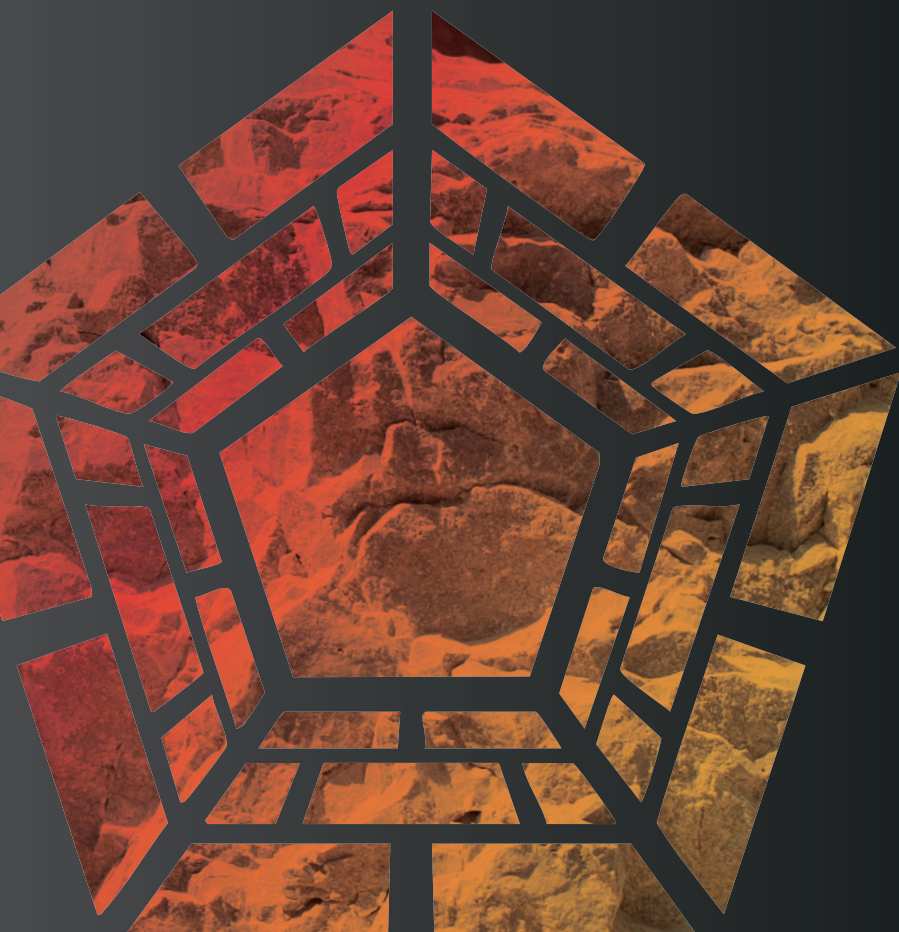




Dolomite
Franchi

SUSTAINABILITY REPORT
2025



Methodological note

Throughout the fourth edition of its Sustainability Report, **Dolomite Franchi S.p.A.** (hereinafter **Dolomite Franchi**) confirms once again its continuous commitment in communicating to stakeholders its environmental, social and governance sustainability performance, with particular reference to fiscal year 2025.

This document, in continuity with previous editions, has been prepared according to the “with reference to” approach of the latest Global Reporting Initiative standards (GRI) (2023) and, where applicable, GRI Standards for the Mining Sector (GRI 14), available since January 2026. Although GRI Standards were adopted for the report, the approach for the study of ESG impacts, the materiality assessment and the stakeholder engagement have been structured according to the guidelines of the CSRD (Corporate Sustainability Reporting Directive) and the related ESRS standards (European Sustainability Reporting Standards)¹.

In this context, the impacts - positive and negative, actual and potential – generated by the company were mapped, along with financial risks and opportunities, adopting the double materiality principle. These analyses, strengthened by the stakeholder engagement, which took place in early 2026, have made it possible to identify the organisation’s sustainability material issues, furthered later in the related chapters.

This document was drafted while following the principles of accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness and verifiability.

This Sustainability Report refers to the reporting period that goes **from January 1st to December 31st, 2025**, and includes information from the previous two years (2023-2024).

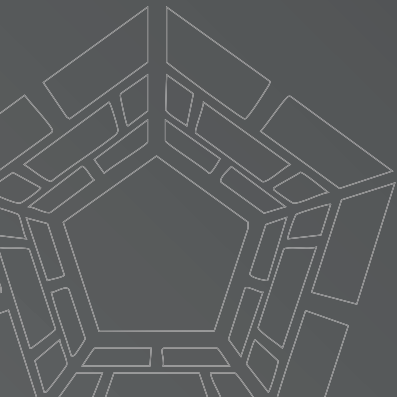
The contents of this report refer exclusively to Dolomite Franchi, therefore excluding data referred to INTOCAST AG Group, which Dolomite Franchi is a subsidiary company of. The reporting scope remains similar to previous Sustainability Reports, thus including the production site at **Via Zanardelli 13 in Marone (BS) and the quarry located in Calaruso, Zone (BS)**.

¹The regulatory references mentioned are: CSRD Corporate Sustainability Reporting Directive (2022/2464) e ESRS European Sustainability Reporting Standard, contained in the delegated act of the EU Commission, issued on July the 31st, 2023. With regard to the use of these guidelines, despite the resizing measures introduced by the [Omnibus Regulation](#), it was decided to maintain in adoption some key aspects, including references to the topics (AR16 Delegated Act) and the Double Materiality assessment process, described in the Appendix.

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Letter to Stakeholders

Dear Sir or Madam, Dear Stakeholders,

Once again this year, we look back on the 2025 fiscal year and present our Sustainability Report, which, like our previous reports, aligns with the EU CSRD Directive and the associated ESRS standards. Based on these standards, we are challenged daily to align our strategies with sustainability goals, even though the geopolitical situation in Europe and the world is no longer what it was in the past. Dolomite Franchi is not “just” a mining company, but has been capable—for over 100 years—of manufacturing high-refractory dolomitic products for the global steel market. This makes us proud, and that is why we conduct research and development day in and day out to offer our customers the best possible product, both ecologically and economically.

The Sustainability Report provides a 360° overview of the company, presenting not only financial and accounting matters but also the necessary investments in the environment, energy efficiency, training, and social engagement. It is very important to us that our stakeholders experience full transparency through this report, and this drives us year after year to become better and more precise.

For us, sustainability means not only environmental accountability but, above all, social responsibility. In this report, we demonstrate how we inextricably link economic success with the well-being of our people. Our employees are our greatest asset. By investing in state-of-the-art

occupational safety technologies and prevention programs, we have been able to further improve our safety metrics. A safe working environment is non-negotiable for us; it is our top priority, and we therefore continuously invest in safety training and education.

The responsible use of our resources is a logical consequence, and we therefore invest heavily and conduct extensive research into new recycling systems and mining techniques to advance the extraction of our raw materials as gently as possible. We are mindful of our geographical surroundings and maintain a constant exchange of information with neighboring municipalities to operate and shape our activities in the best possible harmony.

This report is more than a mandatory requirement; it is a promise. We are committed to transparency, integrity, and continuous improvement. We invite you to join us on this journey and help shape the future of dolomite production together with us.

Johannes Taferner
PRESIDENT OF THE COMPANY



Vision

Maintaining a high standard of product and process quality is the main objective of Dolomite Franchi. This is made possible by using top-quality raw materials and thanks to the in-house expertise and the robust management systems in place.

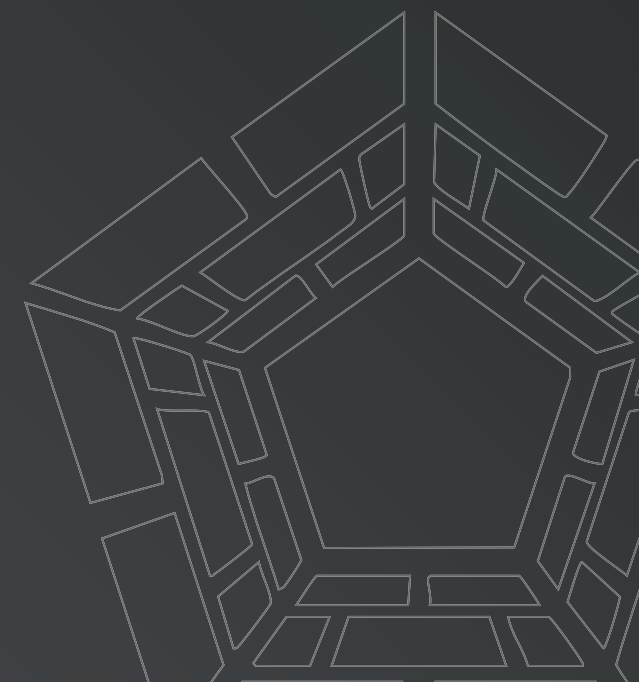
The business vision is complemented by goals for continuous improvement relating to the environment and people: maintaining focus on human resources management and corporate well-being, **compliance with environmental, health and safety regulations**, training and management systems to ensure the highest efficiency standards.

The company pursues its vision thanks to daily actions, actively involving key stakeholders, with the aim of contributing to the evolution of the steel industry and responsibly fulfilling its environmental and social duties, consolidating at the same time the historical connection with the territory in which it has been operating for more than a century.

Mission

“Producing dolomite-based refractory material for steelmaking use through advanced technologies in production processes, in quality assurance and in safety and environmental protection”.

Dolomite Franchi's mission is the cornerstone upon which the company's ongoing improvement initiatives are based. The business strategy aims to meet the customer's needs, whilst remaining mindful of and setting tangible objectives regarding the need to **protect the environment** and ensure the **health and safety of its employees**. Therefore, Dolomite Franchi adopts measures aimed at containing its environmental impact, reducing risks related to injuries and occupational ill-health and enhance **human resources' training, involvement and motivation**, encouraging **professional well-being** and **development**.



INTOCAST GROUP

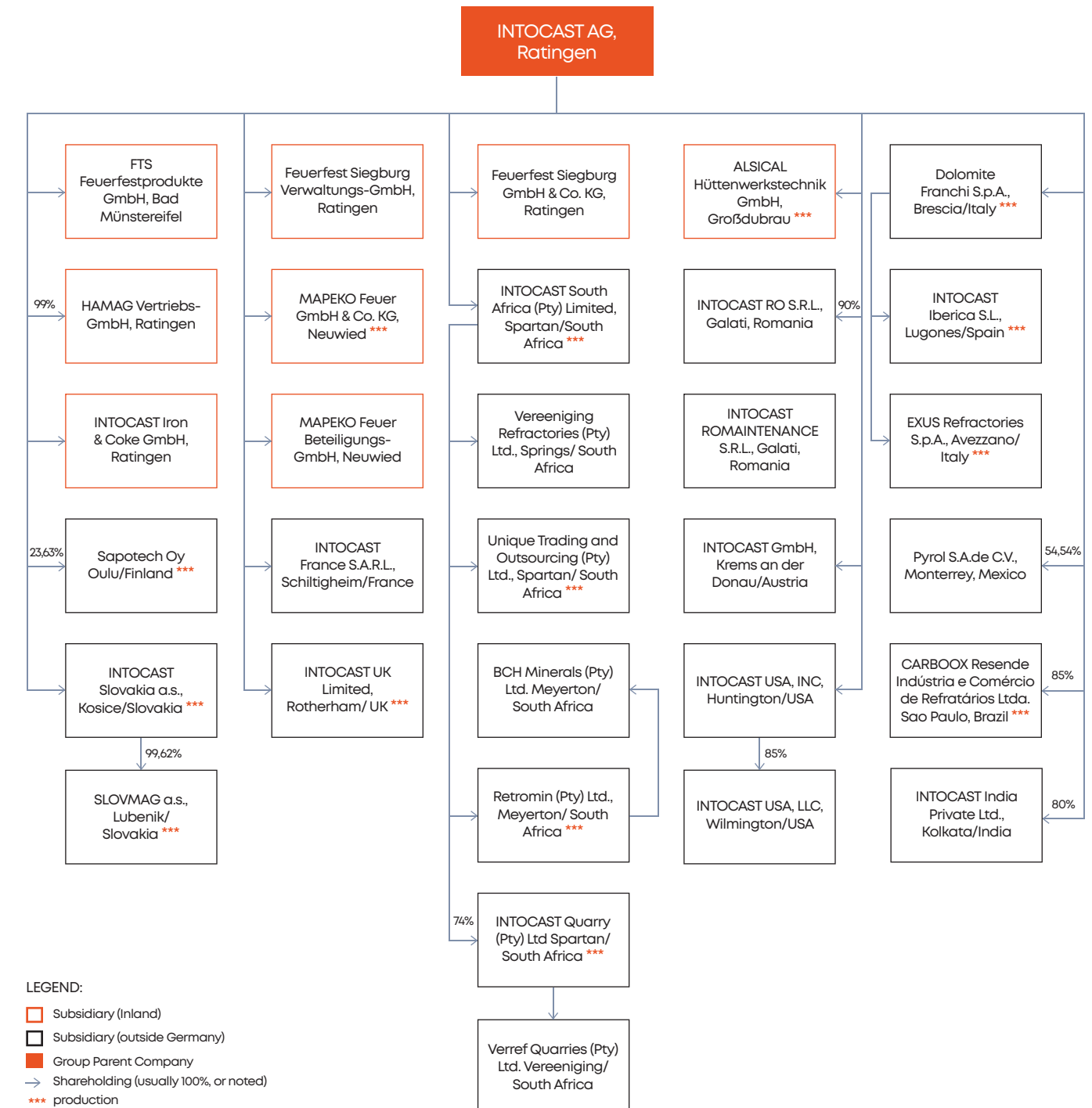
Since December the 1st, **2017**, Dolomite Franchi is a member of the **INTOCAST AG Group**, a recognised leader in the refractory materials and plant engineering sectors. The Group's core business is conducted on international scale and consists in producing and marketing shaped and unshaped refractory materials, casting auxiliaries and metallurgical slag conditioners. The INTOCAST experts are highly specialised and able to monitor each development stage of an order, from design to commissioning.

INTOCAST was founded in 1979, taking over the commercial operations of Eugen Schwarz GmbH, a company that had been active since 1922 in the supply of consumables for the steel industry in Germany and the

rest of Europe. Through mergers and acquisitions, the Group has grown steadily to become a global player, and, for over 45 years, has been a leading manufacturer of refractory products and plant engineering. INTOCAST currently employs over 1,800 people worldwide, with a corporate structure comprising subsidiaries across Europe, the Americas and Africa, as shown in the organisation chart beside.

EXPERTS ON FIRE.

DOLOMITE FRANCHI - SUSTAINABILITY REPORT 2025



LEGEND:

- Subsidiary (Inland)
- Subsidiary (outside Germany)
- Group Parent Company
- Shareholding (usually 100%, or noted)
- *** production



INTOCAST adopts a business approach that is deeply rooted in the local community whilst remaining focused on innovation: the emphasis is on direct relationships with customers, investment in research and development, and the provision of efficient, high-quality solutions.

In addition, the Group offers a comprehensive range of solutions for the iron and steel industry, including refractory materials, casting auxiliaries, sand valves, well fillers and plant engineering services.

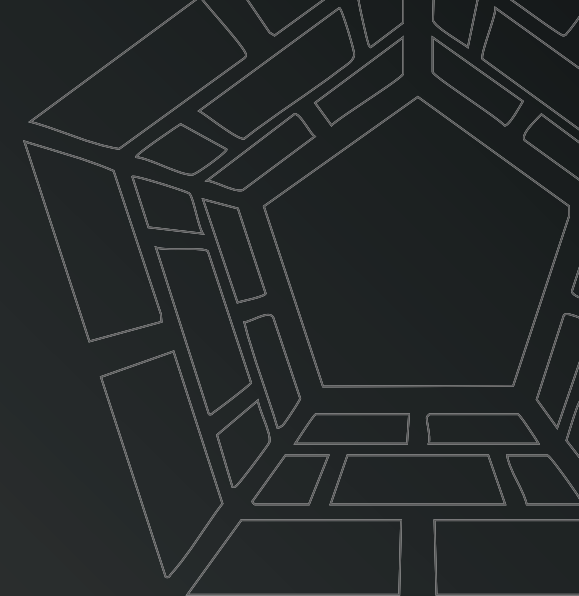
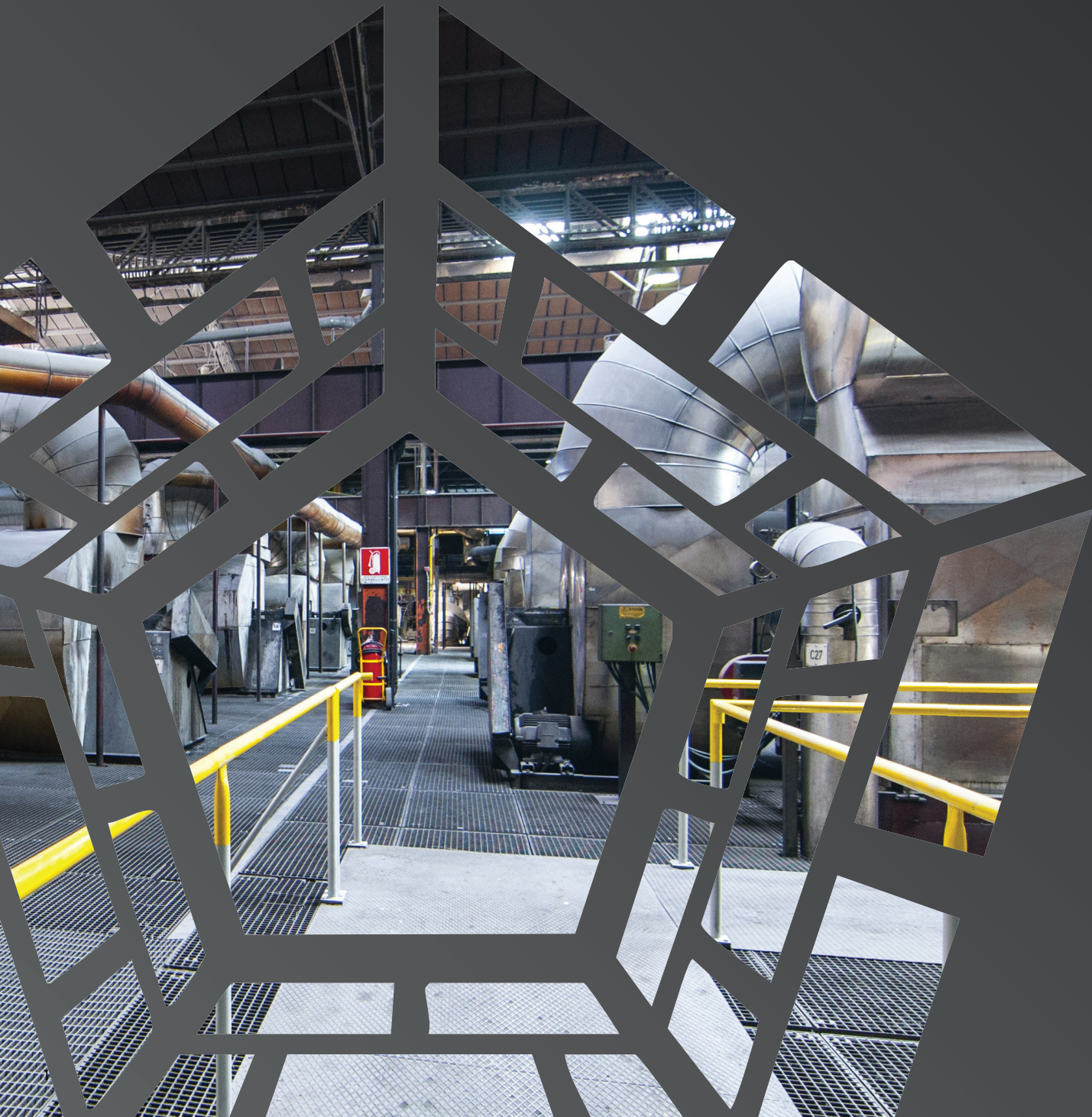
The Group's highly qualified experts, with an extensive international experience, lead the research and development activities and design tailor-made plant engineering solutions, monitoring each stage of the process, from the conception to the installation of products and systems to offer innovative solutions made to fully match customer requirements.

Finally, the Group operates its own mining operations, from which it extracts the raw materials used to

manufacture some of its finished products: dolomite is mined by Dolomite Franchi in Italy, magnesite in Slovakia and refractory clay in South Africa.

As stated above, this Sustainability Report relates exclusively to Dolomite Franchi S.p.A. All the information and data presented in these pages refer solely to this company.





ol Dolomite Franchi

DOLOMITE FRANCHI

About us

Dolomite Franchi is nowadays a **leading international supplier in the dolomitic refractories sector**, renowned for the high quality of the raw material sourced from its own quarry, its extensive manufacturing experience, and its distinctive identity, symbolised by its characteristic pentagonal logo. Its strategic location allows for efficient distribution towards the main national and international steel markets.

As part of its business strategy, Dolomite Franchi is deeply committed to ensuring the highest quality in each process and product by taking all necessary measures to ensure the work is carried out efficiently and reliably. The primary objective of the company is always **customer satisfaction**, alongside a commitment to ensure high-quality **standards** in terms of **service offered, safety, environment protection, efficient use**

of energy resources and regulatory compliance.

To achieve these objectives, Dolomite Franchi has implemented the certified management systems UNI EN ISO 9001:2015 (Quality Management System), UNI EN ISO 14001:2015 (Environmental Management System), UNI EN ISO 45001:2023 (Management Systems for Health and Safety at Work) and UNI CEI EN ISO 50001:2018 (Energy Management System), confirming once again its commitment to maintain the results achieved and improving them over time.

These certifications, together with the Code of Ethics, the Corporate Policy e the annual Sustainability Report, ensure ongoing alignment with the company's goals and promote consistent, transparent and accountable operations.



🏠 The production process

Dolomite Franchi produces both shaped and unshaped **dolomitic refractories**, used primarily in the steel industry for the lining of electric arc furnaces (EAF), ladles, AOD converters and other plants. Dolomite Franchi's products are necessary in all industrial processes that require high temperatures (more than 1200 C°), because of their high heat resistance and severe chemical and mechanical stresses.

The **Dolomite** is the raw material used by Dolomite Franchi, extracted from its quarry located in Calarusso, in the municipality of Zone (BS); a quarry from which materials of high purity and quality can be extracted, located not far away from the processing plant in Marone (BS).

Following extraction and crushing, the material is transported by cableway to the factory, washed, selected and

loaded in vertical kilns. The high-temperature firing process (1.900 °C approximately) leads to **calcination** and, subsequently, to **sintering** of natural stone, thereby producing **sinter dolomite**: the base material used in the production of bricks and refractory mixes, the two main product lines of the company.

🏠 Our product lines

The product range is based on dolomite extracted from Dolomite Franchi's own quarry and includes different types of bricks and refractory compounds based on sinter dolomite.

BRICKS

PENTABRICK bricks are extensively used as refractory lining **of treatment and casting** ladles in many steel plants worldwide. Their low oxidation potential prevents the release of oxygen into liquid steel, thereby enabling efficient desulphurisation (critical process aimed at reducing or eliminating sulphur and sulphur-based compounds). Moreover, their excellent compatibility with basic slags enhances Fe-alloys yield, while also granting extended service life and optimal refractory material costs.

To address a wide range of application requirements, Dolomite Franchi offers many options of refractory bricks, engineered to perform reliably even under the most demanding operating conditions. Each product is developed using advanced technologies, with a strong focus on minimising environmental impact and ensuring full compliance with current environmental and safety regulations.



MIXES

The second product line focuses on refractory mixes, primarily used in two key applications.

The first application is in **ladles** and **AOD** (*Argon Oxygen Decarburisation*) **converters**, where these materials are employed to fill areas that, due to their shape, size, or specific characteristics, cannot be lined with bricks, but still need comparable strength and reliability.

To meet these requirements, Dolomite Franchi has developed the PENTARAM and PENTAPLAST lines, plastic ramming mixes designed for the construction of ladles with helical linings, for sealing special components such as purging plugs, dams, and tuyere bricks, as well as for finishing brick linings. Additionally, PENTAMIX and PENTAFILL mixes are used to fill gaps between linings and as a levelling layer for bottom bricks.

The second application involves electric arc furnaces (EAFs), where PENTASOL and PENTADOL are recommended for the construction and repair of critical components, especially the hearth and the bank of the EAFs, under operating conditions characterized by low iron oxide concentrations and high slag basicity.



❖ A precise and on-time technical support service

The company also provides technical support services aimed at maximising customer performance in the use of dolomite-based materials.

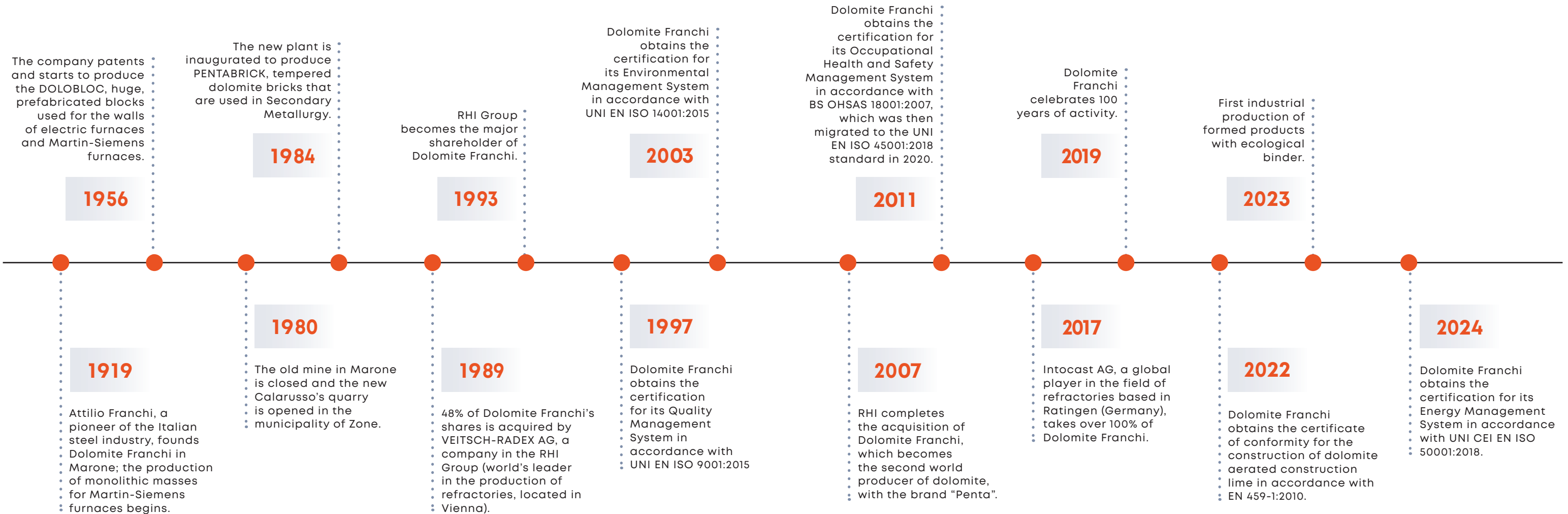


Key services include:

- Assistance in the design of refractory linings for furnaces, ladles, and converters;
- On-site support during the installation of refractory linings;
- Optimization of operational procedures within steelmaking facilities;
- Monitoring and optimization of slag performance;
- Guidance in identifying the optimal balance for refractory linings.

OUR HISTORY

Dolomite Franchi from its origins until today



HIGHLIGHTS

100+

Years of history and experience

20%

Employees aged under 30

98%+

Waste sent for recovery

2.400+

Tonnes of non-conforming product recovered and reprocessed within the production cycle

70%+

Employees from Marone or neighbouring municipalities

330.000+

Tonnes of dolomite are quarried and processed each year

20.000+

Laboratory tests on raw materials and finished products per year

Around

200

Employees

150+

Clients worldwide

40

In Italy

4

certified management systems (Quality, Environment, Occupational Health and Safety, Energy)

90.000+

Tonnes of finished product in 2025

Social Fund to support employees' families

1.600+

Hours of training in 2025

Values and principles

Dolomite Franchi has developed its governance model around an integrated system of values, rules and organisational tools, remaining firmly convinced that responsible corporate conduct in compliance with regulations is a strategic factor for sustainable growth and for strengthening its reputation, both nationally and internationally, in the eyes of customers, suppliers, partners and competitors.

The Code of Ethics goes beyond legal compliance, promoting a responsible, ethical and transparent corporate culture.

At the heart of the company's governance is the **Code of Ethics**. Adopted in 2010, this document, which is regularly updated and approved by the Board of Directors, sets out the values, standards of behaviour and rules of conduct to which everyone acting on behalf of Dolomite Franchi must adhere, both within the organisation and in dealings with external parties.

Protection of individuals

Among the principles guiding Dolomite Franchi's operations, the **protection of individuals** is of special importance, ensured through safeguarding health and safety in the workplace, preventing of all forms of discrimination, protecting privacy and promoting a respectful, inclusive and collaborative working environment. Communications are guided by criteria of clarity, completeness and accuracy, to ensure relationships based on trust and mutual responsibility.

Fairness and compliance

In its dealings with competitors, Dolomite Franchi adopts an approach based on **fairness and compliance with market rules**, in the belief that competition must always develop through fair practices.

The Code of Ethics forms an integral part of the company's broader internal control system, complementing the **Organisation, Management and Control Model established under Legislative Decree 231/2001 (MOG 231)**, which strengthens risk prevention measures and helps foster a robust culture of legality and compliance.

This set of values finds tangible application within the **Corporate Policy** and **ISO certifications** adopted,

which serve the purpose of translating ethical principles into measurable operational objectives. In particular, the company reaffirms in its policy its commitment to customer satisfaction, environmental protection, the health and safety of its workforce, and the training, information and involvement of its staff; at the same time, it assesses and plans its efforts to continuously improve its products and processes through management systems.

[Click here to read our Corporate Policy](#)



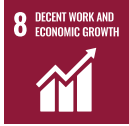
Sustainable Development Goals

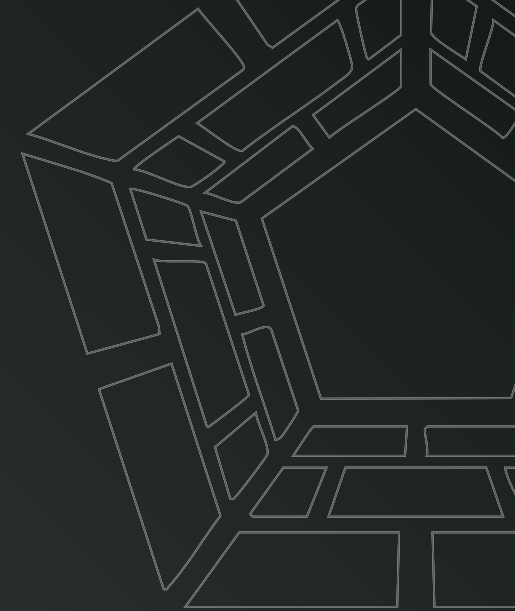
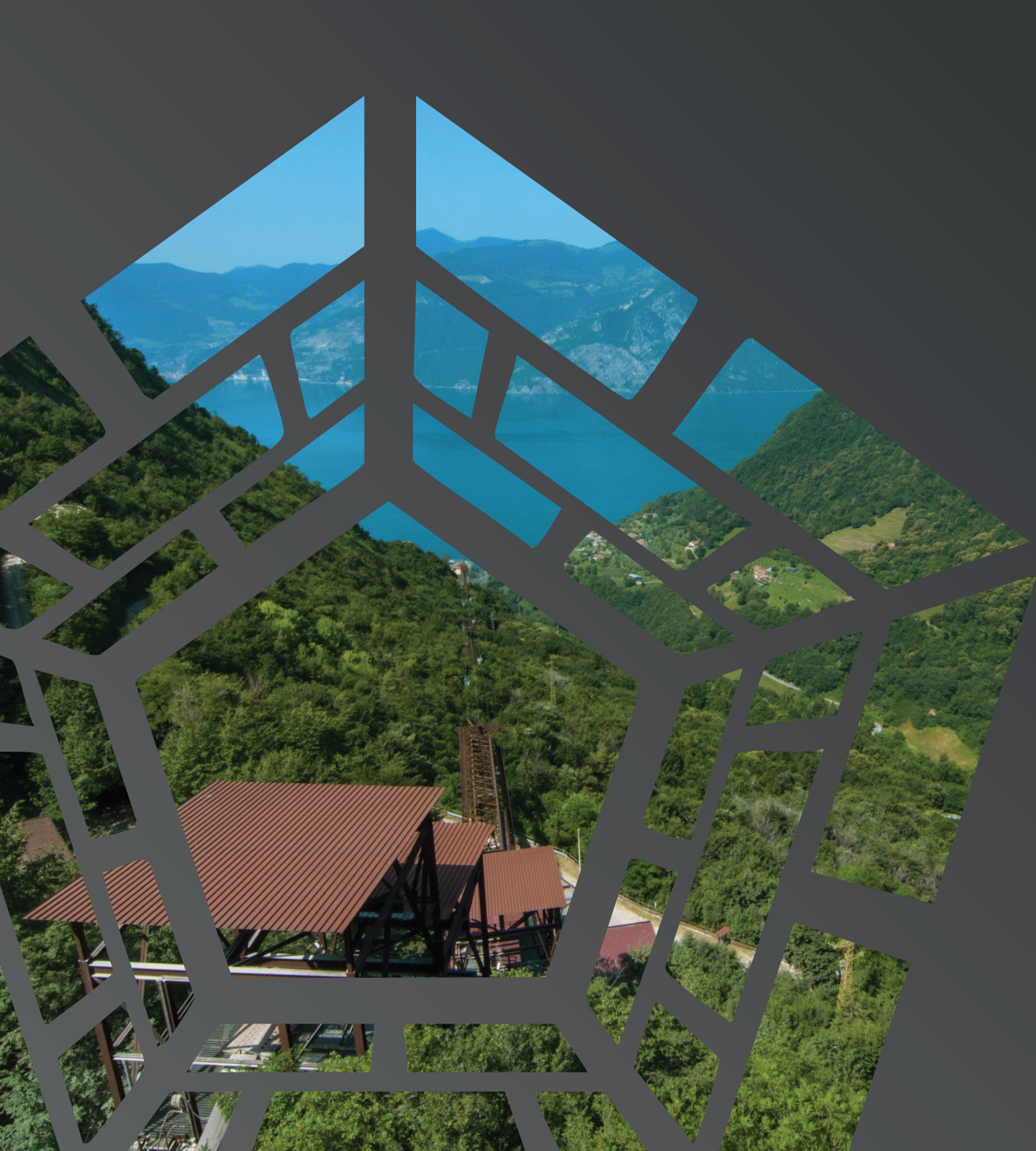
Through its activity and initiatives, Dolomite Franchi also aims to contribute to the achievement of the Sustainable Development Goals (SDGs) established by the UN. For this reason, throughout this document, the SDGs will be

identified and linked to the actual and potential positive impacts as well as the opportunities that are deemed relevant for the company. Beside is a summary of the Goals relevant to Dolomite Franchi and the corresponding 2025 actions.



DOLOMITE FRANCHI - SUSTAINABILITY REPORT 2025

SDGs	TOPIC	2025 ACTIONS
 	Energy and energy efficiency Emissions into the atmosphere	Maintenance of ISO 14001 and ISO 50001 certifications Continuous monitoring of emissions
 	Secure employment and corporate well-being	Maintenance of: • Social fund • Canteen service • Production bonuses • Comprehensive accident insurance policy Most of Dolomite Franchi's workforce is employed on permanent contracts and comes from the areas surrounding the company.
	Partnerships with local communities	Maintenance of: • Regular donations to local charities • Scholarships • Partnership with the Italian Federation of Master Craftsmendei
	Multinational partnerships	The focus on ESG issues, shared by INTOCAST Group makes the constant vigilance and continuous improvement possible.



02 Our impacts, risks and opportunities



The content of this document has been selected based on the relevance of various **sustainability issues**, as suggested by European and international guidelines on sustainability disclosure.

Dolomite Franchi, building on the analyses carried out in previous Sustainability Reports, has further explored and updated the environmental, social and governance aspects that are important to the company's operations due to the impacts it generates on the environment and/or people, or the external risks and opportunities to which it is exposed.

The material topics identified are as follows:



ENVIRONMENT

- **CLIMATE CHANGE**
 - › Energy
 - › Greenhouse gas (GHG) emissions
- **POLLUTION**
- **RESOURCE USE AND CIRCULAR ECONOMY**
 - › Resources inflows
 - › Waste

- **OWN WORKFORCE**
 - › Human resources management and job security
 - › Staff well-being
 - › Health and safety
 - › Training
- **WORKERS IN THE VALUE CHAIN**
 - › Health and safety
- **AFFECTED COMMUNITIES**



SOCIAL



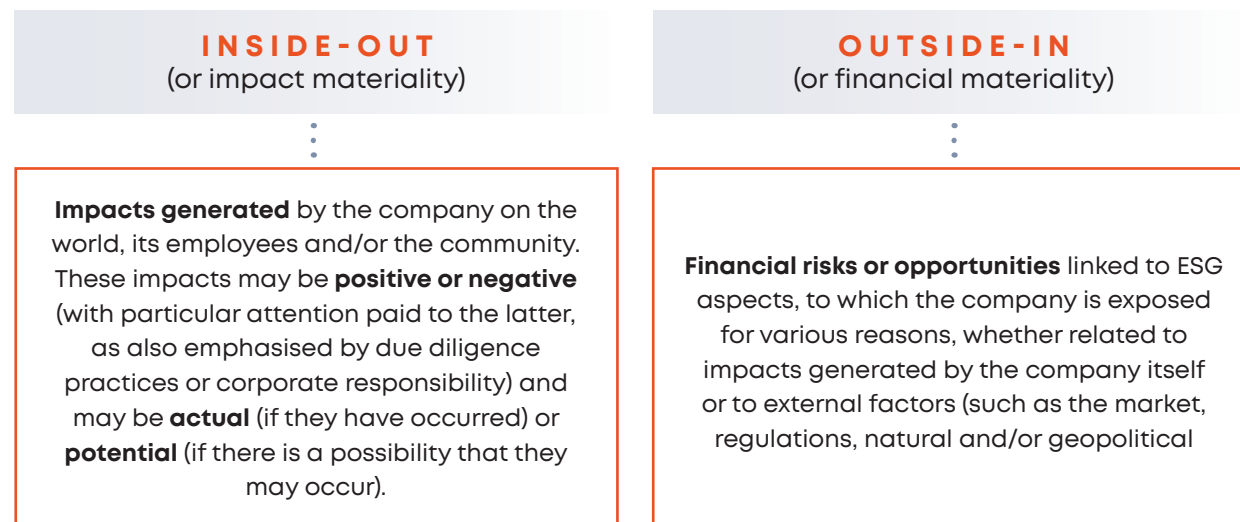
GOVERNANCE

- **BUSINESS CONDUCT**
 - › Corporate culture
 - › Supply chain management
 - › Corruption
 - › Cybersecurity

The identification of material issues is the result of an analysis conducted by Dolomite Franchi on **the Impacts, Risks and Opportunities (IRO)** associated with its activities. In particular, the company assessed each sustainability issue to determine whether it could

have a significant impact on the environment and/or people, or whether it entails risks or opportunities capable of influencing its financial performance.

This process was carried out in accordance with the principle of double materiality and therefore required each topic to be analysed from two perspectives:



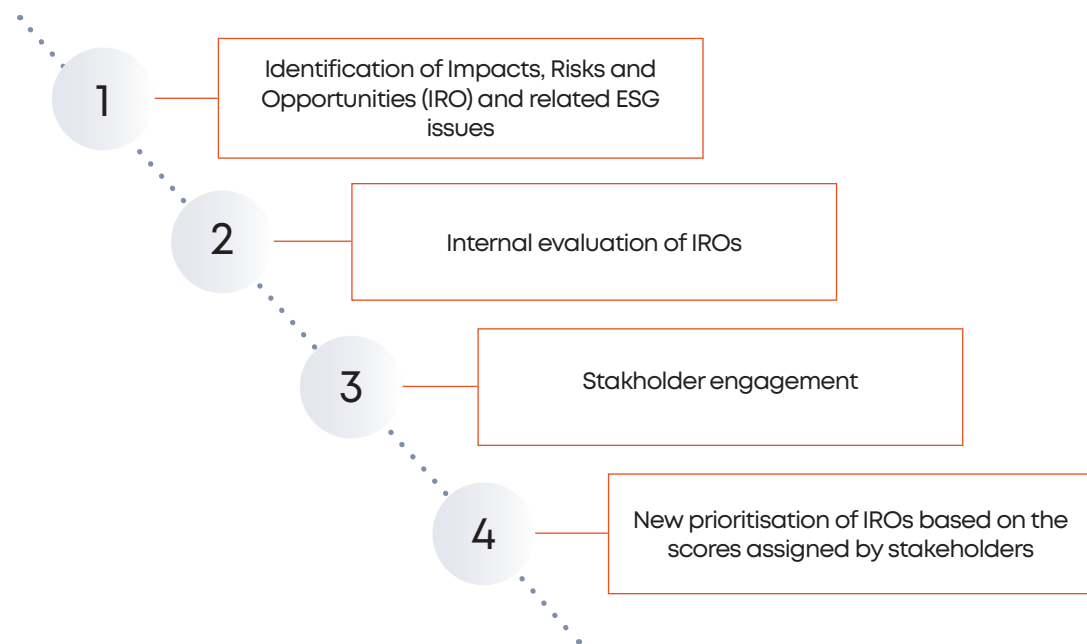
An issue was therefore considered **‘material’** if relevant from one or both of these perspectives. This method enables the most significant sustainability areas to be identified in an analytical and repeatable manner and allows for the structured development of the sustainability disclosure.

The materiality assessment process, therefore, first enabled the company to **define and assess internally**, with key company figures, the most relevant IROs and sustainability issues. Subsequently, it was decided to **involve** internal and external **stakeholders**, with the aim of gathering their views on the relevance of certain issues.

Specifically, for this disclosure exercise, Dolomite Franchi decided to repeat the engagement process using **questionnaires**, which was last carried out in 2023. Seven categories of stakeholders were involved: employees, managers, the community, customers, suppliers, banks and credit institutions, and trade associations. The methodology used and the process followed are explained in detail in the appendix.



The stages of the analysis



The final output is a **prioritisation of the issues derived from the values assigned during the analysis** (internally and by stakeholders) regarding the severity and probability of the IROs, and is intended to provide an initial visualisation of the relative importance of the various material issues. The aim of the analysis, is indeed to understand which positive impacts and opportunities to maximise and which negative impacts and risks to mitigate, ranking them in order of priority.

In the case of actual impacts, the greater or lesser significance depends solely on the internal assessment; in the case of potential impacts, risks and opportunities, it is also determined by the score assigned by stakeholders. The IROs summarised in the tables below will then be mentioned within the various chapters (in the section relating to the corresponding topic), where the associated data and mitigation strategies will be explained, with the title and classification of the IRO (preceded by the symbol §) cited in a footnote.



ACTUAL IMPACTS

	MATERIAL TOPIC	IRO TITLE	DESCRIPTION	RELEVANCE FOR THE COMPANY AND ITS STAKEHOLDERS
ENVIRONMENT	E1 – Climate change mitigation and adaptation	Emission contribution	This topic is significant because every manufacturing company contributes to global emissions.	⊖
	E5 – Resources inflows, including resource use	Use of non-renewable raw materials	As a company in the mining sector, Dolomite Franchi extracts non-renewable raw materials.	⊖
	E5 – Waste	Waste production	For Dolomite Franchi, waste generation is a key topic that is subject to continuous monitoring, as it is closely linked to the production process.	⊖
SOCIAL	S1 – Secure employment	Secure job	Most of Dolomite Franchi's workforce comes from the local area. Furthermore, 96% of the workforce is on permanent contracts.	⊕
	S1 – Workplace well-being	Initiatives to promote employees' wellbeing	Dolomite Franchi offers a range of services designed to promote employee well-being, going beyond the requirements of the relevant national collective agreement, with the aim of enhancing employees' wellbeing.	⊕
	S1 – Training and skills development	Additional training	Dolomite Franchi has provided training courses that go beyond legal requirements.	⊕
	S3 – Impacts on community well-being	Collaboration with local entities and charities	Dolomite Franchi has deep roots in the local community. This is also evident in the various forms of collaboration it maintains with local organisations: donations, scholarships, work placements, etc.	⊕
	S1 – Health and safety	Work-related injuries	The trend in work-related injuries has been falling over the period considered, but this remains a significant topic for the company.	⊖

POTENTIAL IMPACTS

	MATERIAL TOPIC	IRO TITLE	DESCRIPTION	RELEVANCE FOR THE COMPANY AND ITS STAKEHOLDERS
ENVIRONMENT	E2 – Pollution (of air, water, soil, living organisms and food resources)	Emission of pollutants	Like other subsidiaries of the group, Dolomite Franchi is subject to annual checks on pollutant emissions; some of these could have a negative environmental impact due to the release of dust and other gaseous pollutants (particularly from production processes). As Dolomite Franchi is located near the lake basin, it must also be vigilant regarding potential spills.	⊖
SOCIAL	S1 – Training and skills development	Increased training in hard and soft skills	The company aims to increase the number of hours devoted to training. In addition, a project is currently underway to strengthen and formalise training programmes.	⊕
	S2 – Health and safety	Work-related injuries in the value chain	Dolomite Franchi outsources the packaging of unformed products to a cooperative. In addition, third-party contractors are regularly engaged for specific tasks; consequently, health and safety is also a significant concern for workers throughout the value chain.	⊖
	S1 – Health and safety	Work-related injuries risk	Every business is exposed to the risk of work-related injuries, which is an inherent part of any manufacturing operation.	⊖

KEY:

Negative impact

Positive impact

RISKS AND OPPORTUNITIES

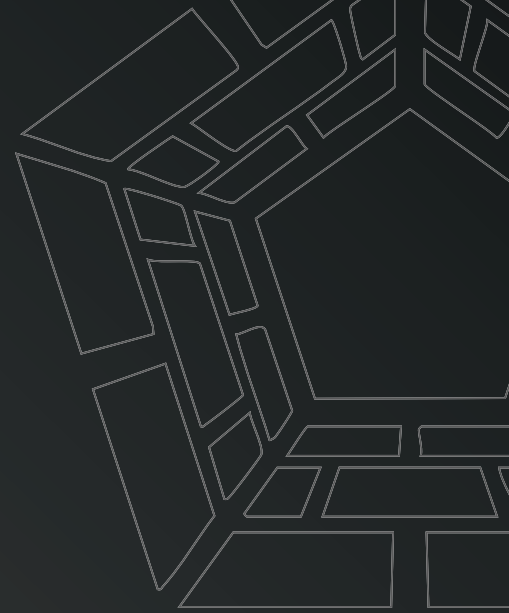
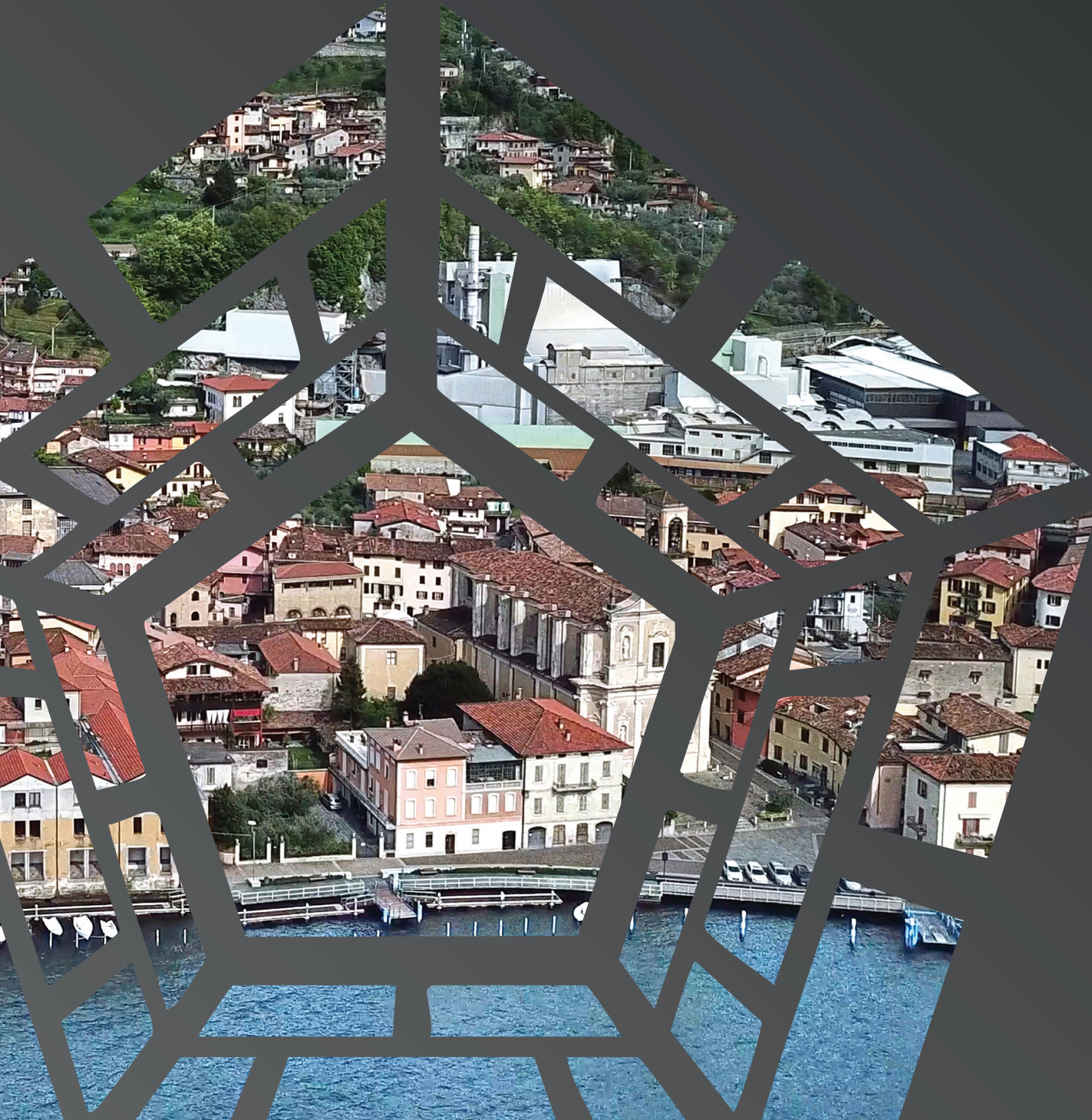
	MATERIAL TOPIC	IRO TITLE	DESCRIZIONE	RELEVANCE FOR THE COMPANY AND ITS STAKEHOLDERS
ENVIRONMENT	E1 – Climate change mitigation and adaptation	ETS financial impact	Dolomite Franchi is part of the ETS system. Although free allowances have remained unchanged for the three-year period 2023–2025, the risk of a lower cap and, consequently, an increase in emissions management costs is a real future risk. In addition, market forecasts point to an upward trend in the cost of individual ETS allowances.	⊖
	E5 – Resources inflows, including resource use	Excavation renewals	The risk of potential difficulties in renewing excavation permits stems from a number of significant factors, such as the geopolitical landscape, the reduction in the validity period of permits, landscape restrictions and resource consumption.	⊖
	E1 – Energy	Energy costs	Dolomite Franchi is an energy-intensive company. For this reason, too, fluctuations in energy prices are particularly significant.	⊖
	E1 – Climate change mitigation and adaptation	Extreme weather events	Dolomite Franchi could be subject to the risk of extreme weather events such as landslides and floods. These can, in fact, lead to reduced operations at the quarry and plant.	⊖
	E2 – Pollution (of air, water, soil, living organisms and food resources)	Penalties/Fines	Dolomite Franchi must pay particular attention to any complaints from the local community. The company continuously monitors certain emission parameters (NOx, particulate matter, CO) in accordance with the requirements of the Integrated Environmental Authorisation (AIA).	⊖
SOCIAL	S1 – Secure	Decline in sales (steel sector)	For Dolomite Franchi, the crisis in the steel market and the resulting decline in sales of refractory materials used to line steel ladles represent a risk that could potentially affect, firstly, the company's financial performance and, secondly, and consequently, its workforce.	⊖

GOVERNANCE	S1 - Secure employment	Recruiting challenges	The difficulty in finding suitable candidates for certain roles poses a significant risk to manufacturing companies.	⊖
	G1 - Cybersecurity	Data breach	Every company is subject to the risk of data loss, alteration or misappropriation.	⊖
	G1 - Corporate culture	Multinational partnerships	Being part of a large multinational group gives each subsidiary access to better opportunities. From an ESG perspective, too, the group's support enables subsidiaries to monitor, improve and communicate their ESG performance more effectively, with positive effects on the local community and environment. Dolomite Franchi embarked on a sustainability journey, initially independently and now as an integral part of the group's wider framework.	⊕
	G1 - Management of relationships with suppliers including payment practices	Supplier lock-in	Potential disruptions to the supply of materials and rising production costs could result in the company losing its competitive edge.	⊖
	G1 - Corruption: Incidents; prevention and detection, including training	Corruption cases	Every company is exposed to the risk of corruption.	⊖

KEY:

Risk

Opportunity



03 Environment



Dolomite Franchi has a direct and constant relationship with the environment in which it operates. Indeed, the nature of the company's production process involves significant use of natural resources and high energy consumption for production, partly deriving from the use of solid fuels. In this context, the management of environmental impacts, as well as the associated risks and opportunities, is a central element of the company's strategy.

In addition to complying with the provisions of its Integrated Environmental Authorisation (Autorizzazione Integrata Ambientale - AIA), the company is committed to maintaining and optimising its Environmental Management System in accordance with ISO 14001 and its Energy Management System in accordance with ISO 50001, valuable tools that contribute the company's environmental performance monitoring.

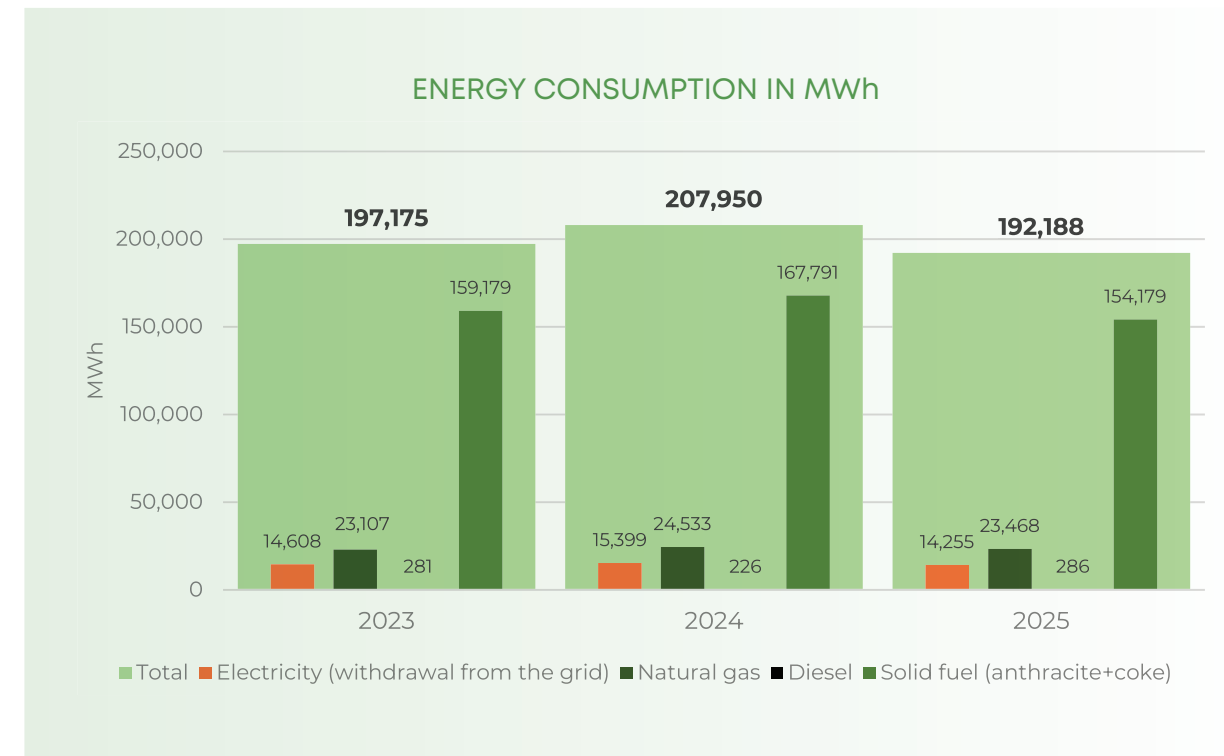
Dolomite Franchi also combines this with the application of the *Best Available Technologies* (BAT) available on the market in order to reduce, where possible, and prevent emissions into the air, water and soil, as well as to minimise the impacts associated with noise and waste arising from production activities.

Climate change

ENERGY AND ENERGY EFFICIENCY

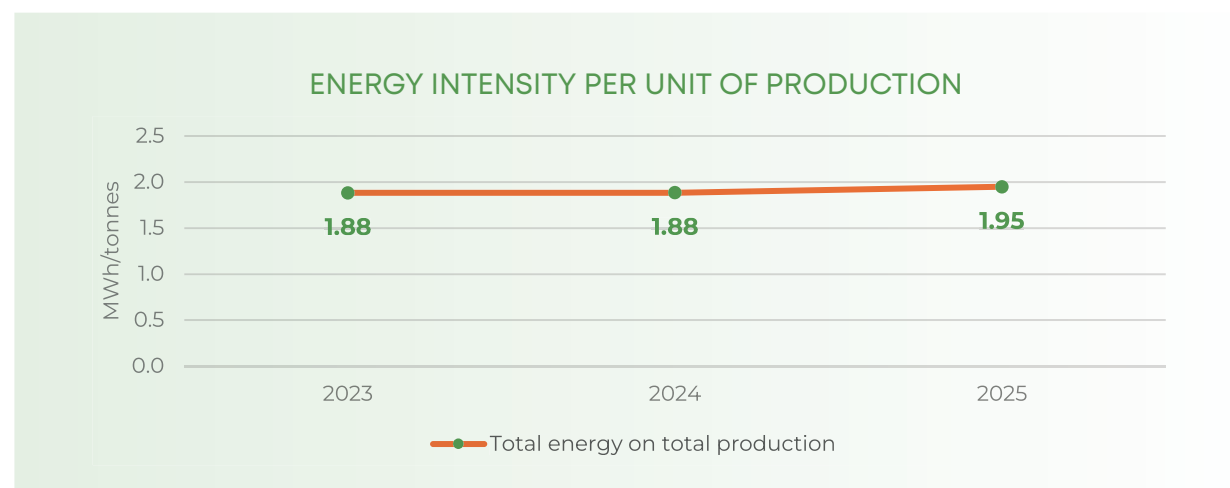
Dolomite Franchi manufactures dolomite refractories using a production process that relies on various energy sources. In addition to gas, electricity and diesel (used mainly for traction and quarry vehicles), the company also uses solid fuels such as **coke and anthracite**, as these are necessary to provide the heat required for dolomite sintering. Because of their importance in the production process, solid fuels are also the most widely used energy source by the company, as shown in the graph below.

DOLOMITE FRANCHI - SUSTAINABILITY REPORT 2025



In 2025, Dolomite Franchi consumed over 192,000 MWh of energy², a decrease of 8% compared to the previous year. Total consumption is clearly directly linked to production volumes, which decreased by 10.6% in 2025 compared to 2024, resulting in corresponding reduction in overall energy consumption. Specifically, **solid fuel** consumption, which accounted for 80% of total consumption in 2025, **decreased by 8%**, whilst electricity and natural gas consumption fell by 7% and 4% respectively. The use of diesel, although marginal in terms of consumption, increased by 27%.

In terms of consumption per unit of production, Dolomite Franchi monitors various indicators capable of providing a measure of **energy intensity**.

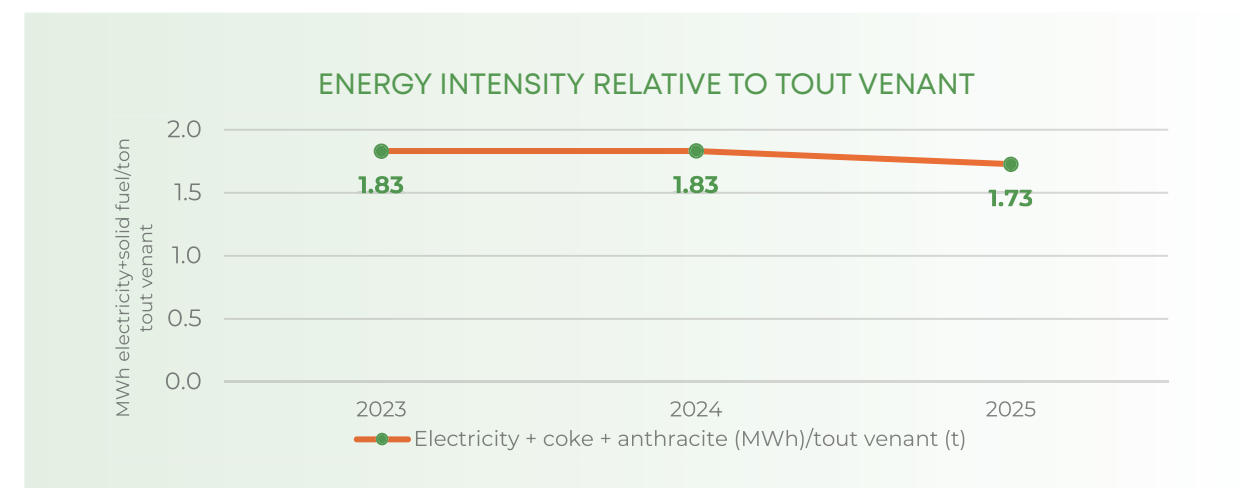


Firstly, a general index is calculated by relating total energy consumption (in MWh) to total production (bricks, blocks and sintered dolomite placed on the market). In 2025, this index increased: more energy was consumed per tonne produced in 2025 than in the previous two-year period. The reasons for this increase stem from a number of factors: **lower production**, a **different production organisation**, and **unscheduled machine restarts** that occurred during the reporting year.

²Compared with previous sustainability reports, energy consumption has been expressed in MWh rather than in terms of primary energy in toe (tonnes of oil equivalent). This decision stems from a desire to provide a clearer picture of the company's energy profile.

It should also be noted that Dolomite Franchi has a significant fixed consumption base, due to the presence of plants that are always active, which directly contributes to the rise in this index.

For Dolomite Franchi, it is also useful to monitor a more specific indicator, namely the consumption of electricity and solid fuels (in MWh) in relation to the production of tout venant. This index is more strategic, because it takes into account the energy sources actually used for the production of a specific by-product. **Tout venant** is, indeed, the result of the sintering process and is the **product coming out of the kilns**, which mainly use solid fuels.



This figure is a more suitable indicator of production efficiency and, for 2025, shows a better index compared to the previous two-year period. The different blends of solid fuel have in fact made it possible to **use less energy in 2025 for the production of 1 tonne of tout venant compared to the previous two-year period**.

Due to its energy usage, the company is considered **energy-intensive**, meaning it consumes significant amounts of electricity and natural gas. Consequently, energy is a particularly relevant topic and is constantly monitored by Dolomite Franchi, with the aim of improving, where technically possible, the level of energy efficiency whilst simultaneously addressing the risk of rising energy costs³.

The **Energy Management System certified according to ISO 50001** is, in this context, particularly valuable to the company as it enables not only the monitoring of energy use and the raising of internal awareness regarding energy management, but also the identification of the most effective improvement measures and priority efficiency initiatives, thanks also to the internal Energy Team which actively participates in company decisions and assessments relating to planned and future initiatives.

Specifically, in 2025, two major efficiency improvements were completed at Dolomite Franchi. Firstly, **all the burners in the tempering**

furnaces, installed over 40 years ago, were **replaced** with **new-generation burners**, which allow for both automatic remote control and greater combustion efficiency, resulting in an **expected saving of around 10%** of natural gas per year for the plant itself. Secondly, the company **replaced the filter bags** in the dust collectors that treat the hot emissions from the furnace department: the expected saving from this project amounts to 456,220 kWh of electricity.



Greenhouse gas (GHG) emissions

Dolomite Franchi, due to its production process, is subject to the **European Union Emissions Trading System (EU ETS)**. As a result, the company is required to monitor and submit an annual report to the Ministry of the Environment and Energy Security containing data (verified by an accredited third-party body) on its CO₂ emissions into the atmosphere.

The ETS is an integral part of Europe's decarbonisation objectives and establishes a 'Cap and Trade' system that involves the annual creation of a fixed number of emission allowances, allocated to companies within the scope of the system, and their potential sale. The system is designed to facilitate the gradual reduction of greenhouse gas emissions and to create a structured monitoring system at European level.



The free emission allowances allocated to Dolomite Franchi and the internal management costs of the ETS system **remained stable in 2025**, but the company constantly monitors the financial risk associated with the system: it is anticipated that, as the deadline for European decarbonisation and targets approaches, management costs may in fact increase following the reduction in free allocations⁴.

Dolomite Franchi monitors its carbon dioxide (CO₂) emissions annually, which result from its refractory material production process and are specifically associated mainly with:

- The stone sintering process
- The use of solid fuels for raw material processing
- The use of natural gas and diesel

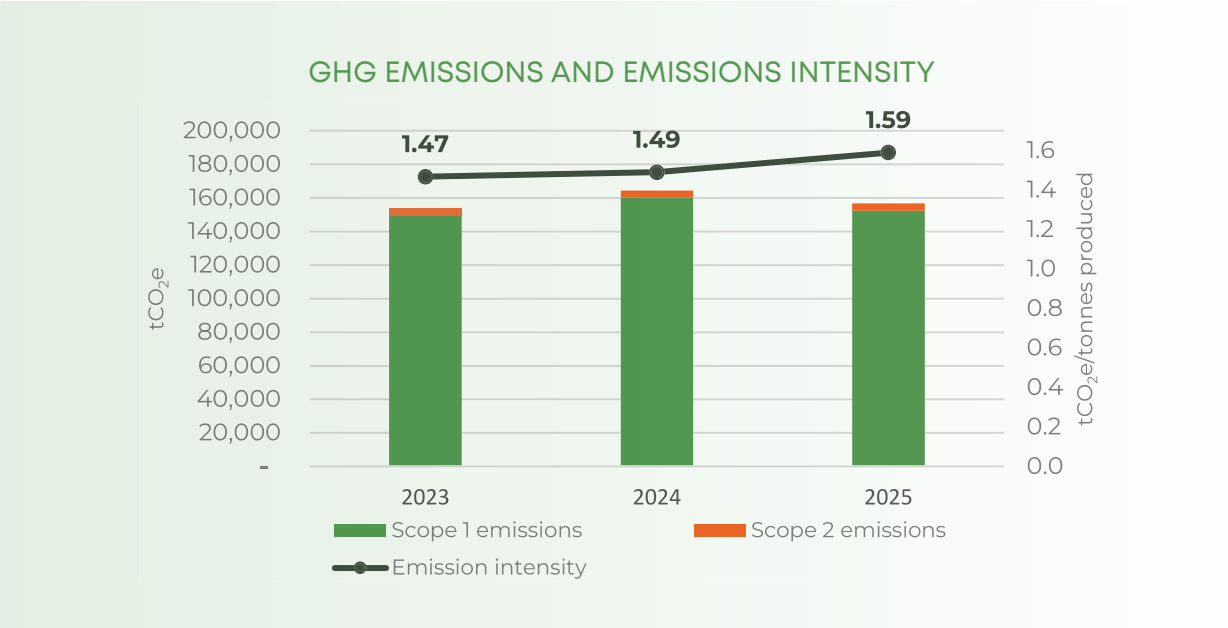
The company quantifies the CO₂ emissions required for reporting to the authorities and, as part of its annual sustainability disclosure, recalculates its emissions to present them in accordance with the categorisation specified by the GHG Protocol, which allows greenhouse gas (GHG) emissions to be measured in terms of CO₂ equivalent (CO₂ e.) Below are presented the **direct emissions (Scope 1)**, resulting from the use of fuels and the processes mentioned above, and **indirect emissions** from imported energy (**Scope 2**).

In 2025, the total emission contribution from Scope 1 and 2 (location-based scenario) amounts to **156,786.78 tCO₂e.**⁵, a decrease of 4.7% compared to 2024 (164,470 tCO₂e). Emissions are directly linked to production volumes for Dolomite Franchi; therefore, the figure is consistent with what has been observed so far regarding production: the decrease in production volumes and energy consumption is reflected in a reduction in emissions as well.

DOLOMITE FRANCHI - SUSTAINABILITY REPORT 2025

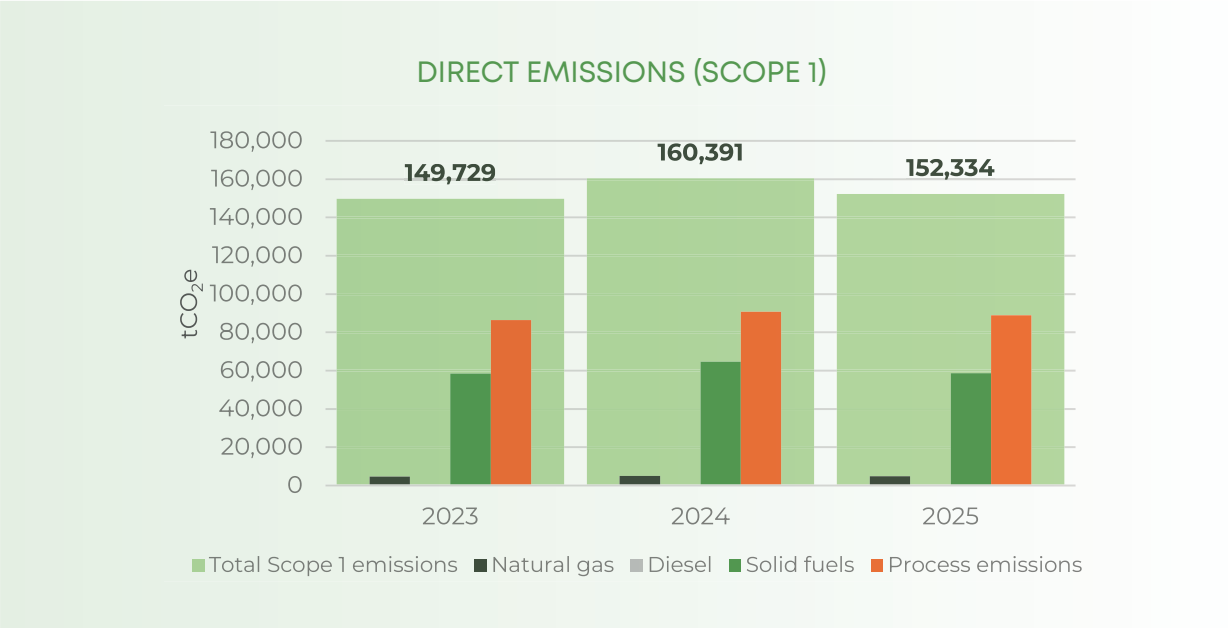
⁴§ Risk: ETS financial impact.
⁵§ Actual negative impact: Emission contribution.

The chart below shows the trend in total emissions for the three-year period 2023–2025. It illustrates the amount of Scope 1 and 2 emissions, as well as the **emissions intensity**, that is, emissions per tonne of finished product.

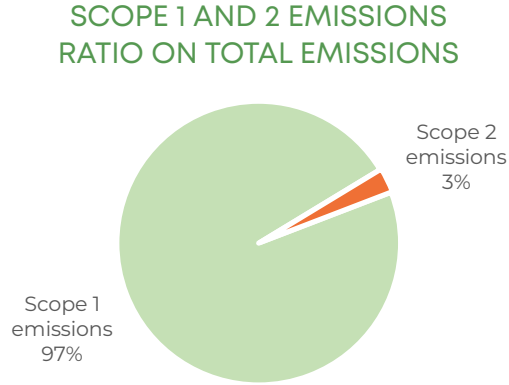


In terms of total emission contribution, for Dolomite Franchi, Scope 1 emissions, namely direct emissions produced within the plant, **are the most significant**. In 2025, **Scope 1** emissions amount to **152,334 tCO₂e**. These are linked to the company’s production activities and stem from the use of solid fuels, process emissions resulting from the decarbonation of dolomite, and the use of natural gas and diesel.

Among direct emissions, the breakdown of emission sources remains basically constant over time: the most significant category over the years is **process emissions** (around 58% of the total). This is followed by emissions associated with the use of **solid fuels** (approximately 38.5% of the total). The remaining 3% is accounted for by emissions from natural gas and diesel. The following chart shows the breakdown of Scope 1 emissions for the three-year period considered.



Scope 2, on the other hand, represents indirect emissions linked to purchased electricity, i.e. emissions associated with electricity drawn from the national grid (according to the *location-based* scenario). For Dolomite Franchi, Scope 2 emissions are marginal compared to Scope 1 and account for approximately 3% of total emissions (4,453 tCO₂e in 2025).



Pollution

ENVIRONMENTAL MANAGEMENT SYSTEM AND POLLUTION PREVENTION

In addition to monitoring GHG emissions, Dolomite Franchi's operations also entail other measures regarding the prevention of environmental pollution⁶. Given its proximity to the town, the Lake Iseo basin and its production processes, the company has an extensive monitoring system covering various environmental parameters, with the aim of preventing air, water and soil pollution. Specifically, Dolomite Franchi holds **an Integrated Environmental Authorisation (Autorizzazione Integrata Ambientale - A.I.A.)** and complies with all requirements relating to the monitoring of emission points (chimneys) and discharge points (industrial water), as well as any impacts related to noise, waste and soil pollution. In 2025, all sampling and inspections yielded results in compliance with legal requirements for the monitored environmental parameters.

Through the installation of various types of systems and the pursuit of the use of Best Available *Technologies* (BAT), Dolomite Franchi is also committed to mitigating and preventing any potential negative environmental impacts. In particular, the company uses:

Extraction hoods and bag filters for dust removal

Specific devices to eliminate gaseous pollutants (such as regenerative thermal oxidisers, afterburners, activated carbon filters, etc.)

Dedicated areas for the transfer and storage of liquid and solid products

Monitoring of water discharged into surface water bodies and the sewerage system, as well as controls for water discharges⁷. As evidence of Dolomite Franchi's commitment to monitoring, water samples from the surface water bodies are taken **monthly**, despite regulations stipulating the need for half-yearly analyses.

⁶§ Potential negative impact: Emission of pollutants

⁷Dolomite Franchi uses between 70,000 and 80,000 cubic metres of water annually, most of which comes from surface water bodies. This is used primarily for washing raw materials and, following monitoring and any necessary treatment, is fully returned to the original water body.

Continuous Monitoring System (CMS), operational since 2022 at the main emission point of the sintering furnaces, ensuring constant monitoring of total dust and nitrogen oxide levels.

Investments in monitoring and measurement technologies are aimed not only at reducing environmental impacts, but also at mitigation of the risks associated with potential incidents of pollution or accidental spills⁸. With this in mind, Dolomite Franchi seeks alternative solutions and products that limit odour and environmental impacts and uses soundproofing systems designed to minimise external noise emissions.

To complement this commitment, Dolomite Franchi has long maintained an Environmental Management System, certified according to the **ISO**

14001 standard. ISO certifications are, indeed, a fundamental tool for ensuring an internal management system that complies with current regulations, as well as for preventing critical issues and taking prompt action in the event of non-compliance. This systematic approach is particularly important in light of the increasing frequency of extreme weather events which, in relation to the company's activities, could affect production continuity⁹.

⁸§ Risk: Penalties/Fines.

⁹§ Risk: extreme weather events.



Resource use and circular economy

RESOURCE INFLOWS: RAW MATERIALS AND PRODUCTS

Dolomite Franchi considers the topic of resource use to be essential and significant, as its raw material is a mineral product, namely dolomite, extracted from the quarry located in Calarusso in the municipality of Zone (BS). The management of the quarry is a particularly significant and sensitive issue: a procedure for modification and expansion is currently underway, involving a complex and detailed authorisation process¹⁰.

To gain a clear understanding of the company’s production process, from the raw material through to the finished product, it is helpful to outline the various stages that compose the production cycle, and the transformations undergone by the raw material:

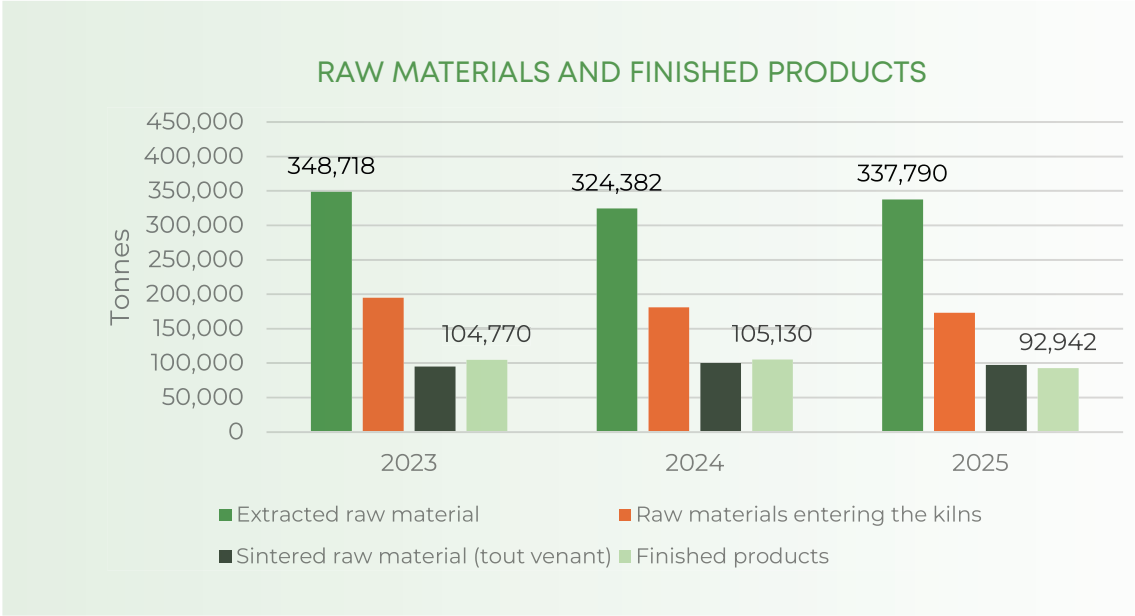
Raw material extraction: The material is extracted from the dolomite quarry. In 2025, 337,790 tonnes of raw material were extracted, representing a 4% increase in the quantity extracted compared to 2024 (324,382 tonnes).

Material entering the kilns: The raw material is transported by cableway to the production plant and undergoes a selection process designed to exclude particle sizes unsuitable for the production process (which are reused in other areas). In 2025, the raw material suitable for feeding into the kilns accounted for approximately 50% of the raw material extracted (173,303 tonnes in 2025).

Sintering process: The dolomite, mixed with solid fuel, is fed into six vertical kilns and subjected to high-temperature treatment (1,800–1,900°C). This process results in the production of **sintered dolomite**, which is subsequently selected according to quality. In 2025, the total quantity of sintered dolomite produced was 97,543 tonnes.

Finished products: Finished products include mixes, bricks and a portion of high-quality sintered material intended for sale. In 2025, the total volume of finished products was 92,942 tonnes. In 2025, the volume of finished products was lower than the one of the sintered raw material: this is due to a significant increase in sales of sintered dolomite “as is” to other companies within the group.

The following graph shows the quantities of material extracted and produced over the three-year period 2023–2025.



DOLOMITE FRANCHI - SUSTAINABILITY REPORT 2025

Dolomite, like all mineral resources, is a non-renewable raw material¹¹. For this reason, Dolomite Franchi pays particular attention to the issue of resource use and continuously evaluates potential projects aimed **at optimising plants and production processes**, in order to maximise the yield of the raw material.

At the same time, research activities are focused on methods to reduce the use of hazardous materials within its operations.

Specifically, 2025 saw the completion of a Research and Development project aimed at replacing one of the binders used in the brick production process. The project culminated in the launch of a new line of **low-emission Pentabrick** bricks, designed to offer the end user the opportunity to drastically reduce the release of volatile substances harmful to health and the environment during use.

Indeed, thanks to the replacement of the binder, the new brick no longer releases polycyclic aromatic hydrocarbons (PAHs) at high temperatures: the major benefit has been felt first and foremost within the workplace, as a hazardous binder has been replaced with a

non-hazardous one in the production process. Dolomite Franchi's investment in replacing the binder and its industrialisation is therefore part of a broader, multi-year initiative aimed at tangibly strengthening the product's environmental performance whilst ensuring ever-higher standards of workplace safety.



Dolomite Franchi is also able to **reuse** production waste internally, provided its quality permits. The percentage of waste reuse has remained virtually constant over the years analysed and, over this three-year period, ranged between 3.5% and 3.75% of production.

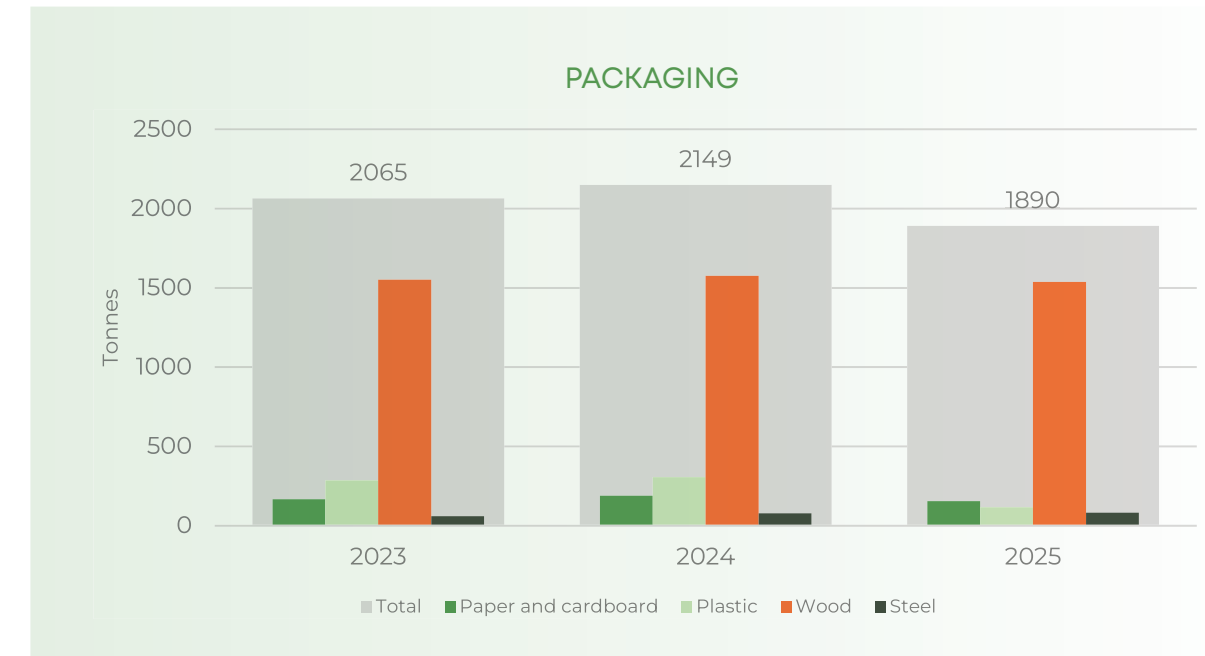
DOLOMITE FRANCHI - SUSTAINABILITY REPORT 2025



¹¹§ Actual negative impact: Use of non-renewable raw materials.



Finally, the packaging used for shipping products is mainly made of **wood**. In 2025, contrary to the trend observed in previous years, more paper and cardboard and less plastic were used, as can be seen from the graph below. Furthermore, according to suppliers' statements, 7% of the packaging materials purchased are of recycled origin (mainly plastic). The use of packaging followed the trend of the previously monitored indicators, recording a slight decrease.



 WASTE

The management and treatment of waste arising from production activities is a key topic for Dolomite Franchi and is also subject to specific requirements under the Integrated Environmental Authorisation¹².

Dolomite Franchi’s commitment focuses on adopting all possible measures to reduce the quantity of waste produced and its hazardous nature. For this reason, the company maintains and implements various measures each year to optimise the management of waste and production residues.

Firstly, Dolomite Franchi reuses or recycles non-conforming production waste. These measures have prevented the generation of a further 1,910 tonnes of waste.

Where the reuse of waste is not technically feasible, the waste is sent to authorised facilities for recovery and/or disposal.

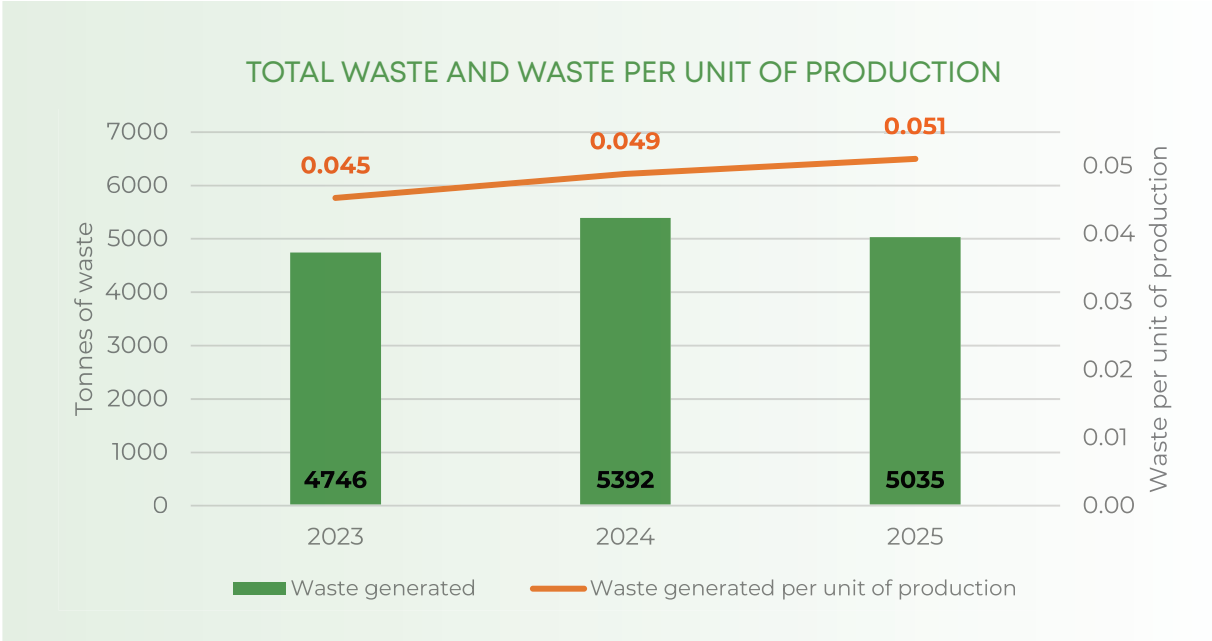
¹²§ Actual negative impact: waste production.



The trend in waste production is linked to production trends. Specifically, in 2025, Dolomite Franchi recorded a 7% decrease in total waste production compared to the previous year (5,035 tonnes in 2025 and 5,392 tonnes in 2024)¹³, in line with the decrease in production.

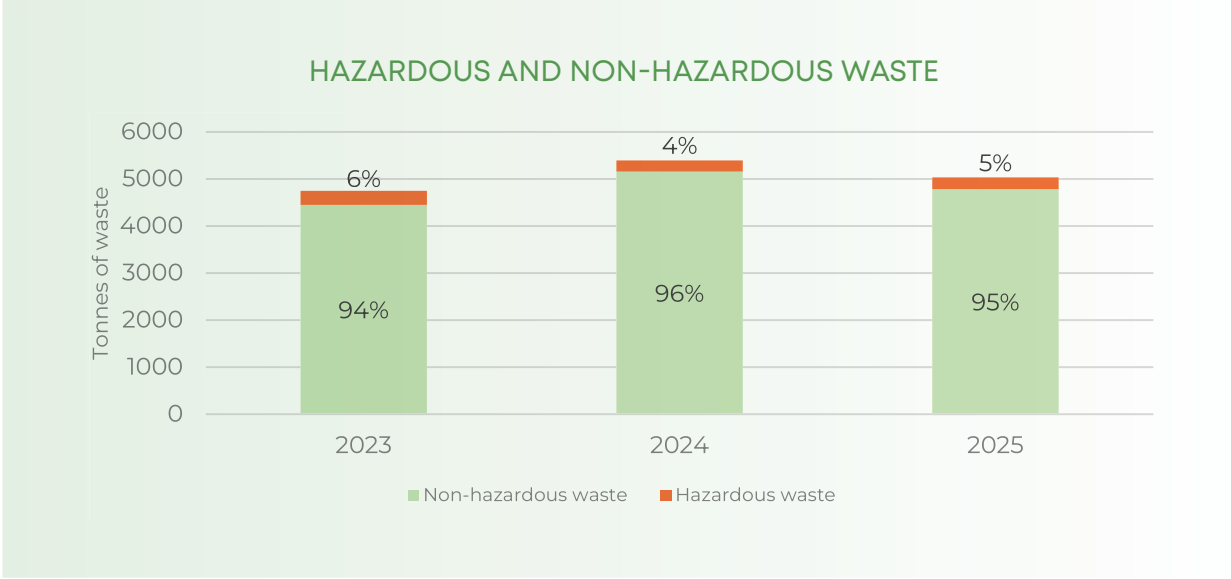
Despite this, as shown in the graph below, the ratio of waste production to tonnes of products increased in 2025. Specifically, 51 kg of waste was produced for every tonne of finished product, compared to 49 kg per tonne in 2024. This indicator shows some variability over time, as it is directly dependent on the annual performance of the business. The 2025 indicator looks weaker than in previous years, as, in line with the energy data, production stoppages have led to a less efficient use of resources.

DOLOMITE FRANCHI - SUSTAINABILITY REPORT 2025



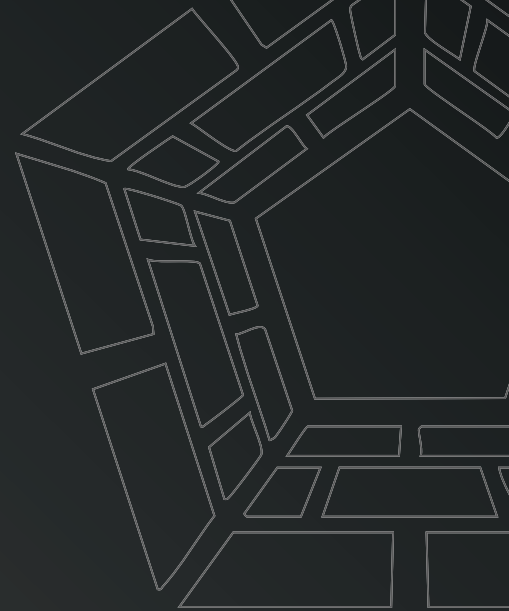
¹³In this sustainability report, the data relating to waste has been revised to include only waste exceeding the 10-tonne threshold.

The volume of **hazardous waste** typically accounts for only between **4% and 6%** of the total waste produced, and this too is disposed of in accordance with current regulations. In 2025, 252 tonnes of hazardous waste were produced, corresponding to 5% of the total waste generated.



In terms of destination, most of Dolomite Franchi’s waste is sent for **recovery**, partly because the majority of the waste consists of metal oxides, which are recoverable materials. This trend has been consistent over time, as, in the three years under consideration, more than 90% of waste was sent for recovery. In particular, in 2025, **98% of waste was sent for recovery and 2% for disposal**.





40 Social



In pursuing a long-term sustainability strategy, Dolomite Franchi recognises that valuing, safeguarding the safety and promoting the well-being of its workforce are essential. People are, in fact, a key factor in the company's success and continuity. In this context, the company promotes and develops initiatives aimed at ensuring **continuous training**, supporting **professional growth** and guaranteeing **high standards of health and safety** in the workplace, whilst contributing to **the overall well-being** of employees.

For Dolomite Franchi, social commitment extends beyond the internal sphere. By virtue of its long-standing ties with the local area in which it operates, **support for the community** is considered an integral part of corporate responsibility.

A focus on people and the creation of shared value for the local area are therefore two fundamental pillars of Dolomite Franchi's approach to sustainability.

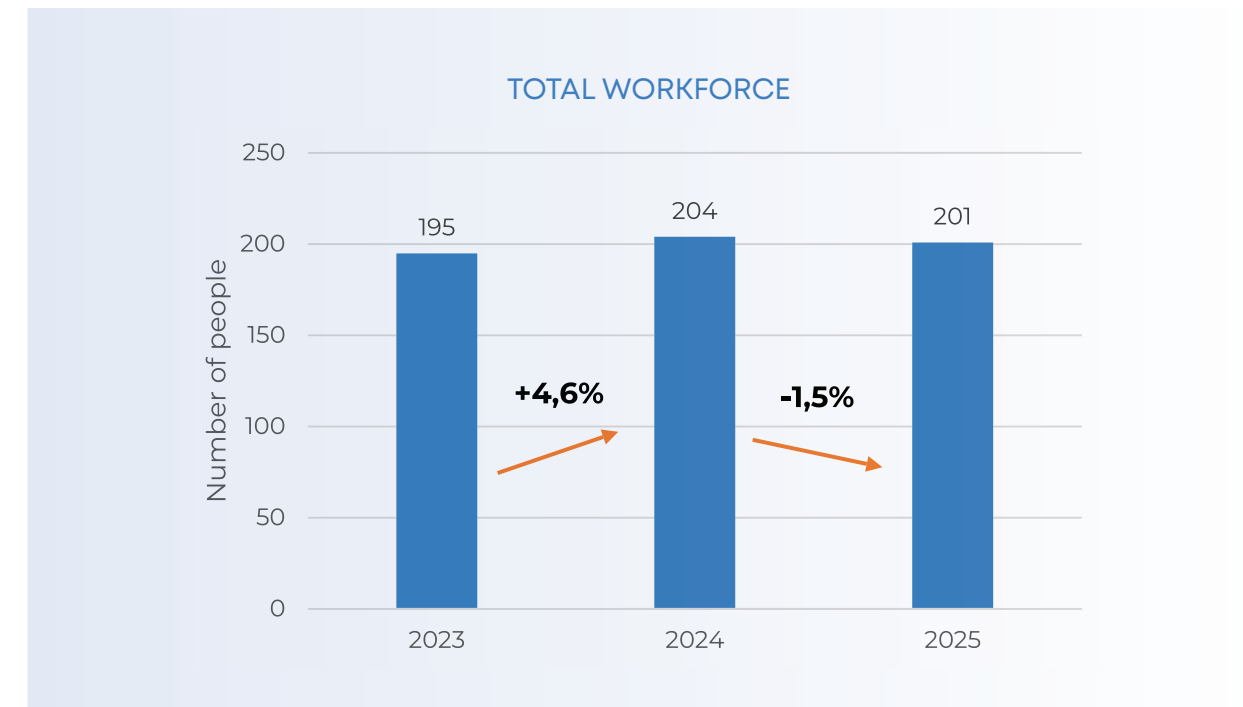
Own workforce

STAFF MANAGEMENT AND SECURE EMPLOYMENT

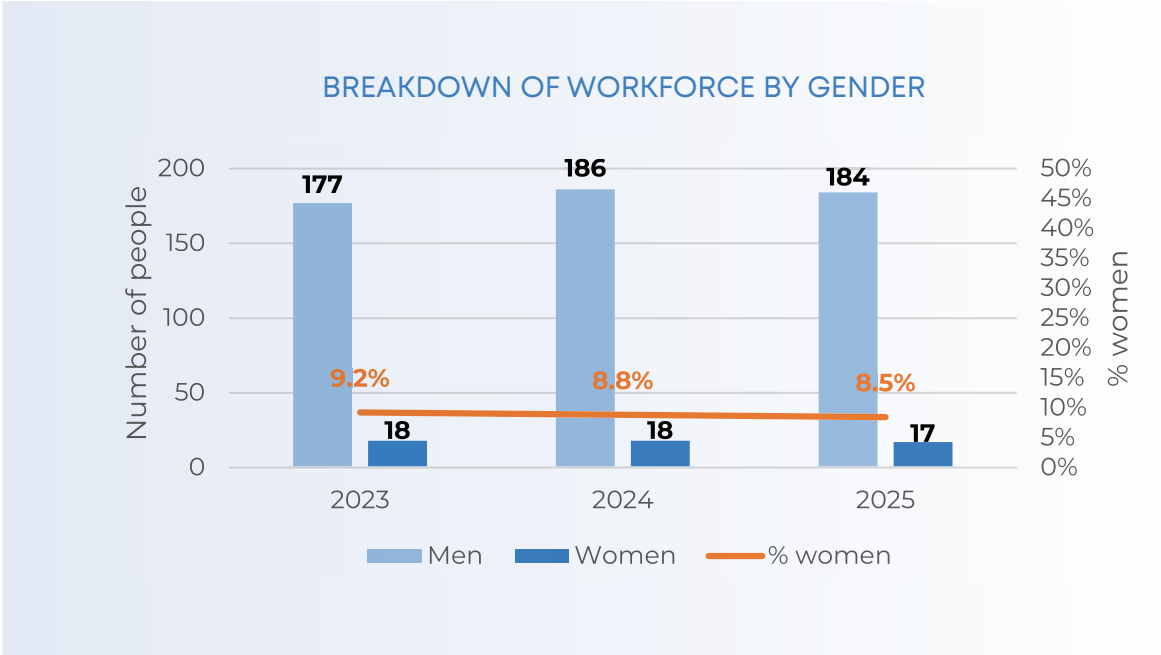
Dolomite Franchi is a company deeply rooted in the local area where it operates and places great value on its staff, recognising them as driving force behind responsible corporate development.

Dolomite Franchi's total workforce consisted of **201** employees at the end of 2025, a slight decrease compared to 2024 (204). Indeed, following a 4.6% increase in the number of employees between 2023 and 2024, the total number of employees decreased by 1.5% in 2025.

DOLOMITE FRANCHI - SUSTAINABILITY REPORT 2025



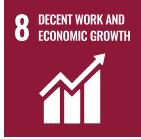
Over the three-year period under consideration, in terms of gender composition, Dolomite Franchi has consistently maintained a basically steady ratio of men to women in its workforce: approximately 91% men and 9% women. As shown in the graph below, the proportion of women declined slightly in 2025. This is not inherently a negative indicator for the company, because it is the result of a natural pattern of staff turnover during the year.



To assess the level of job stability and security, the company annually monitors data relating to the management and trends in its own workforce.

Dolomite Franchi has a low staff turnover rate, with a workforce characterised by **long-term continuity**: many employees, indeed, remain with the company for several years, until retirement. The company has, in fact, recorded a constant number of departures over the three-year period analysed, mainly due to retirements (5 retirements in 2023, 8 in 2024 and 8 in 2025). As for new hires, however, the company experienced a period of growth in 2024, with 24 new hires (13 of whom were under 30), followed by a levelling off in 2025, with 11 new hires, all of whom were under 30.

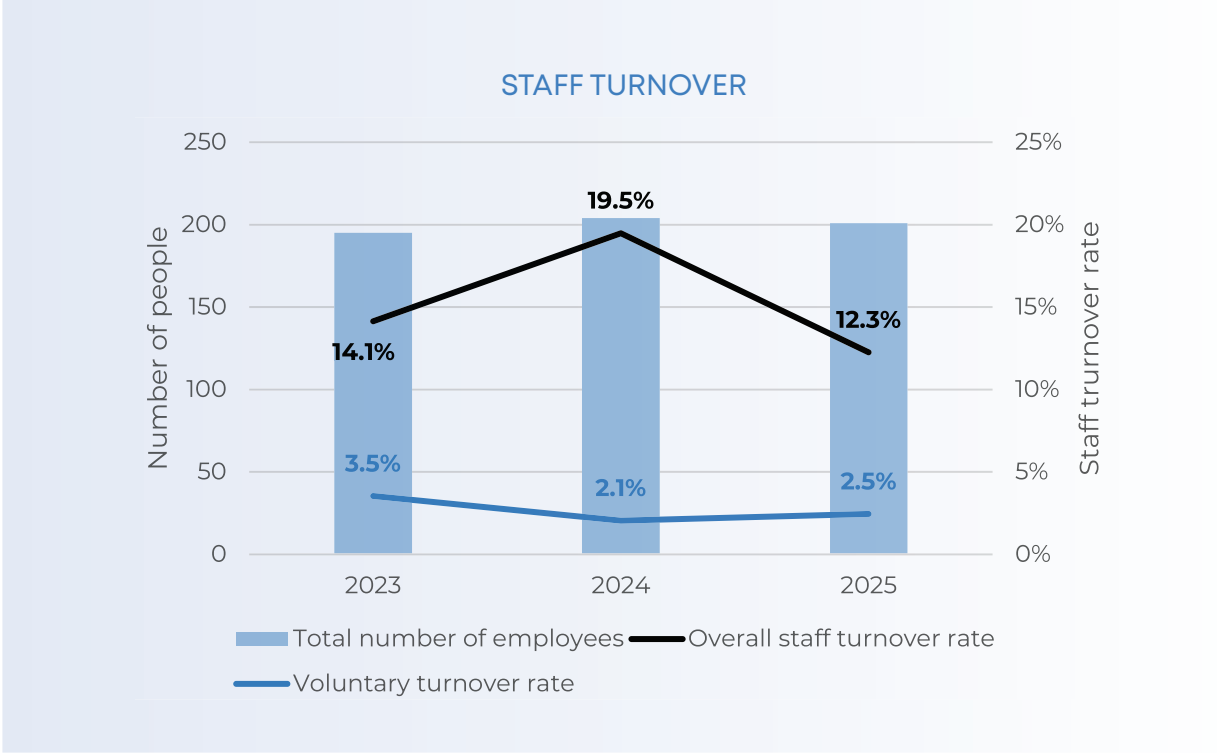




Consequently, **the turnover rate**, calculated as the ratio of new hires to exits during the reference period relative to the total number of employees at the end of the previous year¹⁴, remains low. In 2025, **the rate stands at 12.3%**, down from the previous year, which saw a higher number of new hires. Alongside the total workforce fluctuation rate, the voluntary employee turnover rate is also considered. This is a key indicator for monitoring the company's *retention* capacity.

The latter is calculated as the ratio of the number of voluntary departures (resignations) to the workforce at the end of the previous year, and measures only voluntary departures, excluding retirements and contract expiries. In 2025, the voluntary employee turnover rate stands at 2.5%, in line with the strong retention performance demonstrated by the organisation in recent years¹⁵.

¹⁴Compared to previous sustainability reports, the calculation methodology has been updated to align with best practice
¹⁵§ Actual positive impact: Secure job.

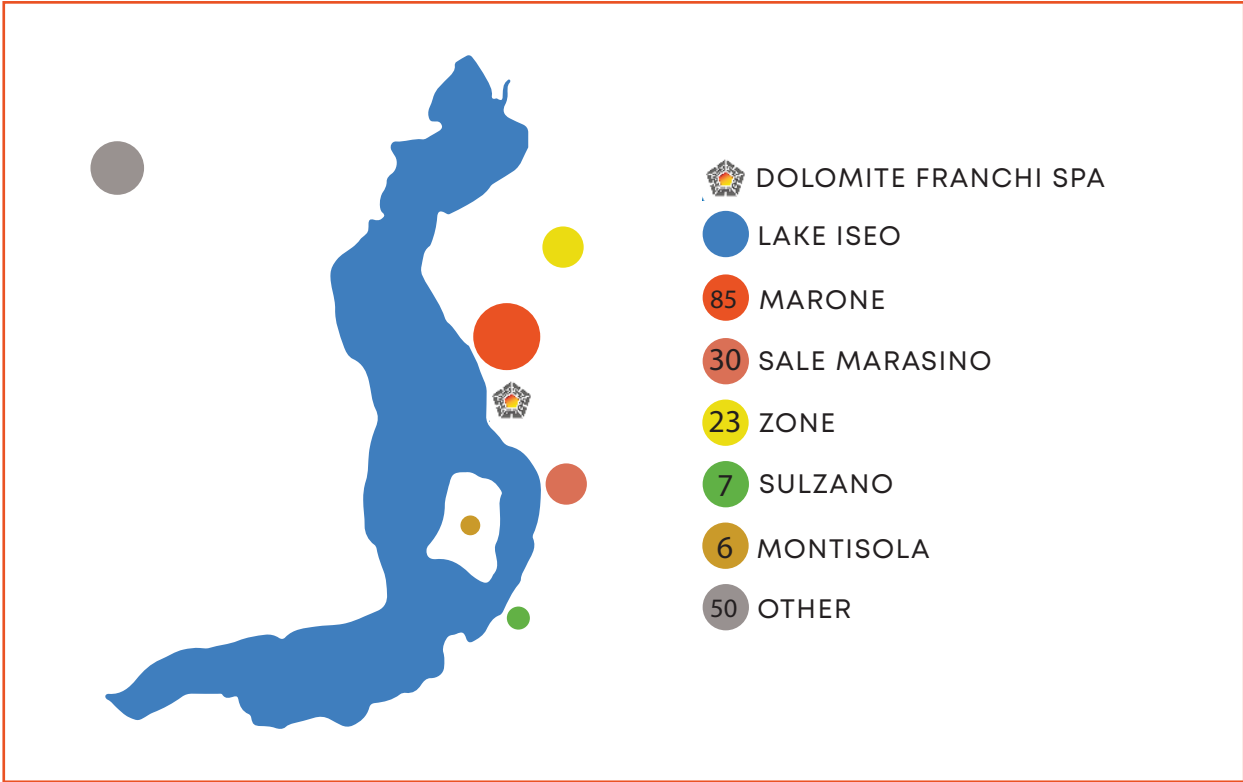


If one considers staff turnover **among those under 30** only, there is a decrease in 2025 compared with 2024. This trend is mainly due to a slight fall in new hires in this age group, from 13 in 2024 to 11 in 2025. Departures, on the other hand, totalled 6, of which 5 were due to voluntary resignation and 1 to the expiry of the contract.

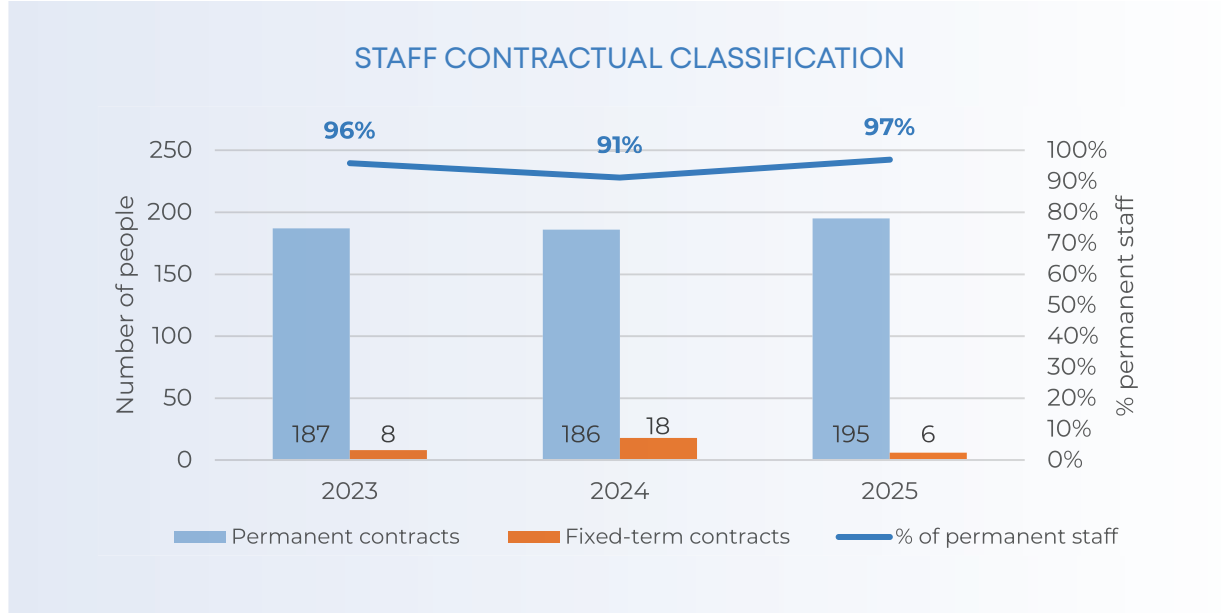
Dolomite Franchi plays a key role in the Alto Sebino area of Brescia, as it has always been committed to providing stable employment opportunities, particularly for the local population. In general terms, 75% of the workforce comes from the areas surrounding the company (the municipalities of Marone, Sulzano, Sale Marasino, Zone and Monte Isola).



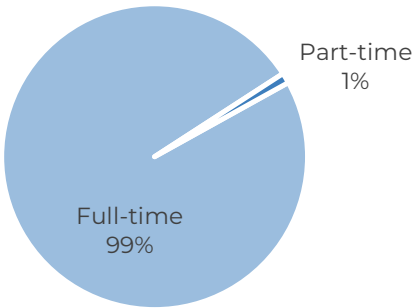
GEOGRAPHICAL ORIGIN OF EMPLOYEES



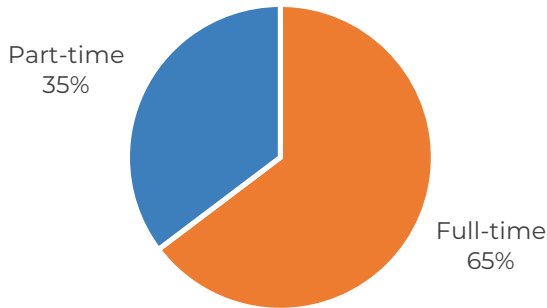
In 2025, **97% of the workforce was employed with permanent contracts**, whilst in terms of working hours, 96% of staff worked full-time and 4% (8 people) part-time. Part-time work is available on specific request in cases of care responsibilities or, for example, to accommodate study commitments, and is currently taken up mainly by women: 35% of female employees and 1% of male employees have a part-time contract.



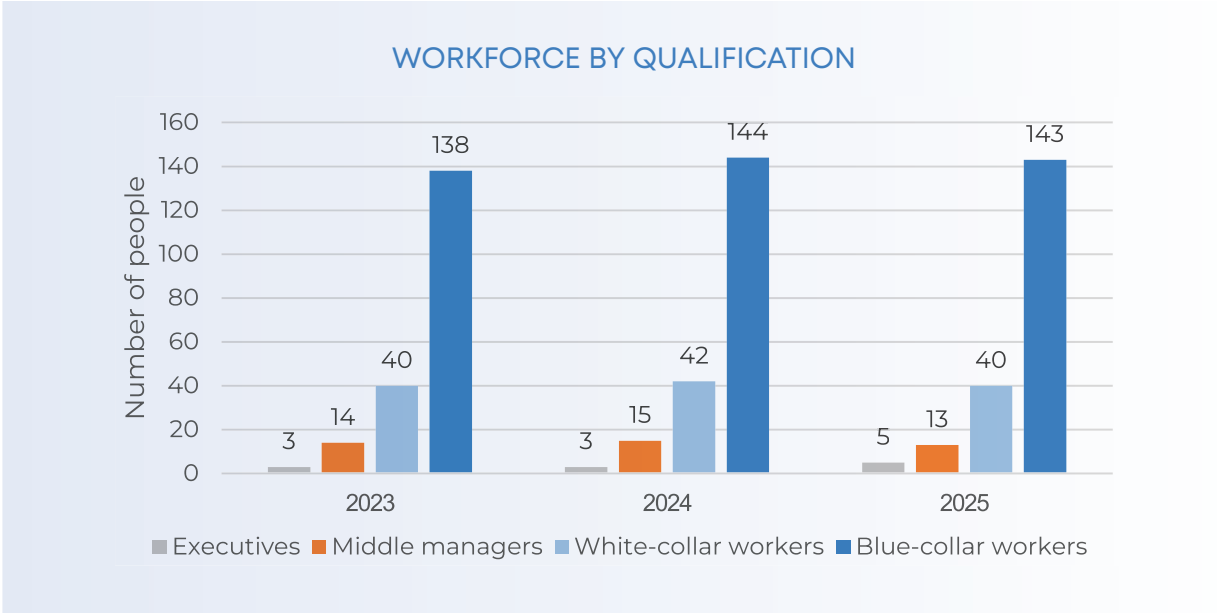
FULL-TIME VS PART-TIME 2025 - MEN



FULL-TIME VS PART-TIME 2025 - WOMEN

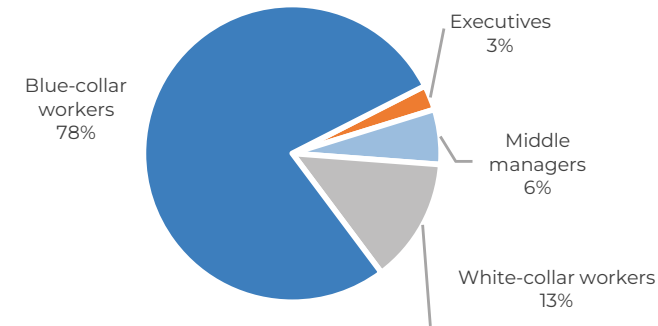


As far as the breakdown of staff by role goes, the figures show stability over the three-year period take into account: as a manufacturing company, the majority of workers (71%) perform operational tasks, 20% of the workforce hold white-collar roles (40 people), whilst the remaining 9% are middle managers and executives (18 people).

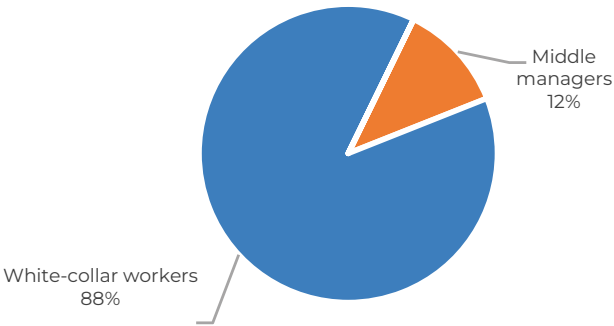


In 2025, 78% of the male workforce were classified as manual workers, 13% as office staff, whilst the remaining 9% were middle managers or executives. With regard to women, however, the majority hold white-collar roles (88%) and the remainder (12%) are middle managers (2 people).

MEN BY QUALIFICATION 2025
TOTAL MEN: 184



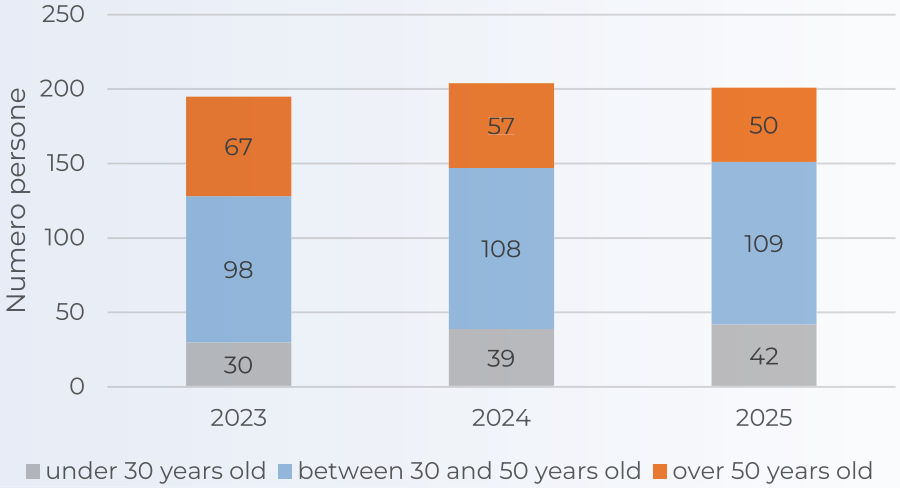
WOMEN BY QUALIFICATION 2025
TOTAL WOMEN: 17



In terms of age distribution, slight natural changes can be observed over the three-year period analysed. In 2025, over half of the workforce (54%) fell within the 30–50 age group. Between 2024 and 2025, there was an increase in the proportion of employees under 30, which reached 21% of the total workforce in 2025. The remaining 25% consists of employees over 50, a slight decrease compared to previous years, partly due to the retirements that have taken place over the last two years.

DOLOMITE FRANCHI - SUSTAINABILITY REPORT 2025

EMPLOYEES BY AGE GROUP



Among the risks associated with workforce management, Dolomite Franchi has identified two key areas: **recruiting challenges** for specific professional roles and the **decline in sales, that also led to the** use of the “Cassa Integrazione Guadagni Ordinaria (CIGO)”¹⁶ scheme. These factors are regarded as external impacts, as they are attributable to external factors such as market trends and the social local, national and international geopolitical context. In response, the company has defined mitigation strategies aimed at limiting the potential repercussions on the workforce and operational continuity.

¹⁶Cassa Integrazione Guadagni Ordinaria (CIGO) is an Italian short-time work scheme that provides temporary income support to employees whose working hours are reduced or suspended due to business slowdowns or operational disruptions, while preserving the employment relationship.



Specifically, regarding **recruiting challenges**, in line with what was reported by most of the companies interviewed in Confindustria’s annual labour survey¹⁷, Dolomite Franchi also reports challenges in finding suitable candidates for specific roles, both in technical and manual positions¹⁸. To address this, the company has chosen to collaborate with agencies specialising in recruitment and has progressively expanded its pool of potential candidates.

At the same time, the **global crisis in the steel market** and the resulting decline in sales of refractory materials for the steel industry represent a further risk factor for the company’s financial performance¹⁹. This risk was particularly evident in the two-year period 2024–2025, during which the company had to make use of the “Cassa Integrazione Guadagni Ordinaria (CIGO)” due to reduced demand (8 weeks in 2025). These are cyclical phenomena linked to external factors beyond the company’s direct control; however, the company is committed to monitoring developments, seeking to adopt measures to mitigate their effects and safeguard its workforce.

STAFF WELL-BEING

Over the years, Dolomite Franchi has launched various initiatives to promote staff well-being. In particular, the company is committed to fostering a collaborative working environment by offering tools and initiatives to support employees, both in financial and interpersonal terms, designed to meet their needs and, where possible, those of their families²⁰.



Among the main initiatives adopted, the establishment of the **Social Fund** stands out. Since the 1970s, the company has offered employees the opportunity to contribute to this fund, supplemented by an additional contribution from the company. In 2025, Dolomite Franchi contributed **€117,000** to the Social Fund, compared to €40,950 invested by employees. The Fund allows for the partial reimbursement of healthcare expenses and costs related to children’s education.

Dolomite Franchi also offers a **comprehensive work-related injury insurance policy** covering all staff,

fully paid for by the company, which supplements the compulsory INAIL cover and includes the risk of death and permanent disability. Finally, the company places particular emphasis on staff satisfaction, also through the annual payment of **production bonuses**, agreed in consultation with the internal trade union representatives.

The **company canteen** completes this picture of corporate welfare for employees, as it guarantees access to nutritionally balanced and affordable meals and promotes healthy eating and well-being throughout the working day.

¹⁷Confindustria, research centre. Confindustria survey on work in 2025. July 2025: <https://www.confindustria.it/pubblicazioni/indagine-confindustria-sul-lavoro-del-2025/>

¹⁸§ Risk: Recruiting challenges.

¹⁹§ Risk: Decline in sales (steel sector).

²⁰§ Actual positive impact: initiatives to promote employees’ well-being.

Special occasions

Saint Barbara celebrations



Saint Barbara, the patron saint of Dolomite Franchi, is celebrated on the 4th of December. The date represents an important occasion for everyone to meet in an informal setting and spend some time together. The day usually begins with a Mass at the factory, attended by local authorities and former employees, and continues with the presentation of awards to those who have worked in the company for 25, 35 or 40 years. The morning finishes with a communal lunch hosted by the company.

Saint Lucy



Saint Lucy's Day is a cherished celebration for the people of Brescia, especially for children. On 13th December, to celebrate, Dolomite Franchi also thinks of its employees' families through the traditional "Saint Lucy's Shoes" initiative, gifting a pair of shoes to each school-age child.

HEALTH AND SAFETY AT WORK

For Dolomite Franchi, safeguarding health and safety at work is an ongoing commitment, demonstrated by the company's maintenance of **ISO 45001** certification **since 2011** (Occupational Health and Safety Management System, certified until 2020 in accordance with BS OHSAS 18001) and through the use of various tools to prevent the work-related injuries risk, both for the direct workforce and for other people involved in work activities²¹.

Compliance with current health and safety at work regulations forms the basis of the operations; this is complemented by the implementation of various plant-specific safety systems, operational management procedures and anomaly logging systems, which enable us to raise internal safety standards and create a shared knowledge base in this area.

Dolomite Franchi also provides employees with thorough health check-ups that go beyond the specific risks associated with each role, alongside ongoing training and information activities to ensure staff remain continuously updated.

The management system certified to the **UNI EN ISO 45001** standard is, in this context, the fundamental tool for monitoring and planning improvements across all areas of the

business. Furthermore, through the analysis of **near misses**, the company assesses potentially hazardous situations and aims to anticipate any risks, thereby creating an approach based on prevention, the application of procedures and continuous improvement²².

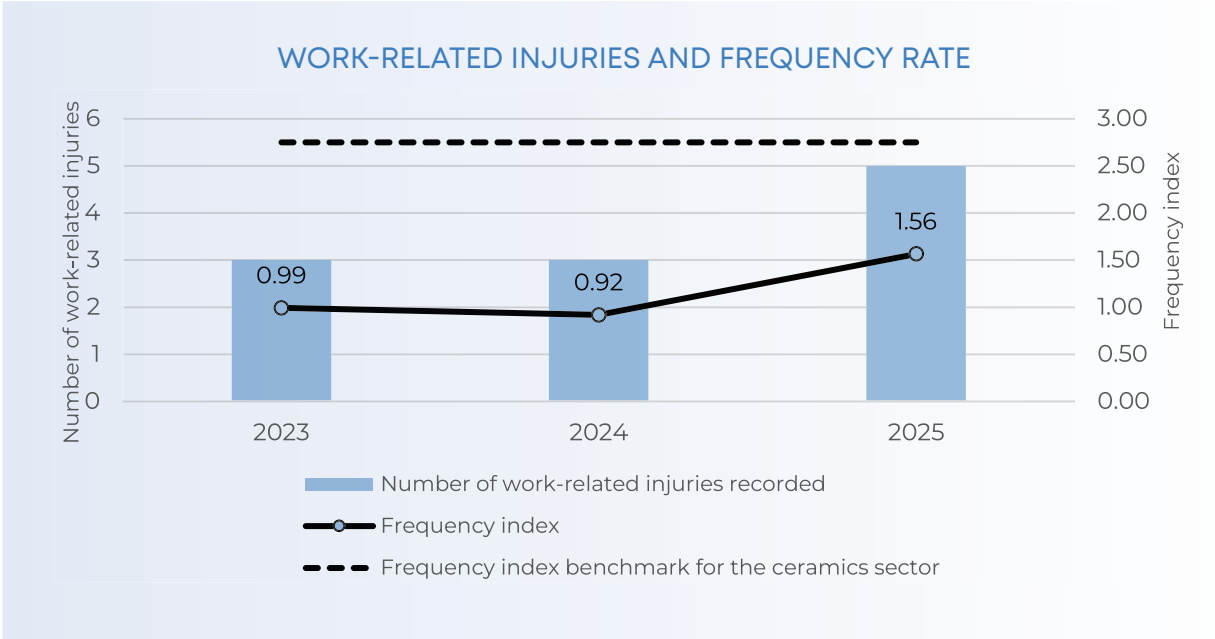
In 2025, there were 5 work-related injuries at the Dolomite Franchi plant, with minor consequences, resulting in a total of 83 days of absence.

Dolomite Franchi also monitors the frequency and severity of work-related injuries on an annual basis. These, combined with an analysis of the circumstances of the injury, provide a detailed picture, which helps the company to identify any necessary corrective actions.

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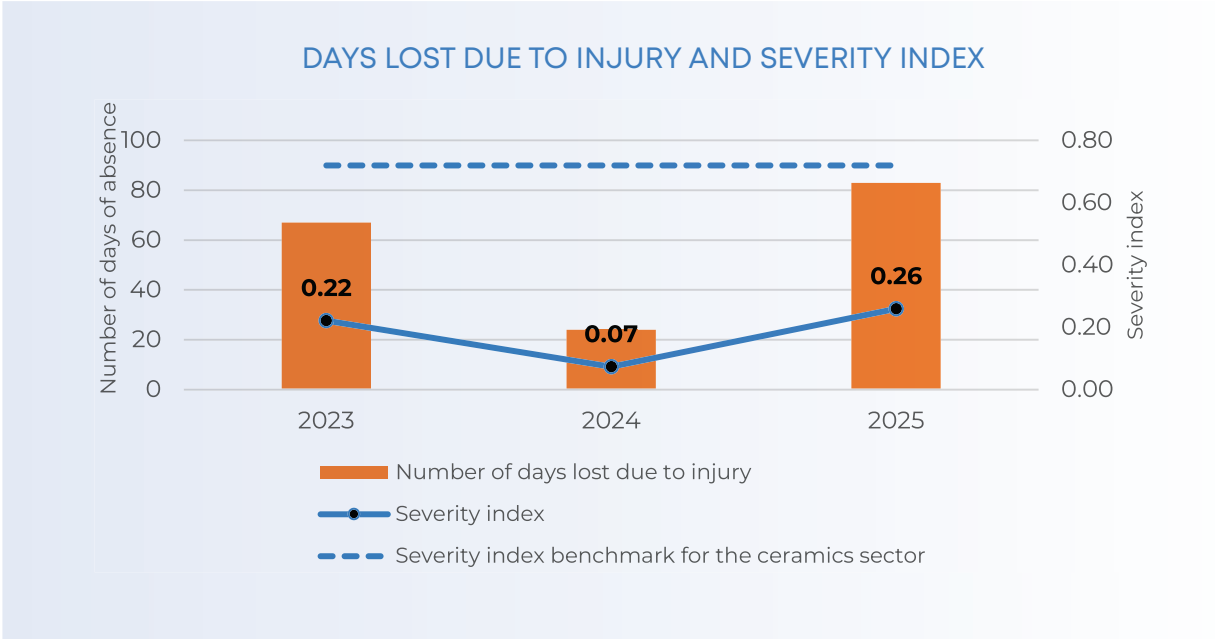
²¹§ Potential negative impact: work-related injuries risk.
²²§ Actual negative impact: work-related injuries.

The accident frequency rate²³, in 2025, increased compared to the levels of the previous two-year period, as the indicator is directly proportional to the number of work-related injuries recorded (which rose by two units). Dolomite Franchi, nevertheless, has a lower frequency rate than the benchmark reported by Confindustria Ceramica in its 2023 workplace analysis, taken as a reference as a manufacturing industry with similar processes²⁴.



As the number of days lost to work-related injuries also increased in 2025 compared to the previous two-year period, the severity index²⁵ also rose, though it remained well below the benchmark mentioned above.

Dolomite Franchi is committed to ensuring the safety of the people working within the company or in collaboration with it. In addition to protecting its own employees, Dolomite Franchi constantly monitors health and safety risks for external contractors involved in internal activities such as handling, carpentry and cleaning.



Dolomite Franchi's objective is to facilitate the smooth running of processes, in order to ensure safe workplaces for everyone working, in any capacity, within its value chain²⁶.

²³Frequency rate: number of work-related injuries per 1,000,000 / number of hours worked.

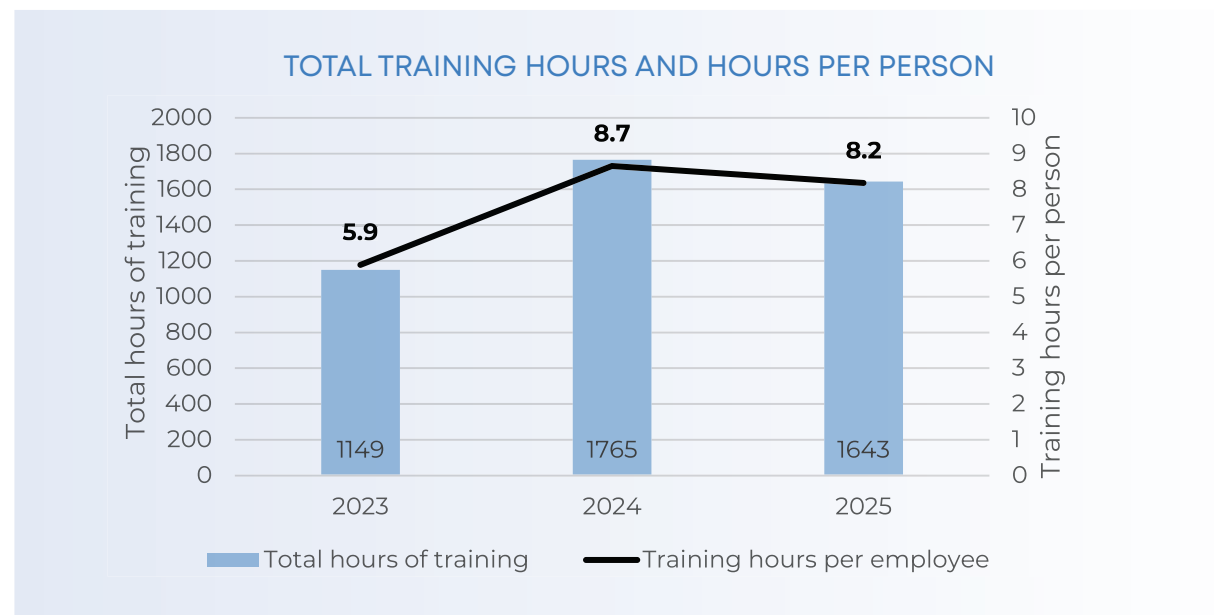
²⁴Confindustria Ceramica: annual labour survey (2023).

²⁵Severity rate: total number of days lost due to work-related injuries * 1,000 / hours worked.

²⁶§ Potential negative impact: work-related injuries in the value chain.

TRAINING

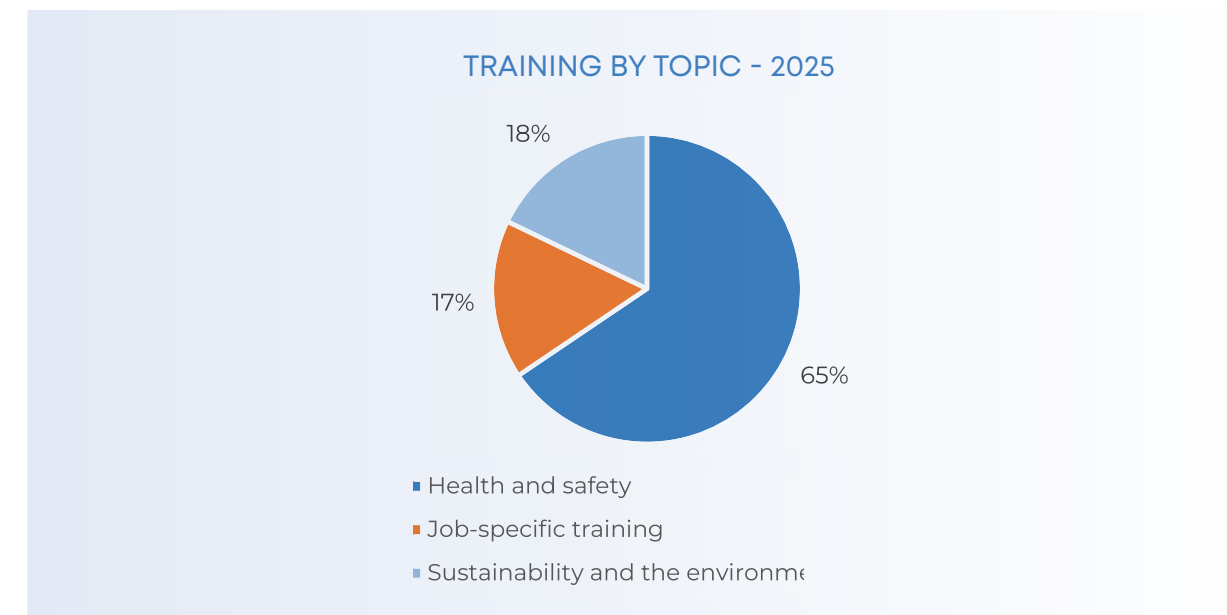
For Dolomite Franchi, providing staff with appropriate and ongoing training is a key priority, enabling the company to maintain high standards of work whilst enhancing its in-house professional skills. The company invests in training programmes that go beyond legal requirements, recognising their strategic role in strengthening competitiveness, preventing risk situations and raising awareness among the workforce regarding health and safety, environmental protection and the sustainable use of resources.



In 2025, a total of 1,643 training hours were recorded at Dolomite Franchi, a slight decrease (-7%) compared to 2024, averaging around 8 hours of training per employee per year.

Most training activities focused on **health and safety issues**, as these are central to all production activities. In 2025, 65% of total training hours were devoted to this area (approximately 1,300 hours); the majority of these hours were allocated to the induction training of new hires, with courses mainly delivered by Dolomite Franchi's in-house staff. Over 330 hours (17% of the total) were instead dedicated to **specific training** for homogeneous groups of staff, with sessions focusing on forklift truck certification, first aid and the use of a defibrillator, radiation protection and, finally, internal data management and analysis software.

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With regard to issues related to sustainability[AV14.1][CB14.2] and the environment, in 2025, the company offered training courses aimed at the Energy Team, in order to ensure continuous updating and training that is attentive to regulatory changes and market opportunities²⁷. Specifically, 18% of the total training hours were dedicated to these topics (357 hours).

²⁷§ Actual positive impact: Additional training.

In 2025, middle managers and white-collar workers were involved in specific training programmes, with a significant number of hours per person. In particular, middle managers totalled 190 hours overall (equivalent to an average of 14.6 hours per person), whilst office staff totalled 475 hours (12 hours per person). Blue-collar workers, on the other hand, participated in a total of 954 hours of training, corresponding to 6.7 hours per person, whilst for executives the average was around 5 hours per person²⁸.



Dolomite Franchi places great value on know-how, which is considered a valuable resource, particularly in the context of onboarding training.

The company is, in fact, working to strengthen and formalise the training processes for new hires, to ensure the sharing of best practices and the knowledge most useful to the smooth running of business processes. Dolomite Franchi is also committed to offering additional training activities

that go beyond legal requirements, covering topics relating to both hard skills and **soft skills**²⁹; this is a crucial internal strategy for tackling the challenges of the current market scenario, where the search for staff with specific skills is becoming increasingly complex.

²⁸The chart shows 0 hours of training provided to executives (top managers) in 2023 and 2024, as the training hours provided to executives during that two-year period were counted together with the training hours provided to middle managers. From this sustainability report onwards, it has been decided to maintain a distinction between middle managers and executives (top managers), to allow for more granular disclosure.

²⁹§ Potential positive impact: increased training in hard and soft skills.



Community

Dolomite Franchi continuously nurtures its relationship with the local area in which it operates, with the aim of creating shared value that benefits the entire community. In addition to being a key player in local employment, over the three-year period analysed, the company allocated 0.3% of its turnover to projects and initiatives supporting the municipality and the community³⁰.

Management considers dialogue and engagement with the local area to be fundamental, and it collaborates with local institutions and associations, integrating social commitment into its corporate culture.

Indeed, in 2025 too, the company allocated significant resources to donations and sponsorships, alongside the traditional Christmas gifts for employees and external collaborators.

Dolomite Franchi also pays particular attention to young people from neighbouring areas and their educational pathways.

One of the most significant initiatives in this regard is **the provision of scholarships**: for over ten years, Dolomite Franchi has been promoting, under the patronage of the Municipality of Marone, a call for applications for two scholarships intended for university students under the age of 28, living in the municipality and enrolled in university degree courses in Engineering, Chemistry, Physics, Geology and Economics and Business.

The aim is to provide tangible support for the education of local young people, fostering the development of skilled expertise that can contribute to the growth and competitiveness of the community.

This commitment to training also extends to direct engagement with the education sector and support for young people's first steps into the workplace. In 2025, Dolomite Franchi renewed its partnership with the Brescia branch of the Federation “Maestri del Lavoro”, organising **educational visits** to the quarry and the factory for primary and secondary schools in the Marone area. At the same time, the company has confirmed its willingness to take on **young trainees**, hosting four students for training programmes, mainly in administrative roles.

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05

Governance



Business conduct

Dolomite Franchi bases its business approach on concrete objectives, set out in the Company Policy: meeting the needs and expectations of customers, protecting the environment and the health of employees and their training, and, finally, the development of the[CB15.1] management system, products and processes. Corporate governance is therefore geared towards maintaining the **solidity built up over the years** and towards **continuous improvement**, achievable through adherence to the values of integrity, respect and collaboration in which the company believes and with which it identifies.

The Company Policy and the Code of Ethics provide the fundamental moral guidance, while the **certified management systems** relating to **quality** (ISO 9001), **the environment** (ISO 14001), **occupational health and safety** (ISO 45001) and **energy** (ISO 50001) form the pillars upon which the day-to-day operations are based.

The Organisation, Management and Control Model, designed to prevent the offences set out in Legislative Decree 231/2001, completes this framework, ensuring an additional level of transparency and integrated control within the activities.



Dolomite Franchi's internal drive in the field of sustainability disclosure now integrates perfectly with the process also initiated by the **INTOCAST** Group. The experience gained by Dolomite Franchi represents a valuable asset within the group, helping to strengthen an integrated approach to sustainability. This shared approach fosters a growing awareness of common objectives and guides the continuous improvement of ESG performance, with global coordination and concrete implementation at local level³¹.

³¹§ Opportunity: Multinational partnerships.

CORPORATE ORGANISATION AND GOVERNANCE GUIDELINES

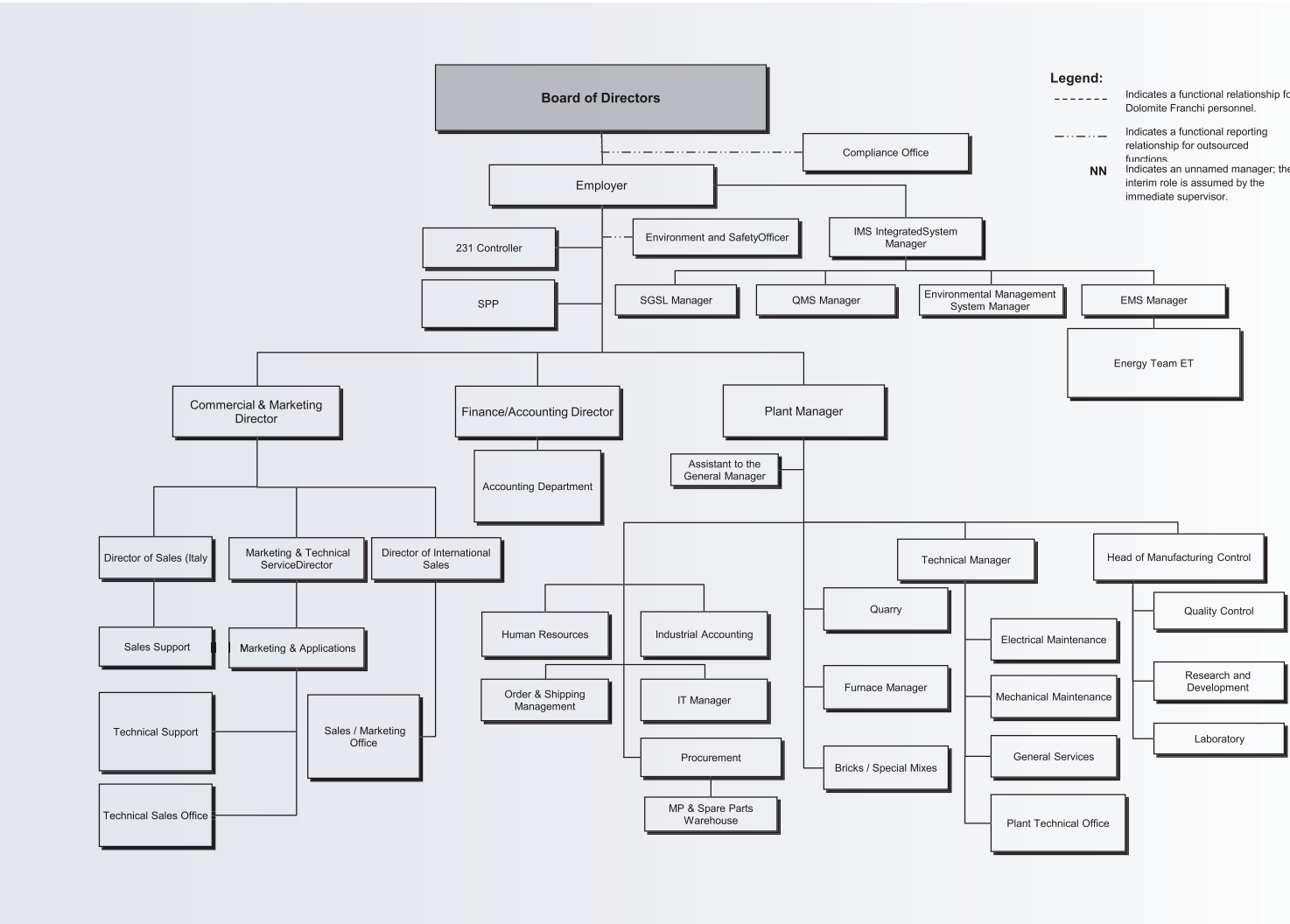
Dolomite Franchi is managed and coordinated by the INTOCAST AG group.

The Company’s main governing bodies include the Shareholders’ Meeting, the Board of Directors (BoD) and the Board of Statutory Auditors.

The General Meeting approves the financial statements and appoints the BoD, the Board of Statutory Auditors and the Independent Auditors. The BoD, which manages ordinary and extraordinary activities aimed at achieving the company’s objectives, currently consists of four members: three men and one woman. Since 2025, responsibilities relating to the environment and health and safety have been entrusted to a representative external to the BoD. The Board of Statutory Auditors monitors compliance with the law, adherence to the principles of sound administration and the adequacy of the organisational and accounting structure. The statutory audit of the accounts is entrusted to an Audit Firm.

Since the 4th of October 2010, with the adoption of the Organisation, Management and Control Model required by Legislative Decree 231/2001 (MOG231), the Board of Directors has also been responsible for appointing the Supervisory Body, which oversees the correct application of MOG 231 and its effectiveness.

DOLOMITE FRANCHI ORGANIZATIONAL CHART





Organisational, Management and Control Model

The Organisation, Management and Control Model, aligned with the provisions of Legislative Decree 231/2001 (MOG 231), was established by Dolomite Franchi in 2010. MOG 231 formalises the general, specific and operational rules aimed at preventing offences, for example, those of a fiscal, administrative, environmental and commercial nature³², with the ultimate aim of effectively and systematically managing the risks associated with corporate governance. The adoption of the Model is a voluntary step for companies, which Dolomite Franchi has chosen to take precisely with a view to promoting the principles **of sound management, integrity, legality and transparency**.

The Supervisory Body (SB), appointed by the Board of Directors but independent, is responsible for monitoring compliance with and the proper application of the MOG 231. This Body has a three-year term and, in the case of Dolomite Franchi, is composed of two professionals, external to the company (a Chair and a member), who are independent and have specific expertise. The SB is obliged to report to the Board of Directors and the Board of Statutory Auditors regarding violations, infringements and non-compliant conduct, and suggests any

revisions, amendments or additions to the control procedures necessary to prevent deviations.

In addition to monitoring the Model, the Body offers recommendations and oversees the proper functioning of the **Whistleblowing** system, i.e. it receives and manages any anonymous reports received via the portal, which is accessible to all company staff and also to external stakeholders, as required by law.

The Code of Ethics

Dolomite Franchi's **Code of Ethics**, which has been in place for over **15 years**, defines the values and principles that the company is committed to upholding and serves as a guide to the conduct and behaviour that all those working with the Company, both within and outside the organisation, must adhere to. The document was originally introduced at the same time as the adoption of MOG 231 and is periodically reviewed and approved by the Board of Directors.

Specifically, the Code of Ethics focuses on compliance with current legislation, fair competition and the ethical management of relations between the company and its stakeholders, as well as on the management of human resources (starting with recruitment), information and all business activities. The key points of the document are:

Download the Code of Ethics



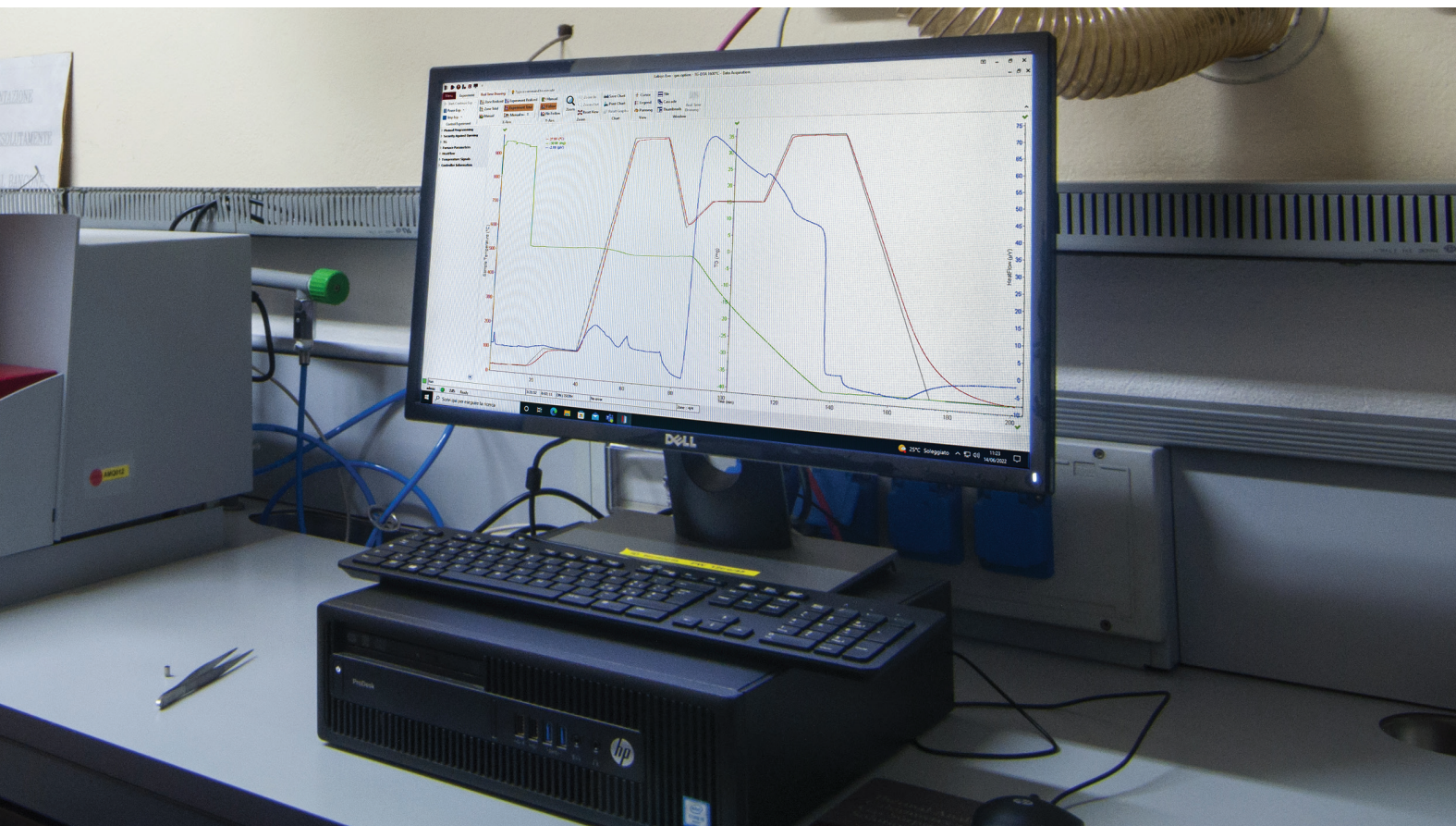
DOLOMITE FRANCHI - SUSTAINABILITY REPORT 2025



Management systems

As part of its sustainability journey, Dolomite Franchi recognises the implementation of Management Systems as a further strategic element to ensure solidity, transparency and long-term value creation.

Management Systems, in fact, ensure a structured approach based on the principle of “risk-based thinking”, which, starting from an analysis of the context (taking into account internal and external factors) and the definition of measurable objectives, together with the adoption of any corrective and mitigation measures, enables constant monitoring and the progressive improvement of products and processes. To achieve this, Dolomite Franchi is committed to involving its suppliers and stakeholders, with a view to shared responsibility.



The company therefore invests in maintaining various management system certifications relating to key business areas,

namely the **Quality** Management System (ISO 9001), the **Environmental** Management System (ISO 14001), the **Occupational Health and Safety** Management System (ISO 45001) and the **Energy** Management System (ISO 50001).

Dolomite Franchi also holds the **EN 459-1:2010 product certification**, which attests to the compliance of the dolomitic lime produced at its

plant with regulations concerning the product’s chemical and physical properties.

The systematic approach to these fundamental issues is implemented at all levels of the company and translates into quantifiable objectives, which are verified and reported on a regular basis, confirming a governance structure focused **on the continuous improvement of its ESG performance**.



PRIVACY AND DATA PROTECTION

Nowadays, risks related to information security are of great importance to companies. The risk of data breaches, specifically, is a real risk and is taken more and more into account in corporate analyses³³, given the increasing number of phishing attempts targeting businesses. Among its mitigation strategies, Dolomite Franchi has, over the years, enhanced employee **training** in **cybersecurity** and introduced a rigorous policy for controlling access to sensitive data, thereby strengthening the protection of the security and confidentiality of information relating to stakeholders, both internal and external. It should also be noted that Dolomite Franchi is subject to the Cybersecurity Directive (NIS2) and, as such, complies with its provisions.

Regarding privacy, Dolomite Franchi, in compliance with legal obligations, has specific **policies and procedures in place to ensure the privacy and protection of stakeholders' data**.

In 2025, as in the previous two-year period, **there were no incidents** of data loss or issues related to cybersecurity and privacy.

SUPPLY CHAIN MANAGEMENT

Dolomite Franchi's raw material comes directly from the quarry located in the municipality of Zone, close to the production plant. Despite the direct availability of the raw material, the management of the entire supply chain is a priority for Dolomite Franchi, particularly for certain critical materials. The various geopolitical shifts do indeed pose **supply-related challenges**, which are carefully assessed by the company and managed in part through the efforts of the INTOCAST Group, particularly in the case of materials that are considered difficult to replace³⁴.

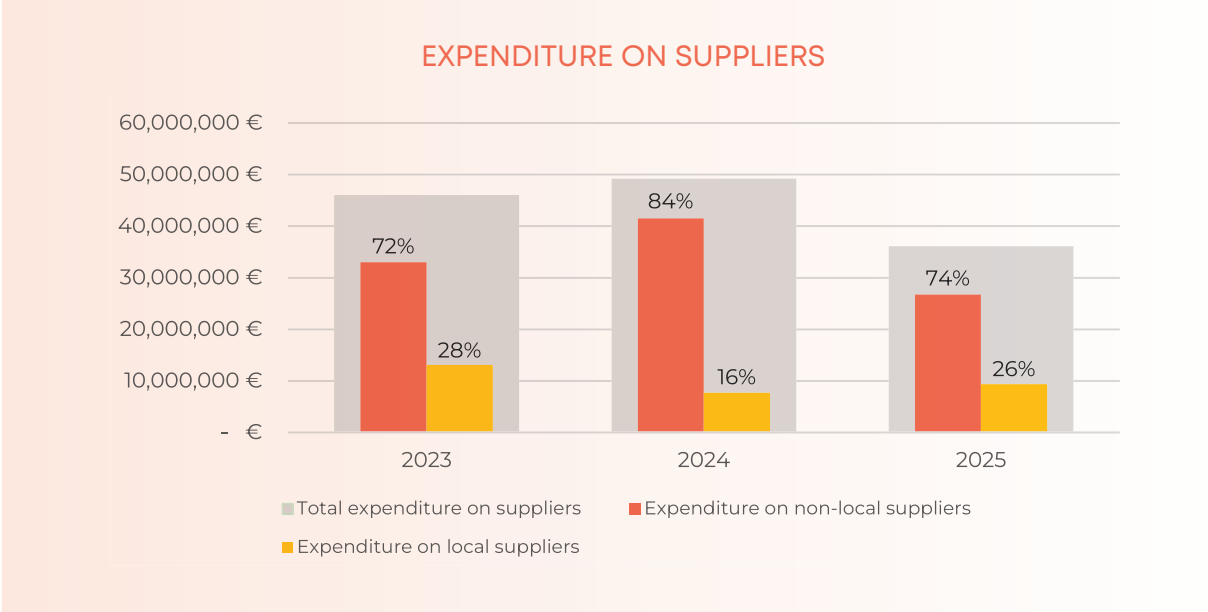
Dolomite Franchi, specifically, attaches particular importance to the selection and **evaluation of its suppliers**, adopting a structured screening procedure that involves assigning a score from 1 to 100 to potential partners.

The choice of supplier is based primarily on technical and professional criteria, such as the quality and availability of materials. In addition,

suppliers are also required to sign the company's Code of Ethics. The latter, which, as mentioned, governs issues such as environmental protection, health and safety at work, and compliance with anti-corruption and antitrust regulations, represents a pillar of internal governance and helps to promote responsible behaviour throughout the entire supply chain.



In numerical terms, Dolomite Franchi maintains relationships with over **600 suppliers of goods and/or services** annually. In terms of expenditure, in 2025, 26% of procurement involved local suppliers, defined as those with headquarters or warehouses in the provinces of Brescia or Bergamo. The majority of expenditure, however, was directed towards non-local suppliers (74% of expenditure in 2025). The geographical proximity of suppliers is considered a strategic factor for Dolomite Franchi, as it allows for a reduction in transport distances, with the associated emissions, and supports the local economy. Dolomite Franchi prefers local suppliers when technical, economic and product conditions are equivalent, as also confirmed by the company's founding principles, which promote the creation of secure employment and the development of the local economy. Clearly, this proportion varies from year to year, as procurement depends on material stock levels and operational requirements.



CREATION OF ECONOMIC AND FINANCIAL VALUE

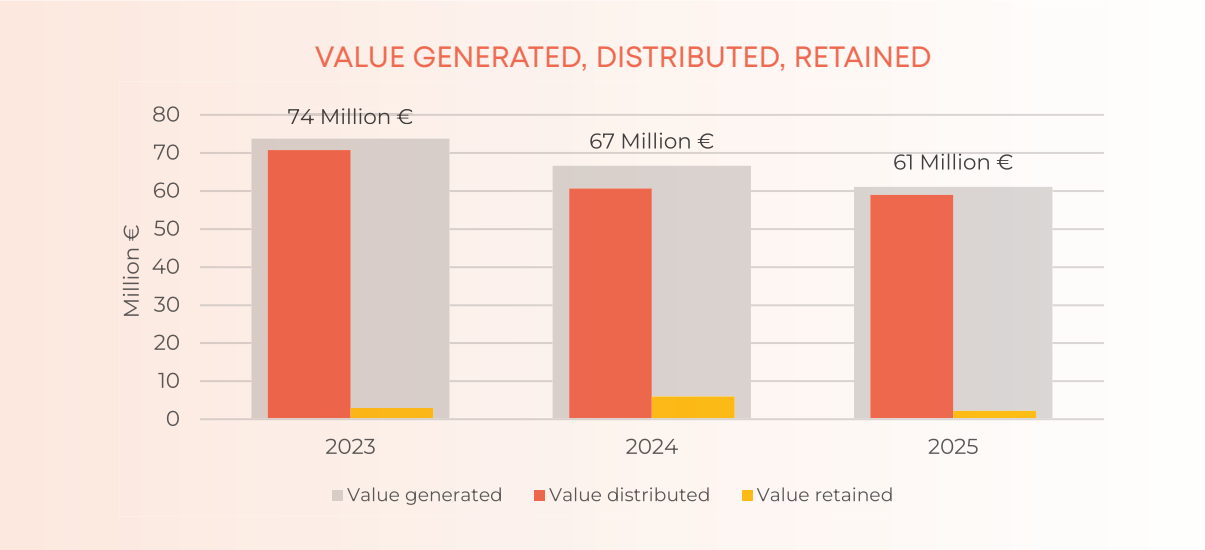
In its Sustainability Report, Dolomite Franchi reports data related to the creation of economic and financial value using the parameters established by the Global Reporting Initiative's non-financial disclosure standards (GRI Standards). These standards define three main categories for disclosure of the company's economic situation:

Economic value generated, i.e. revenue from net sales, gains from financial investments and proceeds from the sale of assets.

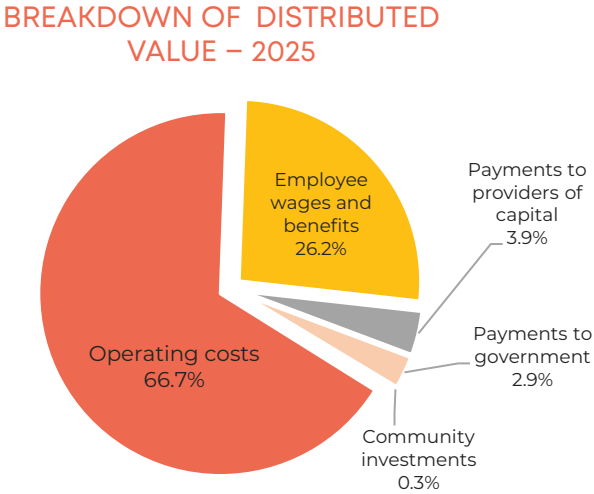
Economic value distributed, i.e. operating costs, employee wages and benefits, payments to capital providers, taxes paid to the government and investments in the community.

Economic value retained, i.e. the difference between the two items above.

In 2025, Dolomite Franchi generated €61 million in economic value. Of this, over €58 million was redistributed and approximately €2 million retained.



A far as the distributed value goes, approximately 67% was allocated to the company's operating costs, 26% to employees' wages and benefits, approximately 4% to capital providers, approximately 3% to payments to the government and 0.3% to the community, as shown in the chart beside.



RESEARCH, DEVELOPMENT AND CUSTOMER SUPPORT

The Research & Development and Technical Support divisions play a central role in promoting innovation and ensuring customer support, contributing to Dolomite Franchi's responsible growth. Since its foundation, the company has continuously invested in improving products and processes, with the aim of responding ever more precisely to market needs. In this context, a **team of highly qualified professionals** dedicated to innovation has been established over time, in line with the specific nature of the production process and the dolomite-based product.

Quality and Process Control Laboratory

Dolomite Franchi's in-house laboratory is highly specialised and drives continuous improvement in process performance and product quality. The laboratory's activities cover **the entire production** cycle, from the selection of raw materials to the finished product, integrating quality control and research and development functions. Technicians follow rigorous control plans, based on targeted sampling, field experience and accurate analysis, prioritising methods with low environmental impact and reduced solvent use.

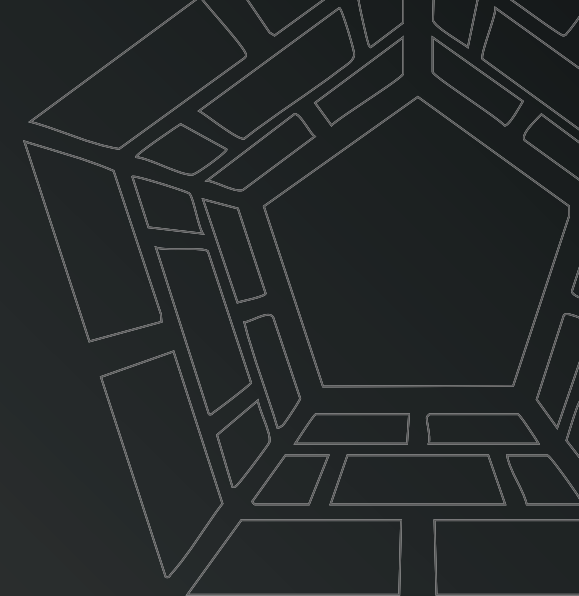
Key technologies employed include **X-ray** spectroscopy, used to assess the refractoriness of intermediate and finished products; **thermogravimetry** for analysing the characteristics of raw materials; and **laser particle size analysis** for precise dimensional characterisation of granular materials. The integration of the laboratory with all production phases enables timely interventions and continuous performance improvement, ensuring high quality standards and the ability to meet even the most demanding requirements.

Investments and technological innovation

In 2025, the company made significant investments aimed at structural modernisation and technical and technological progress.

Among the technological measures undertaken, we note the replacement of the burners in the tempering kilns, as well as the filter bags in the dust collectors. The main investment in research and development, on the other hand, concerned the full-scale launch of low-emission bonded brick production (see Environment chapter), an innovation that has generated benefits both in terms of occupational health and safety and the reduction of environmental impacts, at the production site and throughout the supply chain at customers' premises.





06

GRI Content Index

The following section outlines the correlation between the information contained in this document and the international sustainability disclosure standards, the GRI (Global Reporting Initiative). Where relevant, the sector-specific GRI Standards pertaining to Dolomite Franchi's activities have also been taken into account (GRI 14: Mining Sector 2024).

Statement of use	Dolomite Franchi has presented a Disclosure “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	Location
2-1 Organizational details	Methodological note
2-2 Entities included in the organization's sustainability reporting	Methodological note
2-3 Reporting period, frequency and contact point	Methodological note
2-4 Restatements of information	<i>Any changes are indicated in the text.</i>
2-5 External assurance	<i>This document was prepared by a consultancy firm but has not been verified by a third party.</i>
2-6 Activities, value chain and other business relationships	DOLOMITE FRANCHI; Supply chain management
2-7 Employees	Own workforce
2-9 Governance structure and composition	Corporate organisation and governance guidelines
2-10 Nomination and selection of the highest governance body	Corporate organisation and governance guidelines
2-11 Chair of the highest governance body	Letter to Stakeholders
2-16 Communication of critical concerns	Business conduct
2-25 Processes to remediate negative impacts	The management of adverse impacts is detailed in each relevant chapter
2-26 Mechanisms for seeking advice and raising concerns	Integrity and transparency in business management

2-29 Approach to stakeholder engagement	Appendix I - Methodology for assessing Impacts, Risks and Opportunities and identifying material issues
2-30 Collective bargaining agreements	All employees are covered by the National Collective Agreement
GRI 3: Material Topics 2021	
Disclosure	Location
3-1 Process to determine material topics	Appendix I - Methodology for assessing Impacts, Risks and Opportunities and identifying material issues
3-2 List of material topics	Appendix I - Methodology for assessing Impacts, Risks and Opportunities and identifying material issues
3-3 Management of material topics	<i>The methods for managing material issues and the related IROs are described in the relevant chapters, in the section dedicated to that specific topic. The IROs are referenced in the footnotes, where the symbol § is used.</i>
Disclosure	Location
GRI 201: Economic Performance 2016	
201-1 Direct economic value generated and distributed	Creation of economic and financial value
GRI 203: Indirect Economic Impacts 2016	
203-1 Infrastructure investments and services supported	Climate change; Resource use and the circular economy; Investment and technological innovation
GRI 205: Anti-corruption 2016	
205-1 Operations assessed for risks related to corruption	Business conduct
205-3 Confirmed incidents of corruption and actions taken	Appendix II

Disclosure	Location
GRI 301: Materials 2016	
301-1 Materials used by weight or volume	Resource use and circular economy
301-2 Recycled input materials used	Resource use and circular economy
301-3 Reclaimed products and their packaging materials	Resource use and circular economy
GRI 302: Energy 2016	
302-1 Energy consumption within the organization	Energy and energy efficiency
302-3 Energy intensity	Energy and energy efficiency
302-4 Reduction of energy consumption	Energy and energy efficiency
GRI 303: Water and Effluents 2018	
303-1 Interactions with water as a shared resource	Pollution
303-2 Management of water discharge-related impacts	Pollution
Disclosure	Location
GRI 305: Emissions 2016	
305-1 Direct (Scope 1) GHG emissions	Greenhouse gas (GHG) emissions
305-2 Energy indirect (Scope 2) GHG emissions	Greenhouse gas (GHG) emissions
305-4 GHG emissions intensity	Greenhouse gas (GHG) emissions
GRI 306: Waste 2020	
306-3 Waste generated	Waste
306-4 Waste diverted from disposal	Waste
306-5 Waste directed to disposal	Waste
GRI 401: Employment 2016	
401-1 New employee hires and employee turnover	Staff management and secure employment
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Staff well-being

GRI 403: Occupational Health and Safety 2018	
403-1 Occupational health and safety management system	Health and Safety at work
403-2 Hazard identification, risk assessment, and incident investigation	Health and Safety at work
403-3 Occupational health services	Health and Safety at work; Staff well-being
403-5 Worker training on occupational health and safety	Training
403-6 Promotion of worker health	Health and Safety at work; Staff well-being
403-8 Workers covered by an occupational health and safety management system	Health and Safety at work
403-9 Work-related injuries	Health and Safety at work
Disclosure	Reference in the document
GRI 404: Training and Education 2016	
404-1 Average hours of training per year per employee	Training
GRI 405: Diversity and Equal Opportunity 2016	
405-1 Diversity of governance bodies and employees	Corporate organisation and governance guidelines
GRI 406: Non-discrimination 2016	
406-1 Incidents of discrimination and corrective actions taken	Appendix II
GRI 413: Local Communities 2016	
413-2 Operations with significant actual and potential negative impacts on local communities	Community
GRI 418: Customer Privacy 2016	
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Appendix II



Dolomite
Franchi