

# ITALGRANITI GROUP

ITALGRANITI IMPRONTA ITALSTONE

## Sustainability Report 2024

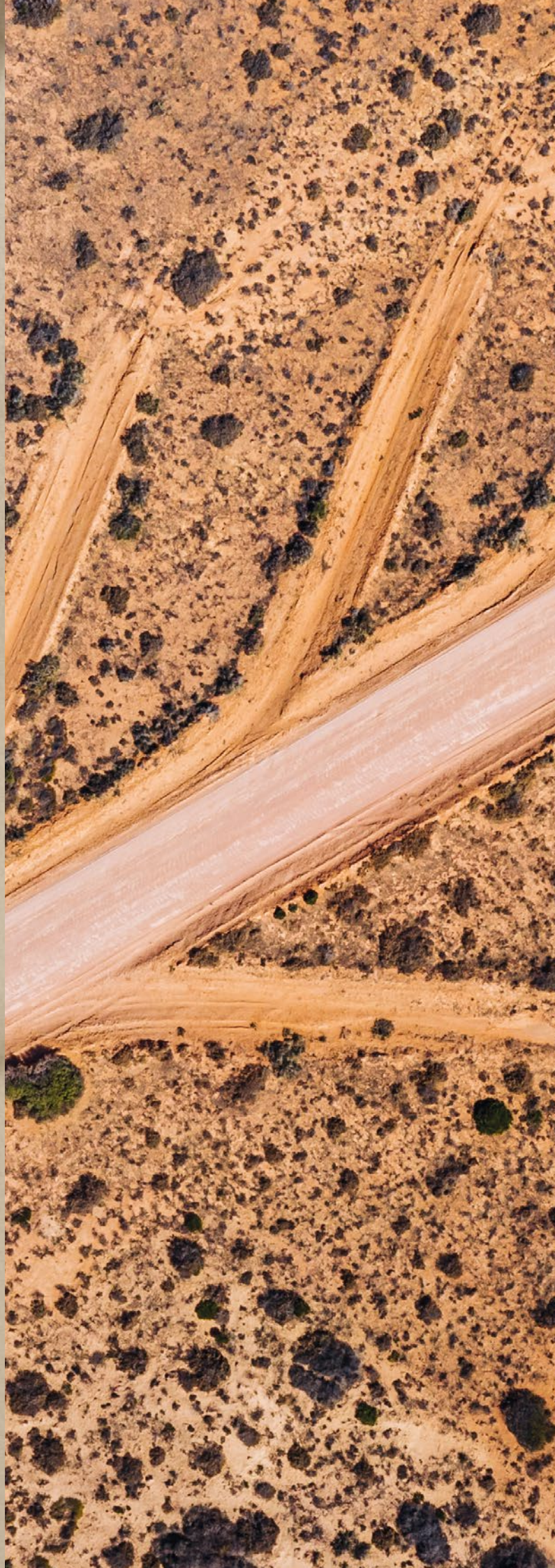




# ITALGRANITI GROUP

ITALGRANITI IMPRONTA ITALSTONE





# Letter to Stakeholders

Dear Stakeholders,

We have great pleasure in inform you that we have achieved a major milestone. The new San Martino in Rio plant, specialising solely in the production of large slabs, has been fully operational since January 2025 and marks an important step in the growth of ITALGRANITI GROUP. Incorporating a high level of technological innovation, the new factory operates with greater energy efficiency, more sustainable use of resources and significantly lower emissions and waste. It is also a major driver of local development, with a forecast increase in employment of 25%.

This latest investment reinforces our industrial competitiveness and fully represents our vision of a regenerative, circular production model, based on people's wellbeing and the development of their skills. In line with our policy of constantly enhanced social and environmental responsibility, we are proud to have maintained and consolidated major awards, such as UNI/PdR 125:2022 gender quality certification, and to have joined the Open-es collaboration platform to further increase our commitment to a more sustainable, transparent supply chain aligned with ESG best practices. Crowning this impressive progress, ITALGRANITI GROUP has received the coveted Responsibility Award, another confirmation of the positive impact of our genuine, continuous commitment.

These achievements strengthen our drive to integrate the economic, social and environmental aspects of sustainability more and more fully within our organisation. The latest edition of our Sustainability Report provides transparent disclosure of the progress made through determination, continuous investments and a long-term strategic vision.

Thank you for your constant support and enjoy the report!



Elisa Giacobazzi  
CEO of Italgraniti Group S.p.A.





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## 1. Italgraniti Group



# We are a B Corp



## SUSTAINABILITY, RESPONSIBILITY AND INTERCONNECTION

As its B Corp status confirms, ITALGRANITI GROUP adopts an approach focused on the common good. This means that it does not view profit as its only goal but also works to have a positive impact on the ecosystem and society as a whole. Its main priorities include the conservation of natural resources and the responsible management of environmental issues.

With a view to reducing climate change, the Group is committed to developing products and processes with the lowest possible impact on the environment. This includes the adoption of sustainable practices throughout the supply chain, the use of recyclable materials and the adoption of technologies and processes that reduce carbon emissions and other adverse environmental impacts. This approach reflects a genuine commitment to environmental and social sustainability, reaching beyond the goal of simply maximising profit in order to contribute to the wellbeing of the environment and the community.

Certified



Corporation





# Italgraniti Group

## **INNOVATION, ENVIRONMENT, COMMUNITY: THE PILLARS OF ITALGRANITI GROUP'S DEVELOPMENT**

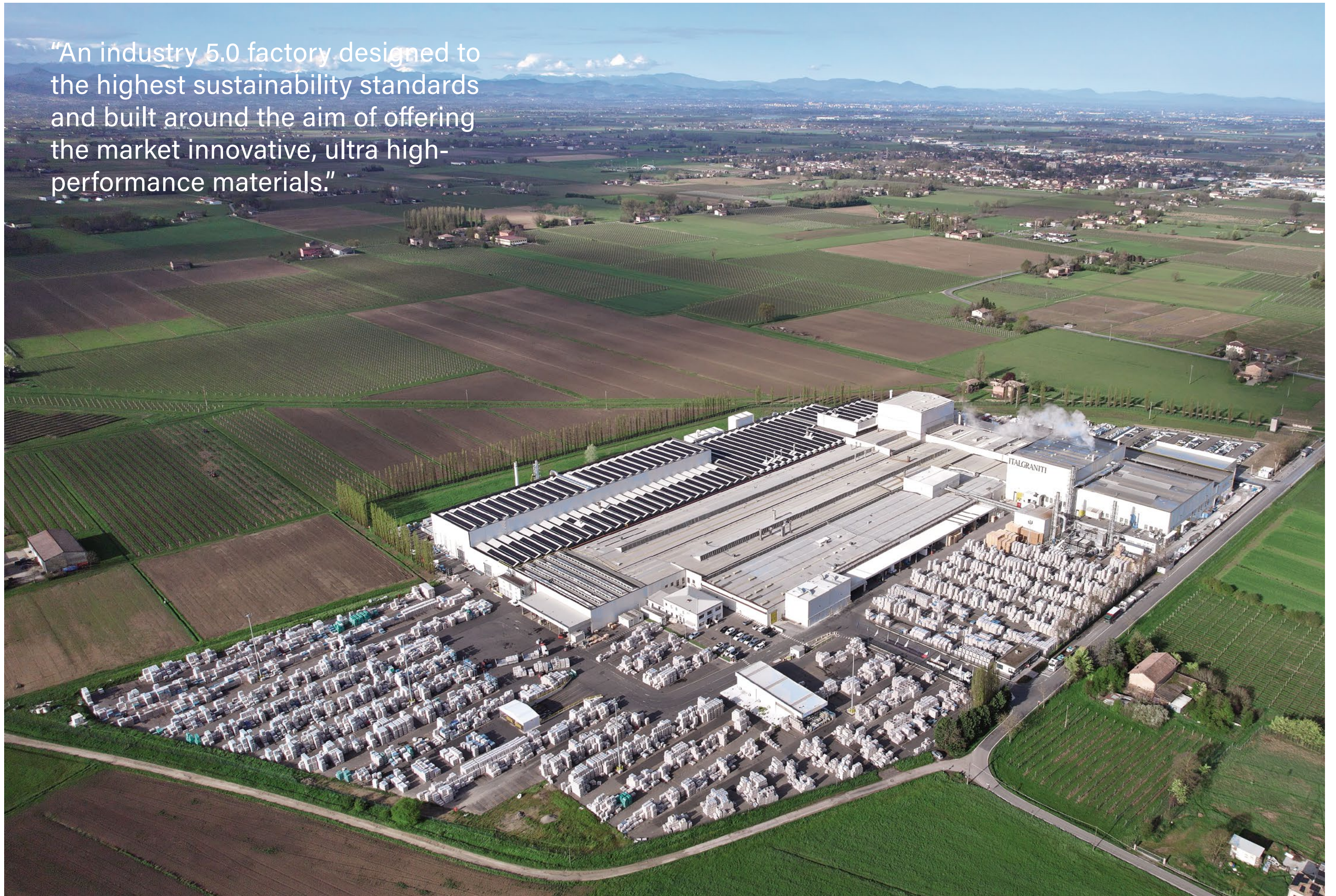
Established in 1994, Italgraniti Group is among the leading Italian manufacturers of stoneware surfaces for use in architecture and interior design, which combine innovation, aesthetics and sustainability. The Group now has 3 brands and 250 employees, produces and markets 6 million m<sup>2</sup> per year and exports about 80% of this output. In the last five years it has invested about €100 million: €60 million in a new plant specialising exclusively in large slabs and about €40 million in modernising the existing plant. Investment and a strong focus on the environment have enabled the implementation of a strategy grounded in sustainability and the reaffirmation of values, principles and commitments the Group has upheld for three generations.

ITALGRANITI GROUP is headquartered in Italy's most important ceramics district, world-famous for its innovative capability and the quality and design of its products: an area with fascinating history, art and culture worthy of promotion and appreciation. This district is home to both the Group's employees and its management, who are well aware of their responsibility for reducing environmental impact even below the already tight legal limits. In this context, ITALGRANITI GROUP is outstanding amongst

the major Italian ceramics producers for its soundness and reliability, its innovative flair and its environmental stewardship. The Group's expansion in recent years has been supported by massive investments, which have equipped it with state-of-the-art production technologies. The company continually partners universities, training institutions, associations and local government to grow the social and cultural value of the local area and safeguard its environment and landscape.



"An industry 5.0 factory designed to the highest sustainability standards and built around the aim of offering the market innovative, ultra high-performance materials."





"We opted for the very latest technologies because innovation and sustainability are the drivers of our growth. This enables us to reduce waste, optimise processes and guarantee higher and higher quality."

## THE HISTORIC HEART OF ITALGRANITI GROUP'S PRODUCTION

In operation since 1994, the production site at San Martino in Rio (Reggio Emilia, Italy) hosts a high-tech modern plant occupying an area of 150 thousand m<sup>2</sup>. The original section contains four completely independent production lines, which manufacture more than 6 million m<sup>2</sup>/year of high-quality traditional porcelain stoneware. The site underwent a major expansion from 2023 to 2025 with the construction of a new plant, specifically designed to produce large slabs.

In the last five years the existing part of the plant has benefited from large investments in industry 4.0 technologies, which have:

- reduced wastage of raw material
- reduced energy use
- increased yields (less scrap and offcuts in proportion to the amount of raw materials used)
- increased the sustainability of processes, with additional positive effects on products' performance.

The compaction department has also been updated, with plants delivering the best quality, performance and versatility technology can offer.

Equipment such as Continua+ 2180 and PH8200 enables:

- efficient management of even small batches, with a view to production to order in the future
- shorter setup times
- reduction in offcuts with maximised reuse of process scrap
- integration with the cutting of greenware and fired materials
- improved finished product quality
- the guarantee of repeatable processes, ensuring the precise matching of different sizes within the same architectural project.

These systems are integrated with the industry 4.0 technologies that manage the production plant and supply the information needed to analyse the trends in output and monitor its quality and economic and environmental sustainability level.

Total area  
of industrial  
site  
**150,000 m<sup>2</sup>**

More than  
**€100 million**  
invested in  
5 years

More than  
**6 million**  
**m<sup>2</sup> produced**  
per year



# The new industry 5.0 plant

## A NEW PLANT PRODUCING EXCLUSIVELY LARGE SLABS

The new plant manufacturing only large porcelain stoneware slabs went into operation at the start of 2025. This major industrial asset, the outcome of an investment of more than €60 million, will generate a 25% increase in employment.

The new production complex, occupying an area of about 30 thousand m<sup>2</sup>, stands next to the historic plant and has been designed in accordance with the sector's highest sustainability standards: equipped with plants at the technological state of the art, it is self-sufficient in electricity. The new Hydrogen-Ready kiln is one of the plant's key features: 230 metres long, it enables the setting of gentler thermal curves and more balanced firing and cooling cycles, to optimise

the product's strength and ease of shaping. The production process also enables the recycling of all process water and fired and greenware scrap, helping to reduce raw material consumption. The new plant is also lit by a high-efficiency dynamic LED system and equipped with a new regenerative afterburner incorporating a system to trap airborne particles, pollutants and volatile organic compounds (VOCs).

Total surface area  
of new plant  
**30,000 m<sup>2</sup>**

Investments  
**€60 million**

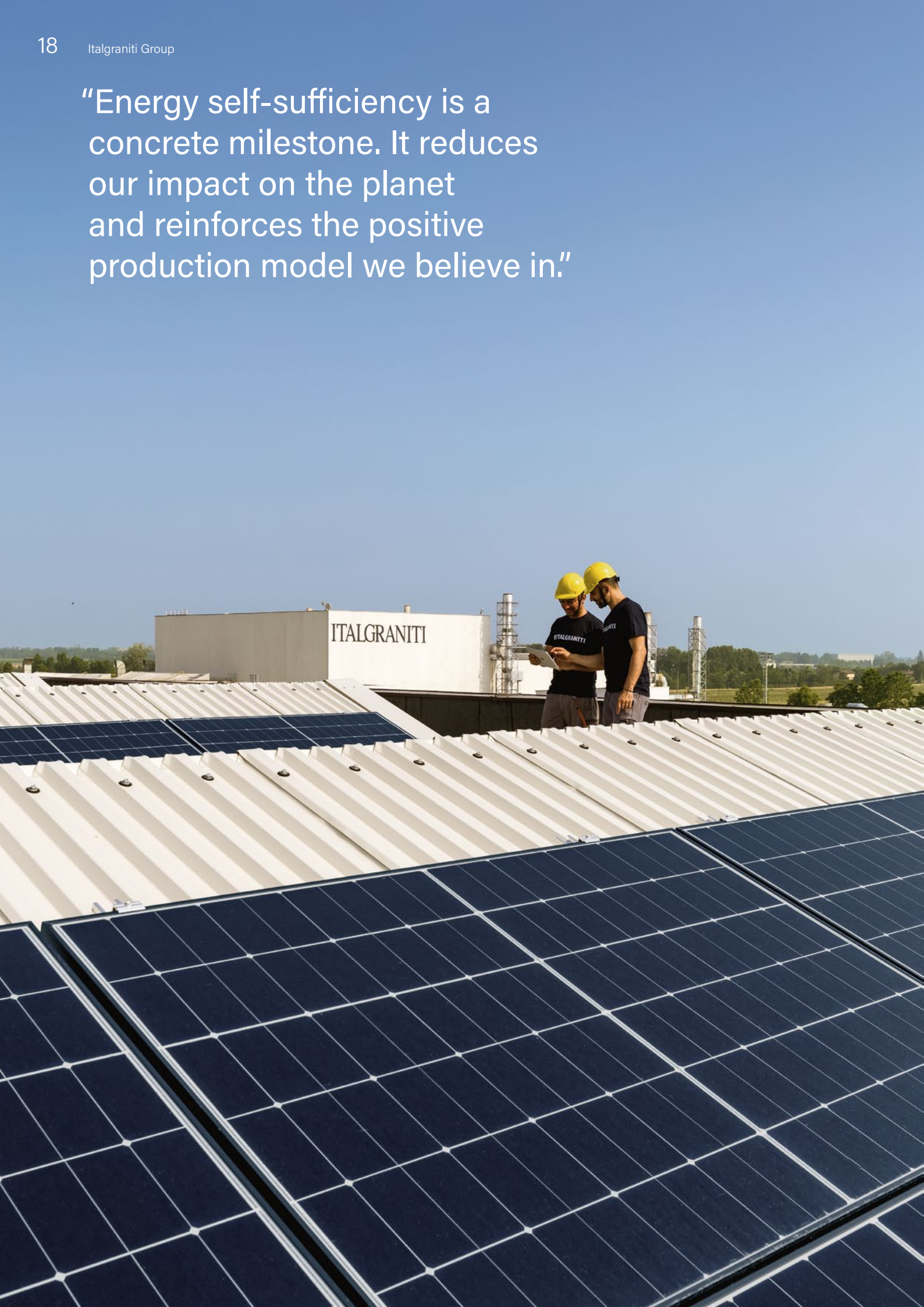
Expansion  
of workforce  
**25%**

“Continuous investment in technology is an impetus towards an increasingly sustainable evolution. As a Benefit Corporation we want to have a positive impact on the territory in which we were born and in which we operate.”





“Energy self-sufficiency is a concrete milestone. It reduces our impact on the planet and reinforces the positive production model we believe in.”



**COGENERATION AND RENEWABLE SOURCES  
FOR SELF-SUFFICIENCY IN ELECTRICITY**

The new production plant, fully operational since the start of 2025, tangibly embodies the Group’s environmental policy, with its careful management of use of all resources, including raw materials, consumables and energy.

In this context, the facility will be fully self-sufficient in terms of electricity thanks to a photovoltaic system, currently nearing completion, which will generate 3.4 million kWh per year once fully operational, avoiding the release of 1,800 tons of CO<sub>2</sub> into the atmosphere annually - equivalent to the amount absorbed by a forest of 82,000 trees. The photovoltaic system functions alongside a 5 MW cogenerator, which produces electricity and heat with natural gas as its single optimised energy source, helping to cut use of electricity from the grid to zero. From structure to plants and from packaging to high-efficiency lighting, every part of the new factory has been designed to create a highly sustainable production cycle, with lower use of raw material and efficient recycling of all the resources available: water, heat and greenware and fired scrap.

Energy goals and environmental performance at full capacity:

Photovoltaic system	CO <sub>2</sub> reduction	Equal to the absorption of
<b>3.4 million</b>	<b>1,800</b>	<b>82 thousand</b>
<b>kWh/year</b>	<b>t/year</b>	<b>trees</b>



# Brands

## ITALGRANITI GROUP

ITALGRANITI GROUP produces and distributes worldwide a wide range of ceramic surfaces that best represent the Made in Italy aesthetic culture and stylistic excellence demanded by top architects and interior designers. With its three brands, the Group composes a comprehensive offer of looks, sizes, thicknesses, finishes and accessories.

### ITALGRANITI

Around the world, Italgraniti is synonymous with high-performance porcelain stoneware. The transformation of top quality raw materials gives rise to ceramic projects able of interpreting the multiple housing, architectural and symbolic needs of a world in constant evolution. Italgraniti's collections encompass all aesthetic looks, sizes, thicknesses and finishes and are able to turn into solutions that combine high technical qualities with high aesthetic content.

### IMPRONTA

Since 1974, the Impronta brand has been a reference point for those seeking porcelain stoneware surfaces to create residential and commercial spaces with outstanding technical and aesthetic qualities. Underlying the brand's success is a deep-seated ceramic culture, rooted in the history of its home ceramics district in Italy's Emilia region. Impronta reaches beyond this tradition in its ability to meet - and often anticipate - the needs of the most discerning architecture and home design professionals.

### ITALSTONE

Italstone is the Group brand dedicated to large slabs intended for the creation of high-performance surfaces suitable for all applications, from countertops to vertical and horizontal claddings. The brand offers architects, designers and transformers materials of immense technical and aesthetic excellence, for untrammelled freedom of expression: surfaces designed to create environments where worktops and furnishing are in perfect harmony with floor and wall coverings.





# archiproducts<sup>®</sup> AWARDS WINNER

**I TRAVERTINI DECORO RADIO 3D**  
Andrea Parisio, Giuseppe Pezzano

## ART DIRECTION: ANDREA PARISIO & GIUSEPPE PEZZANO

The art direction of architects Andrea Parisio and Giuseppe Pezzano is an integral part of ITALGRANITI GROUP's design process and provides continuity and vision that enhance the company's identity.

The cooperation with internationally famous architects and designers gives products a unique expressive power and confirms the Group's commitment to offering solutions that combine quality, environmental responsibility and creative vision. One tangible example of this approach

is the Radio 3D decorative surface, recipient of the Archiproducts Design Award, presented by an international jury on criteria of creativity, functionality and sustainability embodied in contemporary design.





# Headquarters & Showroom

## HEADQUARTERS & FLAGSHIP STORE - MILAN

Designed by Art Directors Andrea Parisio and Giuseppe Pezzano, the Group's Milan flagship store is 600 square metres in area and is a key location for presenting the entire product range and exploring the applicational potential of porcelain stoneware. Conceived as a large penthouse, the space offers architects and designers examples of effective yet refined use of the Group's ceramic materials: there is also a display area dedicated to LOOM, the

porcelain stoneware-clad furniture and design elements brand. To coincide with Milan Design Week 2025, the showroom inaugurated the new *Italgraniti Library* exhibition concept, a "temple of matter" inspired by the great libraries of the past, immense symbols of knowledge and culture. With this exhibit, the showroom has renewed its identity in order to tangibly express the research and excellence that have always guided ITALGRANITI GROUP.







#### ITALGRANITI GROUP DOMUS - MODENA

The showroom near the headquarters at Formigine (Modena) was conceived by architects and art directors Andrea Parisio and Giuseppe Pezzano as today's version of the typical Roman domus. Room by room, the showroom offers a striking experience of the most authentically contemporary interior design. From the entrance hall to the bedroom, the Group's collections play a crucial role in the creation of home interiors with a refined,

impeccable elegance, in perfect harmony with the monumental design of the architecture. The Group's locations are intended as meeting-places for encounters and exchanges of ideas between the company and its partners, multifunctional locations for experiencing its many, varied materials, colours and technologies for architecture and landscape design.





# Products

ITALGRANITI GROUP is internationally acclaimed for the exceptionally high performance of its porcelain stoneware, a synthesis of innovation, design and production quality. This status is firmly rooted in the Made in Italy model, which has always been central to the company's industrial identity. All ceramic surfaces are designed, developed and produced in Italy, in the ceramics district, where the Group has consolidated a state-of-the-art production system that combines technical expertise, a design culture and social accountability.



## TECHNOLOGY AND INNOVATION AT THE SERVICE OF SUSTAINABILITY

Innovation has always been a strategic pillar of ITALGRANITI GROUP. Through continual investments in research and development, the Group consolidates its role as a top player in the ceramics industry and sets the benchmark with its surfaces' high technology content.

Exclusive technologies such as RealUp®, StrideUp® and RealUp Touch® bear witness to the company's market-leading cutting-edge production and functional and aesthetic qualities, confirming its ability to guide the sector's evolution towards more and more natural, high-performing, sustainable solutions. This vision is expressed through a tangible commitment to a ceramics industry able to generate lasting value by combining design, technical performance and environmental stewardship.



The latest technology developed by ITALGROUP is called Sana and exploits the antibacterial properties of silver ions to eliminate up to 99.9% of bacteria from the ceramic surface and prevent their formation. This technology represents a further step forward in the evolution of the Group's products, since it helps to improve the quality of living-spaces and the value of contemporary buildings.

## 15 sizes

160x320	30x120
120x280	40x80
120x120	60x60
80x160	30x60
80x80	15x60
60x120	9x50
26,5x160	10x30
20x120	

## 4 thicknesses

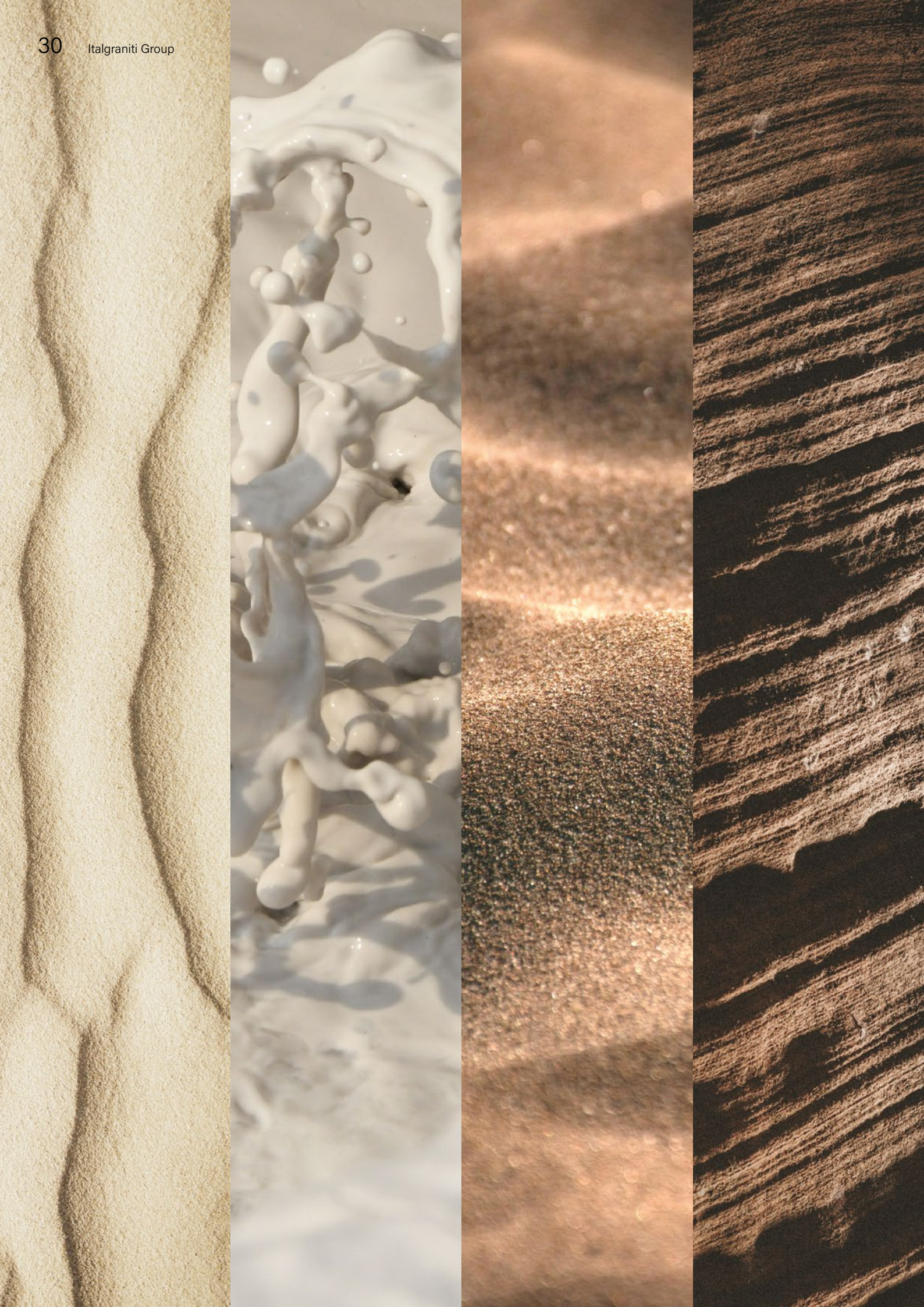
- 6 mm
- 9 mm
- 12 mm
- 20 mm

## 4 innovative technologies

StrideUp® / StrideUp 20®  
RealUp® / RealUp Touch®  
Sana®







## A MATERIAL MADE ONLY FROM NATURAL RAW MATERIALS

Clays, feldspars, sands and quartzes: these are the fundamental ingredients of ITALGRANITI GROUP porcelain stoneware. They are completely natural raw materials, available in large quantities on the surface of our planet, which do not generate geopolitical tensions or social exploitation. They come from quarries belonging to the Group's network of certified suppliers, which hold the authorisations required by law and must undergo compulsory environmental remediation of the site at the end of extraction.

Porcelain stoneware consists only of natural raw materials, fired at over 1,200 °C to give them the necessary strength. It does not require any treatment after installation (such as protective varnishes or resins), does not release volatile organic compounds (VOCs) into the environment and does

not contain toxic materials. The Group's ceramic surfaces are safe, non-allergic and also extremely hygienic, since they have virtually no porosity: this means they do not allow dirt to penetrate beneath the surface, and they provide an inhospitable terrain for bacteria, mould, fungi and unpleasant odours.

## CERAMICS OF ITALY

ITALGRANITI GROUP belongs to Ceramics of Italy, the institutional brand that has represented and promoted Italian ceramics industry companies worldwide for more than 50 years. Membership of this shared value system confirms the Group's commitment to production based on quality, innovation and social and environmental responsibility.

Ceramics of Italy actively promotes an industrial model that highlights the value of the Made in Italy supply chain and focuses on raw material traceability, the safety of the materials used and the sustainability of production processes.

In this context, ITALGRANITI GROUP guarantees the use of selected, safe raw materials from controlled sources, fully compliant with the strictest environmental and regulatory standards.



Ceramics of Italy





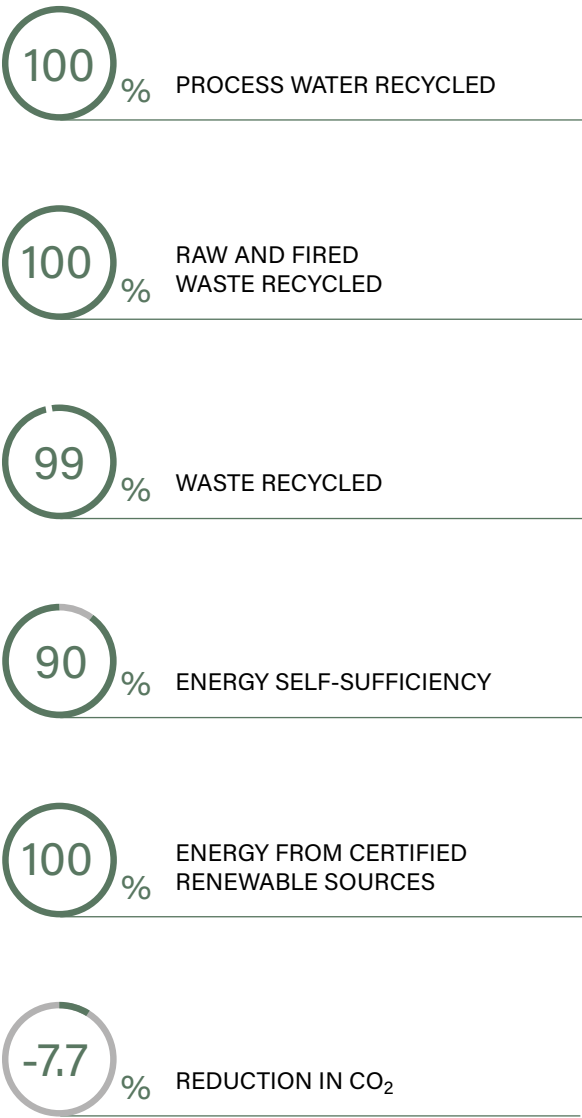
## 2. 2024 Sustainability Report



# Highlights

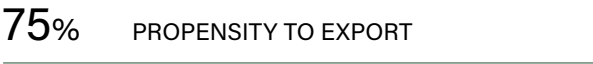
ITALGRANITI GROUP pursues its commitment to sustainable development with tangible actions on the environmental, economic and social fronts. The data provided reflect 2024 performance through key indicators that measure the progress made in relation to the targets set.

## ENVIRONMENTAL INDEXES

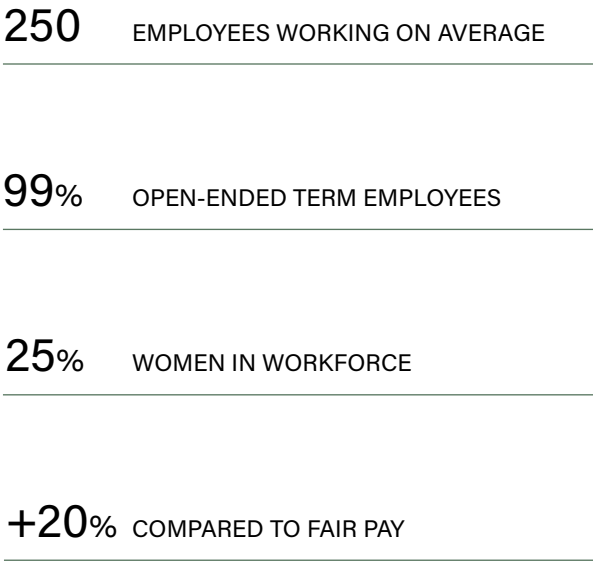


DATA ARE SPECIFIC AND PROPORTIONAL TO PRODUCTION VOLUMES

## ECONOMIC INDEXES



## SOCIAL INDEXES





# Sustainable Development Goals (SDGs)

## ITALGRANITI GROUP

The 2030 Agenda and the related 17 SDGs internationally represent the frame of reference for corporate sustainability, to which they offer global and local opportunities and challenges, with the aim of finding technological, management and corporate social responsibility solutions.

ITALGRANITI GROUP is willing to contribute directly and indirectly to the pursuit of these goals. As concerns these SDGs, the Group makes a commitment to its stakeholders to monitor the activities undertaken and periodically describe

their quantitative and qualitative impact in the Sustainability Report. Section 12 ("2024 Objectives and programs"), on the other hand, sets out the company's future plans.

The 17 Sustainable Development Goals were adopted by the United Nations in 2015 with the aim of helping countries and organisations around the world to take the necessary actions to reduce poverty, protect the environment and ensure economic prosperity and social development.

The 17 goals and 169 specific targets are closely integrated with each other - action in one thematic area affects the results of other areas - and form the foundation of the 2030 Agenda for Sustainable Development, aimed at

balancing social, economic and environmental sustainability. That of the United Nations is therefore a universal appeal that recognises the creativity, know-how, technology and financial resources of all societies as urgent.





# Double materiality

## INTRODUCTION TO THE DOUBLE MATERIALITY ANALYSIS

The double materiality analysis has played a central role in defining the contents of this Sustainability Report. This approach combines two perspectives:

- **Impact (inside-out) materiality:** assesses how the company's operations affect the environment, society and human rights.
- **Financial (outside-in) materiality:** considers how environmental, social and governance factors affect the company's financial position, results and prospects.

This analysis identifies the most relevant topics for inclusion in the reporting and guides the organisation's ESG strategy.

## PHASES OF THE ASSESSMENT PROCESS

### 1. CONTEXT AND AREA OF THE ANALYSIS

The thorough context analysis process included:

- production and logistics operations;
- the supply chain;
- the demands of the target market;
- consultation of industry sustainability benchmarks, international standards, the current regulatory framework and emerging ESG risks;
- consultation of the CONFINDUSTRIA CERAMICA operating guidelines on "Double Materiality in the context of the Corporate Sustainability Report Directive (CSRD) in the ceramics industry".

### 2. IDENTIFICATION OF THE POTENTIAL TOPICS

The analysis was followed by preparation of the list of potentially material **Impacts, Risks and Opportunities (IROs)**. For each IRO, the list states:

- the reference to sustainability topics;
- the time horizon during which the IRO may occur (short, medium or long term);
- description of the IRO;
- the position within the value chain where the IRO occurs (during the company's operations, upstream and/or downstream of its operations);
- classification of the IRO as an impact, risk or opportunity.

### 3. MATERIALITY ASSESSMENT: CRITERIA APPLIED

Qualitative and quantitative criteria, differentiated for each type of materiality, were applied to every IRO identified:

**For impact materiality**, the score is obtained by multiplying:

**For financial materiality**, the score is obtained by multiplying:

#### SEVERITY X LIKELIHOOD

Where "Severity" is the combination of the following parameters:

- scale - harm or benefit of the impact;
- scope - reach of the impact;
- irremediable character of the impact - the extent to which it can be remedied.

#### FINANCIAL IMPACT X LIKELIHOOD

A risk/opportunity's financial impact assesses the size of its negative/positive effect.

### 4. VALIDATION AND APPROVAL

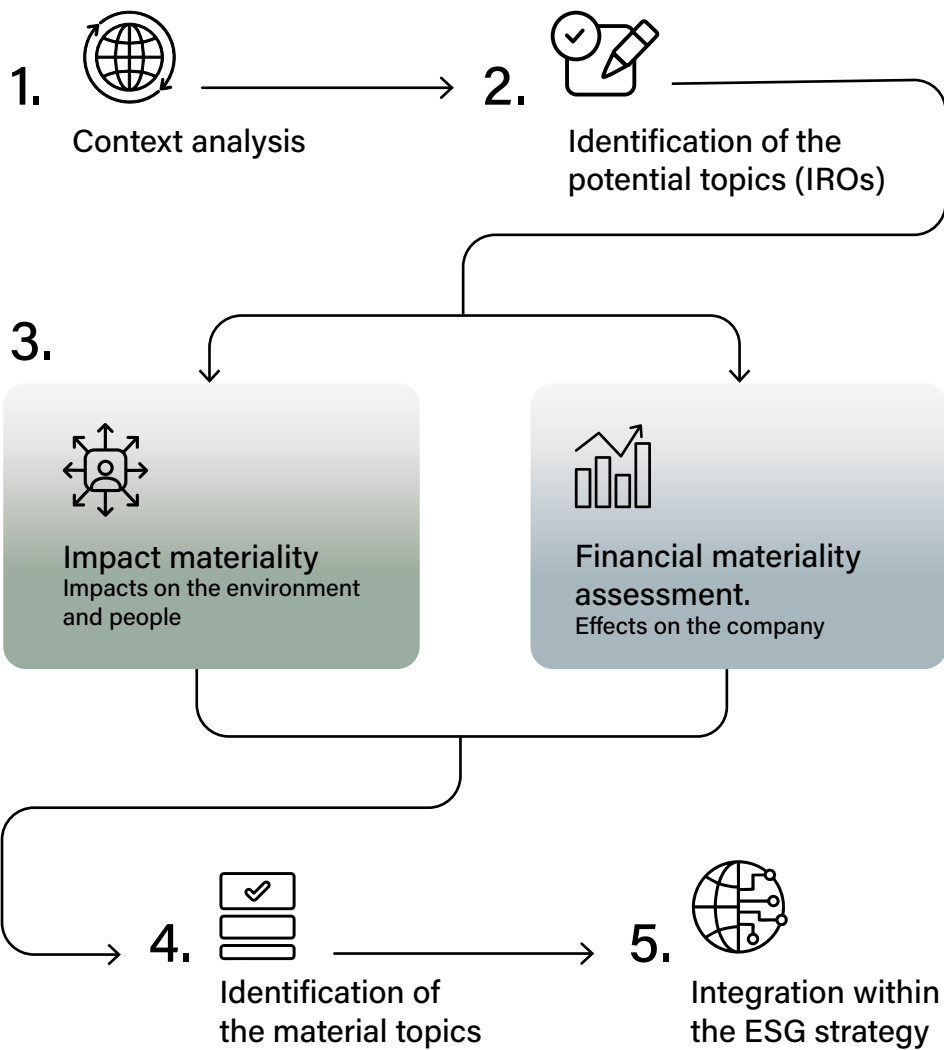
The results of the assessment are discussed by a Sustainability Committee, which decides the priorities for action. The map of the IROs and the priorities that have emerged are validated by the General Management and approved by the Board of Directors, to ensure that they are fully aligned with the company's strategy.

### 5. OUTPUTS AND INTEGRATION WITHIN ESG STRATEGY

IROs classified as having "medium-high materiality" are the subject of complete reporting. They represent the strategic priorities which are the focus of:

- the sustainability objectives
- the key performance indicators (KPIs)
- the management and mitigation policies
- the information disclosed in this report.

The double materiality assessment process is reviewed annually or in case of significant events (e.g. regulatory changes, strategic developments, ESG crises). This guarantees dynamic, consistent alignment with the expectations of shareholders and the operating situation of ITALGRANITI GROUP.





MATERIAL TOPICS FOR ITALGRANITI GROUP

The table below summarises the results of the materiality analysis conducted in accordance with the criteria set out above. The full analysis is contained in in-house corporate documents. Only the topics with at least minimal relevance are listed here. The IROs are listed in relation to the ESG topics.

TOPIC	DESCRIPTION OF IRO
CLIMATE CHANGE	Development of innovative technological and product solutions linked to ceramic, brick and refractory materials, able to prevent or mitigate the adverse effects of climate change on buildings and on constructions in general.
	The transition of production activities towards greater environmental compatibility involves considerable initial investments, such as the replacement of production plants with low-impact alternatives and higher OpEX costs for the replacement of energy supplies.
	Contribution to climate change resulting from the generation of CO2e and direct and indirect energy emissions deriving from the production operations at the Group's locations and sites (e.g. relating to use of natural gas or electricity from non-renewable sources).
	Generation of direct emissions generated within the upstream and downstream value chain, associated to the lifecycle of the products manufactured, and in particular relating to the activities of suppliers, logistics providers, distributors and customers.
	Use of energy from non-renewable sources, with consequent negative impacts on the environment and reduction of fossil energy stocks.
	The implementation of energy efficiency measures and the in-house production of renewable energy (e.g. using photovoltaic systems) could reduce procurement costs for the company and thus represent an opportunity, especially if it is accompanied by gradual electrification of production processes.
	Energy market instability due to market factors and changes in geopolitical scenarios generates significant risks in energy procurement. For example, greater price volatility could cause an increase in the company's energy costs, thus reducing profit margins.
POLLUTION	Production of airborne pollutants such as fine particles, VOCs, nitrogen oxides (NOx), sulphur oxides (SOx), fluorine and other significant emissions with a negative effect on the environment and people.
	Airborne pollutant emissions which exceed the limits lead to administrative penalties which negatively affect the company's financial position and reputation.
	Discharge of pollutants into water leading to contamination of the soil and groundwater, as a result of poor management of process water and wastewater discharges.
	Waterborne pollutant emissions which exceed the set limits lead to legal penalties which negatively affect the company's financial position and reputation.
	Poor management of hazardous/concerning substances or failure to comply with the regulations with regard to hazardous/concerning substances could lead to accidents and the relative penalties, which would also affect the company's reputation.
WATER	Use of water in production processes with repercussions on the availability of water resources at the local level.
	Water scarcity could constitute a risk for the company. In particular, the inability to obtain sufficient water from wells and/or the mains could jeopardise production capacity, also generating stoppages in operation, as well as causing higher investment costs due to the need to make technological changes.
	Optimisation of water as a resource by complete reuse of direct and indirect process wastewater in production, with positive impacts on the availability of water at the local level.
CIRCULAR ECONOMY	Use of process scrap and secondary raw materials including greenware/fired scrap from internal production processes and/or of by-products or scrap from outsourced processes or other production supply chains.
	Generation of negative environmental impacts linked to the use of natural resources as raw materials for manufacturing the products (clays, sands, feldspars, timber, etc.).
	Difficulties in procurement of some raw materials (e.g. clays, sands, feldspars, etc.) due to market factors and/or geopolitical events constitute a risk for the company. They would lead to a potential increase in procurement costs and a risk for productivity, up to and including operating stoppages due to a lack of supply. Moreover, it may be necessary to allocate additional resources to find new suppliers in order to reduce the company's dependence on a specific raw material supplier.

VALUE CHAIN	TIME HORIZON	TYPE OF IRO	IMPACT MATERIALITY	FINANCIAL MATERIALITY	TOPIC
Own operations	Short term	Opportunity	<div><div></div>High</div>	<div><div></div>High</div>	CLIMATE CHANGE
Own operations	Long term	Risk	<div><div></div>Medium</div>	<div><div></div>Medium</div>	
Own operations	Medium term	Impact	<div><div></div>Medium</div>	<div><div></div>Medium</div>	
Upstream / downstream	Medium term	Impact	<div><div></div>Medium</div>	<div><div></div>Medium</div>	
Own operations	Medium term	Impact	<div><div></div>Low</div>	<div><div></div>Low</div>	
Own operations	Short term	Opportunity	<div><div></div>High</div>	<div><div></div>High</div>	
Own operations	Long term	Risk	<div><div></div>Medium</div>	<div><div></div>Medium</div>	
Own operations	Medium term	Impact	<div><div></div>Low</div>	<div><div></div>Low</div>	POLLUTION
Own operations	Medium term	Risk	<div><div></div>Low</div>	<div><div></div>Low</div>	
Own operations	Medium term	Impact	<div><div></div>Low</div>	<div><div></div>Low</div>	
Own operations	Medium term	Risk	<div><div></div>Low</div>	<div><div></div>Low</div>	
Own operations	Medium term	Risk	<div><div></div>Low</div>	<div><div></div>Low</div>	
Own operations	Medium term	Impact	<div><div></div>Low</div>	<div><div></div>Low</div>	WATER
Own operations	Medium term	Risk	<div><div></div>Low</div>	<div><div></div>Low</div>	
Own operations	Short term	Opportunity	<div><div></div>High</div>	<div><div></div>High</div>	
Own operations	Short term	Opportunity	<div><div></div>High</div>	<div><div></div>High</div>	CIRCULAR ECONOMY
Own operations	Medium term	Impact	<div><div></div>Low</div>	<div><div></div>Low</div>	
Own operations	Medium term	Risk	<div><div></div>Medium</div>	<div><div></div>Medium</div>	



TOPIC	DESCRIPTION OF IRO
CIRCULAR ECONOMY	Reuse, recycling, recovery and re-manufacturing of products at the end of their lifecycle, in order to reduce waste and the consequent environmental impacts at end-of-life.
	The implementation of circular economy models can create opportunities (such a reduction in the costs of procurement of virgin raw materials), ensure regulatory compliance and also generate reputational benefits.
	Environmental impacts related to the production of hazardous and non-hazardous waste and its treatment and disposal.
	Poor management of waste (such as its incorrect classification) leads to fines and affects the company's reputation.
OWN WORKFORCE	If the organisation were unable to retain key managerial staff and skilled workers, the issues relating to the replacement of these abilities, skills and know-how could be considerable. Moreover, this would also cause a short-time loss of market competitiveness.
	A high staff turnover could lead to problems with the organisation of work and product quality, as well as loss of know-how.
	Thanks to investments to improve working conditions and employees' well-being, as well as efforts made with regard to sustainability, the company benefits from better motivation and a greater sense of belonging on the part of workers, and thus higher productivity from its human resources.
	Promotion of employee well-being through specific well-being activities and benefits, the creation of a healthy, stimulating work-place and the adoption of flexible working hours and working from home.
	Workplace injuries or other accidents and ill health due to production processes that are unhealthy or risky for the company's own employees or contract staff.
	Improvement of workers' skills through training and career development activities, and general and technical programmes, in some cases linked to individual growth and assessment targets (e.g. career development plans).
WORKERS WITHIN THE VALUE CHAIN	Unsatisfactory working conditions within the value chain (e.g. suppliers, transporters, etc.) could have reputational repercussions but above all could jeopardise continuity of procurement, thus extending the problem to the company's own business in financial and production terms.
	Human rights violations within the value chain (e.g. suppliers, transporters, etc.) could have reputational repercussions, in view of the lack of visibility of and control over the supply chain. Above all, they could cause interruptions in the continuity of supply, extending the problem to the company's own business and generating additional financial costs for replacement of suppliers.
STAKEHOLDER COMMUNITIES	Good relationships with the relevant local authorities and communities, in the form of partnerships with education and health care institutions and the third sector, can benefit organisations in terms of reputation and the attraction and retention of employees. It would also benefit communities in terms of job opportunities and growth of the local economy.
	Contribution to the development of career and social opportunities in the local area, with consequent direct/indirect economic impacts on local communities, thanks to job creation and grants and donations to local associations.
CONSUMERS AND END USERS	Full customer satisfaction in terms of the quality of the product or service supplied, also with regard to delivery or supply times.
	Negative impacts on customers and end users caused by misleading communications and incorrect information with regard to the product's labelling or advertising.
	Product nonconformities could lead to litigation with customers, with compensation costs and loss of reputation.
CORPORATE CONDUCT	Awareness and promotion of a culture of ethics, equity and inclusion and respect for human rights on the part of management and employees.
	Fines and fiscal penalties arising from poor corporate conduct could negatively affect the company's financial results and reputation, and also have serious legal implications.
	Failure on the part of the company to protect whistleblowers could lead to legal and compliance costs, as well as reputational damage.
	Impacts on the economy, the market and people caused by supplier payment times that undermine relationships, trust and the stability and reliability of the supply chain.
	Bribery leads to reputational scandals and loss of market share, apart from negative impacts relating to fines and penalties imposed by the authorities.

VALUE CHAIN	TIME HORIZON	TYPE OF IRO	IMPACT MATERIALITY	FINANCIAL MATERIALITY	TOPIC
Own operations	Short term	Opportunity	<div><div></div>Low</div>	<div><div></div>Low</div>	CIRCULAR ECONOMY
Own operations	Short term	Opportunity	<div><div></div>Low</div>	<div><div></div>Low</div>	
Own operations	Medium term	Risk	<div><div></div>Low</div>	<div><div></div>Low</div>	
Own operations	Medium term	Risk	<div><div></div>Low</div>	<div><div></div>Low</div>	
Own operations	Medium term	Risk	<div><div></div>Medium</div>	<div><div></div>Medium</div>	OWN WORKFORCE
Own operations	Medium term	Risk	<div><div></div>Medium</div>	<div><div></div>Medium</div>	
Own operations	Short term	Opportunity	<div><div></div>High</div>	<div><div></div>High</div>	
Own operations	Short term	Opportunity	<div><div></div>High</div>	<div><div></div>High</div>	
Own operations	Medium term	Risk	<div><div></div>Medium</div>	<div><div></div>Medium</div>	
Own operations	Short term	Opportunity	<div><div></div>High</div>	<div><div></div>High</div>	
Upstream	Medium term	Risk	<div><div></div>Medium</div>	<div><div></div>Medium</div>	WORKERS WITHIN THE VALUE CHAIN
Upstream	Medium term	Risk	<div><div></div>Medium</div>	<div><div></div>Medium</div>	
Own operations / downstream	Long term	Opportunity	<div><div></div>High</div>	<div><div></div>High</div>	STAKEHOLDER COMMUNITIES
Own operations	Short term	Opportunity	<div><div></div>High</div>	<div><div></div>High</div>	
Own operations	Short term	Opportunity	<div><div></div>High</div>	<div><div></div>High</div>	CONSUMERS AND END USERS
Own operations	Short term	Risk	<div><div></div>Medium</div>	<div><div></div>Medium</div>	
Own operations	Short term	Risk	<div><div></div>Medium</div>	<div><div></div>Medium</div>	
Own operations	Short term	Opportunity	<div><div></div>High</div>	<div><div></div>High</div>	CORPORATE CONDUCT
Own operations	Short term	Risk	<div><div></div>Low</div>	<div><div></div>Low</div>	
Own operations	Short term	Risk	<div><div></div>Low</div>	<div><div></div>Low</div>	
Own operations	Short term	Risk	<div><div></div>Low</div>	<div><div></div>Low</div>	
Own operations	Short term	Risk	<div><div></div>Low</div>	<div><div></div>Low</div>	



# Stakeholders

## APPROACH TO STAKEHOLDER MANAGEMENT

Dialogue with stakeholders is a fundamental pillar of the ITALGRANITI GROUP sustainability strategy. Therefore, a structured process has been adopted to identify, map and engage with the main stakeholders, in order to understand their expectations and integrate their evolving needs in decision-making processes. In view of the industrial nature of the company’s business - with significant environmental, social and territorial impacts - continual, transparent interaction with all stakeholders that influence or are influenced by its operations is necessary.

## STAKEHOLDER MAP

We identified stakeholders by means of a participatory process involving the company’s top management, the sustainability area, and the operating and commercial departments. The map considers their level of **influence on the company's business** and their degree of **interest in ESG impacts**.

STAKEHOLDER CATEGORY	DESCRIPTION	MAIN INTEREST	LEVEL OF INFLUENCE
Employees and contract staff	Production and office workers, technical staff and management	Health and safety, working conditions, career development	<div><div></div></div> High
Customers	Wholesalers, dealers, architects, contractors	Product quality, environmental certifications, sustainable innovation	<div><div></div></div> Medium
Suppliers	Raw materials, transport, maintenance	Contractual ethics, payments, ESG criteria	<div><div></div></div> Medium
Local communities	Members of the public, local organisations, associations	Environmental impacts, employment, relations with the local area	<div><div></div><div></div></div> Medium-Low
Regulatory authorities and the public administration	Regional environmental protection agency (ARPA), local authorities, environmental authorities	Compliance, transparency, authorisations	<div><div></div></div> High
Financial institutions	Banks, investors, insurance companies	ESG performance, risk management	<div><div></div><div></div></div> Medium-High
Trade unions	Internal and external representatives	Labour relations, protection of rights, safety	<div><div></div></div> High
Environmental NGOs and associations	Civic network, local environmental monitors	Biodiversity, emissions, use of resources	<div><div></div></div> Low

## EXPECTATIONS AND INTERESTS IDENTIFIED

Key expectations which emerged during the engagement cycle were also used as inputs for the **double materiality analysis** and for drawing up the ESG strategic plan:

STAKEHOLDERS	MAIN EXPECTATIONS	ACTIONS TAKEN
Employees	Improvement of working conditions, safety, training	HSE training, internal audits, welfare plan
Customers	Environment-friendly, traceable product, environmental certifications	EPD and product certifications
Suppliers	Clarity regarding selection criteria, contractual continuity	OPEN-ES qualification
Local communities	Reduction of odour-producing emissions, management of noise and airborne particles	Measures on plants
Public authorities	Regulatory compliance, accessibility of environmental data	Submission of data via ARPA portal, annual meetings
Funders	Clear ESG reporting, climate-related risk management	Integration of ESG risks in risk management
Trade unions	Involvement in decision-making, employment guarantees	Regular meetings, involvement in reorganisation plans

## MODES OF ENGAGEMENT

The approach adopted includes both **qualitative** and **quantitative** tools to ensure regular, in-depth understanding of expectations.

TOOL	STAKEHOLDERS INVOLVED	FREQUENCY	MAIN AIM
ESG questionnaires	Customers, suppliers	Annual	Materiality and performance assessment
Interviews and focus groups	Employees, community, NGOs	Biennial	Gathering of qualitative feedback
Meetings with trade unions	Trade unions, representatives	Quarterly	Negotiation and communication
Public meetings	Local communities and organisations	Annual	Dialogue on environmental and social impacts
ESG report to investors	Funders	Annual	Disclosure and risk assessment
Sustainable supplier portal	Direct and indirect suppliers	Continuous	Monitoring of environmental and social criteria
Internal communications	All employees	Monthly	Transparency and strategic alignment



RESULTS OF ENGAGEMENT

We identified stakeholders by means of a participatory process involving the company’s top management, the sustainability area, and the operating and commercial departments. The map considers their level of **influence on the company’s business** and their degree of **interest in ESG impacts**.

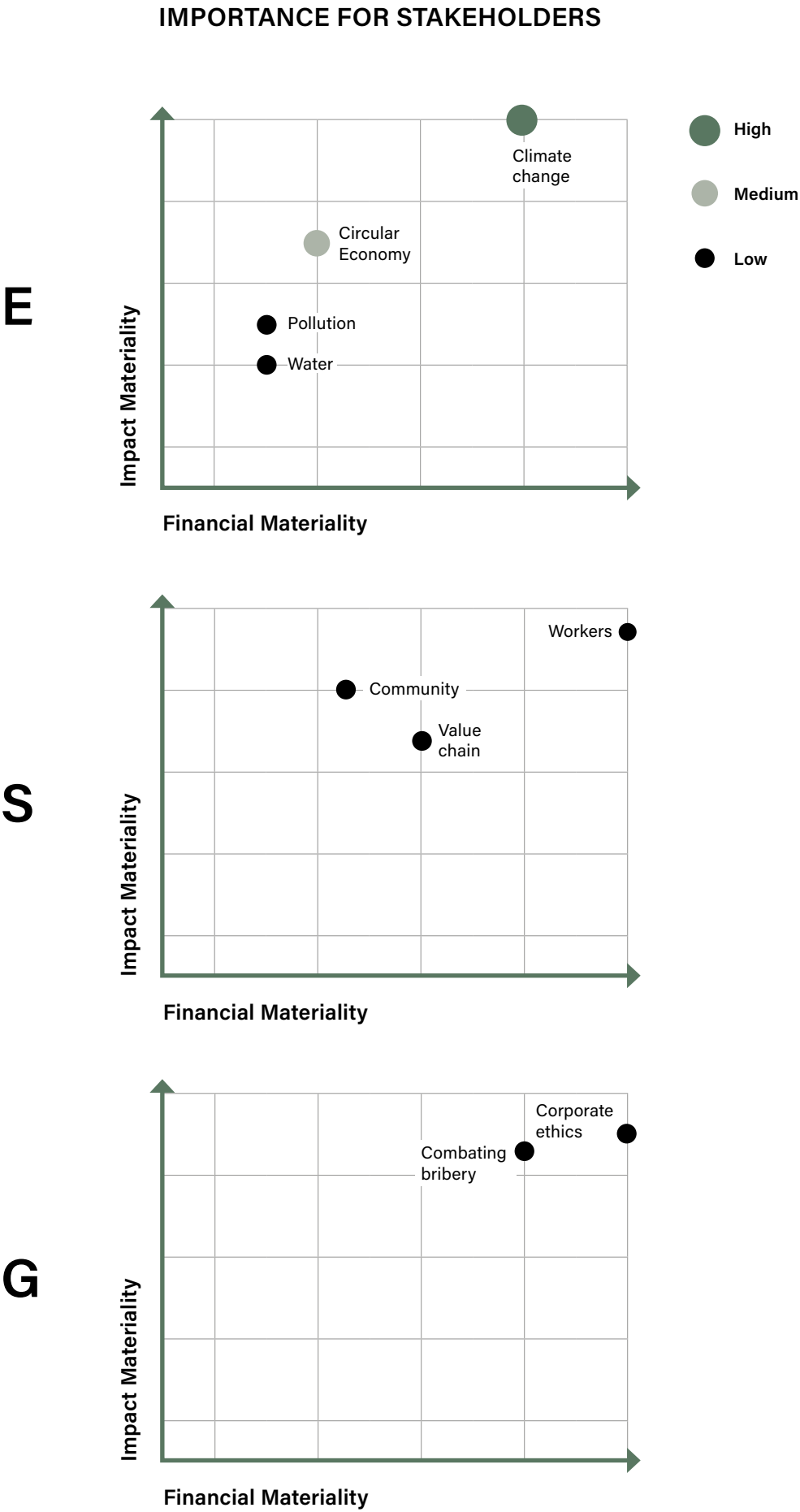
E	Climate change
	Natural resources
S	Health and safety
	Human rights
	Gender equality
G	Ethical conduct

- Information gathered through dialogue with stakeholders is integrated:
- in strategic and operational decision-making processes
  - in the setting of ESG objectives and KPIs
  - in risk management mechanisms
  - in the continuous improvement plan

The results of integration of the double materiality analysis with stakeholder engagement are illustrated below.

FUTURE PROSPECTS

- In the next three-year period, the company is committed to:
- Drawing up a Stakeholder Engagement Policy in line with international best practices;
  - Extending the boundary of engagement to include new stakeholders (e.g. young professionals, green startups);
  - Introducing digital continuous dialogue tools (online surveys, ESG transparency dashboard).





# Product sustainability

ITALGRANITI GROUP adopts production solutions intended to reduce environmental impact using state-of-the-art technologies and optimised industrial processes.

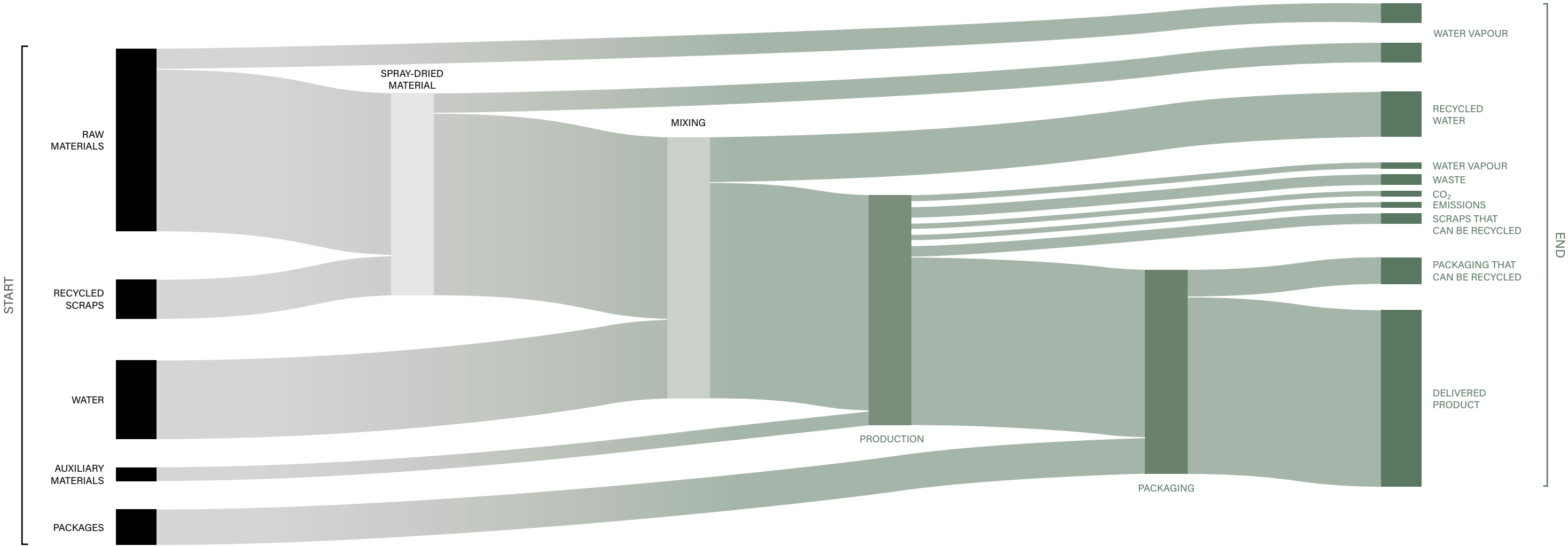
Water - from artesian wells - is a key factor in the production cycle, and 100% of it is reused thanks to a complete recycling system, except for the unavoidable losses due to evaporation. All greenware and fired production scrap is also recycled, helping to support a circular model for the management of resources. These achievements have been enabled by targeted

investments viewed as strategic for the creation of a more and more responsible, future-oriented business. Auxiliary materials are also chosen on the basis of sustainability criteria: only high-efficiency, low-impact solutions are used, in smaller volumes than other resources. All packaging used is 100% recyclable and cardboard packaging contains a high percentage of recycled material, confirming responsible, consistent management of resources throughout the production chain.



### MASS FLOW

The diagram below illustrates the mass flow of the production process that transforms the raw material into the finished product.





“We recognise the quality of raw materials as being of paramount importance. As we work to streamline production parameters, we secure the best clays available on the market.”

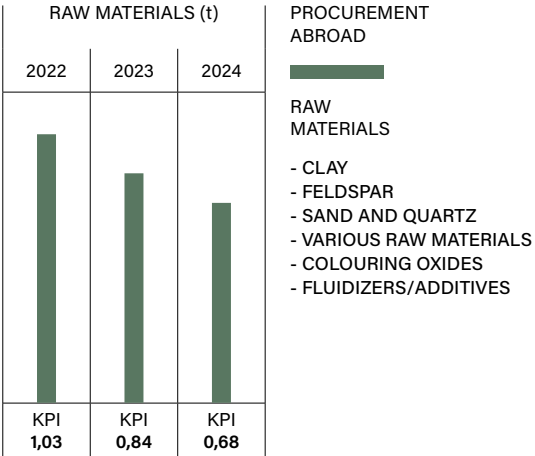
RAW AND AUXILIARY MATERIALS: ORIGIN AND FUNCTION

ITALGRANITI GROUP uses the following resources to manufacture its products:

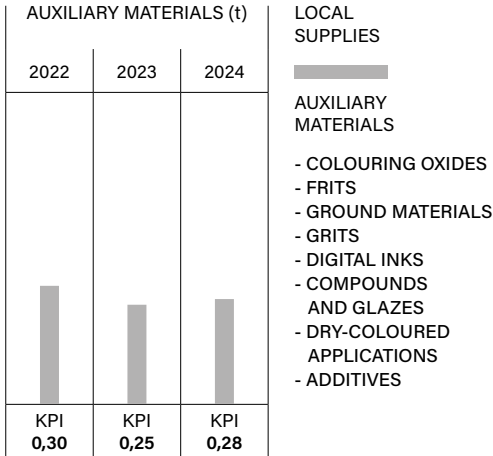
- **Raw materials:** clays, feldspars, sands and quartzes, colouring oxides, fluidizers/additives and other raw materials.
- **Auxiliary materials:** colouring oxides, frits, ground materials, grits, digital inks, compounds and glazes, dry coloured applications and additives.

The composition of the product is typical of ceramic products. Specifically, raw materials form the structure of the tile while auxiliary materials are used to give the aesthetic appearance and surface performance.

The geographical origin of raw materials varies according to their quality: In fact, ITALGRANITI GROUP searches for the materials that can guarantee the best results both technically and aesthetically. Auxiliary materials, on the other hand, are sourced locally, where it is possible to rely on the high specialisation of the Emilia ceramic district.



KPI (Raw materials / Production)



KPI (Auxiliary Materials / Production)



# Build to Zero

## PACKAGING

In the context of the international agreements promoted by the UN to combat plastic pollution, there is a strengthening global commitment to gradually reducing the production and use of non-recyclable materials. The aim is to develop more sustainable solutions to overcome the complexity and limitations of recycling alone. In the light of the latest OECD data, ITALGRANITI GROUP pursues its strategy of continual improvement by adopting targeted solutions for the more responsible, sustainable use of packaging.

The Group has worked hard on these issues and the results achieved have actually exceeded expectations. For example, it has eliminated 2,144 m<sup>3</sup> of polystyrene (used as separator between porcelain stoneware slabs), replacing it since 2023 with triple-wall cardboard containing more than 60% recycled material. Moreover, it has introduced a new packaging system, which uses rolls of film consisting of 50% recycled plastic:

this has generated a 50% reduction in plastic consumption. The polystyrene and polyurethane foam previously used in packaging have been replaced with recycled materials, as have the porcelain stoneware packaging and the embossed paper, which is 100% recycled. Last but not least, the ground-breaking Cartonstrap technology has led to the partial elimination of plastic straps, replaced by pressed cardboard corners.

The table shows the packaging materials used by ITALGRANITI GROUP.

All components described in the table are recyclable. Wood and cardboard account for 92% of the total packaging. The cartons are die-cut and

printed on the spot to eliminate scraps and reduce the standard sizes stored.

PACKAGING	2022	2023	2024
Wood	2,809	2,925	3,075
Cardboard	296	304	318
Heat shrinking film	218	210	242
Straps	62	74	82
Total	3,385	3,513	3,717
KPI (Packaging / Production)	2.7%	2.5%	2.5%

Values in tonnes

-2,144 m<sup>3</sup>  
polystyrene

-54 tonnes  
heat-shrink plastic

-144 m<sup>3</sup>  
polystyrene foam



“The battle against the use of plastic is a battle that is good for the environment and tells who we are, because it turns a certain idea of business, of the responsibilities involved and of the future we imagine into concrete choices.”



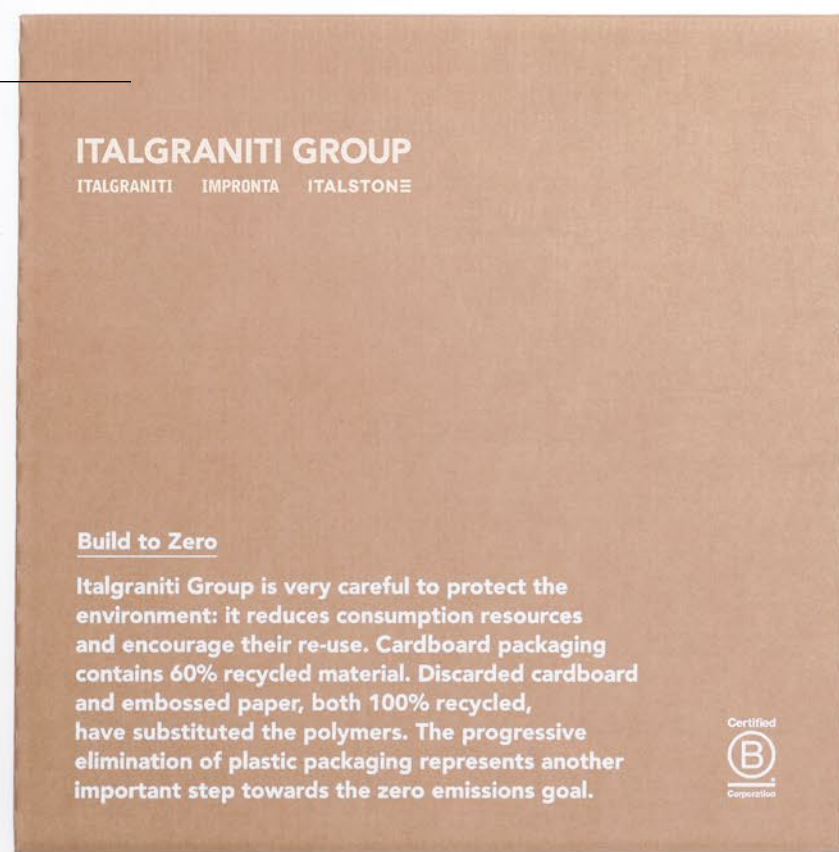
# Build to Zero

## TOWARDS A PLASTIC-FREE FUTURE

The gradual elimination of plastic packaging in favour of more sustainable materials is another important step on the journey to zero emissions.



Cardboard boxes consisting of 60% recycled material



Eco-friendly adhesive tape in 100% recycled paper

## QR Code

"Why we are different"

link to the website to learn more about the Group's measures for the reduction, reuse and recycling of packaging



## Recycled paper meshes

for wrapping and protecting products

obtained from production scrap



## 100% recycled embossed paper

for protecting the packaging instead of plastics





## THE GROUND-BREAKING CARTONSTRAP TECHNOLOGY

One of the ways in which plastic use in the production plant has been cut is the introduction of packaging technologies that utilise more sustainable materials, such as cardboard, and that are also more efficient. The Group has adopted the Cartonstrap system, which replaces plastic straps with a cardboard corner coupling machine. Cartonstrap combines the standard package coupling and gluing systems and protects tile corners, drastically reducing the percentage of damaged pieces during transportation. The system also improves packs' stability during handling and tile installation, helping to ensure greater operator safety and prevent dropping of material.

## TOWARDS A PLASTIC-FREE WORKING LIFE

The Plastic-Free Project involves the Group's offices and has led to many changes, first and foremost a raising of awareness of the issue amongst employees, which has made them the main actors in the transformation.

Other changes worthy of note:

- mains water has taken the place of gallon bottle water dispensers and all employees have been provided with personal water bottles
- plastic plates, cutlery and cups have been replaced with biodegradable ones
- workwear is packaged in paper bags
- preference is given to the purchase of materials made of R-PET, the polymer obtained by recycling PET





PRODUCT COMPLIANCE AND CERTIFICATIONS

Our products are certified to the highest quality, safety and environmental standards on the market.



EPD

This year ITALGRANITI GROUP published its activity data on [www.environdec.com](http://www.environdec.com), the website of the International EPD System, the world's first and longest running EPD program. The EPD (Environmental Product Declaration) is a concise document that outlines the environmental performance profile of our product and allows us to

communicate objective, comparable and credible information in this regard, without expressing evaluation, preferability or minimum levels to be respected; it thus allows those who read it to make a conscious and correctly informed choice.

LEED  
COMPLIANT

LEED

ITALGRANITI GROUP's products meet the requirements of LEED certifications. LEED credits provide all interested parties with the necessary tools to objectively calculate the impact of a building in terms of environmental sustainability. The system is based on the attribution - for each of the requirements characterising the eco-compatibility of a building - of credits that, added together, give the level of certification obtained: the higher it is,

the greater the competitive value of the building on the market. Our products do not release toxic substances and do not contribute to the heat island effect; moreover, they come from a plant with a certified environmental management system. A certified percentage of more than 20% recycled material (pre-consumer material) is used to manufacture them. This certification was issued by Bureau Veritas Italia S.p.A.

GREENGUARD CERTIFICATION



The GreenGuard is an Environmental Product Certification that certifies the emission of low levels of chemicals, such as phthalates, benzene, amines and formaldehyde. It has particular importance for those companies that, like ITALGRANITI GROUP, participate in contract supplies linked to green building protocols, such as the US LEED. These rating systems give the building a score based on the materials it uses. Together with other certifications,

GreenGuard assigns the product used a credit that contributes to the building's score. Created in the US by a non-profit organisation, GreenGuard requires products to undergo independent scientific testing and continuous monitoring of chemical emissions. Those products that meet strict standards, based on criteria set by leading public health agencies, are certified.



CERTIFICATION CCC

The CCC marking is governed by a Chinese regulation certifying that ITALGRANITI GROUP's products have the lowest possible natural radioactivity for building materials, lower even than the natural radioactivity of granite. The CCC certification is obtained after cross-testing by two different laboratories on the same sample and an

audit by the certification body guaranteeing that the certified products comply with the criterion. The CCC mark divides the products into two classes: A and B. All ITALGRANITI GROUP products belong to class A, which is the safest, suitable for use in all places, including public places (such as schools and kindergartens).



CE MARK

The CE mark guarantees product safety. A product with CE mark complies with all the safety and consumer protection parameters of the relevant European directive. The CE mark is obtained by passing laboratory tests and submitting a technical file describing the performance of the

products under examination, in accordance with Regulation (EU) no. 305/2011 (known as the CPR Regulation) and the harmonised standard UNI EN 14411 ("Ceramic tiles - Definitions, classification, characteristics and marking").



NF UPEC CERTIFICATION

This is a French quality mark obtained on the basis of tests according to the European standard EN 14411 and the CSTB's Technical Cahiers. Each product is assigned a classification that attributes

its suitability for installation in the various target environments. The certified products and their Classements are specified in the certificate.



CERAMICS OF ITALY

Ceramics of Italy is the institutional and sectorial brand that represents and promotes the companies of the Italian ceramic industry worldwide. For almost forty years, it has been promoting the image and content of the Italian ceramic industry on foreign markets: Ceramics of Italy synthesises tradition, quality, innovation and creativity. The institutional image of the Italian ceramic industry, the brand safeguards and spreads awareness of the member companies of Confindustria Ceramica and the use of their products through trade fairs, promotional and advertising campaigns, and institutional participation in commercial, cultural and image initiatives aimed at strengthening the action of individual companies on international

markets. Ceramics of Italy represents the will of the Italian ceramic tile industry to spread and promote in Italy and abroad a new value of the tile: no longer a product for the construction industry, but a reference point for style and creativity in the development of a new Made in Italy living culture. The Italian ceramic tile industry labels with the Ceramics of Italy mark those materials characterised by a high design, capable of qualifying living spaces, the result of modern technologies that produce in the utmost respect for the environment, with a great attention to safety in the workplace, the constant search for optimisation of the resources employed, according to the highest performance standards.

The product marks are correctly stamped on the packaging as prescribed by the certification bodies. ITALGRANITI GROUP ensures full compliance with the ISO 14411 standard with regard not only to technical performance but also to labelling, displaying useful information for recognising product quality. The CE marking resulting from the Construction Products Directive is extremely

important. Audits by certification bodies for overseas shipments have never revealed any anomalies or non-conformities in packaging, marking and labelling. Over the years, there have never been any complaints or non-conformities caused by product-related health and safety problems. There were also no complaints about erroneous commercial communications.



# Governance

For three generations, ITALGRANITI GROUP has been a family business rooted in the Emilia region. Since 2022, with the change of status into a Benefit Corporation and the attainment of B Corp certification, the Group has defined its entrepreneurial profile more and more clearly. Aware of the need for a paradigm shift, the Board of Directors decided to direct ITALGRANITI GROUP's economic, technological and professional resources towards a business model that places common benefit among the aims of economic activity.

Having obtained UNI/PdR 125:2022 certification on gender equality within organisations, the Group also adjusted its governance to embrace the enriching effects not only of the diversity of profiles and experiences of the members of the Board of Directors and the Board of Auditors, but also of gender diversity. It also introduced the necessary organisational safeguards to ensure the fully equal participation of men and women in the opportunities created within the company.

## CORPORATE STRUCTURE AND BODIES

MEMBERS OF THE BOARD OF DIRECTORS	
Dante Giacobazzi	President and Company Representative
Francesco Maturo	Managing Director
Elisa Giacobazzi	Managing Director
Giuseppe Pifferi	Managing Director
MEMBERS OF THE BOARD OF AUDITORS	
Cristina Corradi	Chairman of the Board of Auditors
Chiara Baraldi	Standing auditor
Piermaria Covati	Standing auditor
Federico Fiorcari	Deputy auditor
Riccardo Vandini	Deputy auditor
INDEPENDENT AUDITORS	
BDO Italia S.p.A	

“We believe that diversity is always an opportunity for enrichment: diversity of gender, of human and professional profiles, of individual experiences.”



Elisa Giacobazzi and Francesco Maturo - CEO of Italgraniti Group -  
Dante Giacobazzi - President of Italgraniti Group - and Antonia Giacobazzi



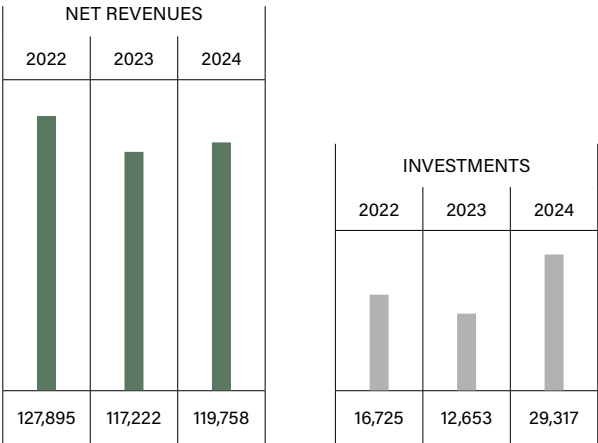
“We feel the responsibility to actively contribute to the economic and social growth of the area where we’ve always had firm roots.”



ECONOMIC VALUE DISTRIBUTED

ITALGRANITI GROUP operates in one of the world’s best-known, most highly respected ceramic floor and wall tile manufacturing districts. The Group is outstanding even in this context of excellence for its breadth of range and design quality, and the sustainability of its products and production processes.

ITALGRANITI GROUP also stands out amongst its peers for its legal status as a Benefit Corporation, a move taken with great conviction to formally affirm in relation to all stakeholders its commitment to pursuing not only economic profit but also common benefits for society and the territory, within which it operates on criteria of responsibility, sustainability and accountability. The Group undertakes to disclose its financial, productive and commercial data to its stakeholders annually. The table below illustrates the economic value the Group generated and distributed to the various stakeholders in 2024.



Value expressed in thousands of euros

	2022	2023	2024
Economic value generated	136,676	121,177	116,656
Operating costs	95,126	81,539	77,840
Remuneration and benefits	17,253	17,164	17,554
Payments to providers of capital	2,501	3,029	3,835
Payments to Public Administration	4,390	5,128	4,240
Investments in the community	32	43	43
Economic value distributed	119,302	106,904	103,512
Economic value retained	16,374	14,274	13,144



## CORPORATE POLICIES

The Group promotes a policy that systematically and strategically integrates four major management areas: social responsibility, process and product quality, environmental protection and occupational health and safety.

## CORPORATE SOCIAL RESPONSIBILITY

ITALGRANITI GROUP sees the principles of Corporate Social Responsibility as a strategic evolution of its traditional role as a business player. CSR promotes an innovative regenerative economic model that, alongside profit, ensures positive and sustainable impacts on society and the

biosphere. Accordingly, the Group has become a Benefit Corporation, including in its bylaws the fundamental objective of pursuing socially responsible behaviour oriented towards the common good.

All employees are called upon to share and pursue these goals:

- the involvement of all parties concerned (stakeholders) in order to maintain constructive relations with the players taking part in the corporate business
- the ethical conduct of the corporate business, to keep the Group reputation high and protect it from provisions by the supervisory authorities, which may include fines and punishments
- the balancing of the interests of investors with those of the community
- the implementation of initiatives and projects aimed at common benefit, in a responsible, sustainable and transparent manner

**"As a Benefit Corporate,  
we must maximise the  
benefits for people and  
the community we belong  
to, both economically and  
socio-culturally."**







## GENDER EQUALITY

At the beginning of 2023, the process of obtaining UNI/PdR 125:2022 certification on gender equality was completed.

ITALGRANITI GROUP is the first Italian ceramic group to achieve it, reaching a very ambitious target, given the clear male dominance that has always characterised the ceramic sector. The Group believes that a more equitable presence of genders and their equal contribution to the

development of our society also requires the commitment of the business world: gender equality is a key element in affirming the dignity of the individual and the importance of their full human and professional development - regardless of the gender one identifies with - and in overcoming any form of discrimination. Indeed, it is closely linked to social justice and is among the 17 Sustainable Development Goals of the UN 2030 Agenda.

The Group's gender equality and integration policy takes a two-pronged approach:

- analysing and addressing the specific needs of women and men
- promoting targeted interventions to enable them to participate equally in the opportunities created within the company

The Gender equality policy is addressed to Group employees and shared with Stakeholders, with the aim of having a greater impact in its value network and being a reference point for other companies; it offers guidelines to be implemented

through practices and processes to create a work environment with equal opportunities throughout the entire cycle of people selection, management, development and career.



## THE ENVIRONMENT AND SUSTAINABILITY

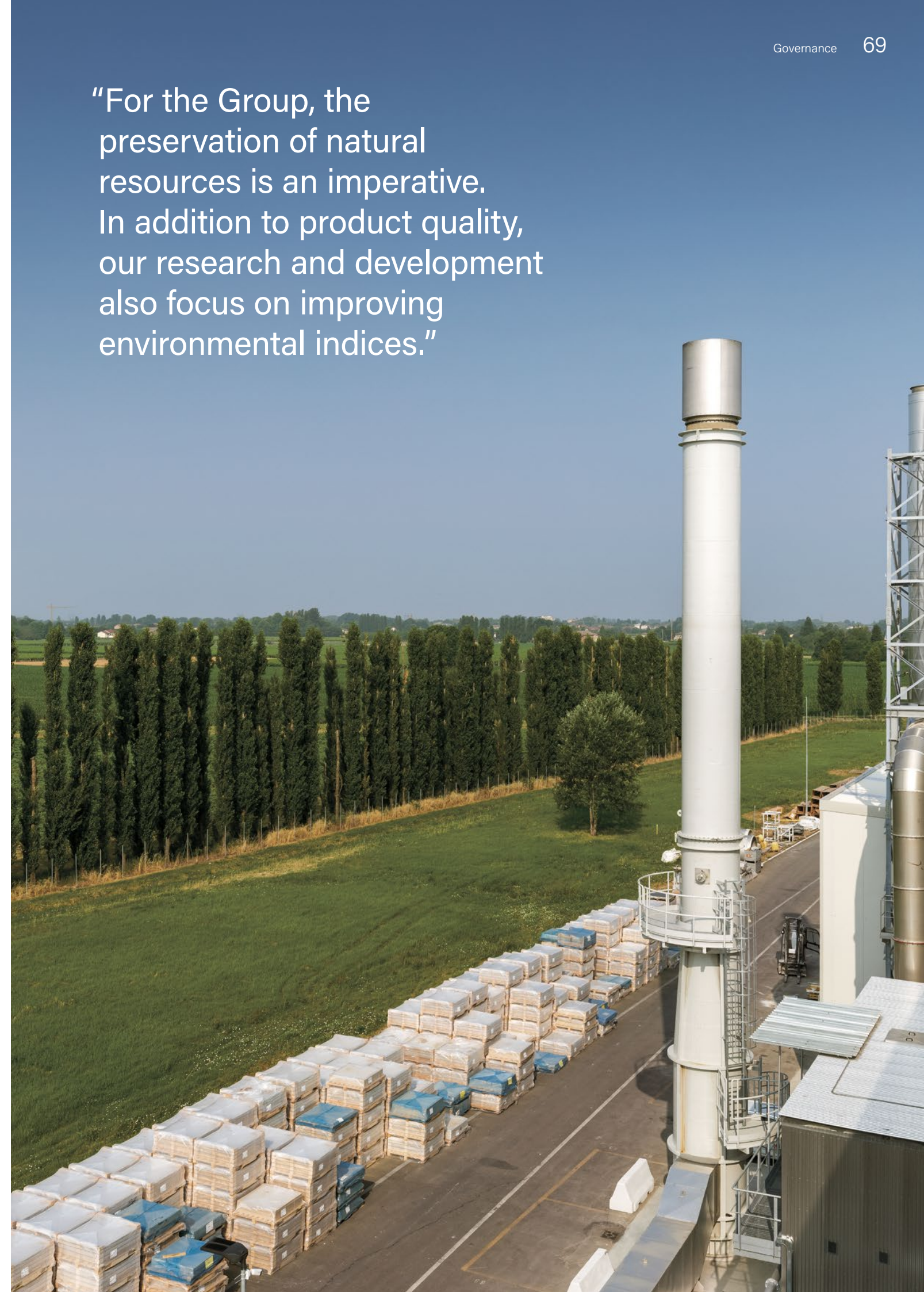
In connection with the Group's activities and the resulting impact, the Group undertakes responsibilities related to environmental protection and the sustainability of products and production processes. The Management considers the protection of environmental resources and the management of their problems to be one of the most important corporate priorities. Voluntary adhesion to the EMAS Regulation and maintenance of ISO 14001 Certification are an opportunity for

ITALGRANITI GROUP to confirm and boost the protection and improvement of the environmental quality of the territory in which it operates. The overall EMAS implementation record shows an important impact on research and innovation of products and processes, with concrete results in terms of environmental improvements and a strengthening of the Group's image and competitiveness in the market.

These are the objectives that all collaborators are called to share and pursue:

- carefully assessing the environmental impacts of activities and products, in order to take the necessary measures to mitigate or, if possible, eliminate them, paying particular attention to the consumption of energy and natural resources, atmospheric emissions, waste generation, noise pollution and industrial water discharges
- assessing the context in which the Group operates, also in relation to the expectations of the stakeholders with whom it wishes to establish a constructive dialogue
- assessing potential risks and opportunities related to environmental aspects arising from the Group's activities, processes, products and services
- ensuring full compliance with applicable rules and laws and cooperate with public authorities in the event of controls and audits
- assigning appropriate responsibilities and authorities for the planning and implementation of environmental actions
- setting objectives and defining environmental programs geared towards continuous improvement, adopting appropriate indicators to measure the achievement of the set goals and the performance of the actions undertaken
- adopting technical solutions aligned with the best available technology, when economically feasible

"For the Group, the preservation of natural resources is an imperative. In addition to product quality, our research and development also focus on improving environmental indices."





"Our commitment to building safe and healthy workplaces has steadily grown over time, becoming a top priority, an absolute requirement."

## OCCUPATIONAL HEALTH AND SAFETY

The management of occupational health and safety issues is one of the main priorities of ITALGRANITI GROUP. Aware of its responsibility for these issues, the company has adopted the strict requirements of the ISO 45001 standard. ITALGRANITI GROUP has introduced a set of specific procedures and operating instructions that led to the certification of the occupational health and safety system some years ago. This system is constantly applied and updated to guarantee the continual improvement of performance, further reinforcing the company's commitment to safeguarding its workers.

These are the objectives that all collaborators are called to share and pursue:

- providing safe and healthy working conditions in order to prevent accidents, injuries and work-related diseases
- systematically assessing the risks that may arise from the various work activities, and accordingly taking the necessary measures to remove or at least mitigate them
- assessing the context in which the Group operates, also in terms of stakeholder expectations, taken as specific commitments of the organisation
- complying with all applicable occupational health and safety rules and laws and cooperating with public authorities in the event of checks and controls
- setting objectives and defining programs for continuous improvement of occupational health and safety, adopting appropriate indicators to measure the achievement of the set goals and the performance of the actions undertaken
- promoting worker participation by identifying instruments for consultation and involvement



## QUALITY OF PRODUCTS

High-quality products and services are the winning strategy for satisfying and retaining customers and for continuing to grow while complying with applicable laws and regulations. This strategy necessarily involves sustainable product and process innovation and the use of the best available technologies.

The Group's management team wants to pursue innovation at all levels, promoting the research and the development of ever higher performing products, both in aesthetic and technical terms, investing in production plants and technologies able to guarantee reliable, efficient processes.

These are the objectives that all collaborators are called to share and pursue:

- product excellence in order to overcome the competitors in the offer to customers
- compliance with product regulations to ensure safety and proper environmental management
- customer satisfaction in all aspects of the business relationship: product quality, punctuality of service, cordiality and collaboration in interpersonal relations
- the efficiency of processes that optimise the use of raw materials and energy forces, to ensure economic margins that are crucial to business success
- continuous staff training, to keep them at the highest levels of competence and awareness, so that everyone feels part of a team striving for business success
- maximum collaboration with suppliers and business partners to improve the entire supply chain and enable joint growth
- economic growth, to ensure the Group's prosperity and employment stability





"We feel the responsibility for making our growth more and more sustainable. Every award we receive strengthens this commitment and encourages us to look beyond the milestones already achieved."



Armando Bergamini  
Sustainability and Quality Manager

## Responsibility Award

ITALGRANITI GROUP has received the Responsibility Award, presented to companies that successfully combine the growth of their business with responsible management of their corporate values. Quality, environmental stewardship, health and safety, inclusion and accountability: these are the principles that Guide the group and define its strategic vision, focused on collective wellbeing and sustainability.

The award confirms the Group's commitment to the responsible management of the three pillars of a business's accountability: Quality, Environment and Corporate Social Responsibility. Its implementation of these principles is confirmed by internationally accredited certifications, including ISO 9001 (quality management), ISO 14001 (environmental protection and impact reduction) and ISO 45001 (occupational health and safety).

It also holds certification for the management of greenhouse gas emissions (ISO 14064), transparency in environmental management (EMAS) and gender quality (UNI/Italian Presidential Decree 125:2022). The Responsibility Award was presented to Italgraniti Group during Milan Design Week 2025 by Bureau Veritas, a globally respected certification body with more than 300,000 certified organisations.



RISK ANALYSIS

The Management has systematically extended the risk analysis to all areas of the company, including the risk of offences covered by Italian Legislative Decree no. 231/01. To carry out these assessments, a very broad definition of risk was adopted (as per UNI 11230 - Risk Management), which can be adapted to the various areas of the company: risk is the totality of the possibility of an event and its consequences on objectives.

Other criteria can be used for more specific activities such as assessment of risks for occupational health and safety.

Risk is a probabilistic concept: it is the probability that a certain event which may cause a damage occurs. The notion of risk implies the existence of a source of danger (or threat) and the possibility that this becomes a damage. We consider opportunities as cases where uncertainty can become positive consequences on the objectives.

Risks and opportunities may arise from:

- the context of the Group
- compliance obligations
- stakeholders' expectations

CODE OF CONDUCT

The Code of Conduct is the document through which ITALGRANITI GROUP declares its responsibilities and ethical-social commitments. It therefore contains the criteria the Group adopts to pursue the interests of internal and external stakeholders.

ITALGRANITI GROUP recognises the importance of the ethical and social values of work: consequently, it is committed to the sound and responsible management of its own activities and those of its social partners, with respect for the community to which it belongs. In conducting its activities, in fact, the Group is based on principles of fairness and transparency in the assumption of risks, both towards customers and within the company: it is in this perspective that the corporate governance system has been set up and implemented.

These commitments gave rise to the Code of Conduct, which has these aims:

- defining the fundamental ethical principles of ITALGRANITI GROUP
- establishing rules of conduct for those working on behalf of the Group
- fostering dialogue, involvement and consensus among these players
- indicating the basis for a voluntary agreement to ethically regulate relationships between ITALGRANITI GROUP and its stakeholders
- representing the basic element for the adoption of the Organisational Model pursuant to Italian Legislative Decree 231/2001 on the administrative liability of entities

ORGANISATIONAL MODEL PURSUANT TO ITALIAN LEGISLATIVE DECREE 231/01

Model 231 is an organised system of documents, procedures and work and control activities aimed at preventing and reducing the risk of committing the offences contemplated by Italian Legislative Decree 231/2001, which governs the liability of entities for administrative offences dependent on crime.

ITALGRANITI GROUP has adopted an organisation, management and control model that has a dual purpose:

- protecting the Group from the sanctions provided for in Italian Legislative Decree 231/01
- formalising their ethical behaviour and extending it to their social stakeholders

One of the purposes of the model is, therefore, to induce in all those who operate in sensitive processes an awareness of the social value of the model itself in relation to the purpose of preventing offences and encouraging compliance with the rules roles, and operating methods indicated in the various protocols.

The addressees of the model are all the social stakeholders of ITALGRANITI GROUP, but in particular:

- shareholders
- board members
- top position persons
- employees, including temporary workers
- external collaborators, i.e. consultants, suppliers, sub-contractors and all partners

WHISTLEBLOWING

Anyone who becomes aware of conduct that is not in line with the provisions of the Law, the Organisational Model pursuant to Italian Legislative Decree 231/01 or the Code of Ethics may report it (also anonymously) to the internal Supervisory Board (SB).

Conduct or irregularities that cause damage to ITALGRANITI GROUP may be reported, such as actions committed or attempted and omissions likely to cause damage to the health or safety of workers, damage to the Group's image, financial damage, damage to employees and users, acts of attempted or implemented corruption; or conduct by third parties (such as collaborators, suppliers, consultants, etc.) in the same area of relevance. Reports must be based on precise and consistent facts, and reporting channels may not be used

for purposes other than protecting the integrity of the Group. Having an internal reporting channel (complying with Italian Legislative Decree of 20 March 2023, no. 24) protects employees, suppliers and customers who want to report wrongdoing within the Group. This is an important guarantee for the person witnessing potentially unlawful acts because, by remaining anonymous, he or she does not risk becoming a victim of mobbing or discrimination of any kind. In addition, the Whistleblowing channel allows for the early detection of wrongdoing and violations, which often end up causing organisations without an effective reporting system damage, including financial damage; it also allows for the timely search for solutions, avoiding or limiting possible image damage.



COMPANY CERTIFICATIONS

The Group has obtained and maintains the following certifications.



B CORP

Italgraniti Group is a B Corp. The Group pursues long-standing strategies of combining innovation and sustainability to generate positive impacts on people, the local area and the environment, through responsible, sustainable, accountable business practices.

Italgraniti Group is part of the global movement which sees a business as a positive force not just for the economy but also for the well-being of people and the planet, and promotes the transition towards an inclusive, fair, regenerative economic model.



UNI/PDR 125:2022

Italgraniti Group is the first ceramic company in Italy to have obtained Gender Certification according to the UNI/PDR 125:2022 standard. Gender equality is a key element to combat discrimination in the world of work and to achieve its strategic objectives. Respect for the individual, together with their

professional development, are considered essential values for the Group, which considers the relational, intellectual, organisational and technical skills of each employee a fundamental resource for the organisation.



ECOVADIS: SUSTAINABILITY ASSESSMENT

EcoVadis aims to improve environmental and social practices of companies by harnessing the influence of global logistics chains. It is one of the leading international eco-sustainability rating

platforms and operates the first collaborative platform that allows companies to monitor the sustainability performance of their suppliers, in 150 sectors and in 110 countries.



ISO 9001

ISO 9001 certification is an internationally recognised standard for the creation, implementation and management of a Quality Management System. It is a certification recognised as a basis for creating

a system that ensures customer satisfaction and continuous improvement of performance; it is a valid way of assuring customers that the quality they expect will be maintained and improved over time.



ISO 14064-1

ISO 14064-1 certification allows organisations to quantify their GHG emissions to implement carbon management policies and communicate their sustainability commitment to their stakeholders. Italgraniti Group started a reporting path on their greenhouse gases (GHG) emissions and removal. The study intends to respond to a need geared not

only towards knowing their own Carbon Footprint but also towards identifying possible strategies and actions aimed to reducing GHG emissions. This important certification proves the Group proactive approach and the ability to provide consistent and reliable data on their Carbon Footprint.



ISO 45001

The safety of employees is an essential requirement and a top priority for ITALGRANITI GROUP, as evidenced by its continuous commitment to improvement and updating in the field of occupational health and protection. Improving behaviour and enhancing the corporate culture on

health and safety is a constant goal of the Group. Obtaining UNI ISO 45001 certification strengthens a corporate culture that deems safety not just as a regulatory requirement but as an essential part of work processes.



EMAS REGISTRATION

Eco-Management and Audit Scheme (EMAS) is a voluntary instrument created by the European Community that organisations (companies and public bodies) can join voluntarily in order to assess and improve their environmental performance and provide the public and other interested parties with information on their environmental management.

EMAS is one of the voluntary instruments activated under the Fifth Action Programme of the EU in favour of environment, and has as its priority aim to contribute to the achievement of sustainable economic development, emphasising the role and responsibilities of business.



ISO 14001

The system described by ISO 14001 is one of the most widespread Environmental Management Systems and is characterised by the development and implementation of a policy that commits the organisation to full mandatory (legislative) and voluntary compliance (compliance with additional self-imposed or market-driven requirements).

The Group subscribes to these requirements in order to establish or integrate rules for effective management into its organisational system to continuously improve its performance with regard to significant environmental aspects.

RESPONSIBILITY AWARD

The Responsibility Award is a recognition issued by Bureau Veritas that confirms the commitment of organizations to the responsible management of the three pillars of business operations: Quality, Environment, and Corporate Social Responsibility. The certificate immediately and concisely

demonstrates the company's strategic vision; it enables organizations to effectively communicate their values and to show that they have embarked on a path of excellence in every aspect of business management.

IEA - IPPC OBSERVATORY

The European Union adopted the first directive on integrated pollution prevention and control (IPPC) in 1996, which has now been replaced by the Industrial Emissions Directive 2010/75/EU ("IED"). The IPPC directive is based on three fundamental cornerstones:  
1. The integrated approach, which implies that authorisations must consider the environmental

impact in its entirety, with the aim of achieving high protection of the environment as a whole;  
2.BAT (Best Available Techniques), on which authorisation conditions must be based;  
3.Local conditions: when granting authorisations, the competent authorities take into account the technical characteristics of the plant, the geographical location and local environmental conditions.



# Environment

As an EMAS-registered company, ITALGRANITI GROUP publishes its Environmental Declaration annually, previously validated by the accredited third party. This document communicates the company's environmental performance to stakeholders on the basis of defined criteria and with maximum transparency.

## ENVIRONMENTAL ASPECTS

ITALGRANITI GROUP systematically identifies the environmental aspects associated with its activities and its products and services, measuring, when possible, the impacts associated with the entire product life cycle. This analysis was extended to those aspects that the Group can keep under control and those that it can influence.

The purpose of the assessment is to measure or estimate the significance of individual impacts to enable prioritisation of actions to be undertaken to achieve significant environmental improvement. For this purpose, both normal and abnormal conditions were considered, as well as potential emergencies.

The direct environmental aspects taken into account are:

- water drawn
- emissions in the atmosphere
- soil and subsoil
- energy consumption
- use of substances
- waste generation
- external noise from production facilities
- miscellaneous material consumption

The induced environmental aspects taken into account are:

- transport of the finished product to the end customer and of the raw materials to the plant
- environmental behaviour of contractors, subcontractors and suppliers who may have an influence on the environment
- effect on the environment due to the disposal or end-of-life of marketed products

"More and more, day after day, we make environmental sustainability an integral part of our products and processes, aiming for a world in which this is no longer just an option but rather a necessity."





**COGENERATION PLANT**

nominal power of 5 MW  
constant output of electricity  
heat capacity over 11,000 kWh

**90%**  
energy  
self-sufficiency

**100%**  
energy from certified  
renewable sources

**IMPIANTO DI COGENERAZIONE**

The San Martino in Rio (Reggio Emilia) has now become self-sufficient in electricity, achieving a crucial aim in terms of environmental sustainability. The high-efficiency cogeneration plant installed in 2022 has drastically reduced the use of electricity from the grid.

Using natural gas as its sole energy source, the plant jointly generates electricity and heat, hugely increasing the efficiency of the initial fuel and cutting energy costs and CO<sub>2</sub> emissions compared to separate electricity and heat production. The

plant, with a nominal power of 5 MW, is able to supply electricity on a continuous basis, ensuring the self-sufficiency of the entire plant and supplying any surplus to the grid.

**REGENERATIVE AFTERBURNERS**

The production site is equipped with two regenerative thermal afterburners, the second installed early in 2025. These plants are installed in tandem with the fabric filter fume treatment system, to prevent all risk of dispersal of unpleasant odours at source.

The afterburner captures the volatile organic compounds (VOCs) contained in the organic adhesives used in the digital decoration process. These VOCs could generate noisome smells noticeable to the people living and working in the production plant's vicinity. Temperatures inside the afterburner reach as high as 850 °C, enough

to completely oxidise the VOCs and aldehydes. Equipped with three high-efficiency combustion chambers, the afterburner collects the fumes for treatment in the first and the treated fumes in the second, while the third chamber is used to eliminate any residues of the post-combustion process itself.

**REGENERATIVE AFTERBURNERS**

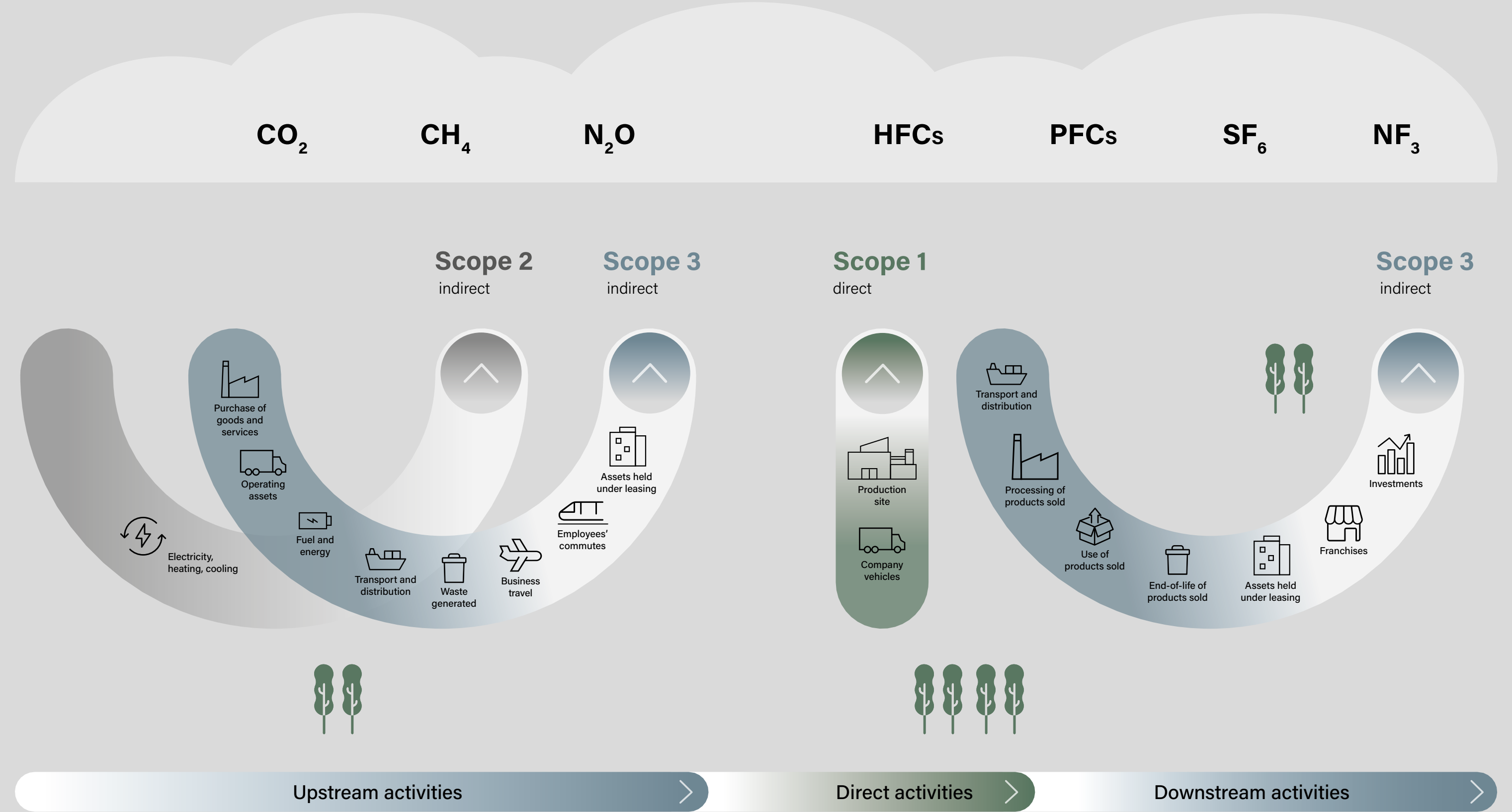
captures and oxidises VOCs and aldehydes  
protects the wellbeing of the community





TOWARDS CARBON NEUTRALITY

With its innovative technologies, ITALGRANITI GROUP leads the transition towards an economy with low carbon emissions. Its commitment to supporting energy security and the transition towards a low emissions society is proven by its investments and the results achieved: energy self-sufficiency with the remaining 10% obtained only from certified renewable sources; 100% recycling of process water and production scrap; and gradual phasing-out of plastic packaging. Through these decisions and new objectives, the Group is committed to promoting a cleaner, more sustainable energy future, demonstrating that companies can play a crucial role in the fight against climate change.

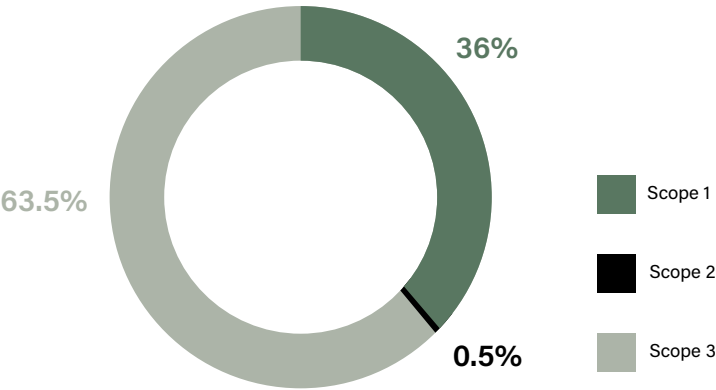




CARBON FOOTPRINT AND CARBON MANAGEMENT:  
ITALGRANITI GROUP’S MEASURABLE COMMITMENT

In 2023, ITALGRANITI GROUP obtained ISO 14064-1 certification and thus launched the measurement of the direct and indirect emissions of greenhouse gases (GHG) generated by its operations, together with systematic calculation of its carbon footprint.. This important step has enabled the Group to adopt a carbon management strategy intended to gradually reduce emissions. The actions taken include the achievement of 90% energy self-sufficiency,

with the remaining 10% of consumption covered solely by the purchase of electricity from certified renewable sources. This certification allows ITALGRANITI GROUP to provide all stakeholders with transparent disclosure regarding its actions for the environment, while giving a clear view of the real size of its carbon footprint and enabling the development and implementation of targeted strategies for its reduction.

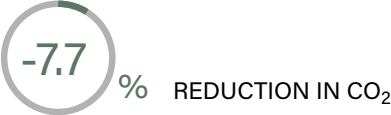


COMPONENTS OF CO <sub>2</sub>	tCO <sub>2</sub>	DEFINITION
Scope 1	47,564	Direct emissions from owned or controlled sources.
Scope 2	592.65	Indirect greenhouse gas emissions from purchased energy.
Scope 3	84,510	Indirect emissions occurring in the value chain.

Greenhouse gas emissions can be direct (Scope 1) or indirect (Scope 2 and 3): the former arise from the company’s use of fossil fuels, the latter from activities related to those of the company but generated by others. While it is compulsory to take into account direct and indirect emissions

generated by electricity and heat production, the accounting of emissions not related to heat and electricity consumption is voluntary. The international standards for defining these sources are the GHG Protocol and the UNI EN ISO 14064-1 certification.

	2024	REDUCTION
GHG intensity in relation to net earnings tCO <sub>2</sub> eq/mln€	1,107.41	7.7%



EMISSION TRADING SYSTEM OF THE EUROPEAN UNION

To tackle climate change threats and achieve CO<sub>2</sub> emission reduction targets in Europe’s main industrial sectors, the European Union issued Directive 2003/87/EC in 2003, which introduced the Emission Trading System (ETS), a genuine market for emission allowances. The ETS involves all companies producing climate-changing gases (such as CO<sub>2</sub>) and is based on “Cap and Trade”, a principle that establishes a cap on the maximum emissions allowed on the European territory, divided into “emission allowances” (each equal to 1 t of CO<sub>2</sub> equivalent) that companies can buy or sell according to their needs. Each year, companies participating in the ETS must return an allowance for every tonne of CO<sub>2</sub> equivalent emitted. Only a limited number of allowances are allocated for free, and companies that do not receive any or

do not have enough allowances to cover their emissions must purchase additional allowances, either from other companies or at auction. ITALGRANITI GROUP is an industrial company with plants with considerable thermal power and is one of the companies covered by the ETS. As stipulated in the European program, the free allowances allocated to the Group were reduced at the beginning of 2022; a cut that represents a further incentive to curb environmentally harmful emissions rather than to purchase emission allowances. In line with the EU objectives that gave rise to the ETS, the Group’s commitment goes in this direction, with monitoring plans compiled annually, accurate and transparent accounting of emissions and, above all, investments in increasingly environment-friendly production technologies.



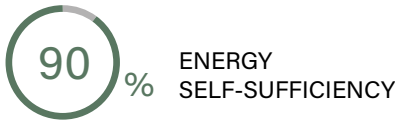
In the last few years the Group has focused strongly on cogeneration, achieving very positive results in both environmental and economic terms. Electricity uptake from the grid has fallen drastically and remains at residual levels, making

the production site substantially self-sufficient in electricity. Moreover, the little electricity still purchased comes only from certified renewable sources.

ENERGY USE

kWh	2023	2024
Purchased	3,693,000	3,108,330
Produced in-house	28,642,416	31,167,432
Consumed	32,640,700	31,125,346
Supplied to grid	1,210,070	1,635,062
Purchased from certified renewable sources	10%	12%

2022 data not available



NATURAL GAS USE

		2022	2023	2024
Natural gas	Sm <sup>3</sup>	30,195	28,904	33,864

The change in the balance of consumption figures compared to previous years is due to the commissioning of the cogeneration plant, which has led to an increase in use of natural gas but

a significant fall in electricity use. With regard to electricity, during 2023-2024 the Group gradually reduced its purchases from external sources and began only to buy energy from renewable sources.

ITALGRANITI GROUP believes strongly in the reuse and reduction of raw materials and increasingly implements the concept of circularity, which underpins environmental sustainability. The Group is constantly improving its management in this area, focusing on the

reuse of all industrial scrap (both greenware and fired) and the recycling of all materials for which this is possible. The excellent results in this area are reflected by the percentages of waste recycled (99%) and of scrap returned to the production cycle (100%).

WASTE GENERATION

Waste generation is summarised in the following table.

WASTE GENERATION	2022	2023	2024
Waste disposed of to third parties for EWL codes specific to the ceramic sector (t/year)	9,393	6,102	5,472
Hazardous waste generated (t/year)	88.3	103.2	88.035

The Group continues a separate collection of packaging waste (cardboard, plastic and wood), which is stored in a special waste separation area using specific bins for each type of material, appropriately identified by signs specifying the type and EWL code. All other waste is collected in designated areas. We consider this very important, which is why appropriate indicators have been identified:

Waste KPI

=

Waste disposed of

Production by weight

=

t

t

Hazardous waste KPI

=

Hazardous waste disposed of

Generation by weigh

=

t

t

	2022	2023	2024
Waste KPI	0.08	0.05	0.04
Hazardous waste KPI	0.0007	0.0008	0.00065



EMISSIONS IN THE ATMOSPHERE

The table below shows the authorised limits for atmospheric emissions and actual emissions. In order to define the emissions more precisely, this value is expressed in mass flow:

MASS FLOW (kg/year)

Pollutant type	2022		2023		2024	
	authorised	medium released	authorised	medium released	authorised	medium released
Particulate matter	107,873	1,335	107,873	3,727	107,873	3,647
Fluorine	2,018	161	2,018	132	2,018	103
Lead	190	0.075	190	0.742	190	1.115
Nitrogen oxides	343,318	18,064	343,318	28,983	343,318	15,593
VOCs	20,933	1,066	20,933	5,783	20,933	2,143
Aldehydes	7,954	143	7,954	37	7,954	29
Carbon monoxide	-	-	114,018	987	114,018	3,825

All Group's parameters are well within the authorised limits.

An appropriate indicator is also calculated to assess the impact of emissions as a function of production:

Emissions KPI =  $\frac{\text{Weight of released substances}}{1000 \text{ m}^2 \text{ of tiles sent in stock}} = \frac{\text{Kg}}{\text{m}^2}$

EMISSIONS KPI	2022	2023	2024	Bat*
Particulate matter	0.23	0.64	0.59	7.5
Fluorine	0.028	0.133	0.017	0.6
Lead	0.00001	0.0002	0.0002	0.05
Nitrogen oxides	3.17	4.93	2.54	
VOCs	0.187	0.983	0.349	
Aldehydes	0.025	0.006	0.005	
CO <sub>2</sub>	-	0.081	0.62	

\* BAT is the acronym of Best Available Techniques.  
In the environmental and industrial context, BATs are the most effective, advanced technical solutions available at any given time for preventing or reducing the emissions and environmental impact of a manufacturing operation, also bearing in mind its economic feasibility.

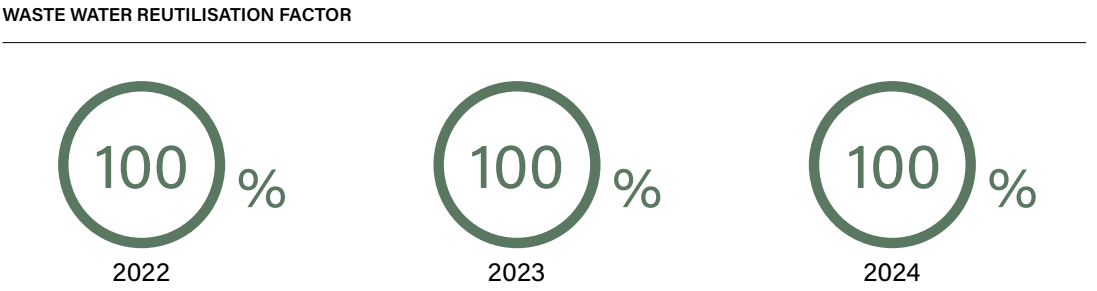
WATER CONSUMPTION

The water used for the various production stages is drawn from two artesian wells. Water consumption is monitored through specific metering that breaks down consumption by department. Water consumption in recent years is shown in this table:

WATER CONSUMPTION	2022	2023	2024
Water drawn from wells (m³)	65,915	65,171	68,075

Tile production requires large amounts of water. ITALGRANITI GROUP's production process is designed to significantly reduce consumption through the recovery of process wash water. The water recovery system consists of several collection tanks and a purification plant that collects all internal wastewater, thus reducing water withdrawal from wells.

Below is the recovery percentage compared to industry BAT (Best Available Techniques).



Water consumption is an environmental aspect to be monitored and therefore a specific KPI for water use has been defined:

Water KPI =  $\frac{\text{Volume of water drawn}}{\text{Production sent shipped by weight}} = \frac{\text{m}^3}{\text{t}}$

This KPI can be applied for the production site in San Martino in Rio (RE) only. There are no industrial wells in the Casinalbo logistics centre, only domestic users.

	2022	2023	2024
Water KPI	0,53	0,51	0,50





“Economic growth, social inclusion and worker protection are pressing and unavoidable challenges, and as a Group we want to play our part.”

# People

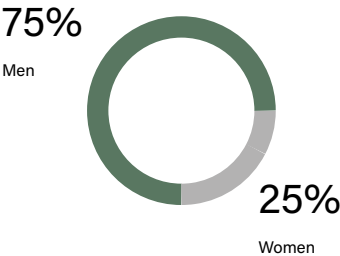
ITALGRANITI GROUP places people at the centre of its value creation model, realising that skills, dedication and human qualities are fundamental for the company’s growth and the achievement of its objectives. Active listening, the promotion of talents, organisational wellbeing and the creation of an inclusive environmental are the foundations of the Group’s strategy with regard to its people. Below, we set out data, projects and objectives that reflect ITALGRANITI GROUP’s genuine commitment to the people who constitute its present and plan its future on a daily basis.

## EQUAL OPPORTUNITIES

ITALGRANITI GROUP works hard to attract and recruit people with different abilities and backgrounds and pursues gender equality during selection and recruitment by drawing up shortlists with more or less equal numbers of men and women. At the same time, the company underlines the importance of meritocracy: experience, abilities and skills guide the choice of the best candidates. The Group is committed to assuring all employees, regardless of gender, equity and equal opportunities to access to the same rates of pay.

	EXECUTIVES	MANAGERS	CLERKS	SAME-LEVEL WORKERS	APPRENTICES	TOTAL	TURNOVER	2022	2023	2024
Men	6	14	52	117	10	190	Employed	32	22	24
Women	3	2	46	14	5	65	Resigned	21	23	12
Total	9	16	98	131	15	255				

TOTAL WORKFORCE		%	<30 years	30-50 years	>50 years
Men	190	75	27	100	128
Women	65	25			



INDICATOR	DEFINITION	2024 RESULT
Overall pay gap	highest salary	5.2%
	median salary	
Gender pay gap	average male salary - average female salary	-17%
	average male salary	
Decent salary	lowest gross wage	+20%
	decent salary (ISTAT data)	

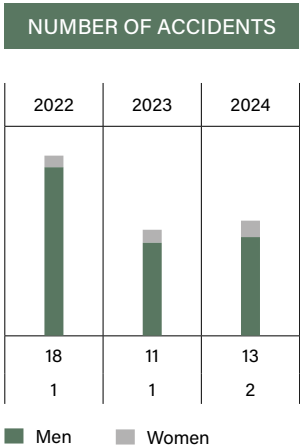
+20%  
COMPARED  
TO FAIR PAY



OCCUPATIONAL HEALTH AND SAFETY

ITALGRANITI GROUP has always considered the health and safety of its employees to be an absolute and binding priority, which it tackles with extreme seriousness, annually planning various initiatives related to the training of people, the prevention of risky behaviour and plant maintenance.

The UNI ISO 45001 certification strengthens a corporate culture that deems safety not just as a regulatory requirement but as an essential part of work processes. The standard is a necessary tool to generate a sustainable competitiveness model capable of improving the growth of all business performance.



TRAINING

A quarter of the 250 employees in 2023 are women, a ratio that is repeated if we consider the presence of women on the Board of Directors and in management (including executives). In line with the UN Sustainable Development Goals, the Group considers gender equality to be a key issue for combating discrimination in the world of work

and for achieving its strategic goals. The policy on gender equality and inclusion follows a two-pronged approach: analysing and addressing the specific needs of women and men in any initiative and promoting targeted interventions to enable them to participate equally in the opportunities created in the course of business life.

AVERAGE HOURS OF TRAINING PER YEAR PER EMPLOYEE	2022	2023	2024
Women	11	16	12
Men	23	13	10
Workers	7	8	3
Clerks	31	20	21
Managers	48	12	9
Executives	37	34	7
Average hours of transversal training	18.04	10.51	9
Average hours of safety training	1.78	3.62	1

TOTAL HOURS OF TRAINING	2022	2023	2024
	4,772	3,607	2,552

ITALGRANITI ACADEMY

Italgraniti Academy was created with the intention of giving value to continuous training within the Group. Under this approach of lifelong learning and constant skill development, Italgraniti Academy offers training modules covering both technical and commercial topics.

These training measures, scheduled periodically throughout the year, focus on specific areas of interest for the technical-commercial organisation. Through these courses, the Academy ensures that all employees have access to learning opportunities that enhance their skills and prepare them to face

the challenges of a constantly changing market. The training sessions organised by Italgraniti Academy not only improve participants' technical and commercial capabilities but also foster a shared company language. They are an opportunity for expressing and reinforcing the corporate culture, promoting a collaborative working environment oriented towards professional growth.

Italgraniti Academy is thus fundamental for the Group's success, as it supplies tools and knowledge essential for supporting the company's long-term innovation and competitiveness.



WELCOME TRAINING

Welcome training is a tool for the insertion and integration of young new employees who have no work experience in the ceramic industry. This training provides an insight into all departments, including production, and takes place during

the first two months of employment. In this way, the new employee acquires full awareness of the organisation, product characteristics and company dynamics.



## THE ROLE OF THE DIVERSITY MANAGER

In order to make the company a more and more inclusive workplace, the ITALGRANITI GROUP has appointed a Diversity Manager. The holder of this post is tasked with developing inclusive policies and strategies and empowering diversities, in order to ensure that all employees feel at ease and have the same opportunities, irrespective of their origin, gender, age, religion, sexual orientation, etc.

The Diversity Manager also organises training for employees to raise awareness of the importance of living and working in a diverse environment. Last but not least, they play a crucial role in teaching the various team leaders about raising the awareness of employees' line managers concerning unconscious

bias - prejudices that influence our judgements and behaviour without our realising it - and promoting inclusive communication. As well as improving the climate within the organisation, all this also helps to create a more united, productive company community.

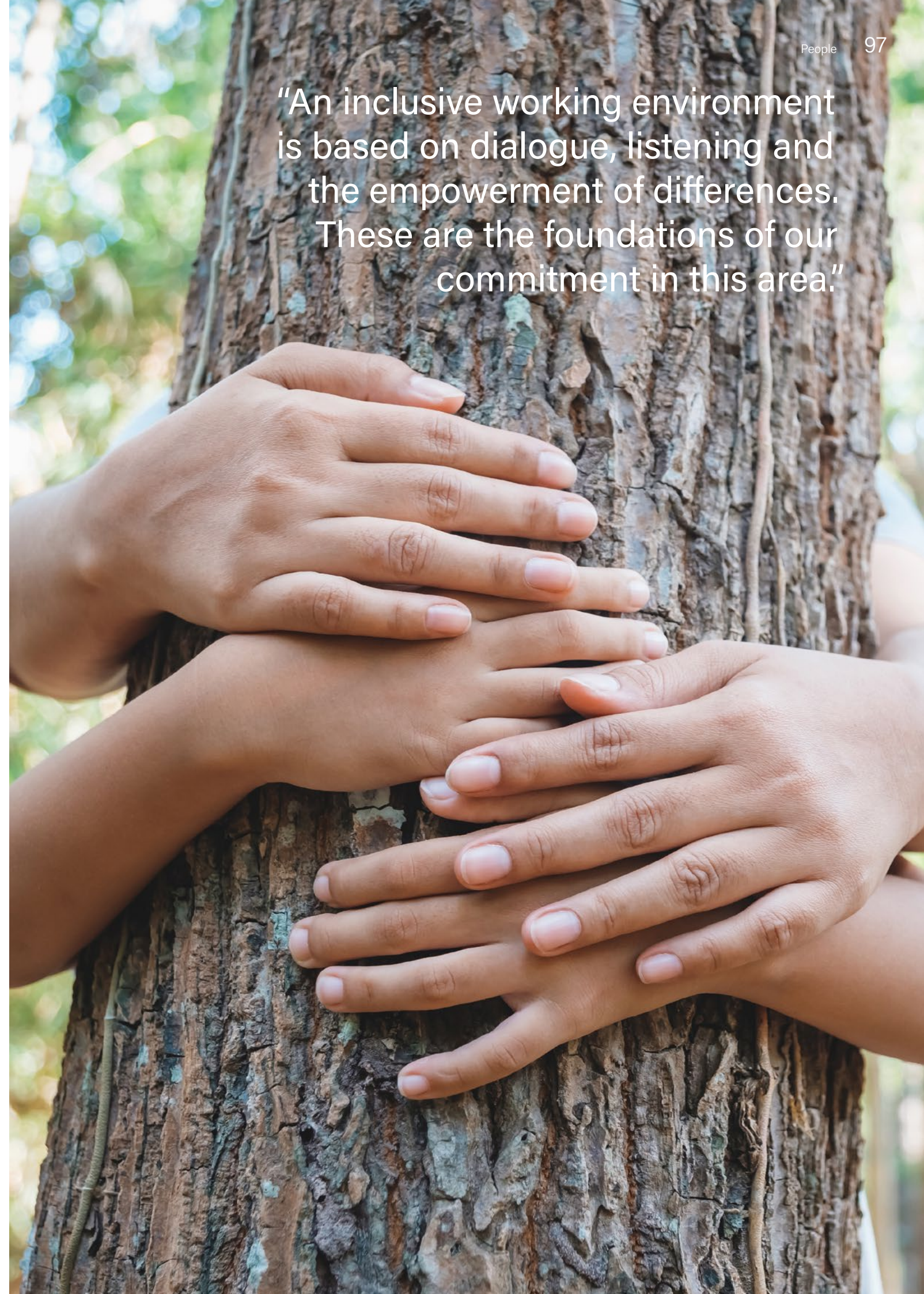
## CORPORATE WELFARE PROGRAMMES

The corporate welfare programmes run during 2024 include educational sessions, such as those on the prevention of common diseases, held by qualified health professionals, or the course on the latest healthy lifestyles, led by a nutritionist.

As in previous years, in 2024 employees were again offered the opportunity of free screening for the prevention of cardiovascular diseases. In addition, the Group has established a number of schemes with businesses in the areas where its sites are located: there, employees can benefit

from discounts and concessions on products and services, increasing their purchasing power. Last but not least, when schools closed for the summer the Group renewed its agreements with local summer camps to enable employees' children to take part and facilitate a better work-life balance.

"An inclusive working environment is based on dialogue, listening and the empowerment of differences. These are the foundations of our commitment in this area."





"We strive for active cooperation with suppliers who share the same principles and values as we do, because sustainability is only possible with the contribution of everyone involved in corporate processes."

## Supply chain

### THE VALUE CHAIN

In a sector like ceramics, there are many activities that contribute to creating value for the customer, and even more numerous are the people involved in the process; through their work, and daily commitment to give their best, each of them brings a valuable contribution. Being a B Corp drives ITALGRANITI GROUP to pay close attention to every link in the value chain, with particular regard to suppliers, within an entrepreneurial network animated by the desire to make a positive impact on the world around it.

The value chain is sustainable if all procurement, production and distribution processes activated directly or indirectly (e.g. through one's suppliers) are managed in an economically, socially and environmentally responsible manner. The Group shapes its purchasing processes on mutual loyalty, transparency and cooperation. As a B Corp certified Benefit Corporation, the Group requires its suppliers to respect the best practices regarding

human rights, health and safety of its employees and contractors, environmental responsibility and care for working conditions. Finally, ITALGRANITI GROUP assesses supplier performance according to the highest quality standards, mapping the main risks within the supply chain, conducting second-party audits on suppliers and defining programs aimed at supporting them and stimulating their involvement also at a value level.

### THE OPEN-ES PLATFORM



ITALGRANITI GROUP has joined the Open-es collaboration platform established by Eni to enable businesses to support each other in their approach to ESG (Environmental, Social e Governance) issues and improve the sustainability of supply chains. The underlying idea is that the challenges of sustainability can only be met by involving the entire entrepreneurial system and all working together towards common aims.

In fact, Open-es encourages the creation of partnerships amongst the 33 thousand companies from 111 countries that have already joined and share the same genuine commitment to achieving environmental, social and governance objectives as well as economic targets. With the aid of Open-es, Italgraniti Group has created its own ESG profile for comparison with Italian and international benchmarks. Open-es supports in the Group in writing its sustainability report,

calculating its CO<sub>2</sub> emissions and assessing its cybersecurity. It also offers sustainability training courses, technology solutions, ESG data certification services and opportunities for growth and enrichment through contacts with the business community and a large number of experts. Open-es therefore smooths businesses' path to measurement of their ESG performance, setting them free to focus on its improvement.



SUSTAINABLE PROCUREMENT AND THE SUPPLY CHAIN

The careful selection of suppliers, based on their qualification, is a cornerstone of the company's strategy. After inclusion of the suppliers in the Group's supply chain, a systematic monitoring of their performance in terms of product quality, service, environmental protection and occupational health and safety is carried out. Since 2021, with the Group's evolution to become a Benefit Corporation, suppliers have also been analysed in terms of their corporate social responsibility.

Being aware that sustainability that generates social and environmental benefits must be extended beyond the perimeter of direct actions, Italgraniti Group is committed to promoting these principles with the supply chain by engaging, where appropriate and possible:

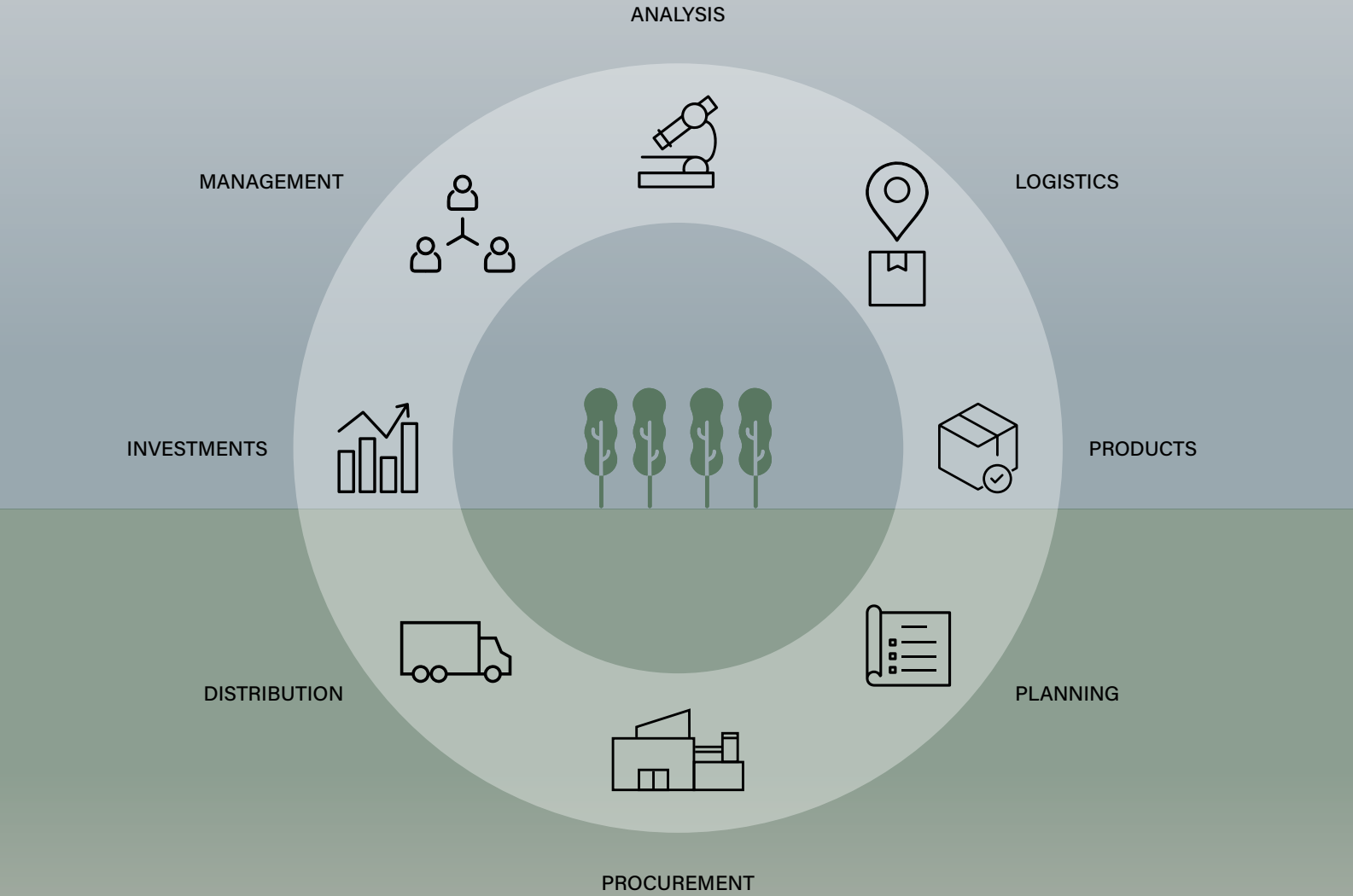
- in purchasing goods and using suppliers that adopt active inclusion and diversity policies and have an active approach to tackling any kind of exploitation of labour
- in purchasing goods and services that reflect appropriate and recognised environmental specifications or standards in order to pursue continuous improvement of internal procurement practices;
- in including sustainability criteria as part of the supplier evaluation process
- in applying the environmental and safety legislation, including international obligations on climate change and sustainable development, such as reducing CO<sub>2</sub> emissions and protecting biodiversity
- in giving priority to Suppliers who have introduced ethical and sustainable practices within their organisation
- in promoting a level of cooperation and awareness on sustainability among supply chain partners and encouraging them to adopt sustainable practices;
- in avoiding the use of potentially environmentally harmful products when a less harmful alternative is available
- in reducing waste and the use of non-renewable resources by identifying and eliminating, where possible, wasteful practices in internal and external operations, prioritising goods that provide the greatest benefits in the circular economy
- in encouraging the sourcing of materials, products and services from local markets

To achieve these goals, a process of retraining and constant monitoring of the entire supply chain was initiated

SUPPLY CHAIN MANAGEMENT

Through a responsible supply chain, ITALGRANITI GROUP aims to reduce environmental impact and promote practices that support local communities and conserve global resources.

This commitment is not just an obligation but also an opportunity for building a future where design and responsibility meet, creating a more sustainable world for future generations.





# Objectives and plans

ACTIVITY	DESCRIPTION	SDGs
New production plant at San Martino in Rio (Reggio Emilia)	2025 saw the start of production at the new plant specialising only in large slabs, created thanks to an investment of about €60 million and equipped with innovative, energy-saving systems, including: - a photovoltaic system of 3.4 million kWh/year and a regenerative afterburner - a system designed to recover 100% of wastewater and production scrap, helping to reduce raw material consumption. - a new, latest-generation automatic vertical warehouse. Once fully operational the site will create 25% more jobs.	<div><div>1 NO POVERTY</div><div>5 GENDER EQUALITY</div><div>7 AFFORDABLE AND CLEAN ENERGY</div><div>8 DECENT WORK AND ECONOMIC GROWTH</div><div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div><div>13 CLIMATE ACTION</div></div>
New logistics hub	The new Group logistics hub, currently under development in Sassuolo, will optimise the dispatch of ready material and reduce the impact of transport on traffic with a consequent reduction in indirect CO <sub>2</sub> emissions.	<div><div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div><div>11 SUSTAINABLE CITIES AND COMMUNITIES</div><div>13 CLIMATE ACTION</div></div>
CO <sub>2</sub> compensation (objective for 2025/26)	In continuity with the objectives pursued in previous years, the company is pushing on with its improvement of energy efficiency, using state-of-the-art in-house production systems. The design and installation of a new cogeneration plant, to operate alongside the existing one, is currently under development.	<div><div>7 AFFORDABLE AND CLEAN ENERGY</div><div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div><div>13 CLIMATE ACTION</div></div>
Build to Zero Plastic Free project Cartonstrap	The Build to Zero project is continuing after achieving impressive results in reducing the use of plastics during 2024: - 2,144 m <sup>2</sup> less polystyrene - 54 tonnes less heat-shrink plastic - 144 m <sup>3</sup> less polyurethane foam The elimination of synthetic polymers continues to be a priority. One of the solutions already adopted, the Cartonstrap system - which replaces plastic straps with cardboard couplers - will gradually be extended to all production lines.	<div><div>13 CLIMATE ACTION</div><div>15 LIFE ON LAND</div></div>
ESG qualification of suppliers	Screening of the Group's suppliers will be completed, using best practices that assess their socio-environmental profile and quality of governance as well as their economic performance. One of the tools adopted is Open-es, an internationally respected Italian web platform for the ESG profiling of companies.	<div><div>8 DECENT WORK AND ECONOMIC GROWTH</div><div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div><div>17 PARTNERSHIPS FOR THE GOALS</div></div>
Maintenance of Italian Gender Equality certification	Maintenance of UNI/PdR 125:2022 gender equality certification, a key factor in overcoming every form of discrimination and affirming personal dignity.	<div><div>5 GENDER EQUALITY</div><div>10 REDUCED INEQUALITIES</div></div>
Corporate welfare programmes	<b>The value of diversity</b> The Diversity Manager, appointed to promote inclusive behaviours and prevent conflicts, will continue to coordinate awareness-raising programmes addressed to staff and cooperate with company departments to include diversity principles in HR management policies, in keeping with the Group's commitment to encouraging an environment that values diversity and supports development.	<div><div>5 GENDER EQUALITY</div><div>8 DECENT WORK AND ECONOMIC GROWTH</div><div>10 REDUCED INEQUALITIES</div></div>
	<b>Training and prevention</b> In cooperation with qualified health personnel, the Group will train its employees on healthy lifestyles and give them the opportunity to undergo free screening for the prevention of cardiovascular diseases.	<div><div>3 GOOD HEALTH AND WELL-BEING</div></div>
	<b>Affiliated summer camps</b> When schools close for the summer holidays, the Group will activate agreements with local summer camps to encourage the participation of employees' children.	<div><div>4 QUALITY EDUCATION</div><div>11 SUSTAINABLE CITIES AND COMMUNITIES</div></div>
	<b>Employee benefits</b> The Group has established schemes with numerous businesses in the areas where the company's sites are located. There, employees can benefit from discounts and concessions on products and services, increasing their purchasing power.	<div><div>3 GOOD HEALTH AND WELL-BEING</div><div>17 PARTNERSHIPS FOR THE GOALS</div></div>
	<b>Dementia care</b> In 2025 Italgraniti Group signed a formal undertaking to support, until 2030, the Meeting Centre created within Dementia Friendly Community, a social inclusion project addressed to categories of people that have not yet had access to the traditional clinical pathway and thus meeting the needs of families caring for people in the early stages of the disease. As well as providing funding, the Group also permits employees to volunteer during working hours.	<div><div>3 GOOD HEALTH AND WELL-BEING</div><div>11 SUSTAINABLE CITIES AND COMMUNITIES</div></div>
Dialogue with stakeholders	<b>Special equipment for the non self-sufficient.</b> Italgraniti Group looks to the future with the commitment to continue its support for facilities which care for the most fragile members of the community, making a genuine contribution to improve the quality of life of the elderly and non self-sufficient. Implementing this policy, in 2024 the company made a donation to the "Opera Pia Castiglioni" Care Home of a special high-tech pool for the assisted mobility of residents. This has already had a positive impact residents' wellbeing, mobility and cognitive functions.	<div><div>3 GOOD HEALTH AND WELL-BEING</div><div>11 SUSTAINABLE CITIES AND COMMUNITIES</div></div>
	<b>Sport, inclusion and communities</b> Italgraniti Group partners the organisation of a volleyball tournament for the district's schools with the aim of promoting values of sport, inclusion and cooperation amongst young people and reinforcing the links between the company, its local area and the school community.	<div><div>3 GOOD HEALTH AND WELL-BEING</div><div>11 SUSTAINABLE CITIES AND COMMUNITIES</div></div>
	<b>Local volunteering</b> The Group will support a number of volunteer projects created and run by local charities.	<div><div>10 REDUCED INEQUALITIES</div><div>11 SUSTAINABLE CITIES AND COMMUNITIES</div></div>

# Methodological note

The ITALGRANITI GROUP Sustainability Report is a consolidated non-financial statement, in accordance with Italian Legislative Decree 254/2016. The selection of contents to be reported was made considering the most relevant topics for the Group and its Stakeholders.

The method adopted when drafting this Sustainability Report complies with the Global Reporting Initiative Sustainability Reporting Standards (also known as “GRI”). The company performance data and indicators cover the 2024 financial year (1 January to 31 December) and are the result of market analyses, internal processing, use of data-

bases and industry studies. The information contained herein is updated to 31 May 2025 and is compared with that of the previous year, when available. In this case, the data stated are clearly associated with the relevant year. The use of estimates has been limited as far as possible, while those which are provided are based on the best available methods.



**PRINTED IN ITALY**  
August 2025

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