



METALLURGICA
SAN MARCO
THE ITALIAN BRASS PARTNER

SUSTAINABILITY REPORT

2025 EDITION

With renewed enthusiasm, I present Metallurgica San Marco's 2025 Sustainability Report, a document that recounts another year of growth, investment, and consolidation of our journey toward increasingly sustainable development.

In an economic and industrial context that continues to demand adaptability, strategic vision, and responsibility, our company has confirmed the soundness of its business model. We exceeded €260 million in revenue, strengthening our presence in international markets and continuing to guarantee our customers quality, reliability, and innovation. These results are the outcome of a strategy that integrates economic objectives with environmental, social, and governance goals, in the conviction that sustainability represents an essential factor of competitiveness and long-term value creation.

2025 also marked important milestones on the sustainability front. We undertook our first EcoVadis assessment, earning the bronze medal — a recognition that attests to the quality of the path we have taken and, at the same time, offers us fresh incentives to keep improving. We regard this result not as a destination, but as a solid foundation on which to build an increasingly structured, transparent, and measurable sustainability management system.

In parallel, we continued the investments aimed at making our production process even more efficient and competitive. The completion of the installation of the new extrusion press represents a strategic step in the company's industrial development plan, enabling us to increase production capacity, operational flexibility, and efficiency, with benefits also in terms of environmental performance.

Protecting the environment continues to be one of the pillars of our strategy. Having consolidated significant results over the years in the circular economy, in the use of recycled raw material, and in energy efficiency, we have defined new objectives to strengthen the monitoring of our emissions. Indeed, 2026 will mark an important evolution of our journey, with the calculation

of the complete carbon footprint — a fundamental tool to guide future actions to reduce impacts and to steer the "MSM Get To Zero" project toward increasingly ambitious goals.

People remain at the heart of our growth. We continue to invest in skills, training, and the enhancement of human capital, fostering a working environment founded on safety, inclusion, and the sharing of corporate values. We are convinced that the success of Metallurgica San Marco depends first and foremost on the commitment, professionalism, and passion of the women and men who contribute every day to the company's results.

We look to the future with confidence, aware that the challenges of the industrial transition will require innovation, investment, and a growing ability to measure and improve our performance. We will continue to pursue this path with responsibility, transparency, and determination, so that sustainability remains a distinctive element of our identity and a driver of growth for all our stakeholders.

Finally, I wish to thank all those who contribute every day to Metallurgica San Marco's journey: our employees, customers, suppliers, partners, and the local community that accompanies us in our growth. It is thanks to trust, collaboration, and shared values that we can face tomorrow's challenges with serenity and continue to build an ever more solid, innovative, and sustainable company.

Marco Gambarini
President, Metallurgica San Marco



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METALLURGICA SAN MARCO



VISION

Together for effective responses

Sharing and participation are key concepts for Metallurgica San Marco. They are essential to keep all company figures informed about the constant evolution of the national and international market, as well as industry demands. Sharing must be the driving force behind the company's growth and success, both now and in the near future. This means valuing workers, providing incentives and motivation for new professional roles, and having the courage to make radical choices that offer faster, creative, and innovative solutions, fostering a climate conducive to the development of ideas. A structured organisation and a compact work chain are strategic elements that we pursue every day, with the goal of continually refining our ability to react efficiently and promptly to market demands.

MISSION

The pursuit of shared growth

Metallurgica San Marco invests in the continuous and constant improvement of company procedures to streamline production processes and obtain products that comply with increasingly high quality standards, while caring for the environment and people's well-being. Our daily commitment is towards understanding the needs of our customers and the target market to ensure innovative products and services, thanks to significant research and development efforts aimed at sustainable growth.

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About us 01

About us

With over three generations of experience in brass processing, Metallurgica San Marco is today a well-established industrial player, distinguished by its high production versatility and a marked ability to customise the products it offers.

In 1968, the **Gambarini family** launched its entrepreneurial venture in the metallurgical sector; a few years later, more precisely in 1972, also thanks to the collaboration with the **Forelli family**, the present-day Metallurgica San Marco was founded and established, with an industrial structure geared toward progressive and sustainable growth.

Research and development, the continuous improvement of production processes, and the optimisation of company procedures are the cornerstones that not only guide the company's operations but also enable it to respond promptly to the application needs of a constantly evolving market.

In 2021, the company became an integral part of the **Holding Metallurgica Group**, alongside Cidneo Metallurgica. Today, thanks to careful management and a constant focus on innovation, the company stands out among the leading European producers of drawn and extruded brass.

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SUSTAINABILITY REPORT

METALLURGICA SAN MARCO

Highlights

€ 262 Million
of revenue

131 employees
11 new hires

2,500
training hours

97% of contracts
permanent

¹ Market-based scenario

> 89,000
tonnes
of processed brass

99% > 92%
of the total material comes
from recycling of waste
produced sent
for recovery

> 600 > 30
customers export
countries

Our values

HUMAN CAPITAL

Human capital is one of the fundamental elements of Metallurgica San Marco's corporate strategy. The organisation has developed high-tech facilities and advanced technical solutions, compliant with the main standards in force at international level, in order to promote the adoption of ongoing health and safety initiatives for the benefit of the more than 130 employees at the company. Metallurgica San Marco's goal is to create a participatory working environment, open to the spread and sharing of innovative ideas, where everyone can make a concrete contribution to the growth and development of the organisation.

The social sustainability promoted by the company is not limited to improving the working environment, but also focuses on the continuous training and development of staff skills. In 2019, the company launched the **"MSM Academy"** project to deliver training programmes managed by local organisations and partners of Metallurgica San Marco, with the aim of exploring topics such as team management, emotional intelligence, stress management, and public speaking. In addition, the company adopts a results-oriented staff incentive programme, in line with the "Management by Objectives" (MBO) standards, and the consequent evolution of its long-term strategy.

Through the **"trust project"**, Metallurgica San Marco has introduced neuroscience into the company with the aim of applying the advances of neurobiological and behavioural-economic research to a deep understanding of human behaviour. The introduction of neuroscience into the company, made possible by a spin-off project of the University of Chieti, makes it possible to identify relationships and networks of trust in order to design interventions that enhance the performance of managers and executives.

Metallurgica San Marco is aware that development necessarily comes through collaboration and the exchange of ideas with academic institutions. For this reason, the company establishes a solid link between education and the world of work, signing ongoing agreements with the University of Brescia, the University of Trento, and the Catholic University, and hosting curricular internships for students and extracurricular internships for graduates.



INNOVATION AND RESEARCH

Innovation and research are the elements that drive Metallurgica San Marco's progress: through cutting-edge production facilities and the digitalised, automated organisation of its processes, the company is able to optimise its productivity.

The introduction of the innovative In-Line Die Control System (SCML) within the extrusion department makes it possible to monitor and manage the wear of the die set during the billet extrusion phase. This solution delivers higher quality in the semi-finished output and ensures greater uniformity in the amount of excess metal required. In line with the principles of Industry 4.0, the company has adopted an automated system for the handling, storage, and pickling of brass coils, based on the use of automated guided vehicles (AGVs). For the 2024–2026 three-year period, €30 million has been allocated for a series of measures to enhance the production process, including a new foundry and an advanced extrusion plant.

Furthermore, the company renews its interest in the research project on low-lead brass — a material that is taking on an increasingly crucial role in the plumbing-and-heating and fashion sectors — highlighting Metallurgica San Marco's commitment to seeking sustainable and innovative solutions capable of meeting market demand.

CONTROL AND PRECISION

MSM Service is Metallurgica San Marco's business unit specialising in structural, chemical, dimensional, and reverse-engineering checks. Within the Metrology Room, thanks to its team of specialised professionals, the company is able to carry out inspections and measurements of samples, moulding dies, and mechanical components. In addition, in-depth chemical analyses of materials are carried out in the Quality Laboratory to ensure a high level of precision and reliability. Through constant analysis, Metallurgica San Marco is able to provide extremely high quality standards.



The principles that guide Metallurgica San Marco's operations are set out in the Code of Ethics, an integral part of the Organisation, Management and Control Model adopted by the company. This document lays down corporate principles and rules of conduct considered binding for all those to whom it applies, namely shareholders, directors, statutory auditors, employees, and third parties who have dealings with the company (external collaborators, agents, consultants, suppliers, or business partners).

The Code of Ethics sets out:

GENERAL PRINCIPLES AND CORE VALUES

which include legality, respect for human dignity, honesty and fairness, transparency in the conduct of business and protection of shareholders, product quality, production effectiveness and efficiency, protection of competition, protection of safety and health, and protection of the environment.

RULES OF CONDUCT

which concern the corporate bodies, human-resources management, staff duties, relations with customers and suppliers, as well as relations with the Public Administration.

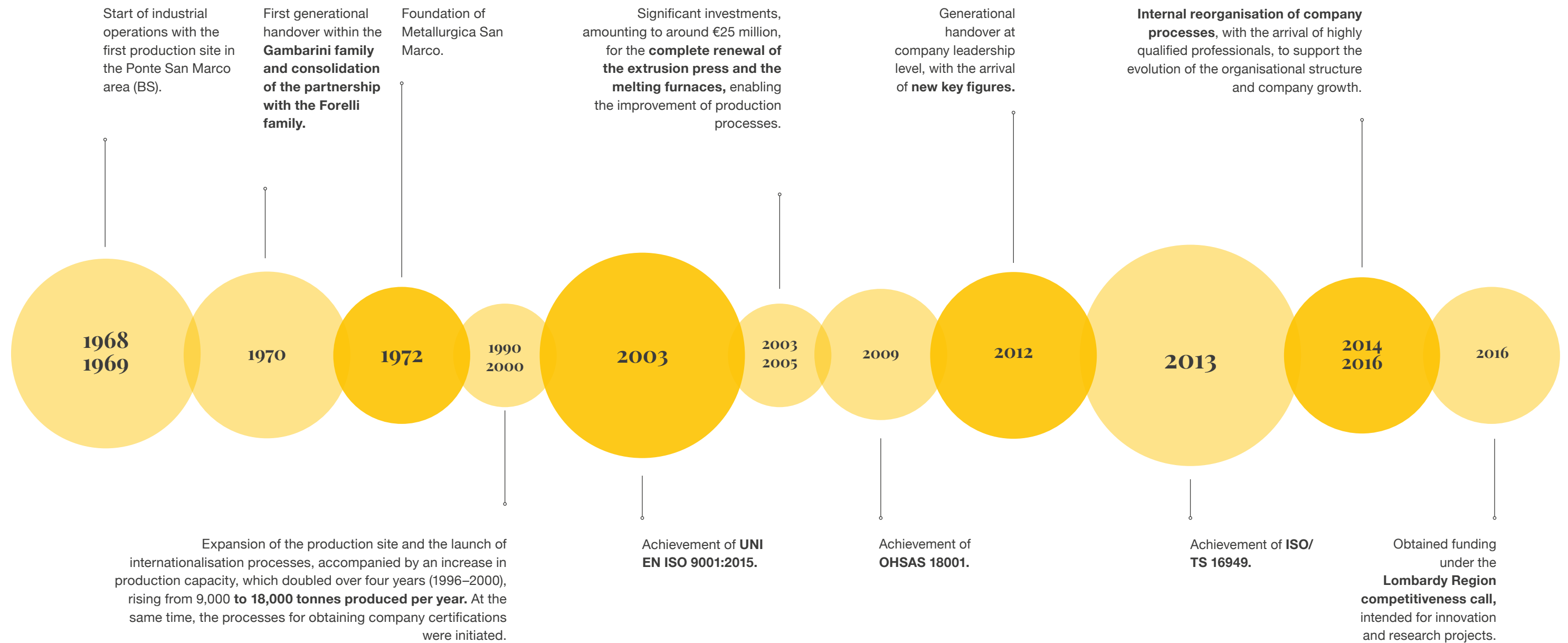
HOW THE CODE OF ETHICS IS APPLIED

a section that covers the selection of the bodies responsible for enforcing the provisions of the Code of Ethics, reports from injured parties, and any sanctions in the event of a breach of these principles.



1.1 1.2 1.3 1.4 1.5 1.6

Metallurgica San Marco from its origins to today

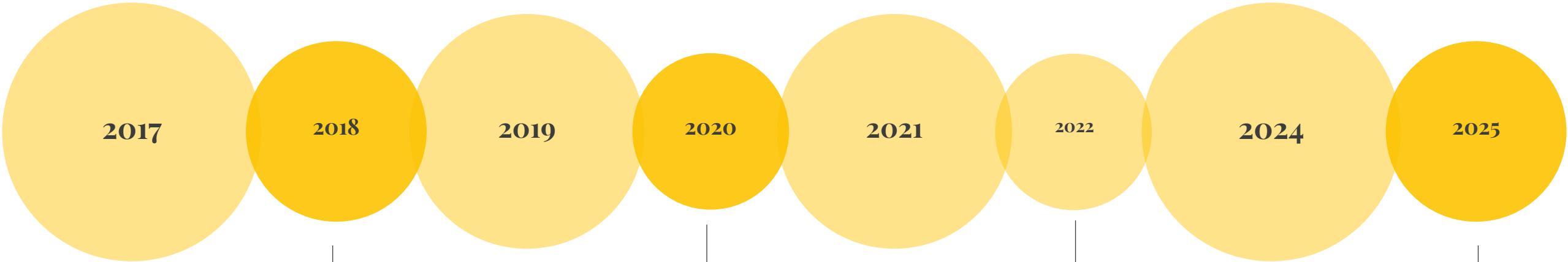


- 1.1 1.2 1.3 1.4 1.5 1.6

- Launch of the internal training project **MSM Academy**, in collaboration with the research laboratory **RISE**, the **University of Brescia**, and **Umana Analytics**.
- Admission as a certified **Gold member of the Bureau Veritas of International Recycling**.
- Start of works for a new plant with a horizontal continuous casting line.
- Entry into the London Stock Exchange Group's international "Elite" network, in collaboration with Confindustria, dedicated to companies with high growth potential.

- **Foundation of the Holding Metallurgica Group**, which combines San Marco's dynamism with Cidneo's specialisation, with the aim of expanding the production range of special alloys and optimising plants and costs.
- Development of a **corporate sustainability plan** to reduce the environmental impact of the production process and contribute to the sustainable development goals.
- **Inauguration of a new casting line** for sustainable alloys, focused on the production of low-lead alloys.

- Connection and activation of a **photovoltaic system** for the production of energy from renewable sources.
- **LIBRA obtains UNI/PdR 88:2020 certification**, for the minimum percentage of recycled content in the product.
- Significant investment for the installation of a new 4,000-tonne extrusion press, which will increase productivity and optimise material processing, **for an estimated energy saving of 30% on electricity consumption and 10% on thermal consumption**.



Construction of new production facilities, with a continuous increase in production capacity, exceeding **60,000 tonnes per year**.

Investments of €5 million to enhance the production facilities, in addition to the implementation of the innovative In-Line Die Control System (SCML). **In-Line Die Control System (SCML)**.

Investment of €7 million for **the implementation of a new casting line** intended for the production of green alloys.

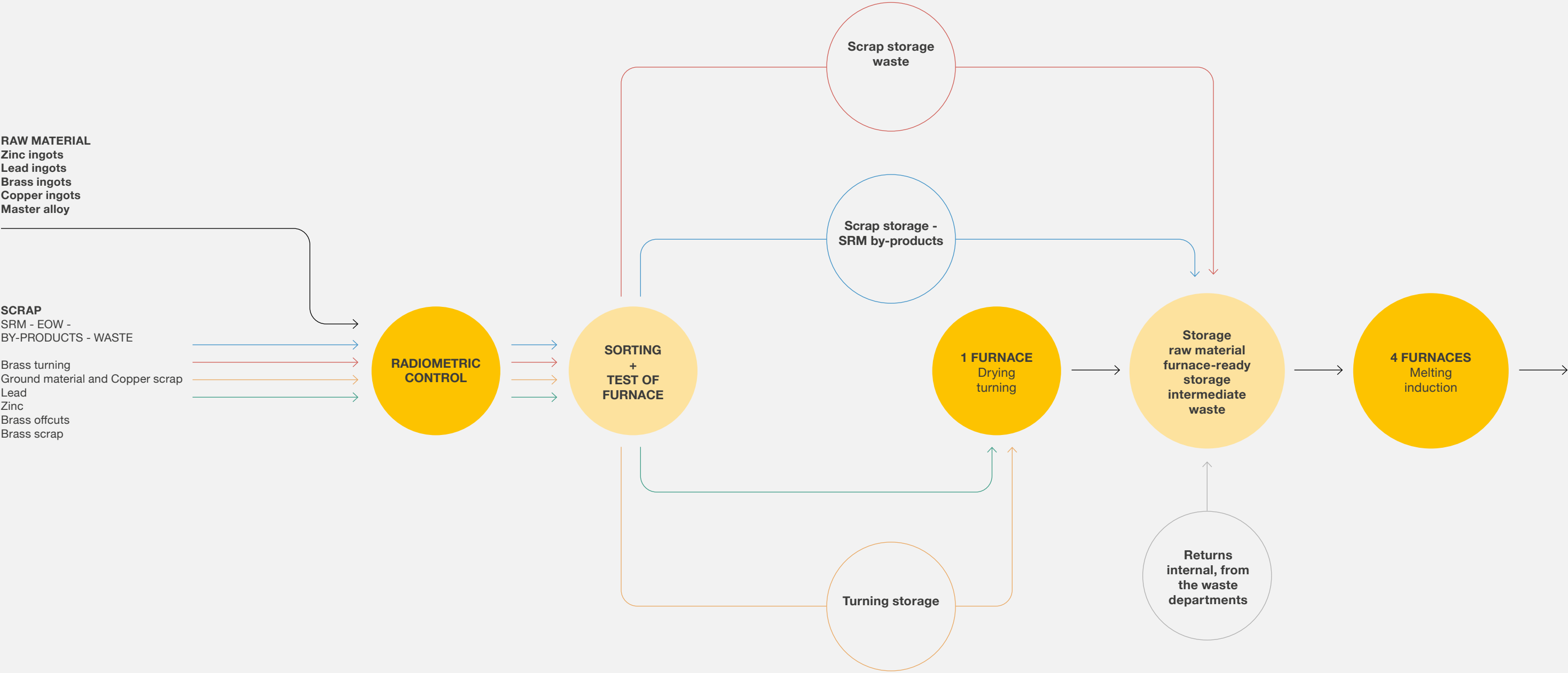
- Creation of the new **MSM Service Business Unit**, specialising in structural, chemical, dimensional, and reverse-engineering checks. Acquisition of the former Imar site in Calcinato
- **Acquisition of the former Imar site in Calcinato**, which will become the company's new production development hub, defining a major new player in brass, able to serve a wide range of sectors with green, diversified production.

- **Continuation and completion of the extrusion-press installation activities**, with specific tests aimed at confirming the possibility of definitively starting up the machinery in early 2026.
- First full year since the activation of the photovoltaic system, with **total production of 2,440 MWh** of electricity from renewable sources.

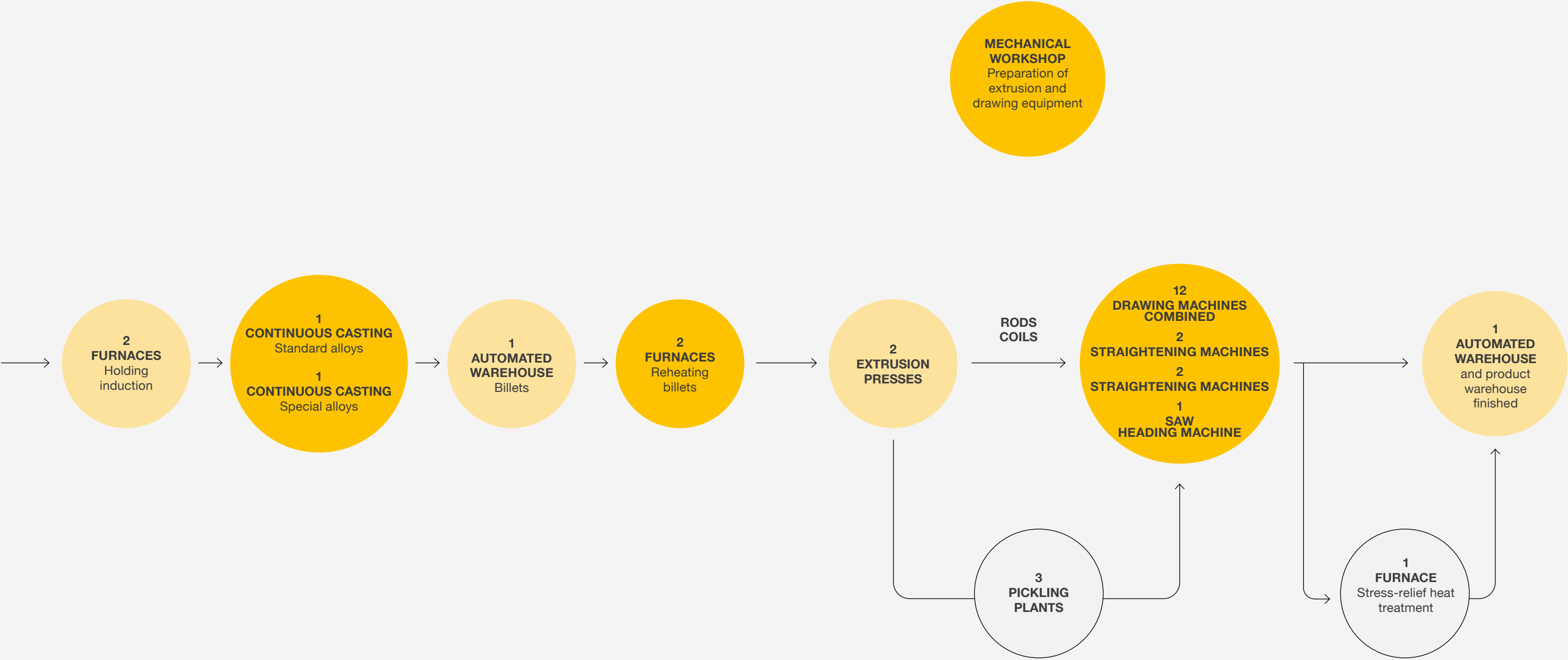
Business Units

The following diagram shows the production flow of Metallurgica San Marco's products.

- Production cycle
- Scrap: SRM - By-products - EOW
- Scrap: Waste
- Turning: Waste
- Turning: By-products



- Production cycle
- Scrap: SRM - By-products - EOW
- Scrap: Waste
- Turning: Waste
- Turning: By-products



Metallurgica San Marco produces a wide range of brass bars and profiles, made using various alloys that comply with the regulatory requirements in force, including lead-free or minimum-lead solutions developed to respond to evolving market needs. The company devotes constant and significant investment to research and development, aimed at designing new materials capable of ensuring compliance with new regulations while minimising the impact on machinability and on the performance required by end users.

Scan the QR code to view all Metallurgica San Marco alloys.



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Metallurgica San Marco's production department is based on a structured operating model that integrates technologically advanced facilities, a continuous focus on innovation, and an efficient organisation made up of highly qualified staff.



- 1.1
- 1.2
- 1.3
- 1.4
- 1.5
- 1.6

The company specialises in the production of two main product categories:

DRAWN PROFILES

The company manufactures extruded and drawn brass profiles, both catalogue commercial items and items made to the customer’s specific request, intended for cold-deformation processes and mechanical machining. Depending on the application needs and the planned production cycles, these semi-finished items are produced in copper-zinc-lead alloys and in lead-free copper-zinc alloys. The products find application in various sectors, including construction and mechanical components, in particular in the manufacture of locks, padlocks, pressure gauges, knurled rods, and valves, guaranteeing high quality standards and excellent performance. In terms of company business, the ability to develop tailor-made brass semi-finished items is currently the most significant for the organisation.

LOCKS



PRESSURE GAUGES



KNURLED RODS



VALVES



PADLOCKS



BARS

Metallurgica San Marco produces solid brass bars of various geometries (rectangular, square, hexagonal, and round) using copper-zinc-lead alloys and lead-free copper-zinc alloys. The products are made in accordance with the relevant European and international standards and guarantee high performance in the main industrial-transformation processes. In particular, the achievement of tight dimensional tolerances and proven tool machinability make the bars suitable for turning operations, while the plasticity characteristics of the material favour their use in hot-stamping processes. Thanks to these properties, the bars find application in a broad spectrum of industrial sectors, including automotive, electrical, small metal parts, plumbing and heating, fittings, and valves, as well as in the fashion-accessories and handle-manufacturing sectors.

RECTANGULAR BAR



BAR FOR TURNING



BAR FOR HOT STAMPING





Libra

LIBRA is the lead-free brass alloy developed by Metallurgica San Marco to guarantee full compliance with the most stringent regulatory requirements, without compromising technical performance or its machinability in production processes. The high level of purity of the material ensures reliable results throughout the entire transformation cycle and fits coherently within the company's sustainability objectives, contributing to the reduction of environmental impacts and to a more efficient use of resources. The alloy is made entirely from recycled material and is itself fully recyclable.



Scan the QR code to see LIBRA's production cycle



SUSTAINABILITY

METALLURGICA SAN MARCO

LIBRA is not only a significant step in Metallurgica San Marco's sustainable practices — the company having always been attentive to sustainability — but also embodies a perfect balance between innovation, safety, and respect for the environment. It meets the needs of the most demanding markets and the most stringent regulations, where the choice of materials and the impact of the production chain are crucial.

In 2024, LIBRA obtained **UNI/PdR 88:2020 certification**, recognised as one of the main reference standards for verifying recycled-material content. This attestation confirms compliance with the requirements for verifying the presence of recycled and recovered materials and/or those qualified as by-products used in the products. Achieving the certification is part of the company's path toward alignment with the highest and most up-to-date criteria of environmental sustainability and circular economy.



Sustainability strategy

Metallurgica San Marco has defined a sustainability strategy geared toward mitigating its environmental impact, improving energy efficiency, and promoting social well-being. Since 2021, the company has drawn up its own **sustainability plan**, in collaboration with specialised consultants and in-house expertise. The plan is aimed at the continuous improvement of environmental, social, and governance performance, and is updated annually, so as to enable the company to report on the results achieved and to define new improvement objectives.

SDG s	OUR OBJECTIVES
	Continuous monitoring of electrical plants Attainment of ISO 50001 certification – Energy Management Systems Continuous relamping Electrification of the company fleet Purchase of electricity with off-site PPA (Power Purchase Agreement) contracts of 15-20 GWh
	Maintenance of 88:2020 certification for the Libra alloy Development of an LCA study on the Libra alloy, with the attainment of EPD Continuous minimisation of slag and fume production (waste) Measures for reducing and monitoring water consumption



Induction plan for new hires and evaluation report at the end of the onboarding period

Development of a new training plan on occupational safety (production equipment and handling vehicles)

Maintenance of company welfare for all employees



Definition of personalised career paths and MBO (Management by Objectives)

Increase in the number of partnerships to foster the activation of internships and PCTO



Constant training on cybersecurity

Introduction of sustainability topics in the training programme



MSM Get To Zero project to achieve carbon neutrality¹ (Scope 1 & 2)

Annual purchase of Carbon credits for voluntary offsetting of CO₂

Carbon Footprint calculation of the Organisation, complete Scope 1, 2 & 3

10% increase of the Guarantees of Origin purchased on electricity

Scan the QR code to see the project in detail



Maintenance and improvement of the EcoVadis sustainability assessment

Improvement of Legality Rating score

¹ Being Carbon Neutral implies that the quantity of CO2 emissions released into the environment is balanced by the same quantity of CO2 emissions removed.

Our impacts, risks and opportunities 02

The contents of this report have been identified on the basis of a significance analysis of the main **sustainability topics**, conducted in compliance with the guidelines in force on sustainability reporting. In this context, Metallurgica San Marco analysed its own activities, reporting on the environmental, social, and governance aspects most affected by its business model, both by virtue of the impacts generated by the company on the environment and on people, and in relation to external risks and opportunities to which it is exposed.

In order to identify the most relevant sustainability topics (also referred to as “material”) reported in this document, Metallurgica San Marco carried out a **materiality analysis**, that is, a study aimed at identifying the **Impacts, Risks** and **Opportunities** (IRO) related to the company’s activities. More specifically, the methodology adopted to identify the various IROs is that of **double**



materiality, which establishes that a topic can be defined as material if it is in line with one or both of the following perspectives:

INSIDE - OUT IMPACT MATERIALITY

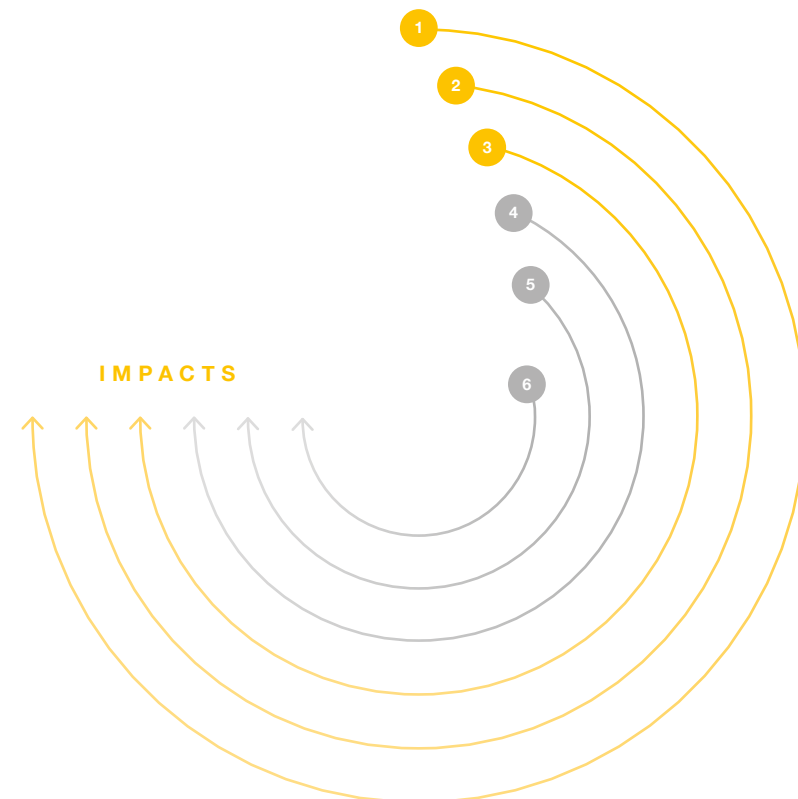
It concerns the **impacts** that the company’s activities **generate** on the external environment, on its own employees, and on the community. Such impacts may be of a **positive** or **negative** nature; the latter, in particular, are those that due-diligence and corporate-responsibility practices most strongly invite companies to pay attention to. Furthermore, impacts may be **actual** (if they have already occurred) or **potential** (if they have not yet occurred and there is the possibility that they may).

OUTSIDE - IN FINANCIAL MATERIALITY

It concerns the **risks** and **opportunities** of **economic and financial nature** connected to ESG topics and to which the company is exposed. These aspects may be linked both to the impacts generated by the company’s activities and to external factors, such as the evolution of the regulatory context, market dynamics, or the occurrence of natural and/or geopolitical events.

The materiality-analysis process is structured in several phases that make it possible to **define and assess internally**, together with key company figures, the IROs and the sustainability topics most relevant to the company’s activities, and subsequently to **involve its stakeholders** internal and external, gathering their opinion on the relevance of the topics identified. Specifically, for the drafting of this report, Metallurgica San Marco chose not to carry out the involvement of its stakeholders, deferring this phase to future editions. For details of the methodology used and the process followed, please refer to the dedicated section in the appendix.

THE PHASES OF THE ANALYSIS

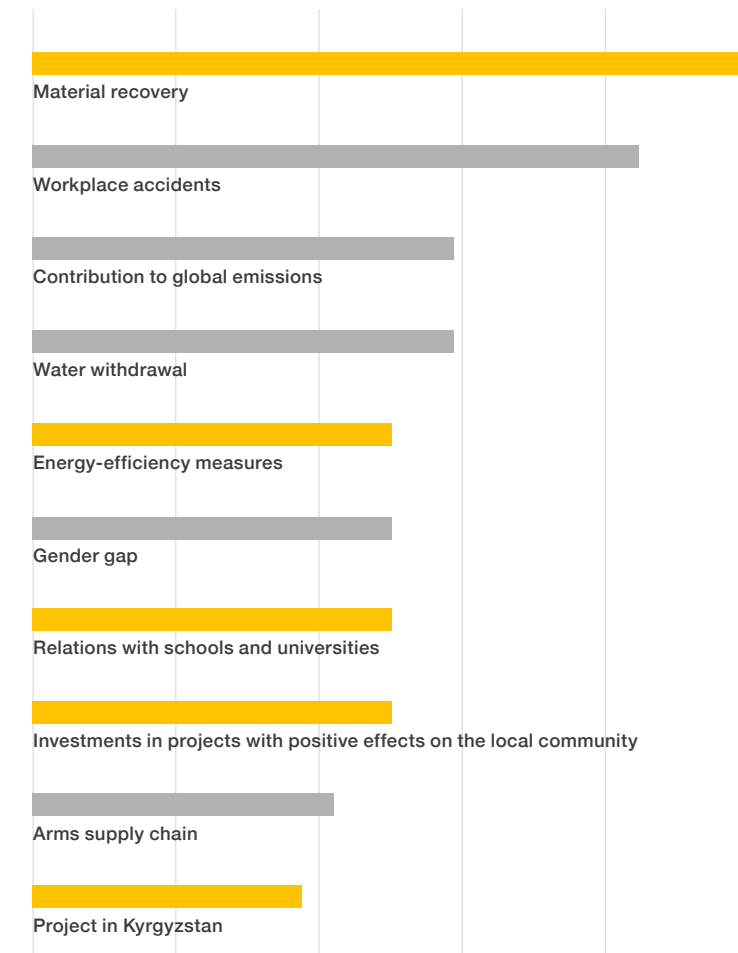


- 1 Analysis of data and documents to understand the company context
- 2 Identification of Impacts, Risks, and Opportunities (IRO) and the related ESG topics
- 3 Assessment of the IROs according to the criteria identified by the CSRD
- 4 Stakeholder involvement through ad-hoc questionnaires for each category
- 5 Prioritisation of the IROs on the basis of the values assigned internally and by stakeholders

The final processing, represented through the bar charts shown below, is the result of a process of **prioritisation of the values assigned** to the individual impacts, in order to provide a visual representation of the different degree of relevance of the various material topics

identified. The analysis is aimed at supporting the identification of intervention priorities, distinguishing the positive impacts and opportunities to be enhanced from the negative impacts and risks to be prevented or mitigated.

ACTUAL IMPACTS



● Negative impacts
Risks

● Positive impacts
Opportunities

POTENTIAL IMPACTS



RISKS AND OPPORTUNITIES



● Negative impacts
Risks

● Positive impacts
Opportunities

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The Impacts, Risks, and Opportunities (IRO) identified will be referred to in the relevant thematic chapters, within which the pertinent data and the related management and mitigation strategies are reported, with an indication in a footnote of the title and classification of the IRO, preceded by the § symbol.

The topics connected to the IROs identified are therefore the following (divided by ESG sphere):

Sphere Environment

- Climate change
- Energy
- Pollution
- Water resources
- Resource use and circular economy

Sphere Social

- Own workforce
- Affected communities

Sphere Governance

- Business conduct

Sphere 03

Environment

Sphere Environment

Metallurgica San Marco directs its development toward innovative solutions in the metallurgical field, with particular attention to reducing its environmental impact. The company is committed to improving **material-recovery processes** and to the **development of alloys with reduced lead content**, complementing these activities with energy-efficiency measures — including the installation of LED lighting and a 2.1 MWp photovoltaic system — as well as the project toward obtaining ISO 50001 certification for energy management. In parallel, initiatives are under way to strengthen **emissions monitoring**, such as the Organisation Carbon Footprint calculation project, and to actively contribute to their **reduction**, including through the MSM Get To Zero programme. This series of initiatives represents only some of the actions that consolidate the company's positioning as an organisation attentive to sustainability and innovation in the metallurgical sector.

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METALLURGICA SAN MARCO

Highlights

> **99%** of incoming raw material coming from recovery

> **92%** of waste sent for recovery

> **63%** of electricity requirements covered by renewable energy sources¹

certification
UNI/PdR 88:2020

for low-lead alloys

¹ Guarantees of Origin and Photovoltaic



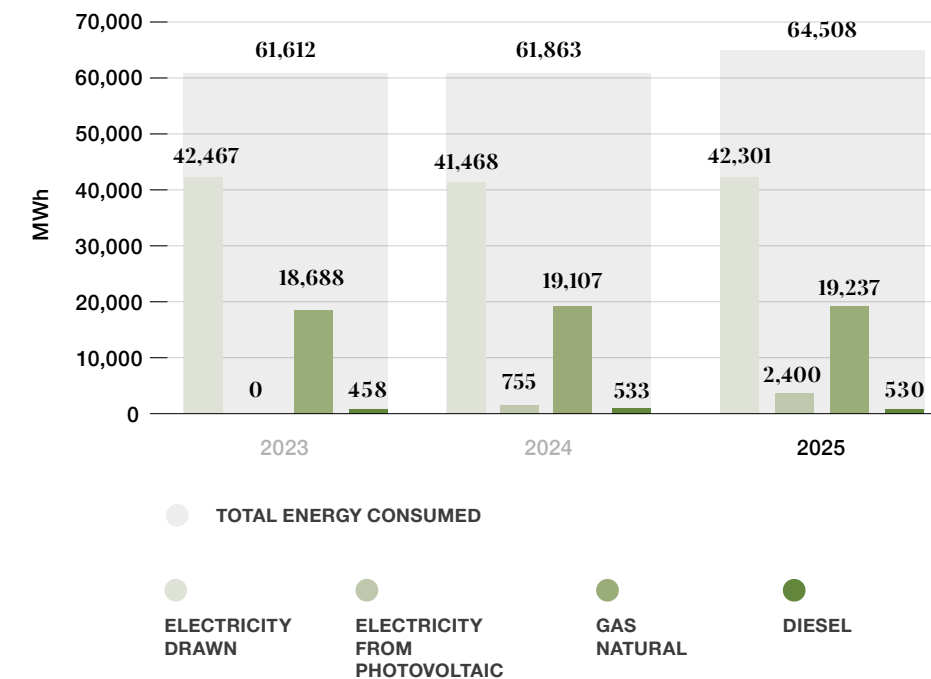
Climate change

Energy efficiency and consumption

In carrying out its activities, Metallurgica San Marco consumes **electricity and natural gas**, as well as **diesel** for the company fleet. Electricity is the main vector and covers 69% of the company's energy requirements. The energy used by the company comes mainly from fossil sources, but in 2025 the energy self-consumed from the photovoltaic system covered 3.8% of total requirements. Furthermore, supply from renewable sources rises to 44% of the total energy consumed if the contribution of electricity purchased with Guarantees of Origin is also taken into account. Among the policies to reduce fossil-source consumption is the one concerning company cars: Metallurgica San Marco promotes the choice of hybrid company cars rather than the classic ones with an internal-combustion engine only.

In 2025, Metallurgica San Marco's overall energy requirement was 64.5 GWh², an increase of 4.3% compared to the previous year. This increase is due above all to electricity, while the other vectors remained constant over the three-year reporting period.

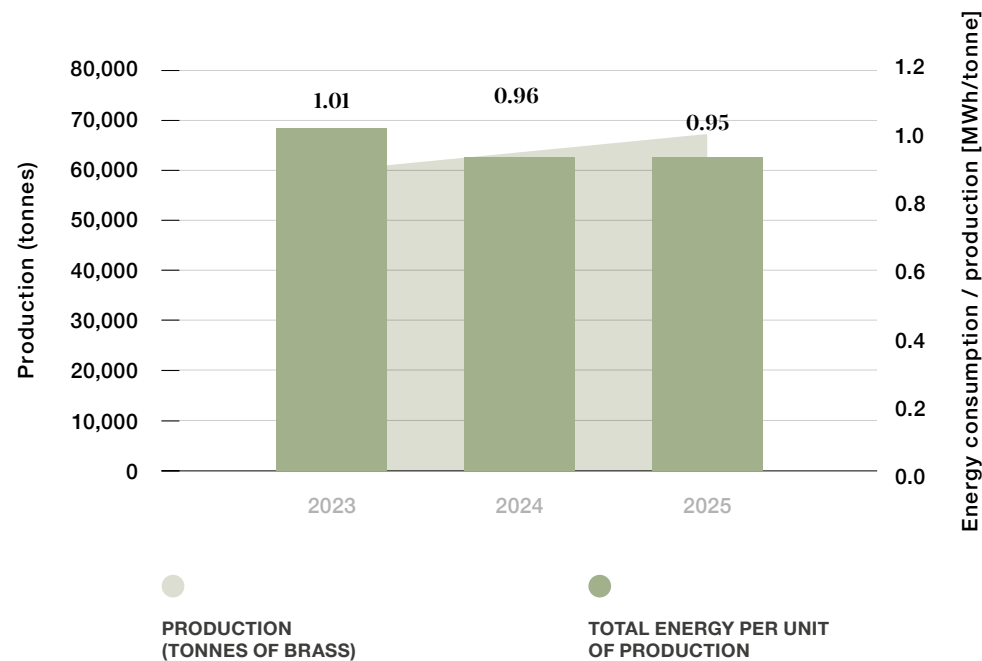
ENERGY REQUIREMENTS



² Starting from this year, energy consumption is reported in MWh and multiples rather than toe (tonnes of oil equivalent), by virtue of the fact that toe is an indicator of primary energy, whereas MWh better represents the company's energy requirements.

In terms of specific consumption, against an increase in production over the last three years, a decline in relative consumption was recorded. In 2025, Metallurgica San Marco consumed 0.95 MWh for each tonne of product (in 2023, consumption was 1.01 MWh/tonne).

SPECIFIC CONSUMPTION RELATIVE TO PRODUCTION



The progressive decline in specific consumption is the result of the implementation of a series of energy-efficiency measures³ (carried out following the energy audits), such as the recirculation system for gaseous exhausts and inverters on the extraction systems for all melting emissions; an automatic control system in the drying phase to activate air extraction only when necessary; as well as processors to regulate the feed speed and the process parameters. Finally, continuous monitoring of furnace temperature and gas flow, control of the parameters of the emissions-abatement system, and the recording of dust and metal emissions have been implemented, in support of a more efficient and sustainable management of the plant.

In 2026, the commissioning of a high-efficiency extrusion press is also planned, which will further contain consumption, while other ongoing projects include the installation of an electric de-oiler that will make it possible to reduce natural-gas consumption, and the integration of a high-efficiency scrubber. Furthermore, the company plans to obtain UNI EN ISO 50001:2018 certification for energy management systems.

³ § Actual positive impact: Efficiency measures

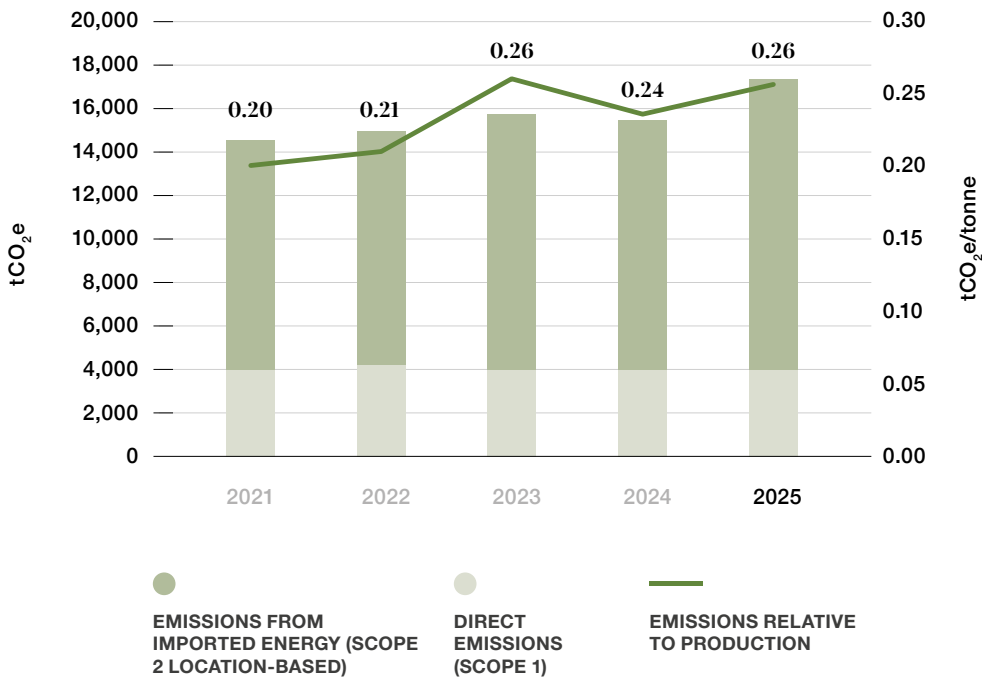
Our carbon footprint

Since 2021, Metallurgica San Marco has calculated its own carbon footprint⁴ for the **Scope 1** categories (direct emissions generated within its plants) and **Scope 2** (indirect emissions arising from the drawing of electricity). In 2026, the company plans to extend this calculation to emissions relating to transport and purchased materials, in order to also include the emission impacts of the value chain in the calculation.

Scope 1 and Scope 2 emissions in 2025, calculated according to a location-based approach, amounted to 17,355 tCO₂e, an increase of 15% compared to the previous year. As shown in the section on energy, the company has improved its energy efficiency: the increase in emissions, including relative to production, is essentially due to the increase in the emission factor for electricity. The Italian national mix was in fact more heavily skewed toward fossil sources in 2025 than in previous years.

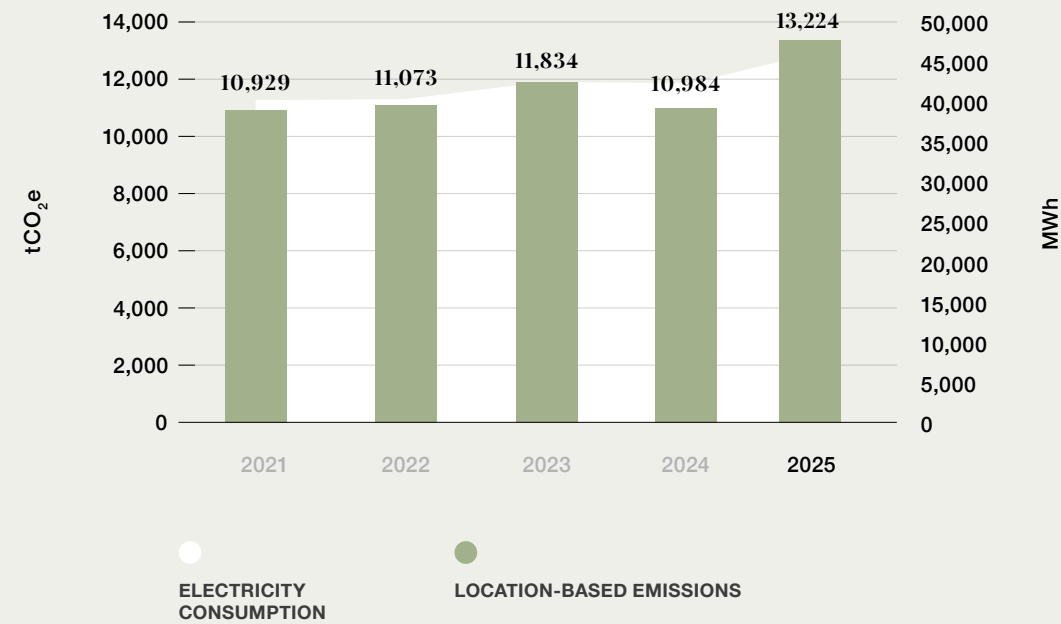
⁴ § Actual negative impact: Contribution to global emissions

GREENHOUSE GAS EMISSIONS



The use of a *location-based* emission factor (the only one permitted by the ISO 14064-1 standard) therefore does not guarantee representativeness of the company’s reality. For this reason, a calculation of the emissions relating to imported energy was also carried out using the *market-based* approach, which takes into account the specific energy mix of Metallurgica San Marco’s supplier (with the related emission factors updated at each revision of the Sustainability Report) and any purchase of electricity accompanied by Guarantees of Origin.

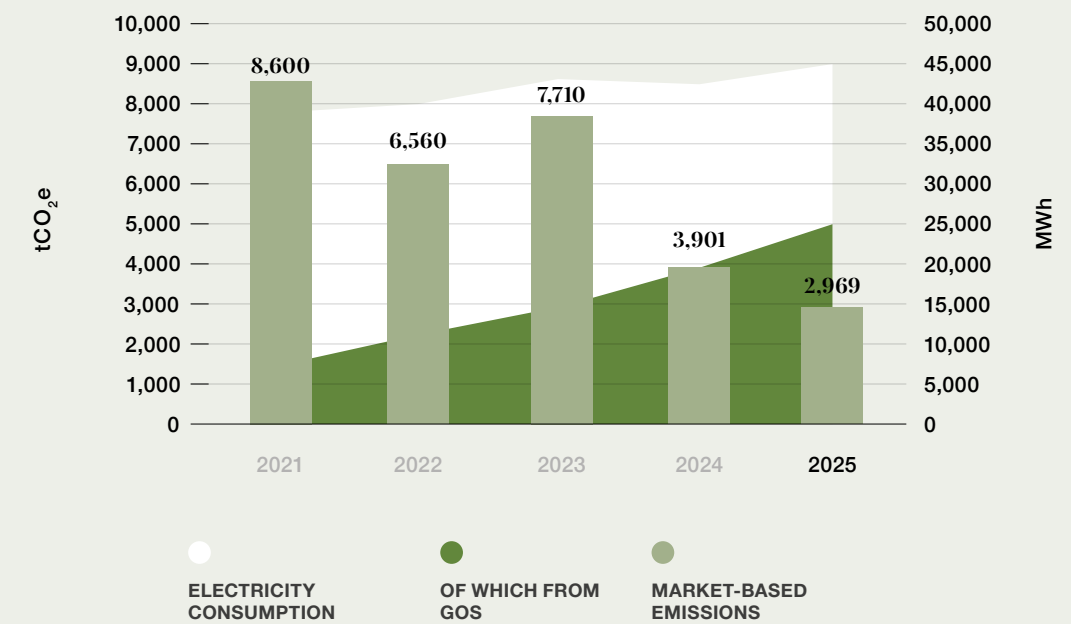
The charts relating to Scope 2 emissions, calculated using both scenarios, are therefore shown below.

SCOPE 2 EMISSIONS:
LOCATION-BASED

REDUCTION OF SCOPE 2 EMISSIONS THANKS TO THE PURCHASE OF GOS

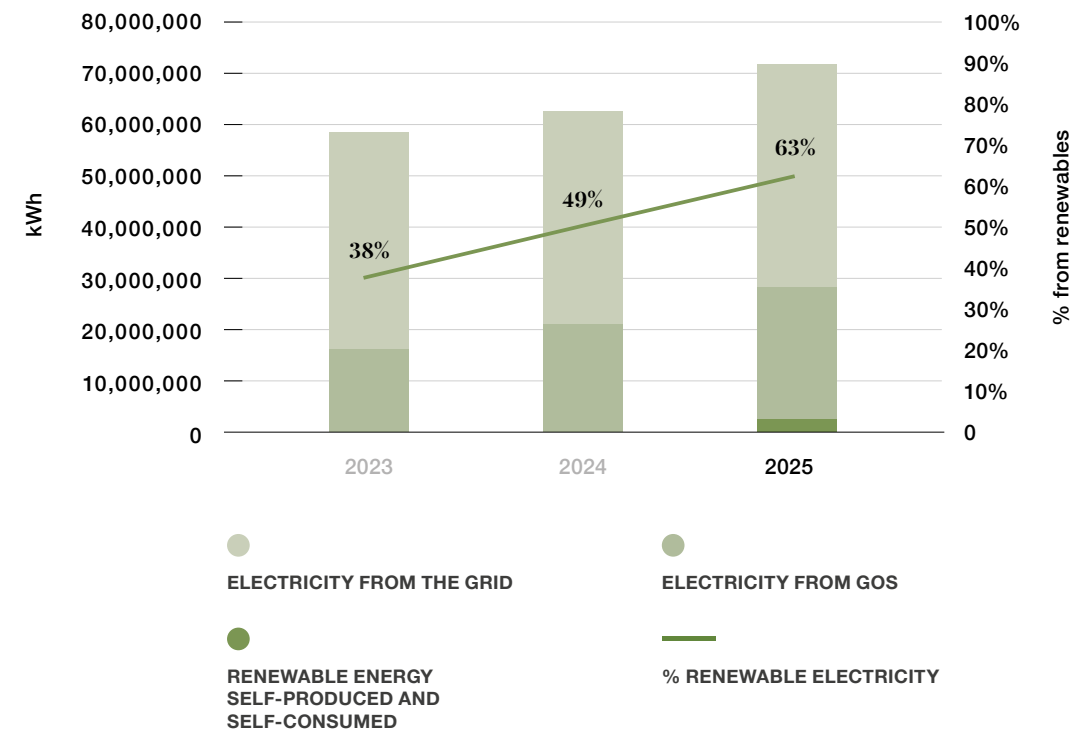
The charts highlight that, according to a *market-based* approach, the company's Scope 2 emissions for 2025 are around 3,000 tonnes of CO₂ equivalent.

The *location-based* approach shows an emission trend closely linked to energy consumption and the national energy mix, since it does not take into account the possible **sustainable-sourcing** choices adopted by the company. Conversely, the *market-based* approach takes into account the responsible-purchasing

SCOPE 2 EMISSIONS:
MARKET-BASED

strategies implemented by Metallurgica San Marco. Specifically, since 2021, the company has begun to cover part of its energy requirements through the purchase of electricity certified with **Guarantees of Origin** (GOs), with the aim of mitigating and reducing its greenhouse-gas emissions. Furthermore, since 2024, a photovoltaic system for the self-production of renewable energy has been in operation, and an expansion of it is planned for 2026.

ORIGIN OF THE ELECTRICITY CONSUMED BY MSM



In 2025, Metallurgica San Marco purchased almost 26,000 MWh of energy certified with GOs (+6,000 MWh compared to the previous year) and produced around 2,500 MWh of electricity from photovoltaic, managing to cover 63% of its total electricity requirements through **renewable energy sources**.

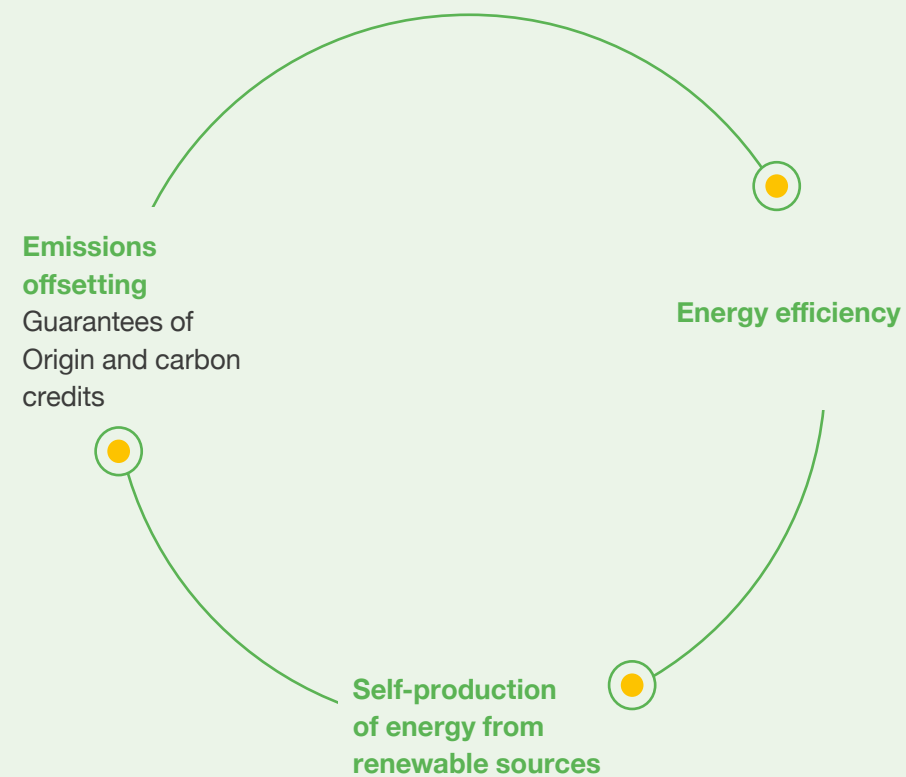
As with the energy produced from photovoltaic, the emission factor associated with the portion of energy covered by Guarantees of Origin (GOs) is also equal to zero, since GOs certify that the energy comes from renewable sources.

With a view to reducing its emission impact, Metallurgica San Marco is evaluating the possibility of entering into a PPA contract (*Power Purchase Agreement*) to use electricity from off-site photovoltaic, so as to further offset the emissions generated by carrying out its production activities.

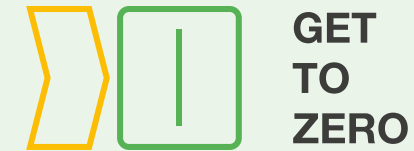


MSM Get To Zero

Metallurgica San Marco is committed to reducing its emissions by carrying out energy-efficiency measures, self-producing electricity from renewable sources (through a photovoltaic system) and, as regards residual emissions, purchasing electricity with Guarantees of Origin (with a commitment to progressively increase its coverage over the years) and Carbon Credits.⁵ This is the core of the "MSM Get To Zero - Shaping a Sustainable Future" project.



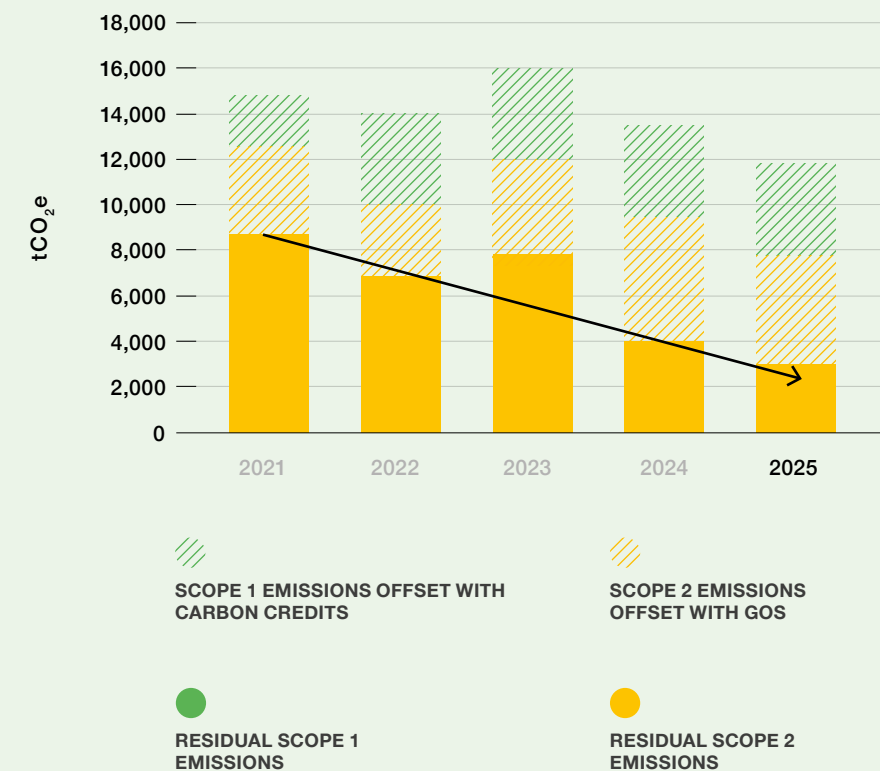
⁵ § Potential negative impact: Failure to achieve objectives and greenwashing



The MSM Get To Zero project, which began in 2021, has led the company to progressively reduce its residual emissions, which in 2025 were 65% lower than in 2021.

In 2025, Metallurgica San Marco purchased almost 26,000 MWh of electricity with GOs and offset 100% of its Scope 1 emissions through the purchase of 4,131 carbon credits.

MSM GET TO ZERO



4.1

4.2

4.3

Metallurgica San Marco and TakeUp LLC: the project in Kyrgyzstan

The reforestation project promoted by Metallurgica San Marco in Kyrgyzstan continues in 2025 as well, developed in collaboration with TakeUp LLC, an organisation founded in 2021 and engaged in carrying out environmental and social sustainability initiatives in the area⁶. The intervention stems from an awareness of the strategic importance of the Kyrgyz forest ecosystems, which are particularly vulnerable but fundamental to the ecological balance of the entire Central Asia region.

The initiative, carried out in collaboration with the local Forestry Department, involves several mountainous areas of the country, including the regions of Jalal-Abad and Ananevo and the areas of Tup, Ak-Suu, Ton, and Jety-Oguz. The reforestation activities are aimed mainly at the recovery of land degraded by decades of intensive grazing and deforestation — phenomena that have contributed to soil erosion, loss of biodiversity, and an increased risk of landslides and debris flows.

The project was preceded by a pilot phase aimed at

analysing the bioclimatic conditions and identifying the most suitable tree species. Subsequently, a feasibility study assessed the effects of the initiative in terms of climate-change mitigation and sustainable development. The positive results obtained, together with compliance with the principles of traceability, additionality, permanence, exclusivity, and absence of carbon-stock losses, enabled the project to obtain certification according to the international ClimatePal standard. The registration of the initiative for the issuance of the related carbon credits is also planned, in response to the growing demand for certified instruments for emissions offsetting.

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METALLURGICA SAN MARCO

⁶ § Actual positive impact: project in Kyrgyzstan



In addition to the climate benefits, the project generates important positive effects on the environmental and social front, in line with the United Nations Sustainable Development Goals.

THE MAIN EXPECTED RESULTS INCLUDE:

- the increase in the productivity of forest land
- the protection of local biodiversity
- the improvement of ecosystems through the increase in populations of pollinators, such as bees
- the active involvement of public bodies, farmers, livestock breeders, schools, universities, researchers, and local organisations, in order to ensure the continuity and effectiveness of the initiative over the long term

The project also provides for compliance with strict environmental and social criteria, including the conservation and improvement of existing biodiversity, the protection of forest areas of particular ecological value, the ban on the use of hazardous chemicals and genetically modified organisms (GMOs), the involvement of local communities in decision-making processes, respect for land ownership and use rights, and the protection of workers’ health, safety, and rights, in accordance with the principles promoted by the International Labour Organization (ILO).

During 2025, the project’s development plan was updated, defining the objective of reforesting approximately 4,305 hectares by 2030 through the planting of native species such as Scots pine, birch, elm, and sea buckthorn. In the same year, work was completed on a further 100 hectares, bringing the total reforested area to 135 hectares. In parallel, between 2022 and 2025, 21 local-stakeholder engagement meetings were organised, with the overall participation of 188 representatives of communities, institutions, schools, and non-governmental organisations.



METALLURGICA SAN MARCO

Year	Hectares planted
2022	10
2023	5
2024	20
2025	100

Through this initiative, Metallurgica San Marco confirms its commitment to contributing concretely to the fight against climate change, while at the same time promoting the protection of ecosystems, the enhancement of the local area, and the sustainable development of local communities.

Pollution

In addition to monitoring its Scope 1 and 2 emissions, Metallurgica San Marco also analyses other significant emissions. The company is subject to an Integrated Environmental Authorisation **(AIA)** governing the atmospheric emissions of its production plants. In compliance with these requirements, MSM carries out periodic checks on the emissions channelled at the identified emission points, with the aim of verifying compliance with the regulatory limits for pollutant loads.

To ensure compliance with the emission thresholds generated by the machinery in the production plant⁷, the company has adopted a series of measures such as: continuous monitoring of foundry emissions; annual or half-yearly analysis of emissions at all emission points; the definition of an atmospheric-emissions control plan; the installation and maintenance of extraction hoods; and the use of extractors on the machinery for the heat treatment of the bars and on the extrusion presses. In addition, specific actions have been implemented to prevent diffuse emissions arising from the storage⁸ and handling of raw materials⁹, as well as from metal-production processes¹⁰.

These and other measures have enabled Metallurgica

⁷ § Potential negative impact: Threshold limits for stack emissions

⁸ Use of closed containers for powdery materials, storage of materials in covered areas, adequate design of the areas intended for storage, regular cleaning of the storage areas.

⁹ Use of conveyor belts for handling the solid materials deriving from turning; machinery layout designed to minimise transfer distances; conveyor-belt design aimed at limiting the drop height of materials; adaptation of open belt conveyors to reduce the descent speed; installation of the ducting in safe and accessible areas, in order to prevent and contain any damage in the event of faults; periodic cleaning of the roads; design of the operating areas aimed at minimising the movement of materials.

¹⁰ Thermal pre-treatment of turning chips to reduce the presence of contaminant oils; use of closed furnaces equipped with dedusting systems; use of extraction hoods during furnace-loading and tapping phases; extraction of emissions during operations transferring dusty materials; design of systems dedicated to extracting the fumes generated during the tapping and handling of materials; the presence of loading systems suitable for feeding the furnaces; and the adoption of emissions-abatement systems.

San Marco to record a concentration of pollutants in its atmospheric emissions well below the maximum thresholds permitted by law. As in previous years, in 2025 the emissions of various substances were also analysed, such as dust (particulate matter), Polycyclic Aromatic Hydrocarbons, various metals (Cadmium, Chromium, Copper, Nickel, etc.), polychlorinated dibenzodioxins and dibenzofurans, volatile organic compounds (NMVOC), and nitrogen oxides (NOx).

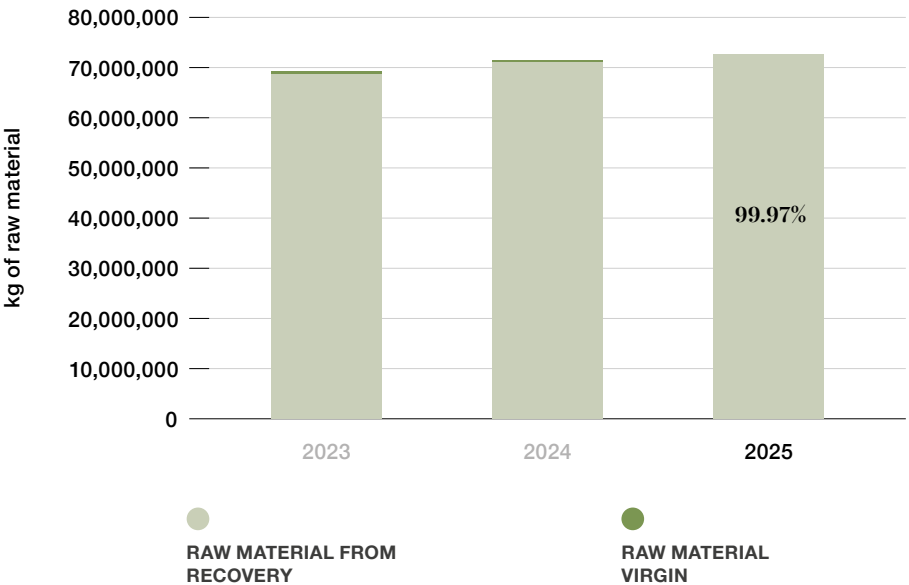
PARAMETER	UoM	Value measured 2024	Threshold value
Particulate matter (PM10)	kg/year	902.04	50,000.00
Polycyclic Aromatic Hydrocarbons (PAH)	kg/year	0.07	50.00
Arsenic (As)	kg/year	1.24	20.00
Cadmium (Cd)	kg/year	0.13	10.00
Cobalt (Co)	kg/year	0.58	-
Chromium (Cr)	kg/year	12.76	100.00
Copper (Cu)	kg/year	79.97	100.00
Nickel (Ni)	kg/year	5.10	50.00
Lead (Pb)	kg/year	9.49	200.00
Zinc (Zn)	kg/year	127.09	200.00
Chlorine (Cl) and compounds	kg/year	144.77	10,000.00
Non-Methane Volatile Organic Compounds (NMVOC)	kg/year	9,861.63	100,000.00
Polychlorinated dibenzodioxins (PCDD)/ dibenzofurans (PCDF)	kg/year	0.00001	0.0001
Nitrogen Oxides (NOx)	kg/year	5,687.89	100,000.00
Sulphuric acid (H2SO4)	kg/year	24.7	-

Resource use and circular economy

Circular use of materials

Metallurgica San Marco adopts an approach geared toward the efficient and circular management of resources, integrating these principles into its sourcing strategy. In recent years, the company has significantly increased its use of materials from waste and recovery¹¹, reaching in 2025 an almost total share of non-virgin raw material. In particular, only 0.03% of incoming materials — equal to 18.6 tonnes out of more than 71,600 tonnes in total — consists of virgin raw material.

MATERIAL USED COMING FROM RECOVERY



The commitment to the circular economy is demonstrated by the attainment of **UNI/PdR 88:2020 certification relating to recycled-material content**. In 2025 as well, the company pursued the objective of consolidating and improving the results achieved on its products, increasing the share of recycled material within the brass alloys used and further reducing the recourse to virgin raw materials. In this context, Metallurgica San Marco obtained certification from TÜV Italia for **five low-lead brass alloys** (CW509L, CW510L, CW511L), characterised by a recycled-material percentage of between 58% and 100%, in addition to the **LIBRA** alloy, composed entirely of recycled material.

The focus on the use of raw materials with a **high recycled content** responds not only to environmental objectives but also to economic-sustainability logic. Integration into the circular brass supply chain represents a strategic opportunity, in line with market demand increasingly oriented toward sustainable solutions¹². This scenario also includes the development and marketing of new products, such as the LIBRA alloy, on which an LCA (Life Cycle Assessment) analysis is under way, which helps to broaden the company's market opportunities, promoting the acquisition of new customers, the strengthening of relationships with existing ones, and the development of new products and services.

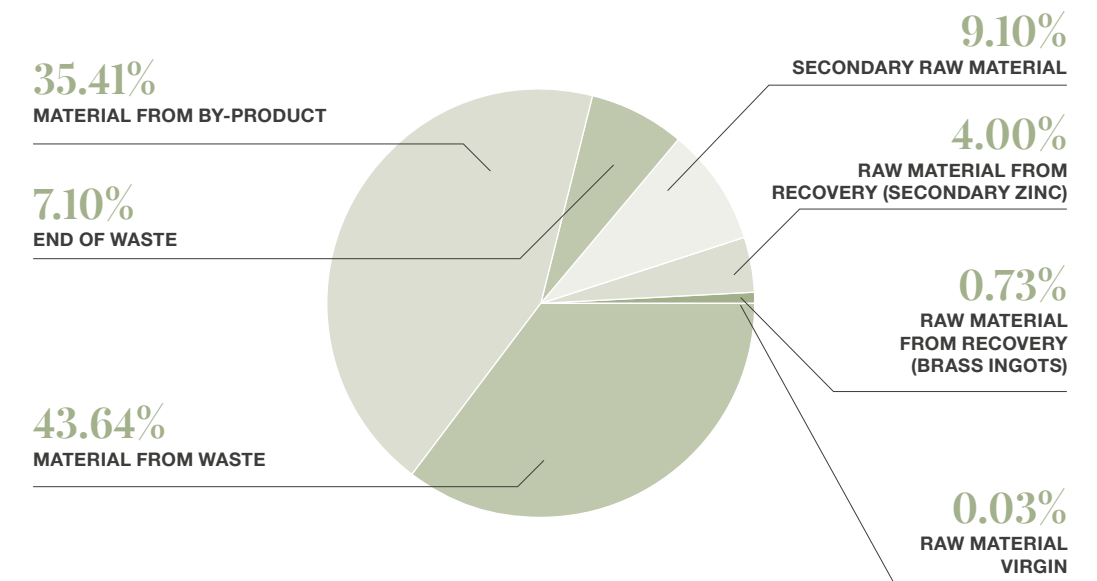
¹¹ § Actual positive impact: Material recovery

To optimise the recovery and use of resources within the production process, the company promotes eco-design initiatives and the recovery and reuse of materials. The raw materials undergo rigorous selection and control processes, and are then blended so as to maximise production efficiency and reduce the generation of waste. In parallel, a study of **Life Cycle Assessment** is under way, aimed at obtaining the Environmental Product Declaration (EPD) certification.

Metallurgica San Marco monitors incoming material flows annually. In 2025, total consumption exceeded 71,600 tonnes, with a contained increase compared to the previous year (+0.9%), against a more significant production growth (+5%). Almost all of the materials purchased come from recovery; indeed, compared to 2024, there is an increase in the share of materials from waste (from 40.9% to 43.6%), by-products (from 33.7% to 35.4%), and secondary raw materials (from 1.1% to 9.1%), while the percentages of End of Waste (7.1%), secondary zinc (4%), and recovered brass ingots (0.7%) are decreasing.

¹² § Opportunity: Market attention to the circular economy

MATERIAL FLOWS



A further relevant aspect for Metallurgica San Marco's activity concerns the marketing of products containing lead, a substance regulated by the European REACH regulation¹³ (*Registration, Evaluation, Authorisation and Restriction of Chemicals*) for the production, import, and use of chemical substances, aimed at protecting human health and the environment. As a substance subject to authorisation, lead requires specific information obligations when present above 0.1% in products. In the company's production process, it is used in an alloy with copper and zinc to improve the machinability of brass; its elimination would in fact entail difficulties in terms of product quality and process complexity.

Aware of the environmental and regulatory implications, the company has launched research and development activities aimed at creating **lead-free solutions**. The LIBRA line falls within this area, representing an example of innovation geared toward reducing critical substances while maintaining high quality and performance standards.

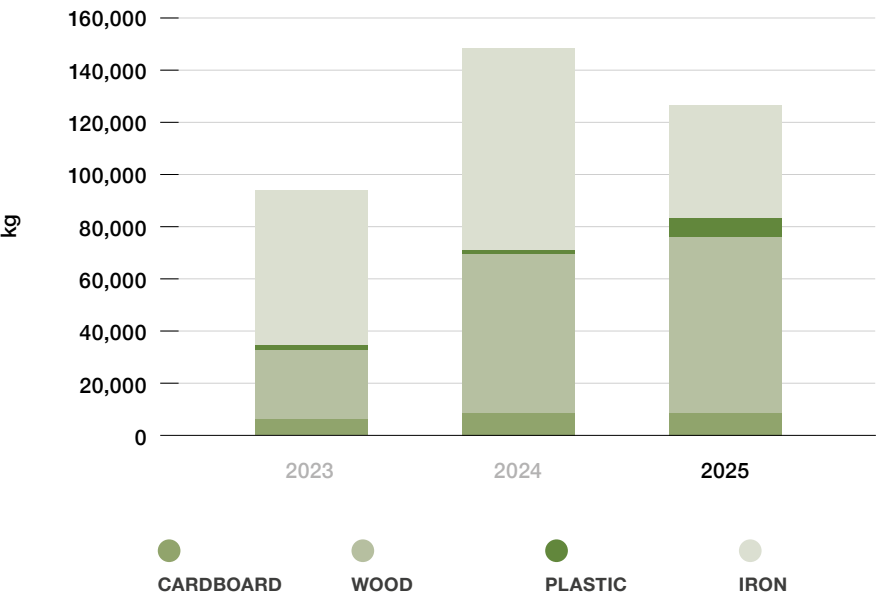
¹³ § Actual negative impact: Chemical substances subject to REACH

Packaging

In 2025, Metallurgica San Marco purchased a total of over 130 tonnes of packaging, down 11% compared to the 147 tonnes recorded in 2024. Analysing the distribution of the various types of packaging purchased, it can be seen that 55% of the total consists of wood such as bases, crates, and battens; 35% of iron strapping; while the cardboard reels for protecting the strapping and the plastic packaging (rolls of cellophane and polyester rings) make up the remaining share (10%, equally distributed between the two categories).

In the 2023-2025 three-year period, the quantity of wooden packaging increased considerably (+167%, rising from 26 tonnes in 2023 to 71 in 2025), as did that of plastic packaging (almost quadrupled, rising from 1.4 tonnes in 2023 to 6.5 in 2025); the value of cardboard packaging remained constant (always between 6 and 8 tonnes), while the quantity of iron strapping changes from year to year (58.6 tonnes in 2023, 76.3 in 2024, and 46.3 in 2025).

PACKAGING PURCHASED

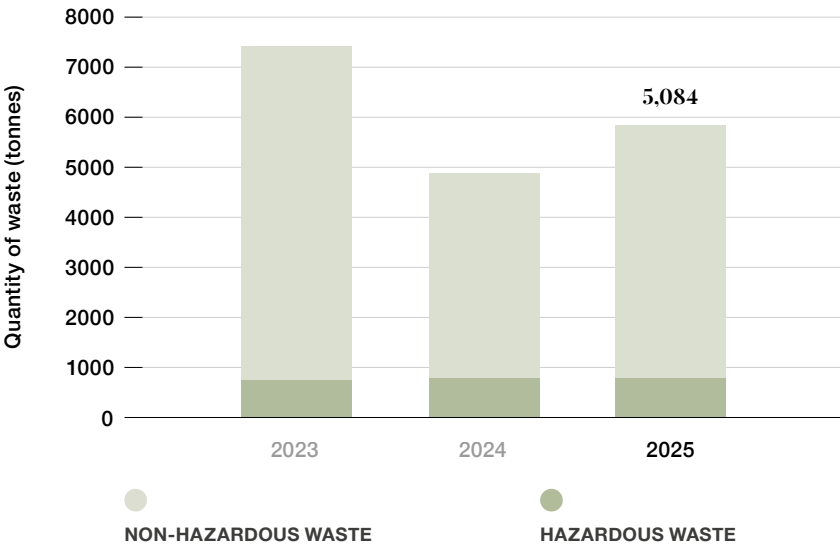


Waste management and treatment

The correct and responsible management of waste is a priority topic for Metallurgica San Marco, also by virtue of its integration into a production chain strongly oriented toward circularity. The company indeed makes use of **waste materials such as scrap, machining offcuts, and stamping residues from suppliers**, reintroducing them into the production cycle for the manufacture of finished products. This approach makes it possible to reduce the overall production of waste and to optimise the use of resources, contributing to the reduction of environmental impact.

The company carries out an annual analysis of the waste generated, distinguishing it between hazardous and non-hazardous. In 2025, the total quantity remained in line with the previous year, standing at around 5,000 tonnes, with a significant reduction compared to 2023 (-32%). The production of hazardous waste¹⁴ has remained stable in recent years, with values of between 750 and 800 tonnes per year.

WASTE - PRODUCTION TREND



¹⁴ § Potential negative impact: Production of hazardous waste

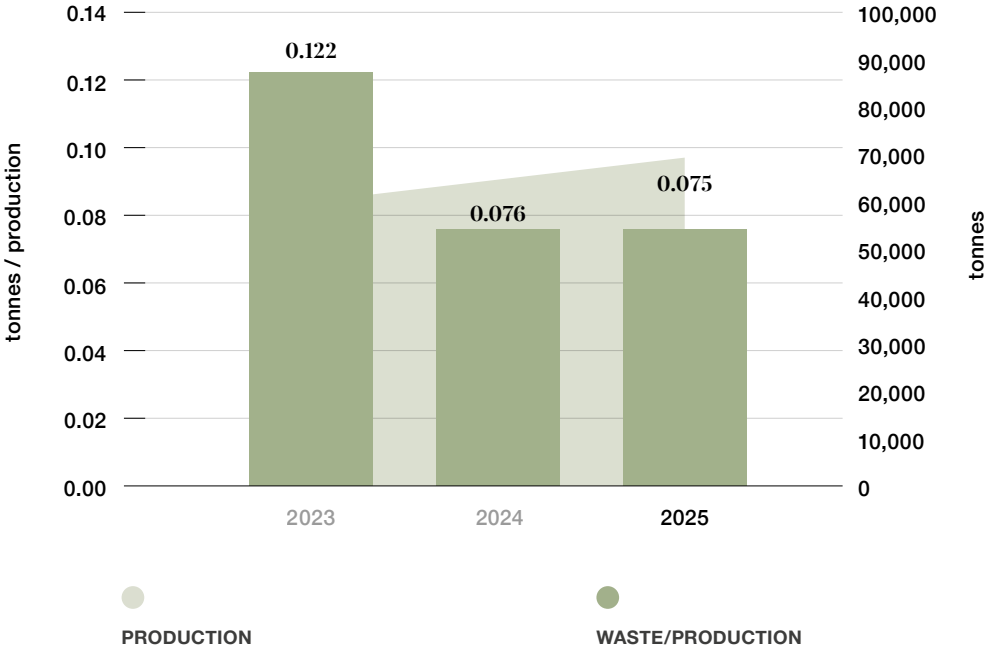
To better manage hazardous waste, Metallurgica San Marco has developed over time a structured system aimed at ensuring its correct treatment and preventing potential environmental and economic risks arising from the incorrect management of this category of waste¹⁵. The main actions include continuous monitoring of waste flows, attention to the reduction of slag and fumes deriving from production processes, compliance with the requirements set out by the Integrated Environmental Authorisation (AIA), exclusive delivery to authorised operators, and the adoption of dedicated procedures for storage and sorting in appropriate internal depots.

In terms of specific production too, the levels recorded in 2025 are in line with those of the previous year. In particular, 0.075 tonnes of waste were produced for each tonne of finished product, showing a significant improvement compared to 2023 (-39%). The results obtained confirm the effectiveness of the actions taken: against an increase in production (+5.2%), both the overall volume and the intensity of the waste remained stable compared to 2024. This trend highlights the company's ability to make the most of brass circularity, supporting a development that combines production growth with the reduction of environmental impacts.

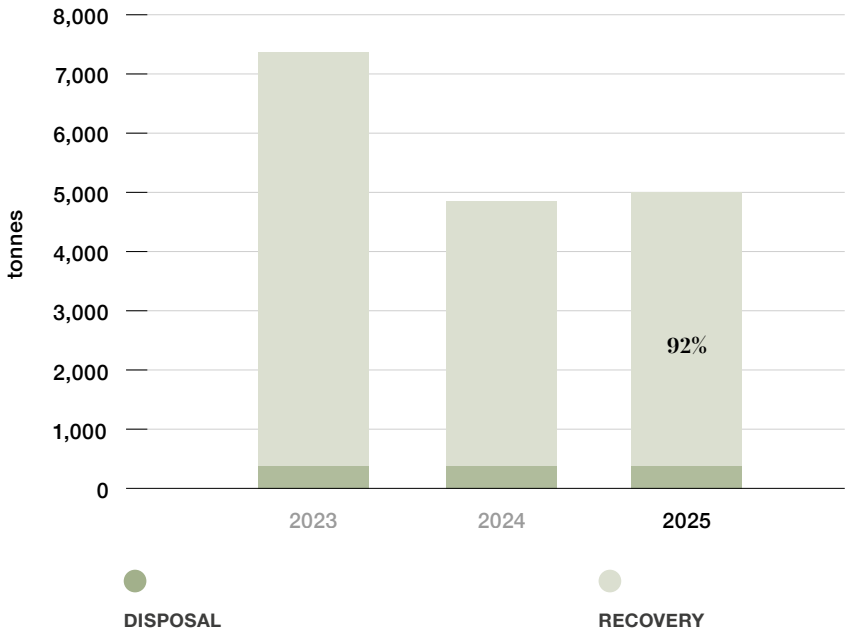
In terms of waste destination, the majority of it is sent for recovery, while the residual part is sent for disposal. In the 2023-2025 three-year period, this breakdown remained almost constant: the organisation maintains very high percentages of waste sent for recovery, further proof of the effectiveness of the company's initiatives aimed at maximising the exploitation of the circularity of the raw material used in production.

¹⁵ § Risk: Risks related to waste non-compliance

SPECIFIC WASTE PRODUCTION



WASTE DESTINATION



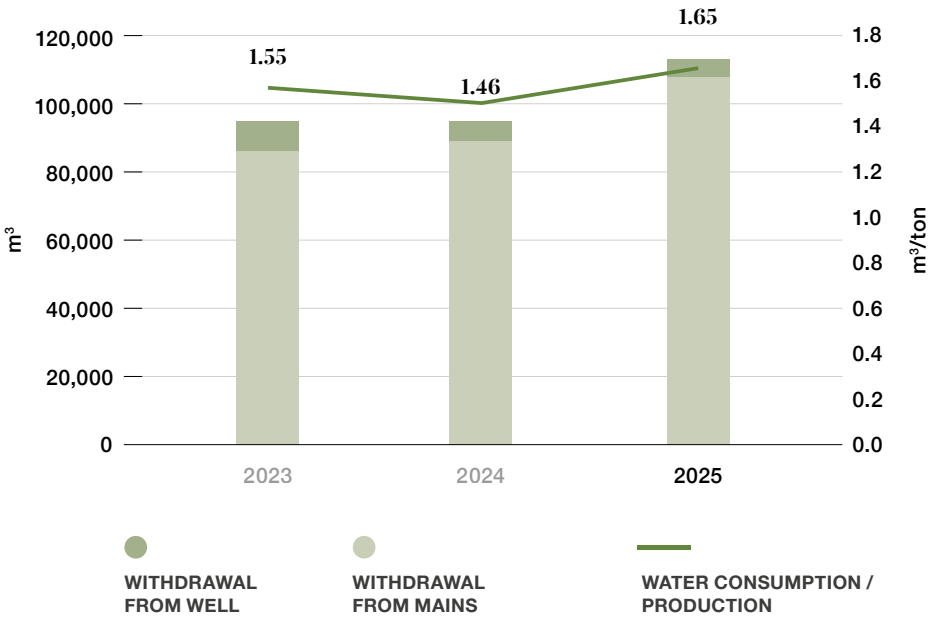
Water resources

The management of water resources is a highly relevant topic for Metallurgica San Marco; the company uses a considerable quantity of water during various phases of the production process (metal cooling, machinery cleaning, etc.), and therefore maps its water withdrawals and discharges in order to precisely determine its consumption, ensuring constant monitoring and promoting **responsible water management**. The company’s objective is to contain water withdrawals as much as possible¹⁶ and it does so through the monitoring of withdrawals via mechanical litre counters, freshwater and discharged-water meters, rainwater-recovery projects, leak-recovery systems on emergency water, as well as a closed-circuit cooling system.



For its activities, Metallurgica San Marco mainly uses (96% in 2025) well water, while the remaining part is mains water. Water withdrawal increased in 2025 both in absolute terms, exceeding 110,000 m³, and in relative terms, reaching a withdrawal of 1.65 m³ for each tonne of product.

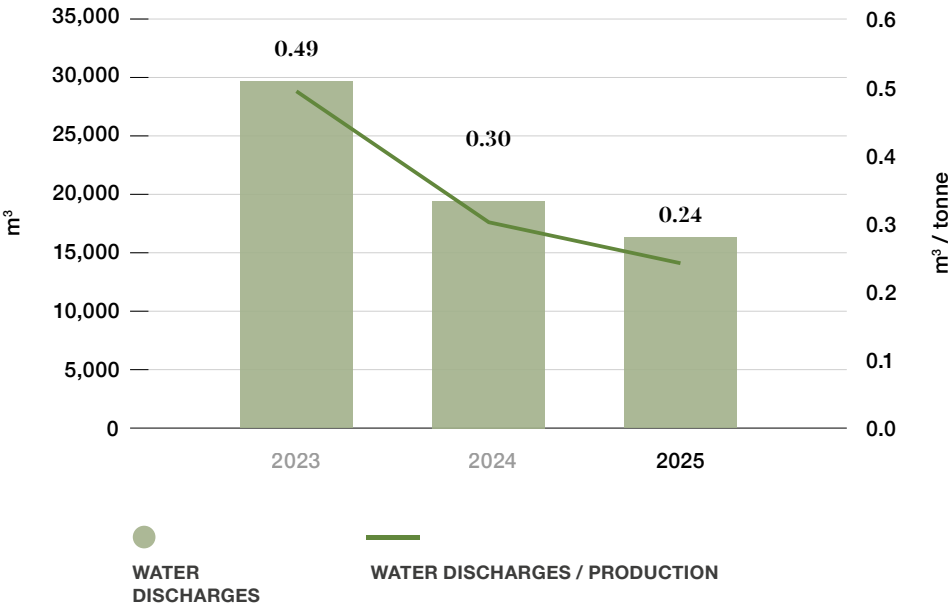
WATER SUPPLY



¹⁶ § Risk: Risks related to waste non-compliance

A constantly decreasing trend is instead recorded for water discharges, which stood at just over 16,000 m³ in 2025 (in 2024 they were over 19,000 and in 2023 over 29,000). These also fell in specific terms, for a total of 0.24 m³ of water discharged for each tonne of product. These discharges refer to the company's treatment plant, which receives as input both the water from the pickling process and the first-flush rainwater. For this reason, the annual volumes can vary greatly from year to year, due to the high dependence on rainfall.

TOTAL AND SPECIFIC WATER DISCHARGES



Metallurgica San Marco's management of first-flush rainwater consists of separating it from the other rainwater, which is less subject to pollution. This activity makes it possible to prevent any harmful substances from ending up in the drainage networks or contaminating the surrounding environment.

Water pollution¹⁷ is a topic overseen by the company, which is committed to preventing it by adopting best practices such as the aggregation of the evaporative towers into a single system, the positioning of the treatment plant at a single point, the construction of spill-collection tanks, and the provision of an oil storage depot. In addition to these structural measures, the company implements a series of procedures and behaviours. MSM therefore has a procedure for managing any spills, periodic monitoring of the control and emergency systems, a spill-containment system, and emergency kits.

Sphere Social 04



2025 EDITION

SUSTAINABILITY REPORT

METALLURGICA SAN MARCO

Sphere Social

HUMAN CAPITAL FIRST

Metallurgica San Marco is aware that the well-being and professional growth of its human capital are fundamental elements for the development of the organisation. The company develops a human-resources management model aimed at ensuring safe working environments, fair and inclusive working conditions, and training paths capable of enhancing individual skills.

At the same time, Metallurgica San Marco recognises its role as an active part of the area in which it is located, committing itself to promoting initiatives capable of contributing to the socio-economic development of the local community.

Highlights

97%

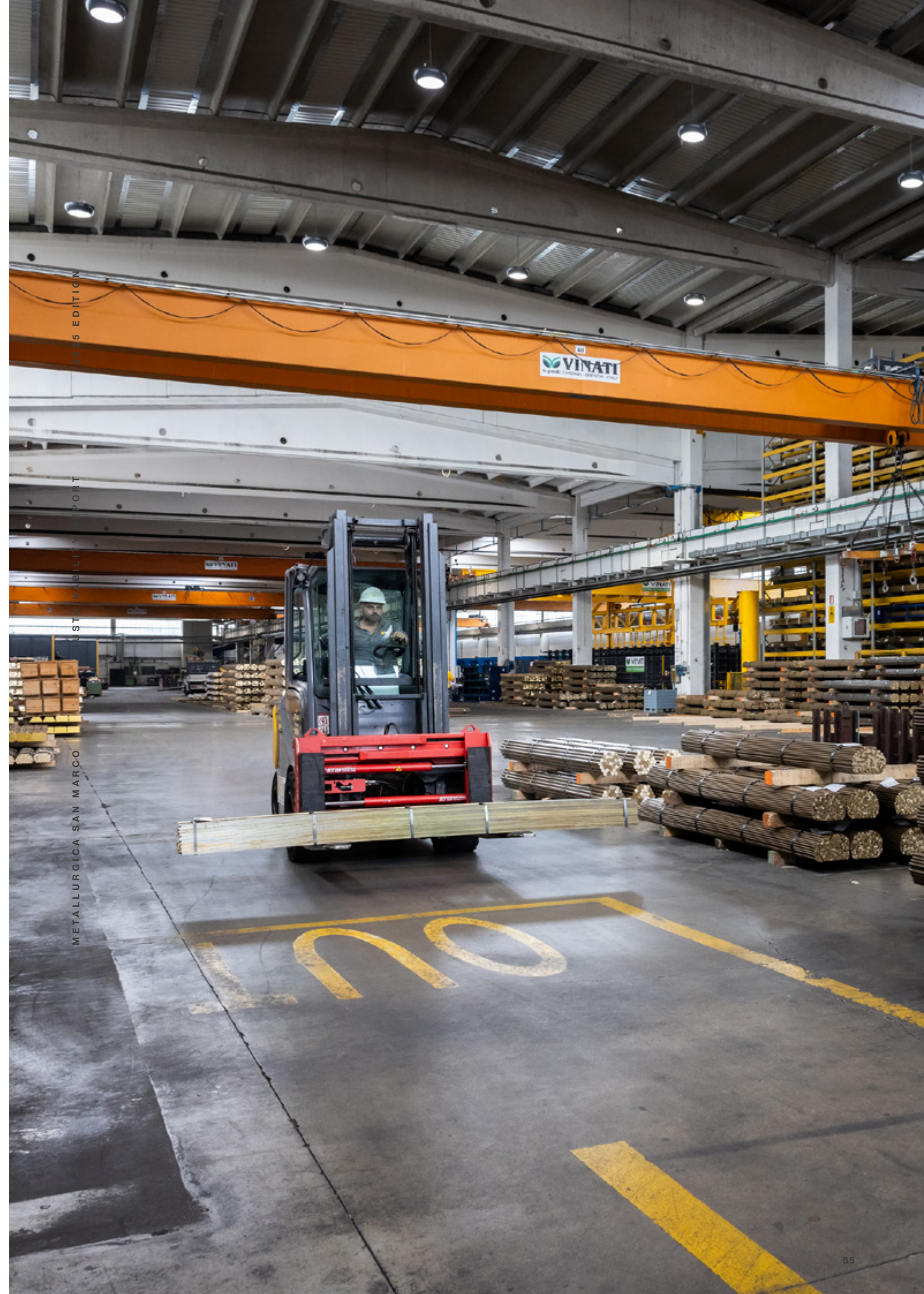
of employees hired on permanent contracts

70%

of the new arrivals in 2025 are under 30

> 2,500
hours of training delivered

> 150,000€
provided as welfare and benefits for all employees

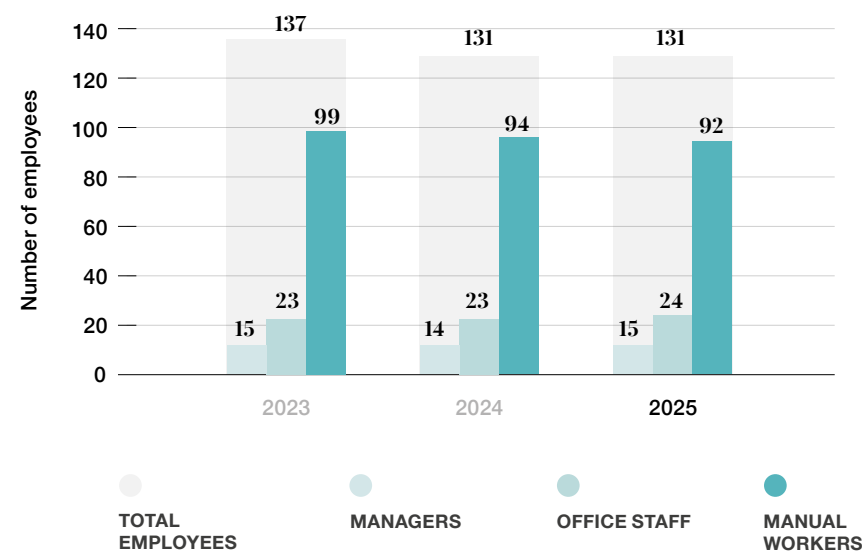


Our workforce

Staff management

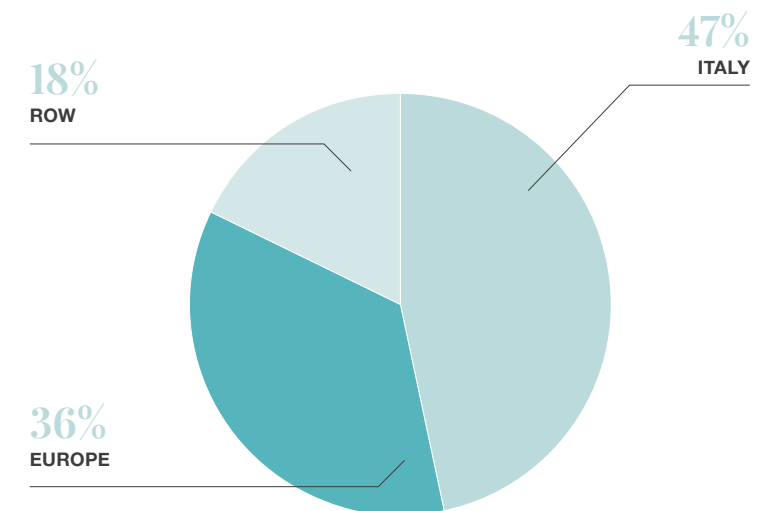
The number of Metallurgica San Marco employees present at the end of 2025 coincides with the value recorded at 31.12 of the previous year (131), slightly down compared to 2023 (-6 members). The company population is represented mainly by the manual-worker category, with 92 employees (70% of the total), followed by the office-staff category, with 24 members (18%), and the managerial category, with 15 executives (12%). Over the last three years, these latter two categories have maintained an almost stable number of members, while manual workers have decreased slightly over time (-2 compared to 2024 and -7 compared to 2023).

WORKFORCE COMPOSITION BY FUNCTION



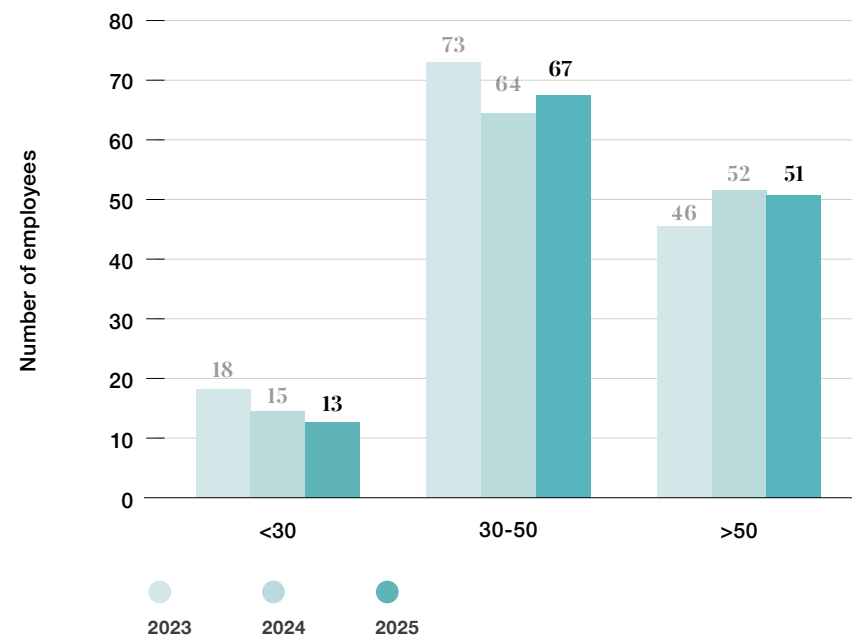
Analysing the geographical origin of the workforce, an almost equivalence can be seen between the number of Italians (47% of the total) and foreigners from European countries and other nations (36% and 18% respectively). Italians and foreigners from non-EU countries remained stable in the 2023-2025 three-year period (around 60 for the former and just over 20 for the latter), while the number of Europeans was slightly down (-6 since 2023 and -2 since 2024).

EMPLOYEES BY GEOGRAPHICAL ORIGIN (2025)



In 2025, 90% of the company population is over 30, with a slight majority of employees aged between 30 and 50 (51% of the total) compared to the over-50s (39%). In the reference three-year period, the number of under-30s is declining (-5 compared to 2023 and -2 compared to 2024), while that of the other categories is fairly stable. The greater weight of the over-30s in the total workforce is due both to a difficulty in recruiting young workers for the manual-worker category, which will be discussed in depth below, and to the natural ageing of employees; indeed, over the last three years Metallurgica San Marco has recorded an increasingly significant retention of staff, with a fair decline in the number of departures and very high percentages of permanent hires: around 97% in 2025, in line with 2024 and up 3.5 percentage points compared to 2023.

EMPLOYEES BY AGE



EMPLOYEES BY CONTRACT TYPE

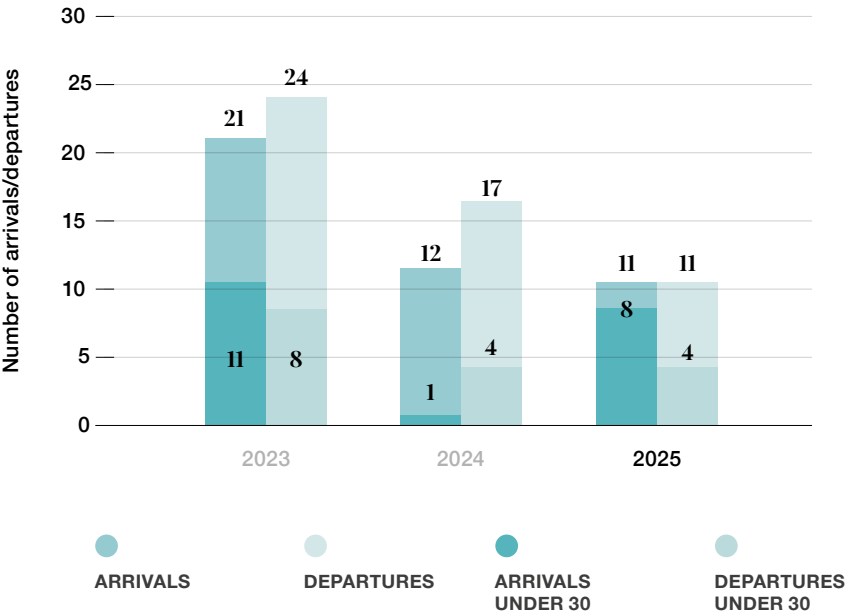


Metallurgica San Marco carries out continuous monitoring of the main staff-management indicators, in particular the overall and under-30 turnover rate. This attention is aimed at identifying any weaknesses in the company's attractiveness, especially for the new generations, who may have expectations misaligned with the characteristics of the company's offer¹.

¹ § Risk: High turnover

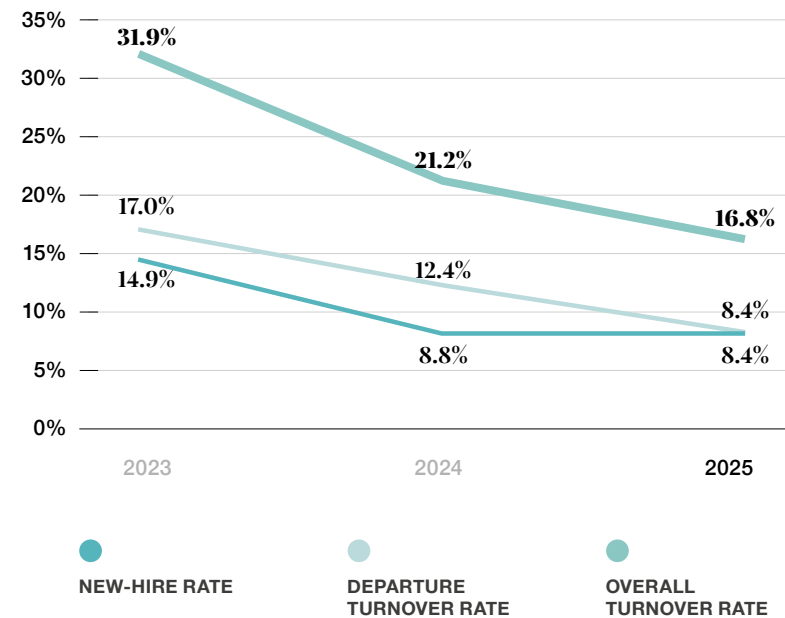
In 2025, the overall number of departures fell compared to the previous two years (-13 compared to 2023 and -6 since 2024), with an under-30 component that always stood at between 25 and 35% of the total. The situation is slightly different for arrivals, which in 2025 are down compared to 2023 (-10), but in line with 2024, with a much more variable under-30 share: 52% in 2023, 8% in 2024, and 73% in 2025.

EMPLOYEE ARRIVALS AND DEPARTURES



The constant decline in the number of overall arrivals and departures leads to consequent reductions in the various turnover rates as well. In 2025, both the new-hire rate² and the departure turnover rate³ were 8.4%, with a gradual decrease for departures (a decline of around 4 percentage points per year) and a fair decrease in new arrivals since 2023 (-6.5 percentage points). The same applies to the overall turnover rate⁴ which records a decline of a full 15 percentage points compared to 2023 and 4.4 since 2024.

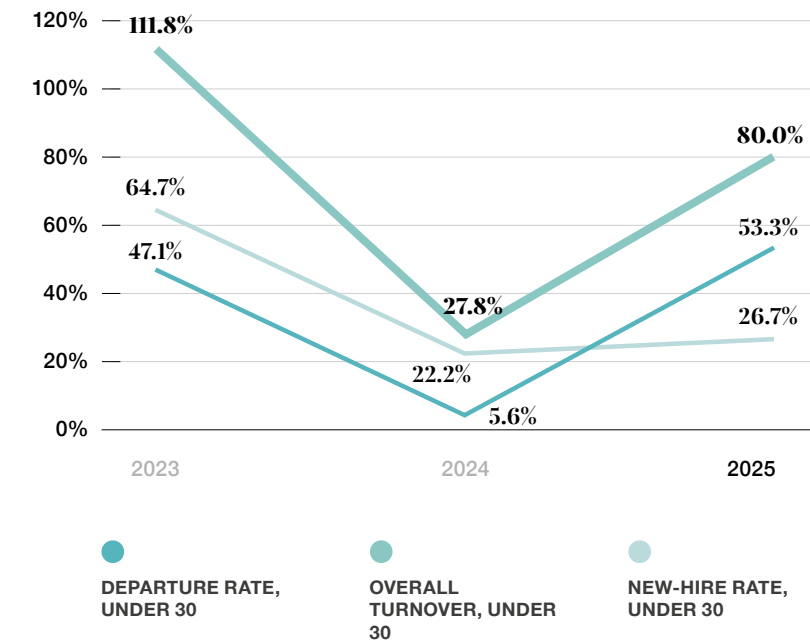
²New-hire rate: number of arrivals recorded in 2025 / total number of employees at 31.12.2024
³Departure turnover rate: number of departures recorded in 2025 / total number of employees at 31.12.2024
⁴Overall turnover rate: sum of arrivals and departures recorded in 2025 / total number of employees at 31.12.2024

EMPLOYEE ARRIVAL AND
DEPARTURE RATES

In the three-year period considered (2023-2025), the irregular trend of under-30 arrivals generates a new-hire rate (53.3% in 2025) and overall turnover rate⁵ (80%) that are inconstant. The departure rate is more linear (constant between 2024 and 2025, with values around 22/26%) and is down compared to 2023 (-20.4 percentage points).

The decline in staff turnover recorded over the last three years is mainly attributable to the initiatives adopted by the organisation to mitigate this phenomenon. Specifically, Metallurgica San Marco — in addition to adopting a welfare programme extended to the entire company population — promotes internal communication aimed at highlighting the organisation's commitment to the continuous improvement of management and organisational processes. In support of these actions, the company develops concrete initiatives based on the analysis of the company climate,

⁵ Same calculation methodology, but only the under-30s are considered in the numerator and denominator

EMPLOYEE ARRIVAL AND
DEPARTURE RATES, UNDER 30

carried out with the support of Umana Analytics, in order to gauge the level of satisfaction of its employees. This approach is further reinforced by constant monitoring of internal dynamics, aimed at proactively identifying and addressing any weaknesses, thus helping to consolidate a positive and sustainable working environment over time. The organisation also provides structured onboarding paths for new hires (**induction plan**), with a dedicated evaluation report at the end of the *onboarding* period, through which the induction process is monitored and the professional growth of the new resource is supported. In general, periodic performance evaluations are carried out by the head of each department using a skills matrix. These evaluations are intended to identify the need for training measures, understood as on-the-job training/instruction or market training courses to be activated as needed.

The correct management of staff enables Metallurgica

San Marco to prevent and contain possible absenteeism⁶. In the past, some sporadic episodes occurred, limited to specific periods and to certain departments; however, thanks to the initiatives introduced and constant oversight of internal dynamics, this issue has been largely mitigated, and in any case always handled with sensitivity and seriousness by the company.

The company ensures constant monitoring of the main indicators, alongside an ongoing activity of involving and raising the awareness of department heads, in order to promote responsible and effective management of staff.

A far more relevant topic is that relating to the difficulty of recruiting new resources, particularly for the manual-worker category, in a labour market that offers few profiles available to fill the role required by the company⁷. In this regard, Metallurgica San Marco has begun to strengthen its recruiting strategies, focusing first of all on consolidating *its employer branding*, with the aim of enhancing the company identity and improving how it is perceived from the outside. The company has then intensified the use of direct recruitment channels and developed partnerships with human-resources providers active in the area, in order to broaden the pool of potential candidates. In support of these initiatives, growing importance is given to the visibility of professional opportunities on the web, through targeted communication and marketing actions, including via dedicated digital platforms (LinkedIn). Furthermore, the company promotes collaborations with local universities and schools, with the aim of bringing young people closer to the company context, thus contributing to the creation of competent profiles that meet the organisation's needs.

⁶ § Risk: Staff absenteeism

⁷ § Risk: Difficulty in recruiting

Corporate well-being

Staff well-being is a strategic element for Metallurgica San Marco, as it is closely connected both to the quality of the working environment and to the organisation's ability to generate economic value over the long term.

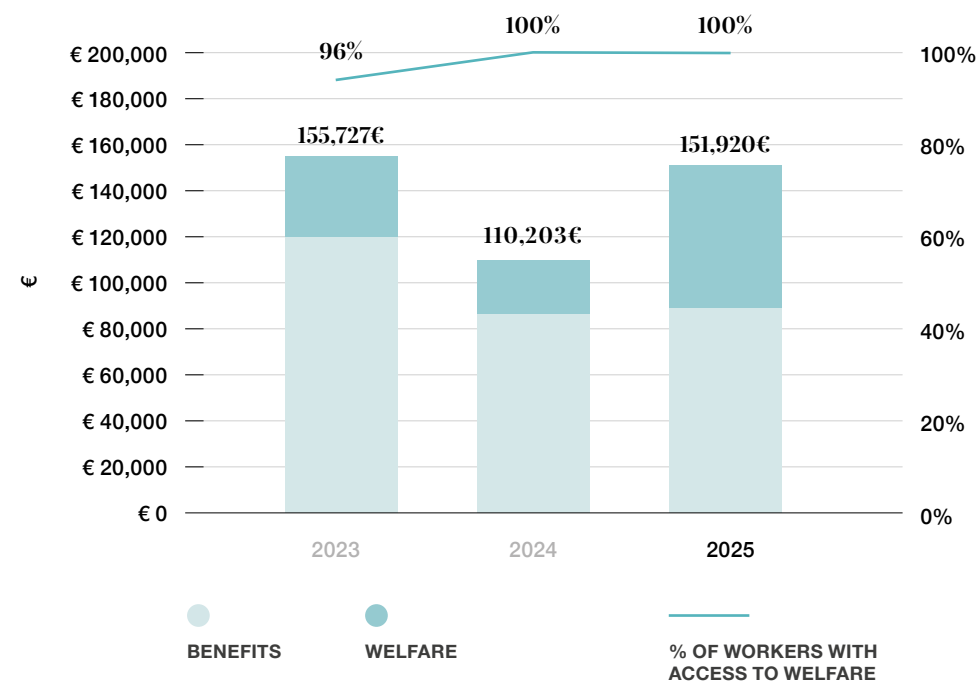
From this perspective, the company promotes an approach based on listening and on the active involvement of the company population. In 2024, thanks to the support of Umana Analytics, the organisation carried out an analysis of the internal climate, based on the scientific methodology of Trust Network Analysis and on the assessment of value alignment. The study aimed to explore the relational dynamics of staff, the level of satisfaction and of alignment with company values, as well as the identification of the main areas for improvement. The initiative, supplemented by moments of direct exchange such as focus groups, made it possible to gather useful contributions to strengthen the consistency between organisational principles and everyday behaviours, confirming the central role of human capital in the company's social-sustainability strategy.

Metallurgica San Marco is aware that initiatives such as smart working and flexible hours can foster staff well-being. The nature of the organisation's activity does not allow a uniform formalisation of these measures for the entire company population, since most of the workforce is employed in production activities for which remote work and flexible hours are difficult to apply. Despite this objective limitation, the company shows itself attentive to the needs of its employees, adopting an approach that accommodates specific requests for organisational and time flexibility proposed by its employees, for the roles and tasks that allow it.

In relation to the initiatives that foster the economic

well-being of the workforce, Metallurgica San Marco has allocated a share of its profit (around 4.2%) to welfare and benefit measures. In 2025, over €150,000 was provided, which the entire company population was able to access via a dedicated platform. The awareness-raising and greater communication about the possibility of using these instruments led to an increase in the number of employees who actually benefited from the amount allocated by the organisation.

WELFARE AND BENEFITS



People's health and safety

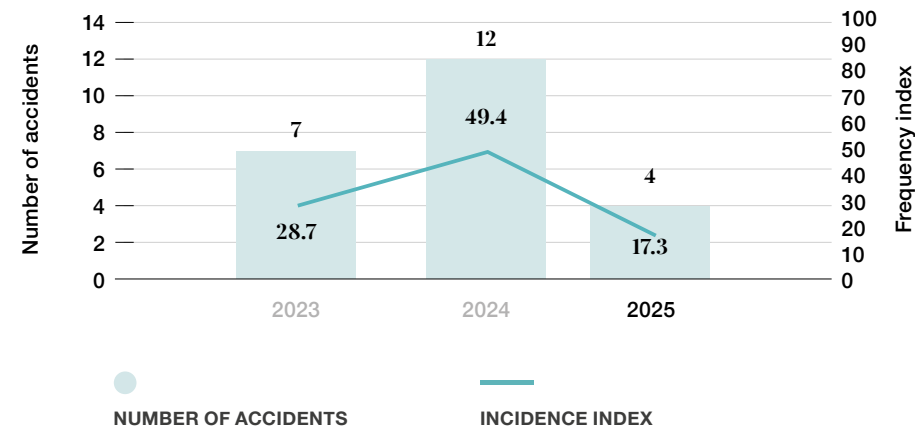
As a manufacturing company, Metallurgica San Marco's employees are exposed to a potential risk of accidents relating to the performance of operational activities⁸. With the aim of constantly improving the safety level of its working environments and safeguarding the health and physical integrity of staff, the company has structured an Occupational Health and Safety Management System certified according to the UNI EN ISO 45001 standard. The system is supported by internal reminder mechanisms, aimed at reinforcing compliance with safety procedures and rules, and by an improvement plan, which makes it possible to update and refine the preventive measures adopted over time. At the same time, the company delivers every year a series of specific safety courses (in addition to the legal obligation), covering topics such as first aid, the use of the defibrillator, and the correct use of personal protective equipment. These initiatives are part of a broader framework outlined by the Organisation, Management and Control Model (MOG 231), through which occupational safety becomes a structured, integrated, and monitored process.

⁸ § Potential negative impact: Risk of workplace accidents

1.1

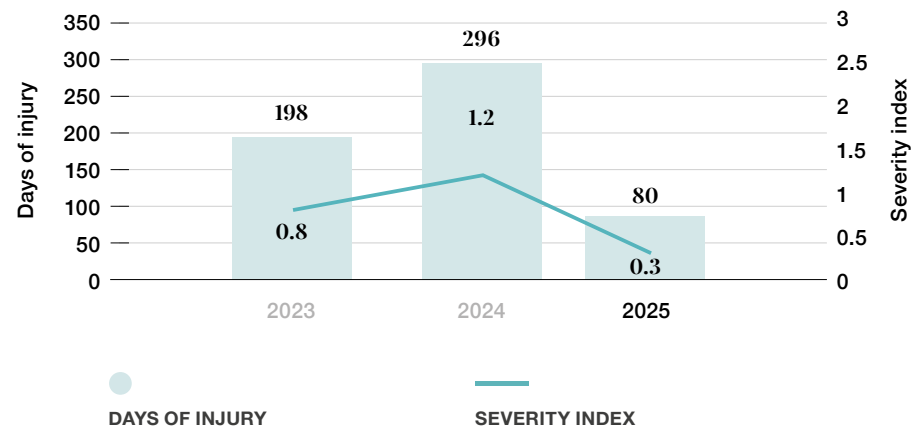
1.2

ACCIDENT FREQUENCY INDEX



Metallurgica San Marco carries out a systematic analysis of *near misses* and accidents, aimed at identifying their causes and preventing the recurrence of similar events. In 2025, a total of 4 accidents occurred — the lowest figure recorded in the last three years (7 in 2023 and 12 in 2024) — which also led to a significant decline in the accident-related indices. Over the years, the company has in fact constantly monitored the trend of the frequency index⁹ and the severity index¹⁰, fundamental indicators for assessing the effectiveness of the policies and measures adopted by the organisation regarding occupational health and safety.

ACCIDENT SEVERITY INDEX



⁹ § Frequency index: number of accidents x 1,000,000 / number of hours worked

¹⁰ Severity index: total number of days of injury x 1,000 / number of hours worked

2025 EDITION

SUSTAINABILITY REPORT

METALLURGICA SAN MARCO

Staff skills training

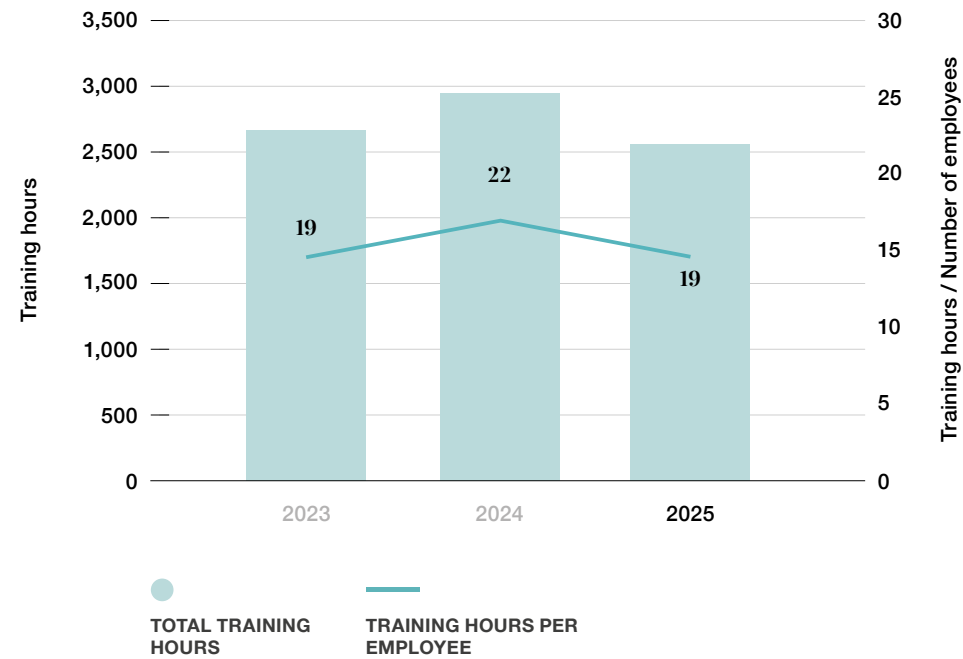
Market demands impose increasingly high standards and specific technical skills that employees do not always possess or manage to develop on their own¹¹. For this reason, Metallurgica San Marco invests in staff training, through the design and delivery of ad-hoc training paths aimed at developing and consolidating the necessary skills of the workforce, ensuring a complete alignment between internal capabilities and organisational objectives.

In 2025, over 2,500 hours of training were delivered, the equivalent of more than 19 hours on average per individual employee¹². A figure slightly down compared to 2024 (-400 total hours), but perfectly aligned with the total number of hours and the average per employee calculated in 2023.

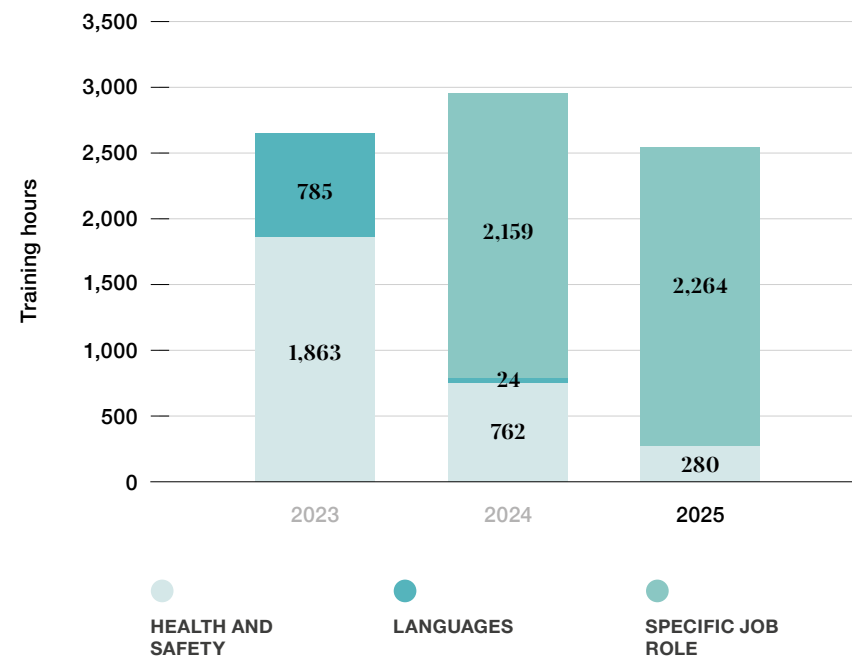
The issue outlined at the beginning of the paragraph led the company to focus its attention on training courses specific to each job role (90% of the total hours). In the 2024-2025 two-year period, this type of course replaced health-and-safety and language topics, which came to occupy only 10% of the total training hours delivered (almost 1,500 hours fewer than in 2023 and almost 500 fewer than in 2024).

¹¹ § Potential negative impact: Lack of necessary skills

¹² The calculation was carried out on the total number of employees present at 31.12, not on how many of them actually received training.

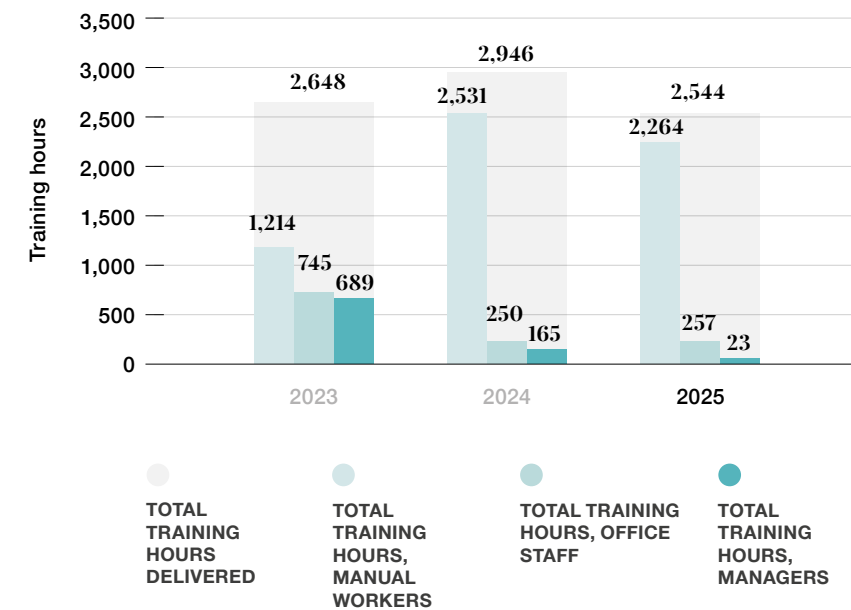
TOTAL TRAINING HOURS AND
AVERAGE PER EMPLOYEE

TRAINING HOURS BY TOPIC



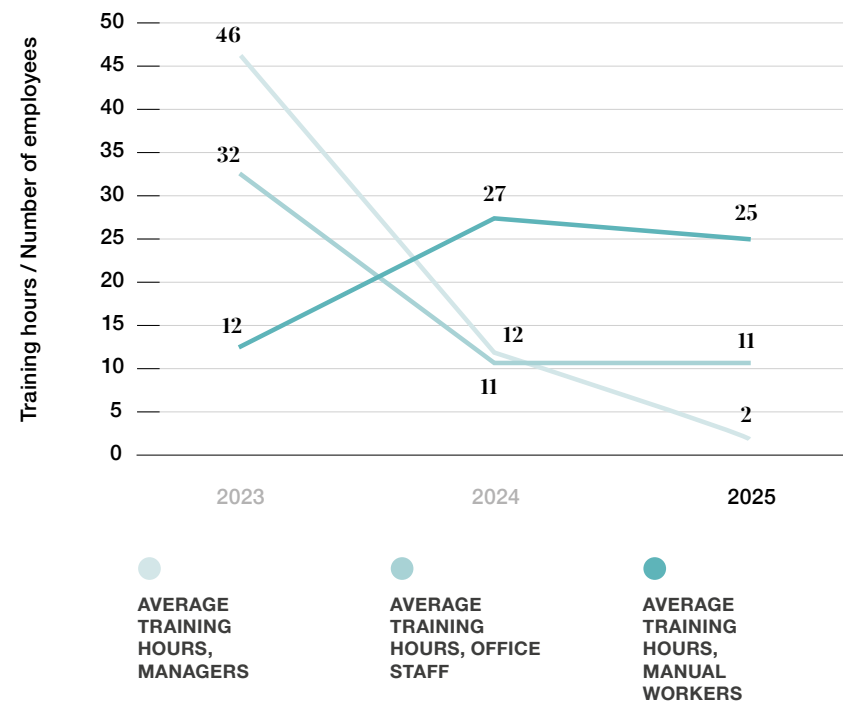
The influence exerted by job-specific training courses can also be seen from the different redistribution of the hours delivered by individual function. Compared to 2023, in which there was a fair balance between the categories, in the 2024-2025 two-year period manual workers were the main recipients of the training courses, with an average of over 25 hours of training per employee (27 in 2024, against 12 in 2023). In 2023, an ad-hoc update was carried out for the specific skills of managers; in 2024 and 2025, the necessary measures were therefore residual.

TRAINING HOURS BY FUNCTION



The decline in the total number of hours recorded in 2025, particularly as regards health-and-safety courses, is due to the training plan, which provided for a major update in 2026 rather than in 2025. This initiative provides for the delivery of specific courses on the safety connected to the operational activity carried out in the various departments, touching on the different phases of the production process (production equipment, handling vehicles, etc.). The plan requires a significant organisational effort linked both to coordinating the hours with production needs and to managing the available spaces; the latter aspect was partially resolved through the introduction of a multi-purpose room located near the offices, which has also been used for staff training activities.

AVERAGE TRAINING HOURS BY FUNCTION



Metallurgica San Marco is aware that training and skills development are strategic levers for its development and for strengthening competitiveness over the medium to long term. For this reason, similar projects play an increasingly important role in the company strategy: investing in structured learning paths makes it possible not only to guarantee high standards of safety and operational efficiency, but also to enhance human capital, supporting people in their professional careers. Promoting continuous updating and the acquisition of new skills is a key element in fostering the spread of a company culture geared toward continuous improvement, capable of benefiting both the professional growth of workers and the organisation's ability to adapt to a constantly evolving production and market context.

The focus on staff growth drives Metallurgica San Marco to strengthen dialogue with the academic and training world, recognised as a strategic lever for development and innovation¹³. The company indeed promotes ongoing collaborations with the University of Brescia, the University of Trento, and the Catholic University of the Sacred Heart, hosting curricular and extracurricular internships and fostering the integration between theoretical training and practical application. Internship paths and school-to-work alternation initiatives foster the approach of young people to the world of work, facilitating the transfer of technical skills and the spread of organisational values. At the same time, they represent an opportunity to identify and train potential future employees, contributing to the development of qualified and motivated human capital. Dialogue with local schools and institutes also strengthens the company's social role, consolidating its positioning as a responsible player committed to the growth of the local community. In 2025, the organisation hosted one student for a curricular internship.

¹³ § Actual positive impact: Relations with schools and universities

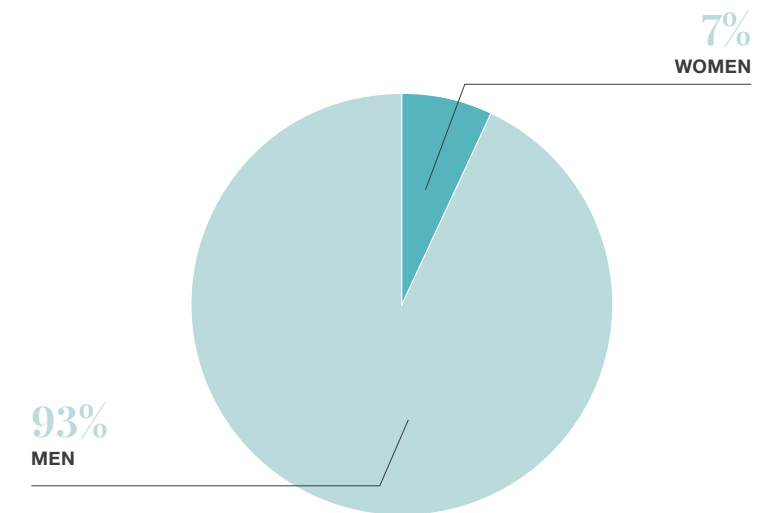
Diversity and inclusion

Gender equality is a relevant principle for contemporary organisations, as it contributes to the creation of fair, inclusive working environments based on respect for diversity. The employment structure of Metallurgica San Marco reflects the typical characteristics of the production sector to which it belongs, with a significant prevalence of male staff employed in operational roles (93% of the workforce is made up of men; the manual-worker category alone represents 70% of the total).

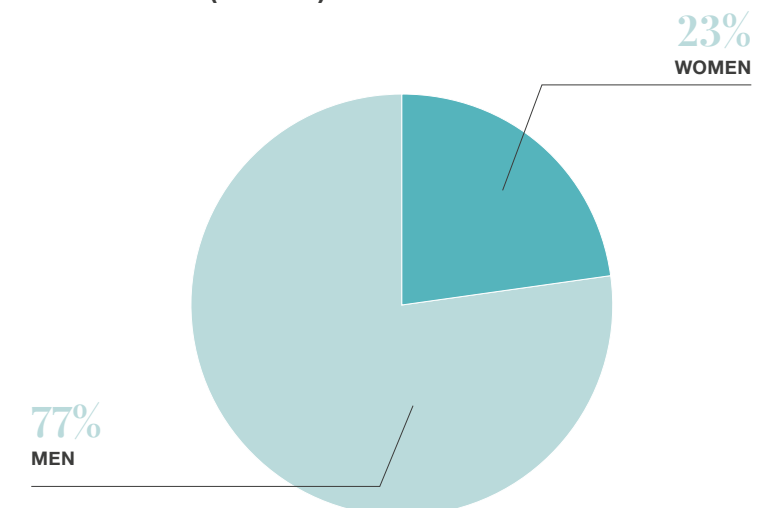
The female presence is on the whole limited and does not involve production activities; furthermore, considering the scope of office and managerial roles, areas in which the female component is concentrated, the female employment share stands at around 23%, highlighting the need for a progressive strengthening of monitoring and analysis safeguards regarding gender equity, also in order to prevent any pay misalignments, both overall and with reference to specific organisational positions¹⁴.

¹⁴ § Actual negative impact: Gender gap

EMPLOYEES BY GENDER (2025)



MANAGERS AND OFFICE STAFF BY GENDER (2025)

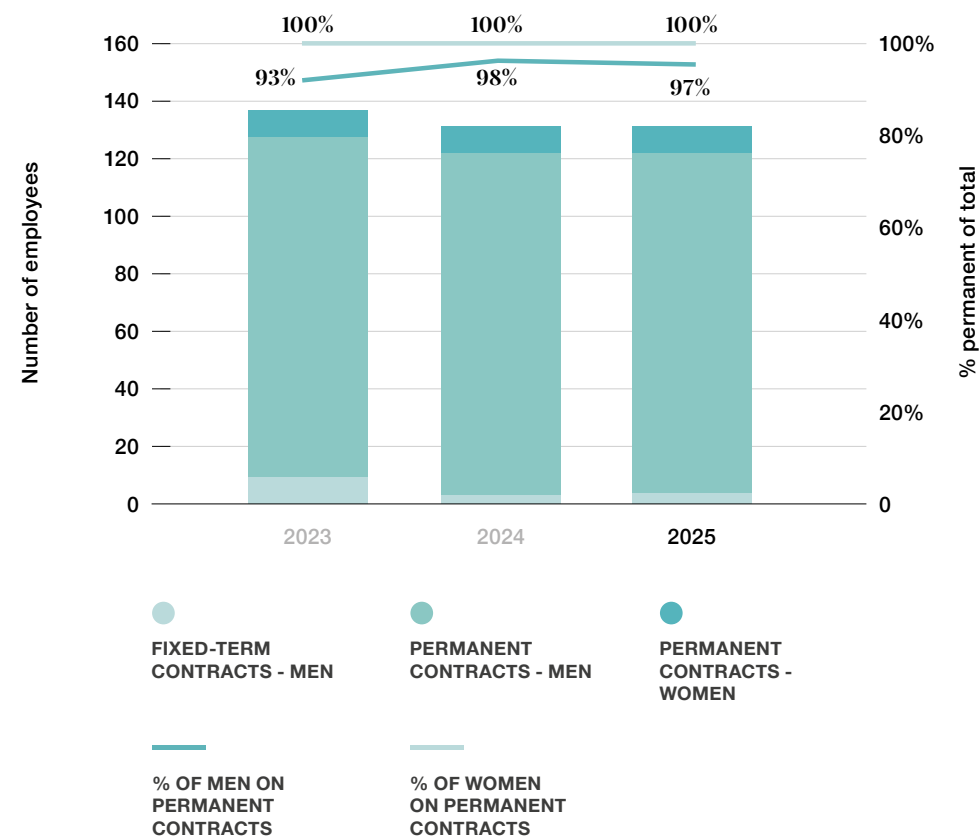


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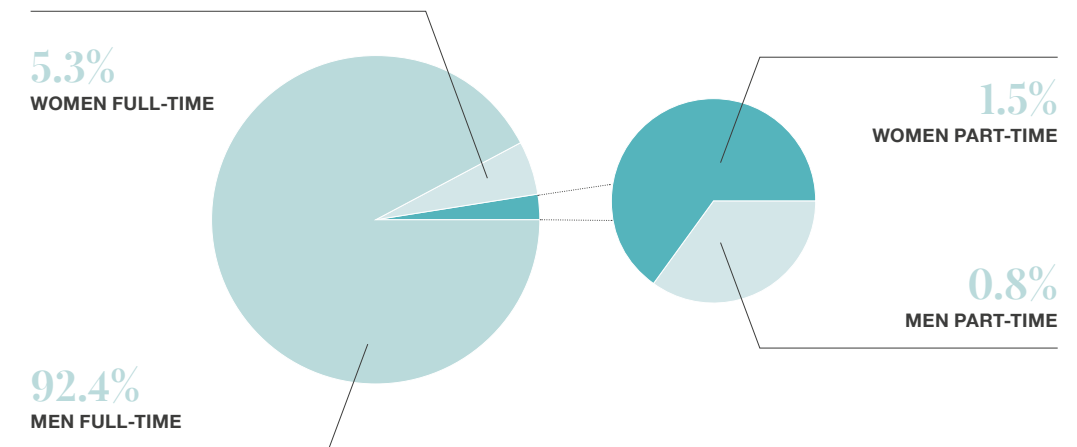
1.2

Through the analysis of the workforce's contract type, the attention dedicated by the organisation can be seen. In particular, in the 2023-2025 three-year period, all women were hired on a permanent contract, while men recorded values of between 93 and 98%. Similarly, the distribution between full-time and part-time is also very significant, with female workers on a part-time contract representing only 1.5% of the entire workforce (over 97% of employees are hired on a full-time contract). Full-time, stable employment is indeed a relevant element in the path of reducing the gender gap, since it fosters greater professional continuity, career-development opportunities, and higher pay levels.

EMPLOYEES BY CONTRACT TYPE AND GENDER



FULL-TIME AND PART-TIME EMPLOYEES (2025)



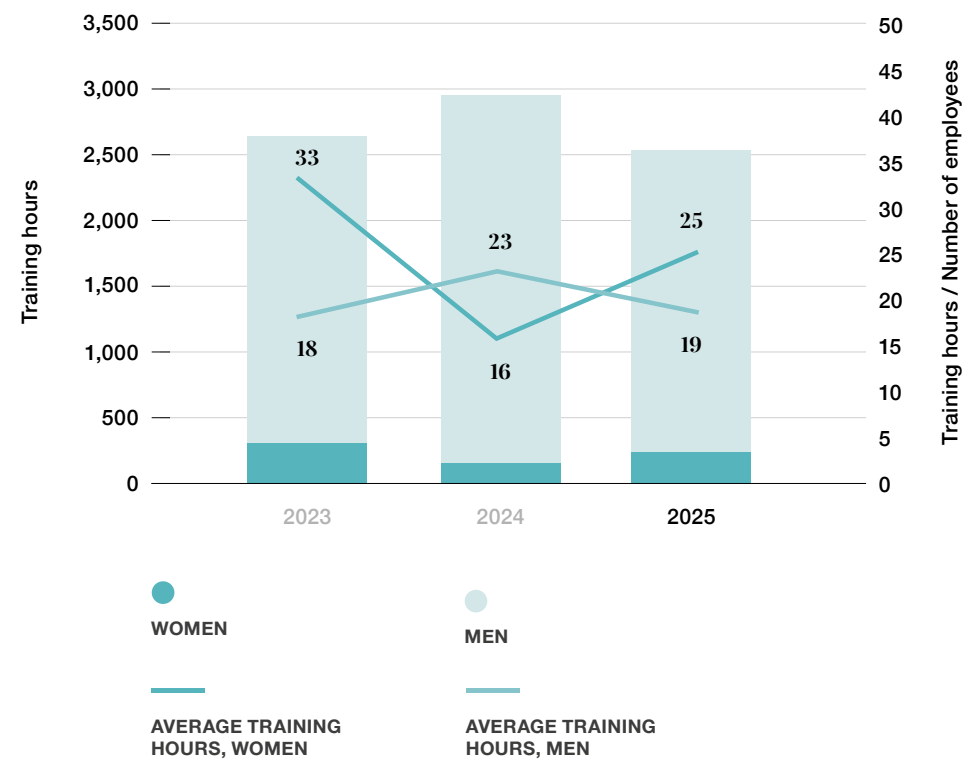
Metallurgica San Marco actively commits to promoting a working environment based on the principles of equity, inclusion, and respect, ensuring the absence of any form of discrimination at all stages of its employees' professional path. In this context, the processes of recruiting and inducting staff are structured according to criteria of transparency and impartiality, ensuring equal opportunities for all candidates, regardless of gender, age, nationality, orientation, or other personal characteristics. The organisation operates in full compliance with the labour legislation in force, verifying the existence of the legal requirements for establishing the employment relationship, including compliance with the minimum age required, the regularity of documentation, and suitability for carrying out the assigned tasks.

1.1

1.2

These principles also apply to human-resources management and development policies, including professional-growth paths and pay dynamics, which are defined on the basis of objective and meritocratic criteria, in order to guarantee equal conditions and equal opportunities to all staff. A similar approach is adopted for training activities: indeed, in the 2023-2025 three-year period, female workers almost always benefited from a number of training hours equal to or greater than their male colleagues. In 2025, a woman received on average 25 hours of training, around 6 hours more on average than the 19 hours recorded for male workers.

TRAINING HOURS BY FUNCTION AND GENDER



2025 EDITION

SUSTAINABILITY REPORT

The reduction of the gender gap is a medium-to-long-term improvement objective, influenced also by factors external to the company context. In this context, in the 2024-2025 two-year period, the analysis relating to the use of paid parental leave within Metallurgica San Marco shows a balance between the genders, with 100% of returns to work by the employees who used this measure.



Affected communities

Creation of value for the local area and stakeholders

For an organisation, value creation is not limited to economic results, but also extends to the ability to generate benefits for the community and the area in which it operates. From this perspective, Metallurgica San Marco recognises its social role and commits to actively contributing to the development of the local context, promoting initiatives that foster social cohesion, cultural growth, and collective well-being¹⁵.

In 2025, the company allocated over €165,000 in donations and sponsorships, distributing them to various sporting and social organisations. The following list reports in detail all the sponsorships supported.

¹⁵ § Actual positive impact: Investments in projects with positive effects on the local community

SPONSORSHIPS

Germani Basket

GClub 2025(Golf circuit of which Metallurgica San Marco is main partner)

Tennis Club as main partner of TCBrescia

Virtus basket Lumezzane

US Caicinato ASD (local area)

Brixia power ASD (tennis)

Power competition ASD (karting)

ASD GS Ronco (cycling)

ASD Valduggia calcio

FC Lumezzane SSD srl

Golf Club Ponte di Legno

Ponte di Legno ski school

Progetti del cuore (social)



Sphere 05

Governance



Sphere Governance

For Metallurgica San Marco, governance is a central element for integrating sustainability, responsibility, and strategic vision into company management. Economic, environmental, and social aspects are an integral part of decision-making and operational processes, steering the company toward sustainable, long-term growth.

The Board of Directors plays an active role in defining ESG strategies and in monitoring corporate objectives, promoting a model founded on transparency, integrity, and continuous improvement. This approach translates into investments dedicated to innovation, production efficiency, and the development of high-performance solutions with attention to environmental impacts.

Corporate governance is also structured through organisational tools and systems aimed at strengthening the ethical culture, the responsible management of the supply chain, cybersecurity, product quality, and customer satisfaction. In this context, research and development activities take on a strategic role in supporting process and product innovation, contributing to the continuous improvement of company performance and to the creation of sustainable value over time.

Highlights

14,500
hours dedicated to Research and Development

Approximately

280 mln€
of economic value generated

Customer satisfaction index

> 95%

over the entire 2023-2025 three-year period

Strategic direction

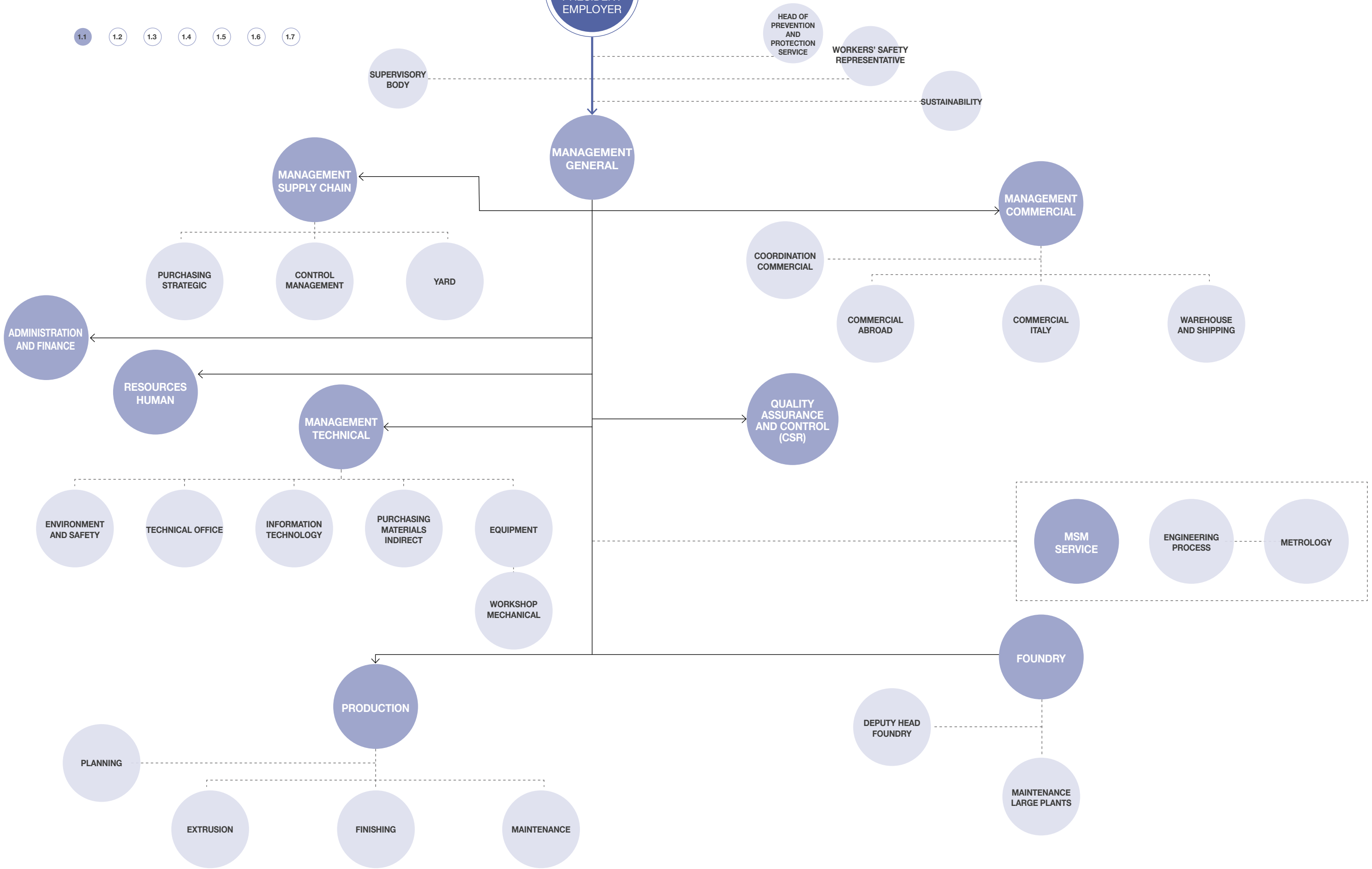
Metallurgica San Marco adopts a structured governance model, aimed at ensuring effective, transparent company management consistent with the principles of responsibility and regulatory compliance. The organisation of decision-making and operational activities is defined so as to ensure clear oversight of processes and a correct allocation of roles and responsibilities.

The governance structure develops through three main bodies. **The Shareholders' Meeting** is the company's strategic-guidance body and is responsible for defining the guidelines to be followed, appointing the **Board of Directors** and approving the annual financial statements.

The operational management of the company is entrusted to the Board of Directors, made up of five members: four men over the age of 50 and one aged between 30 and 50. One of the board members is also an employee of the company. The Board exercises the powers necessary for ordinary and extraordinary administration, directing its activities toward achieving the company's objectives.

The **Board of Statutory Auditors** performs control and supervisory functions, verifying the compliance of company activities with the legislation in force and with the statutory provisions, as well as monitoring the work of the Board of Directors.

The internal organisation is represented through an organisation chart structured into specific functional areas, reflecting the company's operational structure. In this context, the topics linked to sustainability take on a particularly significant role, finding recognition also within the company's organisational structure.



Business ethics and corporate governance

The Code of Ethics

Metallurgica San Marco's Code of Ethics is one of the central tools through which the company defines the principles and values that guide its operations. In 2020, the document was updated in line with the company's sustainability path, consolidating the role of ethics and responsibility in daily activities and in relations with stakeholders.

Within the Code of Ethics, a series of fundamental principles is defined:



Legality

Observance of national and international laws, regulations, and internal procedures. The pursuit of company interest never justifies unlawful or dishonest conduct. The company actively commits to combating corruption and money laundering and to respecting fair competition.



Respect for people's dignity

Promotion of interpersonal relationships based on the prohibition of any form of discrimination linked to sex, age, race, religion, political opinions, or health status. Guarantee of safe and healthy working environments that protect the integrity of workers.



Corporate and accounting transparency

Commitment to providing truthful, complete, and accurate information. Accounting and tax management must ensure maximum transparency in the financial statements and tax returns.



Product quality

Guarantee of high standards and compliance with technical specifications for customer satisfaction.



Effectiveness and efficiency

Continuous research for the optimisation of production processes and technological innovation, always in compliance with safety rules.



Protection of competition

Abstention from unfair-competition practices.



Protection of safety and health

Safeguarding people through the adoption of a Safety Management System and through training courses and continuous prevention.



Protection of the environment

Commitment to continuous improvement and pollution prevention, in compliance with environmental legislation.

The Code defines the conduct that guides company decisions and processes, both within the organisation (corporate bodies and staff) and in relations with external parties (customers, suppliers, and public administration). Its application is supported by communication and training activities aimed at spreading a company culture based on fairness, transparency, and integrity.

Since 2024, Metallurgica San Marco has strengthened the involvement of its suppliers on sustainability topics, through the formal request to adhere to and sign the company's Code of Ethics. Through this initiative, the company intends to promote the principles and behavioural standards that guide its operations throughout the supply chain, consolidating commercial relationships founded on fairness, transparency, and shared responsibility.

By signing the Code, Metallurgica San Marco's business partners commit to respecting its content, adopting and promoting responsible behaviour that respects the dignity of the person, the rejection of any form of discrimination, exploitation, corrupt practice, or compulsory, forced, and child labour. This commitment, extended both to the activities directly managed by the company and to relations with partners and suppliers, embodies the company's objective of involving the entire value chain in order to operate in compliance with the safety of workers and people and with the applicable labour legislation.

The initiative represents a significant step toward building a supply chain that is increasingly aware and oriented toward shared social, environmental, and ethical sustainability criteria.



Scan the QR codes to
consult the Code of Ethics

Organisation, Management and Control Model

In carrying out its activities, Metallurgica San Marco recognises the importance of overseeing and preventing potential risks linked to phenomena of corruption, fraud, and unethical behaviour¹, as well as any discriminatory situations, harassment, or abuse, whether verbal or physical, that could compromise people's well-being, the correct functioning of the organisation, and the company's reputation.

To prevent and combat such conduct, the company has developed a structured system of control and organisational oversight, based on the principles of legality, transparency, integrity, and respect for the person. In this context, a fundamental role is played by the **Organisation, Management and Control Model** adopted pursuant to Legislative Decree 231/2001, an instrument through which Metallurgica San Marco establishes procedures, responsibilities, and preventive measures aimed at reducing the risk of unlawful behaviour or behaviour contrary to company values, including those defined earlier.

Another central element of the system is the activity carried out by the **Supervisory Body** (Supervisory Body), an independent body tasked with verifying the application and full observance of the content of the Model and the Code of Ethics within the organisation.

¹ § Risk: Corruption and fraud

The company has also activated an anonymous reporting channel (**whistleblowing**), which allows employees, collaborators, and third parties to communicate any breaches, improper conduct, or potentially harmful situations in a secure and confidential manner. This tool represents an important safeguard for the management of reports relating to phenomena of corruption, fraud, discrimination, harassment, or other conduct contrary to the principles defined by the Code of Ethics and Model 231. In addition to fostering the prompt management of reports and any weaknesses that emerge, the whistleblowing system also performs a preventive function, helping to strengthen the culture of legality and respect within the organisation and reducing the risk that such conduct may recur over time.

In support of these tools, Metallurgica San Marco has introduced a **Disciplinary System**² which provides for specific sanctioning measures in the event of a breach of company provisions, the Code of Ethics, or Model 231, regardless of any criminal relevance of the conduct in question.

To complete this oversight system, Metallurgica San Marco has adopted an internal policy aimed at clearly defining responsibilities, expected behaviours, and operating procedures for all parties involved in the activities considered most exposed to the risks identified by Model 231. These guidelines represent a concrete prevention tool, fostering the uniform application of company principles in everyday work and helping to reduce the risk of non-compliant or unlawful behaviour.

²https://www.metallurgicasanmarco.it/wp-content/uploads/2020/09/sistema_disciplinare.pdf

In parallel, the company strengthened its commitment on the ethical front through adherence to the **Ethics and Integrity Pact**, a document that formalises the values of fairness, legality, and transparency that must characterise the operations of all those who act on behalf of the organisation. The Pact helps to consolidate a company culture geared toward shared responsibility and respect for the rules in internal and external relations.

CONFIRMING THE ATTENTION DEDICATED TO THE TOPICS OF LEGALITY AND TRANSPARENCY, IN 2024 METALLURGICA SAN MARCO OBTAINED THE LEGALITY RATING ISSUED BY THE ITALIAN COMPETITION AUTHORITY (AGCM), ACHIEVING A SCORE OF ONE STAR ++.

The recognition is granted to companies that demonstrate high standards of regulatory compliance, fairness in commercial relationships, and the adoption of organisational tools geared toward crime prevention.

Obtaining the Rating represents a further step for the company in the path of strengthening governance and internal control systems. Metallurgica San Marco also plans to proceed with the renewal of the recognition and to increase its score during 2026, through the consolidation of the practices already adopted and the implementation of further measures in support of legality, transparency, and social responsibility.

Certifications and Management Systems

For Metallurgica San Marco, transparency in communicating its performance and the impacts generated is an essential element for consolidating relationships of trust with stakeholders, customers, and business partners. With this in mind, the company promotes an approach geared toward continuous improvement, supported by the adoption of management systems and monitoring tools aimed at overseeing strategic aspects such as quality, occupational health and safety, and the sustainability of production processes.

In this sense, the company has currently obtained the following certifications:

UNI/PdR 88:2020

Relating to the content of recycled and by-product material in low-lead alloys

ISO 45001

for the occupational health and safety management system

IATF 16949

Referring to the quality standards required in the automotive sector

In the path of evolution of its management systems, Metallurgica San Marco also plans to obtain further certifications, including ISO 14001 for environmental management and ISO 50001 for energy efficiency, with the aim of further strengthening the integration of environmental and energy topics within the company strategies.

ISO 9001

For the company quality management system

IQNET

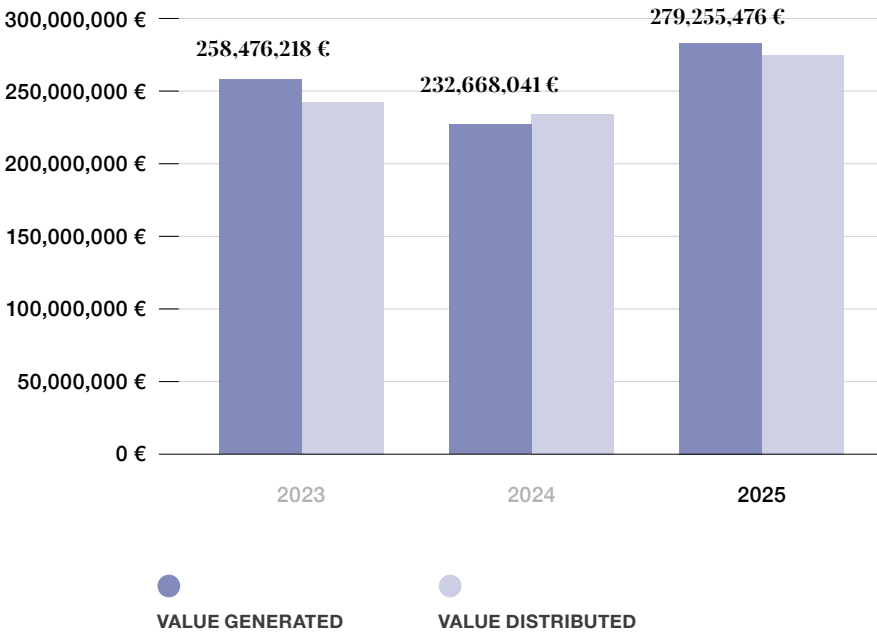
Which attests to the effective implementation and maintenance of the Health & Safety management system

Economic performance

The ability to generate value in a lasting way is, for Metallurgica San Marco, a fundamental condition for sustaining company growth and consolidating its path toward sustainability. In the 2023-2025 three-year period, the company maintained a solid economic performance, strengthening its position in the market and confirming its ability to create resources to be allocated to business development, innovation, and environmental and social investments. In 2025, revenue stood at around €262 million, an increase of 12% compared to the previous year and of 9% compared to 2023.

To ensure transparent reporting of its economic performance, Metallurgica San Marco, in accordance with the GRI Standards, analyses the distribution of the value created by the company's activities. In particular, the economic value generated is considered, deriving mainly from the revenues of operating activities and from other sources of income (such as investments and the sale of assets), as well as the economic value distributed, which includes operating costs, the remuneration paid to employees, payments to lenders and public administrations, and the resources allocated to supporting the local area and reference communities.

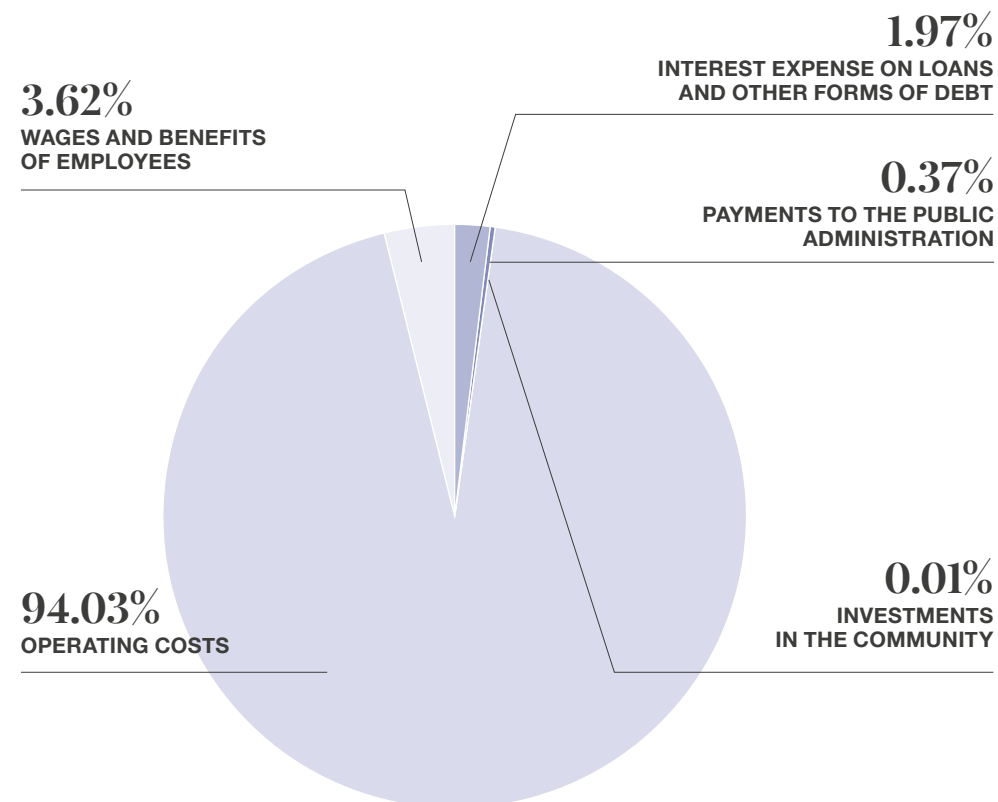
ECONOMIC VALUE GENERATED AND DISTRIBUTED



Over the last three years, Metallurgica San Marco has confirmed a significant ability to redistribute the economic value generated to its stakeholders, while maintaining financial balance and operational continuity. This result is the fruit of efficient resource management and an approach geared toward the creation of shared value, capable of supporting the company's development without penalising people, investments, or the local area.

In 2025, the predominant share of the economic value distributed was allocated to operating costs, which represented 94% of the total. The remaining part was divided between wages and benefits paid to employees (3.6%), interest expense and remuneration of capital providers, contributions paid to the Public Administration, and resources allocated to community initiatives, which together account for the remaining 2.4% of the value distributed.

BREAKDOWN OF VALUE DISTRIBUTED (2025)



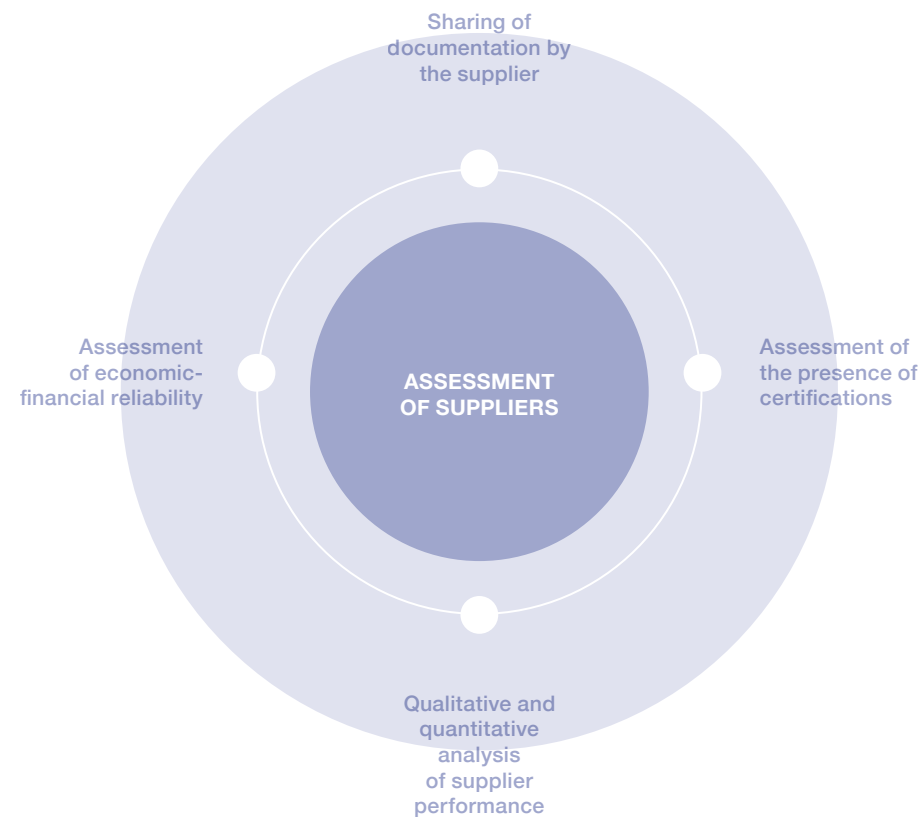
Supply chain

For Metallurgica San Marco, the correct management of the supply chain is an increasingly relevant topic. Obtaining a complete and accurate mapping of the environmental, social, and ethical performance of its suppliers is not always straightforward, especially within complex supply chains made up of organisations that differ in size, structure, and level of organisation³. In this context, the company directs its strategy toward a gradual involvement of the supply chain, with the aim of increasing transparency, traceability, and awareness throughout the entire procurement process.

The approach adopted by Metallurgica San Marco aims to integrate environmental, social, and ethical criteria alongside the economic factor in the selection, evaluation, and management of suppliers, promoting commercial relationships geared toward responsibility and shared sustainability.

The company has defined a **structured procedure** for supplier qualification and monitoring, structured across several levels of analysis.

³§ Potential negative impact: Difficulty in sustainable sourcing



At the preliminary stage, potential partners are asked for up-to-date documentation relating to the company registration certificate, financial statements, and the environmental obligations provided for by the legislation in force (for example, the MUD for waste). In parallel, suppliers are asked to complete an informational questionnaire concerning the certifications held in the areas of quality, environment, health and safety, IATF, and anti-corruption. Although a qualifying element, the possession of certifications does not constitute a binding requirement but rather an added value, so as not to penalise smaller organisations.

For the business partners with whom supply contracts are already in place, Metallurgica San Marco carries out an annual qualitative and quantitative assessment of performance, considering aspects such as any non-conformities, documentary quality, timeliness of responses, and willingness to collaborate. For the main raw-material suppliers, identified also on the basis of the volumes managed, an evaluation report (range 1-5) is also drawn up, with verification of environmental authorisations, economic-financial reliability, shareholder structure, and sector of belonging⁴. This process allows the company to periodically confirm the supplier's suitability and the continuation of the commercial relationship (as at 2025, suppliers have remained almost stable over time).

Mapping and monitoring activities are also carried out with regard to intermediary suppliers. In particular, the origin of the materials handled is tracked and the presence of the necessary environmental authorisations is verified. Currently, the process does not, however, provide for fiscal checks or the formal signing of MOG 231.

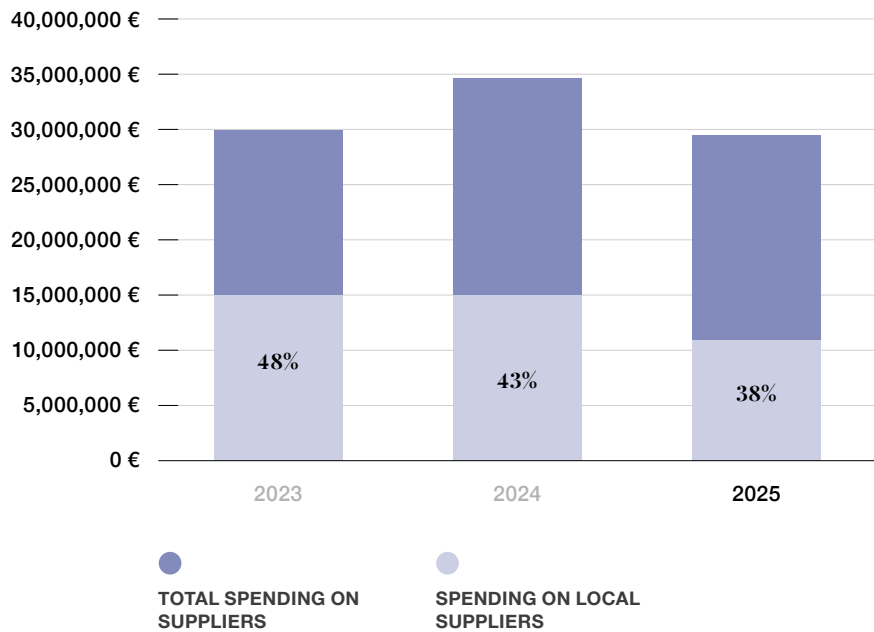
As anticipated in the previous paragraph⁵, in general, all suppliers are called upon to share the principles contained in the company's Code of Ethics, through the signing of an informational questionnaire that also includes the commitment to respect the values and provisions referred to by the company's Model 231.

⁴ § Actual negative impact: Arms supply chain

⁵ See the "Code of Ethics" sub-section

In parallel with the evaluation and control activities, Metallurgica San Marco promotes the active involvement of its supply chain in the development of circular-economy practices. As a subcontractor, the company indeed makes agreements with some customers for the delivery of scrap and metal by-products intended for recovery and subsequent transformation into new brass bars. In these cases too, the parties involved are asked to complete an informational questionnaire similar to that provided for suppliers; however, this requirement is not a binding condition for starting the delivery activities.

SPENDING ON SUPPLIERS



Metallurgica San Marco constantly monitors the distribution of its spending along the supply chain, distinguishing between local suppliers, that is, those located within an 80 km radius of the Ponte San Marco site, and suppliers located outside that area. This approach allows the company to assess its contribution to the local economy and to maintain an adequate balance between production needs, competitiveness, and the enhancement of local organisations.

In the 2023-2025 three-year period, the share of spending allocated to local suppliers remained substantially stable, representing a percentage of between 38% and 48% of total purchases⁶. The overall volume of spending on suppliers also showed good continuity compared to 2023, while in 2025 there was a slight contraction compared to the previous year. A similar dynamic is observed for purchases made from local suppliers, which nonetheless remain a significant component of the company's procurement strategy.

⁶The value relating to spending on suppliers excludes the share of spending allocated to the supply of raw material.

Cybersecurity

In an industrial scenario that is increasingly connected and oriented toward the digitalisation of processes, the protection of company information and cybersecurity take on strategic importance to ensure operational continuity, reliability, and the protection of company assets. The growing interdependence between digital systems, production processes, and information flows indeed makes companies more exposed to risks linked to unauthorised access, data loss, operational interruptions, or cyberattacks, with possible economic, reputational, and organisational consequences⁷.

FOR METALLURGICA SAN MARCO, THE MANAGEMENT OF THE RISKS CONNECTED TO CYBERSECURITY IS THEREFORE AN ESSENTIAL ELEMENT OF ITS GOVERNANCE STRATEGY.

The company carefully assesses the potential impacts linked to information security, recognising how the protection of data, IT systems, and digital infrastructure is fundamental not only to safeguarding the correct performance of operational activities, but also to guaranteeing reliability toward customers, suppliers, and stakeholders.

The adoption of measures to prevent, control, and

⁷ § Potential negative impact: Loss, alteration, or misappropriation of data

monitor IT risks also makes it possible to strengthen organisational resilience, reduce vulnerability to cyberattacks, and support correct company development in a constantly evolving technological context. With this in mind, Metallurgica San Marco has defined a set of organisational and technological tools aimed at ensuring the protection of information systems, the security of company data, and operational continuity.

The company uses dedicated cybersecurity systems, including constantly updated antivirus and firewall software, designed to prevent unauthorised access, detect anomalous activity, and mitigate potential IT threats. In addition, a series of email control and management procedures have been implemented in compliance with the provisions of the GDPR, ensuring that the processing of personal data takes place in accordance with the European privacy legislation.

Particular attention is indeed reserved for the management of access to company information: sensitive data, both company and third-party, documents, and IT systems are accessible exclusively to authorised staff, by means of individual credentials and authorisation levels defined on the basis of roles and responsibilities. This approach makes it possible to strengthen the protection of the confidentiality of information and to limit exposure to possible risks linked to data security (such as unauthorised disclosure).

Company governance tools also contribute to overseeing cyber risks: the Organisation, Management and Control Model pursuant to Legislative Decree 231/2001 indeed supports the prevention of IT crimes and the strengthening of organisational responsibility, while the request that collaborators sign the Code of Ethics promotes correct and aware behaviour in the use of digital tools and in the management of company information.

In support of operational continuity, Metallurgica San Marco has also adopted specific data backup and

recovery procedures, aimed at ensuring the recovery of critical information in the event of anomalies, malfunctions, or IT incidents.

Finally, the company consolidates its commitment on the topic through training activities dedicated to cybersecurity awareness, organising specific courses on the secure management of information, the protection of privacy, and the prevention of IT risks.

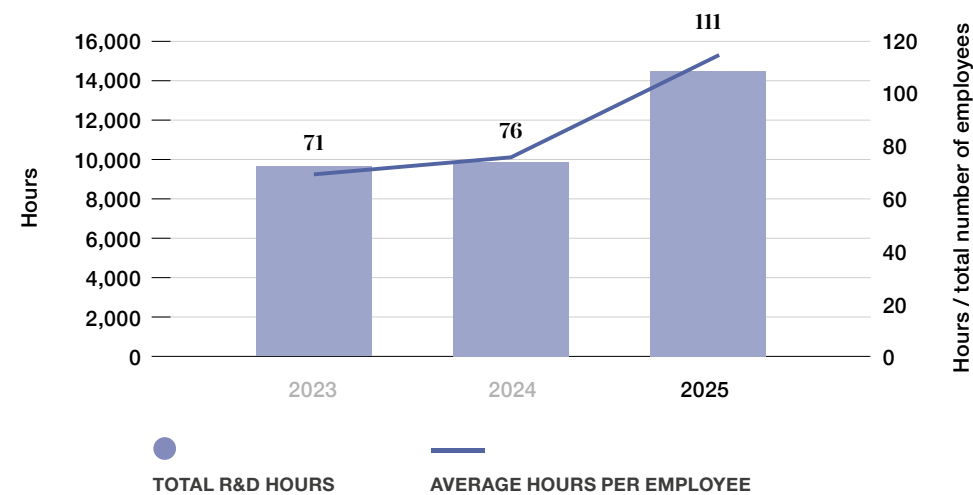
THESE INITIATIVES AIM TO SPREAD GREATER INTERNAL AWARENESS OF DIGITAL RISKS, PROMOTING RESPONSIBLE BEHAVIOUR AND THE CORRECT USE OF COMPANY TOOLS.

Technological innovation

Technological innovation and applied research are central elements of Metallurgica San Marco’s development strategy. In a sector characterised by high technical standards and a constant evolution of market needs, the company invests in research, experimentation, and continuous improvement, with the aim of developing increasingly efficient, sustainable, and competitive solutions. This commitment translates both into the adoption of advanced production technologies and latest-generation plants, and into the progressive digitalisation of company processes, which allows integrated information management, greater traceability of activities, and precise control of operational performance. Innovation is thus understood as a cross-cutting process that involves technologies, products, processes, and skills, contributing to the company’s growth and to the creation of value over the long term.

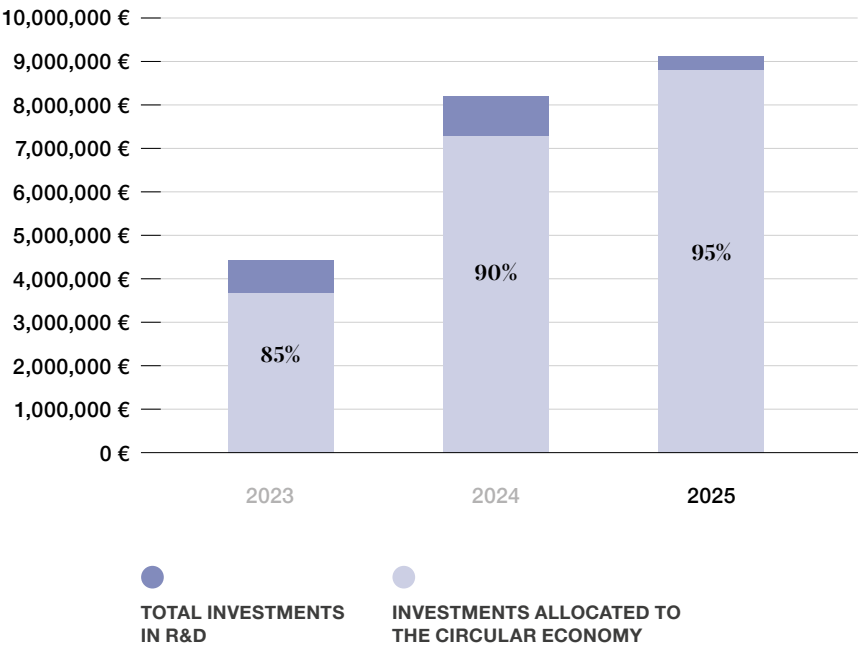
The drive toward innovation extends to the development of internal skills. During 2025, 14,580 hours were dedicated to Research and Development activities, with a significant increase compared to previous years (+47% compared to 2024 and +49% compared to 2023). This commitment corresponds to an average of around 111 hours per year per employee, also up compared to the previous two years, confirming the attention reserved for the development of new solutions and the strengthening of company know-how.

HOURS DEDICATED TO RESEARCH
AND DEVELOPMENT



Among the main areas of research, the development of lead-free brass alloys takes on particular relevance. The progressive substitution of this element indeed requires particularly complex study, experimentation, and validation activities, aimed at identifying innovative formulations capable of guaranteeing high technical performance, adequate machinability, and mechanical resistance. Through these investments, Metallurgica San Marco intends to contribute to the evolution of the sector toward increasingly sustainable solutions, without compromising the quality standards required by industrial applications.

INVESTMENTS IN RESEARCH AND
DEVELOPMENT



Metallurgica San Marco's commitment in this area is also reflected in the economic resources allocated to research and development projects. In the 2023-2025 three-year period, investments recorded constant growth, more than doubling compared to 2023 and increasing by 12% compared to 2024. A predominant share of the resources allocated, equal to around 95% of the total, was allocated to circular-economy initiatives, confirming the centrality that material recovery, resource optimisation, and the development of sustainable production processes hold in the company strategy. This orientation testifies to the company's desire to combine technological innovation, competitiveness, and sustainability, promoting solutions capable of generating value over the long term.

Customer satisfaction

For Metallurgica San Marco, quality is a central element of the company’s activity and a principle that daily guides processes, operational choices, and relations with the market. The company considers it fundamental to establish lasting relationships of trust with its customers, guaranteeing reliable, high-performance products capable of responding promptly to the application needs and technical requirements requested. This commitment translates into a structured management system, defined within the “Quality Policy” approved by Management and supported by the ISO 9001:2018 certification, obtained in 2021.

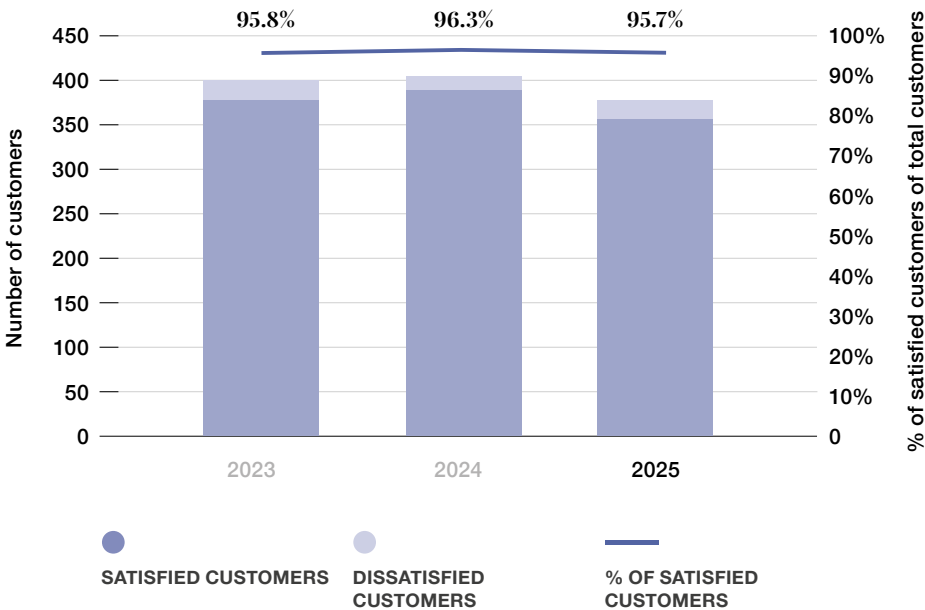
Quality monitoring takes place through control tools and specific indicators that make it possible to constantly assess the effectiveness of production processes and the level of customer satisfaction. In particular, the company continuously analyses the complaints received, relating the quantities of contested material to the volumes invoiced overall.

IN 2025 AS WELL, THE RESULTS CONFIRM THE HIGH LEVEL OF QUALITY ACHIEVED: THE SHARE OF PRODUCT COMPLIANT WITH THE STANDARDS REQUIRED BY CUSTOMERS REMAINED AT AROUND 99.97%, IN CONTINUITY WITH PREVIOUS YEARS.

In parallel, the reports received were handled promptly and effectively, ensuring a rapid resolution of the issues detected.

The assessment of customer satisfaction is also based on the incidence of complaints relative to the purchases made, considering as satisfied those customers who record a complaint percentage of less than 0.2%. On the basis of this parameter, in 2025 as well the level of customer satisfaction stood at around 96%, confirming the stability of the results achieved over the last few years and the company’s constant attention to quality, reliability, and continuous improvement.

CUSTOMER SATISFACTION



Appendix 06

Methodological note

With the fifth edition of the Sustainability Report, Metallurgica San Marco intends to communicate to stakeholders its environmental, social, and governance sustainability performance over the last few years, with particular reference to the 2025 financial year. The document has been drawn up in accordance with the “Global Reporting Initiative” standards (GRI Standards), updated to 2023, according to the “*with reference to*” option; however, the approach adopted in the processes of studying ESG impacts and materiality analysis was set up with a view to compliance with the guidelines dictated by the CSRD (Corporate Sustainability Reporting Directive) and the related ESRS (European Sustainability Reporting Standards). Both the impacts – positive and negative, actual and potential – generated by the company, and the risks and opportunities of a financial nature were therefore tracked, from a double-materiality perspective. These analyses made it possible to identify the sustainability topics relevant to the organisation, which were then explored within the relevant chapters and associated with the Sustainable Development Goals promoted by the UN (SDGs – Sustainable Development Goals). The principles adopted in the drafting are those of accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness, and verifiability. The document was produced with the support of the consulting firm Fedabo S.p.A. SB of Darfo Boario Terme (BS). The individual topics are presented with reference to the reporting period from 1 January 2025 to 31 December 2025. Within the document, it is possible to find information relating to the previous two years (2023-2024).

2025 EDITION

SUSTAINABILITY REPORT

METALLURGICA SAN MARCO

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

The process used to identify Metallurgica San Marco’s Impacts, Risks, and Opportunities (addressed in the second chapter) is the so-called **double-materiality analysis**, recommended and regulated by the European directive on sustainability reporting, the CSRD (Corporate Sustainability Reporting Directive), and by the related ESRS standards¹.

As anticipated in the dedicated section, the materiality analysis consisted of a first phase of internal identification and assessment of the relevant Impacts, Risks, and Opportunities, followed by a phase of stakeholder involvement². In the **first part of the analysis**, the **company context and the company’s interdependencies** were explored, also through the study of relevant documents and dialogue with key internal figures such as the Chief Technical Officer, the Head of Administration and Finance, and the HR Manager.

In this phase, to each **IRO (Impact, Risk, Opportunity)** identified, numerical values were also assigned in **1-4 scale**³, following the criteria dictated by the CSRD⁴. As regards the current report (2025 reporting year), using the results of the analysis collected in previous editions, the various parameters were updated and supplemented through the collaboration of the company’s strategic internal figures, which made it possible to obtain scores that are as objective, informed, and precise as possible.

The impacts **actual** were assessed on the basis of magnitude, in turn made up of the criteria of: **scale** (importance of the damage/benefit generated), **scope** (scale) and, for negative effects only, **irremediable nature** of the impact (the possibility or impossibility of restoring the previous situation). For **potential**, on the other hand, in addition to the magnitude thus calculated, the following was also considered: **probability** of occurrence. The analysis of **risks and opportunities**, finally, considered the variables of **potential magnitude** (that is, the possible weight that the economic damage/benefit may have on the company’s activity) and **probability**.

¹ The regulatory references mentioned are: *CSRD Corporate Sustainability Reporting Directive (2022/2464)* and *ESRS European Sustainability Reporting Standard*, contained in the European Commission’s delegated act, dated 31/07/2023. With reference to the use of these guidelines, despite the scaling-back measures introduced by the so-called *Omnibus Package*, it was decided to maintain the adoption of certain key aspects such as the references to the topics (AR16 Delegated Act) and the double-materiality analysis process described below.

² The stakeholder-involvement phase was carried out during the drafting of the company’s Sustainability Report for the 2023 financial year. Therefore, the validity of the responses collected regarding the analysis carried out in the previous version of the reporting document has been maintained.

³ In the Sustainability Report for the 2024 financial year, the reference parameters of the various IROs identified were modified. The criteria of scope, scale, irremediable nature, and probability (for risks, opportunities, and potential impacts) were recalibrated according to a 1-4 scale, following a series of interviews with the company’s strategic internal figures.

⁴ The reporting standards, both in the official version and in the implementation guidelines made available by EFRAG, the body that drafted the standards, leave the company maximum freedom regarding the method of assessing materiality. To make the assessment comparable and objective, it was decided to use a homogeneous scale that could return a figure that is as objective as possible.

THE SCALE USED FOR EACH CRITERION IS AS FOLLOWS:

ENTITÀ	1	Slightly important/serious
	2	Moderately important/serious
	3	Important/serious
	4	Extremely important/serious
SCOPE	1	Very limited
	2	Moderately extensive
	3	Extensive
	4	Widely extensive
IRREMEDIABLE NATURE	1	It is possible to restore the state prior to the impact within six months
	2	It is possible to restore the state prior to the impact, but not within six months
	3	It is possible to restore the state prior to the impact only partially
	4	It is not possible to remedy the impact caused
PROBABILITY	1	Remote
	2	Low
	3	Moderate
	4	High
POTENTIAL MAGNITUDE	1	Slightly important/serious
	2	Moderately important/serious
	3	Important/serious
	4	Extremely important/serious

In addition to the numerical values, qualitative variables were also assigned, in order to define the various IROs more precisely and specifically. In particular, for actual and potential impacts, the level of **causality** was also considered, that is, the distinction between impacts directly caused, contributed to causing (if the company is not the only party responsible for the impact), or linked to the activity (thus linked to business relationships with the upstream or downstream value chain, but not attributable to the company’s own activity).

For potential impacts, risks, and opportunities, a **time horizon** aligned with what is provided for by the reference standards was also identified, among short (within one year of the reporting period), medium (within five years), and long (over five years).

Once the internal-analysis phase was concluded, as part of the drafting of the Sustainability Report for the 2023 financial year, the **stakeholders were involved**, that is, those who are affected by the impact of the company’s activities, but also the “users of sustainability reporting” (such as existing and potential investors, banks, partners, governments, and NGOs)⁵. Specifically, with the stakeholders, the **potential impacts** (positive and negative) and the **risks and opportunities** were surveyed, in order to gather their perception of the importance and strategic nature of the topics identified as relevant; the actual impacts, as they had already occurred and been verified, were not explored with the stakeholders.

⁵This definition of stakeholder derives from the indications of the reporting standards and the related implementation guides, issued in 2024.

The method of gathering the opinions of the various stakeholders was the administration of **dedicated questionnaires**, containing **questions relevant to the interests and expertise of the specific category**, in order to guarantee responses that are as relevant and informed as possible and to focus attention on the specific interests of each. Indeed, in line with what is also mentioned by EFRAG’s materiality-analysis implementation guide⁶, it was considered of little significance to ask all the questions of every stakeholder involved, given the different degree of **interest and knowledge** of the actors toward the topics analysed.

The categories of stakeholder involved were: customers, suppliers, banks and credit institutions, affected communities, employees and collaborators. The results of the questionnaires were used to re-proportion the priority of the potential impacts, risks, and opportunities identified, obtaining the bar charts presented in the “*Our impacts, risks, and opportunities*” section of the second chapter of this document. In this way, Metallurgica San Marco can assess the strategic nature of the sustainability topics and of any related improvement actions, also taking into account the perception of the various stakeholders.

⁶EFRAG IG 1 – Materiality assessment implementation guidance. Par. 201 https://www.efrag.org/sites/default/files/sites/webpublishing/SiteAssets/IG%201%20Materiality%20Assessment_final.pdf

Detail of the values assigned internally to each IRO

ACTUAL NEGATIVE IMPACTS					
TOPIC	IRO TITLE	METHOD CONTRIBUTION	MAGNITUDE		
			ENTITÀ	SCOPE	IRREMEDIABLE NATURE OF THE IMPACT
E1 - Climate change mitigation and adaptation	Contribution to global emissions	Contributed to causing	2	2	3
E3 - Water consumption and withdrawal	Water withdrawal	Directly caused	2	2	3
S1 - Health and safety	Workplace accidents	Contributed to causing	4	2	4
S1 - Gender equality and equal pay for work of equal value	Gender gap	Contributed to causing	3	2	1
G1 - Management of relationships with suppliers, including payment practices	Arms supply chain	Linked to its own activity	3	1	1

ACTUAL POSITIVE IMPACTS				
TOPIC	IRO TITLE	METHOD CONTRIBUTION	MAGNITUDE	
			ENTITÀ	SCOPE
E1 - Climate change mitigation and adaptation	Project in Kyrgyzstan	Directly caused	2	1
E1 - Energy	Energy-efficiency measures	Directly caused	2	2
E5 - Resource inflows, including resource use	Material recovery	Linked to its own activity	4	4
S3 - Impacts linked to community well-being	Relations with schools and universities	Contributed to causing	2	2
S3 - Impacts linked to community well-being	Investments in projects with positive effects on the local community	Directly caused	3	1

POTENTIAL NEGATIVE IMPACTS							
TOPIC	IRO TITLE	METHOD CONTRIBUTION	MAGNITUDE				
			ENTITÀ	SCOPE	IRREMEDIABLE NATURE OF THE IMPACT	PROBABILITY	TIME HORIZON
E1 - Climate change mitigation and adaptation	Failure to achieve objectives and greenwashing	Contributed to causing	2	3	2	1	Short term
E2 - Pollution (of air, water, soil, living organisms, and food resources)	Threshold limits for stack emissions	Directly caused	3	2	3	2	Short term
E3 - Water discharges (including oceans)	Spillage	Directly caused	2	2	3	2	Short term
E5 - Waste	Production of hazardous waste	Directly caused	3	2	3	1	Short term
S1 - Health and safety	Risk of workplace accidents	Contributed to causing	3	3	3	3	Short term
S1 - Training and skills development	Lack of necessary skills	Contributed to causing	3	2	1	1	Short term
G1 - Management of relationships with suppliers, including payment practices	Difficulty in sustainable sourcing	Contributed to causing	2	3	2	2	Short term
G1 - Cybersecurity	Loss, alteration, or misappropriation of data	Linked to its own activity	3	1	4	2	Short term

RISKS				
TOPIC	IRO TITLE	POTENTIAL MAGNITUDE	PROBABILITY	TIME HORIZON
E2 - Substances of concern or of very high concern	Chemical substances subject to REACH	2	2	Short term
E5 - Waste	Risks related to waste non-compliance	2	1	Short term
S1 - Secure employment	High turnover	3	2	Short term
S1 - Working time	Staff absenteeism	2	2	Short term
S1 - Corporate well-being	Difficulty in recruiting	2	3	Short term
G1 - Corruption: Incidents and prevention and detection, including training	Corruption and fraud	4	1	Short term

OPPORTUNITIES				
TOPIC	IRO TITLE	POTENTIAL MAGNITUDE	PROBABILITY	TIME HORIZON
E5 - Resource outflows related to products and services	Market attention to the circular economy	3	3	Short term

The correlation of the information contained in the document with the international reference standards for sustainability reporting, the GRI (Global Reporting Initiative), is presented below. No sector-specific GRI standards relevant to Metallurgica San Marco’s activity have been issued.

STATEMENT OF USE	Metallurgica San Marco has presented reporting “ <i>with reference to</i> ” with reference to the GRI Standards for the period 01/01/2025 – 31/12/2025.
GRI 1 USED	GRI 1 – Foundation 2021

GRI 2: GENERAL DISCLOSURES 2021	
DISCLOSURE	REFERENCE IN THE DOCUMENT
2-1 Organisational details	Methodological note
2-2 Entities included in the sustainability reporting	Methodological note
2-3 Reporting period, frequency, and contact point	Methodological note
2-4 Restatements of information	<i>Any changes are indicated in the text.</i>
2-5 External assurance	<i>The document was drafted by a consulting agency but has not been verified by third parties.</i>
2-6 Activities, value chain, and other business relationships	About us
2-7 Employees	Our workforce – Staff management Appendix B – Social Data

2-9 Governance structure and composition	Strategic direction Appendix B – Governance Data
2-10 Nomination and selection of the highest governance body	Strategic direction
2-22 Statement on sustainable development strategy	Sustainability strategy
2-25 Processes to remediate negative impacts	<i>In each thematic chapter, the various strategies for mitigating the identified impacts are defined, including the negative ones generated by Metallurgica San Marco</i>
2-29 Approach to stakeholder engagement	Appendix A – Methodology for assessing Impacts, Risks, and Opportunities and identifying material topics
2-30 Collective bargaining agreements	Appendix B – Social Data

GRI 3: MATERIAL TOPICS 2021	
DISCLOSURE	REFERENCE IN THE DOCUMENT
3-1 Process to determine material topics	Appendix A – Methodology for assessing Impacts, Risks, and Opportunities and identifying material topics
3-2 List of material topics	Appendix A – Methodology for assessing Impacts, Risks, and Opportunities and identifying material topics
3-3 Management of material topics	<i>The ways in which material topics and the related IROs are managed are described in the relevant chapters, in the section dedicated to that specific subject. The IROs are referred to in footnotes, when the § symbol is used.</i>

DISCLOSURE	REFERENCE IN THE DOCUMENT
GRI 201: ECONOMIC PERFORMANCE 2016	
201-1 Direct economic value generated and distributed	Economic performance Appendix B – Governance Data
GRI 204: PROCUREMENT PRACTICES 2016	
204-1 Proportion of spending on local suppliers	Supply chain Appendix B – Governance Data
GRI 205: ANTI-CORRUPTION 2016	
205-1 Operations assessed for risks related to corruption	Business ethics and corporate governance – The Code of Ethics / Organisation, Management and Control Model
205-3 Confirmed incidents of corruption and actions taken	Appendix B – Governance Data
GRI 301: MATERIALS 2016	
301-1 Materials used by weight or volume	Resource use and circular economy – Circular use of materials Appendix B – Environment Data
301-2 Recycled input materials used	Resource use and circular economy – Circular use of materials Appendix B – Environment Data
301-3 Reclaimed products and their packaging materials	Resource use and circular economy – Circular use of materials Appendix B – Environment Data
GRI 302: ENERGY 2016	
302-1 Energy consumption within the organisation	Climate change – Energy efficiency and consumption Appendix B – Environment Data
302-3 Energy intensity	Climate change – Energy efficiency and consumption
302-4 Reduction of energy consumption	Climate change – Energy efficiency and consumption

DISCLOSURE	REFERENCE IN THE DOCUMENT
GRI 303: WATER AND EFFLUENTS 2018	
303-2 Management of water discharge-related impacts	Water resources
303-3 Water withdrawal	Water resources Appendix B – Environment Data
303-4 Water discharge	Water resources Appendix B – Environment Data
GRI 305: EMISSIONS 2016	
305-1 Direct greenhouse gas (GHG) emissions (Scope 1)	Climate change – Our carbon footprint Appendix B – Environment Data
305-2 Energy indirect greenhouse gas (GHG) emissions (Scope 2)	Climate change – Our carbon footprint Appendix B – Environment Data
305-4 Greenhouse gas (GHG) emissions intensity	Climate change – Our carbon footprint
305-5 Reduction of greenhouse gas (GHG) emissions	Climate change – Our carbon footprint
305-7 Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	Climate change – Pollution
GRI 306: WASTE 2020	
306-1 Waste generation and impacts significant, related to waste	Resource use and circular economy – Waste management and treatment
306-2 Management of significant impacts related to waste	Resource use and circular economy – Waste management and treatment
306-3 Waste generated	Resource use and circular economy – Waste management and treatment Appendix B – Environment Data
306-4 Waste diverted from disposal	Resource use and circular economy – Waste management and treatment Appendix B – Environment Data
306-5 Waste directed to disposal	Resource use and circular economy – Waste management and treatment Appendix B – Environment Data

DISCLOSURE	REFERENCE IN THE DOCUMENT
GRI 401: EMPLOYMENT 2016	
401-1 New employee hires and employee turnover	Our workforce – Staff management Appendix B – Social Data
401-2 Benefits for full-time employees that are not available to fixed-term or part-time employees	Our workforce – Corporate well-being
401-3 Parental leave	Our workforce – Diversity and inclusion Appendix B – Social Data
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018	
403-1 Occupational health and safety management system	Our workforce – People’s health and safety
403-2 Hazard identification, risk assessment, and incident investigation	Our workforce – People’s health and safety
403-5 Worker training on occupational health and safety	Our workforce – Staff skills training Appendix B – Social Data
403-6 Promotion of worker health	Our workforce – People’s health and safety
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Our workforce – People’s health and safety
403-8 Workers covered by an occupational health and safety management system	Our workforce – People’s health and safety Appendix B – Social Data
403-9 Work-related injuries	Our workforce – People’s health and safety Appendix B – Social Data
GRI 404: TRAINING AND EDUCATION 2016	

DISCLOSURE	REFERENCE IN THE DOCUMENT
404-1 Average hours of training per year per employee	Our workforce – Staff skills training Appendix B – Social Data
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016	
405-1 Diversity of governance bodies and employees	Strategic direction Appendix B – Governance Data Our workforce – Diversity and inclusion Appendix B – Social Data
GRI 406: NON-DISCRIMINATION 2016	
406-1 Incidents of discrimination and corrective actions taken	Appendix B – Governance Data
GRI 413: LOCAL COMMUNITIES 2016	
413-1 Operations with local community involvement, impact assessments, and development programmes	Affected communities - Creating value for the local area and stakeholders
413-2 Operations with significant actual and potential impacts on local communities	Affected communities - Creating value for the local area and stakeholders
GRI 418: CUSTOMER PRIVACY 2016	
418-1 Substantiated complaints concerning breaches of customer privacy and losses of their data	Appendix B – Governance Data

ENVIRONMENT DATA

ENERGY				
GRI 302-1	UoM	2023	2024	2025
Electricity	MWh	42,466.8	42,222.8	44,740.9
Of which drawn from grid	MWh	42,466.8	41,468.1	42,301.1
Of which self-produced	MWh	0.0	754.7	2,439.8
Natural Gas	Sm³	1,890,665.0	1,932,994.0	1,946,236.0
Natural Gas	MWh	18,688.2	19,106.6	19,237.5
Diesel	l	46,008.5	53,625.3	53,298.0
Diesel	MWh	457.5	533.3	530.0
Total consumption	MWh	61,612.5	61,862.6	64,508.4
Of which renewable-energy consumption ⁷	MWh	16,000.0	20,754.7	28,403.0
Energy per unit of production	MWh / tonnes produced	1.01	0.96	0.95

EMISSIONS				
GRI 305-1.2	UoM	2023	2024	2025
Natural Gas	tCO ₂ e	3,792.6	3,960.4	3,923.0
Diesel	tCO ₂ e	123.3	143.7	142.8
F-Gas	tCO ₂ e	2.1	38.2	64.9
Total Scope 1 emissions	tCO ₂ e	3,918.0	4,142.2	4,130.6
Electricity drawn from grid (location-based)	tCO ₂ e	11,851.0	10,995.4	13,224.1
Total Scope 2 emissions	tCO ₂ e	11,851.0	10,995.4	13,224.1
Total emissions (Scope 1 + Scope 2)	tCO ₂ e	15,769.0	15,137.7	17,354.7
Total emissions relative to production	tCO ₂ e / tonnes produced	0.26	0.24	0.26

⁷ Considering both energy self-consumed from photovoltaic and energy purchased with Guarantees of Origin.

WATER WITHDRAWAL				
GRI 303-3.5	UoM	2023	2024	2025
Total water withdrawal	m³	94,132	94,030	111,799
Of which drawn from mains	m³	7,664	5,100	4,779
Of which drawn from well	m³	86,468	88,930	107,020
Recycled and reused water	m³	0	0	0
Treated water returned to the environment	m³	0	0	0

WATER DISCHARGES				
GRI 303-4	UoM	2023	2024	2025
Water discharges	m³	29,620	19,119	16,345
Water discharges / production	m³ / tonnes produced	0.49	0.30	0.24

MATERIALS				
GRI 301-1.2	UoM	2023	2024	2025
Virgin raw material	tonnes	669.4	34.5	18.7
% of total raw material		0.97%	0.05%	0.03%
Raw material from recovery (Secondary zinc)	tonnes	9,360.5	8,058.0	2,862.8
% of total raw material		13.54%	11.34%	4.00%
Raw material from recovery (Brass ingots, bar alloy)	tonnes	551.7	646.0	525.7
% of total raw material		0.80%	0.91%	0.73%
Material from waste	tonnes	29,516.1	29,041.0	31,265.3
% of total raw material		42.68%	40.89%	43.64%
Material from by-product	tonnes	21,467.7	23,947.4	25,370.8
% of total raw material		31.04%	33.72%	35.41%
End of Waste	tonnes	7,483.8	8,491.3	5,085.5
% of total raw material		10.82%	11.95%	7.10%
Secondary raw material	tonnes	105.0	810.6	6,522.5
% of total raw material		0.15%	1.14%	9.10%
Total raw material	tonnes	69,154.2	71,028.8	71,651.2
Raw material from recovered material	tonnes	68,484.8	70,994.3	71,632.5
% of total raw material		99.03%	99.95%	99.97%
Packaging purchased (for outgoing products)	tonnes	93.1	147.0	131.4
Of which paper and cardboard	tonnes	6.3	8.7	7.2
Of which wood	tonnes	26.7	60.5	71.3
Of which plastic	tonnes	1.4	1.4	6.6
Of which iron	tonnes	58.6	76.3	46.4

WASTE				
GRI 306-3,4,5,6	UoM	2023	2024	2025
Waste produced	tonnes	7,434.3	4,897.1	5,084.4
Of which hazardous	tonnes	785.9	800.5	774.2
% hazardous waste		10.6%	16.3%	15.2%
Of which non-hazardous	tonnes	6,648.3	4,096.7	4,310.2
% non-hazardous waste		89.4%	83.7%	84.8%
Waste not directed to disposal	tonnes	7,101.0	4,632.5	4,695.5
Of which to recovery	tonnes	7,101.0	4,632.5	4,695.5
% waste directed to recovery		95.5%	94.6%	92.4%
Waste directed to disposal	tonnes	333.2	264.6	350.6
% waste directed to disposal		4.5%	5.4%	6.9%

SOCIAL DATA

STAFF				
GRI 401-1	UoM	2023	2024	2025
Number of employees	number	137	131	131
Number of arrivals	number	21	12	11
Number of departures	number	24	17	11
Overall turnover rate		31.9%	21.2%	16.8%
Number of arrivals under 30	number	11	1	8
Number of departures under 30	number	8	4	4
Under-30 turnover rate		111.8%	27.8%	80.0%

CONTRACTS				
GRI 2-7	UoM	2023	2024	2025
Men on permanent contracts	number	119	119	118
Women on permanent contracts	number	9	9	9
Men on fixed-term contracts	number	9	3	4
Women on fixed-term contracts	number	0	0	0
Men full-time	number	128	122	121
Women full-time	number	7	7	7
Men part-time	number	0	0	1
Women part-time	number	2	2	2

STAFF CLASSIFICATION				
GRI 401-1 GRI 2-7	UoM	2023	2024	2025
By age band				
< 30 years	number	18	15	13
between 30 and 50 years	number	73	64	67
> 50 years	number	46	52	51
By gender				
Men	number	128	122	122
Women	number	9	9	9
By geographical area				
Italy	number	63	59	61
Europe	number	53	49	47
Rest of the World	number	21	23	23
By classification				
Manager/middle manager	number	15	14	15
Office staff	number	23	23	24
Manual workers	number	99	94	92

WORKFORCE DIVERSITY				
GRI 405-1	UoM	2023	2024	2025
Percentage of women in the workforce		6.6%	6.9%	6.9%
Percentage of employees belonging to vulnerable groups or minorities		0.0%	0.0%	1.5%

CONTRACTUAL COVERAGE OF THE WORKFORCE				
GRI 403-8	UoM	2023	2024	2025
Number of employees covered by a health and safety management system (ISO 45001)	number	137	131	131
% of employees covered by a health and safety management system		100%	100%	100%
Number of employees covered by national collective bargaining (metalworkers' CCNL)	number	137	131	131
% of employees covered by national collective bargaining		100%	100%	100%
Number of employees covered by workers' representatives (RSU) with supplementary bargaining	number	137	131	131
% of employees covered by supplementary bargaining		100%	100%	100%

INJURIES				
GRI 403-9	UoM	2023	2024	2025
Hours worked	hours	229,696	237,863	212,714
Number of workplace accidents	number	7	12	4
Days of absence from work due to injury	days	198	296	80
Frequency index		28.60	49.40	17.30
Severity index		0.80	1.20	0.30

TRAINING				
GRI 404-1,2,3	UoM	2023	2024	2025
Total training hours	hours	2,648	2,945	2,544
Average hours per employee	Hours / number of employees	19	22	19
By topic				
Health and safety (mandatory)	hours	1,863	762	280
% of employees trained in health and safety ⁸		100%	100%	100%
Job-specific	hours	0	2,159	2,264
Languages	hours	785	24	0
By classification				
Manager/middle manager	hours	689	165	23
Office staff	hours	745	250	257
Manual workers	hours	1,214	2,531	2,264

⁸ The figure indicated does not refer to the number of employees who took part in the various health-and-safety courses delivered over the three-year period, but rather indicates the percentage of the company population that received health-and-safety training both on hiring and during periodic updates, in accordance with what is established by the legislation in force.

WELFARE				
GRI 401-2	UoM	2023	2024	2025
Workers with access to welfare	number	137	131	131
Welfare	€	35,275 €	22,264 €	61,261 €
Benefits	€	120,452 €	87,939 €	90,659 €

INTERNSHIPS				
	UoM	2023	2024	2025
Number of curricular internships	no.	1	0	1
Number of extracurricular internships	no.	1	2	0
ASC/PCTO projects	no.	2	4	0
Total internships	no.	4	6	1

PARENTAL LEAVE				
GRI 401-3	UoM	2023	2024	2025
Men entitled	no.	N/A	N/A	N/A
Men who took it	no.	N/A	4	3
Men who returned to work at the end of the leave period	no.	N/A	4	3
Men still on leave at 31.12	no.	N/A	0	0
Women entitled	no.	N/A	N/A	N/A
Women who took it	no.	N/A	1	1
Women who returned to work at the end of the leave period	no.	N/A	1	1
Women still on leave at 31.12	no.	N/A	0	0

GOVERNANCE DATA

BOARD OF DIRECTORS COMPOSITION				
GRI 2-9 GRI 405-1	UoM	2023	2024	2025
Total Board members	number	5	5	5
Of which women	number	0	0	0
% women on the Board		0%	0%	0%
Of which employees	number	1	1	1
% employees on the Board		20%	20%	20%
By age				
Under 30	number	0	0	0
Between 30 and 50 years	number	2	1	1
Over 50	number	3	4	4

ECONOMIC PERFORMANCE				
GRI 201-1	UoM	2023	2024	2025
Net revenue	€	240,758,086 €	234,082,879 €	262,068,907 €
Profit	€	1,518,119 €	930,230 €	3,601,491 €
Reclassification of the financial statements				
Economic value generated (understood as value of production)	€	258,476,218 €	232,668,041 €	279,255,476 €
Of which distributed	€	243,305,988 €	233,555,554 €	265,898,996 €
Of which retained	€	15,170,230 €	- 887,513 €	13,356,480 €

SUPPLIERS				
GRI 204-1	UoM	2023	2024	2025
Total spending on suppliers	€	30,253,215 €	34,495,825 €	29,410,464 €
Spending on local service suppliers	€	14,639,227 €	14,815,757 €	11,274,398 €
% spending on local suppliers of total supplier spending		48.4%	42.9%	38.3%

PRIVACY BREACHES AND CORRUPTION				
GRI 205-3, 418-1	UoM	2023	2024	2025
Number of confirmed cases of corruption	number	0	0	0
Number of convictions relating to corruption cases	number	0	0	0
Complaints received for breaches of customer privacy received from third parties	number	0	0	0
Complaints received for breaches of customer privacy received from governments and public authorities	number	0	0	0
Complaints received for breaches of the privacy of other parties (non-customers) received from third parties	number	0	0	0
Complaints received for breaches of the privacy of other parties (non-customers) received from governments and public authorities	number	0	0	0
Number of identified incidents of data leakage	number	0	0	0
Number of identified incidents of data loss	number	0	0	0
Number of identified incidents of data theft	number	0	0	0

WHISTLEBLOWING				
GRI 406-1	UoM	2023	2024	2025
Number of reports received through the Whistleblowing channel	number	0	0	0
Of which reports of discrimination incidents	number	0	0	0
Of which reports of child- and forced-labour incidents	number	0	0	0
Number of reports handled	number	0	0	0
Average time to resolve reports	days	0	0	0

DONATIONS AND SPONSORSHIPS				
	UoM	2023	2024	2025
Donations	€	4,750 €	12,000 €	2,500 €
Sponsorships	€	388,634 €	209,969 €	164,197 €

RESEARCH AND DEVELOPMENT				
	UoM	2023	2024	2025
Hours dedicated to Research and Development	hours	9,753	9,950	14,580
Average hours per employee	hours / number of employees	71	76	111
Total investments in Research and Development	€	4,333,646 €	8,192,901 €	9,172,412 €
Of which investments dedicated to the circular economy	€	3,683,599 €	7,373,611 €	8,713,791 €

CUSTOMER SATISFACTION INDEX				
	UoM	2023	2024	2025
Total customers	number	401	404	374
Satisfied customers	number	384	389	358
% of satisfied customers	number	95.8%	96.3%	95.7%

SUSTAINABILITY REPORT

2025 EDITION

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