MAGOTTEAUX
Sigdo Koppers Group

2025

Annual Report

Process optimization services and products for abrasive and impact applications.

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Corporate Information

A word from our Chairman

As Chairman of the Board, I am pleased to present the third edition of Magotteaux's Annual Report 2025.

This report reflects the progress we have made, the discipline with which we manage our impacts, and the clarity of purpose guiding our decisions. At Magotteaux, sustainability is not a standalone initiative, nor a response to short-term expectations. It is a long-term commitment embedded in how we design our strategy, operate our facilities, and engage with our customers and other stakeholders.

→ Juan Pablo Aboitiz Domínguez
Chairman Magotteaux Group SA

↓

Magotteaux's performance is closely linked to the global economic environment, with exposure to the mining, cement, recycling, aggregates, and utilities sectors. In 2025, global growth remained modest but resilient at around 2.7%, supported by easing inflation despite ongoing geopolitical and trade uncertainties. While conditions varied across regions, mining demand stayed strong, driven by the energy transition, record gold prices, and tight platinum markets, while iron ore production remained broadly stable.

At the same time, Magotteaux operates in an **increasingly competitive environment with rising customer expectations and evolving trade policies**. Despite this, we remain a market leader in several segments, supported by decades of innovation, strong customer relationships, and the commitment of our teams, underpinning the resilience of our business, particularly in grinding media.

During 2025, Magotteaux achieved a 7.1% increase in global sales reaching US$1,031 million. This improvement is linked to an increase of 11.9% in volume sold. On the other hand, EBITDA reached US$ 90,6, lower than the year before, as it was impacted by adverse foreign exchange conditions and a compression of margins particularly in castings. Net income at the parent company level reached US$ 23.7 million.

During 2025, we continued executing our strategy defined in late 2024, building on Magotteaux's strong foundation as a premium supplier to key industries such as mining, cement, aggregates, and recycling. The strategy supports growth through innovative, high-quality products and services, operational excellence, and the integration of digitalization across our facilities. In 2025, we completed the **global migration of our SAP ERP system to SAP S/4HANA**, laying the foundation for greater operational efficiency and advanced data analytics. We also progressed with our **Industry 4.0 program**, successfully implementing grinding media operations in Thailand. In the first half of 2026, we will go live with casting operations in Mexico and continue the rollout across four additional production facilities worldwide.

In early 2025, our Board of Directors approved a plan to initiate a major capacity expansion in high chrome media in Brazil, with commissioning expected at the beginning of the second half of 2026. For steel forged grinding media, we also approved an expansion of our joint venture in China, with commissioning expected at the end of Q2 2026.

In 2025, we also continued to **advance our sustainability strategy**, supported by robust data, third party verification, and internationally recognized standards. Our Greenhouse gas (GHG) emissions are measured every year across Scopes 1, 2, and 3, and we have defined ambitious reduction targets using 2023 as a baseline. These targets are embedded not only in our operational roadmaps, but also in our financial structure through a Sustainability Linked Loan, reinforcing accountability at the highest level. In its last verification, Magotteaux exceeded its annual 6% reduction target for Scope 1 & 2, achieving a 6.5%.

Equally important is our **commitment to circularity**. Extending product life, increasing recycled content, and scaling initiatives such as Scrap Buy Back (SBB) and slag recovery are not only environmental imperatives, they are also sound industrial and economic choices. Our global footprint enables us to implement these solutions close to our customers, reducing resource dependency and contributing to lower emissions across the value chain. In 2025, we accelerated the implementation of our SBB program, achieving results that exceeded expectations by 21% compared with 2024.

On the social dimension, Magotteaux remains **firmly guided by a "No Harm" culture**. The safety and well-being of our employees, contractors, and partners is a non-negotiable priority, overseen directly by the Board. We also continue to promote fair treatment, equal opportunity, skills development, and constructive engagement with the communities where we operate. These commitments are essential to our resilience and long-term performance.

Governance underpins all these efforts. **Strong ethical standards, transparent reporting, and responsible supplier relationships** are fundamental to maintaining **trust with our stakeholders**. In a complex and evolving global context, we believe that consistency, integrity, and discipline are decisive strengths.

In 2025, Magotteaux received different recognitions reflecting its excellence in various dimensions of corporate and business responsibility. We would like to highlight a **prestigious award** received in June 2025 by Magotteaux Wuxi. Our plant in China received the Excellence in Environmental Co-construction Award from the Wuxi Xinwu Ecological Environment Bureau. This recognition reflects the Wuxi plant's consistent efforts to uphold high standards in environmental management, energy efficiency, and emission reduction, all in line with the Group's sustainability strategy.

The **business outlook for 2026** remains challenging, as ongoing conflicts in Ukraine and the Middle East continue to disrupt global logistics and put significant pressure on energy prices. At the same time, the global mining sector remains highly promising, particularly for the minerals to which we are most exposed. In this context, we remain prepared to act decisively, adapting to evolving market conditions and seizing growth opportunities where they arise.

Finally, on behalf of the Board of Directors, I would like to thank all Magotteaux teams worldwide for their commitment and professionalism. Their daily actions are what turn ambition into measurable progress of having a profitable company and being the global leader and reference in process optimization products and services for abrasive and impact application. I would also like to thank our shareholders, Sigdo Koppers, and all other stakeholders, including our valued customers, suppliers and financial partners, for their continuous confidence in Magotteaux. ■

Mission and Vision

Charting our course:
our purpose and goals.

Our purpose

Balancing development and associated impacts.

As human development progresses, it's essential to consider the environmental consequences of our actions toward a sustainable way of living.

Infrastructure development, including the mandatory use of metals and minerals, is necessary for global economic development and improved living standards.

> **At Magotteaux we actively participate to this development, striking a delicate balance between:**
> - **Resource efficiency:** optimal use of non-renewable resources, minimizing waste and actively promoting recycling.
> - **Environmental consciousness:** ensuring that development doesn't harm the planet irreversibly.
> - **Sustainable practices:** encouraging businesses and individuals to adopt sustainable practices.

Since its inception, Magotteaux has always been there and has striven for an improved life cycle of its product directly improving client efficiency and thus reducing its overall impact on the planet.

At Magotteaux, sustainability is not a separate priority – it is the natural outcome of how we do business. By balancing economic performance, environmental responsibility, and social well-being, we create long-term value for all stakeholders.

Our goals

For many years, Magotteaux has been recognized as a leader in the industry—an achievement we strive to uphold every day by embracing Industry 4.0, driving innovation, and acting sustainably. We leverage our core competencies in abrasion and impact, along with our understanding of customer processes, to retain, develop, and consolidate our leadership.

Our goal is to consolidate our position as the global leader in process optimization products and services for abrasive and impact applications.

At Magotteaux, our customers are at the heart of everything we do. We are committed to delivering long-term satisfaction by combining customer focus with sustainable practices. By balancing client needs, employee well-being, and environmental responsibility, we aim to build lasting success and maintain our industry leadership. ■

These objectives are part of our strategic vision.

01

To be a global leader in process optimization products & services for abrasive and impact applications

02

Satisfied customers

03

Sustainable profit

The Company

Magotteaux is the world leader in process optimization solutions for abrasive and impact applications.

It employs more than +3,000 talented individuals and has a market footprint of above 700,000 tons of grinding media and castings through its specialized production units, sales offices and technical centers worldwide.

Magotteaux is part of Sigdo Koppers, listed in Santiago, Chile.

With years of global leadership experience, Magotteaux consistently leverages a comprehensive understanding of its customers' value chain. We integrate expert guidance, a suite of services, cutting-edge products, equipment and systems. By combining field experience with a diverse array of modern tools, we assist and support customers in optimizing their operations and maximizing client satisfaction. Magotteaux strives for the optimal total cost of ownership of our clients' products, helping to reduce their environmental impact by improving product lifecycle and promoting circularity within the market.

Magotteaux' team of 200+ technical and sales experts located close to its customers operations helps them choose the perfect solution for their applications... ■

Magotteaux is part of ***Sigdo Koppers****, listed in Santiago, Chile.*

Magotteaux at a glance

22	Production Units +1 (under construction in Brazil)
12	Across 12 countries
2	Joint Ventures
+3,000	Employees around the world
+150	Countries covered through our sales network
+700K	Tons of products capacity
+100	Years of innovation experience

Magotteaux, part of Sigdo Koppers

Magotteaux is part of Sigdo Koppers, a Chilean conglomerate founded in 1960 and listed on the Santiago Stock Exchange, one of the most important and dynamic groups in Chile.

Committed to long-term industrial vision, with the objective of being a global provider of products and services for mining and industrial operations.

MUS$ 4,119	**Consolidated Sales**
+20,000	**Collaborators** of subsidiaries that consolidate
16	**Countries** with production plants
+30	**Countries** with commercial offices

- Ingeneria Y Construccion Sigdo Koppers SA
- Enaex SA
- Magotteaux Group SA
- SK Godelius SA
- Puerto Ventanas SA
- SKC SA
- Fepasa SA

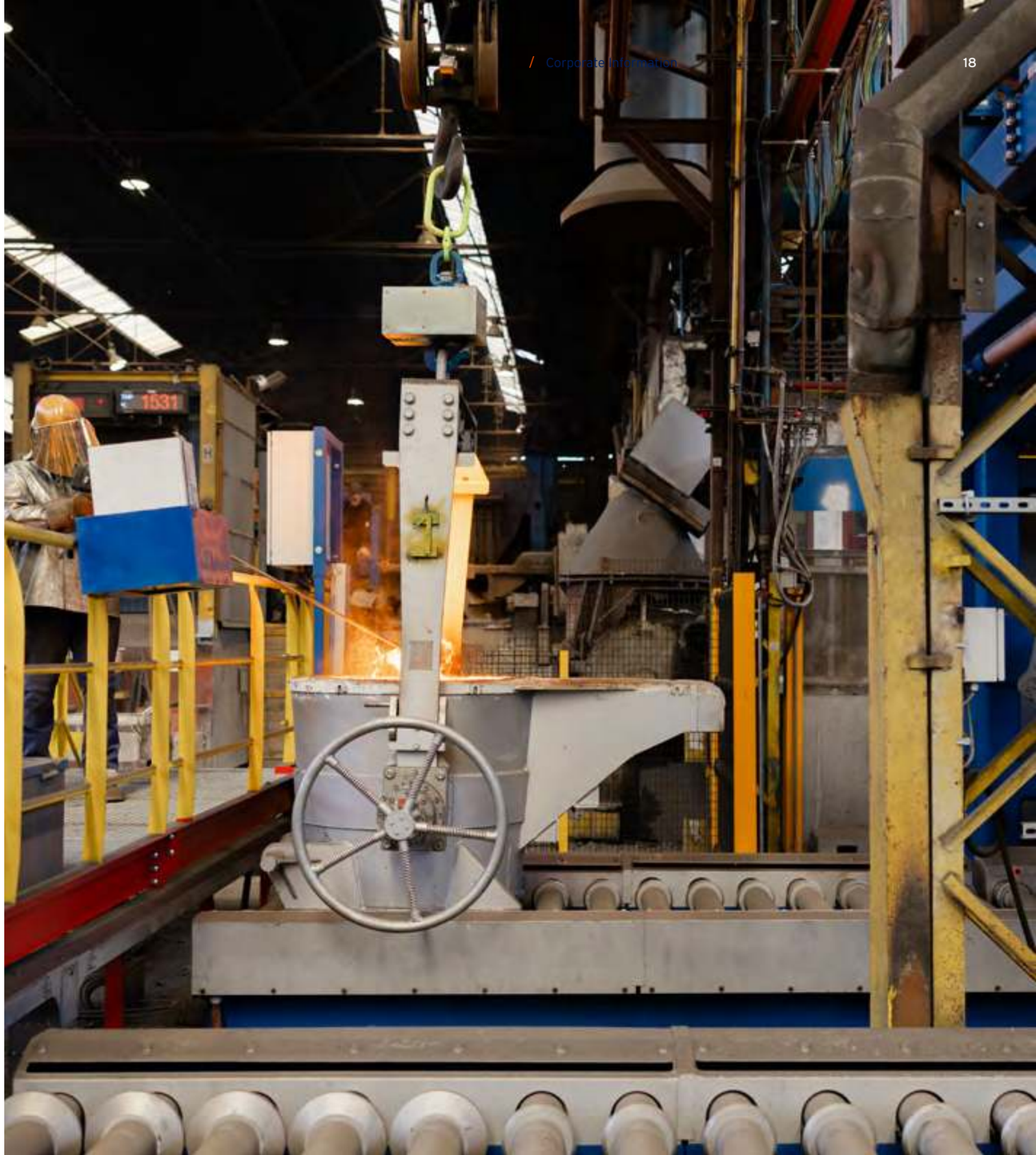
Sigdo Koppers is part of the **Dow Jones Sustainability Indexes (DJSI) Chile index and the United Nations (UN) Global Compact**, under which it commits to respect principles of responsible behavior, in order to achieve the objectives of building a sustainable and inclusive global economy.

Sigdo Koppers S.A.

Summary of Consolidated Financial Results

Magotteaux performance*	2024	2025
Volumes sold (ktons)	544	608
Revenues	966,992	1,031,322
EBITDA	105,096	90,579
EBITDA margin	11%	9%
Net profit	32,124	21,774
Net profit attributable to parent company	29,849	24,198
Total assets	**1,538,623**	**1,538,623**

* All numbers are presented in thousands of dollars.



History

Innovation as a driver of our performance

1914

Lucien Magotteaux, born in 1880 and graduated as civil engineer, made the acquisition of a steel foundry in 1914 in Belgium. To expand its activities, he founded the Magotteaux Foundries in 1920.

1934

In 1934, Georges Halbart, electrical engineer, started to work for Magotteaux and soon became Lucien Magotteaux's right-hand man. Early 50', Georges Halbart took over the reins of the company to raise it to the rank of **international reference** in the industry.

1955

In the mid-1950s, Georges Halbart began **testing the tool steel, soon named Hypersteel**, which brought groundbreaking wear resistance and durability to industrial equipment.

1967

- The **Maxicrom patent** introduced groundbreaking grinding media for the First Chamber. It quickly became the go-to standard in the cement industry. By the 1970s, this **expertise expanded to mining**, dealing with tougher conditions combining abrasion and corrosion, where chromium (Cr) played a crucial role. This development paved the way for what later emerged as Downstream Processing in the mid-2000s.
- To meet the growing demand, Magotteaux innovated by using vertical molding in a highly automated Disamatic production technology.

1971

Victor Joiret was a pioneer in **measuring retained austenite through X-ray diffraction**.

1984

On 31st January 1985, **SCAW Metals** acknowledged Magotteaux's technical value and expertise, signing a **service agreement** that lasted until 2018.

1990

- Emergence of **the first Metal Matrix Composite (MMC)**, a game changer in castings.
- Magotteaux's innovations include **bi-metallic hammers for clinker** and an internally manufactured unique machine called **Mag'Impact**.

2000

Magotteaux continues to innovate...

- **Patenting of Centrifugal Duocast technology**.
- Evolving from pressed ceramic balls for white cement **to ultra-fine ceramic beads** in mining.
- In-house development of **proprietary composite materials for our MMC product line**.
- **Broadening applications** from blow bars to anvils/impellers and VRM Duocast rollers and tables.
- Specialized **Downstream Processing laboratory** located in Adelaïde.

2011

Magotteaux **joined the Chilean Group Sigdo Koppers S.A** that is part of the Dow Jones Sustainability Index.

SIGDO KOPPERS S.A.

Through its **joint venture partnerships, strategic acquisitions** and its own manufacturing facilities, Magotteaux is the only supplier able to offer a complete range of grinding media. In addition to its partnerships with:

- *Jiangyin Xingcheng Magotteaux Steel Balls, China*
  - *forged balls & rods*
- *Grintec Magotteaux Ceramic Technology, China*
  - *ceramic beads for ultra-fine grinding*
- *Grinding Media South Africa, South Africa*
  - *cast and forged media*

Magotteaux operates its own grinding media plants in the US, Canada, Thailand and Brazil.

2014

In 2014, Magotteaux acquired a plant in Wuxi, China, transforming it into Magotteaux Alloyed Material Co. This acquisition introduced an innovative and environmentally friendly lost foam process technology to the Group.

2018

Magotteaux took a 15% stake in SCAW Metals/GMSA.

2020

We launched **Expand**, Magotteaux innovative longer-lasting vertical mill casting.

2021

Together with our German partner, KIMA Process Control, we have developed an innovative real time mill monitor, **MagoSense**, designed to gather information to optimize the working conditions of the mill.

2023

Magotteaux reaches majority stake (51%) in GMSA, expanding its presence in the South African grinding balls market.

2024

We continued paving the future through:

- **Plant expansion in Brazil:** +40,000 tons, boosting capacity to 110,000 tons/year of High Chromium grinding media and enabling cutting-edge production capabilities.
- Building on more than 40 years of data, Magotteaux developed **machine learning models to predict grinding media** alloys performance, helping customers optimize both wear and downstream processing.
- **Adoption of the Discrete Element Method (DEM)** to model, simulate, and develop new VSI/HSI crusher features, optimizing key parameters to meet customer demand.
- **Codelco partnership:** A 5-year strategic collaboration designed to pioneer circular economy models and sustainable innovation in mining.
- **2023 Integrated Annual Report:** Our first combined Sustainability and Annual Report, setting a new standard for transparency and forward-thinking communication

2025

StoneThree

Signature of a global **partnership with StoneThree** to promote the Comminution Booster in mines.

Magotteaux continues to push the boundaries of innovation to enhance tube mill efficiency with:

- Ascend, Magotteaux cement innovative lifting liner
- Motion, Magotteaux cement innovative classifying liner

Corporate Governance

Board of Directors

Juan Pablo Aboitiz Domínguez
Chairman of the Board
—
as permanent representative of
CERRO DEL AZUFRE LTDA

Juan Eduardo Errázuriz Ossa
Director
—
as permanent representative of
VOLCÀN CALLAQUI LTDA

Alfredo Atucha
Director
—
as permanent representative of
ATUCHA & TOMULIC
INVERSIONES LIMITADA

Felipe Cerón
Director
—

Laurent Weerts
Director
—
as permanent representative of
CONSEIL SRL

Executive Committee

Gonzalo Cavada
Chief Executive Officer
—

Marc Babineau
Chief Operations Officer
—
as permanent representative of
IN ACTUM INTERNATIONAL SRL

Pablo Eltesch
Chief Financial Officer*
—

Jean-Marc Xhenseval
Strategic Partnerships,
Corporate HR & Secretary General
—
as permanent representative of
DOMARC SRL

Corporate Governance Practice

At Magotteaux, we recognize the critical importance of effective corporate governance in ensuring transparency, accountability and sustainable growth.

As a leading provider of innovative solutions in the aggregates, cement, mining and power station industries, Magotteaux is committed to upholding the highest standards of corporate governance practices.

Through transparent communication and a culture of ethical conduct, Magotteaux strives to establish high corporate governance standards.

Managing our Risks

In the dynamic and often unpredictable global landscape where we operate, effective risk management is paramount to achieve business success. To this end, we have set up a Risk Management Framework rooted in internationally recognized standards such as COSO Enterprise Risk Management, enabling us to navigate the spectrum of potential risks and opportunities arising from uncertainty.

Risk Management Process

Our Risk Management Process is an iterative process performed on a quarterly basis and consisting of:

- Risk Identification
- Risk Assessment
- Risk Response
- Risk Communication, Monitoring and Reporting

We undertake risk Identification through a blend of top-down and bottom-up approaches to capture both strategic and emergent risks. This involves engaging top management for strategic risks and middle management for operational risks.

Subsequently, identified risks undergo thorough assessment, analyzing key risk drivers and evaluating existing controls to mitigate potential impacts on our exposure or vulnerabilities.

Our response to risks is guided by our risk appetite, with action plans formulated for risks exceeding predefined thresholds.

We employ a tailored communication and monitoring strategy, integrating Key Risk Indicators and escalation processes to facilitate well-informed decision-making.

Governance

Magotteaux follows an integrated risk management governance model structured into three layers, enhancing decision-making communication flow, and reinforcing alignment among strategy, performance and risk management.

The first layer is responsible for promptly addressing the risks our organization faces and is overseen by designated risk owners vested with heightened responsibility.

The second layer comprises risk oversight leads tasked with ensuring that risk exposure remains within acceptable tolerance levels and aligns with our risk appetite.

The third layer, Internal Audit, conducts independent evaluations of internal controls and risk management practices within the Group.

These layers are overseen by the Risk Committee and by the Audit Committee.

Our governance model promotes a culture of employee and managerial responsibility and accountability, fostering operational efficiency and enhancing resilience to changes in our risk exposure. While all members of our organization play a role in our Risk Management Framework, the Board of Directors ultimately bears accountability for overseeing the risk management strategy.

Ethical Behavior And Organization

The Magotteaux Code of Ethics offers a comprehensive framework for ethical conduct across all levels of the organization, from top executives to frontline workers. It emphasizes the responsibility of every member to grasp and abide by its principles.

Moreover, the Magotteaux Corporate Ethics Committee assumes a crucial role in maintaining ethical standards. This committee is committed to promptly addressing any issues or conflicts of interest, thus ensuring the organization's commitment to the ethical guidelines outlined in the code.

Supplier Code of Conduct

At Magotteaux, we strive to set an example of sustainable supply chains and enable development of communities that create value for future generations. It is crucial for us to build relationships with our suppliers that are reciprocal to all parties based on shared values, ethics and social responsibilities.

This Supplier Code of Conduct is an extension of Magotteaux's Code of Ethics and also the Supplier Code of Ethics and Conduct of our holding company, Sigdo Koppers SA. It provides general guidance over health and safety, ethical business practices, labor standards, environment, sustainable products and services development and community involvement,

All of our suppliers (including contractors, distributors, subcontractors, consultants and agents) are required to adhere to this Code of Conduct.

Our expectations resonate with the UN SDGs, emphasizing on SDG 3 (Health and Well-Being), SDG 4 (Quality Education), SDG 5 (Gender Equality), SDG 8 (Decent Work), SDG 12 (Responsible Consumption) and SDG 13 (Climate Action).

Our Supplier Code of Conduct is available on our website.

Whistle Blowing Channel

Magotteaux has established a reporting channel to address any potential irregularities or illegal activities. Employees of the company, shareholders, suppliers, customers and third parties have access to this complaint filing procedure.

Complaints can be lodged on the company's website: www.magotteaux.com.

Moreover, the ethics committee plays a role in this process, taking responsibility for ethical matters, analyzing complaints and determining suitable solutions.

Magotteaux's Commitment to Fair Competition

At Magotteaux, we believe in fair competition, which drives innovation and efficiency for everyone involved. Last year, we had no legal issues related to unfair competition, demonstrating our dedication to honest business practices and fair play in the industry.

Magotteaux Board Of Directors

The Magotteaux Group's Board of Directors consists of five non-executive members and the CEO, convening monthly. Similarly, the Board of Directors of Magotteaux International, comprising five executive members representing the group management, meets weekly.

Furthermore, there are 28 subsidiary companies worldwide, each holding Board of Directors and General Meetings annually or as mandated by legal requirements.

Each Board member brings significant expertise in pertinent industries, enabling them to proficiently supervise the company's operations. ■

This Supplier Code of Conduct is an extension of Magotteaux's Code of Ethics and also the Supplier Code of Ethics and Conduct of our holding company, Sigdo Koppers SA.

Corporate Values

Our values and working principles help our people take the best decisions to serve the group objectives and ambitions.

People dominantly drive how we do things at Magotteaux. Our teams and working principles are what we capitalize on to make a difference, more than technology or equipment that are mere enablers.

The four main values and behaviors we promote above all are:

Sell value

Innovate

Collaborate

Operational Excellence

At the heart of our company lies a set of guiding principles that steer our daily operations and define our ethos. These principles not only shape our strategies but also underpin every decision we make, ensuring that our approach remains aligned with our core values.

Our working principles

Living our core working principles ***Together***

CUSTOMER	The customer drives everything we do.
RESPONSIBLE	Integrity and strong values guide our actions
INNOVATIVE	Our innovation today defines our success tomorrow
COLLABORATIVE	Collaborating, communicating and taking responsibility make work more efficient
PEOPLE	Always believing in our People, understanding what they do and how they do it while making sure they use their talents at their best.

2

Business Model 32

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Production Plants 48

Innovation and Development 52

Key Partners 54

Risk Factors 56

Financial Policy 60

Strategy

Business Model

Costs

- Inputs
- Salaries and wages
- Depreciation and amortization
- Maintenance
- Logistics
- Other costs

Customer relations

- Specialized sales teams
- On-site technical support
- On-site staff
- Satisfaction surveys

Customer

- Mining companies on a worldwide basis
- Cement companies on a worldwide basis
- Aggregates producers and recyclers mainly in North America and Europe
- Power stations on a global basis
- Original equipment manufacturers on a worldwide basis
- Waste business in Europe and Asia

Distribution channels

- Comprehensive logistics for product and service distribution helped by our worldwide footprint close to the markets we serve

Key resources

- High chrome grinding media plants in Thailand, Canada, United States, Brazil and South Africa
- Low chrome and steel forged grinding media plants in Chile and in China (joint-venture)
- Castings plants in Belgium, France, Spain, United States, Mexico, Brazil, India, Thailand and China
- Ceramic beads plant in China (joint-venture)
- Pilot plants in Belgium, Australia and South Africa
- Partnership with leading research centers and universities
- Highly committed and competent employees

Key activities

- Manufacturing of complete range of high chrome and low chrome grinding media, steel forged balls, ceramic beads and HSLA steel (High Strenght Low Alloy)
- Manufacturing of high chrome castings for tube mills, vertical mills, crushers, impellers, anvils, table for VSI, blow bars and impact plates for HSI crusher, hammers for klinker and auto shredders, refractory grates and parts for cement plants, mines and incinerators
- Optimization of customers processes through mill audits and monitoring tools
- Connected products and services
- Technological development
- Innovation
- Accessories

Key partners

- Suppliers of inputs
- Suppliers of technology
- Drivers of innovation
- Research and development entities
- Sigdo Koppers S.A. group companies
- Legal counsel
- Audit firms
- Domestic and international banks
- Customers
- Board of Directors
- Shareholders
- Sales agents in Europe and the Middle East

Revenue

- Sale of grinding media, ceramic beads and castings
- Sale of crusher equipment mainly in Europe
- Sale of accessories
- Sale of monitoring tools and associated services

Products and Services

Magotteaux is a global leader with more than 100 years of expertise.

↓

At Magotteaux, we acknowledge the growing challenges in our world. Our goal is not simply to make our clients' businesses more sustainable, but to help improve the entire product life cycle—reducing environmental impact and integrating circular economy principles wherever possible. This approach gives our customers a significant competitive advantage.

Magotteaux is much more than just a supplier! As a true innovator, we continuously invest in R&D and build strong, close relationships to fully understand our customers' challenges and define the best possible solution before engineering and delivering the quality we commit to. We use advanced monitoring tools to continuously demonstrate our value and strong focus on Total Cost of Ownership, helping optimize our customers' operations.

Our 3-steps approach:

We research, design, manufacture and distribute solutions to optimize our customers' operations based on our principle to start and end with the markets.

We supply the widest range of optimized solutions (products, services and systems) to industries involved in comminution (material size reduction): mines, cement, coal power stations, quarries, recycling, etc.

Magotteaux pioneered the use of high chromium alloys in grinding media as well as composite materials in the manufacturing of high added value products. This technology which combines an increased resistance to wear and shocks allows offering solutions differentiated from standard steel and iron foundry products.

Equipment includes a vertical shaft impactor, a classifier, filling sensors, an automated ball addition system, or a pulp chemistry monitoring unit for the mining industry.

Our services cover the entire customer journey: pre-sales (audits, analyses, diagnoses), sales (including installation, supervision, and equipment fine-tuning), and after-sales (performance follow-up, real-time mill management). This comprehensive support ensures optimized operations and results in high added value products tailored to our customers' needs. ■

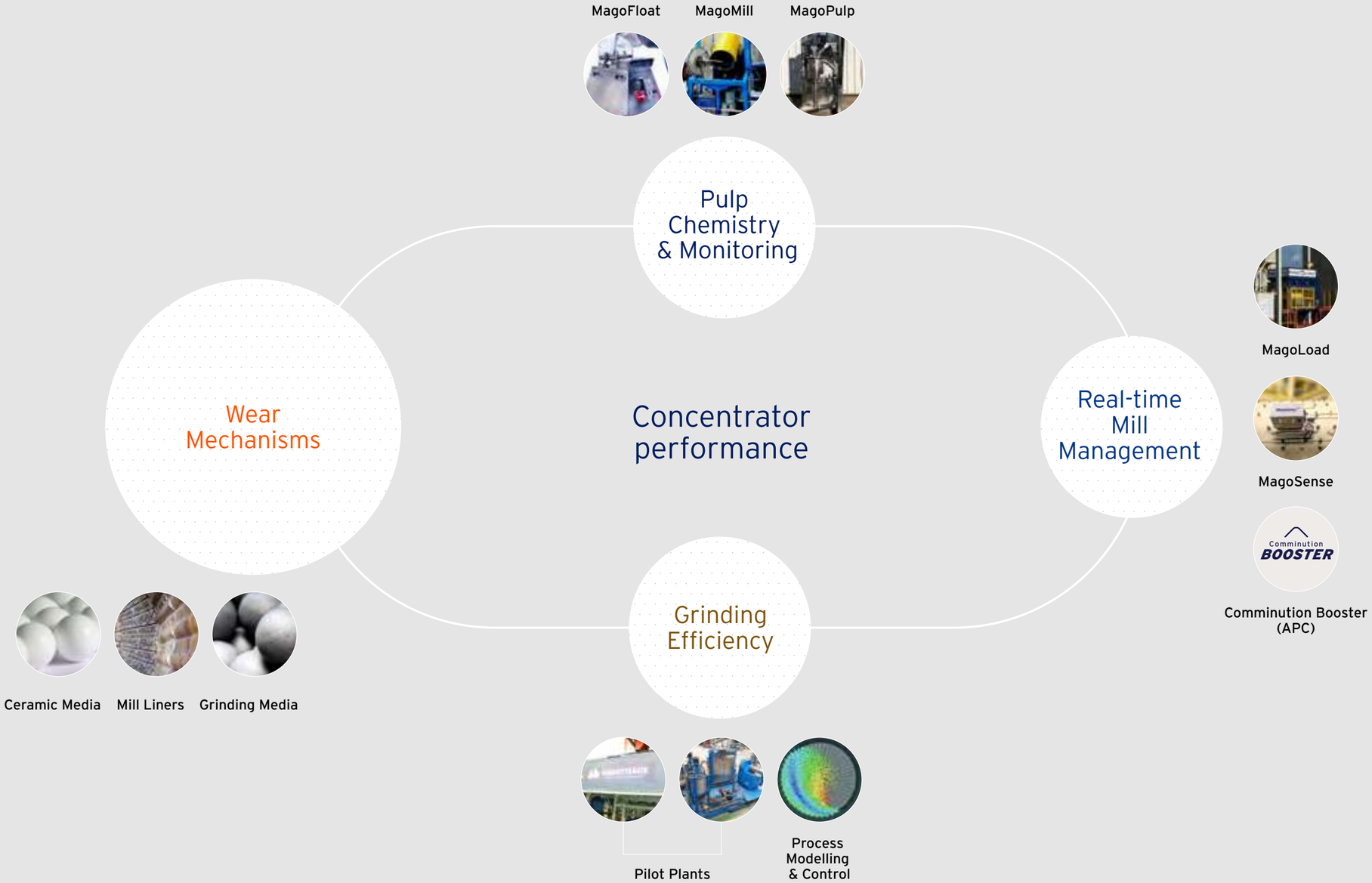
For the Mining industry

Magotteaux is a global leader with more than 100 years of expertise.

↓

Our holistic approach combines chemistry, milling and metallurgy to extract more value from our customers' existing operations – and thus maximize their return on investment. Maximizing the recovery of valuable minerals at a saleable concentrate grade, at the lowest cost and with the lowest environmental impact requires optimizing all processes and sub-processes linked to the flow sheet.

By consolidating data from key processes, tools and smart sensors into our comprehensive digital platform, we can further drive the digitization, support decision making, automate, optimize, and stabilize mining operations.



For the Cement industry

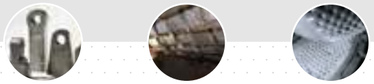
Expect measurable productivity, energy & safety improvements!

Dipping Tube | **Grinding Media** | **Tube Mills**

ENERGY SAVINGS

leading to
REDUCED EMISSIONS & COSTS

↓ circulating load,
↓ kWh/t, adequate ball charge & liner design,
↓ exhaust T°,
↓ fuel consumption
↑ Improved products life cycle



Crushers | **Cooler grate** | **Expand Magotteaux innovative longer-lasting VRM wear parts**

REDUCED & EASED MAINTENANCE

leading to
SAFETY IMPROVEMENTS

↑ life = ↓ replacements,
↘ breakage = ↘ unforeseen stops, disassembly & assembly services

MagoClass | **Process Optimization** | **Mill optimization services, ball sorting, etc.**

IMPROVED PROCESSES

leading to
PRODUCTIVITY ENHANCEMENTS

Carefully designed operating parameters,
↑ production, better end-products, customized services
↓ capital & operating expenditures
↑ Grinding media sorting for optimized production and buy back of rejected balls

For the Power industry

Magotteaux is a global leader
with more than 100 years of expertise.

When it comes to coal fired power stations, a close follow-up of our customers' pulverization process will allow our experts together with customers' engineers to find the optimal solution for their application.

Tailor made services and products will improve lifetime, efficiency and reduce maintenance, making operations safer and more cost efficient.

We offer tailor made services and products:

01

We **offer first-class vertical mill wear parts** for all your grinding applications for the best value for money available in today's market.

Expand
Magotteaux power station
innovative longer-lasting
VRM wear parts

02

Magotteaux incinerator wear parts can improve the running of your installation.

From standard Municipal Solid Waste to Refused Derived Fuel, backwards to forward thrust, tilting or flipping mode, we are able to provide all the designs of incinerator bars.

For the Aggregates industry

Boost your revenues with high quality crushed materials in various sizes at the lowest possible cost!

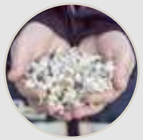
THE BEST SOLUTIONS FOR IMPACT CRUSHING PROCESSES

in your quarry, gravel pit or recycling plant

Quantity & Quality AGGREGATES

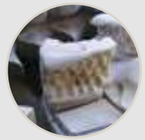
thanks to
Enhanced PRODUCTIVITY

Constant **output curves**
Adequate **shape index** (cubicity)
Flexibility in terms of end products
Absorb production peaks
Flowsheet **simplification**
& Process **optimization**



Simulation (Discreet Element Method - DEM), testing & trials

Mag'Impact VSI crusher

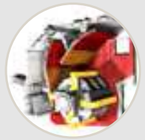


Vertical Shaft Impactor (VSI) parts

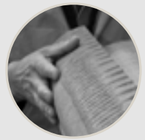
Reduced PRODUCTION COSTS

thanks to
WEAR & PROCESS IMPROVEMENTS

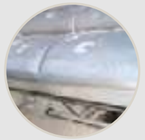
A wide range of solutions incl. MMC:
Better wear profile & longer lifetime
= ↑ productivity (t/h) & ↓ kWh/t



HSI castings



Blow bars



Impact plates

Increased SAFETY

thanks to
Reduced & eased MAINTENANCE

MMC solutions =
↑ lifetimes &
↓ replacements

For the Recycling industry

After reducing material usage, recycling existing resources remains a top priority to help minimize environmental impact and contribute to a better world. Today, more and more treated waste and related products are considered potential secondary raw materials rather than simply waste.

The demand for recycled aggregates is increasing and scrap metal is a highly valuable raw material. Processing solid waste and related products to produce alternative fuels is used by industries to enhance the value of their businesses.

As a participant in the circular economy, we continually develop new solutions and improve the product life cycle and circulation of raw materials, contributing responsibly to global human development. In line with doughnut economy principles and our commitment to minimizing our extended footprint, we also recycle our own product scrap through dedicated buy-back programs—further enhancing the life cycle of our solutions and reinforcing our role in sustainable resource use

Magotteaux designs and manufactures equipment, parts and services for the recycling industry, including the technology to master the most demanding recycling applications in an efficient and sustainable manner.

Main Customers

We proudly serve customers worldwide

AGNICO EAGLE	AKARA RESOURCES	ANGLO AMERICAN	ANTOFAGASTA PLC	ArcelorMittal	BARRICK
BHP	CAPSTONE COPPER	CLIFFS	CODELCO	DRDGOLD LIMITED	Evolution Mining
GLENCORE	GOLD FIELDS	GOLD ONE GROUP LIMITED	HARMONY	IMPLATS	
KGHM POLSKA MIEDŹ	KINROSS	LKAB	MAADEN	MINERAL RESOURCES	Mosaic
Newmont	NORTHAM PLATINUM HOLDINGS LIMITED	NORTHERN STAR RESOURCES LTD	OCEANAGOLD	REGIS RESOURCES LTD	RioTinto

Sandfire	Sibanye Stillwater	VALE	Valterra PLATINUM	vedanta	AMRIZE
ARGOS	BUZZI	CALPORTLAND	CAMARGO CORRÊA	CEMEX	CNBM
CRH	CSN Companhia Siderúrgica Nacional	Heidelberg Materials	HOLCIM	IKN	SCG
TITAN	VOTORANTIM	B&W BABCOCK & WILCOX	CEMENGAL	FLSmidth	GIP GISLER POWER
HAZEMAG	ISC Impact Service Corp.	Geha Laverman Hardox Wearparts Center	Metso	SBM	USC CASTINGS
WIRTGEN GROUP	EUROVIA	REMONDIS	L&T	MITSUBISHI	PGE

Production Plants

We have **22 production units** spread across **12 countries.**

4	EU	BELGIUM 2 UNITS FRANCE, SPAIN
4	NAM	USA 2 UNITS CANADA, MEXICO
2	AFRICA	SOUTH AFRICA
4	SAM	CHILE 2 UNITS BRAZIL 2 UNITS + 1 EXPANSION
6	APAC	THAILAND 4 UNITS INDIA, CHINA
+2	JVs	IN CHINA

- Production units
- Countries covered through our sales network

Production capacity across the world

Belgium

CASTINGS
7,200 T

Spain

CASTINGS
8,800 T

France

CASTINGS
8,500 T

Thailand

GRINDING MEDIA
130,000 T

CASTINGS
5,500 T

India

CASTINGS
6,000 T

China

FOUNDRY
10,000 T

HEAT TREATMENT
14,000 T

Canada

GRINDING MEDIA
58,000 T

USA

GRINDING MEDIA
42,000 T

CASTINGS
8,500 T

Mexico

CASTINGS
9,000 T

Brazil

GRINDING MEDIA
65,000 T
+ 40,000 T
resulting from the expansion of our production plant

CASTINGS
5,500 T

Chile

ANTOFAGASTA GRINDING MEDIA
55,000 T

TIL TIL GRINDING MEDIA
52,000 T

South Africa

MAGOTTEAUX GRINDING MEDIA SOUTH AFRICA

HIGH CHROME
100,000 T

STEEL FORGED
80,000 T

And 2 joint ventures

XINGCHENG – CHINA
GRINDING MEDIA
150,000 T

GRINTEC – CHINA
BEADS (15%)
20,000 T

Innovation and Development

Innovation as driver of our development

Innovation and technology have historically been a focal point of our culture and one of the essential elements that sustain our differentiation strategy. Our emphasis on innovation and product development has enabled us to significantly increase the performance of our products and clearly distinguish us from the rest.

The innovation we pursue aims to bridge the gap between emerging market signals, future trends, and our clients' current and upcoming challenges. We work in close collaboration with partners to complement our capabilities, and with universities to ensure the latest technologies are embedded in our approach—bringing relevant, forward-looking solutions to the market.

Flexibility Unleashed

Our cutting-edge technology isn't just adaptable; it's a chameleon. It seamlessly blends new design with material properties tailored to the operational conditions of our customers. Whether it's a fresh application or an existing challenge, we have the performance they need to support their growth and achieve their finality.

Guardians of Innovation

Our intellectual property (IP) dynamic approach shield this mighty Magotteaux tool. We are not stopping at patents—we went a step further and dived deeper. In 2023, we have vertically integrated a pilot line, an essential tool for flexibility/creativity and stealth vs competitors. Here, we concoct internally wear-resistant materials in a combination of flavors we have never imagined before.

Optimizing Crushers

In 2024, we adopted Discrete Element Method to model, simulate, and develop new crusher features, optimizing key parameters to meet customer demand.

End-User Allies

Magotteaux is not just a supplier; we are our customers's sustainability partner, helping them reach their own environmental objectives, extended product life cycles and streamlined processes. Our group-wide End of life/buyback program, orchestrated by a solid cross-functional team (sales, logistics, manufacturing), ensures our products come full circle—recycled and reborn.

Tomorrow's Promise

We are always looking ahead for new challenges. On longer term view we are collaborating with a third party developing wear solution for new crushing equipment that reduce energy consumption and do not use any water. Energy is a challenge, Water is scare.

At Magotteaux we are not just in the business of making things; we are in the business of making things better that suit our clients requirements in sustainable manner.

Magotteaux's Patent Journey - From Innovation to Global Expansion

Magotteaux currently holds 22 active patents worldwide, covering between 15 and 45 countries.

It all began 70 years ago, in 1954, when Magotteaux filed its first patent in Belgium and France. It described an innovative tumbling mill liner. A few years later, in 1967, the first patent dealing with grinding media was filed across Europe. This marked the first document filed in English by Magotteaux.

Over the years, Magotteaux has filed more than 100 patents across the world. While the initial patents were only validated in a few countries, the current active ones cover up to 45 countries across all five continents. This reflects the geographic expansion Magotteaux has pursued over that period. ■

> *Magotteaux is not just a supplier; we are our customers's sustainability partner, helping them reach their own environmental objectives, extended product life cycles and streamlined processes.*

Just a few of our major breakthroughs that have changed the industry:

Mid-1950s
Georges Halbart began testing the tool steel, soon named Hypersteel, bringing groundbreaking wear resistance and durability to industrial equipment.

1990
Emergence of the first Metal Matrix Composite (MMC), a game changer in castings.

2020
Launch of Expand, Magotteaux innovative longer-lasting vertical mill casting.

Key Partners

Legal counsel

Jones Day

Auditors

Deloitte

Key industrial and academic partners

- KIMA Process Control GmbH
- The University of Queensland Australia
- Oak Ridge National Laboratory
- IPS Particle Technology Sweden AB

Main Banks

- BNP Paribas
- KBC
- Bangkok Bank
- HSBC
- Belfius

Main Insurance policies consist of

- Comprehensive General Liability
- Marine Cargo covers the risks of physical loss or damage to goods and merchandise during loading and unloading, storage and while in transit by any method of conveyance.
- Property Damage & Business Interruption covers all risks of sudden and accidental physical loss or damage to real and personal property and business interruption following fire, explosion, machinery breakdown, flood, falling of aircraft, storm & hail etc.
- SRCC (Strike, Riots ansCivil Commotion) covers the same risks as above following terrorism, sabotage, strike, riot or civil commotion, malicious damage, insurrection, revolution, rebellion, mutiny, coup d'état, war and civil war.
- Directors & Officers Liability provides protection for individuals having management roles of the following companies.
- Cyber covers for loss incurred by Magotteaux following any of the cybercrime events such as malware introduction, human error, data breach or cyber extortion. It also covers for loss following a claim made against Magotteaux based upon data protection liability, liability due to cloud service providers or digital media liability.
- Crime covers all risks related to employee or third-party dishonesty in the form of theft, destruction/disappearance of physical money, counterfeiting, etc. ■

Risk Factors

In the dynamic landscape of the international manufacturing industry, Magotteaux recognizes and embraces the necessity of navigating through inherent risks and uncertainties.

Financial risks

Credit Risk

Given our expansive global reach, Magotteaux acknowledges the inherent credit risks associated with diverse markets. Our credit management approach involves strict credit risk assessments, robust credit policies and proactive monitoring to mitigate potential financial vulnerabilities.

Currency Risk

Operating internationally exposes us to currency fluctuations. To manage this risk, we closely monitor our exposure in currencies and use hedging techniques to reduce our financial exposure.

Liquidity Risk

The dynamic nature of our industry underscores the importance of managing liquidity effectively. Magotteaux Group employs prudent financial planning, maintains strong relationships with financial institutions and continually assesses liquidity requirements to ensure stability in diverse operating environments.

Compliance Risk

Our global presence implies adherence to various regulatory frameworks. Magotteaux prioritizes compliance by staying abreast of evolving regulations and fostering a culture of ethical conduct to minimize compliance-related risks.

Operational Risks

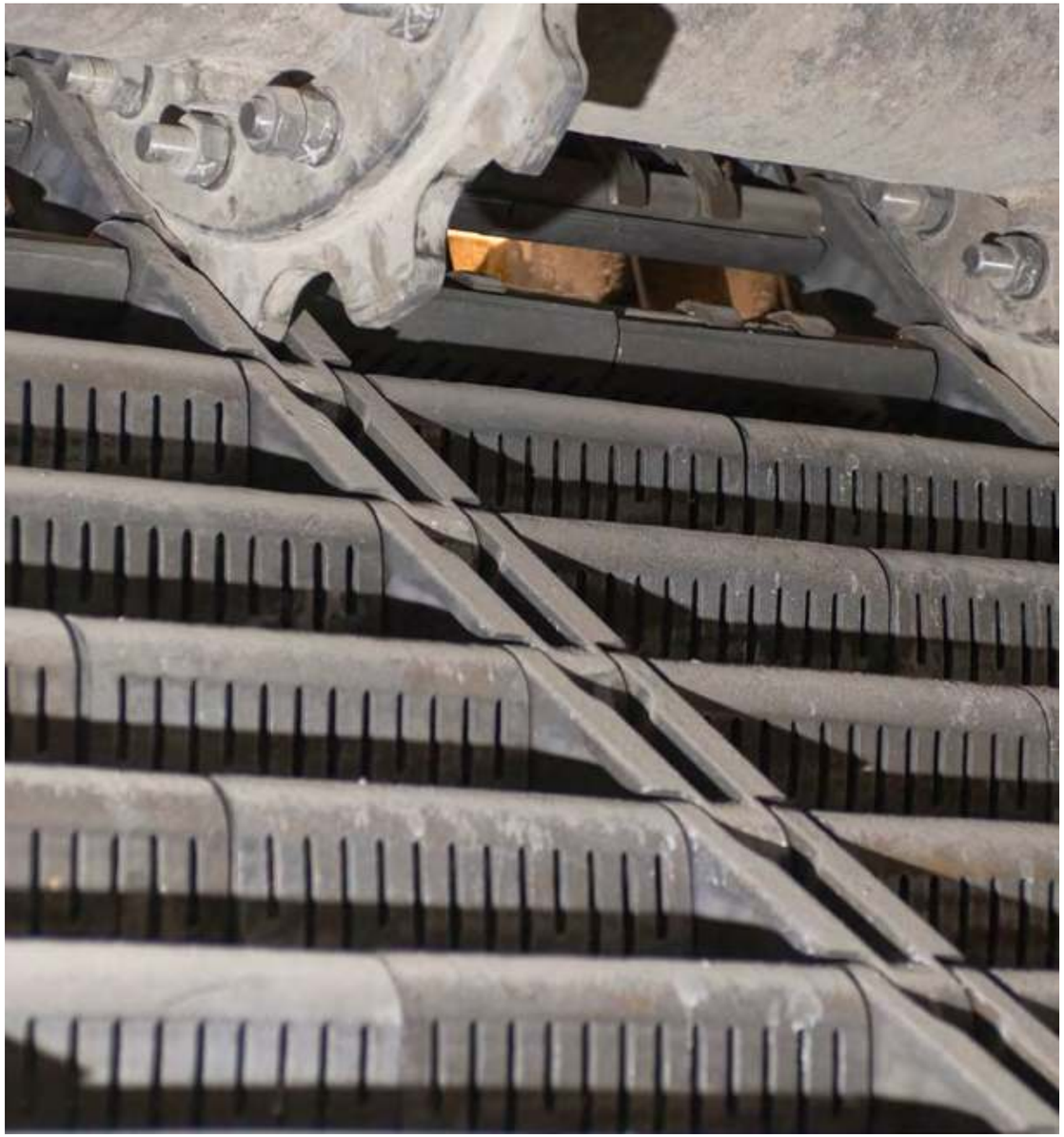
Supply Chain Risk

Acting across the globe, Magotteaux implements strategies such as diversifying suppliers and establishing contingency plans. Importantly, we maintain consistent standards of quality across our various plants, ensuring that our products meet the same high-quality benchmarks regardless of their origin. This proactive approach ensures the resilience of our supply chain, minimizing disruptions and optimizing efficiency in the face of unforeseen challenges.

Volatility of Input Costs

Magotteaux acknowledges the volatility of raw materials and energy prices as an inherent risk. While hedging these input costs is not often possible, we look for stability through strategic agreements. Our approach prioritizes securing the best possible prices to minimize volatility impact on our clients. This strategy allows us to navigate raw material fluctuations efficiently and maintain cost-effectiveness.

Despite the complexities of global manufacturing, Magotteaux embraces uncertainty as a driver of strength and innovation.



Cyber Risk

In an interconnected world, cybersecurity is a paramount concern. Magotteaux employs robust cybersecurity measures, including regular assessments, employee training, and technological investments to safeguard our digital assets and sensitive information.

Health & Safety

Operating in the Manufacturing industry, health and safety considerations are paramount. Magotteaux entities adhere to stringent health and safety protocols, investing in employee training, maintaining state-of-the-art safety infrastructure and implementing regular audits to create a secure working environment.

Strategic Risks

Political Risk

The geopolitical landscape has become increasingly unpredictable, with rising commercial barriers such as tariffs or duties, foreign exchange volatility, and supply chain disruptions linked to conflict zones. Given these evolving challenges, Magotteaux actively monitors (geo-)political risks and assesses their potential impact on its operations. We develop scenario-based strategies to optimize competitiveness and mitigate exposure. Thanks to our global footprint, with manufacturing plants strategically located around the world, we enhance resilience and ensure operational continuity in the face of geopolitical uncertainties.

Innovation Risk

Being at the forefront of innovation in the manufacturing sector introduces its own set of risks. Magotteaux embraces innovation while managing associated risks through rigorous testing, continuous improvement processes, and strategic partnerships to ensure that our products and processes remain cutting-edge and resilient.

Sustainability Risk

Magotteaux integrates sustainable practices into its risk management framework. We are committed to reducing our environmental footprint, promoting social responsibility and upholding high governance standards. This includes initiatives such as responsible consumption and production, gender equality, decent work, good health and well-being, and transparent corporate governance practices. By incorporating Sustainability considerations, we not only mitigate risks associated with environmental and social impacts but also position ourselves as responsible stewards in the global business landscape. ■

Financial Policy

Magotteaux' conservative financial policy has resulted in its sound financial position.

The group favors bank financing and own cash flow generation for stay in business capital expenditure and investments aimed at supporting organic growth or improving productivity. Bank financing is also used to finance working capital requirements which can vary substantially throughout the year as a result of fluctuations in the price of main raw materials such as ferrochromium or metal scraps.

For major investment projects, aside from the support of its syndicate banks, Magotteaux can rely on its mother company, Sigdo Koppers, listed on the stock exchange in Santiago, in order to maintain a conservative leverage and comfortable bank covenants. ■

Magotteaux prioritizes financial strength by combining bank financing with strong cash flow to sustain growth and enhance productivity.

	2024	2025
Net Financial debt / EBITDA	1.92x	2.66x
EBIT / Net Interests	6.6x	5.6x

3

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Sustainability

Introduction

We are pleased to present the third edition of Magotteaux's sustainability report, covering the fiscal year 2025 (from January 1 to December 31, 2025). This document reflects our ongoing commitment to sustainability, transparency, and continuous improvement in a complex global context where certitudes are now shaken. In this Magotteaux wants to reiterate its commitment to being a responsible business with sustainable practices and long-term vision.

↓

Innovation has been the driving force behind our operations. Our capacity to meet, and in some cases anticipate market needs, optimizing product life cycles, has evolved into a strategy. This strategy fully integrates sustainability, this exquisite balance between environmental, social, and economic impacts. At Magotteaux, sustainability is embedded in the way we operate, shaping our technical, commercial, and operational decisions.

Since 2024, we have begun the journey of preparing to meet the requirements of the Corporate Sustainability Reporting Directive (CSRD) with the aim to report under the European Sustainability Reporting Standards (ESRS) in due time. Throughout 2025, we have made significant progress in this preparation. As the European Commission proposed regulatory adjustments in February 2025 (Omnibus Simplification Directive), we are closely monitoring these developments to align our upcoming reports with CSRD requirements when applicable. In any case, despite recent changes in the European landscape, Magotteaux remains committed to its Sustainability Strategy as defined. We are prepared to move forward.

Through this exercise in accountability, we aim to share our initiatives, progress, and challenges in a clear and structured manner. This report documents our actions and serves as an ongoing invitation to maintain an open dialogue with our stakeholders on the material topics that impact our business and the environment in which we operate.

We deeply appreciate the trust placed in Magotteaux and reaffirm our commitment to building, together with you, a more sustainable, resilient future.

Unless otherwise stated, this report covers the period from January 1 to December 31, 2025. ■

Magotteaux's sustainability strategy

Our sustainability vision

At Magotteaux, we are working to integrate sustainability into the heart of our business strategy. We see it as a catalyst for innovation, resilience, and bridging short with long-term value creation. By integrating and balancing environmental, social, and economical aspects into every layer of our decision-making, we aim to deliver solutions which on top of being technically robust and economically sound, are also socially responsible and environmentally conscious.

Our approach is holistic: we prioritize the safety and well-being of our employees, contractors, and visitors; we foster transparent and accountable relationships with stakeholders; and we actively work to reduce the environmental impact of our operations. We believe that respecting human dignity and protecting natural resources are essential to building a future where industrial performance and sustainability go hand in hand.

Magotteaux is committed to leading by example in environmental responsibility. We continue to invest in technologies and practices that rationalize energy consumption, extend product life cycles, and promote circularity. Our operations increasingly rely on reused and recycled materials, including metallic particles recycled from the slag generated in our operations and buying back not only our own parts but also those for other industries; we also rationalize water consumption by reducing evaporative cooling across our global sites. These actions are aligned with our ambition to contribute meaningfully to climate action and resource efficiency.

Our social strategy is rooted in the principle of "no harm." We strive to create safe, inclusive, and empowering workplaces, where every individual can thrive. Training and development are central to our efforts, ensuring that our teams are equipped with the skills needed to support Magotteaux's sustainable growth. We also uphold ethical business conduct and fair competition, recognizing that our success is deeply connected to the well-being of the communities we serve.

Strong financial results are the backbone of our sustainability strategy. We have implemented proactive systems to monitor and evaluate our performance, ensuring that our operations remain efficient, profitable, and aligned with our values. By embedding sustainability into our finality, we reinforce our commitment to transparency, integrity, and long-term impact.

Our sustainability approach

At Magotteaux, our sustainability approach is designed to guide our actions and shape our long-term vision. It focuses on independent third body certification, transparent communication, and strategic environmental, social, economic commitments. These pillars reflect our proactive approach to integrating sustainability into every aspect of our operations, from top management, procurement to environmental performance and stakeholder engagement.

01 Certification

ISO Certifications

At Magotteaux, we approach climate action with rigor, transparency, and alignment to internationally recognized standards such as ISO and EcoVadis. As part of our commitment to sustainability and in recognition of climate change as one of our priority areas within the United Nations Sustainable Development Goals (SDGs), we have conducted Greenhouse Gas (GHG) calculation and third body verification at organizational level for the third consecutive year, including Scopes 1, 2 and 3.

We carry out these verifications in accordance with ISO 14064-1:2019, a robust framework that ensures the accuracy and credibility of GHG calculations in organizational reporting. Our most recent verification campaign took place between January and February 2026, covering all Magotteaux manufacturing sites.

Additionally, we maintain the ISO 50001 certification in 9 out of the 12 countries where we operate. Such Energy Management Systems implemented and certified by a third-party body reinforces our commitment to energy efficiency and direct impact on carbon footprint reduction.

EcoVadis

External validation plays a key role in our sustainability journey. Our partnership with EcoVadis provides an annual assessment across four key areas: Environment, Labor & Human Rights, Ethics, and Sustainable Procurement.

In 2025, Magotteaux maintained its EcoVadis Bronze Medal, ranking in the 79th percentile of evaluated companies. This is an achievement since we have progressed compared to 2024, increasing 6 points out of 100 in our overall score. This reflects our continuous approach to improvement and demonstrates our commitment to responsible business practices. EcoVadis Sustainability rating is reinforcing Magotteaux's commitment to transparency, accountability, and excellence in environmental performance. Some of the key aspects highlighted this year by EcoVadis in each of the evaluated dimensions were:

Environment

This remains our strongest area, supported by solid policies, clear targets on energy and GHG emissions, and certifications such as ISO 14001 and ISO 50001. EcoVadis also recognized our efforts in measures like carbon audits, renewable energy use, and rainwater harvesting systems.

Labor & Human Rights

This year, our result was supported by certification in ISO 45001, SA8000 where available, as well as strong policies on working conditions, health and safety, and gender equality.

Ethics

Our score this year was supported by strong policies on corruption, fraud, and information security, as well as by reporting procedures and training programs. Additionally, EcoVadis introduced a relevant change to its assessment methodology, shifting from rounded scores to more precise, unrounded thematic scores. In this context, the score of 49 out of 100 obtained in 2026 reflects a real improvement in our performance under the updated evaluation system.

Sustainable Procurement

In this pillar, we were recognized for our strong supplier code of conduct and on-site audits addressing environmental and social practices. Our support for global initiatives such as the SBTi and the United Nations Global Compact was also highlighted, as it reinforces our commitment to responsible sourcing.

This recognition demonstrates Magotteaux's efforts for a sustainable future. We will continue focusing on closing identified gaps, improving our metrics, and ensuring that our practices are aligned with the highest global standards.

02 Communication

Communication is the second pillar of our sustainability approach, which is centered on transparency. Supported by our communication strategy, we enhance transparency regarding our actions and achievements.

An example of the above was the launch of our Carbon Footprint Dashboard; an internal interactive Power BI dashboard aimed at improving transparency and internal communication around GHG emissions. This interactive tool offers a clear and accessible visualization of the company's most recent verified carbon footprint data and raises people's awareness about the current impact and encourages actions to reduce emissions.

The dashboard enables users to:

- View GHG emissions at a global level or drill down to plant-specific results.
- Compare data across different sites, as well as against baseline and agreed targets
- Explore emissions organized by Scope 1, 2, and 3, with detailed subcategories.
- Access key metrics such as carbon intensity (tCO_2 per finished ton) and the emission factors used in calculations.

This initiative, as part of Magotteaux's strategic focus on communication, reinforces our commitment to transparency and continuous improvement by enabling us to consistently monitor our metrics and the targets we have set for sustainability performance (for more information, see 'Sustainability Goals' in Our sustainability approach section page 65).

03 Our Commitment

From day one, we've been driven by a spirit of continuous improvement and a deep commitment to building trust, by conducting business responsibly, remaining transparent, and delivering continuous improvement. In FY25, we kept building on the foundations laid in previous years, deepening the integration of environmental, social, and economic dimensions across all business functions. These efforts reflect not only our strategic priorities but also our belief that sustainability is a shared responsibility, requiring consistent action, open communication, and measurable impact.

Below we present our most significant sustainability commitments, which reflect our determination to generate positive impact and move towards a more responsible, transparent, and resilient operation:

Reduce Scope 1 and 2 emissions by 42% by 2030 compared to our 2023 baseline[1]. For Scope 3 emissions, reduce them by 25% by 2030 compared to the 2023 baseline[2].

Our Sustainability-Linked Loan (SLL) ties financing to verified sustainability outcomes, reinforcing our commitment beyond short-term gains.

Science Based Targets initiative (SBTi) application. A global effort that helps companies set emissions reduction targets in line with climate science.

Advance progress toward the SDGs, designed to address global challenges and achieve a more sustainable future by 2030.

[1] The internal target, aligned with SBTi, is to reduce Scope 1 and Scope 2 emissions by 42% by 2030 compared to the 2023 baseline. The target linked to the SLL signed with banks is also to reduce Scope 1 and Scope 2 emissions, but it has a shorter timeframe ending in 2028, which explains the lower reduction target for that period. For more information, please check pages 69-70.
[2] The target related to Scope 3 is not included in the SLL agreement, but it is an internal target and is aligned with the SBTi. For more information, please check page 88.

Sustainability Goals:

In line with our commitment to sustainable development and continuous improvement, we at Magotteaux have incorporated a series of concrete Sustainability goals into our integrated Environment, Quality, Security, Health and Safety and Sustainability (EQSHSS) policy as of 2025. These objectives reflect our ambition to operate more responsibly and efficiently, while aligning with the principles of the SDGs:

Name	Description	Target	Timeline
Progressive Reduction of GHG Emissions (Scopes 1, 2 and 3)	We are committed to reducing our GHG emissions using 2023 as the baseline year. Annual reduction targets have been defined, aiming for a 42% decrease in Scope 1 and 2 emissions and a 25% reduction in Scope 3 emissions by 2030 (for more information, see 'Targets' in 'Climate Change' section page 85). This initiative is aligned with the SBTi. In addition, the targets agreed with banks under our SLL are also aligned with SBTi, reinforcing our commitment to credible and science-based climate action.	42% GHG Emissions reduction (Scopes 1 and 2) 25% GHG Emissions reduction (Scopes 3)	2030
Improvement of Ecovadis Rating	We aim to enhance our Sustainability performance as assessed by Ecovadis, progressing from a baseline score of 52 in 2021 to 77 by 2028. In the medium term, we have a stricter target: to obtain the silver medal in 2026–2027. This indicator reflects improvements across environmental, labor, ethical, and responsible procurement practices.	Silver	2028

In addition to the above, we have established a set of qualitative targets, outlined below:

- Waste Management with a Second-Life Approach: Magotteaux aims to develop more initiatives to reduce waste or give it a second life, reinforcing our commitment to circular economy principles. To achieve this, we collaborate with third parties to identify opportunities for reusing both hazardous and non-hazardous waste. These partnerships enable innovative solutions that minimize environmental impact and create value from materials that would otherwise be discarded.
- Reduction of Water Consumption: We promote the installation of dry cooling systems in plants where new infrastructure is required. This initiative aims to minimize water usage and enhance process efficiency.
- Environmental Awareness and Internal Training Programs: We have introduced a new metric to track the percentage of employees receiving environmental training. In addition, we run awareness campaigns to foster a culture of Sustainability across the organization. Furthermore, we are working on establishing a clear and measurable target for employee participation in these programs, ensuring continuous improvement and accountability in our sustainability efforts.
- Workplace Climate Surveys: We have launched organizational climate surveys, starting with a pilot in Chile. These surveys help us assess employee well-being and identify opportunities to improve the work environment.

Each of these targets is supported by specific indicators that allow for annual evaluation. Our Board of Directors has allocated the necessary resources and validated the governance mechanisms to ensure effective implementation. These objectives not only strengthen our integrated EQSHSS management system but also reinforce our commitment to operating in a sustainable, ethical, and resilient manner.

SBTi

Magotteaux applied to the Science Based Targets initiative (SBTi) in 2024 and is currently in the process of targets review and approval. Our climate goals are based on scientific evidence and aligned with global efforts to limit warming to 1.5°C. These include reducing Scope 1 and 2 emissions by 42% and Scope 3 emissions by 25% by 2030, using 2023 as the baseline year. In addition, the targets agreed with banks under our Sustainability-Linked Loan (SLL) are aligned with those under SBTi review.

In early 2025, Magotteaux announced key achievements reached to date, reinforcing its alignment with the principles of the SBTi. The company continues to advance its climate strategy through measurable and verifiable emissions reductions, demonstrating tangible progress in its decarbonization efforts:

In 2025, Magotteaux achieved a 17,2% reduction in total carbon footprint (comparing to previous year), reaching 1,243 ktCO_2e, with emissions distributed as follows:

- Scope 1: 65 ktCO_2e (5,2%)
- Scope 2: 241 ktCO_2e (19,3%)
- Scope 3: 938 ktCO_2e (75,5%)

Magotteaux exceeded its 12% reduction target for Scope 1 & 2, achieving a 14% decrease compared to 2023. This progress was driven by:

- Green certificates in India, China, and South Africa (Scope 2)
- Process optimization and standardized calculations (Scope 1)
- Improved transportation data accuracy (Scope 3)
- SBB consumption increase (Scope 3)

UNGC

As part of the Sigdo Koppers Group, we also uphold the principles of the United Nations Global Compact (UNGC). This voluntary initiative guides our approach to human rights, labor standards, environmental responsibility, and anti-corruption. Our continued alignment with the UNGC reinforces our commitment to transparency, ethical conduct, and long-term value creation.

SDGs: Our contribution to building a sustainable world

At Magotteaux, we have integrated our commitment to the United Nations Sustainable Development Goals (SDGs) into our EQSHSS policy. We adopted a strategic approach that prioritizes six of the seventeen SDGs most relevant to our operations and global impact, as they represent the areas where we have the greatest scope of influence and can maximize our contribution to sustainable development. Below is an overview of our commitments to each of the six SDGs prioritized in our strategy.

SDG #3 → Good Health and Well-being We actively work to preserve the physical and mental safety of our employees, subcontractors, and visitors. We promote a "no harm" culture of prevention aimed at eliminating workplace accidents and ensuring safe and healthy working environments. As part of this approach, we encourage incident reporting across all our facilities to identify and address potential risks in advance, thereby preventing accidents. We also monitor the ratio of incidents to Lost Time Accidents (LTAs) and engage with all sites to continuously improve this indicator. For more information, please see page 110.

SGD #4 → Quality Education At Magotteaux, we view education as a strategic priority and a cornerstone of our community engagement. Introduced as a key focus in FY24, education continues to play a central role in our sustainability efforts. In FY25, we maintained our commitment by allocating at least half of our social investment budget to educational initiatives. Moreover, we provide continuous training for our employees to ensure they have the skills and competencies needed to support the Group's sustainable growth and performance. Beyond internal upskilling, we actively build partnerships with universities, vocational training centers, and technical institutes to strengthen the connection between academic knowledge and industrial practice.

SDG #5 → Gender Equality is reflected in our efforts to promote an inclusive workplace where men and women have equal opportunities for development. We ensure an equitable pay structure and implement policies that support diversity and inclusion.

SDG #8 → Decent Work and Economic Growth Innovation is a fundamental pillar of our strategy; we actively encourage idea generation and value the contributions of our employees. By fostering innovation, we not only improve our own processes but also meet our customers' needs and deliver added value through products with an extended life cycle that enhances their efficiency. Financially, we work to improve our performance through indicators such as EBITDA and consolidated ROCE [3].

SDG #12 → Responsible Consumption and Production is central to our strategy. We aim to optimize the consumption of natural resources, minimize environmental impacts, and prevent accidental events such as industrial incidents. We promote compliance with environmental regulations and support voluntary commitments such as the Science Based Targets initiative and the UN Global Compact. We also encourage efficiency in water and energy use and implement circular economy strategies, including by-product recycling, material reuse, and product buy-back models.

SDG #13 → Climate Action
is addressed through strategies designed to reduce our carbon footprint. These include the use of renewable electricity and improvements in energy efficiency. We raise internal awareness about climate change, monitor energy consumption under ISO 50001, and evaluate the CO_2 impact of our investments, always seeking a balance between efficiency and profitability. ■

[3] EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) is a financial indicator that measures a company's operating performance before accounting for financial and non-operational factors. Consolidated ROCE (Return on Capital Employed) evaluates how efficiently a company uses its capital to generate profits, considering all business units within the group. Both indicators help monitor Magotteaux's financial health and sustainable growth.

Sustainability Performance

Key sustainability highlights in 2025

Extending the lifespan of our products has always been part of our DNA. We continuously pursue sustainable innovation across our operations, minimizing the environmental impact of most products. Thanks to our global presence, we can stay close to our customers, which helps reduce emissions associated with transportation.

Our **"Expand One" project (patented technology)** is a strong example of Magotteaux's commitment to innovation aimed at improving the life cycle of our products and generating positive sustainability impacts. This initiative doubles the service life of wear parts for vertical mills, helping customers lower their carbon footprint and operational costs, while also enhancing their production processes.

Our new patented "Ascend" lifting liner design increases the life cycle of our product. The innovative design allows customers to replace only the lifting elements without changing the base plate. This modular concept increases life cycle while maintaining a high recyclability of steel at each relining. It also clearly improves safety while optimizing maintenance costs. Operationally speaking, the constant profile of the replaceable lifting elements preserves the liner's lifting efficiency throughout its entire service life. By maintaining a stable trajectory of the grinding media, the New "Ascend" liner reduces energy consumption per grinded tons, enhances material cascading, and limits slippage well known to increase overall wear in the first chamber. As a result, the mill is more efficient producing a finer product at lower specific energy consumption. This improved grinding efficiency enables customers to reduce their clinker ratio while maintaining strength performance, thereby lowering overall CO2 emissions both on energy and clinker usage while having an improved product life cycle.

Between January and December 2025, we recovered around **18% of reusable metal from slag** at our Thailand plant thanks to a new equipment installed at the end of 2024.

Through our "Scrap Buy-Back" program, we continued to recycle end-of-life products into new components, leveraging our local presence to make recovery more efficient and having a positive impact on transport emissions as well since we are able to capture SBB in every continent. This is not only good for us but also for our clients having a part in circular economy and minimizing waste management.

In FY25, we accelerated the implementation of this program, achieving results that exceeded expectations by 21%.[4] As part of this progress, we purchased and reused 38 ktons of Scrap Buy Back (SBB) (up from 24.7 ktons last year) underscoring significant improvements in resource efficiency and circularity.

Approximately **80% of our raw materials** are sourced from recycled content from end-of-life parts, used balls, stainless steel, regular steel. The majority of this recycled input consists of scrap materials, mainly ordinary scrap, stainless steel scrap, and SBB. The extensive use of scrap reduces the need for other primary raw materials such as ferrochromium (FeCr), nickel, and similar alloying elements. ■

[4] For further information, check the section "Scrap Buy Back: strengthening circularity through customer partnerships".

2025 Magotteaux's awards

Recognition for Environmental Excellence at Magotteaux Wuxi Plant

In June 2025, our plant in China received the *Excellence in Environmental Co-construction Award* from the Wuxi Xinwu Ecological Environment Bureau. This recognition reflects the Wuxi plant's consistent efforts to uphold high standards in environmental management, energy efficiency, and emission reduction, all in line with the Group's sustainability strategy.

Over the past 4 years, the site has maintained full compliance with environmental regulations, operating with all required permits and management systems, and without any recorded violations or administrative penalties. The plant also stands out for its clean and well-organized environment, as well as its active participation in local sustainability initiatives. These include recycling programs and centralized production practices that contribute to lower energy consumption and reduced emissions.

Magotteaux Inc in USA: Recognized once again for environmental leadership

Magotteaux Inc (USA) joined the *Tennessee Green Star Partnership (TGSP)*, a voluntary environmental leadership program led by the Tennessee Department of Environment and Conservation (TDEC). The program honors manufacturers that prioritize sustainability and demonstrate continuous operational improvement. This milestone marked another significant step in Magotteaux's journey toward responsible environmental management.

Led by the Pulaski team, several impactful initiatives were implemented, including energy savings of 2 million kWh through LED lighting upgrades and an additional 1.6 million kWh saved by shutting down non-production equipment. In terms of waste management, the site launched a sand reclamation system, recycled over one ton of materials monthly, and established a zero-waste-to-landfill partnership.

These efforts were officially recognized in February 2025, when Magotteaux received the TGSP award, reaffirming its strong commitment to local sustainability and continuous improvement.

General Information

Our business model and value chain

Magotteaux operates with a global, vertically integrated business model designed to deliver high-performance solutions across a wide range of industrial applications.

Our core business revolves around the production of advanced grinding media and high-performance castings. These include high and low chromium grinding balls, steel forged balls, ceramic beads, high chromium and High Strength Low Alloy (HSLA) steel castings. These products are designed to withstand extreme conditions of abrasion and impact and are used across a wide range of industries that require intensive grinding and crushing processes. Key client sectors include mining, cement, aggregates, energy, recycling, and incineration plants. Magotteaux's solutions help optimize operational efficiency, reduce energy consumption, and extend equipment lifespan, contributing to more sustainable and cost-effective production.

Our operations span multiple continents, enabling us to remain close to our customers and respond efficiently to market demands. Our manufacturing footprint includes strategically located facilities in North and South America, Europe, Asia, and Africa, complemented by joint ventures that enhance our reach and capabilities. This global presence allows us to optimize logistics, reduce lead times, and minimize the environmental impact of transportation.

Innovation is embedded in our value chain. We operate research and development centers equipped with pilot plants in Belgium and maintain active collaborations with universities and technical institutes. These partnerships fuel our ability to co-develop solutions with clients, improve product life cycles, and drive sustainable performance.

Customer proximity is a key differentiator in our model. Our specialized sales teams and technical experts provide tailored support, including on-site audits and process optimization services. We regularly conduct satisfaction surveys to ensure our solutions meet evolving client expectations and to identify opportunities for continuous improvement.

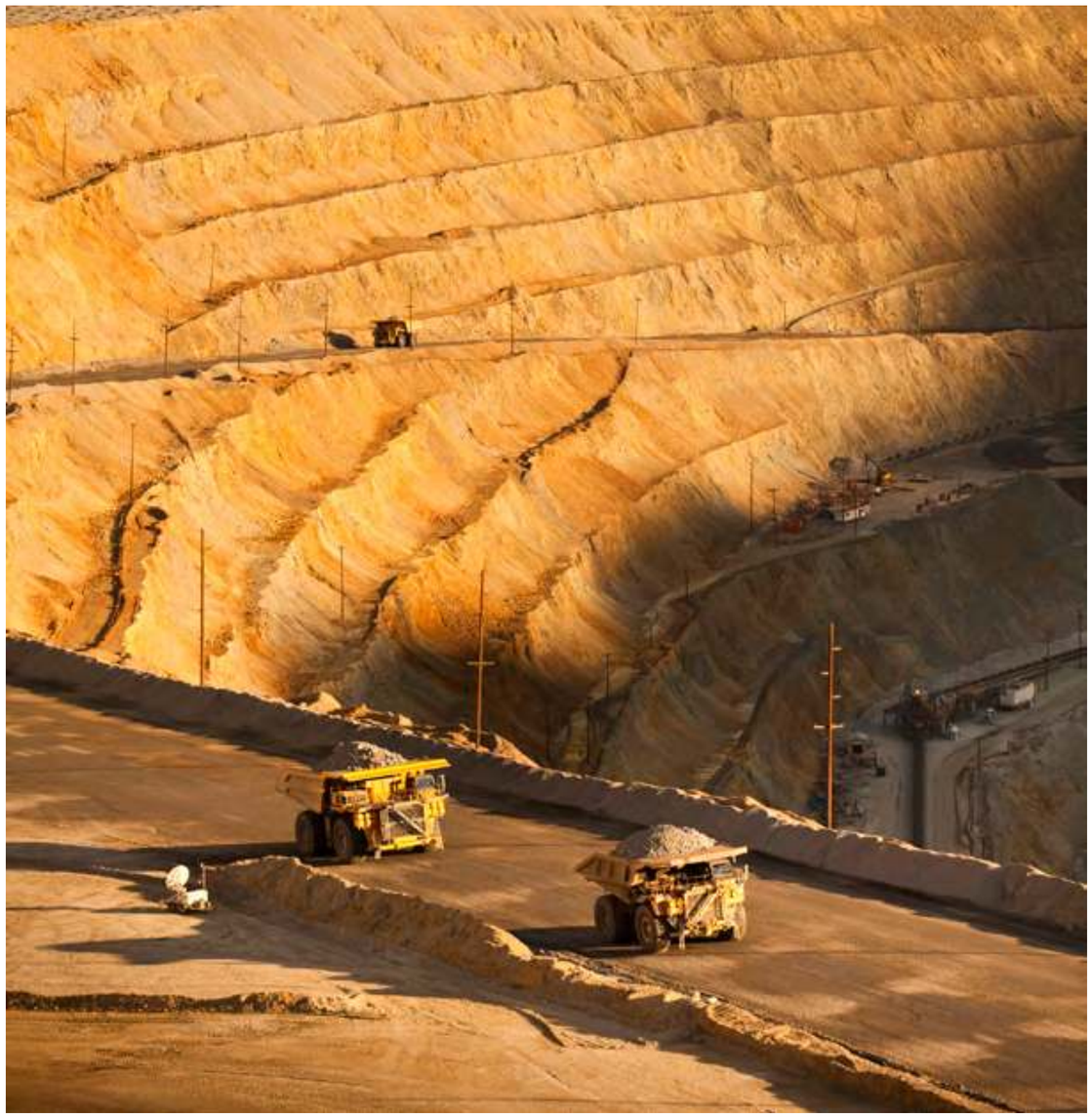
Our value chain is supported by a robust network of strategic partners. These include suppliers of raw materials and technology, innovation collaborators, financial institutions, legal advisors, and the broader Sigdo Koppers Group. Together, they contribute to the resilience and agility of our operations.

Efficient distribution is enabled by our global logistics infrastructure, which ensures timely delivery and supports our commitment to quality and customer satisfaction. By maintaining proximity to key markets and leveraging regional expertise, Magotteaux continues to strengthen its position as a trusted partner in sustainable industrial solutions.

Advancing our Double Materiality Assessment (DMA)

In FY25, Magotteaux continued to strengthen its sustainability governance by advancing the DMA initiated in the previous year. This process has become a strategic tool for identifying and prioritizing the environmental, social, and economic impacts, risks, and opportunities (IROs) that are most relevant to our business and stakeholders.

Building on the groundwork laid in FY24, we expanded our stakeholder engagement efforts, refined our analytical methodologies, and deepened our understanding of the sustainability landscape across our global operations. The DMA has proven essential for aligning with the disclosure requirements of the CSRD and the ESRS, but also for embedding sustainability into our strategic decision-making.



Stakeholder identification

In line with the definitions established by the ESRS, at Magotteaux, we have made a clear distinction between our affected stakeholders and the users of the sustainability report. This differentiation allows us to more precisely address the expectations and needs of each group, and to ensure that our actions and communications are aligned with the principles of transparency, accountability, and relevance required by European regulation.

We identify affected stakeholders as those directly impacted by our operations and decisions, such as employees, contractors, local communities, suppliers, and business partners. Users of the sustainability report include industrial clients, investors, regulators, non-governmental organizations, and other actors who rely on this information to evaluate our performance and make informed decisions.

Driving sustainability forward, Magotteaux turns insight into strategic action.

Methodological Framework

Our DMA process follows a structured six-step approach:

1. **Mapping the sustainability landscape**
We updated our stakeholder map and value chain analysis to reflect evolving relationships and operational realities. This included reassessing upstream and downstream dependencies, regulatory developments, and peer benchmarks.

2. **Stakeholder Engagement**
We expanded our outreach to include additional regions and stakeholder groups. Through interviews, workshops, and surveys, we gathered insights from clients, suppliers, and employees. This global perspective enriched our understanding of the diverse sustainability challenges and stakeholder expectations.

3. **Identification of IROs**
Leveraging both internal expertise and external references, we refined our long list of Sustainability topics. This included integrating new sector-specific considerations and emerging Environment, Social, and Governance themes relevant to Magotteaux's operations.

4. **Materiality Assessment**
Each IRO was evaluated using a dual lens: impact materiality and financial materiality. This scoring process allowed us to prioritize topics that are both strategically significant and financially relevant.

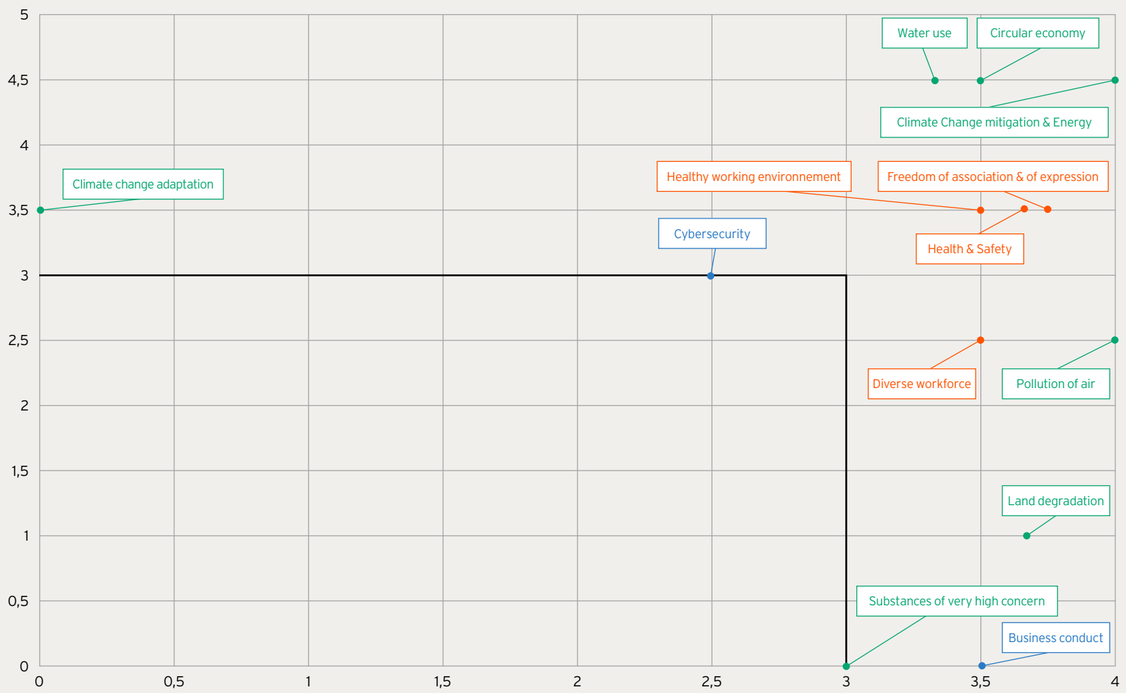
5. **Consolidation of Sustainability Topics**
Material IROs were grouped into thematic Environment, Social, and Governance categories to facilitate reporting and strategic alignment.

6. **Executive Validation**
The final list of material topics was reviewed and validated by Magotteaux's executive leadership to ensure alignment with corporate priorities and stakeholder expectations.

Material Topics – DMA main results

In 2025, Magotteaux made significant progress in defining its material topics as part of the DMA process, which followed the structured methodology previously described.

The initial results of the materiality exercise reveal a set of topics that will be key to aligning our policies, metrics, targets, and actions. These include:



* Please note that for readability purposes, topics in the table (showed on the next page) were clustered together to avoid too many points on the graph which is why they don't all figure on it.

The graph on the previous page plots sustainability topics based on two axis to visualize the topics that came out as material for Magotteaux. The vertical axis shows the impact materiality whereas the horizontal axis shows the financial materiality. The threshold chosen by Magotteaux (3) is represented by the line to indicate that all topics above are material. Topics located on the axis are therefore only material from one of the two. ■

Category	Material Topics	ESRS related
Environment	Climate Change mitigation & Energy	ESRS E1
	Climate change adaptation	ESRS E1
	Pollution of air	ESRS E2
	Substances of very high concern	ESRS E2
	Water use	ESRS E3
	Biodiversity and Ecosystems	ESRS E4
	Circular economy	ESRS E5
Social	Health & Safety	ESRS S1 & S2
	Freedom of association & of expression	ESRS S1
	Diverse workforce	ESRS S1
	Healthy working environment	ESRS S1
	Communities' civil and political rights	ESRS S3
	Communities' economic, social and cultural rights	ESRS S3
	Personal safety of consumers or end-users	ESRS S4
Governance	Business conduct	ESRS G1
	Cybersecurity	ESRS G1

Sustainability Information

This section provides an overview of the Environment, Social, and business conduct initiatives and strategic commitments that have shaped Magotteaux's sustainability journey throughout FY25. It highlights the actions we have implemented, the goals we continue to pursue, and the progress we have made in embedding sustainability across our operations.

Magotteaux's global footprint, combined with our technical expertise and strong ethical foundation, positions us to drive meaningful change. Our sustainability strategy is not static; it evolves in response to material impacts, stakeholder feedback, and emerging risks and opportunities. In FY25, we focused on deepening our integration of sustainability principles into operational decision-making, enhancing data quality for reporting, and preparing for full alignment with the CSRD and ESRS frameworks.

Through this section, we aim to provide a transparent account of our sustainability performance, reaffirm our commitments, and demonstrate how we are translating ambition into action, creating long-term value for our business, our stakeholders, and the communities we serve.

Environmental Information

At Magotteaux, environmental responsibility is a strategic priority embedded across our global operations. In FY25, we continued to strengthen our efforts to reduce our environmental footprint, aligning our environmental actions with both corporate objectives and international sustainability frameworks. Our approach is guided by the belief that operational excellence must go hand in hand with environmental stewardship.

This section outlines the progress we've made in managing material IROs, with a focus on four key areas: climate change, water management, resource use, and circular economy practices.

Decentralized Action, Unified Vision

Each Magotteaux facility operates with a degree of autonomy, but site-specific strategies are permitted by Group level only if they are stricter than the corporate one. This decentralized model fosters innovation and agility, while remaining aligned with our overarching sustainability goals. Environmental performance is tracked through standardized metrics and indicators, enabling us to monitor progress, identify gaps, and drive continuous improvement across the organization. However, throughout the report, certain actions will be identified as specific to individual locations, and this will be clearly described in each corresponding section. ■

Policies

01 Magotteaux's EQSHSS policy

Originally issued in May 2017 and last updated in October 2025, sets out the guiding principles that steer the Group's environmental, social, and governance performance globally. This policy applies to all Magotteaux activities, regions, and locations, and is mandatory for all employees as well as for anyone acting on behalf of the organization or under its authority.

02 Objectives

The policy aims to ensure the safety and well-being of employees, visitors, and subcontractors; foster social responsibility with stakeholders; minimize the environmental impact of operations; reduce carbon emissions; and guarantee the quality of products, solutions, and services offered to clients. These pillars are fundamental to Magotteaux's corporate mission.

Beyond legal compliance, Magotteaux seeks for this policy to inspire responsible conduct across all its operations, promoting respect for human integrity and the protection of the planet for future generations. The policy also establishes a commitment to safeguarding the company's physical, virtual, financial, and intellectual assets through dynamic risk management and asset preservation.

03 Scope

The policy applies to all Magotteaux employees worldwide, reinforcing a shared responsibility for sustainability and ensuring that environmental awareness is embedded in our daily operations.

The policy has been communicated to all employees. It includes goals and indicators that enable performance monitoring and continuous improvement of the integrated EQSHSS management system. It has been approved by Magotteaux's Executive Committee.

Climate Change

At Magotteaux, addressing climate change is not only a strategic imperative, but also a shared responsibility across our global operations and value chain. We recognize that our environmental impact is closely tied to the energy intensity of our manufacturing processes, and we are committed to lower-carbon solutions. In FY25, we implemented initiatives to reduce GHG emissions, improve energy efficiency, and increase the use of renewable electricity, aligned with SDG # 13 - Climate Action. As mentioned in the "Our Commitments" section, a key milestone was our commitment to the Science Based Targets initiative (SBTi), following two years of assessment and external verification.

Climate Change Metrics

Energy consumption and mix

Magotteaux's energy profile is supported by a dual approach: conventional electricity sourced from national grids and an expanding portfolio of renewable electricity solutions. In FY25, our total electricity consumption across manufacturing sites reached 622,659MWh, with a growing share derived from certified green sources.

We have made significant progress in integrating renewable electricity into our operations, including:

- Contributing to reduced carbon intensity through on-site solar generation in India and Thailand, with rooftop installations.
- Securing certified renewable electricity in Spain and Belgium supported by guarantees of origin.
- Expanding renewable sourcing by signing new procurement agreements in China, South Africa, and India, incorporating wind and solar sources, complemented by the purchase of green certificates to further increase the share of renewable electricity across our operations.
- Enhancing renewable generation capacity in India by adding 600 kW of solar power (effective August) and 100 kW of wind power (effective November).

Our goal is to increase the amount of total electricity consumption from renewable sources by 2030, and we continue to invest in infrastructure and partnerships to support this transition. Beyond production sites, we are also extending renewable electricity initiatives to our office environments such as in Cyprus, reinforcing our commitment to sustainability across all operational layers.

Electricity Consumption	Units	2023	2024	2025
Grey electricity consumption	MWh	600,830	556,964	537,080
Direct Purchase renewable sources	MWh	26,290	49,796	84,807
Green Electricity (Own production)	MWh	2,695	8,567	772
Total Electric Energy consumption	**MWh**	**629,816**	**615,327**	**622,659**
Electricity consumption/Total Finished tons Produced	**MWh/Finished tons**	**1,37**	**1,35**	**1,29**

Gross Scopes 1, 2, 3 and Total GHG emissions

Understanding and managing our GHG emissions is central to Magotteaux's climate strategy. As a global industrial actor, we recognize the scale and complexity of our carbon footprint, which extends beyond our direct operations to include a wide array of upstream and downstream activities. Our commitment to transparency and continuous improvement drives us to assess, monitor, and reduce emissions across all three scopes defined by the GHG Protocol.

In FY25, we continued to refine our emissions accounting methodology, ensuring consistency, accuracy, and alignment with international standards.

Our emissions originate from multiple sources:

- **Scope 1** includes direct emissions from fuel combustion in our manufacturing processes, primarily natural gas and diesel.
- **Scope 2** covers indirect emissions from purchased electricity, which vary depending on the energy mix of national grids and our renewable electricity procurement.
- **Scope 3** encompasses all other indirect emissions across our value chain, including raw material sourcing, transportation, product use, and end-of-life disposal.

GHG Emissions	Units (Tons CO_2e) 2023 (base line)	% 2023	Units (Tons CO_2e) 2024	% 2024	Units (Tons $CO2_e$) 2025	% 2025	% Reduction 2025 vs 2023
Scope 1	71,978	4,6	69,400	4,6	**64,596**	**5,2**	**10,3**
Scope 2	282,752	18	262,113	17,5	**240,575**	**19,3**	**14,9**
Scope 3	1,226,711	77,6	1.169,295	77,9	**937,944**	**75,5**	**23,5**

Targets

As mentioned on page 66, Magotteaux has defined ambitious targets to reduce greenhouse gas emissions, aligned with the SBTi and our SLL agreement with banking partners (for more information, see 'Targets' in 'Our commitment' section 'Magotteaux sustainability strategy') page 65).

*It is important to note that total emissions in 2022 were significantly lower than in 2023 because MGMSA, our plant in South Africa, was not included at that time since we did not hold 51% of shares.

Sustainability Indicator	Historical	Baseline	Sustainability Targets Values (% reduction)						
Reduction of scopes 1 and 2 (tons of CO_2) Greenhouse gas emissions based on 2023 base year. [5]	**2022 R**	**2023 R***	**2024 E**	**2025 E**	**2026 E**	**2027 E**	**2028 E**	**2029 E**	**2030 E**
	179,735 tCO_2e	354,731 tCO_2e	6%	12%	**18%**	**24%**	**30%**	**36%**	**42%**
Reduction of scope 3 (tons of CO_2) Greenhouse gas emissions based on 2023 base year.	868,125 tCO_2e	1,226,711 tCO_2e	/	/	/	/	/	/	**25%**

[5] Using 2023 as the baseline year, we aim to reduce Scope 1 and 2 emissions by 36% by 2029 and 42% by 2030, as part of our long-term decarbonization roadmap. Our target for Scope 3 is to reduce it by 25% by 2030.

Actions related to Climate Change

Below is a description of the key actions undertaken to reduce our greenhouse gas emissions, with a particular emphasis on Scope 3, which represents the largest share of our overall footprint. Given its materiality, we outline actions taken as part of our reduction efforts. In addition, two actions outlined in pages 89 and 95 play a decisive role in lowering Scope 3 emissions: the increased use of SBB, which reduces FeCr consumption and therefore directly decreases value chain emissions, and the adoption of bio oil, which further contributes to Scope 3 reductions. Together, these initiatives demonstrate our commitment to addressing emissions where they are most significant and to achieve our targets.

Grinding Balls

During FY25, Magotteaux carried out a study to measure the climate impact of producing grinding balls, in collaboration with one of our customers. The goal was to calculate the carbon footprint of the production process and understand how much greenhouse gas emissions are generated.

During FY25, Magotteaux carried out a study to measure the climate impact of producing grinding balls, in collaboration with one of our customers.

The study used a "cradle-to-gate" approach [6], which means it considered emissions from the extraction of raw materials up to the point when the product leaves the factory. It did not include emissions from the use of the product or at its disposal. All calculations followed international standards (ISO 14067:2018), and the verification process complied with ISO 14064-3:2019.

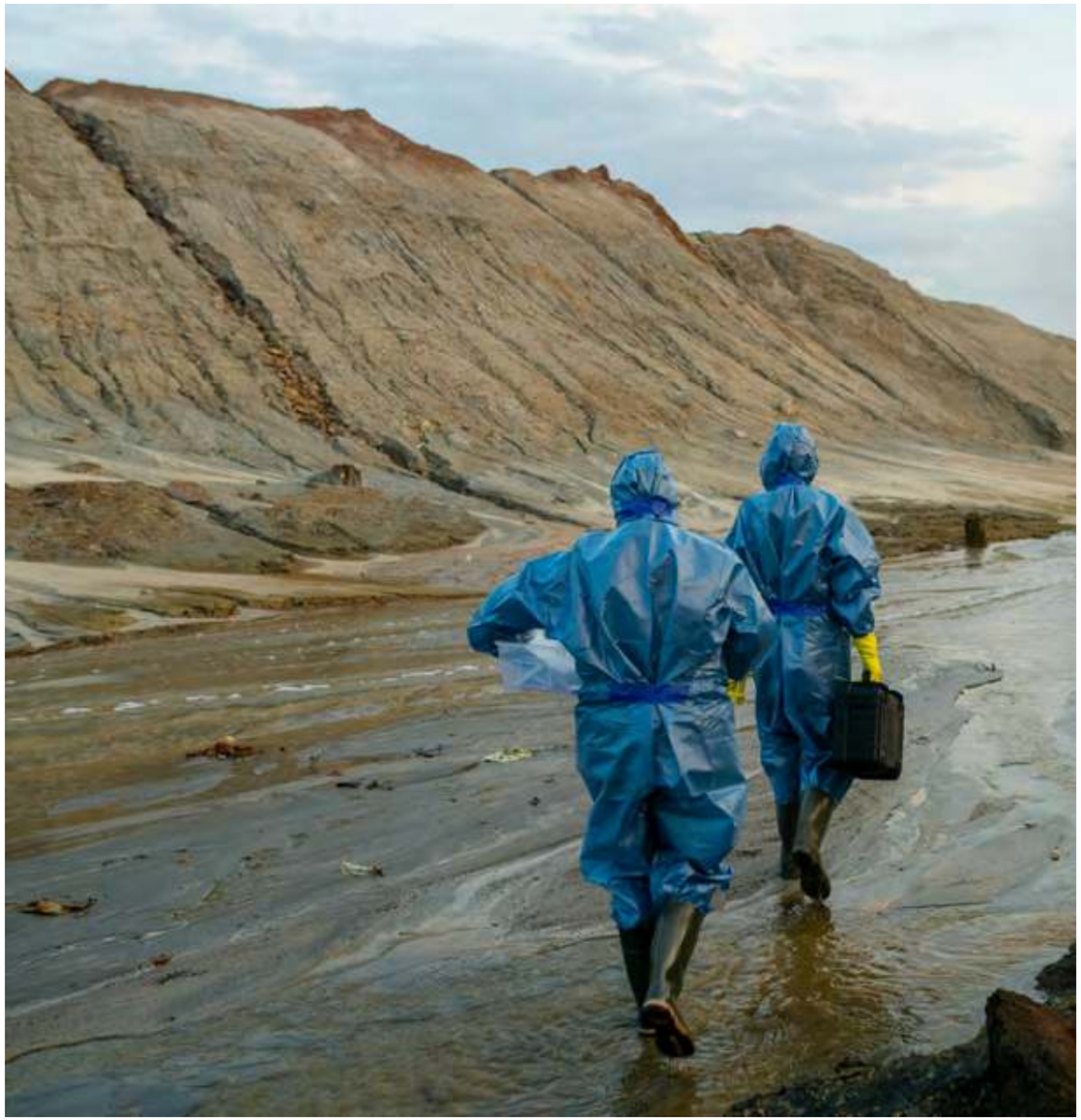
This analysis was carried out by Codelco corporation at Magotteaux's Til Til plant in Chile, where Magotteaux Andino S.A. manufactures grinding balls for the mining industry. To ensure the accuracy and credibility of the study, an external company (certification body) reviewed the methodology, data sources, and emission factors used, confirming their consistency with ISO standards and the Greenhouse Gas (GHG) Protocol.

The result of the study by our client showed that the carbon footprint is the lowest product carbon footprint in Chile and provides a solid benchmark for Magotteaux to strengthen its environmental management and make better strategic decisions across its value chain. Having local production close to our customers, we also manage to reduce their Scope 3 carbon footprint. One success story refers to El Teniente, a Codelco's division where we managed to reduce 40,000 tons of CO2 compared to 2024.

Bio-Oil Transition in Manufacturing

Traditionally, the quenching process relied on fossil-derived mineral oil. Magotteaux has successfully transitioned to bio-oil, a renewable, less carbon-intensive alternative. In FY25, we continued transitioning from fossil-derived mineral oil to bio-oil in our quenching processes. Facilities in Mexico, China, Spain, Belgium, Thailand, Brazil and Canada have successfully adopted this renewable alternative, which is recyclable into biofuel. The Thailand plant notably advanced this initiative in 2025 with two new quenching furnaces operating with bio-oil, achieving reductions in CO_2 emissions, fire risk, and environmental impact. ■

[6] The cradle-to-gate approach includes the following life cycle stages: Acquisition and preprocessing of raw materials, Transportation of inputs, Manufacturing processes and Direct and indirect energy use. The following stages were excluded from the analysis: Distribution and storage; Product use and End-of-life treatment.



Water

At Magotteaux, we care about water despite very moderate internal usage as we recognize that it is a scarce resource. Our water strategy is rooted in responsible consumption, continuous monitoring, and innovation-driven reduction efforts. In FY25, we continued to strengthen our water stewardship practices across all sites, aligning with our broader environmental commitments and the principles of circularity.

Water consumption

In FY25, we enhanced the granularity of our data collection related to our water consumption, enabling earlier detection of anomalies and more agile responses to operational changes. This improved visibility has allowed us to better understand site-specific consumption patterns and identify opportunities for optimization.

While some facilities experienced increased water usage due to operational scaling or process adjustments, others achieved notable reductions through targeted interventions. These include process redesigns, equipment upgrades, and behavioral initiatives aimed at reducing unnecessary consumption.

Water metrics

Water as a strategic resource

Magotteaux's approach to water management is embedded within our broader sustainability strategy, which emphasizes circularity, resource efficiency, and alignment with the ESRS. In FY25, we continued to integrate water-related KPIs into our performance dashboards, ensuring that water stewardship is monitored alongside energy, emissions, and waste.

Fresh water consumption	Units	2023***	2024***	2025
Total water consumption from public water supply	m^3	498,460	519,349	532,738
Total freshwater withdrawal from groundwater	m^3	145,107	127,539	122,081
Total freshwater withdrawal from surface bodies: rivers, lakes, others	m^3	2,485	11,449	5,209
Total discharge*	m^3	713	337	1,122
Total freshwater consumption**	**m^3**	**645,340**	**658,000**	**658,906**
Total freshwater consumption per finished tons	**m^3/Finished tons**	**1,40**	**1,44**	**1,37**

* Water returned to the source of extraction with a quality like or higher than that of the raw water extracted (water bodies).

** Total Freshwater Consumption = Total water consumption from public water supply + Total freshwater withdrawal from groundwater + Total freshwater withdrawal from surface bodies: rivers, lakes, others – Total discharge

*** The water reported in 2023 does not include MGMSA's consumption between January and July. The plant started measuring freshwater withdrawal from surface water bodies in July 2023. The figures have also been updated, as the units for 2023 and 2024 were not reported correctly in one manufacturing site.

Reduction and recycling initiatives

In line with our commitment to reducing water footprint, we have strengthened our wastewater treatment and reuse practices, integrating technological solutions across operations to optimize consumption and minimize discharge.

To monitor our progress, we rely on performance metrics such as the total volume of water recycled or reused, and the amount of wastewater generated, ensuring transparent and rigorous tracking of our efforts.

Waste water	Units	2023	2024	2025
Recycled or reused water	m^3	30,065	30,899	43,716
Sewage Generation	m^3	57,248	38,702	38,900

Actions related to water

In line with our commitment to responsible production, Magotteaux has expanded the implementation of dry cooling systems, which significantly reduce water consumption and eliminate the need for water-air contact. These systems also mitigate health risks associated with Legionella, commonly found in traditional evaporative cooling towers.

Following successful installations of this dry cooling system in Canada, France, South Africa, China, Thailand, and Mexico, a new one was installed in Spain in 2025, reinforcing our long-term strategy to decouple cooling processes from water dependency.

Beyond cooling, several plants have adopted closed-loop water circuits and on-site recycling systems, allowing for the reuse of processed water and minimizing discharge volumes. These efforts contribute to our goal of reducing freshwater withdrawal and preserving local water ecosystems.

Resource Use and Circular Economy

In FY25, we deepened our efforts to align with SDG #12 by advancing initiatives that promote responsible consumption and production, while reducing our environmental footprint across the value chain.

Embedding Circularity Across Operations

In FY25, we took steps to embed circular economy principles more deeply into our operational and strategic planning. This included:

- Integrating circularity KPIs into site-level dashboards.
- Strengthening supplier engagement to promote sustainable sourcing.
- Exploring initiatives with external partners to reuse waste and recover materials for integration into our own operations.

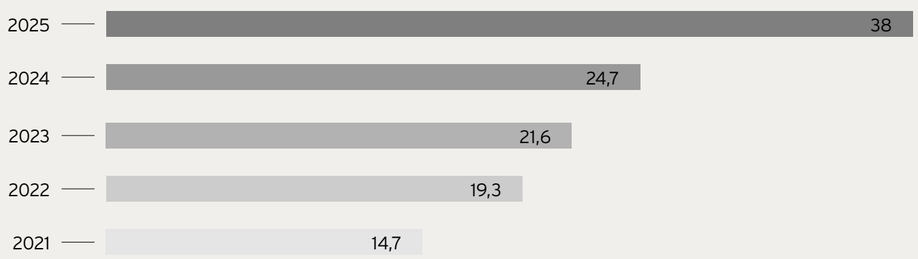
These actions reflect our belief that circularity is not a standalone concept but a systemic approach that touches every aspect of our business.

We recognize that transparent reporting on resource inflows and outflows, including raw materials, energy, and waste, is essential to building trust with our stakeholders. In FY25, we enhanced our internal tracking systems to better quantify material usage and identify hotspots for improvement. This data-driven approach supports more informed decision-making and enables us to prioritize high-impact actions.

Resource Use and Circular Economy metrics

- As part of this strengthened monitoring, we track year over year trends in SBB consumption. In FY25, actual SBB consumption reached 38 ktons, compared to the planned 31.3 ktons, representing 21% above expectations. When compared with FY24 (24.7 ktons), this reflects a 54% year on year increase. These insights help us better understand material intensity and guide targeted actions in resource efficiency.
- Additional circularity-related indicators are being incorporated into our reporting, such as the percentage of metallic parts recovered through the new equipment installed in Thailand (20%) and the percentage of metallic parts recovered in Chile (11%) following slag treatment.
- Approximately 80% of our raw materials are sourced from recycled content, including end of life parts, used balls, stainless steel, and regular steel. Most of this recycled input consists of scrap materials, mainly ordinary scrap, stainless steel scrap, and SBB.

SBB Qty Melted (ktons)



Actions related to resource use and circular economy

Our circular economy strategy is built on collaboration, innovation, and continuous improvement. In FY25, we expanded several initiatives that exemplify this approach:

Scrap Buy Back: strengthening circularity through customer partnerships

At Magotteaux, we believe that circularity is also about building stronger, more sustainable relationships with our customers. In FY25, we continued to expand our SBB program, which enables us to recover end-of-life products directly from our clients and reintegrate them into our production processes.

In FY25, we accelerated the implementation of our SBB program, achieving results that exceeded expectations by 21 %. This success is the result of strong coordination across our plants and cross-functional collaboration between Production, Charge Calculation Specialists, Supply Chain, and Sales teams. Additionally, we purchased and subsequently reused 38 ktons of SBB in 2025, compared to 24.7 ktons last year, demonstrating significant progress in resource efficiency and circularity.

The results for 2025 were:

- 38 ktons of estimated melting volume
- 5.2 ktons of FeCr replaced through SBB
- 62 ktons of CO_2 emissions avoided

These figures are the result of a tangible impact of our circular economy strategy; by replacing freshly extracted, processed and refined material – which contribute to natural resource depletion - with recycled scrap, we significantly reduce our dependency on carbon-intensive ferroalloys and improve cost efficiency.

Beyond environmental benefits, the SBB program has strengthened our customer relationships. By linking the sale of new products with the purchase of their end-of-life equivalents, we've created a more collaborative and circular value chain. Our unique global footprint allows us to implement this model regionally, reinforcing partnerships and aligning with our customers' sustainability goals. This program is a cornerstone of our circular economy strategy, and we remain committed to scaling it further in the coming years.

By linking the return of end-of-life products and designing longer lifetime products, with the delivery of new solutions, we create a more integrated and sustainable value chain. We remain committed to scaling up SBB across all our facilities where economically viable, ensuring that every department contributes to increasing volumes and improving performance across key indicators.

Slag reuse project: circular collaboration with EcoAZA

In FY25, Magotteaux launched a strategic slag reuse initiative at its Til Til plant in Chile, in partnership with EcoAZA. In over 33 years of operations the plant accumulated over 50,000 tons of slag, generating around 6,000 tons annually, which involved a temporary storage authorization and unviable disposable costs. EcoAZA recycles slag using solar energy, recovering ferrous metals (~11%) and transforming the remainder into artificial aggregates reused for construction. Double win. Through this collaboration, we achieved 100% valorization of slag, reducing our carbon footprint, avoiding excess metallic resources inputs, and external scrap purchases.

The project generates estimated annual savings of USD 35,000 and could reach USD 1.2 million over eight years, while complying with Chilean environmental regulations (SEREMI approval in May 2025).

Internal circular solution in Thailand: Slag recovery

In line with the previous initiative, Magotteaux installed new equipment in Thailand at the end of 2024 to recover metallic parts from the slag generated in our operations; the process is managed internally. The positive impact of this installation was realized in 2025, as the recovered metals were reintegrated into production, reducing the need for external scrap purchases and contributing to our circular economy strategy. The project delivered significant environmental and cost benefits by minimizing waste and optimizing resource recovery.

In 2025, the slag recovery process achieved a recovery rate of 20%. The initiative also made significant savings, demonstrating both the environmental and financial value of integrating recovered metals into our production processes.

Transforming waste into value: strategic alliance at Magotteaux Andino

As part of its sustainability strategy, Magotteaux Andino (Chile) established a strategic partnership during FY25 with VOLTA, a Chilean company specialized in comprehensive waste management services. As a site dedicated to transforming raw materials into cast balls for the mining industry, we recognize the importance of managing waste responsibly.

Through this alliance, we increased our waste recovery rate from 3% to 25–30% during FY25, significantly reducing the volume of waste sent to final disposal and promoting the reuse of materials. VOLTA provided specialized advice and training to our teams, ensuring that sustainable practices are continuously improved and embedded in our daily operations.

By consolidating all waste management services covering hazardous and non-hazardous waste, including recyclable materials, under a single supplier, we are also improving operational efficiency. We reduced waste-related costs by close to 15% enabling more agile and profitable resource management aligned with our continuous improvement goals.

Replacement of Silica Sand with Ceramic Sand

In our molding operations, we replaced brittle silica sand with ceramic sand, eliminating hazardous silica particles that can affect both employee health and the environment. This shift reduces waste disposal, improves product quality, eliminates hazardous raw material and decreases energy. It also lessens the demand for new silica sand, reinforcing our commitment to resource efficiency.

Waste Management and Circular Design

Waste metrics

Magotteaux applies the waste hierarchy: reduce, reuse, recycle and dispose across all operations. In FY25, we generated 10,140 tons of hazardous waste, representing 8% of total waste. Of this, 7% were recycled, 93% incinerated with energy recovery, and 0.1% reused. These figures reflect our commitment to minimizing environmental impact and maximizing resource recovery. ■

Hazardous waste	Units	2023	2024	2025
Total Hazardous Waste – Sent for Final Disposal	Tn	10,635	5,525	9,429*
Recycled Hazardous Waste (Internal/external)	Tn	1,019	3,662	704
Reused Hazardous Waste	Tn	40	95	8
Total Hazardous Waste [7]	**Tn**	**11,695**	**9,282**	**10,140**
Total Hazardous waste/ finished tons	**Waste tons/Finished tons**	**0.025**	**0.020**	**0.021**

* Increase is mainly due to a waste material not reported in 2024

Non - Hazardous waste	Units	2023	2024	2025
Total Non-Hazardous Waste – Sent for Final Disposal	Tn	52,862	56,335	46,172
Recycled Non-Hazardous Waste	Tn	56,314	56,365	68,826
Reused Non-Hazardous Waste	Tn	1,243	1,035	392
Total Non - Hazardous Waste [8]	**Tn**	**110,419**	**113,736**	**115,390**
Total Non - Hazardous waste/ finished tons	**Waste tons/Finished tons**	**0.24**	**0.25**	**0.24**

[7] Where Total Hazardous Waste = Total Hazardous Waste (sent for final disposal) + Recycled of Hazardous waste (internal/external) + Reused Hazardous wastestages were excluded from the analysis: Distribution and storage; Product use and End-of-life treatment.
[8] Where Total non-Hazardous Waste = Total Hazardous Waste (sent for final disposal) + Recycled of Non-Hazardous waste + Reused Non-Hazardous waste

Social Information

At Magotteaux, we understand that sustainability is also deeply rooted in the way we engage with people. Our social strategy reflects a commitment to fostering respectful, inclusive, and safe environments for our employees, communities, and stakeholders. We believe that long-term success is built on trust, shared values, and responsible business conduct.

This chapter presents our progress and initiatives related to our workforce, surrounding communities, and end-users. It highlights how our actions contribute to the SDGs most relevant to our social impact: SDG #3 (Good Health and Well-being), SDG #4 (Quality Education), SDG #5 (Gender Equality), and SDG #8 (Decent Work and Economic Growth). These goals guide our efforts to promote equity, safety, empowerment, and opportunity across our global operations.

Our approach is anchored in the principles outlined in our EQSHSS Policy (for further information, refer to the Environmental Information section), which serves as a comprehensive framework for integrating social responsibility into our daily practices. Whether through training programs, inclusive hiring, community partnerships, or health and safety protocols, we strive to create environments where people can thrive.

Own Workforce

At Magotteaux, our people are at the core of our sustainability strategy. We believe that fostering a responsible and safe work environment is essential to long-term success. In FY25, we continued to strengthen our workforce management practices, focusing on diversity, equity, health and safety, training, and well-being.

This section presents our key initiatives and progress in areas such as gender diversity, employee development, and the promotion of a respectful and discrimination-free workplace. These topics have been updated compared to last year's edition as a result of our DMA. Some topics are not included in this report as they are not material but continue to be a part of our internal reporting. These efforts are aligned with our commitment to SDG #3 (Good Health and Well-being), SDG #4 (Quality Education), SDG #5 (Gender Equality), and SDG #8 (Decent Work and Economic Growth).

Gender equality

Operating in a traditionally male-dominated industry, Magotteaux remains committed to advancing gender equality across all levels of the organization. In FY25, we continued to increase the representation of women in leadership and technical roles, while also improving workplace conditions to support their growth and retention.

Our approach goes beyond numbers. We are actively adapting facilities, policies, and work environments to ensure they are inclusive and responsive to the needs of all employees. We also maintain a structured methodology for evaluating compensation equity, helping us identify and address gender pay gaps across similar roles.

Policies

At Magotteaux Andino S.A., for our plants in Til Til and Antofagasta, we have established a clear and accessible framework that reflects our commitment to gender equity in the workplace. This policy ensures equal opportunities and treatment for women and men across all levels and areas of the company, fostering an inclusive, respectful, and discrimination-free work environment. This policy is communicated, and its compliance is required from all personnel, and it's reviewed periodically by senior management and remains available to all interested parties.

Policy name	Objectives	Scope
Gender Equity Policy	- Ensure equal opportunities and treatment for women and men. - Promote an inclusive, respectful, and discrimination-free work environment. - Eliminate gender bias in internal processes. - Establish mechanisms for reporting and addressing harassment or violence. - Encourage equal participation in all roles and functions.	Applies to Magotteaux Andino S.A. plants in Til Til and Antofagasta. It covers all levels and areas of the company, including technical and operational roles. Directed at all personnel and overseen by senior management.

A clear protocol has been put in place for the prevention, reporting, and handling of cases of sexual harassment and gender-based violence within the workplace. Confidential channels have been established for written complaints, ensuring complete anonymity for individuals reporting any situation of discrimination or harassment.

We are equally committed to fostering balanced participation of women and men across all roles, including technical and operational positions. To reinforce this commitment, we regularly conduct training and awareness sessions for all employees, focusing on gender equity, labor rights, and respectful workplace behavior.

In line with our Gender Equity Policy and given the importance of this topic for our operations, we ensure that no form of gender based violence is tolerated within our projects and activities. Accordingly, in 2025, Magotteaux Andino S.A. incorporated the requirements of Chilean Law 21.643 into our established practices for the Til Til and Antofagasta plants. This law – known as Ley Karin – provided the initial framework, which we have now fully integrated into our internal processes to reinforce our commitment to preventing sexual harassment, workplace harassment, and violence at work. Ley Karin seeks to protect the physical and mental health of employees, prevent risk situations, and establish sanctions for any violations that may arise in the workplace.

All employees receive training on preventive behaviors, labor rights, and Law 21.643. Violations of this policy are subject to disciplinary action, including warnings, suspension, or dismissal depending on severity.

Policy name	Objectives	Scope
Policy on Law 21.643 (Ley Karin)	- Prevent sexual harassment, workplace harassment, and violence. - Protect the physical and mental health of employees. - Establish confidential reporting channels. - Investigate and resolve complaints with gender perspective. - Train staff on legal scope and preventive behaviors. - Apply disciplinary measures when necessary.	Applies to Magotteaux Andino S.A. plants in Til Til and Antofagasta. It covers all employees and organizational levels. Focuses on psychosocial risk management and compliance with Law 21.643.

Magotteaux has confidential channels for reporting sexual harassment, workplace harassment, or violence, ensuring anonymity and respectful handling. We apply a preventive approach and maintain zero tolerance for harassment, discrimination, and violence, assessing psychosocial risks and acting immediately on any report.

Gender equality metrics

We continue to monitor gender equality through detailed metrics by role and seniority, allowing us to track progress and identify areas for improvement. These indicators are integrated into our broader sustainability dashboard and reviewed regularly by leadership teams.

Gender diversity by role (indefinite term contract)	Unit	Women 2023	Men 2023	Women 2024	Men 2024	Women 2025	Men 2025
Senior Management	Number	2	34	1	**34**	**2**	**38**
Management	Number	27	105	31	**111**	**35**	**135**
Administrative staff	Number	108	200	102	**158**	**93**	**151**
Supervisors	Number	31	253	42	**171**	**39**	**162**
Operators	Number	83	1,478	54	**1,382**	**54**	**1,355**
Sales forces	Number	23	51	31	**80**	**36**	**80**
Others	Number	21	112	44	**216**	**46**	**197**
Total	**Number**	**295**	**2,233**	**305**	**2,152**	**305**	**2,118**

Gender diversity by seniority	Unit	Women 2023	Men 2023	Women 2024	Men 2024	Women 2025	Men 2025
Under 3 years of seniority	Number	97	431	98	**456**	**81**	**401**
Between 3 and 6 years of seniority	Number	56	377	51	**271**	**51**	**302**
Between 6 and 9 years of seniority	Number	13	259	14	**182**	**24**	**187**
Between 9 and 12 years of seniority	Number	28	239	38	**236**	**34**	**193**
Over 12 years of seniority	Number	101	927	104	**1,007**	**115**	**1,035**
Total	**Number**	**295**	**2,233**	**305**	**2,152**	**305**	**2,118**

Please note that while our current reporting compares the proportion of men and women across job categories, this simplified approach may not fully reflect equality of opportunity. We are aware of these limitations and acknowledge that numerical parity alone is not always a meaningful indicator, especially when candidate pools differ significantly by gender, as it is the case in Magotteaux's industry. We remain committed to fair and non discriminatory practices and will continue to monitor how our methodology can evolve to better capture equal treatment throughout the selection process.

Actions related to gender equality

To reinforce our commitment, we organized global and local initiatives throughout the year. These included awareness campaigns, leadership development programs, and celebrations such as International Women's Day, which served as a platform to recognize the contributions of women across our sites and promote empowerment through knowledge-sharing. Below are some of the most significant actions carried out during FY25.

1 Because Women matter every day

As part of International Women's Day, we carried out an institutional visit to Vassiliko Cement Works in Cyprus, organized by our Customer Service Representative (CSR) team. The day included a technical presentation and a tour of the plant, where we had the opportunity to directly observe the application of our solutions, including the MagoClass system installed by Magotteaux.

Beyond the technical component, the visit provided insight into Vassiliko's inclusion policies, with women currently representing 16% of the workforce and 40% of leadership positions, while also maintaining a gender-neutral salary structure. These figures reflect significant progress in a sector historically dominated by men.

The activity was part of our strategy to promote diversity and equity and served as an opportunity to strengthen ties with a customer who shares values aligned with our own. The experience also helped highlight the role of women in the cement industry and opened spaces for dialogue on best practices in equality.

2 Empowering women through training

In Chile, we actively supported the professional development of women from the Til Til municipality through our 2024–2025 Apprenticeship Program. In collaboration with "SK Capacitación", we designed this initiative to expand access to technical skills, with a specific focus on women, as part of our commitment to community integration and sustainability.

During the program, 16 participants received specialized training in heat treatment, which included content on safety, psychosocial skills, and the technical knowledge required to work as operators in this area. In October, we celebrated the diploma ceremony with them, recognizing the effort and dedication they demonstrated throughout the process.

3 Women's day across Magotteaux

On March 8, we joined the commemoration of International Women's Day across all our operational sites, reaffirming our commitment to gender equality and to recognizing the role women play at Magotteaux and in the communities where we operate. Each celebration reflected our shared values of respect, empowerment, and inclusion, while adapting to the local context of each team.

In Aubrives, we hosted a meeting with the Director of the Chooz nuclear power plant, which allowed us to reflect on female leadership in traditionally male-dominated sectors. In Belgium, we addressed the concept of the "glass ceiling" and discussed how true progress means assigning roles based on capabilities, not labels. In India, the day included inspiring talks, health-focused sessions, group activities, and special recognition for our female colleagues. In Monterrey, Mexico, we facilitated a gender perspective session that led to deep conversations, followed by a shared moment of celebration. In Wuxi, we organized activities such as flower arranging and tea art, offering spaces for expression and recognition.

4 Living wage analysis

During fiscal year 2025, we conducted a comparative analysis of the wages paid across our global operations against internationally recognized living wage benchmarks. This exercise was carried out using the WageIndicator methodology for typical families and the IDH recognition process, with the goal of ensuring that all our workers receive fair compensation, sufficient to cover a basic but dignified standard of living in their local context.

We focused on operational workers. For each country, we compare gross wages (before taxes and excluding non-wage benefits) with the available benchmark values. In cases where no nationally or regionally recognized benchmark exists, we used the current legal minimum wage as a reference, maintaining our commitment to continue evaluating the feasibility of adopting more robust methodologies in the future. The results show that in all countries where we operate, the wages we pay exceed the living wage benchmarks defined by WageIndicator. In all countries wage levels are above both the legal minimums and the available living wage benchmarks.

We are committed to reviewing these data annually against updated values, bearing in mind that this review progressively helps close gender gaps. This exercise also enables ongoing monitoring to identify gender pay gaps and take action to reduce them. If gaps are identified, we will conduct deeper local analyses on the cost of living and develop progressive action plans to align salaries with living wage standards.

Training and skills development

At Magotteaux, we view employee development as a strategic priority that goes beyond technical instruction. During FY25, we continued investing in learning pathways that enabled our teams to grow professionally while contributing to our long-term objectives.

Given our global footprint, we design training programs that are both locally relevant and globally coherent. This means respecting regional legislation and cultural contexts while maintaining a unified standard of excellence across all sites.

One of the cornerstones of our development strategy is the Magotteaux Academy, a dynamic platform offering a wide range of learning modules. Each site retains autonomy to tailor sessions to its specific operational needs, ensuring relevance and impact. Topics covered include metallurgy, cement grinding, safety protocols, and environmental management.

Training and skills development metrics

To monitor progress, we track key metrics such as:

Trainings	Unit	2023	2024	2025
Total amount of monetary resources allocated to education and professional development	kUSD	893	655	**627**
Total number of staff trained	Number	1,669	1,208	**2,335**

These indicators help us identify gaps, measure impact, and continuously improve our approach to workforce development.

Actions related Training and skills development

Beyond the Academy, we have established multiple channels for knowledge sharing and continuous learning. These include:

- To strengthen capabilities across all manufacturing sites, the corporate M System (Manufacturing System) team plays a central role in supporting training and skills development throughout the organization. This corporate department provides specialized, hands on assistance through a group of experts. Their activities include troubleshooting operational issues, delivering targeted training sessions, and guiding the implementation of best practices that contribute to KPI improvement and operational excellence.
- Peer-to-peer learning and cross-site collaboration.
- Technical workshops linked to innovation projects, such as circular economy initiatives and product lifecycle optimization.
- Sustainability-focused training, which continued in FY25 with strong participation. These sessions equip employees to engage in informed conversations with clients about topics such as the GHG Protocol, emissions reduction strategies, and Magotteaux's sustainability roadmap.
- Partnerships with educational institutions, offering internships, certifications, and dual training programs that bridge academic learning with industrial practice.

Health and safety

At Magotteaux, ensuring a safe and healthy work environment is a non-negotiable priority. Our commitment to a "no harm" culture is embedded in every aspect of our operations, from strategic planning to daily routines. Every single Board of directors (once per month) starts by a review of the main safety indicators, including an external benchmark. Safety with main indicators and external benchmark. In FY25, we continued to strengthen our health and safety practices, focusing on prevention, awareness, and continuous improvement. In this section, we will also include aspects related to the topic "Healthy Working Environment."

Our ISO 45001:2023-certified Health and Safety Management System cover all individuals working within our facilities: employees, subcontractors, and visitors, ensuring consistent safety standards across all sites. Each location is supported by a dedicated safety manager who oversees implementation, compliance, and training.

Our ISO 45001:2023-certified Health and Safety Management System cover all individuals working within our facilities employees, subcontractors, and visitors.

Key Components of our safety system

1 Comprehensive Coverage

Our system applies universally across Magotteaux manufacturing sites, ensuring that everyone, regardless of role or employment status, is protected by the same rigorous safety protocols.

2 Incident Reporting and Follow-Up

We maintain a structured internal process for reporting and managing safety incidents. This includes identification, documentation, communication, root cause analysis, and closure. The system is designed to be transparent and responsive, reinforcing accountability and learning.

3 Monitoring Work-Related Injuries and Illnesses

In FY25, we continued to track incidents related to occupational injuries and health conditions. Our LTAs Frequency Rate remains significantly below industry benchmarks, reflecting the effectiveness of our preventive measures. For reference, the average recordable incident rate in the iron foundry sector is 3[9], Magotteaux recorded a rate of 2.15 in 2025.

4 Analysis of LTAs

We analyze LTAs by region and facility type to identify patterns and target interventions.

5 Performance metrics and KPIs

To guide our safety strategy, we use the following indicators:

- Accident Frequency = (Number of LTAs / Total worked hours) x 200,000
- Inefficiency = (Lost hours / Total worked hours) x 100
- Severity = Lost hours / Number of LTAs
- Ratio: Incident/Lost Time Accident

[9] U.S. Bureau of Labor Statistics, 2024.

Health and safety metrics

Analysis of LTAs

During FY25, Magotteaux conducted monthly monitoring of safety indicators, focusing on LTAs to identify patterns and strengthen the preventive culture.

During FY25, we emphasized the importance of maintaining vigilance and avoiding complacency. Moving forward, we remain committed to strengthening our safety culture, ensuring rigorous compliance with procedures, and fostering a proactive approach to risk management across all regions and facilities.

- Regional distribution: 43% in the Americas, 54% in EMEA, and 3% in Asia.
- Facility type: 60% in castings, 36% in ball plants, and 4% in offices.
- Injury types: Upper limb injuries (51%) and lower limb injuries (28%) were most common, often resulting from strikes and cuts in high-risk areas like grinding, molding and heat treatment.

These KPIs provide actionable insights that help us refine our safety programs and prioritize high-impact improvements.

Performance metrics

Safety KPI's	Unit	2023	2024	2025
Accident Frequency rate	Number	1.65	1.95	**2.15**
Inefficiency	Number	0.13	0.19	**0.18**
Incidents/accident ratio	Number	113	110	**140**
Severity	Number	158	194	**168**
Number of accidents	Number	51	62	**67**
Number of fatalities of contractor workers due to work accidents or occupational diseases	Number	0	0	**0**
Fatalities due to work accidents or occupational diseases	Number	0	0	**0**

Actions related to Health and Safety

1 Strengthening safety through audits and awareness

In FY25, Magotteaux continued to evolve its safety culture by reinforcing internal processes and launching targeted initiatives that promote awareness, accountability, and continuous improvement. As shown in the table above, accident frequency and total accidents continue to rise, underlining the need for strengthened preventive actions. To address this, we are placing renewed emphasis on incident and near miss reporting as a key tool to identify potential risks early and prevent lost time accidents. Our commitment to safety remains unchanged as we continue to work with the same determination toward our ultimate target: no harm.

One of the most impactful tools in this effort is our Environmental, Health and Safety (EHS) audit program, which was further enhanced during the year. These audits are conducted by our corporate EHS department and serve as a cornerstone for identifying risks, ensuring legal compliance, and sharing best practices across sites. Each audit includes a rigorous checklist of approximately 90 criteria, covering topics such as:

- Permit-to-Work procedures
- Impact assessments
- Confined space safety
- Working at heights
- Energy isolation protocols

The audit process is not just evaluative, it is transformative. Based on findings, site-specific action plans are developed and prioritized, driving measurable improvements and reinforcing our "no harm" philosophy. In FY25, audits were carried out in South Africa, Mexico, Chile, China, Belgium, and Spain. The frequency of these audits is determined by health and safety KPI results and the score of the previous group EHS audit, ensuring a risk-based and performance-driven approach. Employees also have access to Magotteaux's internal SharePoint, where they can consult EHS standards and contribute to the continuous refinement of safety practices.

In addition, a cross-audit system has been implemented in Asia among the three production plants in the region (China, Thailand, and India). The results have been very positive.

These audits allow the health, safety, and environment managers of the plants to connect with colleagues in their region who face the same challenges. They also provide an opportunity to exchange ideas while acting as auditors, identifying areas for improvement in other plants as well as best practices that can later be implemented in their own workplaces.

The strength of such peer groups in the safety area seems to be highly motivating for all and a roll out to the rest of the world is under investigation. Magotteaux remains committed to launching new initiatives that help us achieve our ultimate goal of "no harm".

2 World day for safety and health at work

On April 28, to mark World Day for Safety and Health at Work, we organized activities across all our plants to raise awareness about safety and strengthen a shared preventive culture.

At each location, initiatives were adapted to the local context, with a common focus on our commitment to a safe working environment.

Americas

- *Mexico:* Interactive games such as "Pop the Balloon" and "Choose the Right PPE" under the slogan "If it's not safe, I make it safe."
- *Brazil:* Internal screen presentations and strategic placement of protective equipment in common areas to reinforce preventive culture.

Europe

- *Spain:* Use of 3D technology to simulate risk scenarios, creating deeper and longer-lasting awareness.
- *Belgium:* Expert-led workshops on last-minute risk analysis, seatbelt use, fall prevention, safe load handling, fire safety, and a forum theatre activity to promote shared vigilance.
- *France:* In March, we celebrated one year without workplace accidents at Magotteaux Aubrives, a milestone that reflects our collective commitment to safety. To maintain this achievement, we implemented key actions such as introducing the Golden Rules and organizing two Safety Days to strengthen our preventive culture. The second Safety Day, held in September, focused on team safety and well-being. It featured interactive workshops on proper glove use, fall simulations, shared vigilance, and root cause analysis in quality, along with a review of results and forecasts.

Throughout the year, we promoted safety dialogues, targeted training, and constant communication on risk anticipation. Incident and near-miss analysis became a key tool for learning and prevention.

Asia

- *India:* Distribution of brochures featuring our 11 Safety Rules, Q&A contest, and poster competition on prevention themes.
- *China:* Training sessions and safety walks to identify workplace risks.
- *Thailand:* Safety walks led by plant managers and training on the Lockout-Tagout (LOTO) procedure.

Africa

- *South Africa:* Updates on recent incidents, reflections from line managers, and a personal testimony emphasizing the importance of staying alert.

3 World road safety day

In addition to the various actions carried out during the "World Day for Safety and Health at Work" around the world, we also celebrated a "World Road Safety Day." To commemorate this day, for example, at the Navarra plant, we celebrated World Road Safety Day in June with a series of activities focused on awareness and prevention. It was an opportunity to reinforce our commitment to road safety, both inside and outside the workplace. We used a driving simulator and organized informational sessions that emphasized the importance of following traffic rules. We embraced technology as a key tool to offer a more engaging and educational learning experience, aligned with our prevention culture.

During the same month, we halted production at the plant to dedicate one entire day to occupational risk prevention training. Throughout the day, we held review sessions on previously covered topics and introduced new courses on the safe handling of chemical products and rescue operations in high-altitude work. This initiative, which we have been developing for years, aims to provide our teams with solid and up-to-date training that enables them to identify risk situations and carry out their tasks with the highest safety standards.

4 Emergency awareness month

During the month of October, at the Navarra plant we carried out the Emergency Awareness Month initiative, aimed at strengthening our teams' preparedness and knowledge in emergency situations. Each day, we shared emergency protocol-related questions on our internal screens, allowing teams to test and reinforce their knowledge in real time.

From Monday to Thursday of the last week of the month, we welcomed all brigades from the Alsasua fire station. We offered them a tour of our facilities so they could identify critical areas and become familiar with the available safety resources. We also conducted a fire drill that included the rescue of a person and the full evacuation of the plant. We activated the emergency protocol with a call to 112, and the firefighters arrived with two trucks and an ambulance, allowing us to assess our response capacity in a realistic scenario.

5 One year without LTA

In June, at the Til Til and Antofagasta plants in Chile, we reached an important milestone for Magotteaux Andino: twelve consecutive months without lost-time accidents. This achievement reflects our ongoing commitment to safety and health, core values that are essential to the way we operate.

Throughout this period, we strengthened our safety culture through concrete actions. Active leadership presence in the workshop, expanded safety meetings led by our Country Manager, and close collaboration with the mutual insurance provider were key to consolidating a preventive management approach.

We implemented technical and safety training programs, launched the self-care campaign "Stop, Analyze, Act," and promoted proactive reporting of incidents and near misses. We also rolled out our 11 Safety Rules, reinforced occupational health initiatives, installed devices such as lifelines and anchor points, and improved fire protection systems and emergency preparedness.

In those plants, we introduced the 5S methodology, which helped improve organization and safety.

In line with these efforts, it is worth highlighting that in March, our plant in France also reached the milestone of one year without lost time accidents, reinforcing the consistent progress made across our operations and underlining our shared commitment to cultivating a strong safety culture throughout all Magotteaux sites.

Healthy working environment

At Magotteaux, we recognize that a healthy balance between professional responsibilities and personal life is essential for the well-being, motivation, and long-term engagement of our workforce. In FY25, we continued to promote a workplace culture that respects individual needs and supports employees in harmonizing their personal, family, and professional commitments. Below are the most notable FY25 actions related to a healthy working environment.

Across our global operations, we have implemented flexible arrangements and wellness initiatives tailored to local contexts and regulatory frameworks. By prioritizing healthy working environment, Magotteaux fosters a more resilient, inclusive, and productive workforce. These efforts contribute directly to our commitments

Flexible work practices

In several of our sites, we have adopted a comprehensive work-life balance framework that includes:

- **Remote work options**, allowing employees to work from home when needed.
- **Flexible scheduling**, with personalized agreements to accommodate family responsibilities.
- **Protocols** to ensure meetings do not conflict with family or caregiving duties.
- **Support for legal guardianship and dependent care**, with proactive solutions offered to employees facing family-related challenges.

These measures are particularly relevant in regions with progressive labor regulations where national policies support shared caregiving and gender equity. Magotteaux aligns its internal practices with these frameworks to ensure compliance.

Actions related to a healthy working environment

In FY25, we expanded our wellness programs to address both physical and mental health. Highlights include:

- Magotteaux GMSA (South Africa) partnered with Life Health Solutions to offer personalized health services. Awareness sessions and the first Employee Wellness Day in October fostered engagement and introduced new resources for self-care.
- Sports and team-building activities continued to thrive across all plants, with the formation of a netball team and the ongoing success of our soccer team, which has earned recognition in local tournaments. These initiatives promote physical fitness, camaraderie, and mental well-being.
- In Australia, our team participated in the Run for Charity, raising $1.2 million for 280 organizations, many of which support children. This exemplifies our belief that community engagement and personal well-being are deeply interconnected.

Small changes, big results Navarra (Spain)

At the Navarra plant, we launched the "Small Changes, Big Results" campaign in 2025, a new initiative aimed at promoting healthy habits among our teams, as part of our commitment to the health and well-being of everyone at Magotteaux.

In February, we kicked off a program to help people quit smoking and vaping, an especially relevant action in a foundry environment, where we are already exposed to other harmful substances. Our colleagues participated in an informational and motivational session, where they were provided with tools and support to help them quit these habits. Since then, almost all participants have confirmed they remain tobacco-free, demonstrating their commitment to taking care of their health.

Affected Communities

At Magotteaux, we recognize that our operations are embedded within broader social ecosystems. Our responsibility extends beyond the boundaries of our facilities, encompassing the communities that surround and interact with our business. In FY25, we continued to strengthen our approach to community engagement, focusing on understanding, mitigating, and enhancing the impacts, both positive and negative, of our presence.

Our goal is to build respectful, long-term relationships with local communities, particularly in areas where our activities may generate significant social or environmental effects. We aim to identify risks early, respond proactively, and co-create opportunities that contribute to shared value. Magotteaux remains committed to reporting its achievements, progress, and challenges in this area, which is of great relevance to the company and its stakeholders.

Strategic community engagement

In FY25, Magotteaux continued to strengthen its social strategy by allocating dedicated resources to community initiatives across multiple regions. These actions were designed to prevent or mitigate adverse impacts, address risks and opportunities linked to our operations, and promote inclusive development and well-being.

Building on the progress achieved in previous years, our efforts in FY25 focused on three key areas, delivering measurable results and expanded impact:

Education and Youth Development:

In line with SDG #4 (Quality Education), education remained the cornerstone of our community engagement strategy, representing more than half of total investments. Magotteaux supported programs that provided access to schooling, technical training, and vocational opportunities.

Community Development and Social Support:

Local engagement initiatives also represented significant contributions in FY25, reflecting our commitment to strengthening ties with the communities where we operate. Projects ranged from cultural sponsorships and sports programs to targeted support for families in vulnerable situations.

Health, Inclusion, and Cultural Identity:

Although on a smaller scale, initiatives promoting health, gender equality, and inclusion continued to be an integral part of our approach. Programs supporting people with disabilities were implemented in Mexico and South Africa, while cultural and sports activities in France, Spain, and Australia helped preserve local identity and foster social cohesion.

Localized and participatory approach

Our community strategy is decentralized, allowing each site to tailor its initiatives to the specific context and legal framework of the country in which it operates. Local teams are empowered to identify priorities, engage stakeholders, and implement actions that reflect the realities of their environment.

In line with Magotteaux's corporate framework, a significant share of the resources allocated to community engagement is directed toward educational initiatives, recognizing education as a key driver of long term development and a fundamental pillar of our social commitment. This participatory model reinforces our commitment to transparency and accountability in how we interact with affected communities, integrating both local needs and our strategic priorities.

Strengthening community bonds through shared impact

In FY25, we continued to strengthen our social strategy by launching a global platform dedicated to community engagement **"The Heart of Community at Magotteaux."** This initiative reflects our belief that lasting impact is built through collaboration, transparency, and shared propose.

The platform empowers each Magotteaux entity to showcase its unique local initiatives, allowing us to celebrate stories of hope, progress, and resilience. It also serves as a tool for transparency, enabling us to track how our community engagement budget is allocated and ensuring that every investment drives meaningful change.

Our efforts are aligned with the SDGs, particularly the six we've prioritized: Good Health & Well-being, Climate Action, Responsible Consumption & Production, Gender Equality, Decent Work & Economic Growth, and Quality Education. Through this lens, we identify local needs, tailor our projects to address them, and measure our impact with accountability.

This platform is a collaborative space where we connect across regions, share insights, and inspire future action. It includes entity-specific pages, photo galleries, and news updates that highlight the diversity and depth of our engagement. By unifying our efforts and amplifying local voices, we are building a legacy of positive change in the communities we call "home".

Actions related to Affected communities

In line with the analysis of metric results, in 2025 Magotteaux prioritized actions focused on education, implementing concrete projects across different regions. This focus is reflected across all sites, where local teams are encouraged not only to allocate financial resources but also to actively participate in partnerships with schools, universities, and technical institutions to strengthen learning pathways and expand opportunities within their communities. Below are some of the most notable initiatives carried out during this fiscal year around the world. ■

Aligned with key SDGs, Magotteaux focuses its efforts where they matter most – addressing local needs through targeted actions and measurable impact.

Below are some of the most notable initiatives during this fiscal year around the world:

01

In **India**, significant investments were made through initiatives such as Shreeji Free Education Trust, which received $63,319 to provide free education, lodging, and training for vulnerable youth, and Arya Foundation, which was allocated $74,712 to promote child development and vocational training.

02

In **Mexico**, efforts were concentrated on school support programs, including assistance for enrolment, school supplies, and educational materials, with an investment exceeding $50,000. Additionally, the Ma. Cristina Association received support to assist individuals with Down syndrome.

03

In **Chile**, projects such as Fundación Chile Dual promoted technical training and professional internships, while Corporación Pro Til Til worked on sustainable territorial development, strengthening local communities through public-private partnerships. Meanwhile, Australia and the United States contributed through educational, and sports initiatives aimed at supporting local communities and vulnerable children.

Below are other actions that were relevant throughout FY25 around the world.

01
Community Engagement in Cyprus: Empowering education and youth development

In FY25, Magotteaux reaffirmed its commitment to education as a powerful driver of equality and sustainable development. Guided by the UN Sustainable Development Goals, we continued supporting the Independent Social Support Body of Cyprus, an initiative that provides tuition and housing grants to students from families facing economic and social challenges. Since its founding in 2015, this organization has helped hundreds of young Cypriots complete their studies and pursue their dreams, operating transparently under state supervision and funded entirely through private contributions. Under the leadership of First Lady Philippa Karsera Christodoulides, the program continues to empower youth, strengthen families, and build a more inclusive future for Cyprus.

02
Supporting education in Limassol: strengthening community ties through practical contributions

In FY25, as part of our ongoing commitment to education and youth development, we donated to the Federation of Parent Associations of Secondary Schools of Limassol, providing them with a multifunction printer, copier, and scanner. This contribution was designed to enhance the Federation's ability to manage communications and streamline administrative tasks across secondary schools in the region. The donation reflects our belief that practical tools can have a real impact on the daily operations of educational institutions and the communities they serve. The initiative is aligned with SDG #4: Quality Education, one of our six priority Sustainable Development Goals. It also reinforces our broader commitment to building strong, respectful relationships with affected communities, especially in areas where we operate and where education plays a central role in social development.

03
AfterMovie jogging 2025

In Belgium, we organized the second edition of our annual jogging day, an event that brought together over 80 people, including employees and local participants.

The initiative took place on a Sunday and combined walking, running, and group routes, with the aim of promoting physical activity and internal cohesion. This year, we decided to link the event to a social impact initiative: we made a donation to Association La Lumière, an organization that works with visually impaired individuals to promote their autonomy. The choice of this organization reflects our intention to connect internal activities with causes that generate value in nearby communities.

The event was organized by the Corporate Human Resources team. Active participation and logistical coordination ensured that the activity ran smoothly and met its intended goals.

04
Navarra talent challenge 2025

On October 3 and 4, we participated in the Navarra Talent Challenge 2025, an initiative that allowed us to reinforce our commitment to Sustainable Development Goal 4: Quality Education. The event brought together over one hundred Industrial Engineering students from the Public University of Navarra, who worked for 24 hours to solve real-world challenges proposed by leading companies in the region, including Magotteaux Navarra.

Our challenge focused on finding creative ways to improve the performance of the NNS+AG robotic cell (Near Net Shape + Assisted Grinding), either by optimizing current functions to reduce production costs or by proposing new functionalities to enhance its capabilities. The students' response was remarkable. Collaborating with the students, supporting them throughout the process, and witnessing their enthusiasm and talent firsthand allowed us to connect directly with the academic world.

Clients

At Magotteaux, our relationship with clients is central to our business model and sustainability strategy. We serve a diverse range of industries, including mining, cement, aggregates, energy, OEMs, and recycling, which gives us a global reach and a deep understanding of varied operational contexts. This diversity also reinforces our commitment to delivering tailored solutions that meet the specific needs of each client, while complying with local regulations and sustainability expectations.

In FY25, we continued to prioritize responsiveness, innovation, and long-term partnership. Our goal is not only to meet expectations, but to anticipate challenges and co-create solutions that drive mutual value.

To ensure we remain aligned with client needs, we conduct regular satisfaction surveys and maintain open channels for feedback. These insights help us refine our services, improve product performance, and strengthen trust.

In FY25, we continued to prioritize responsiveness, innovation, and long-term partnership.

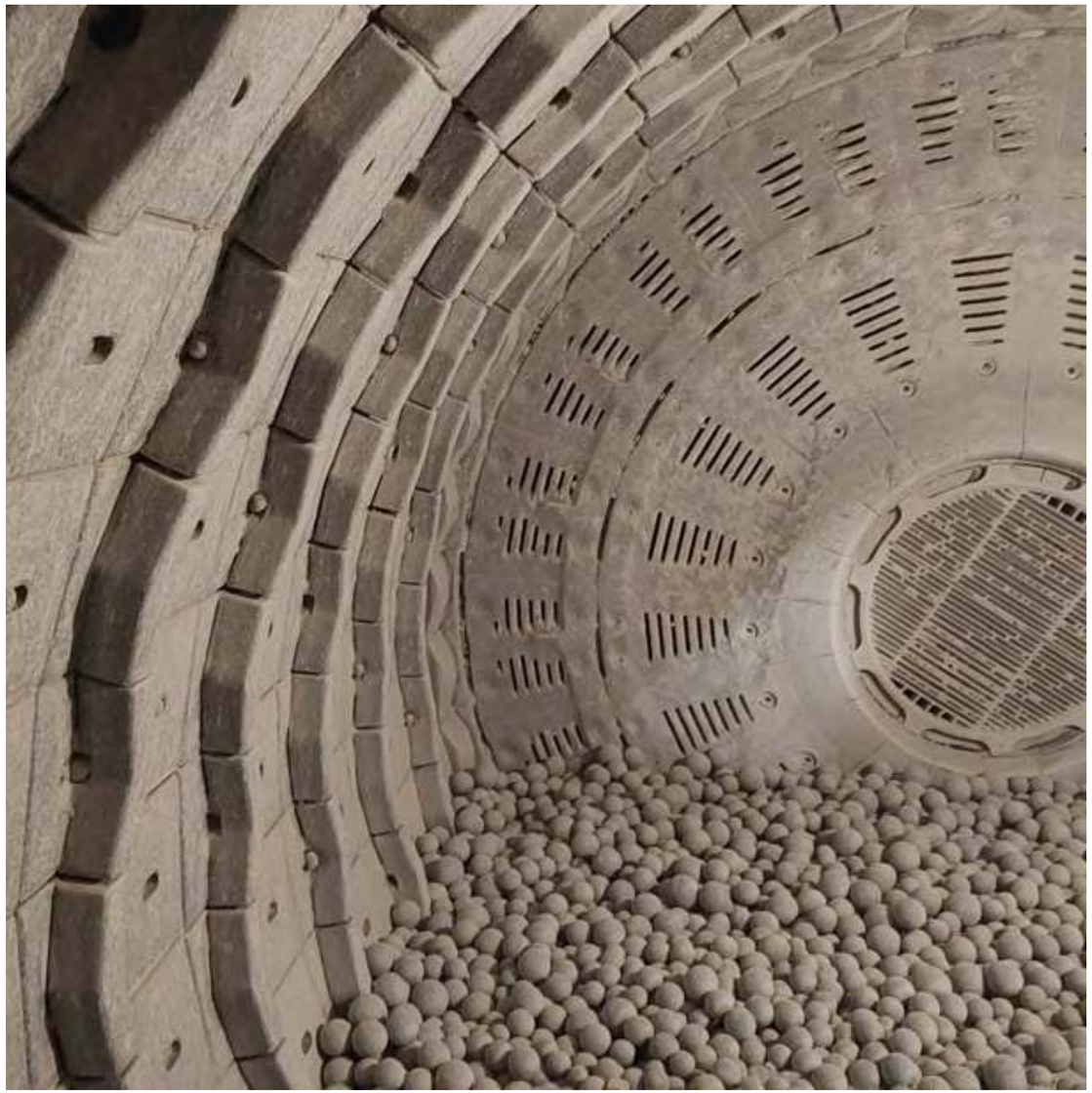
Actions related to Clients

In FY25, our innovation teams worked closely with clients to enhance product design and operational efficiency. Notable initiatives include:

1. **Digital product development**
The Magotteaux Innovation Group advanced the redesign of the Mag'Impact crusher for mining applications using virtual testing environments. This approach accelerated the development cycle, reduced reliance on physical prototypes, and allowed for more agile iterations based on client feedback.

2. **Advanced materials adoption**
More clients are transitioning to our Manganese Composite Material (MMC) solutions, which offer superior durability and performance compared to traditional manganese steel. These materials contribute to longer product lifecycles, reduced maintenance, and improved energy efficiency, aligning with both operational and sustainability goals.

These examples reflect our commitment to SDG #13 (Climate Change) and SDG #12 (Responsible Consumption and Production), as we continue to innovate responsibly and collaboratively. ■



Business practice information

At Magotteaux, we understand that robust guidelines and practices ensure that our decisions are guided by integrity, transparency, and accountability, principles that are essential not only for regulatory compliance but also for building trust with our stakeholders.

TIn FY25, we continued to strengthen our business conduct framework, embedding responsible conduct and management practices across all levels of the organization. Our approach goes beyond formal structures; it reflects a corporate culture that values consistency and long-term thinking.

This chapter outlines our commitments and actions in key areas of business conduct, including:

- Business conduct and ethics, guided by our Code of Ethics and overseen by the Corporate Ethics Committee.
- Fair competition, ensuring respect for legal boundaries.
- Supplier relationships, where we apply rigorous standards to promote sustainability and human rights, throughout our value chain.

Our governance practices contribute directly to our sustainability strategy, particularly in relation to SDG #8 (Decent Work and Economic Growth), SDG #12 (Responsible Consumption and Production), and SDG #13 (Climate Action). Through continuous improvement, stakeholder engagement, and a commitment to ethical leadership, Magotteaux aims to ensure that governance is not just a compliance exercise, but a driver of resilience and responsible growth.

Policies

Policy name	Objectives	Scope
Code of Ethics	- Promote ethical behavior across all business operations and relationships. - Establish principles, values, and conduct standards for all Members. - Foster a positive, respectful, and transparent work environment.	Applies to all directors, executives, and workers (“Members”) of Magotteaux. Covers all internal and external relationships, including customers, suppliers, public institutions, and the community. Mandatory across all Magotteaux companies and geographies.
Supplier Code of Conduct	- Promote ethical and transparent business practices. - Ensure respect for human rights and labor standards. - Strengthen health, safety, and environmental performance across the supply chain. - Encourage suppliers to align with sustainability principles and the UN SDGs.	Applies to all Magotteaux suppliers, including subcontractors, distributors, consultants, agents, and all levels of their supply chain, in every country where they operate. Covers ethics, human rights, labor practices, environment, and community engagement.

Business conduct

Corporate culture and business conduct policies

At Magotteaux, ethical conduct is a core value that shapes our identity and guides our decisions. In FY25, we continued to reinforce our governance framework to ensure that integrity, transparency, and accountability remain central to how we operate and engage with stakeholders.

Our commitment to responsible business conduct is reflected in the way we communicate, manage risks, and uphold our values across all levels of the organization. We strive to maintain a culture where ethical behavior is expected, supported, and recognized.

Corporate culture and ethical oversight

Magotteaux’s governance model is built on a foundation of trust and responsibility. The Code of Ethics serves as a reference point for all employees, outlining the principles that guide our professional conduct, decision-making, and interactions. It is designed to ensure consistency, fairness, and alignment with our corporate objectives.

Oversight of ethical matters is entrusted to the Corporate Ethics Committee, which plays a central role in Magotteaux ethical values and behaviors across the organization. Its responsibilities include facilitating the resolution of conflicts related to the application of the Code, acting as a moderator between parties, and reporting any complaints to the Magotteaux Group SA Board of Directors. The Committee is also responsible for proposing updates or modifications to the Code and providing the necessary guidance to ensure its proper implementation. Through these functions, the Ethical Committee reinforces our commitment to integrity, transparency, and a values driven culture.

Actions related to fair competition

Commitment to fair competition

Magotteaux firmly believes that fair competition is essential for innovation, efficiency, and sustainable industry growth. In FY25, we maintained our strong track record of compliance, with no reported legal issues related to unfair competition. This reflects our dedication to operating with honesty and respect for market dynamics.

We accept competitive environments that benefit all stakeholders, clients, suppliers, partners, and society at large. Our practices are designed to prevent anti-competitive behavior and ensure that our business decisions are guided by merit, performance, and ethical standards.

Fair competition metrics

Unfair Competition	Unit	2023	2024	2025
Legal issues related to unfair competition	Number	0	0	**0**

Management of relationships with suppliers

At Magotteaux, our suppliers are essential partners in delivering high-quality, sustainable solutions to our clients. In FY25, we continued to strengthen our supplier engagement strategy, focusing on performance transparency, and shared sustainability goals. Our approach is designed to foster mutually beneficial relationships built on trust, accountability, and continuous improvement.

In line with our sustainability strategy, we actively promote alignment with the United Nations Sustainable Development Goals (SDGs). Through the Supplier Code of Conduct, we inspire our partners to contribute to the goals we prioritize: SDG #3 (Good Health and Well-Being), SDG #4 (Quality Education), SDG #5 (Gender Equality), SDG #8 (Decent Work and Economic Growth), SDG #12 (Responsible Consumption and Production), and SDG #13 (Climate Action).

By embedding sustainability into our supplier relationships, Magotteaux reinforces its commitment to sustainable practices, operational resilience, and shared value creation across the entire value chain.

Policies

Given the strategic importance of this topic in our operations and reaffirming our commitment to conducting business in an environmentally and socially responsible manner, in 2025 we issued the Sustainable Procurement Policy as a framework to guide our procurement decisions across all locations and departments of the organization.

This policy applies exclusively to our key suppliers and covers all procurement activities related to goods, services, and capital equipment. It also includes all employees involved in purchasing decisions related to these suppliers, as well as their own suppliers and subcontractors.

Complementing this approach, our Supplier Code of Conduct, aligned with Magotteaux's Code of Ethics and that of our parent company Sigdo Koppers, sets out the fundamental principles governing all supplier relationships. This code defines clear expectations regarding human rights, environmental responsibility, anti-corruption practices, health and safety, and regulatory compliance, ensuring that the entire supply chain operates under sustainable standards.

We remain committed to fair treatment across our supplier base, with particular attention to small and medium-sized enterprises (SMEs). Our procurement policies aim to prevent late payments and ensure equitable business practices, reinforcing our role as a responsible corporate partner.

Policy name	Objectives	Scope
Supplier Code of Conductw	Our Supplier Code of Conduct, aligned with Magotteaux's internal Code of Ethics and that of our parent company Sigdo Koppers, sets out the fundamental principles that must govern all relationships with suppliers. The objectives are: - Ensure respect for human rights and labor standards, promoting safe and dignified working conditions. - Drive environmental responsibility, encouraging practices that reduce negative impacts and protect natural resources. - Prevent corruption and bribery, ensuring transparency and integrity in all transactions. - Promote commitment to health and safety, both in our operations and those of our business partners. - Ensure compliance with applicable laws and voluntary sustainability frameworks, aligning our supply chains with international standards. Failure to comply with these guidelines may result in remediation plans and, in cases of repeated violations, jeopardize the continuity of the business relationship.	Magotteaux's Supplier Code of Conduct applies to all suppliers and their subcontractors, covering business relationships and activities related to the supply of goods and services.
Magotteaux Sustainable Procurement Policy	- Minimize environmental impact throughout the lifecycle of purchased goods and services. - Promote ethical labor practices, human rights, and safe working conditions. - Support local economies and communities. - Ensure long-term economic viability of supply chains through development and collaboration.	Applies exclusively to Magotteaux's key suppliers. Covers all procurement activities related to goods, services, and capital equipment across all locations and departments. Also includes employees involved in purchasing decisions, as well as key suppliers and subcontractors of key

Our guiding principles are structured around three pillars:

- **Environmental stewardship:** We engage with suppliers who actively work to reduce greenhouse gas emissions, energy consumption, and water usage, and who promote the sustainable reuse of products. We particularly value those who use recycled, certified, or sustainably sourced materials and who safeguard natural ecosystems from accidental pollution and hazardous chemical use.

- **Social responsibility:** We prioritize suppliers who comply with our Supplier Code of Conduct. We reject all forms of discrimination and promote diversity, inclusion, and social investment in the communities where we operate. Community engagement is a fundamental component of our business relationships.

- **Economic sustainability:** We build long-term, collaborative relationships with suppliers who demonstrate innovation and continuous improvement in sustainability within their operations. We assess the total cost of ownership (TCO), including environmental and social risks, in our procurement decisions. We require transparency in sourcing practices, especially in sensitive areas such as conflict minerals.

We ask our suppliers to operate in compliance with all relevant environmental, labor, and ethical laws, including the guidelines of the International Labour Organization (ILO) and the Universal Declaration of Human Rights. We also expect them to work toward recognized sustainability goals or certifications, such as ISO 14001 or SA8000, and to be willing to disclose information about their environmental and social practices upon request.

We ask our suppliers to operate in compliance with all relevant environmental, labor, and ethical laws.

To ensure effective implementation of this policy, we have embedded sustainability criteria into our supplier selection and evaluation processes. Our procurement and technical teams receive dedicated training in sustainable purchasing practices, and we monitor the performance of key suppliers through audits, questionnaires, and KPIs.

Responsibility for implementing this policy is shared between the supply chain and sustainability departments. We review the policy annually and update it as needed to reflect evolving best practices, regulatory developments, and corporate objectives.

Actions related to Management of relationships with suppliers

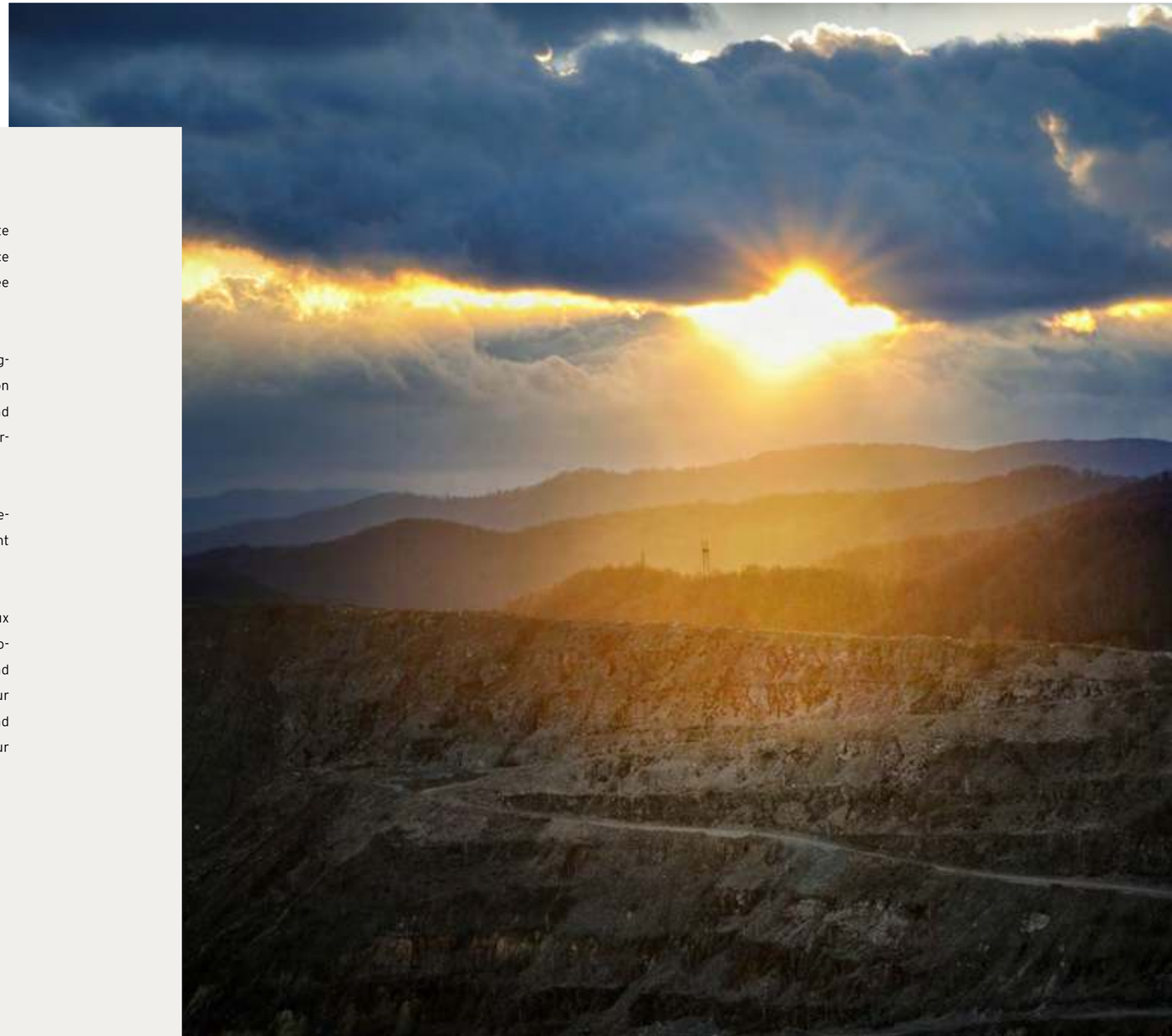
Performance Evaluation and Sustainability Integration

Building on the standardization efforts initiated in previous years, we expanded the use of Supplier Performance Evaluations (SPE) to gain deeper insights into supplier capabilities and risks. Through supplier segmentation, we identified key strategic partners and applied a set of 10 sustainability KPIs, including:

- ☑ CO_2 emissions and reduction roadmap
- ☑ Occupational Health and Safety (OHS) policy
- ☑ Whistleblower mechanisms
- ☑ Document retention practices
- ☑ Ethical trade platform participation
- ☑ Code of conduct adherence
- ☑ Incident tracking and accident frequency
- ☑ Sustainability self-assessment verified by third parties

These indicators complement operational KPIs such as on-time delivery, quality compliance, cost efficiency, and innovation sharing, enabling us to maintain a supply chain that is both high-performing and ethically driven. ■

Next Steps



Looking ahead, Magotteaux keeps going forward and strong with its sustainability journey, marked by long-term commitments and strategic ambition. Building on the progress achieved in recent years, the company will continue to implement its climate transition plan with discipline and transparency.

A key pillar of this forward-looking strategy is the Sustainability-Linked Loan (SLL) initiative, which anchors Magotteaux's environmental goals in financial accountability. Under this framework, the company aims to achieve a 6% annual reduction in Scope 1 and Scope 2 emissions through 2028 compared to our based year, targeting a cumulative 30% decrease over five years. This commitment is aligned with the Science-Based Targets initiative (SBTi) and reflects our determination to contribute meaningfully to global decarbonization efforts.

In parallel, Magotteaux will keep its continuous improvement approach to continue improving its EcoVadis sustainability rating. In the short term, the goal is to achieve the Silver Medal. This indicator reflects improvements across environmental, labor, ethical, and responsible procurement practices and reinforcing our commitment to continuous improvement and excellence in sustainability performance.

Additionally, Magotteaux will continue driving initiatives that promote social well-being and workforce resilience, making Magotteaux a place of choice to be a part of. These actions reflect our belief that employee well-being and performance go hand in hand.

Circularity remains a cornerstone of our sustainability strategy. Magotteaux will scale successful circular initiatives across all production sites, strengthen partnerships that promote sustainable sourcing and product reuse, and integrate key circularity indicators into performance dashboards to enable continuous monitoring.

Although our water consumption is minimal, water stewardship will remain a priority. Looking ahead, Magotteaux will expand water-efficient technologies across all production sites.

Through innovation, collaboration, and accountability, Magotteaux seeks to transform sustainability commitments into measurable progress, ensuring that environmental responsibility, social impact, and economic resilience advance together. In doing so, we reaffirm our commitment to align to sustainability standards, such as ESRS and CSRD, to guarantee transparency and comparability, reinforcing our leadership in resource efficiency. ■

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