ADVANCE HOLDING

Sustainability Report

2025

TOGETHER TO BE BETTER

PREAMBLE

OUR FOURTH SUSTAINABILITY REPORT

The 2025 Sustainability Report, approved by the ADH Group's highest governing body, represents the primary tool by which the Group communicates and reports on its environmental, social and business performance.

The Report has been prepared in accordance with the 2021 GRI Standards at the "with reference" application level and represents a further step towards progressive alignment with ESRS requirements, with particular reference to the principles of:

- **transparency;**
- **materiality;**
- **comparability;**
- **fair representation of information**
- **verifiability;**

HIGHLIGHTS

ESG SUSTAINABILITY

ADH GROUP 2025

The highlights setout below refer to the ADH Group's key ESG indicators

ENVIRONMENTAL

MATERIALS RECLAIMED THROUGH RECOVERY AND RECYCLING PROCESSES

94,780.6 Ton

TCO2 POTENTIALLY AVOIDED COMPARED TO AN AVERAGE PRIMARY ALUMINIUM PRODUCTION SCENARIO*

over 12,600 tCO2e

ELECTRICITY PURCHASED AND MONITORED AT THE GROUP'S PRODUCTION SITES

8,492,464 kWh

ENERGY FROM RENEWABLE SOURCES

Both plants continue to be supplied with certified green energy.

SCOPE 1 AND SCOPE 2 EMISSIONS AT ARM ASSISI RAFFINERIA AND ASSISI RECYLING

8,271.10 MT

ENERGY TRANSITION PLAN IN PLACE

Energy efficiency measures, consumption monitoring and the development of energy optimisation systems.

*POTENTIALLY AVOIDED EMISSIONS AS COMPARED TO AN AVERAGE PRIMARY ALUMINIUM PRODUCTION SCENARIO

The indicator provides a comparative estimate based on a comparison of the Product Carbon Footprint, calculated in accordance with ISO 14067, with an average reference scenario for primary aluminium production.

The Reference Scenario was identified using an international benchmark for primary aluminium production, adopted solely as a basis for comparison to estimate the potential climate benefit associated with the use of secondary aluminium.

The indicator:

- **is calculated solely for information purposes;**
- **represents a comparative assessment and not a direct measure of the company's emissions reductions;**
- **does not represent a reduction in the Group's Scope 1, Scope 2 or Scope 3 emissions;**
- **does not constitute an offset of greenhouse gas emissions;**
- **does not represent a carbon credit;**
- **does not constitute a certified value within the framework of the verification of the Carbon Footprint of the Product, but rather a comparative estimate developed on the basis of an external reference scenario.**

The estimate was calculated using, as a benchmark scenario, the international average value for primary aluminium published by the International Aluminium Institute (IAI).

HIGHLIGHTS

SUSTAINABILITY ESG

ADH GROUP 2025

Gli Highlights sotto riportati fanno riferimento ai principali indicatori ESG del Gruppo ADH.

SOCIAL

TRAINING HOUR

5,010

PERMANENT CONTRACTS

79%

EMPLOYEES

180

OF WHICH FEMALE

35%

ACCIDENTS RECORDED IN 2025 AT ARM MACLODIO

0

SEVERE ACCIDENTS RECORDED AT OPERATING SITES IN THE TWO-YEAR PERIOD 2024–2025

0

HIGHLIGHTS

SUSTAINABILITY ESG

ADH GROUP 2025

The highlights set out below relate to the ADH Group's key ESG indicators.

GOVERNANCE

CONSOLIDATED PROFIT FOR THE YEAR

4.17 ML/€

REVENUE

183.2 ML/€

ESG 2024-2026 PLAN IN PLACE

with priorities on energy, security, governance, human rights and supply chain engagement.

DOUBLE MATERIALITY UPDATE

In line with the principles introduced by the CSRD and the ESRS

STRUCTURED ESG GOVERNANCE

with an in-house unit dedicated to sustainability issues and the ongoing monitoring of ESG performance

THE GROUP

ADVANCE HOLDING

The history of the ADH Group began with its founder, Mario Assisi, who established a brass refinery at the Sarezzo (BS) site in the **1960s**. Over the years, the business has expanded and consolidated, ensuring progressive and **steady** and **progressive growth.**

The **Advance Holding S.p.A. (ADH) Group** came into being in **2018** following the joining of Assisi Raffineria Metalli S.p.A. and Assisi Recycling Maclodio S.p.A., two leading companies operating in the metals sector, driven by the need to create a new, competitive entity in domestic and international markets.

1963
THE ORIGINS

Mario Assisi (1932-2021) starts producing brass ingots on a small artisanal scale with a group of friends.

1970
GROWTH

The brass refinery is relocated to the new facility in Via Seradello (Sarezzo). The sorting of non-ferrous scrap remains at the former site

1984
THE EVOLUTION

The brass refinery is decommissioned and the sorting of scrap metal continued using the first mechanical separation iines. In 1992, the first wet-flotation plant is installed – a technology originally developed in the mining industry capable of separating different materials through density-based sedimentation.

1999
NEW INVESTMENTS

Somef is established, a company created in partnership with Raffineria Metalli Capra. Somef is subsequently acquired in full and incorporated into the Group in 2015. The crushing mill and dryer are also installed.

2010
DEVELOPMENT AND STRUCTURE

A new office building is constructed as part of a major expansion of the covered production area.

2012
INNOVATION AND SUSTAINABILITY

The subsidiary IRLE S.r.l. patents and develops the first pilot plant to conduct in-depth research into a technology capable of converting the dust present in solid waste into liquid and solid fuels; in 2014, Seras Green is established with the aim of promoting the technology patented by IRLE.

2018-2019
THE ONSET OF THE GROUP

With the establishment of the parent company ADH, created to facilitate a partnership with the foundry Deltacom S.r.l., the Group's development gets underway.

2020
ACQUISITION

Deltacom is taken over.

2023
NEW IDENTITY

Deltacom changes its corporate and registered name to Assisi Recycling Maclodio S.p.A.

Today, the ADH Group is at the core of the metallurgical industry, serving the wider industrial sector with comprehensive expertise in the collection, sorting, processing and recovery of metals, paving the way **towards a more circular and sustainable future.**

ASSISI
RAFFINERIA METALLI

Assisi Raffineria Metalli is headquartered in Sarezzo (BS) and specialises in the **recovery of raw materials from waste**, using industrial sorting and separation processes to turn non-ferrous scrap into high-quality materials that can be reintroduced into the production cycle.

ASSISI
RECYCLING MACLODIO

Assisi Recycling Maclodio S.p.A. began its production of **ingots of semi-primary and secondary aluminium from scrap** in 2014, in Maclodio, in the province of Brescia.

Thanks to the supply-chain synergies that have developed within the group since 2018, the company has stepped up its organisational and quality-related growth, thereby consolidating its position on the domestic and European markets.

ADVANCE HOLDING

Group holding company responsible for coordination and strategic direction

PARENT COMPANY

ARM – ASSISI RAFFINERIA METALLI

Recovery, treatment, processing and trading of metals

100%

ARM – ASSISI RECYCLING MACLODIO

Production of aluminium ingots and alloys from recovered materials

100%

THE VALUES
OF THE ADH GROUP

The ADH Group's approach to business is based on a number of distinctive principles that drive the company's day-to-day oerations:

- A FOCUS ON QUALITY AND INDUSTRIAL RELIABILITY
- VALUING PEOPLE AND SKILLS
- A COMMITMENT TO HEALTH AND SAFETY IN THE WORKPLACE
- COMPLIANCE WITH REGULATIONS AND ETHICAL PRINCIPLES
- CONTINUOUS INVESTMENT IN INNOVATION AND TECHNOLOGICAL RESEARCH
- ONGOING DIALOGUE WITH CUSTOMERS, SUPPLIERS, INSTITUTIONS AND STAKEHOLDERS
- COMMITMENT TO ENVIRONMEN-TAL PROTECTION AND THE EFFI-CIENT USE OF RESOURCES

THE VALUE
CHAIN

An integrated model combining industrial expertise, technological innovation and responsibility to generate sustainable value throughout the entire metals supply chain.

1. INPUT

Scrap metal, recoverable materials and secondary raw materials.

2. PROCUREMENT

We source scrap metal and secondary raw materials from qualified suppliers and reliable partners.

3. RECOVERY AND SORTING

We recover and sort materials using advanced mechanical and technological processes, maximising the value of resources and minimising waste.

4. PROCESSING AND TRANSFORMATION

We refine, treat and transform the materials into high-quality metals and alloys for various industrial applications.

5. QUALITY CONTROL AND OPERATIONAL MANAGEMENT

We guarantee product quality and process reliability through constant checks, monitoring and certified management systems.

6. DISTRIBUTION AND RELATIONS WITH THE MARKET

We supply our products to domestic and international customers, building relationships based on trust and long-term value.

7. LOCAL COMMUNITY AND STAKEHOLDERS

We engage with the local community, institutions and local authorities, creating shared value and contributing to sustainable development.

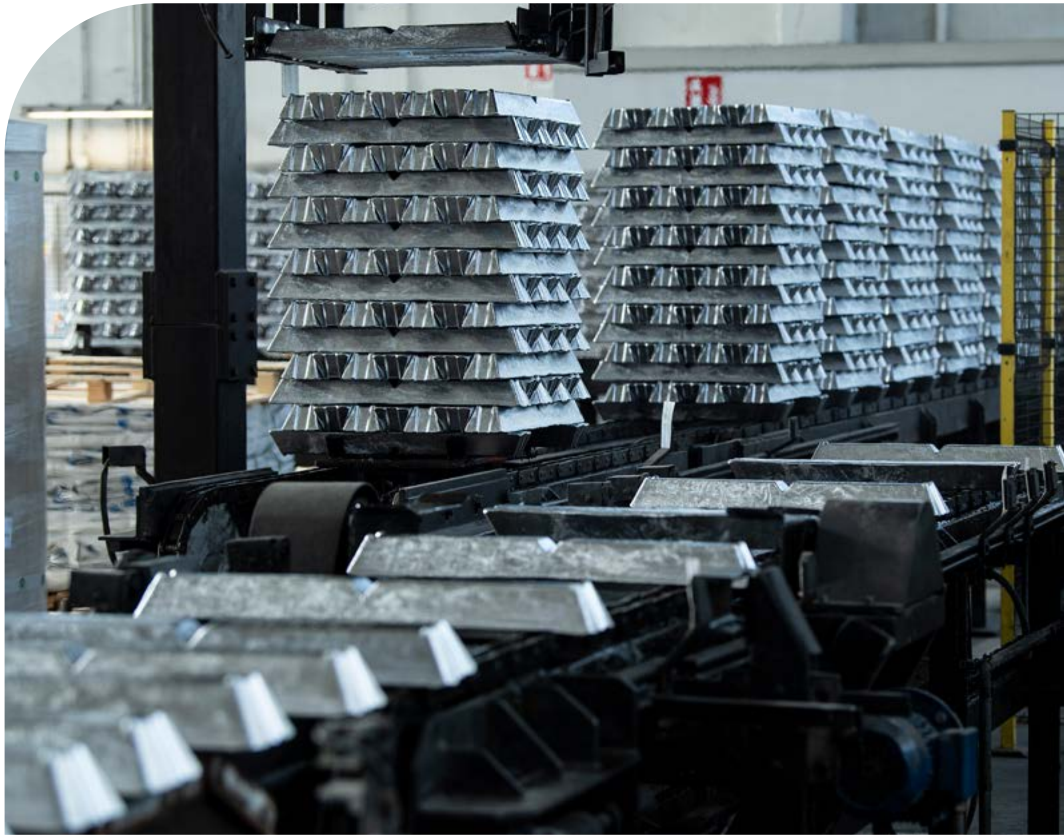
8. OUTPUT

High-quality metals and alloys for new industrial productions and applications.

OUR PRODUCT RANGE

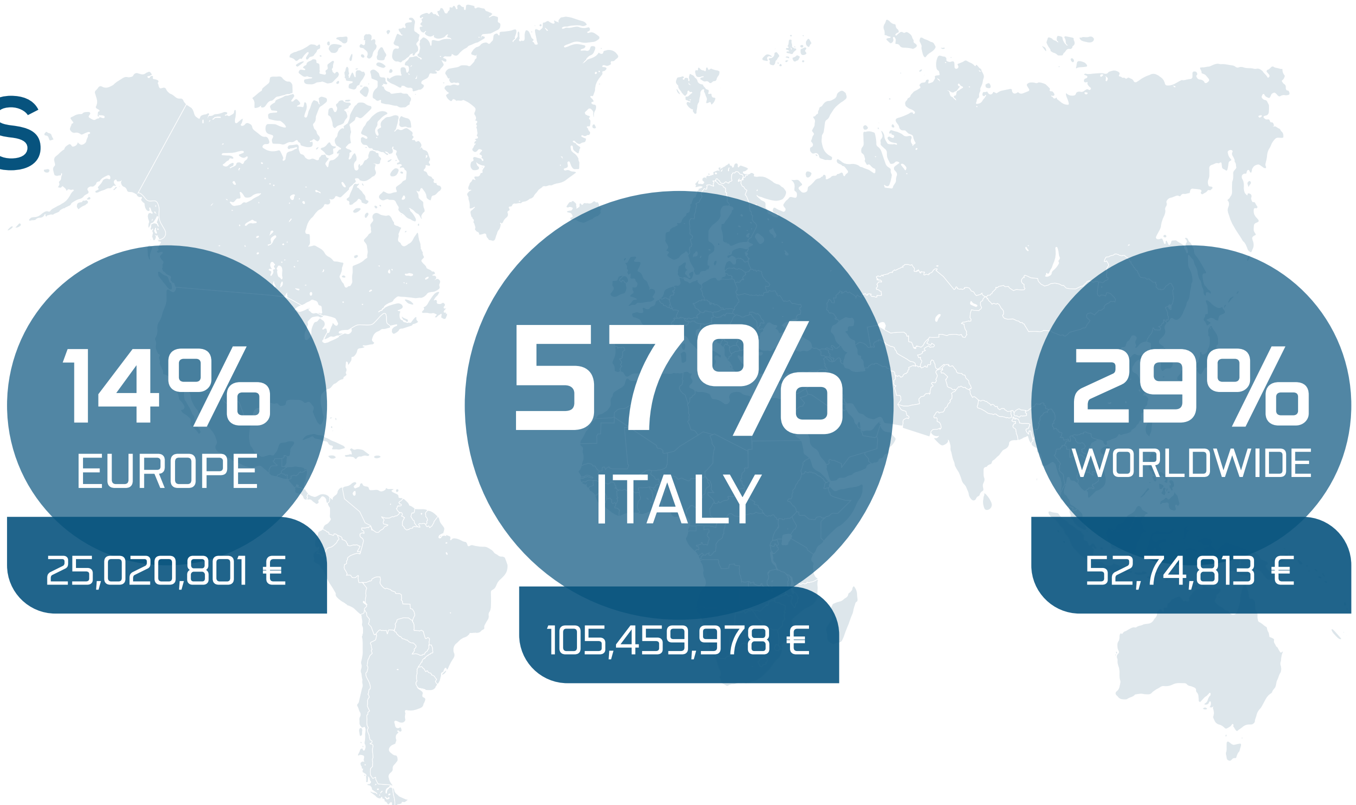
The ADH Group's range of products mainly includes:

- HIGH-QUALITY FLOTATED ALUMINIUM
- CRUSHED ALUMINIUM SCRAP
- ALUMINIUM FROM INCINERATORS
- HEAVY METALS
- PRIMARY ALUMINIUM PROFILES
- PRIMARY ALUMINIUM SHEETS
- ALUMINIUM CASING
- FERROUS METALS
- SECONDARY ALUMINIUM INGOTS
- SEMI-PRIMARY ALUMINIUM INGOTS
- PRIMARY ALUMINIUM INGOTS



THE MARKETS
SERVED BY THE GROUP

30
COUNTRIES



THE OBJECTIVES
FOR SUSTAINABLE GROWTH

In pursuing its sustainability mission, the ADH Group adopts a methodical and comprehensive approach to assessing the internal and external context in which it operates, which is fundamental to guiding the company's actions and strategies.

Each year, the Group carries out a **materiality analysis**, considering both the impacts of its business activities on the environment, people and the local community, and the effects that environmental, social and governance factors may have on the Group's economic, financial and operational performance.

This analysis has enabled the identification of the key ESG issues considered priorities for the ADH Group in relation to the impacts generated by corporate operations; the risks associated with the operating environment and opportunities for sustainable development.

The company has therefore identified its guiding principles for future sustainability objectives, engaging in an **increasingly close process of collaboration** with suppliers and partners, in the knowledge that sharing sustainability goals and decisions with stakeholders is a fundamental step towards achieving significant results for the common good.

The report also aims to outline the ways in which ADH is pursuing these sustainability objectives. This summary version is intended to briefly illustrate the Group's main themes and objectives.

DUAL MATERIALITY ANALYSIS

TABLE OF THE MOST SIGNIFICANT ESG ISSUES IN TERMS OF IMPACT MATERIALITY

MATERIAL ISSUE	IMPACT IDENTIFIED	TYPE OF IMPACT	IMPACT MANAGEMENT
CLIMATE CHANGE	Climate-changing emissions resulting from energy consumption and industrial processes along the value chain	Actual – Direct	Energy efficiency, use of energy from renewable sources, production process optimisation, monitoring of GHG emissions.
CIRCULAR ECONOMY	Production and management of waste arising from manufacturing processes	Potential – Direct	Implementation of circular economy practices, material recovery, environmental management systems and waste monitoring
RESPONSIBLE SOURCING	Supply chain management and the gradual integration of ESG criteria into procurement processes	Potential – Indirect	Supplier assessment, audits, consolidated reporting and supply chain monitoring
WATER RESOURCES	Water consumption associated with production processes and the need to improve resource efficiency	Actual – Direct	Consumption monitoring, evaluation of recovery systems and optimisation of resource use

TABLE OF THE MOST SIGNIFICANT ESG ISSUES IN TERMS OF IMPACT MATERIALITY

MATERIAL ISSUE	IMPACT IDENTIFIED	TYPE OF IMPACT	IMPACT MANAGEMENT
HEALTH AND SAFETY	Risk of accidents and impacts on workers' health	Potential – Direct	Prevention systems, Health and Safety Records (DVR), continuous training, risk monitoring and regulatory compliance
QUALITY OF WORK	Professional growth, training and organisational wellbeing	Actual – Direct	Training programmes, skills development, employee welfare and incentive schemes
DIVERSITY, EQUITY AND INCLUSION	Inclusion, equal opportunities and the promotion of diversity	Actual – Direct	Code of Ethics, monitoring of the working environment, reporting procedures
COMMUNITY	Socio-economic impacts on the local area and relations with local communities	Actual – Direct	Local partnerships, support for local initiatives and training activities
CUSTOMER SATISFACTION	Product quality, industrial reliability and customer loyalty	Actual - Direct	Quality management systems, product controls, complaint monitoring
BUSINESS CONTINUITY	Business continuity and production resilience	Potential – Direct	Plant monitoring, internal audits, information systems and operational management
CORPORATE CULTURE	Sustainable growth, investment and organisational development	Potential – Direct	Technological investments, ESG integration and industrial development

MAIN ESG RISKS
IDENTIFIED

MAIN ESG RISKS AND THEIR FINANCIAL IMPACT

ESG AREA	MAIN RISKS IDENTIFIED	TIME HORIZON	ESTIMATED FINANCIAL IMPACT	POTENTIAL ECONOMIC AND FINANCIAL EFFECTS
CLIMATE CHANGE AND ENERGY	Rising energy costs, changes in environmental legislation, management of GHG emissions, the energy transition and increased regulatory pressure	Short/Medium term	High	Rising operating and energy costs, the need for capital expenditure on plant and equipment, and a reduction in profit margins
INDUSTRIAL OPERATIONS	Production continuity, plant maintenance, production line stoppages and the availability of secondary raw materials	Short term	High	Reduced production capacity, operational inefficiencies and rising manufacturing costs
SUPPLY CHAINS AND MARKETS	Volatility in metal prices, availability of materials, dependence on strategic suppliers and geopolitical instability	Short/Medium term	High	Fluctuations in manufacturing and commercial margins, supply chain issues
HEALTH AND SAFETY	Risks relating to workplace accidents, management of production environments and occupational protection	Short term	Medium-High	Insurance costs, operational disruptions, reputational and organisational impact
GOVERNANCE AND COMPLIANCE	Developments in ESG regulations, cybersecurity, privacy, environmental compliance and administrative liability	Medium term	Medium-High	Risk of penalties, increased compliance costs and potential reputational impacts
PEOPLE AND SKILLS	Recruitment of qualified staff, retention of technical expertise and generational renewal	Medium-long term	Medium	Reduced competitiveness, a slowdown in operational development and organisational difficulties
REPUTATION AND STAKEHOLDERS	Growing focus on ESG among customers, financial institutions and industry partners	Medium term	Medium term	Possible commercial and reputational impacts, and difficulties in accessing new market opportunities

KEY ESG OPPORTUNITIES
IDENTIFIED

MAIN ESG RISKS AND THEIR FINANCIAL IMPACT

ESG AREA	KEY OPPORTUNITIES IDENTIFIED	TIME HORIZON	ESTIMATED FINANCIAL MAGNITUDE	POTENTIAL BENEFITS
CIRCULAR ECONOMY	Strengthening the Group's role in the metal recovery and recycling sector	Medium/long term	High	Growth in volumes handled, strengthening of competitive position and commercial development
TECHNOLOGICAL INNOVATION	Improving production efficiency, digitalisation, Industry 4.0 and process automation	Medium term	High	Reduction in operating costs, increased productivity and industrial efficiency
ENERGY AND SUSTAINABILITY	Increased use of renewable energy, energy efficiency and emissions reduction	Medium/long term	Medium-High	Reduced exposure to energy price volatility and improved ESG performance
MARKET AND COMPETITIVE-NESS	Strengthening reputation and the market's growing focus on ESG	Medium term	Medium-High	Stronger competitive positioning and access to new commercial opportunities
PEOPLE AND SKILLS	Professional development, skills enhancement and the development of human capital	Medium/long term	Medium	Strengthening of expertise and organisational continuity
SUSTAINABLE SUPPLY CHAIN	Progressive integration of ESG criteria into the supply chain	Medium term	Medium	Greater operational and reputational resilience
SUSTAINABLE FINANCE AND STAKEHOLDERS	Growing focus on ESG issues by banks and stakeholders	Medium term	Medium	Better access to credit and strengthened financial relationships

GOVERNANCE
AND ADMINISTRATIVE STRUCTURE

5 MEMBERS OF THE BOARD OF DIRECTORS

covering the Group's key strategic, industrial and organisational areas.

20% FEMALE REPRESENTATION ON THE BOARD

confirming the focus on a diversity of skills and diversity in governance.

STRUCTURED ESG GOVERNANCE SYSTEM

with widespread involvement of all corporate functions in sustainability and reporting processes.

MODEL 231Ù AND CODE OF ETHICS IN FORCE

to ensure compliance with law, transparency, administrative accountability and sound management.

WHISTLEBLOWING SYSTEM IN OPERATION

with confidential channels for reporting any non-compliant behaviour.

NO CASES OF CORRUPTION OR ANTI-COMPETITIVE PRACTICES

recorded during 2025.

FUTURE GOALS

Directly incorporate and analyse ESG risks within the 231 organisation, management and control model.

Map and assess supplier due diligence.

Focus on cyber security and data protection, implementing security measures to safeguard information.

Continue with the preparatory work for the 45001 certification.

CERTIFICATIONS

ARM SAREZZO

SISTEMA DI GESTIONE QUALITÀ CERTIFICATO
CQY CERTIQUALITY
UNI EN ISO **9001:2015**

SISTEMA DI GESTIONE AMBIENTALE CERTIFICATO
CQY CERTIQUALITY
UNI EN ISO **14001:2015**

ARM MACLODIO

Sistema di management certificato
SQS
IATF 16949

Sistema di management certificato
SQS
ISO 9001

ENVIRONMENTAL MANAGEMENT SYSTEM
ISO 14001

BRONZE | Top 35%
ecovadis
Sustainability Rating
MAR 2026

OUR ENVIRONMENTAL IMPACTS

94,780.6 METRIC TONNES OF MATERIALS RECOVERED AND RECYCLED

through circular economy processes.

74.2% OF THE MATERIAL PROCESSED IS RECYCLED

confirming the efficiency of the recovery process.

8,492,464 KWH OF ELECTRICITY MONITORED

at the Group's productions sites.

CERTIFIED GREEN ENERGY

100% at the Maclodio site and gradual introduction at the Sarezzo site.

MONITORING OF SCOPE 1 AND SCOPE 2 EMISSIONS

as part of the process to consolidate the company's GHG management system.

DEVELOPMENT OF THE CFP MODEL USING LCA FOR ALUMINIUM INGOTS

Obtaining ISO 14067 certification for the Maclodio site: this standard enables us to quantify the carbon footprint of our aluminium alloys, monitoring emissions throughout the entire product life cycle.

FUTURE OBJECTIVES: Further improve our energy efficiency by continuing to purchase green energy and installing a power energy system, designed to optimize energy use.

SOCIAL PERFORMANCE AND THE VALUE OF PEOPLE

180 PEOPLE INVOLVED IN THE GROUP'S ACTIVITIES

during 2025.

142 PERMANENT EMPLOYEES

representing 79 per cent of the total workforce.

35% ARE WOMEN

among the Group's permanent staff.

5,010 HOURS OF TRAINING PROVIDED IN 2025

to develop professional skills and a culture of safety.

ZERO SERIOUS ACCIDENTS RECORDED

and ongoing strengthening of health and safety systems.

CANTEEN SERVICE FOR THE SAREZZO OFFICE

MAIN SPONSOR OF A.C. VALTROMPIA FOOTBALL CLUB

which, in 2025, had 112 girls and boys, 17 young women and 140 young men enrolled.

FUTURE GOALS:

- Organise awareness-raising programmes on health and safety at work.
- Continue to provide training courses for its employees, with a view to boosting the company's growth by increasing the average number of training hours per employee.
- Introduce a canteen service at the Maclodio site as well.
- Maintain financial support for social causes.
- Engage with vocational schools and universities to encourage the recruitment of young talent into the company, ensuring local employment opportunities.

ADVANCE
HOLDING

Sustainability Report

2025

TOGETHER TO BE BETTER