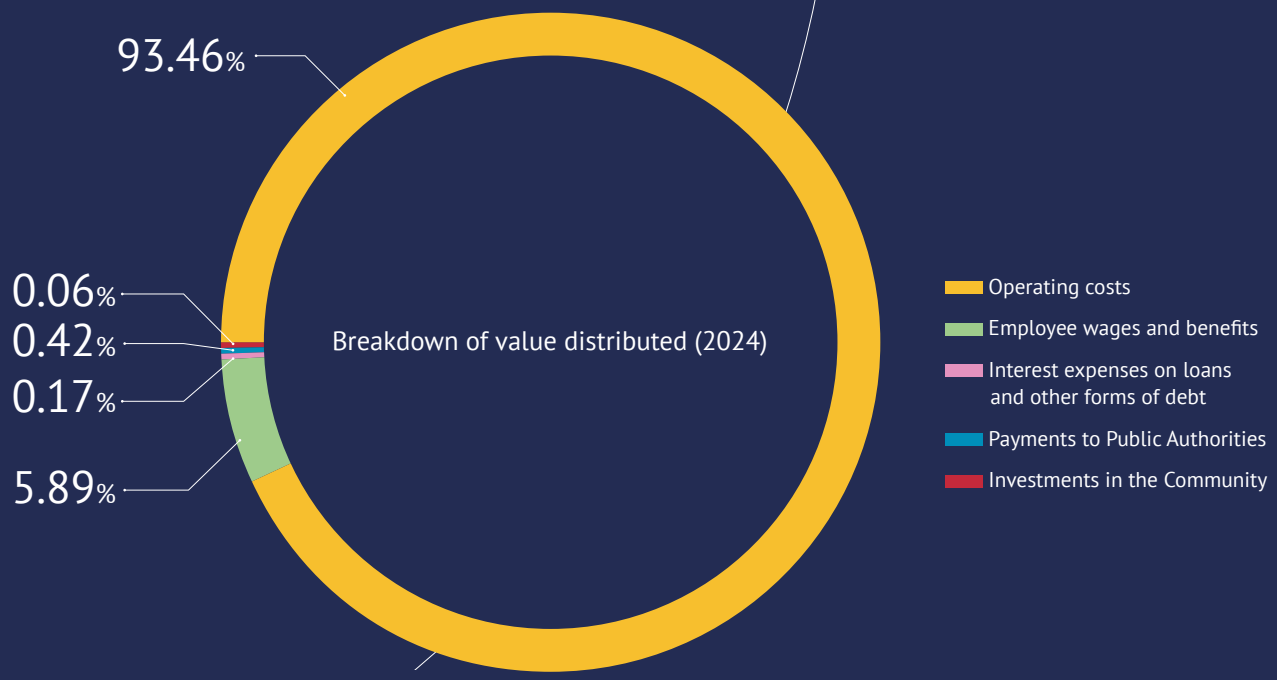
Also in 2024, continuing the approach taken in 2023, the generation of value for the organisation and its stakeholders is measured in accordance with the parameters established by the **Global Reporting Initiative** (GRI) Standards for non-financial reporting, which define two main categories for reporting the company's economic situation:

Direct economic value generated: includes revenues from net sales, gains from financial investments, and income from the sale of goods.

Economic value distributed: includes various elements such as operating costs, employee wages and benefits, payments to capital providers, taxes paid to the Public Administration and investments in the community.

In 2024, Almag recorded an **economic value** generated exceeding 350 million euros (€352,652,653), marking a 13% increase compared to 2023. Of this amount, over 319 million euros (91%) were redistributed among suppliers, employees, shareholders, public authorities and the community, according to the proportions shown in the pie chart below. The portion of value retained by the company in 2024 and reinvested to support business growth amounted to 9%.

In 2024, the majority of the **economic value distributed** (93%) was allocated to operating costs. A significant second portion of the total was distributed to workers in the form of employee wages and benefits (5.89%).



INTEGRATED MANAGEMENT SYSTEM

Almag has established a **Quality, Environment, Occupational Health & Safety, and Energy Policy** which encompasses the commitments the organisation makes regarding product quality, the environment, energy and the health and safety of its workers. In this document, the company affirms its dedication to the continuous improvement of its performance and to meeting the **quality** requirements of its products and production processes. It also focuses on **pollution prevention**, the **efficient use of natural** and energy resources and the **health and safety** of workers by preventing accidents and occupational illnesses while promoting a culture of safety. In summary, Almag adopts an integrated approach to ensure product quality, environmental protection, energy efficiency and workplace safety, aiming for sustainable and responsible development.

This policy forms the foundation of the organisation's Integrated Management System, which comprises ISO certifications such as:

ISO 9001: Quality Management System

ISO 14001: Environmental Management System

ISO 14064-1: Corporate Carbon Footprint certified by an independent third party

ISO 45001: Occupational Health and Safety Management System

ISO 50001: Energy Management System

[1] Actual Positive Impact: Certifications and Governance

PRIVACY AND DATA PROTECTION

Privacy management and data protection are two issues that Almag regularly addresses, fully aware of the real risks associated with potential data breaches[1] or unauthorized access to information. To this end, the company has long implemented a policy and appointed a **Chief Privacy Officer**, responsible for supervising and managing all potentially relevant matters in this area.

Almag indeed assigns a strategic importance to the security of data and information, carefully assessing the associated risks of breach. As a control measure, the organisation annually promotes internal training sessions on **cybersecurity.** In line with its commitment to ensuring information security, the company has set achieving **ISO 27001** certification (Information Security Management System) among its objectives for 2025.

All these actions are aimed at strengthening data protection and ensuring the confidentiality, integrity, and availability of information, effectively safeguarding all internal and external stakeholders.

FOCUS/BOX

ISO 27001

ISO 27001 is the international standard for information security management and provides an effective response to the risk of data breaches. By implementing technical, organisational, and procedural controls, it enables the protection of data against unauthorised access, loss, or cyberattacks. The aim of obtaining ISO 27001 certification reflects a proactive approach to managing cyber risk, focused on safeguarding stakeholders and strengthening the organisation's credibility.

CUSTOMER SATISFACTION

Almag has always placed great emphasis on the continuous improvement of the quality and efficiency of its products and services. Replicating the initiative launched in 2022, the company also carried out a customer satisfaction survey in 2024, using questionnaires to **assess overall satisfaction levels**.

The results confirmed a very high level of satisfaction: all customers declared themselves satisfied with the service, with an overall average rating exceeding **90%,** in line with the findings of the previous survey.

This result reflects the company's ongoing commitment to achieving optimal customer satisfaction and confirms that the internal customer satisfaction target for 2024 has once again been met.

[1] § Risk: data breach

SUPPLY CHAIN MANAGEMENT

A key element of Almag's business management is the handling of supplier relationships. On the one hand, the company pays close attention to the **selection and assessment** of the quality and reliability of all its suppliers; on the other hand, it is committed to maintaining solid and long-standing relationships with them. As further confirmation of this approach, it should be noted that the company strictly adheres to the agreed payment terms and conditions.

To mitigate the risks associated with potential disruptions or inefficiencies in the supply chain, the organisation adopts a strategy of **diversifying its sources of supply**, favouring suppliers with a high level of technical expertise and a solid understanding of the industry.

This approach enables Almag to consolidate long-term relationships based on reliability, compliance and the sharing of its ethical values.

Over 55% of Almag's raw material suppliers are located in Italy, while the remainder are based abroad.

RAW MATERIAL SUPPLIERS

Given the sensitivity of the matter, Almag also has a specific qualification and selection procedure for raw material suppliers, which includes both initial and ongoing checks. This control procedure is also extended to any third-party company entrusted with delivering materials on behalf of others (so-called "indirect supplies").

[1] § Risk: supplier dependency

60

ACTIVE RAW MATERIAL SUPPLIERS IN 2024

In 2024, as in 2023, no new evaluation methods based on specific environmental criteria were introduced. The selection and monitoring of suppliers continues to be carried out through a structured report, which provides an overall view of the supplier's status and includes financial indicators as well as an analysis of any issues identified.

The qualification procedure may, in some cases, also include audits at the suppliers' premises, aimed at directly verifying the information provided, particularly regarding environmental certifications and permits.

For example, in 2024, visits were conducted at four raw material suppliers to verify the declared environmental documentation. Also in 2024, the company maintained its commitment to progressively strengthen supply chain monitoring, with particular focus on ethical and environmental aspects.

PAYMENT PRACTICES

Almag stands out for its responsible and exemplary approach to payment practices within its supply chain, ensuring **punctual compliance with contractual deadlines**. Payment terms are established during the contractual agreement and allow, as a maximum limit, a delay (due to technical execution times) of no more than 7 days beyond the payment due date.

Specifically, raw material suppliers, who account for approximately **80% of the total supply expenditure**, receive payments within a maximum term of 30 days, while service suppliers (representing around **12% of total supply costs**) have an average payment period of approximately **60 days**.

This approach reflects Almag's commitment to maintaining fair, transparent and lasting relationships with all its business partners.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IRO TABLES

In the second chapter of Almag's 2024 Sustainability Report, focusing on impacts and materiality, the results of the impact analysis were presented. The tables below show, for each identified actual impact, potential impact, risk, or opportunity, the scores assigned according to the evaluation criteria established by the CSRD. From these numerical scores (ranging from 1 to 4), a percentage value was calculated, enabling the prioritisation depicted in the bar charts presented in the chapter titled "Almag's Material Topics and Impacts."

ACTUAL NEGATIVE IMPACTS

			Magnitude		
Topic	**Impact**	**Contribution**	**Scale**	**Scope**	**Irremediable character**
E1-Climate change mitigation and adaptation	Contribution to global emissions	Directly caused	2	3	3
E2- Pollution (of air, water, soil, living organisms, and food resources)	Upstream pollutant emissions	Upstream value chain	2	2	4
E3- Water consumption and withdrawal	Water withdrawal	Directly caused	2	2	3
E5- Inflows of resources, including resource use	Strategic raw materials	Own activities	2	2	2
E5-Waste	Waste production	Directly caused	2	2	2
S1-Safe employment	Employment risks	Own activities	2	2	2
S1-Health and safety	Workplace injuries	Own activities	2	2	4

ACTUAL POSITIVE IMPACTS

			Magnitude	
Topic	**Impact**	**Contribution**	**Scale**	**Scope**
E5- Resource inflows, including resource use	Raw materials recovery	Own activities	3	2
S1-Corporate well-being	Employee well-being	Own activities	3	4
S1-Training and skills development	Employee training	Own activities	4	3
G1-Corporate culture	Certifications and governance	Own activities	4	3

POTENTIAL NEGATIVE IMPACTS

			Magnitude			
Topic	**Impact**	**Contribution**	**Scale**	**Scope**	**Irrimediable character**	**Likelihood**
E2- Pollution (of air, water, soil, living organisms, and food resources)	Exceedance of emission limits	Own activities	3	3	3	2
S1-Health and safety	Injury risks	Own activities	4	2	4	3
S2-Health and safety	Conflict minerals	Upstream value chain	3	2	3	3

POTENTIAL POSITIVE IMPACTS

			Magnitude		
Topic	**Impact**	**Contribution**	**Scale**	**Scope**	**Likelihood**
E2- Substances of concern or substances of very high concern	Lead-free brass	Own activities	3	3	3
S3- Impacts related to community well-being	Partnerships with the territory	Own activities	3	3	3

RISK

Topic	**Object**	**Magnitude**	**Likelihood**
E1-Energy	Increase in energy costs	3	3
E2- Substances of concern or substances of very high concern	Machinery adaptation for new alloys	3	3
E5- Resource inflows, including resource use	Supply chain disruptions	2	2
S1-Safe employment	Recruitment difficulties	3	2
G1- Management of supplier relationships, including payment practices	Dependence on suppliers	3	2
G1- Corruption: incidents, prevention and detection, including training	Corruption incident	3	1
G1-Cybersecurity	Data breach	3	3

OPPORTUNITY

Topic	**Object**	**Magnitude**	**Likelihood**
G1-Corporate culture	ESG Strategies	3	3

DATA TABLES

ENVIRONMENT DIMENSION

ENERGY CONSUMPTION-RONCADELLE
GRI 302-1

Energy carrier	UdM	2022	2023	2024
Electrical energy	kWh	81,592,004	70,219,636.50	73,335,185.53
Electrical energy from FER	kWh	577,268	553,616	547,755
Thermal energy	Sm3	2,844,446	2,342,451	2,529,014
Fuel: Diesel	l	84,561	80,970	79,257
Fuel: Petrol	l	10,965	10,650	17,204
Solid fuel	Ton (secco)	10.51	10	0

ENERGY CONSUMPTION-LUMEZZANE
GRI 302-1

Energy carrier	UdM	2022	2023	2024
Electrical energy	kWh	4,209,420	3,855,951	3,905,179
Thermal energy	Sm3	864,302	749,569	749,285
Fuel: Diesel	l	4,365	2,999.16	5,675.61
Fuel: Petrol	l	0	1,720.60	99.86

EMISSIONS INTO THE ATMOSPHERE
GRI 305-1, 305-2, 305-3

	UdM	**2022**	**2023**	**2024**
Direct emissions (Scope 1)	$tCO_2eq.$	7,793	6,572	6,930
Indirect emissions for imported energy (Scope 2)	$tCO_2eq.$	24,017	19,775	20,314
Indirect emissions (Scope 3)	$tCO_2eq.$	81,388	74,145	73,083
Tot, Emissions (cat, 1 and 2)	**$tCO_2eq.$**	**113,245**	**100,492**	**100,327**

WASTE
GRI 306-1, 306-3

	UdM	**2022**	**2023**	**2024**
Waste produced	ton	9,233.57	7,259.20	7,322.96
Hazardous waste	ton	3,801.45	3,091.68	3,061.79
Waste sent for recovery	ton	8,799.25	6,818.11	6,871.82
Waste sent for disposal	ton	434.32	441.09	451.14

RAW MATERIAL
GRI 301-1

	UdM	2022	2023	2024
Extracted raw material	ton	175,909.22	131,033.19	133,699.50
Virgin metals*	ton	9,982.38	11,089.71	9,296.53
Recycled metals*	ton	12,338.16	5.805.83	7,434.70
Metal scrap*	ton	149,825.50	111,732.06	113,377.05

* For clearer visualisation, the weight of aggregated raw materials has been reported, with the breakdown provided below.
- Virgin metals refer to the sum of virgin copper, virgin aluminium, and virgin zinc.
- Recycled metals refer to the sum of recycled tin, recycled lead, and recycled zinc.
- Metal scrap refers to the sum of brass scrap and copper scrap.

WATER CONSUMPTION AND DISCAHARGES - RONCADELLE
GRI 303-3, 303-4, 303-5

	UdM	2022	2023	2024
Water withdrawal	mc	174,296	140,723	115,522
of which from the water supply network	mc	5,975	5,333	5,378
of which from wells	mc	168,321	135,390	110,144
Water discharges	mc	92,225	88,125	86,978
of which from industrial wastewater	mc	91,807	87,800	86,633
of which from rainwater runoff	mc	418	325	345

WATER CONSUMPTION AND DISCAHARGES - LUMEZZANE
GRI 303-3, 303-4, 303-5

	UdM	2022	2023	2024
Water withdrawal	mc	45,490	41,412	45,182
of which from the water supply network	mc	26,010	27,739	34,422
of which from wells	mc	19,480	13,673	10,760
Water discharges	mc	15,893	18,941	21,444
of which from industrial wastewater	mc	15,893	18,941	21,444
of which from rainwater runoff	mc	0	0	0

SOCIAL DIMENSIONS

NEW HIRES AND EMPLOYEE TURNOVER
GRI 401-1

	2022	2023	2024
Total hires	36	13	13
Total exits	32	28	20
New hire rate	17%	6%	6%
Overall turnover rate	32%	19%	16%
Exit turnover rate	15%	13%	9%
Voluntary turnover rate	8%	7%	4%

EMPLOYEES BY GENDER AND CONTRACT TYPE
GRI 2-7, 401-1

	2022	2023	2024
Permanent contracts	264	266	259
Fixed-term contracts	6	3	4
Full-time contracts	264	266	261
Part-time contracts	6	3	2

EMPLOYEES BY AGE GROUP
GRI 401-1, 405-1

Age group	2022	2023	2024
< 30	37	34	27
31 – 50	149	147	143
>50	84	88	93

WORKFORCE BY GENDER
GRI 2-7, 401-1, 405-1

Gender	2022	2023	2024
Women	22	22	21
%	8	8	8
Men	248	247	242
%	92	92	92

WORKERS BY JOB CLASSIFICATION

Classification	2022	2023	2024
Blue-collar workers	176	176	175
White-collar workers	79	77	72
Middle managers	10	11	11
Executive	5	5	5

HOURS OF TRAINING - RONCADELLE
GRI 404-1,2,3

Tematica*	2023	2024
Safety	1,435	1,898
BBS	68	1,114.5
Technical and professional skills	966	706
Emergency management	187.5	518.5
Language skills	195.5	334
Environment-energy-qualiy	143	444
Coaching	267	306
Organisational and managerial skills	223	247
Sustainability	151	91
Digital skills	0	93
WHP-Benessere organizzativo	0	115
On boarding**		43.5
Privacy	157	48
D. Lgs. 231/01	0	28
Parity	0	2
Total	**3,793**	**5,988.5**

* Within the Social chapter, the chart showing training hours by topic for the Roncadelle plant presents the main categories with a share of training hours equal to or greater than 4% of the total hours delivered, to ensure clear graphical readability. The table, instead, reports the total hours broken down by topic.
** In 2023, onboarding hours were included under the Safety topic.

HOURS OF TRAINING - LUMEZZANE
GRI 404-1,2,3

Tematica*	2023	2024
Safety	595	316
Technical and professional skills	58	252
Technical and professional skills	189	106
Environment-energy-qualiy	336.5	138.5
Awareness of company culture and objectives	40.5	40
Digital skills	0	38
WHP-Organnisational well-being	0	28
Coaching	60	22
On boarding**		12
Privacy	16	4
Total	**1,295**	**956.5**

** In 2023, onboarding hours were included under the Safety topic.

TRAINING HOURS BY JOB ROLE

	2022	2023	2024
Blue-collar workers	2,871.4	2,682	3,501
White-collar workers	1,856.5	1,477	2,632.5
Middle managers	497	518	510
Executive	84	200	170,5
Pro capite	19.6	18.6	26

TREND OF INJURIES
GRI 403-9

	2022	2023	2024
Hours worked (H)	474,160	437,446	448,980
Injuries (Ni)	9	8	9
Commuting accidents	2	1	1
Days of absence (Gi)	252	221	175
Frequency Index (If = Ni x 100,000 / H)	18.98	18.29	20.05
Severity Index (Ig = Gi x 1,000 / H)	0.53	0.51	0.39

GOVERNANCE DIMENSIONS

VALUE GENERATED AND DISTRIBUTED
GRI 201-1

Datapoints	2022	2023	2024
Value generated	460,465,946 €	312,000,984 €	352,652,653 €
Distributed value	405,534,838 €	263,926,412 €	319,308,999 €
Operating costs	379,783,194 €	241,718,343 €	298,416,781 €
Wages and benefits	18,520,051 €	17,805,370 €	18,810,981 €
Payments to the Public Administration	5,984,191 €	3,211,550 €	1,339,334 €
Community	236,159 €	249,385 €	188,903 €
Value retained	54,931,108 €	48,074,572 €	33,343,654 €

MEMBERS OF THE BOARD OF DIRECTORS
GRI 2-9

Datapoints	2022	2023	2024
Total	9	9	9
Of which women	2	2	2
Of which employees	1	1	0
under 30	1	2	2
30 - 50	2	1	1
over 50	6	6	6

SUPPLIERS
GRI 204-1

Voice	2022	2023	2024
Total suppliers	57	54	60
Of which local suppliers	47.50%	50.50%	57.40%

CUSTOMER SATISFACTION INDEX*

Voice	2022	2023	2024
Total satisfied customers	100%	N.A.	100%
Total customers	159	N.A.	157
Avarage overall rating	91%	N.A.	90%

* The survey is conducted on a biennial basis.

GRI CONTENT INDEX

FOR EACH MATERIAL ISSUE IDENTIFIED, THE CORRELATION WITH THE MAIN INTERNATIONAL REFERENCE STANDARD FOR SUSTAINABILITY REPORTING, THE GLOBAL REPORTING INITIATIVE (GRI), IS PRESENTED BELOW.
THERE ARE NO GRI SECTOR STANDARDS RELEVANT TO ALMAG'S BUSINESS.

Statement of use	Almag has reported the information cited in this GRI content index for the period 01/01/2024-31/12/2024 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI 2 – General disclosures 2021

GRI Standard	Disclosure	Location
The organisation and its reporting practices		
	2-1 Organizational details	Methodological Note
	2-2 Entities included in the organization's sustainability reporting	Methodological Note
	2-3 Reporting period, frequency and contact point	Methodological Note
	2-4 Restatements of information	Any variations are indicated in the text
Activities and employees		
	2-6 Activities, value chain and other business relationships	Supply chain management
	2-7 Employees	People management, welfare and development
Governance		
	2-9 Governance structure and composition	Corporate governance
	2-10 Nomination and selection of the highest governance body	Corporate governance
	2-11 Chair of the highest governance body	Letter to stakeholders
Strategy, policy and practicies		
	2-22 Statement on sustainable development strategy	Sustainability strategy
	2-25 Processes to remediate negative impacts	Management of negative impacts is specified in each relevant chapter
	2-26 Mechanisms for seeking advice and raising concerns	Enterprise culture

	2-27 Compliance with laws and regulation	Business Conduct
	2-28 Membership associations	Creating value in communities
Stakeholder engagement		
	2-29 Approach to stakeholder engagement	Stakeholder engagement
GRI 3 - Material themes - version 2021	3-1 Process to determine material topics	Identification of Impacts, Risks and Opportunities
	3-2 List of material topics	Material topics of Almag
	3-3 Management of material topics	Material topics of Almag; The management of material themes is reported in each relevant chapter.

Disclosure	**Location**
Topic standard – economic	
201-1 Direct economic value generated and distributed	Economic performance
205-1 Operations assessed for risks related to corruption	Business culture
205-2 Communication and training about anti-corruption policies and procedures	Business culture
206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Business culture
Topic standard – environment	
301-1 Materials used by weight or volume	Resource inflows
301-2 Recycled input materials used	Resource inflows
301-3 Reclaimed products and their packaging materials	Resource inflows
302-1 Energy consumption within the organization	Energy
302-3 Energy intensity	Energy
302-3 Energy intensity	Energy
302-4 Reduction of energy consumption	Energy
303-3 Water withdrawal	Water consumption and withdrawal
303-5 Water consumption	Water consumption and withdrawal
305-1 Direct (Scope 1) GHG emissions	Climate change mitigation and adaptation
305-2 Energy indirect (Scope 2) GHG emissions	Climate change mitigation and adaptation
305-3 Other indirect (Scope 3) GHG emissions	Climate change mitigation and adaptation
305-4 GHG emissions intensity	Climate change mitigation and adaptation
305-5 Reduction of GHG emissions	Climate change mitigation and adaptation
306-1 Waste generation and significant waste-related impacts	Waste
306-3 Waste generated	Waste

306-4 Waste diverted from disposal	Waste
306-5 Waste directed to disposal	Waste
306-2 Management of significant waste-related impacts	Resource inflows
Topic standard – social	
401-1 New employee hires and employee turnover	People management
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Staff wellbeing
403-1 Occupational health and safety management system	Personal health and safety
403-2 Hazard identification, risk assessment, and incident investigation	Personal health and safety
403-5 Worker training on occupational health and safety	People training and development
403-6 Promotion of worker health	Personal health and safety
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Personal health and safety
403-8 Workers covered by an occupational health and safety management system	Personal health and safety
403-9 Work-related injuries	Personal health and safety
404-1 Average hours of training per year per employee	People training and development
405-1 Diversity of governance bodies and employees	People management
408-1 Operations and suppliers at significant risk for incidents of child labor	Workers in the value chain
413-1 Operations with local community engagement, impact assessments, and development programs	Creating value in the community
413-2 Operations with significant actual and potential negative impacts on local communities	Creating value in the community
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Privacy and data protection

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