Sustainability Statement

Following the provisions of the Corporate Sustainability Reporting Directive (CSRD), Article 29a of EU Directive 2013/34/EU, including compliance with the European Sustainability Reporting Standards (ESRS) and the Taxonomy Regulation, Article 8 of EU Regulation 2020/852.

Content index[1]

1. Where appropriate disclosure names have been shortened to improve readability.

General Information

Overview

Our 2025 Consolidated Sustainability Statement has been prepared for the second consecutive year in alignment with ESRS Set 1 under the Corporate Sustainability Reporting Directive. Building on our initial reporting cycle, we have further enhanced the quality, transparency, and consistency of our disclosures. This year's statement reflects our continued commitment to addressing the impacts, risks, and opportunities most material to our business and to advancing responsible growth, long-term value creation, and accountability toward our stakeholders. As part of this process, we updated our Double Materiality Assessment to reflect recent acquisitions and the evolving structure of our organisation, reaffirming the material topics that guide our sustainability priorities and reporting approach.

ESRS 2 General disclosures

Basis for preparation

Disclosure requirement BP-1 — General basis for preparation of the Consolidated Sustainability Statements

The Consolidated Sustainability Statement has been prepared in accordance with the European Sustainability Reporting Standards (ESRS), as adopted by the European Commission. It complies with the reporting requirements set out in Article 8 of Regulation (EU) 2020/852 (the "EU Taxonomy Regulation") and reflects the applicable reporting framework and technical screening criteria for both climate-related and non-climate environmental objectives, as defined in Delegated Regulations (EU) 2021/2178, 2021/2139 and 2023/2486.

The Corporate Sustainability Reporting Directive (CSRD) has not yet been transposed into national law in the Netherlands at the time of reporting. Nevertheless, this Consolidated Sustainability Statement has been prepared in alignment with CSRD requirements and the ESRS framework.

The Consolidated Sustainability Statement forms an integral part of the Group's Management Report. Certain disclosures are incorporated by reference to other sections of the 2025 Annual Report and Accounts, as indicated throughout the document. To ensure transparency and alignment with regulatory expectations, we disclose all mandatory reporting requirements and provide cross-references to other relevant sections of the Annual Report under the principle of 'Incorporation by Reference'. Certain disclosures related to strategy and corporate governance, as outlined in the cross-cutting standard ESRS 2, have been integrated into other sections of this report – specifically, the corporate governance, risk management, and remuneration reports – where they are best contextualised alongside related information.

All material sustainability-related impacts, risks, and opportunities have been identified and disclosed in accordance with the ESRS, based on the results of the Double Materiality Assessment (DMA). The DMA was reviewed and updated following the acquisitions of Resco Products, Inc., Resco Canada, Inc., and Resco Products (UK) Limited (collectively referred to as "Resco"), the joint venture BPI RHIM LLC ("BPI"), and Ashwath Technologies Private Limited ("Ashwath") to ensure its continued relevance and completeness.

The Consolidated Sustainability Statement was subject to a limited assurance engagement performed by PricewaterhouseCoopers Accountants N.V. The engagement covered the Consolidated Sustainability Statement of RHI Magnesita N.V. (the Group) for the year ended 31 December 2025, as included in the section "Consolidated Sustainability Statement" of the Strategic Report, including information incorporated therein by reference.

Finally, as a supporter of the Task Force on Climate-related Financial Disclosures (TCFD), RHI Magnesita has reviewed, identified and quantified the climate-related risks and opportunities relevant to our business and disclosures aligned with the Task Force on Climate-related Financial Disclosures (TCFD) are provided in a dedicated appendix to this consolidated statement, ensuring transparency and consistency with international climate-related reporting expectation. The TCFD recommendations reference table is provided in the Appendix on page 167.

Scope of consolidation

The scope of this report, together with the accompanying Financial and Consolidated Sustainability Statements, is fully aligned and consolidated at the RHI Magnesita N.V. level. It encompasses the Parent Company, RHI Magnesita N.V., and all directly and indirectly controlled subsidiaries. The Consolidated Sustainability Statements specifically include information related to RHI Magnesita and, where available, its main value chain and business relationships.

During the reporting period, RHI Magnesita completed several acquisitions that supported different strategic objectives. The acquisition of Resco Products, Inc., Resco Canada, Inc., and Resco Products (UK) Limited (together referred to as "Resco") strengthened the Group's position in refractory manufacturing and expanded its market presence. Becoming the majority member of the Joint Venture, BPI RHIM LLC ("BPI") supported the expansion of the Group's recycling activities and circular economy capabilities.

The scope of consolidation includes all the newly acquired subsidiaries and fully consolidated joint venture entities from their respective acquisition dates.

In addition, RHI Magnesita acquired Ashwath Technologies Private Limited (Ashwath), a small site-based operation. Due to its limited scale, the acquisition of Ashwath does not have a material impact on the Group's consolidated performance or sustainability metrics, but it has been included in the scope of reporting in line with applicable reporting requirements.

Disclosures on Headcount and S1-14 (Own Workforce) cover fully consolidated Group entities in line with the financial consolidation scope except for the Joint Ventures entities. These entities were assessed regarding governance structure, system integration, and quantitative relevance. They represent 2.14% of total headcount and 1.10% of the S1-14 relevant workforce. Due to their immaterial share and current non-integration into CHRIS (Global HR platform) and the AccStat (Health and Safety reporting system), their exclusion does not materially impact the completeness or reliability of disclosures.

Incorporation by reference
Some disclosures are incorporated by reference to other parts of the Annual Report. Whenever this is the case, this is clearly indicated. We incorporate the following metrics by reference:

- Description of business and markets served
- Integration of sustainability-related performance in incentive schemes
- Diversity in the Board of Directors and Executive Management Team
- Role, expertise and independence of Board of Management
- Integration of sustainability risk management into the overall risk management approach
- Stakeholder engagement

Double materiality as the basis for our sustainability disclosures
The principle of double materiality is of fundamental importance for this Consolidated Sustainability Statement. This report should help users understand RHI Magnesita's impact on ESG aspects (inside out) and how sustainability factors influence the Group's financial position, performance, cash flows, and access to finance or capital cost (outside in). The materiality analysis is the basis of sustainability reporting under the ESRS. A sustainability aspect is material if it meets the criteria of materiality of impacts or financial materiality or both. This means that information is considered material, even if only one perspective is met. The materiality analysis is the basis for identifying material impacts, risks and opportunities. We explain the details of our materiality analysis in the following chapter ESRS 2 General information, disclosure requirement IRO-1 — "Description of the procedure for identifying and assessing the material impacts, risks and opportunities ". A detailed overview of the business model and a representation of the Group's value chain can be found on pages 10-12, "Our business model", of this Annual Report.

The Double Materiality Assessment was updated to reflect the enlarged Group structure and to capture any resulting changes in sustainability-related impacts, risks and opportunities. Where feasible, prior-year data have been restated to enhance comparability; where this was not practicable, the respective limitations are disclosed in the relevant sections.

Application of CSRD and ESRS standards
Categories of ESRS standards
Cross cutting and topical standards are provided, in accordance with ESRS. Where material and necessary to improve understanding, Group-specific information is also disclosed.

Sector-agnostic disclosures according to cross-cutting and topical standards
The ESRS are divided into different categories of standards. The general standards ESRS 1 General Requirements and ESRS 2 General Disclosures apply to the sustainability aspects covered by thematic and topical standards. The preparation and presentation of this Consolidated Sustainability Statement is in line with the general requirements of ESRS 1. According to ESRS 2, we meet the disclosure requirements regarding the information that our Group must provide at a general level with regard to all material sustainability aspects in the reporting areas of governance, strategy, management of impacts, risks and opportunities, and key figures and objectives.

Disclosures according to topical ESRS
In addition, based on the results of our DMA, we disclose sustainability information in accordance with the thematic standards relating to the environment, social issues and responsible corporate governance. Information on environmental, social and governance issues covered by the ESRS whose impacts, risks and opportunities were assessed as not material for both our business and the ESG aspects are disregard in accordance with ESRS 1.

Group-specific disclosures
We have identified impacts, risks, and opportunities that are not adequately covered by an ESRS standards.

Health and Safety performance
The Group reports its Lost Time Injury Frequency Rate (LTIFR) per 200,000 hours worked as the key metric for its 2025 health and safety performance and target.

CO_2 and Energy intensity targets and metrics
To achieve effective sustainability management, RHI Magnesita has implemented intensity-based targets, including CO_2 intensity (CO_2 emissions per tonne of product) and energy intensity (energy consumption per tonne of product). This adaptive approach allows the Group to respond to evolving business conditions and economic growth. Structural changes, such as mergers, acquisitions, or shifts in market demand, can significantly influence overall emissions, making it challenging to adhere to rigid absolute targets. Intensity-based targets, however, offer the flexibility needed to accommodate business expansion while maintaining a strong focus on emissions efficiency.

Scope 1 emissions due to geogenic process emissions
The Group uses Scope 1 emissions associated with raw material processing as a metric to monitor the geogenic emissions.

Scope 3 emissions due to purchased raw materials
The Group uses Scope 3 emissions associated with purchased raw materials as a metric to track progress in reducing its carbon footprint.

Recyclability of spent refractories
The Group has established a global sourcing guideline for recycling, which serves as an internal framework for purchasing spent refractories and incorporates recyclability as a company-specific metric. This guideline provides guidance on sourcing spent refractories from various industries and applies across all global regions to all personnel involved in the procurement process.

Recycling rate
The Group uses the recycling rate metric to measure and enhance resource efficiency use and circular economy integration. The metric is based on actual consumption of recycled material and total consumption of raw materials in refractories.

Avoided Emissions
Avoided emissions resulting from optimised heat management solutions are an entity specific metric. The Group intends to develop a key performance indicator and disclose in future, in line with phase-in requirements.

Supply of enabling technologies and low carbon footprint products
The supply of enabling technologies and low carbon footprint products for customers to reduce emissions in the downstream value chain is an entity specific opportunity.

The number of ETS certificates and ETS expenditures
The Group uses the volume of EU ETS certificates required and the related expenditures as an entity-specific metric to monitor the financial impact of regulatory developments. Scope 1 emissions from geogenic processes in the EU require the purchase of allowances for emissions exceeding free allocation.

Workplace safety incidents and potential incidents of forced labour in the supply chain
The Group collects and assesses supplier data as metric to monitor these topics.

Reporting areas
The disclosure requirements in ESRS 2, topic-related ESRS and topical ESRS are divided into the following reporting areas:

- Governance (GOV): the governance procedures, controls and processes for monitoring, managing and overseeing impacts, risks and opportunities;
- Strategy (Strategy and business model, SBM): the interaction of the Group's strategy and business model with its material impacts, risks and opportunities, including how the Group deals with these impacts, risks and opportunities;
- Impact, risk and opportunity management (IRO): the process(es) by which the Group identifies impacts, risks and opportunities and assesses their materiality (see IRO-1 in Section 4.1 of ESRS 2) and addresses material sustainability aspects through concepts and measures; and
- Metrics and targets (MT): the performance of the Group, including the objectives it has set and the progress made towards achieving those objectives.

Upstream and downstream value chain
The Consolidated Sustainability Statement covers the Group's upstream and downstream value chain where sustainability-related impacts, risks, or opportunities are considered material — for example, in relation to CO_2 emissions and supplier sustainability performance. The Group produces and purchases refractory raw materials from external suppliers whose production generates high CO_2 emissions. These emissions arise from fuel-based and from natural (geogenic) CO_2 emissions released during the processing of mineral raw materials.

Scope 3 emissions are reported for both upstream and downstream activities and include emissions from purchased goods and services, transportation and distribution, fuel- and energy-related activities and the processing of sold products.

Upstream Scope 3 emissions from purchased raw materials and upstream fuel and energy-related emissions are indirect greenhouse gases released during the extraction, production, and transportation of fuels, as well as energy lost during transmission and distribution, before reaching the end-user. These emissions are estimated applying literature emission factors to the Group's fuel-specific energy consumption.

Downstream Scope 3 emissions, including those from transportation and distribution, are also reported. Additionally, emissions associated with the processing of the Group's products by customers. All other Scope 3 categories were assessed as non-significant, each representing less than cumulative 5% of total Scope 1, 2 (market-based) and Scope 3 emissions, in line with the GHG protocol, and are therefore excluded from this report.

The emissions of the Group's customers associated with their activities whilst using refractory products (but not directly arising from the consumption of refractories) are significant, due to the high energy and CO_2 intensity of customer industrial processes. Based on the Group's calculated market share as a refractory supplier to the steel, cement, non-ferrous metals and glass sectors and using estimates for the total global emissions of those customer industries, these customer emissions are estimated to be approximately 1.4 billion tonnes of CO_2e annually. The Group's Scope 1, Scope 2 and Scope 3 gross emissions consolidated 6.3million tonnes of CO_2e in 2025, based on the market-based methodology, i.e. approximately 0.4% of the combined total, if customers' emissions are included in total reported emissions by the Group as indirect use-phase emissions. Through GHG Protocol, ESRS recommends reporting indirect use-phase emissions from the use of sold products when such emissions are significant. However, the Group does not include these indirect emissions in its Scope 3 inventory as it concluded that this recommended guidance is not applicable for the Group for the following reasons:

- No guidelines exist for the refractory industry as to whether such Scope 3 emissions should be reported by refractory producers and which methodologies for recognition and allocation of indirect use-phase emissions would be reasonable and supportable,
- There is a significant likelihood of inaccuracy in estimations and allocations, since a thinkable methodology would be based on top-down estimates by industry and would not take account of possible differences in the carbon footprint of the Group's customers versus other emitters in that industry as it is currently not possible to comprehensively gather data from customers to obtain more accurate estimates of customer emissions, and RHI Magnesita has no control over these emissions which are separately reported and managed by the Group's customers, although the Group does offer products and services aimed at assisting its customers to reduce CO_2 emissions.

RHI Magnesita's assessment of impacts, risks, and opportunities of its upstream and downstream value chain considers factors such as the scale and scope of impacts, stakeholder expectations, financial and reputational risks, and alignment with the Group's strategic priorities. By evaluating the extent and severity of topics across environmental, social, and economic dimensions, the Group ensures a balanced approach to identifying material issues. Moreover, incorporating market trends, regulatory developments, and alignment with global frameworks such as the UN Sustainable Development Goals (SDGs) highlights the Group's commitment to addressing both current and future challenges. An index aligned with the Sustainable Development Goals (SDGs) is provided in the Appendix to this Consolidated Sustainability Statement.

Where relevant, our disclosures, policies, actions and targets extend to both our upstream and downstream value chain. For example, all the principles contained within the Group's Code of Conduct are also included in the Supplier Code of Conduct, which all suppliers are expected to abide by. Similarly, RHI Magnesita's CO_2 emissions intensity target has always included Scope 3 emissions from purchased raw materials since it was first established in 2019. The definition of each sustainability target clearly sets out whether the upstream or downstream value chain is included.

Disclosure requirement BP-2 — Disclosures in relation to specific circumstances

Time horizons

RHI Magnesita applies the short-, medium- and long-term time horizons as defined in ESRS 1, Section 6.4, without deviation.

The short-term time horizon refers to the period in which immediate operational, financial and regulatory impacts may occur and generally covers the current reporting period and up to one year, reflecting short-term business planning and decision-making cycles.

The medium-term time horizon covers impacts, risks and opportunities expected to materialise beyond the short term, typically within a two- to five-year timeframe, aligned with medium-term business planning and transformation initiatives.

The long-term time horizon refers to impacts, risks and opportunities that may arise beyond the medium term, generally beyond five years, and is primarily aligned with the Group's strategic planning, associated with structural developments such as climate change, resource availability and regulatory transformation.

Value chain estimation
When disclosing metrics which include estimation of upstream or downstream value chain data, RHI Magnesita has identified the metrics for which this is the case, described the basis for preparation, included commentary on the resulting level of accuracy and described any possible actions that may be taken to improve accuracy in the future.

Sources of estimation and outcome uncertainty
The following data includes or is based on estimates with accompanying levels of uncertainty.

CO_2 — emissions data is calculated by reference to fuel consumption data or raw material processing quantities, multiplied by emissions factors. Very small operations are estimated based on operational characteristics (e.g. revenue, number of employees). Whilst the methodology has been developed over several years and has been subject to external review and refinement, CO_2 emissions data is by necessity based on assumptions that could be inaccurate.

Other emissions — emissions of other pollutants such as dust (reported as PM10), SOx or NOx are based on spot measurements taken periodically and are not continuously monitored. This could result in inaccuracies due to fluctuations in production volumes or other variables throughout the year. For plants for which only total dust emissions data is available, the PM10 share is estimated based on literature values.

Own workforce data including health and safety data — reporting of hours worked and the occurrence of health and safety incidents is reliant on the accuracy of the Group's systems and reporting procedures which cannot be guaranteed to be comprehensive. There is a possibility that health and safety incidents could be concealed, in particular minor incidents.

Supply chain data — any information which is provided in relation to sustainability impacts in the Group's upstream value chain relies on the accuracy of data provided by an external party. Since the Group does not have direct ownership and control the accuracy of data provided cannot be guaranteed and has a wider degree of estimation uncertainty compared to data relating to the Group's core activities.

Forward-looking information - Forward-looking sustainability targets and projections are based on management assumptions, internal models, and external data sources that are subject to inherent uncertainty, as future developments such as regulatory changes, market dynamics, technological progress, and stakeholder behaviour may differ materially from current expectations.

Changes in preparation or presentation of sustainability information
During the reporting year, we updated selected methodologies and underlying assumptions to ensure full alignment with the ESRS requirements under Delegated Regulation (EU) 2023/2772 and with the amended disclosure obligations under Delegated Regulation (EU) 2026/73, which supplements Article 8 of Regulation (EU) 2020/852 (EU Taxonomy Regulation). These updates also aim to further enhance data accuracy and consistency.

In addition, we strengthened data collection and consolidation processes. This included the use of updated consumption data, improved system interfaces, and enhanced internal controls to increase reliability and traceability.

Furthermore, we refined estimation approaches and updated emission factors in line with the latest external datasets and regulatory guidance. These adjustments, particularly for Scope 3 emissions, improve the robustness and transparency of the underlying methodology.

These updates include:

Scope 3 emissions
Upstream Scope 3 emissions from purchased raw materials and downstream emissions — including transportation, distribution, and the processing of the Group's products by customers, are estimated and are now reported using the Group's knowledge of raw material production processes together with indicative supplier emission factors.

All other Scope 3 categories related to capital goods, waste generated in operations, business travel, use of sold products, end-of-life treatment, and investments were assessed as non-significant following the introduction of a materiality threshold set at 5% of cumulative emissions across all Scope 1, Scope 2 and Scope 3 emission categories and are therefore excluded from this report. For the materiality assessment 2024 emissions were considered for the immaterial emission categories. The acquisitions conducted in 2025 do not have a significant impact neither on total Scope 3 emissions nor categories classified as immaterial both considering the size of acquisitions and their indirect emissions characteristics.

Pollutants
There has been a change in reporting scope for 2025 compared to prior year, 2024. Only emissions from plants reported which exceed the reporting threshold will be disclosed. The comparative figures were adjusted.

NOx and SOx total emissions for the year 2024 are restated as shown in the table below due to changes in consolidation methodologies.

Region[1]	**Published**		**Restatement**	
	t NOx	**t SOx**	**t NOx**	**t SOx**
India	262	120	147	–
China & East Asia	143	37	–	–
North America	1616	668	1,615	641
Latin America	6001	331	5,855	283
Europe & CIS	2201	438	1,668	–
Middle East, Türkiye & Africa	–	–	128	–
Total	**10,223**	**1,594**	**9,413**	**924**

[1]In 2025 the Group has re-organised its regional business units as follows:

- *created a new 'Middle East, Türkiye and Africa' (META) region, with Middle East and Africa business having previously been included within 'India, West Asia and Africa' and Türkiye previously included in 'Europe, CIS and Türkiye';*
- *re-named 'India, West Asia and Africa' region to 'India', now focused solely on business activity in India;*
- *re-named 'South America' region to 'Latin America'; and*
- *moved Mexico out of the 'North America' region into 'Latin America.*

Other pollutants
Other air pollutants emissions for the year 2024 are restated as shown in the table below due to changes in consolidation methodologies.

t Other air pollutants	**Published**	**Restatement**
CO	5,622	4,098
HFC	1.84	1.51
Hg	0.02	0.01
HCl	33	31
Particulate Matter (PM10)	–	122

Own workforce data
Methodological updates were made to Health & Safety disclosures, including refinements to metric definitions including total hours worked; change in the incident rate normalization factor from 200,000 to 1,000,000 hours worked to enhance alignment with ESRS. While absolute incident figures remain unchanged, reported frequency rates are affected due to the revised denominator. Where practicable, prior-period data have been recalculated to ensure comparability.

Changes in Regional Boundaries
We also revised our regional reporting structure to better represent our operational footprint and management responsibilities. This involved reallocating certain entities to new regions and consolidating smaller market clusters into broader functional groupings. These updates were made to ensure that sustainability disclosures accurately reflect our organisational structure and remain consistent with the ESRS 1 reporting boundary.

Specifically, this included the expansion of the former South America region into Latin America through the inclusion of Mexico, previously reported under North America, and the reclassification of Türkiye from Europe into the newly established Middle East, Türkiye and Africa (META) region.

Where regional changes affected how sustainability data—such as workforce or social indicators—were classified, we adjusted prior-year figures where feasible. Restatements are shown at indicator level and explain the change, the metrics affected, and the extent of the revision. Where full retrospective adjustment was not possible, this is noted in the relevant disclosure.

Impact on Comparability
Overall, the changes strengthen the relevance and interpretability of regional insights. However, they may limit comparability with previously reported regional breakdowns. Users are therefore encouraged to consult the accompanying explanatory notes for each revised figure. Where feasible and appropriate, comparative information has been recalculated to ensure consistency across reporting periods. The specific effects on individual KPIs are described within the respective sections of this report.

These updates reflect methodological and process improvements rather than material prior-period error corrections. Their purpose is to further increase the reliability, completeness and clarity of the sustainability information presented.

Restatements and reporting errors in prior periods
Notwithstanding minor corrections to plant emissions and energy data in 2024, there are no material reporting errors relating to prior periods that have been identified while preparing the 2025 Consolidated Sustainability Statement.

EU Taxonomy 2024 — Restatement of Financial Figures
The Total CapEx originally reported has been revised to align with financial statements. Due to this restatement the proportion of CapEx of Taxonomy--aligned-activities changes from the originally reported 1.2% to 2.3%.

Scope 3 emissions 2018 and 2024
Due to updates to methodology and scope, for the years 2018 and 2024, Scope 2 and Scope 3 emissions for specific categories are restated as presented in table below. Comparative figures have been adjusted, accordingly. As a result, total Scope 3 emissions, as well as total Scope 1, 2 and 3 emissions, increased.

Purchased goods and services: Category 1 emissions have been corrected due to consideration of previously unaccounted volumes of purchased goods.

Upstream and downstream transportation: Changes due to improvements in methodology and application of latest transport emission factors.

Fuel and energy-related activities: Changes due to expansion of scope to consider energy consumption from processing of products

Processing of sold products: Scope 3 emissions have been restated for FY 2024 to reflect an enhanced allocation between categories 3.10 (processing of sold products) and 3.11 (use of sold products). In the previous reporting period, emissions attributable to category 3.10 were unintentionally reported under category 3.11. The revised emissions under category 3.11 have been assessed as non-material and the resulting restatement arises from a methodological improvement.

	Published prior period		Restatement	
	2018	2024	2018	2024
Scope 2 GHG emissions				
Gross location-based Scope 2 GHG emissions (tCO_2e)	not applicable	216,000	not applicable	230,000
Significant scope 3 GHG emissions				
Total Gross indirect (Scope 3) GHG emissions (tCO_2e)	5,021,000	3,575,000	4,972,000	3,880,000
1) Purchased goods and services[1]	not applicable	2,274,000	not applicable	2,615,000
3) Fuel and energy-related Activities (not included in Scope1 or Scope 2)[1]	463,000	364,000	559,000	468,000
4) Upstream transportation and distribution[2]	457,000	383,000	490,000	412,000
9) Downstream transportation[2]	106,000	89,000	190,000	159,000
10) Processing of sold products[2]	0	0	223,000	226,000
11) Use of sold products[2]	369,000	346,000	0	0
Total GHG emissions				
Total GHG emissions (location- based) (tCO_2e)	7,842,000	6,050,000	7,793,000	6,369,000
Total GHG emissions (market- based) (tCO_2e)	7,788,000	5,933,000	7,739,000	6,238,000

Scope 1 and 2 – Investees
For investees that are not fully consolidated in the financial statements of the consolidated accounting group, including associates, joint ventures, unconsolidated subsidiaries, and contractual joint arrangements where RHI Magnesita has operational control, the following emissions originally reported for 2024 have been revised to 12t tCO_2e (originally 171 tCO_2e) under Scope 1 and 12 tCO_2e (originally 252 tCO_2e) under Scope 2 market-based.

[1] Revisions resulting from error corrections
[2] Revisions resulting from methodological changes

Scope 1 – direct biogenic emissions
Direct biogenic emissions originally reported 20,000t tCO_2e have been revised to 28,000 tCO_2e

Health and safety
The number of recordable work-related accidents has been restated due to the inclusion of workers outside the defined S1 reporting scope. The corrected figure reflects only workers within scope.

Total hours worked were not disclosed in 2024 and are now reported to enhance transparency. In addition, the figure reflects a methodology refinement for calculating employee hours and the correction of an error that previously included hours from workers outside the defined S1 reporting scope.

The rate of recordable work-related injuries has been restated to reflect the revised number of recordable work-related accidents and the updated total hours worked.

The Lost Time Injury Frequency Rate (LTIF) for 2024 remains 0.11 following restatement. The numerator was revised due to a refinement of the methodological definition, including the treatment of own workforce fatalities, and the correction of a prior scope allocation error from workers outside the defined S1 reporting scope. The denominator was updated to reflect the restated total hours worked.

The 2018 baseline year for LTIF has not been restated, as it is impracticable to do so due to the unavailability of reliable underlying data.

The 2030 target has been revised from <1.2 to <2.0 per 1,000,000. This adjustment reflects the outcome of a comprehensive reassessment of the underlying health and safety data.

In addition, 2024 can no longer serve as the baseline year due to a reclassification assessment performed during the reporting period. As a result, 2025 will be used as the new baseline year. The 2025 baseline is based on more robust and accurate underlying data following a detailed deep dive into the classification of health and safety cases, ensuring improved data quality, consistency, and comparability going forward.

The 2024 health and safety data have not been retrospectively restated, as a comprehensive reclassification exercise was considered impracticable due to organizational restructuring and related resource constraints. To support comparability, a targeted review and estimation exercise was conducted using the uplift identified in the 2025 review (excluding Resco) as a proxy for the potential reclassification effect in 2024. Based on this assessment, the overall impact is considered immaterial, as it does not affect the reported trends.

	2025	2024	
Health and safety restatements		**Restatement**	**Published**
The number of recordable work-related accidents	204	98	115
Rate of recordable work-related injuries (per 1,000,000 hours)	4.09	1.90	2.03
Total hours	49,938,226	51,611,558	56,774,009

Disclosures stemming from other legislation or generally accepted sustainability reporting pronouncements
The Group is subject to certain provisions of the UK Listing Rules, including climate-related disclosure requirements, as well as the UK and Dutch Corporate Governance Codes. To the extent that these provisions require sustainability-related disclosures, such requirements are addressed within this Consolidated Sustainability Statement through reporting prepared in accordance with ESRS and the EU Taxonomy Regulation. Where applicable, cross-references are provided to demonstrate compliance with the relevant UK Listing Rule provisions. No separate or additional sustainability disclosures beyond those required under ESRS and the EU Taxonomy Regulation have been included.

Exemptions and phase-in provisions
No material information has been excluded for reasons relating to intellectual property, know-how or innovation. The exemption from disclosure of impending developments or matters in the course of negotiation has not been utilised.

In accordance with the Quick Fix amendment to Delegated Regulation (EU) 2023/2772, adopted by the European Commission on 11 July 2025 and effective from 10 November 2025, the Group has applied the transitional relief provided therein and has decided not to disclose certain phased-in requirements listed in Appendix C of ESRS 1 in its 2025 Consolidated Sustainability Statement. As a result, the principal phase-in options applied in the current reporting period arise from the Quick Fix provisions, which are intended to facilitate a proportionate and orderly implementation of ESRS requirements. The following phase-in and transitional provisions on Disclosure Requirements, as set out in ESRS 1, are excluded from this Consolidated Sustainability Statement, and the quick-fix provisions have been applied where relevant:

- ESRS E1-9 disclosures regarding anticipated financial effects from material physical and transition risks and potential climate-related opportunities.
- ESRS E2-6 disclosures regarding anticipated financial effects from pollution-related risks and opportunities.
- ESRS E5-6 disclosures regarding anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities
- ESRS S1-7 disclosures regarding non-employee workers.
- ESRS S1-14 88(d) and (e) disclosures regarding health and safety metrics 'number of cases of recordable work-related ill health of employees' and 'number of days lost'.
- ESRS 2 SBM-3(e) related to the anticipated financial effects of the undertaking's material risks and opportunities on its financial position, financial performance and cash flows over the short-, medium- and long-term.
- The transitional provision related to entity-specific disclosures based on the topical ESRS, supplemented by an appropriate set of additional disclosures to address sustainability matters that are material to the Group in its sector.

Governance
Disclosure requirement GOV-1 — The role of the administrative, management and supervisory bodies
The following Governance disclosures are incorporated by reference:

Board powers, responsibilities and representation; EMT and delegation of authority; Board composition; Board diversity
Corporate Governance Report, pages 178-205.

Executive Management Team
Corporate Governance Report, page 190.

EMT role in managing and overseeing sustainability impacts, risks and opportunities
The EMT is the primary management body through which initiatives to address sustainability related impacts, risks and opportunities are planned, implemented, and monitored. In 2025, RHI Magnesita revised its Double Materiality Assessment in line with ESRS requirements, reflecting the Group's evolving structure and ensuring that material impacts, risks, and opportunities are assessed comprehensively. The Executive Management Team (EMT) oversees the full DMA process, including the integration of stakeholder engagement insights. The EMT will remain the primary management body responsible for guiding the management of sustainability-related impacts, risks, and opportunities throughout the 2025—2030 period.

The Chief Executive Officer (CEO) is the most senior executive responsible for policy implementation. Policies are formulated with key stakeholder interests in mind and align with the UN Guiding Principles on Business and Human Rights and other internationally recognized standards.

The CEO is also responsible for the overall monitoring and management of sustainability impacts, risks and opportunities. Individual EMT members are responsible for delivery in specific areas as follows:

EMT member	Sustainability impact, risk or opportunity
Chief Financial Officer (CFO)	Risk and opportunity financial modelling ETS allowance purchasing and hedging strategy ESG rating-backed financial instruments Tax incentive programmes Business ethics Sustainability risks Modern slavery reporting compliance
Chief Technology Officer (CTO)	Health and Safety CO_2 emissions Air emissions Energy Water Waste Biodiversity
Chief Customer Officer (CCO)	Sustainable procurement Supply chain due diligence Supplier Scope 3 emissions Workers in the value chain

EVP People, Projects, Integrations & Recycling	Human Rights Employee relations Diversity Community relations Recycling Circular economy

Regional management are responsible for delivery of specific regional sustainability objectives and integration of acquired businesses into the Group's sustainability practices.

Executive management convenes a Sustainability Forum as appropriate to assess progress against targets and align on the delivery of the Group's sustainability objectives.

Controls and procedures are applied to the management of impacts, risks and opportunities at a functional level, with each EMT member receiving regular updates on progress towards targets in their area of responsibility.

EMT skill and experience in sustainability matters

EMT members are skilled and experienced in their individual specialisms as set out above. Since 2019 each EMT member has been tasked with delivery of sustainability related goals and priorities and has therefore gained experience in specific areas which fall within their responsibility. The EMT has access to expertise and skills from specialist staff who are experienced in sustainability matters, from CO_2 certificate trading, Carbon Capture and Utilisation technologies, measurement of air emissions (e.g. NOx, SOx, etc.), diversity, equity & inclusion, the use of hydrogen mix in our energy supply and a wide range of other matters, if required.

Process for setting and monitoring sustainability targets

RHI Magnesita's executive management and Board defined its first set of sustainability targets in 2019, based on a 2018 baseline, with achievement planned by 2025. In early 2025, a new set of sustainability targets to be delivered by 2030, with a baseline year of 2024 has been set, reflecting the evolution of its strategy, business footprint, and regulatory expectations. Progress against sustainability targets is monitored monthly by the responsible functions, with year-to-date performance reviewed at each meeting of the Corporate Sustainability Committee.

To achieve the 2030 recycling target of 20%, the Group plans to establish regional recycling hubs as a key implementation lever to scale circular material flows.

Newly acquired businesses have been reflected in the target-setting process, with baseline adjustments applied to ensure comparability. Recycling-related data from these entities is currently excluded, as operational integration and data harmonisation are still ongoing.

The current reporting cycle marks the completion of the first target period and represents a key milestone in the Group's sustainability journey. Significant progress has been achieved over 2018 baseline year, including a strengthened safety culture, the expansion of recycling from an internal performance target to a core element of the business model, a 15% reduction in CO_2 emissions per tonne—equivalent to a reduction of approximately two million tonnes emissions (Scope 1, 2, 3 raw materials)—and further integration of sustainability considerations across the supply chain. These outcomes demonstrate the effectiveness of the Group's target-setting and monitoring processes and provide the foundation for the next phase of ambition towards the 2030 targets.

Tables below present the achievements for both set of RHI Magnesita's sustainability targets 2025 and 2030.

2025 Targets		**Baseline Year 2018**	**Actual 2025**	**Target Year 2025**
Health and Safety	Maintain LTIF at <0.3 per 200,000 hours worked (goal: Zero Harm, No Injuries)	0.43	0.37	<0.3
CO_2e Emissions (Scope 1,2,3 raw materials)	Reduce by 15% per tonne of product	1.82	1.54	1.55
Energy	Reduce by 5% per tonne of product	1.92	1.74	1.82
Recycling	Increase use of secondary raw materials to 15%	3.8%	15.9%	15%
Sustainable Supply Chain	Enhancing supplier sustainability management: 66% Spend Coverage	–	64.9%	66%

During the 2025 reporting period, RHI Magnesita delivered its first set of sustainability targets, with some objectives already exceeded ahead of year-end. CO_2e emissions (Scope 1, 2 and upstream Scope 3 raw materials) decreased to 1.54 tonnes of CO_2 per tonne of product, surpassing the target of 1.55 and reflecting the positive impact of increased recycling and operational efficiency measures. Energy intensity improved to 1.74 MWh per tonne, significantly outperforming the target of 1.82. In parallel, the share of secondary raw materials increased to 15.9%, exceeding the 15% target and demonstrating further progress in circularity.

In the area of Health and Safety, the Lost Time Injury Frequency Rate (LTIFR) decreased by 14% compared to the 2018 baseline, demonstrating sustained progress in reducing workplace injuries. However, the year closed with an LTIFR of 0.37, remaining above the target threshold of <0.3. In 2024, the Group launched the Safety Culture Transformation programme aligned with its Zero Harm-No Injury ambition. As anticipated, this initiative led to an increase in reported safety observations and incidents, reflecting strengthened awareness, improved transparency, and a more proactive reporting culture across the organisation. Despite the overall improvement in frequency rates, the year was marked by one fatality resulting from the treatment of a work-related injury.

The Group also advanced its sustainable supply chain programme, achieving a spend coverage of 64.9%, close to the 2025 target of 66%. Building on this progress, continued and focused efforts will support further advancement towards the 2030 target of 80% spend coverage.

2030 Targets		**Baseline Year 2024**	**Actual 2025**	**Target Year 2030**
Health and Safety	Total recordable injuries frequency rate (TRIFR) <2.0 per 1,000,000 hours	n.a.[3]	4.09	<2.0
CO_2e Emissions (Scope 1,2,3 raw materials)	Reduce by 10% per tonne of product	1.57	1.54	1.41
Energy	Reducing energy consumption by 1% each year (MWh savings)	1.4% (69,744)	0.84% (42,000)	n.a.
Recycling	Achieve combined recycling rate of 20%	14.2%	15.9%	20%
Sustainable Supply Chain – Social	Enhancing supplier sustainability management: 80% Spend Coverage	55%	64.9%	80%

[3] The 2030 Health and Safety Target is based on the 2025 baseline Total Recordable Injury Frequency Rate (TRIFR) of 4.09.

RHI Magnesita continued to advance toward its 2030 sustainability targets, which are now disclosed in alignment with the ESRS, showing solid progress in several core areas while identifying specific themes that require renewed focus. CO_2 emissions decreased from 1.57 t/t product in 2024 to 1.54 t/t in 2025, indicating early momentum toward the 10% reduction target for 2030. Recycling performance also overperformed, rising from 14.2% to 15.9%, reflecting the Group's growing capability in circularity. Supply chain sustainability management expanded to 64.9% spend coverage compared with a baseline of 55%. Coverage will slightly decrease in 2026 due to an expansion of scope to also cover the recent acquisitions. Energy consumption continues to follow the Group's ambition of an annual 1% reduction, although progress will need to be monitored year-on-year to ensure continuous improvement.

RHI Magnesita's health and safety performance remains a central focus on the path to 2030, with the TRIFR increasing from 1.90 in 2024 to 4.09 in 2025. This deterioration is explained partially by the Group's safety culture transformation, reflecting more safety observations reporting and a broader engagement of the workforce and partially as a result of a deep-dive reclassification of health and safety data. In this context, the 2030 target has been revised from <1.2 to <2.0 per 1,000,000 following a comprehensive review of the underlying health and safety data. Additionally, 2024 is no longer suitable as a baseline. Accordingly, 2025 has been established as the new baseline year, based on improved data quality and strengthened methodological consistency.

Corporate Sustainability Committee (CSC)
This section is incorporated by reference to the Corporate Governance Report, pages 210-211.

CSC role in managing and overseeing sustainability impacts, risks and opportunities
The Corporate Sustainability Committee (CSC) is the Board committee responsible for overseeing sustainability-related impacts, risks and opportunities. In 2025, the double materiality assessment was reviewed to reflect the integration of newly acquired businesses, in line with ESRS requirements. The CSC oversaw the review process and assessed the outcomes. In November 2025, a Joint Committee comprising members of the CSC and the Audit Committee approved the results of the double materiality assessment review conducted in response to the acquisitions completed during the reporting period.

The CSC monitors progress towards the Group's sustainability targets regularly, using year to date information and full year forecast outcomes. Executives responsible for delivering sustainability targets are invited to present to the CSC at least once per year.

The 2030 sustainability targets were established in 2025 following a detailed review by the Corporate Sustainability Committee (CSC) in November 2024 and subsequent approval by the Board of Directors in February 2025. The revised 2030 health and safety target was formally approved by the CSC in February 2026.

CSC skill and experience in sustainability matters
CSC members are skilled and experienced in their individual specialisms as set out on pages 182-185.

Since its formation in 2019 the CSC has been tasked with supervision of the delivery of the Group's sustainability related goals and priorities and has therefore gained experience in specific areas relevant to those initiatives. The CSC has access to expertise and skills from specialist staff within RHI Magnesita who are experienced in sustainability matters and undertakes site visits once per annum to broaden its specific RHI Magnesita knowledge.

Sustainability governance structure
At Board level, the above-mentioned CSC supports the Board, acting as an advisory body to deliver the long-term sustainability of the business. The CSC monitors performance against relevant KPIs and assesses risks and opportunities associated with climate change, environmental, Health & Safety, stakeholder relations and other ESG risks. They bring their skills and awareness of risks and upcoming topics to guide management in where to direct their efforts.

At EMT level, the CEO is accountable for driving sustainable practices within the organisation and delivering the Group's sustainability targets, supported by the CTO. The CTO actively engages in overseeing and integrating technologies and methodologies across various aspects of our operations. Strategic decisions and technological initiatives contribute significantly to the achievement of the Group's sustainability targets, ensuring that innovation and R&D is aligned with our commitment to sustainability.

Reporting to the CTO, the Global Sustainability Team collaborates closely with the CEO, CTO and CSC to monitor progress against targets, advise on regulatory developments, compile reporting materials and engage with external ratings agencies. A collaborative approach ensures co-ordination with key functional areas such as Health & Safety, environment, sustainable technology and decarbonisation, recycling, finance, risk management and compliance, Group secretary and procurement. This governance framework facilitates a comprehensive and integrated approach to sustainability.

At the operational level, plant managers and Regional Presidents are accountable for the day-to-day performance of the Group's assets, including delivering progress towards sustainability goals. Regional Presidents report to the Chief Customer Officer who in turn reports to the CEO.

This governance structure combines transparency and accountability with functional expertise.

Board skills and experience
This section is incorporated by reference to the Corporate Governance Report, pages 182-185.

Disclosure requirement GOV-2 — Information provided to, and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies
How CSC is informed about impacts, risks and opportunities
This section is incorporated by reference to the Corporate Governance Report, pages 210-211.

How Board considers sustainability related impacts, risks and opportunities
The Board is the supervisory body which considers sustainability impacts, risks and opportunities when assessing strategic decisions, such as major transactions, and in its semi-annual assessment of principal and emerging risks. Trade-offs between potentially conflicting impacts, risks and opportunities are considered for example, when, in pursuing an acquisition-led growth strategy the Board assesses the executive management's assessment of the potential impacts and opportunities in sustainability performance of each new acquisition, such as the potential to increase the use of secondary raw materials, but also the possibility that there could be an impact on the Group's carbon emissions with the asset's energy profile or age of equipment. Management provides this assessment following an extensive due diligence process and provides a risk-based analysis based on their findings from the review of documents provided by the asset and from management's assessment from their visits to the target plants. Where specialist third-party support has been required in due diligence, their findings are also included. These risks are provided to the Board with associated mitigating actions. The Board assesses the information provided by management on the risks and opportunities during a transaction in the pursuit of a broad range of objectives and decides to proceed on the balance of the best interest for the Group and its stakeholders.

On a more routine basis, the Board are updated on at least an annual basis as part of the strategy session on the progress against the sustainability targets. The annual budget comprises sustainability-related spending and the Board considers this twice per annum in its agreed schedule. In every Annual Report, which is signed off by the Board, since the targets were set, progress against the targets has been reported upon. In the course of delivering their duties as effective Directors, (each Annual Report covers the Board performance reviews which have found them to be effective, including external assessments of the Board) the Board has engaged with these updates and challenged management on the measurement and progress, as appropriate. This discussion leads to actions for management to bring further updates on sustainability performance. As part of the Matters Reserved to the Board (available on our website) and Delegation of Authority framework, the Board reserves matters to itself based on certain characteristics and thresholds which have included sustainability-related investments and entry into ESG ratings-linked financial instruments and therefore management brings these items for discussion and approval. While considering routine matters such as entry into contracts with customers or suppliers, the sustainability targets and the work of the CSC within its established scope, have meant that the Board ensures it receives detail about the effect that such a contract would have on the Group's progress in sustainability and the impact on performance against the aforementioned targets.

The Corporate Sustainability Committee (CSC) receives regular updates at each of its meetings on progress against the sustainability

targets, in line with its terms of reference, which require a minimum of three meetings per year. These updates are provided through a structured agenda approved by the Committee and aligned with its defined responsibilities.

The Remuneration Committee also receives regular updates on progress against incentive-related targets, including sustainability metrics, as outlined on pages 218-236. Both committees report on these matters to the Board at the meeting following their respective sessions.

Sustainability specific risks are assessed separately and submitted to the principal risk assessment process via the CSC. The Board ranks sustainability specific risks alongside other risks to the business based on the likelihood of occurrence and potential financial or reputational impact.

The material impacts, risks and opportunities addressed by the CSC, the Board and the Executive Management Team (EMT) encompass those identified through the double materiality assessment, which was reviewed in 2025. In addition, the CSC, the Board and the EMT reviewed the following sustainability topics in detail:

- Health and safety of the Group's own workforce
- Recycling and circularity
- Sustainable procurement, including modern slavery risks
- Transitional and physical climate-related risks
- Sustainability governance and oversight
- Carbon capture and utilisation
- Regulatory and policy developments
- Assurance of sustainability-related data
- Energy and CO_2 markets

- Stakeholder perspectives, including customers, employees, investors and suppliers
- Community engagement and relations
- Organisational diversity
- Use of renewable energy
- Target setting, monitoring and performance measurement
- Capital allocation to sustainability initiatives
- Decarbonisation strategy
- Low-carbon product strategy
- Use of hydrogen and other alternative fuels

Disclosure requirement GOV-3 — Integration of sustainability-related performance in incentive schemes
Given sustainability is a core element of RHI Magnesita's strategy, and, given its relevance to Group's sustainable growth, the Board has been keen to ensure it is part of the incentivisation of management and for several years the Group's remuneration approach has included sustainability targets, particularly focusing on those relating to our carbon footprint.

The Group is responsive to feedback from investors and customers on such topics and incorporates their views as inputs to the Group's sustainability approach. The CSC supports the Board with its deliberations on sustainable initiatives, target and investments and supports the Remuneration Committee with priorities to be incentivised.

The Remuneration Committee's responsibilities include the development of a reward package for Executive Directors and senior managers that supports the delivery of RHI Magnesita's vision and strategy as a Group, and to ensure the rewards are performance-based, encouraging long-term shareholder value creation, and taking account of the remuneration of the wider workforce. The Non-Executive Directors of the Board do not receive incentive-based remuneration; their remuneration is an annual fixed fee, and no share-based payments are made. Our Employee Representative Directors are remunerated on the basis that they are employees of the Group and therefore they participate in the incentive schemes of the Group to the extent they are eligible as employees. This topic is presented on pages 218-236 of the Remuneration Report.

Annual bonus
In 2025, Executive Directors' maximum annual bonus opportunity remained at 150% of salary with performance assessed against Adjusted EBITA (40%), Adjusted operating cash flow (25%), strategic initiatives (25%) and use of SRM (10%). The bonus criteria are identical for all eligible employees and not just the Executive Directors.

Long-term incentive plan (LTIP)
In 2025, the Remuneration Committee reviewed the performance measures for LTIP as it does on an annual basis and agreed to continue to dedicate a quarter of the award to CO_2 emissions performance conditions.

The structure of the 2025 LTIP will therefore be as follows for the performance period 1 January 2025 to 31 December 2028:

- 50% of the award: Adjusted Earnings Per Share
- 25% of the award: ROIC
- 25% of the award: Reduce CO_2 emissions per tonne (against actual 2024)

Disclosure requirement GOV-4 — Statement on due diligence
List of information provided on the due diligence process

Core elements of due diligence	Reference in the Sustainability Statement or in the Annual Report
a) Embedding due diligence in governance, strategy and business model	Risk Management pages 37-39 Internal Controls pages 40-41 Code Compliance pages 203-204 Gov-1 Management Responsibilities page 73 Gov-1 Oversight of Sustainability Matters – Impacts, Risks and Opportunities page 73, Gov-2 Sustainability Matters addressed by Management page 77 Gov-3 Incentive Schemes – Remuneration Report page 78 SBM-3 Double Materiality Assessment (DMA) pages 82-96
b) Engaging with affected stakeholders in all key steps of the due diligence	Our Stakeholders pages 20-27 Internal Controls pages 40-11 Gov-2 Sustainability Matters addressed by Management page 77 IRO-1 DMA Process page 92 Whistleblowing page 198 Board workforce engagement page 198
c) Identifying and assessing adverse impacts	SBM-3 Double Materiality Assessment (DMA) pages 82-96 SBM-3 DMA Results pages 83-96 SBM-3 DMA Process pages 96-99
d) Taking actions to address those adverse impacts	Internal Controls pages 40-41 E1-3 Climate Change Actions pages 121-122 E2-2 and E2-4 — Actions against pollution and pollution control page 135 E5-2 Managing impacts on Resource Use and Circular Economy page 141 S1-4 Managing impacts on Own Workforce page 147 S2-4 Managing impacts on Workers in the Value Chain pages 160
e) Tracking the effectiveness of these efforts and communicating	Internal Controls Pages 40-11 Board effectiveness Page 201

Disclosure requirement GOV-5 — Risk management and internal controls over sustainability reporting

The main mitigation of strategies and controls employed by the Group to ensure the accuracy of sustainability data includes the use of reporting manuals, training for key personnel, multiple internal review processes during the preparation of sustainability information and periodic reviews by the Group's internal audit function to identify opportunities for improvement.

An internal audit was undertaken of the Group's sustainability reporting processes in 2023 which concluded in September 2023 and made the observations set out in the table below.

Observation	Action	Status December 2025
Implications of acquisitions not fully considered for global KPIs and sustainability targets	ESG reporting included in M&A integration process	Closed
Lack of knowledge and minor data inaccuracy identified for samples tested	Process manual and job description updates, training, additional reviews	Closed
Weaknesses in the technical setup of the system to measure health and safety KPIs	Update and improve reporting software	Closed
Methodology to measure NOx emissions not reliable	Consider alternative measurement method	Closed
Risks to comply with future legal requirements for human rights legislation	Assignment of new roles and responsibilities internally in line with requirements of new legislation	Closed
Current targets related to People & Culture potentially not sufficient	Review diversity targets, previously focused only on gender	Closed

The Group has established internal control and risk management processes to ensure the reliability of sustainability reporting. During the 2025 reporting period, sustainability reporting risks were reassessed using the Group's established risk management methodology, including an evaluation of likelihood and potential impact. The methodology applied, including risk impact and likelihood definitions, is aligned

with the framework used for the Group's general risk register, which supports the identification and assessment of principal and emerging risks.
The highest risks identified in the 2025 risk assessment relate to the reporting of data on workers in the supply chain, in particular the completeness and reliability of information on workforce and health and safety. These risks are considered to remain within the Group's defined risk appetite, although they are subject to close monitoring due to the potential for escalation if not adequately managed.

The resulting risks were integrated into the Group's sustainability risk register and used as an input to the double materiality assessment. The effectiveness of the related controls and risk assessments is reviewed on a regular basis and updated as appropriate to reflect changes in reporting requirements, business activities and regulatory expectations.

The Group's risk appetite for sustainability matters is as follows:

- Environment and climate — HIGH
- Health & Safety — AVERSE
- Regulatory and compliance — AVERSE

As part of the Group's continuous refinement of its risk management framework, the risk appetite for environment and climate was reviewed during the July 2025 Board meeting. The Board approved an adjustment from moderate to high, reflecting the strengthened control environment, the clearly defined measures and milestones underpinning the feasibility of the 2030 climate targets, and the positive progress expected for 2025. This change in risk appetite signals the Group's increased readiness to pursue environmental and climate initiatives while operating in an emission-intense industry. It does not imply any tolerance for non-compliance; the Group maintains a strict zero-tolerance approach to breaches of environmental or climate-related requirements.

The findings of the risk assessment process and internal controls are integrated into the annual process that is carried out for the purpose of reporting sustainability data in the Group's Annual Report and Accounts. The Global Sustainability Team, relevant functional heads and functional reporting teams apply the methodology set out in the reporting manual for each area to ensure standardised and accurate reporting across the Group.

Internal audit reports and risk assessments relating to sustainability reporting are submitted to the Audit & Compliance Committee and the CSC for consideration. These Committees hold a joint session annually for this purpose, which was held on November 24, 2025. An extraordinary session on internal controls was held on 12 January 2026.

Disclosure requirement SBM-1 — Strategy, business model and value chain
Strategy
RHI Magnesita's strategy aims to secure long-term competitiveness and sustainable value creation in an increasingly complex global environment. In 2025, the Group refined its strategic direction as part of the transition to the 2035 strategy cycle, building on its established pillars of competitiveness, business model expansion, and targeted growth through acquisitions.

The updated strategy is anchored in three levers:

Portfolio enhancement: expanding and innovating the product and solutions offering to create more value for customers.

Performance excellence: improving productivity and resilience through digitalisation, an optimised footprint, and disciplined cost management.

Planet engagement: advancing circularity and decarbonisation technologies and supporting customers on their path to lower-carbon production.

These levers build on the Group's progress in recycling, network optimisation, raw material strategy, and technology development. They also reflect the increasing importance of sustainability performance for customers, regulators, and stakeholders. Health, safety and people engagement remain fundamental enablers of the strategy, supporting strong execution and long-term growth.

Through this strategic framework, the Group aims to strengthen competitiveness, drive operational excellence, and reinforce its role as a leading provider of sustainable solutions across the refractory value chain.

Business model
RHI Magnesita is a global supplier of high-grade refractory products, systems and solutions which are critical for high-temperature processes exceeding 1,200°C in a wide range of industries, including steel, cement, non-ferrous metals and glass. With a vertically integrated value chain, from raw materials to refractory products and full performance-based solutions, RHI Magnesita serves customers worldwide and employs more than 20,000 people across over 65 production sites, more than 20 recycling facilities and over 70 sales offices. The Group operates 12 raw material sites, including 7 key mines located in Austria (3), Brazil (1), China (1), Türkiye (1) and the United States (1).

In the production of refractories, raw materials are blended and combined with chemical additives to be sold as mixes, or subject to further processing into shaped refractory products. Shaped refractory bricks are pressed into different sizes and shapes depending on the specific application, employing pressures of up to 3,200 tonnes. After pressing, shaped refractory bricks are tempered at temperatures of up to 350°C and may be further subjected to firing at 1,800°C in tunnel kilns for several days.

Unfired products are primarily used in the steel industry, whilst the main applications for fired products are in the cement, non-ferrous metals, process and mineral industries.

The Group's comprehensive product range and expertise enable it to offer solutions contracts to customers who are seeking to improve production efficiency and reduce their costs and environmental impacts, and this service offering is one of RHI Magnesita's key differentiators. Under a solutions contract RHI Magnesita is paid a fixed price per unit of customer production, initially offering a saving to the customer versus their prior level of refractory operating expenses. Over time the Group can deploy more advanced products and technical expertise to reduce refractory usage or increase productivity by other means over the five-to-seven-year life of the contract. Solutions contracts are usually renewed upon expiry with revised productivity goals for the subsequent period.

Innovation, research and development are essential drivers of success in the refractory industry. Refractory products are highly customised for individual customer applications, often representing many years of iterative improvements tailored to specific customer environments. Development of new technologies requires careful testing and trials at pilot scale and in live production environments, without impacting customer results.

Value chain
RHI Magnesita's value chain starts with the input of refractory raw materials which are sourced from the Group's own raw material assets or purchased on the open market. The key raw materials produced or purchased are magnesite or dolomite based (basic') or alumina-based ('non-basic'). The production of basic raw materials involves the mining and extraction of raw magnesite or dolomite followed by high temperature processing in either rotary or shaft kilns to calcine the material produce refractory raw materials. The calcination process is primarily fuelled using fossil fuels such as natural gas, fuel oil or petcoke. RHI Magnesita has no alumina-based raw material production assets. Raw materials are increasingly sourced through the recycling of reclaimed refractories which go through a process of sorting, crushing and washing prior to re-use.

The purchase of refractory raw materials represents the largest proportion of the Group's cost of goods sold, followed by personnel costs, energy, freight and other consumable items such as packaging.

The core production processes for refractory products are as follows:

- Unshaped refractory products — milling, floating, briquetting, screening and sieving.
- Shaped refractory products — moulding, pressing, drying, tempering, firing, heat treatment, finishing; and
- Isostatically pressed products — pressing, curing, machining, glazing, firing, heat treatment, assembly, finishing.

Supporting processes to the core production process include logistics, quality control, research & development and information technology.

The Group's products are purchased by industrial producers who require refractories to protect equipment during high temperature production processes. At the end of the useful life of a refractory lining, the Group seeks to partner with its customers to reclaim as much residual waste as possible for re-use in the refractory production process.

Significant products and services offered
Significant products offered by the Group are:

- Shaped refractory products;
- Unshaped refractory products;
- Other refractory products;
- Systems, sensors, machinery and digital products; and
- Raw materials.

Refractory services are also provided, either as ad hoc additions to the provision of refractory products or via a full solutions contract, according to customer preference.

No significant new products or services were added or removed during the reporting period. Please refer to the Note 5, Segment reporting on page 261 of this Annual Report for further details.

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Significant markets and customers served
The Group's customers are producers of steel, cement, lime, non-ferrous metals, glass, energy, chemicals and waste processors. The end markets served by the Group's customers are the construction, transportation, machinery, electronics and consumer goods and energy sectors.

Banned products
None of the Group's products are banned from use in any geography.

Business relationships along the value chain
Understanding the business ecosystem requires a comprehensive analysis of the key stakeholders and their respective roles across different stages of the value chain. The following outlines the primary business actors involved in upstream, core, and downstream operations and their interdependent relationships.

Upstream business actors
In the upstream segment, the Group relies on essential partners to secure resources, drive innovation, and ensure compliance. Key business actors include:

Suppliers — Provide raw materials, components, and services necessary for production and operations.
Contractors — Deliver specialised expertise and support in areas such as infrastructure, logistics, and development.
Innovation Partners — Collaborate on research and development initiatives to enhance product and process efficiencies.
Regulators — Oversee industry compliance, ensuring adherence to legal and sustainability standards.
Employees — Contribute to operational efficiency, knowledge transfer, and corporate growth.
Core Business Actors
At the core of business operations, RHI Magnesita engages with critical stakeholders who influence corporate strategy, innovation, and governance. These include:
Innovation Partners — Drive technological advancements and co-create value through research and strategic alliances.
Investors/Shareholders — Provide financial capital, influence decision-making, and ensure long-term business sustainability.
Regulators — Enforce compliance with industry standards, corporate governance, and environmental policies.
Employees — Form the backbone of the organisation, driving productivity, corporate culture, and innovation.
Communities — Represent the broader societal impact of business activities, influencing corporate social responsibility (CSR) initiatives.
Downstream Business Actors
In the downstream segment, the Group engages with partners who facilitate market access, service delivery, and regulatory compliance. These include:
Customers — Serve as the end recipients of products and services, shaping demand and market trends.
Contractors — Support the distribution, marketing, and after-sales processes to ensure operational efficiency.
Regulators — Monitor business practices, ensuring ethical, financial, and environmental accountability.
Employees — Play a crucial role in customer service, brand representation, and operational continuity.

Disclosure requirement SBM-2 — Interests and views of stakeholders
This section is incorporated by reference to "Our Stakeholders" section, pages 20-27.

Disclosure requirement SBM-3 — Material impacts, risks and opportunities and their interaction with strategy and business model
Material impacts, risks and opportunities and their interaction with strategy and business model
RHI Magnesita's material impacts, risks and opportunities arise across the upstream, core and downstream stages of its value chain and are closely linked to the Group's energy- and resource-intensive business model. In the core operations, including mining, processing and high-temperature manufacturing, the Group is exposed to climate-related impacts and risks associated with greenhouse gas emissions, energy use, evolving regulatory requirements and the need for continued investment in decarbonisation technologies. These activities also give rise to occupational health and safety risks inherent to industrial and site-based operations. In addition, potential human rights impacts related to the Group's own workforce may arise in connection with working conditions, health and safety standards, equal treatment and non-discrimination. These risks are managed through established governance frameworks, policies and internal controls aligned with applicable labour and human rights standards.

In the upstream value chain, impacts and risks are primarily linked to the sourcing of raw materials and the use of contractors and suppliers. These relationships expose the Group to Scope 3 emissions and to potential labour-related and human rights impacts, including health and safety and forced labour incidents, particularly in regions where the Group does not have direct operational control. These topics are addressed through supplier due diligence processes, contractual requirements and ongoing monitoring mechanisms.

Child labour has been assessed as not material for the Group in relation to both its own workforce and value chain workers. For the own workforce, risk exposure is considered low due to the Group's formal and regulated operating model, limited presence in high-risk geographies, the absence of recorded cases, and established controls such as formal recruitment procedures and mandatory identity verification processes. Within the value chain, elevated child labour risks are typically associated with agriculture and artisanal or informal mining activities. The Group predominantly sources raw materials from industrial and formalised suppliers operating within regulated environments. Interrelated risks, including forced labour, are addressed through established due diligence processes and are disclosed annually in the Group's Anti-Slavery Statement. Based on this assessment, child labour is not considered material at the reporting date.

In the downstream value chain, RHI Magnesita faces both risks and opportunities driven by customer demand and market developments. The Group's refractory products enable efficient heat management, increased recycling and lower emissions in customer processes, creating opportunities linked to climate change mitigation, circularity and the growing demand for low-carbon solutions. At the same time, failure to meet decarbonisation expectations or sustainability targets could result in increased costs, reputational impacts and reduced market competitiveness.

Overall, these impacts, risks and opportunities influence the Group's cost structure, investment decisions, revenue potential and long-term resilience and are therefore integral to the ongoing development of RHI Magnesita's strategy and business model.

The material impacts, risks and opportunities described below are based on the outcomes of the Group's double materiality assessment conducted in line with ESRS requirements (see ESRS 2 IRO-1).

The full double materiality assessment process is described in IRO-1. As the operating environment, regulatory landscape and stakeholder expectations evolve, the outcomes of the double materiality assessment and the due diligence process may change over time. Therefore, the Consolidated Sustainability Statement and material impacts, risks and opportunities identified may be subject to future updates.

Topic	Sub-topic	IRO type	Value chain	IRO description	Policy	Time horizon	Action	2025 target	2030 target
ENVIRONMENT									
E1 Climate change	Climate change mitigation	Positive impact	Core, Downstream	1. Avoided emissions through optimised heat management	IMS policy	All time horizons	✓		
		Positive impact	Downstream	2. Saved emissions through usage of recycled raw materials	IMS policy	All time horizons	✓		
		Negative impact	Upstream, Downstream	3. Scope 3 CO_2 emissions from purchased raw material, use of sold products and transport	IMS policy	All time horizons	✓	✓	✓
		Negative impact	Core	4. Scope 1 CO_2 geogenic process emissions	IMS policy	All time horizons	✓	✓	✓
		Negative impact	Core	5. Scope 1 CO_2 fuel based emissions	IMS policy	All time horizons	✓	✓	✓
		Opportunity	Downstream	6. Increased demand for refractory products that enable decarbonisation of customer industries (EAF, ESF, BOF, DRI)	IMS policy	Medium-long term	✓		
		Opportunity	Core, downstream	7. Increased demand for low carbon footprint refractory products	IMS policy	Medium-long term	✓		
		Opportunity	Core	8. Decrease in costs or increase in revenue through use of new technologies to reduce or capture CO_2 emissions from refractory production in ETS zones	IMS policy	Medium-long term	✓		
		Risk	Core	9. Increase in operating or capital expenditures due to changes in policy and regulation	IMS policy	Medium-long term	✓		
		Risk	Upstream, Core, downstream	10. Increase in operating expenditure and reputational damage if decarbonisation pathway not delivered	IMS policy	Medium-long term	✓		
	Energy	Negative impact	Core	11. Scope 2 CO_2 emissions from energy consumption	IMS policy	All time horizons	✓	✓	✓
		Risk	Core	12. Reputational damage if energy reduction targets not achieved	IMS policy	Short-medium term	✓		
E2 - Pollution	Pollution of air	Negative impact	Core, Downstream	13. Air pollution from industrial processes	IMS policy	All time horizons	✓		

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E5 — Resource use and circular economy	Resource inflows, including resource use	Positive impact	Upstream, Core, Downstream	14. Efficient use of raw materials and resources including the use of recycled materials	IMS policy	All time horizons	✓	✓	✓
		Opportunity	Downstream	15. Recycling non-refractory materials creates new revenue streams and broadens market reach	IMS policy	Medium-long term	✓	✓	✓
SOCIAL									
S1 — Own workforce	Health and safety	Negative impact	Core	16. Workplace safety incidents in own workforce	IMS policy	All time horizons	✓	✓	✓
	Forced labour	Potential negative impact	Core	17. Incidents of forced labour in own workforce	Human rights policy	All time horizons	✓		
	Working conditions	Risk	Core	18. Reputational damage if health and safety targets not achieved	IMS policy	Short-medium term	✓		
S2 — Workers in the supply chain	Health and safety	Negative impact	Upstream	19. Workplace safety incidents in supply chain	Supplier code of conduct	All time horizons	✓		
	Forced labour	Potential negative impact	Upstream	20. Incidents of forced labour in supply chain	Supplier code of conduct	All time horizons	✓		
GOVERNANCE									
G1 - Governance	Corruption and bribery	Risk	Upstream, Core, Downstream	21. Fraud and corruption in various forms	Code of conduct, Anti-corruption policy	Short-medium term	✓		

- Corruption and bribery were not deemed to be a material impact, risk or opportunity by the Group's DMA, but was added following stakeholder engagement.

Avoided emissions through optimised heat management
Positive impact
RHI Magnesita's comprehensive product range and expertise enables it to offer heat management solutions contracts to customers who are seeking to improve production efficiency and reduce their costs and environmental impacts. Heat management solutions encompass a range of technologies and strategies designed to prevent overheating, improve energy efficiency, reduce costs, and extend the lifespan of equipment. The Group's customers include industrial producers in the steel, cement, metals and glass sectors with high energy usage and associated CO_2 emissions. Improvements in refractory performance can often lead to significant energy savings and therefore avoid CO_2 emissions. For example, refractory linings or functional products with a longer service life can extend periods of continuous operation, improving asset utilisation for the customer, reducing the impact of downtime and energy loss during warming and cooling phases.

The ability to deliver production efficiency gains to customers is a key focus of the Group's strategy which requires the provision of a full range of refractory products and services to a global customer base. RHI Magnesita has adopted its strategy to seek to increase the proportion of its revenue from solutions contracts. Significant capital has been invested in M&A to strengthen the Group's presence in previously underrepresented geographies and product segments. These investments directly support the expansion of the solutions contract offering, which was consolidated and relaunched under the 4PRO brand in 2024. We saw a strengthening of our 4PRO program in 2025 laying a solid framework for a healthy pipeline of new and improved 4PRO contracts for 2026.

The positive impact from avoided emissions occurs both in the Group's core operations and in its downstream value chain. The Group can (i) service customer needs whilst using lower volumes of refractories; and (ii) deliver efficiency gains such as energy and emissions savings at customer sites.

RHI Magnesita intends to continue to offer heat management solutions and has a target to increase the proportion of revenue derived from these contracts. Solutions contracts are highly valued by many customers and result in a higher proportion of repeat business since they are usually renewed on expiry. Margins can also be higher over the full life of a contract. The Group is developing new advanced products and services to further improve its solutions contract offering and bring further efficiency gains for its customers. Allocation of capital to R&D spending is intended to continue the Group's leadership position in this area.

Avoided emissions have an immediate positive impact on people and the environment through avoiding the release of CO_2 to the atmosphere which would otherwise occur. The positive impact of avoided emissions originates from the Group's business model to offer heat management solutions and results from changes to its own activities and from business relationships with its customers.

The Group has demonstrated its capacity to address the opportunity of offering heat management solutions by increasing the proportion of revenue derived from such contracts. The contribution from solutions contracts has recently reduced, mainly because of M&A, therefore creating the opportunity to increase revenue from such contracts in the future.

Avoided emissions resulting from optimised heat management solutions are entity specific and not covered by a specific ESRS disclosure requirement. The Group intends to develop KPIs and disclose in future in line with phase-in requirements.

Saved emissions through usage of recycled raw materials
Positive impact
RHI Magnesita can significantly reduce its CO_2 emissions through increasing the use of recycled raw materials. Each tonne of recycled material used saves approximately 1.6 tonnes of emissions compared to the CO_2 intensive process of extracting and processing fresh raw material. The use of recycled materials improves local raw material availability and self-sufficiency and, in some cases, can result in cost savings compared to freshly mined material.

The Group will use the recycling rate KPI to measure and enhance resource efficiency and circular economy integration, as increasing the use of recycled raw materials is a core part of its strategy to lead in sustainability within the refractory industry, driving significant developments in its business model.

Historically, recycling rates for refractories in the refractory industry were low (4%) due to reduced performance levels for finished products containing reclaimed materials. RHI Magnesita developed new sorting and cleaning processes to solve this technology challenge and has now demonstrated in real-world applications that high quantities (up to 96%) of recycled materials can be incorporated into refractory products without compromising performance. R&D activities are ongoing, and further technical progress is expected to increase the efficacy of recycled material utilisation, while parallel process improvements support gains in operational efficiency.

After proving the new technology, the Group allocated capital to acquisitions of recycling companies including the joint venture established with Horn & Co., MIRECO in 2022, the acquisition of Refrattari Trezzi in 2024 and BPI in 2025 which have increased availability of reclaimed material. Further acquisitions of recycling companies in other geographies are under consideration. We aim to increase our sorting yield through automatic sorting machines. Achieving higher recycling rates requires developing a closer partnership with customers to optimise the process of breaking out and collecting waste refractories at customer sites. Increased precision in sorting and reducing the time between break out and recycling into new products leads to a higher recycling yield. The Group's solutions contract offering is the ideal platform to offer this partnership to customers and recycling of residual material now forms an important part of the '4PRO solutions offering. There is a significant strategic opportunity to roll out recycling activities globally.

The benefits of recycling are realised in the Group's core activities and in its upstream and downstream value chains. In the upstream value chain, the use of recycled raw materials displaces the quantity of refractory raw materials that must be purchased from external suppliers, reducing Scope 3 CO_2 emissions and all other environmental impacts of extracting, processing and shipping virgin material. Within the Group's core activities recycled materials may sometimes be obtained at lower cost compared to purchased raw materials. Materials are generally locally sourced, which reduces freight costs and emissions from transportation whilst shortening the supply chain, with potential for working capital benefits. In the downstream value chain the Group's customers derive significant waste management and circular economy benefits as refractory waste would otherwise have to be disposed of and would usually go to landfill, incurring additional costs.

RHI Magnesita has responded to the benefits of recycling by investing in the technology, infrastructure and changes to its business model necessary to take full advantage of the opportunity. In the near-term recycling rates have been diluted by the addition of multiple new acquisitions to the Group, with lower levels of recycling usage compared to the Group average. However, further investments in new sorting technologies and a global roll-out of recycling are underway and are expected to deliver further benefits in the short and medium term.

RHI Magnesita's collaboration with Stahlwerk Thüringen demonstrates how circular high-alumina additives and improved slag engineering can strengthen greener steel production. The trials showed that replacing conventional fluxes with recycled materials, maintained desulphurisation performance while reducing costs and carbon emissions. Although the shift to circular inputs requires precise process control, the environmental and economic benefits highlight the strong potential of this approach for more efficient and sustainable steelmaking.

In the future, use of recycled materials within the Group's raw material processing kilns offers the potential to reduce geogenic emissions which would otherwise incur a CO_2 allowance cost within the EU ETS framework and later CBAM which is expected to be implemented over the period 2026-2034. Incorporating high proportions of recycled raw materials into finished refractories enables the Group to offer lower carbon footprint refractories to its customers. This product range is expected to deliver market share gains or a pricing premium as customers seek to address their Scope 3 emissions from refractory usage, as set out in opportunity (7) "Increased demand for low-carbon footprint refractory products", below. In the long-term, recycling rates have a natural ceiling since refractories are largely consumed during use and only residual materials can be reclaimed.

For 2025, the CapEx budget for recycling is set at €1.9 million, prioritizing circular raw materials processing and the integration of innovative technologies to improve operational efficiency. Beyond 2025, the focus will be on expanding in the refractory circular minerals market

outside Europe, leveraging CapEx and M&A to drive growth and market presence. RHI Magnesita will continue to invest in organic and inorganic projects to increase its recycling activity so long as such investments are calculated to deliver an attractive return on capital compared to other investment opportunities available to the Group. Sufficient financial and organisational capacity exists to support further development of recycling and therefore the Group has sufficient capacity to address this opportunity.
The future potential positive impact on equity value of this opportunity is ca. €537 million.

Recycling is covered by topic "E5 — Resource use and circular economy" and sub-topic "Resource inflows, including resource use" and further information on recycling performance is therefore provided below in the relevant section of the Group's Consolidated Sustainability Statement.

Scope 3 CO_2 emissions from purchased raw material, fuel- and energy-related activities, processing of sold products and transport
Negative impact
Refractory production is a CO_2 intensive activity and is a 'hard to abate' industry. Raw material processing generally uses fossil fuels for ignition and burning of carbonate rock, which results in significant geogenic CO_2 emissions. These geogenic emissions are classified as Scope 1 when resulting from the Group's own production or Scope 3 in the case of externally purchased raw materials, occurring in the upstream section of the value chain. Scope 3 emissions from purchased raw material represented 43% of total Group CO_2 emissions in 2025 (2024: 34%).] The use of fuels and electricity results in indirect upstream emissions from the sourcing, processing and transportation.

In the downstream section of the value chain, certain finished refractory products need to be heated up at the customer prior use. This results in additional Scope 3 CO_2 emissions in the downstream value chain. Scope 3 emissions are also generated in the shipping and distribution of refractory products to customers worldwide.

The Group is aware of the relatively high CO_2 intensity of its business relationships with raw material suppliers and emissions from the transportation of raw materials and finished goods. Such emissions are recognised to have an impact on people and the environment through contributing to climate change over the medium and long-term and the Group has therefore sought to adapt its strategy and business model to reduce this impact to the greatest extent as is sustainably possible.

Scope 3 emissions from purchased raw material usually arise in regions where carbon emissions costs are currently not incurred but may attract a cost penalty in the future, for example in the case of raw materials imported into Europe after the implementation of CBAM.

The strategy and business model has been adapted to reduce Scope 3 emissions from purchased raw material by (i) replacing raw material which would otherwise be purchased externally with recycled raw materials; (ii) prioritising raw material suppliers with lower CO_2 footprints; (iii) engaging with raw material suppliers to help them to reduce the CO_2 footprint of their operations; and (iv) pursuing technological solutions to decarbonise the Group's own raw material production facilities which can then be utilised in favour of externally purchased raw material from high CO_2 emitting suppliers in the future.

Scope 3 emissions from shipping and distribution are unavoidable so long as raw material and finished goods movements are required and transport methods used by the Group (shipping, road and rail) utilise fossil fuels as a primary energy source. However, the extent of raw material and finished goods movements can be reduced through the implementation of the Group's 'local for local' production strategy, which seeks to increase self-sufficiency of its regional hubs, reducing reliance on imports and thereby decreasing the number of freight movements or reducing distance travelled. The Group is currently investing in an upgrade of its logistics and supply chain planning systems which is expected to generate further efficiencies in this area.

Through the above responses the Group has demonstrated its capacity to act to address the impact of Scope 3 emissions and further opportunities exist to further reduce such emissions. However, compared to other actions that the Group is able to take to address its overall CO_2 emissions, Scope 3 emissions from purchased raw materials are one of the areas over which management has the least control and influence since this will ultimately require the decarbonisation of suppliers who may not be willing, able or incentivised sufficiently to act.

As part of the Group's decarbonisation commitment, RHI Magnesita has undertaken to (i) lobby governments to invest in the necessary infrastructure to decarbonise the refractory industry and other energy intensive industries; and (ii) work with partners in the private sector to develop new renewable energy solutions, hydrogen energy networks and carbon capture and utilisation technologies which will be applicable to its upstream suppliers of raw materials.

To monitor this topic, the Group will use as a KPI, Scope 3 emissions associated with purchased raw materials, processing of sold products, and transport, to track progress in reducing its carbon footprint.

Scope 3 emissions are covered by topic "E1 — Climate change" and sub-topic "Climate change mitigation" and further information is therefore provided below in the relevant section of the Group's Consolidated Sustainability Statement.

Scope 1 CO_2 geogenic process emissions
Negative impact

Scope 3 emissions from purchased raw material represented 43% of total Group CO_2 emissions in 2025 (2024: 34%). Raw material processing generally uses fossil fuels for ignition and burning of carbonate minerals such as magnesium carbonate (magnesite) or calcium magnesium carbonate (dolomite), which results in significant geogenic CO_2 emissions. Approximately half of the mass of raw magnesite and dolomite prior to burning is oxidised and emitted as CO_2 during raw material processing. These geogenic emissions are classified as Scope 1 when resulting from the Group's own production. They occur within the Group's core operations and not in the upstream or downstream value chain. Upstream emissions resulting from the same process are classified as Scope 3 emissions from purchased raw material. Scope 1 emissions from geogenic process emissions represented 17% of total Group CO_2 emissions in 2025.

The Group is aware of the relatively high CO_2 intensity of its raw material processing operations, and these emissions are recognised to have an impact on people and the environment through contributing to climate change over the medium and long-term. RHI Magnesita has therefore sought to adapt its strategy and business model to reduce this impact to the greatest extent as is sustainably possible.

Scope 1 emissions from geogenic process emissions incur carbon costs in the European Union, where the Group is required to purchase certificates for CO_2 emissions over and above its free allocation. In 2025 the cost of purchasing certificates for these emissions through the European ETS was €3 million (2024: 6 million; 2023: €2 million) for the shortage. Recent EU policy developments indicate an unexpected reduction in free allowances under the preliminary ETS benchmark updates for 2026—2030. Final benchmark values are expected to be confirmed by the European Commission in Q1 2026. If benchmarks are confirmed, this would result in significantly higher compliance costs for our operations. In addition to that, the cost of purchasing CO_2 certificates is expected to rise in the future due to the full implementation of the Carbon Border Adjustment Mechanism (CBAM). Currently in its transition phase, CBAM will eventually lead to the complete removal of all free allowances, further increasing compliance costs for RHI Magnesita.

Considering the expected increase in the cost of Scope 1 CO_2 emissions in Europe and potentially other geographies, the Group has adapted its strategy and business model to reduce Scope 1 geogenic emissions associated with raw material processing in geographies that are or may be subject to ETS costs.

Since the processing of virgin carbonate raw materials necessitates the emission of geogenic carbon as CO_2, the only routes available to reduce such emissions are to (i) develop non-carbonate raw material sources; or (ii) to capture geogenic process emissions for storage or utilisation to prevent release to the atmosphere.

The Group is assessing possible routes for the use of non-carbonate raw material sources but has not yet identified an economically viable production process. RHI Magnesita previously operated sea water based raw material assets in Ireland and Norway, but these assets were energy intensive and ultimately proved to be uncompetitive compared to carbonate raw material sources.

The Group is therefore conducting R&D and investing in pilot production facilities for the capture, storage and/or utilisation of geogenic process emissions. The Group is now participating in trials of a carbon utilisation technology pioneered by MCi Carbon, an Australia based developer of mineralisation technology which can efficiently bind CO_2 into saleable solid carbon-negative materials, permanently removing emissions from the atmosphere. To date, RHI Magnesita has invested more than €10 million in MCi Carbon and during 2025 further progress has been made in the evaluation of technologies for CO_2 capture at the Group's raw material production sites. A trial production of carbon negative materials utilising captured CO_2 was commissioned at this facility in Nov 2025. Technology and other similar solutions may have wider implications beyond the refractory industry, for example in cement production where geogenic emissions pose a similar challenge. The Group considers the MCi process to be the most promising technology for economically reducing geogenic CO_2 emissions because it results in the production of saleable carbon negative materials, whereas other carbon storage or sequestration methods only represent additional capital and operating expenses with no additional revenues.

If the technology is successfully proven in the demonstration plant in Australia, RHI Magnesita intends to conduct a feasibility study for the construction of new plant at its Hochfilzen, Austria raw material production site to remineralise CO_2 emissions at that site. The capital expenditure for the construction of such a facility and impact on operating expenditures is not yet known but is expected to be material.

RHI Magnesita has sufficient capacity to continue to assess the viability of various technologies to reduce the impact of its Scope 1 geogenic process emissions but may require external support to employ such technologies on an industrial scale. In assessing the optimum financing structure and economic viability of the Green Minerals Initiative, the Group would seek to reduce risk through equity partnering, public subsidy or tax incentives and the use of specialised financing instruments which may be available for green projects. This project or any similar undertaking would be assessed according to the Group's existing capital allocation process and required to deliver an attractive return on capital compared to other investment opportunities available to the Group if it is to proceed.

The Group will use Scope 1 emission metric related to raw material processing to monitor this topic.

Scope 1 geogenic process emissions are covered by topic "E1 — Climate change" and sub-topic "Climate change mitigation" and further information is therefore provided below in the relevant section of the Group's Consolidated Sustainability Statement.

Scope 1 CO_2 fuel-based emissions
Negative impact
RHI Magnesita uses fossil fuels such as natural gas, oil and petcoke at its raw material and refractory production sites worldwide. The consumption of these fuels results in Scope 1 CO_2 emissions from within the Group's core operations and not in the upstream or downstream value chain. Upstream emissions resulting from the use of fuels by external raw material suppliers are classified within Scope 3 emissions from purchased raw material. Fuel based Scope 1 CO_2 emissions from this source were 1,108 kt CO_2, accounting for 18% of total Group CO_2 emissions in 2025, with the majority of fuels being consumed at raw material production sites.

The Group is aware of the relatively high CO_2 intensity of its operations arising from the consumption of fuel and these emissions are recognised to have an impact on people and the environment through contributing to climate change over the medium and long-term. RHI Magnesita has therefore sought to adapt its strategy and business model to reduce this impact to the greatest extent as is sustainably possible.

Scope 1 emissions arising from fuel consumption incur carbon costs in the European Union, where the Group is required to purchase certificates for CO_2 emissions over and above its free allocation, as described in impact (4) "Scope 1 CO_2 geogenic process emissions", above. The cost of such emissions is expected to increase significantly between 2026 and 2034 with the introduction of CBAM and with the possible commencement of similar ETS regimes in other geographies. In addition to that, recent EU policy developments indicate an unexpected reduction in free allowances under the preliminary ETS benchmark updates for 2026—2030. Final benchmark values are expected to be confirmed by the European Commission in Q1 2026. If benchmarks are confirmed, this would result in significantly higher compliance costs for our operations. The Group is therefore actively seeking to adapt its strategy and business model to reduce its fuel-based emissions, to minimise this potential future financial impact.

The primary routes being assessed or utilised to reduce emissions from fuel consumption are (i) energy efficiency; (ii) fuel switches to lower CO_2 footprint fuels e.g. natural gas; (iii) increased use of carbon neutral alternative fuels e.g. charcoal, biomass, waste; and (iv) use of green hydrogen as a partial or total replacement for fossil fuels. Electrification has been evaluated as an alternative to the burning of fuels but was not found to be viable with currently available technologies due to the high temperatures required in the Group's manufacturing processes.

The capital cost of fuel switches can be significant if the Group is required to partially or wholly fund infrastructure connections, in addition to the cost of equipment upgrades at production sites to accept new fuels. Such capital costs could make a fuel switch project uneconomic, even after accounting for potential savings on CO_2 emissions certificates. Operating expenditures may also be affected, either positively or negatively. The Group has successfully implemented a fuel switch at Ponte Alta, Brazil, and is currently conducting biofuel co-firing trials at Breitenau, Austria. The Group is also evaluating possibilities at Hochfilzen, Austria and York, USA which will depend on infrastructure provision.

RHI Magnesita has sufficient capacity to continue to implement fuel switches and increase the use of carbon neutral fuels to reduce its Scope 1 fuel-based emissions but requires external support for the provision of the necessary infrastructure and guaranteed supply agreements. Infrastructure is usually provided for multiple users and in accordance with national or regional development plans.

The Group has tested and demonstrated its readiness for the partial use of hydrogen as a fuel in certain of its processes but is wholly reliant on external parties for the production and distribution of green hydrogen at a price which is competitive with existing alternative energy sources. Read more details

The Group will use Scope 1 emission KPI related to fuel use to monitor this topic.

Scope 1 fuel-based emissions are covered by topic "E1 — Climate change" and sub-topic "Climate change mitigation" and further information is therefore provided below in the relevant section of the Group's Consolidated Sustainability Statement.

Increased demand for refractory products that enable decarbonisation of customer industries (EAF, ESF, BOF, DRI)
Opportunity
RHI Magnesita's customers operate in high-energy and emissions-intensive industrial sectors. Refractory products and heat management services have an important role to play in energy consumption and associated CO_2 emissions at customer sites and can have a material impact on reducing emissions in the Group's downstream value chain. Steel production in particular accounts for around 9% of global CO_2 emissions and steel customers represent together with cement customers around 70% of Group revenues.

Major advancements by our steel customers are underway in the development of technologies for manufacturing steel with low or zero CO_2 emissions and approximately 20 new plants or trial projects are currently being developed or are under construction worldwide. Providing refractory linings, new refractory technology and heat management services to green steel projects represents a material new business opportunity for the Group. Consumption of magnesite-based refractories is expected to be higher in furnaces and other applications which are likely play a major role in green steel production such as Electric Arc Furnaces (EAF), Electro Smelter Furnaces (ESF) facilities and Basic Oxygen Furnaces (BOF). Direct Reduction Furnaces (DRI) using natural gas or hydrogen also offer a new business opportunity, replacing blast furnaces in ironmaking for green steel production.

Recognising this new opportunity in its downstream value chain, RHI Magnesita has adapted its strategy and business model to pursue green steel contracts. Developing refractory solutions for new technologies in green steel requires similar capabilities to the project business in the Industrial division and the Group is therefore well positioned to win such contracts. In 2025 three major green steel projects were tendered and RHI Magnesita was appointed in each case, with positive financial effects for the Group in 2025 and 2026. The Group intends to cement its position as industry leader in the provision of refractory products and services for green steel projects and builds a stronger reputation with each contract award. The Group's M&A strategy has been adapted to grow capabilities which will assist in supplying green steel projects and the Group is willing to invest in personnel, R&D or new production facilities where necessary to satisfy customer requirements. The successful award of three new contracts is early evidence that the Group has the capacity and capabilities to take advantage of this new business opportunity.

The future potential positive impact on equity value of this opportunity is ca. €251million.

The supply of enabling technologies for customers to reduce emissions in the downstream value chain is an entity specific opportunity and is not covered by a specific ESRS disclosure requirement.

Increased demand for low-carbon footprint refractory products
Opportunity
Using recycled raw materials, RHI Magnesita is able to manufacture refractory products with a significantly reduced CO_2 footprint. The low CO_2 footprint product range is marketed to customers who may be seeking to reduce their Scope 3 emissions from refractory usage or to demonstrate a commitment to sustainable procurement practices. The Group is not aware of any competing low CO_2 footprint refractory products on the market and this product range therefore represents an opportunity to increase revenue through market share gain or pricing premium, subject to customer demand appetite.

In the process of developing its capabilities to increase the use of recycled raw materials, the Group successfully produced and tested products made up to 96% recycled raw materials. Recognising this new capability and the potential for future customer demand, the Group adapted its strategy and business model to develop its offering of low CO_2 products and to actively market them as a sustainable alternative. The opportunity lies in the Group's core activities where a new and potentially attractive product range may generate additional revenues, and in the downstream value chain where the Group's customers may benefit from a reduction in their Scope 3 emissions arising from refractory consumption. The Group provides carbon footprint information for all of its products and highlights lower carbon footprint alternatives to its customers.

Whilst sales of low CO_2 footprint products are growing strongly from a low base, there is not yet evidence of widespread demand from customers, who are focusing first on reducing Scope 1 and Scope 2 emissions from their own production processes and from other raw materials such as iron ore, which are much higher as a proportion of total emissions than those arising from refractory usage. The Group expects demand for low CO_2 footprint products to increase in the future, in particular with the growth of green steel producers for whom CO_2 emissions in the supply chain are expected to be a higher priority. RHI Magnesita conducts regular customer surveys to better understand expectations regarding innovative and sustainable product solutions. Since the launch of 4PRO, the Group has intensified its follow-up on customer interest, and the Q4 2025 survey revealed significant regional differences in awareness and interest, ranging from 5% to 46%. Building on these insights, the Group will continue to promote and strengthen awareness of the 4PRO approach. Anchored in the pillars Performance, Partnership and Planet, 4PRO enhances the ability to deliver measurable improvements and supports customers in their long-term transformation journeys.

The continued inclusion of low CO_2 refractories in the Group's product range does not require material new funding. The Group therefore has the capacity to take advantage of any increase in demand for low CO_2 refractory products which may occur in the future.

The Group tracks the sales of refractory products supporting electric arc furnaces — key to lower-carbon steel production — as a KPI for this area, reaching €510 million in 2025.

The future potential positive impact on equity value of this opportunity is ca. €251 million.

The supply of low-carbon footprint refractories for customers to reduce their Scope 3 emissions from refractory consumption is an entity specific opportunity and is not covered by a specific ESRS disclosure requirement.

Decrease in costs or increase in revenue through use of new technologies to reduce or capture CO_2 emissions from refractory production in ETS zones
Opportunity
Carbon emission costs in Europe are set to increase significantly with the introduction of CBAM over the period from 2026-2034. Additional geographies may also implement ETS schemes and impose a cost on carbon emissions. If the Group is able to reduce CO_2 emissions

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from its production process by avoiding or capturing emissions there is an opportunity to gain a cost advantage versus competitors and to realise higher prices for finished refractories, since the cost of production for the industry as a whole will increase.

Recognising the change in cost structure for the industry that will be brought about by the introduction of CBAM, the Group has adapted its strategy and business model to take advantage of this potential opportunity.

The primary routes by which the Group is seeking to reduce its Scope 1 CO_2 emissions in Europe are (i) fuel switches and use of alternative fuels; (ii) use of recycled material in raw material kilns; and (iii) carbon capture and utilisation or storage. The Group is also able to reduce the CO_2 footprint of certain finished product ranges through the use of high proportions of recycled raw materials. Using one or a number of these methods RHI Magnesita has the capability to manufacture refractory products without incurring cost penalties associated with CO_2 emissions, as CBAM increases the cost of such emissions. Other refractory producers may not be able to reduce CO_2 emissions since they are not vertically integrated and do not have advanced recycling initiatives similar to RHI Magnesita. Operating on a 'cost plus' basis, competing refractory producers may have to increase prices to cover the additional costs incurred in purchasing high CO_2 intensity raw materials that are imported into Europe in addition to any CO_2 emissions in EU-based refractory plants. As the market price for refractories increases, RHI Magnesita should therefore be able to increase margins on its low CO_2 footprint products.

The financial benefits from this opportunity are not expected to occur in the short term or in the next reporting period but are expected to emerge over the period 2026-2034, which is the implementation timetable for CBAM. The additional cost that would be incurred by the Group if it does not reduce its own emissions is approximately €70 million per year for its European operations, representing the maximum possible cost impact if the Group is not able to make any reduction in its European Scope 1 emissions. Prices for products sold within Europe are assumed to rise in line with competitor pricing but this will not apply to c.50% of the Group's European production which is exported and sold in markets where no ETS or structure similar to CBAM applies. Over the long-term if CBAM continues to impose a cost of carbon on high CO_2 emitting producers, the financial benefit from selling low CO_2 footprint products within the EU could be significant.

As set out in IROs (2), (4) and (5) above, significant capital investments may be required to fully decarbonise the Group's operations in Europe, in particular for any carbon capture and utilisation project which may be contemplated. The capital cost of achieving this has not yet been calculated and such initiatives will only be approved for investment if an attractive return on capital can be realised compared to other opportunities available to the Group. It is therefore not certain that the Group will have the capacity to fully take advantage of this potential opportunity, which depends on as yet unproven technologies and support from public subsidy or infrastructure provision.

The opportunity to decrease costs or increase revenue through use of new technologies to reduce or capture CO_2 emissions from refractory production in ETS zones is an entity specific opportunity and is not covered by a specific ESRS disclosure requirement.

The Group will monitor the increase of recycling rate as a KPI for this topic.

Increase in operating or capital expenditures due to changes in policy and regulation
Risk
RHI Magnesita foresees a risk to its business from the increase in operating costs due to an increase in the level or scope of carbon pricing.

Scope 1 emissions arising from fuel consumption or geogenic process emissions incur carbon costs in the European Union, where the Group is required to purchase certificates for CO_2 emissions over and above its free allocation. The cost of such emissions is expected to increase significantly between 2026 and 2034 (c.2030 for RHI Magnesita) with the introduction of CBAM and with the possible commencement of similar ETS regimes in other geographies. The Group is therefore actively seeking to adapt its strategy and business model to reduce its Scope 1 CO_2 emissions in Europe, to minimise this potential future financial impact.

Higher expected future emissions costs are a key driver behind the Group's strategic decision to invest in CO_2 emissions reduction initiatives, such as the use of recycling, fuel switches and alternative fuels, and carbon capture, storage and utilisation projects. The possibility to avoid the higher future costs of emissions creates a business case for investing in such initiatives.

If the Group is unable to reduce its Scope 1 emissions in Europe, the implementation of CBAM is expected to have a negative financial impact on the Group from 2030 onwards as free carbon allowances under the existing EU ETS are phased-out. CBAM will apply a charge to imported raw materials and is expected to increase refractory pricing for all suppliers selling into the EU. Additionally, products manufactured in the EU and then exported will incur higher costs, as there are currently no compensation mechanisms for exporters who will have paid the CO_2 costs on production within the EU.

No negative financial effects are expected in the next reporting period, 2026. The Group is in the process of developing new technologies and projects to reduce CO_2 emissions but is not yet able to calculate the required capital expenditure or funding sources for such projects. Emissions reduction projects will be assessed according to the Group's existing capital allocation process and required to deliver an attractive return on capital compared to other investment opportunities available to the Group. Whilst the Group may be successful in developing new technical solutions it is not certain that there will be sufficient financial capacity available to fund large capital projects without support from public subsidy or tax incentives, co-investors and specialised debt providers.

Without mitigation such as the use of new technologies to reduce CO_2 emissions in the production process, the financial impacts of CBAM could result in a future negative impact on equity value of €136 million.

The Group will use as a KPI to monitor this topic, the number of ETS certificates and ensure regulatory compliance.

Scope 1 emissions are covered by topic "E1 — Climate change" and sub-topic "Climate change mitigation" and further information is therefore provided below in the relevant section of the Group's Consolidated Sustainability Statement.

Increase in operating expenditure and reputational damage if decarbonisation pathway not delivered
Risk
RHI Magnesita has published a theoretical decarbonisation pathway which sets out a potential route to eliminate CO_2 emissions in its core operations and upstream value chain by 2060. If the Group is unable to deliver this decarbonisation pathway it could be impacted by an increase in operating expenditures and may also suffer reputational damage.

The negative financial impacts that may arise due to higher operating expenses if RHI Magnesita is unable to reduce its CO_2 emissions and the Group's responses to this risk are described in risk (9) "Increase in operating or capital expenditures due to changes in policy and regulation", above.

In addition to direct financial effects, RHI Magnesita may suffer criticism from stakeholders and consequent reputational damage if it is not able to deliver its theoretical decarbonisation pathway. The Group has adopted a theoretical decarbonisation pathway that is not aligned with a 1.5-degree scenario as set out in the Paris agreement. A detailed assessment was carried out in 2021 and 2022 of all possible measures to reduce CO_2 emissions based on proven technology and available financial resources. The Board concluded that whilst it may be possible to reduce emissions in line with a 'well below 2 degrees' scenario, it would not be possible to set a target that is aligned with a 1.5-degree scenario as this would be dependent on the development of as-yet-unknown technologies or reliant on significant external financial and infrastructure support which are uncertain.

As a relatively high emitter of CO_2 RHI Magnesita is aware of the potential damage to its reputation of not achieving its theoretical decarbonisation pathway and has therefore responded to this risk by adapting its strategy and business model and by allocating resources to decarbonisation R&D and projects.

The key strategic measures being taken to reduce CO_2 emissions are set out in impacts (2) to (5) in the table above, and include (i) increasing the use of recycled raw materials; (ii) energy efficiency programmes, fuel switches and the use of alternative fuels; (iii) carbon capture and storage or utilisation projects; (iv) working with suppliers of raw materials to reduce or eliminate their CO_2 emissions and (v) transportation efficiency gains.

The reputational risk of not achieving the theoretical decarbonisation pathway occurs within the Group's core activities and in its upstream value chain, where a large proportion of CO_2 emissions are accounted for by suppliers of purchased raw materials.

No negative financial effects arising from this reputational risk are expected to occur in the next reporting period, 2026. In the medium and long-term the Group could be affected by reputational damage if it is unable to maintain positive relations with key stakeholders such as its employees, customers, suppliers, shareholders, lenders, host governments and local communities. The specific impact would depend on the stakeholder relationship that is affected but could include an increase in the cost of equity or debt financing, permitting issues, market share loss or local operational disruption.

Whilst the Group may be successful in developing new technical solutions for decarbonisation it is not certain that there will be sufficient financial capacity available to fund large capital projects without external support.

The Group uses ETS expenditure as KPI to track this topic and optimise cost efficiency in emission trading.

CO_2 emissions are covered by topic "E1 — Climate change" and sub-topic "Climate change mitigation" and further information is therefore provided below in the relevant section of the Group's Consolidated Sustainability Statement.

Scope 2 CO_2 emissions from energy consumption
Negative impact
RHI Magnesita purchases electrical energy from external power producers resulting in Scope 2 CO_2 emissions. Scope 2 emissions are a smaller proportion of the Group's CO_2 emissions compared to Scope 1 and Scope 3, accounting for only 1% of total emissions in 2025.

The Group is aware of the relatively high CO_2 intensity of its operations and Scope 2 emissions are recognised to have an incremental impact on people and the environment through contributing to climate change over the medium and long-term. RHI Magnesita has therefore sought to adapt its strategy and business model to reduce this impact to the greatest extent as is sustainably possible. Due to their smaller scale and the ability to obtain power from clean energy sources it is easier for RHI Magnesita to reduce its Scope 2 emissions compared to Scope 1 or Scope 3. Scope 2 emissions occur within the Group's core operations.

Scope 2 emissions do not incur carbon costs in Europe or elsewhere and therefore there are no near term negative financial impacts from an ETS perspective, including in the next financial reporting period 2026. The Group has a plan to replace its remaining non-renewable power consumption with a combination of self-generated clean power e.g. from on-site solar installations and via power purchase agreements with certified clean energy providers. In China, a 2.2 MW photovoltaic installation was completed by the end of 2024, generating around 112 MWh of green electricity annually and reducing Scope 2 emissions by approximately 64 tonnes of CO_2 per year. Additionally, an increasing share of green electricity is purchased in China. In total the group reduced its Scope 2 market-based emissions by around 16.000t CO_2e compared to 2025.

The Group will use as KPI to measure and reduce Scope 2 emissions, energy efficiency and renewable energy sourcing.

Scope 2 emissions are covered by topic "E1 — Climate change" and sub-topic "Climate change mitigation" and further information is therefore provided below in the relevant section of the Group's Consolidated Sustainability Statement.

Reputational damage if energy reduction targets not achieved
Risk
RHI Magnesita has published a target to reduce energy consumption per tonne of production by 5% by 2025, compared to a baseline year of 2018. By 2030, the Group has committed to reducing absolute energy consumption by 1% each year and to increase coverage of its plants by ISO 50001 standards to 90%. Failure to achieve some or all these targets could result in reputational damage and may negatively impact the Group's ESG ratings.

This risk exists within the Group's core operations and not in its upstream or downstream value chain. There are no near or long-term major financial impacts of missing the targets other than slightly higher operating expenditure on energy and potentially higher expenditure on CO_2 certificates if the energy consumption in question is related to fossil fuel use in Europe.

RHI Magnesita recognises that its business model is energy intensive and has responded to this risk by adapting its strategy and business model and by allocating resources to energy saving projects. The 5% energy intensity target has already been achieved in 2024 and performance is well ahead of target, achieving an 9% improvement versus the baseline. The Group considers that it also has sufficient capacity to deliver the 2030 targets — 1.4% savings in 2024 and 0.84% savings in 2025.

The Group will establish a KPI in alignment with phase-in requirements to enhance tracking and reporting in this area.

Energy consumption is covered by topic "E1 — Climate change" and sub-topic "Climate change mitigation" and further information is therefore provided below in the relevant section of the Group's Consolidated Sustainability Statement.

Air pollution from industrial processes
Negative impact
RHI Magnesita's raw material processing and refractory plants utilise fossil fuels including natural gas, fuel oil and petcoke. Combustion of these fuels results in air pollution from Sulphur Dioxide (SOx) and Nitrogen Oxides (NOx). These emissions occur in the Group's core operations and have a negative impact on people and the environment due their effects on air quality. Similar emissions are also present in the Group's upstream value chain at its raw material suppliers and in the downstream value chain at customer sites and in the transportation of goods.

The Group is aware of this negative environmental impact and has taken steps to adapt its strategy and business model to reduce it. The primary method for reducing SOx and NOx emissions is through the installation of emissions abatement equipment at sites where such pollution occurs. Switching fuels can lead to a reduction in pollution for example by replacing fuel oil or petcoke use with natural gas. Emissions can also be reduced indirectly by increasing the use of recycled raw materials, which avoids the need to mine and process virgin raw materials with associated SOx and NOx emissions.

There are no financial impacts associated with SOx and NOx emissions, either in the next reporting period or the medium to long-term, as long as emissions are kept below legal limits in the relevant jurisdiction. However, it is possible that legal limits could be reduced in the future.

The Group has implemented a programme of emissions abatement equipment installation with upgrades completed in China and North America in 2021 and 2023, respectively. Over the period 2025-2030 similar installations or reductions by other means will be undertaken in Europe and Brazil. RHI Magnesita has adequate organisational and financial capacity to address this risk and has allocated capital for equipment over that period. Equipment installed to date has demonstrated its efficacy in reducing pollution from these sources.

The Group monitors emission levels at its production sites and will use them as a KPI to track and improve environmental performance.

Pollution from SOx and NOx emissions is covered by topic "E2 — Pollution" and sub-topic "Air pollution" and further information is therefore provided below in the relevant section of the Group's Consolidated Sustainability Statement.

Efficient use of raw materials and resources including the use of recycled materials
Positive impact
RHI Magnesita's use of recycled refractory material has a positive sustainability impact on people and the environment by promoting the efficient use of raw materials. Using recycled material prevents the consumption of resources required to extract and process fresh raw material and reduces waste at customer sites. This positive impact occurs within the Group's core operations and in its upstream value chain, since quantities of externally purchased raw materials are reduced. Waste disposal and circular economy benefits are realised in the downstream value chain.

Seeking to increase the use of recycled raw material is an integral part of the Group's strategy to be a sustainability leader in the refractory industry and has led to significant developments in the business model.

As described in impact (2) "Saved emissions through usage of recycled raw materials" above, RHI Magnesita has developed proprietary technology to utilise recycled raw materials without negatively impacting refractory performance. Investments in R&D, product development, acquisitions and internal capital expenditures have been deployed and this has successfully delivered an increase in the recycling rate from 3.8% in 2018 to 15.9% in 2025. A total of 416kt of recycled material was utilised, compared to 364 kt in 2024. Without recycling, this material would have been sourced through new mining and processing activities in 2025. The Group's solutions contract offering is the ideal platform and recycling of residual material now forms an important part of the '4PRO' solutions offering.

Further investments in new sorting technologies and a global roll-out of recycling are underway and are expected to deliver further benefits in the short and medium term. In 2025 the Group allocated €1.9 million to recycling. The Group may also make further recycling focused acquisitions, although no sum is reserved specifically for this purpose. The Group has sufficient capacity to continue to invest in recycling opportunities.

The Group uses the recycling rate as KPI to enhance its recycling efforts and drive sustainable material management.

Recycling is covered by topic "E5 — Resource use and circular economy" and sub-topic "Resource inflows, including resource use" and further information on recycling performance is therefore provided below in the relevant section of the Group's Consolidated Sustainability Statement.

Recycling non-refractory materials creates new revenue streams and broadens market reach
Opportunity
A strategic joint venture between RHI Magnesita and BPI brings together RHIM's global refractory expertise with BPI's strong US infrastructure and processing capabilities. This collaboration marks a significant step toward reaching a 20% combined recycling rate by 2030 and sets the foundation for long-term innovation in circular raw materials across North America. With 20 operational locations spanning eight states and Canada, the partnership will enhance customer proximity, strengthen technical support, and expand access to high-quality, domestically sourced recycled materials.

The joint venture will also boost innovation and sustainability by uniting both companies' R&D teams to develop safer, more efficient, and lower-carbon solutions. It supports RHIM's broader ambition to create a global recycling technology platform, complementing ongoing efforts in Europe through the MIRECO partnership. Leaders from both companies highlight the shared commitment to advancing sustainable sourcing, expanding circular solutions, and delivering greater value to customers. The transaction remains subject to customary closing conditions and is expected to be completed in the second half of 2025.

In 2025, the Group updated its Double Materiality Assessment (DMA) to reflect the acquisitions occurred during reporting period, including BPI and the establishment of the new joint venture designed to enhance circularity in North America. This review highlighted a new business opportunity: the potential to unlock additional revenue streams and expand market reach through the scaled external sales of recycled materials and additives enabled by the Group's broader recycling footprint. The Group will further evaluate the magnitude of this opportunity and report the detailed impacts in the next reporting cycle.
The Group will consider as KPI the external sales of recycling and additives to monitor this topic.

Workplace safety incidents in own workforce
Negative impact
Occupational injuries occurring at RHI Magnesita's operational sites have a negative impact on affected individuals and their families. This impact is focused on incidents which occur within the Group's core operations and not in its upstream or downstream value chains.

The Group's operations may also be affected by poor health and safety performance and such impacts could be both short term and long-term in nature. Workplace safety incidents have a negative financial impact in the short term due to lost time, reduced production, lower productivity and costs associated with compensation, investigations and remedial upgrades. Long-term impacts could arise due to higher costs of production, reputational damage, long-dated compensation payments and impacts on key stakeholders such as difficulty in recruiting or retaining employees.

Health and safety is a core value for RHI Magnesita and adaptations have been made to the strategy and the business model to reduce this negative impact. Key initiatives aimed at structurally reduce impacts include automation, training, incident investigation, global standards, safety culture initiatives and reviews by external experts. The Group has sufficient capacity to invest in improving its health and safety performance and health and safety related capital expenditures are protected and prioritised within the Group's capital allocation framework.

Workplace safety incidents are covered by topic “S1 — Own workforce” and sub-topic “Health and safety” and further information on workplace safety is therefore provided below in the relevant section of the Group's Consolidated Sustainability Statement.

Incidents of forced labour in own workforce
Potential negative impact
RHI Magnesita employs approximately 15,500 employees and 5,500 contractors across its main production sites globally, operating in a diverse range of locations. While the risk of forced labour is closely managed, it remains a concern, particularly among the contractor workforce, where the Group has less direct control over recruitment and working conditions. This risk is specifically focused on incidents within RHI Magnesita's core operations and does not extend to its upstream or downstream value chains.

Findings from the Double Materiality Assessment (DMA) indicate that the risk of forced labour is significantly higher in regions such as BRICS, Asia, Africa, and Middle and South America, where regulatory oversight and enforcement mechanisms may be weaker. Forced labour has severe consequences on individuals' quality of life, making prevention and mitigation a key priority. In contrast, regions such as Europe, North America, Singapore, and South Korea present a significantly lower risk, supported by strong legal frameworks and governance structures, with only rare cases occurring.

Within RHI Magnesita's operations, strict Group policies and compliance measures serve as a strong deterrent, minimising the probability of occurrence to an individual level. However, managing and mitigating the personal and systemic impacts of forced labour remains complex.
The risk of poor labour practices interacts with the Group's strategy in the area of M&A, which is a primary growth driver for RHI Magnesita. Through due diligence before transactions and during integration processes after completion the Group seeks to ensure that practices in acquired businesses are in line with expected minimum standards and policies.

Failure to identify and rectify instances of forced labour within its own workforce could result in fines, enforcement action and reputational damage. Conditions of forced labour have clear negative impacts on people but are not likely to be connected to environmental impacts.

Given the safeguards that the Group has in place, no material financial effect from this risk is expected in the next reporting period, 2025, or in the medium to long-term. The Group has sufficient capacity to continue to address this risk in its own workforce.

The Group tracks the number of reports to the whistleblowing hotline, and it will be used as a KPI for this area.

Forced labour is covered by topic “S1 — Own workforce” and sub-topic “Forced labour” and further information is therefore provided below in the relevant section of the Group's Consolidated Sustainability Statement.

Reputational damage if health and safety targets not achieved
Risk
RHI Magnesita employees and contractors working at production and customer sites may be exposed to occupational safety hazards. The most common causes of serious injuries include falls, falling objects, contact with moving vehicles or industrial equipment, and material handling.

The Group aims to eliminate fatalities and to maintain a Total Recordable Injury Frequency Rate (TRIFR) below 2 per 1,000,000 hours worked by 2030. This target has been restated from the previous threshold of <1.2 per 1,000,000 hours worked following a comprehensive reassessment of the underlying health and safety data.

Failure to achieve these targets could result in reputational damage, regulatory fines or enforcement actions, and may negatively affect the Group's ESG ratings, with potential implications for the interest rates applied to its sustainability-linked debt facilities.

This risk is focused on health and safety performance within the Group's core operations and not in its upstream or downstream value chains.

Workplace health and safety interacts closely with the Group's strategy and business model since refractory production in non-automated plants is labour intensive and necessitates people working in close proximity to equipment, machinery and other potential hazards. As a responsible employer with an aspiration to lead the refractory industry in sustainability, the Group assigns the highest priority of all sustainability risks and impacts to the safety of its employees and contractors.

Health and safety risk interacts with the Group's strategy in the area of M&A, which is a primary growth driver for RHI Magnesita. Through due diligence before transactions and during integration processes after completion the Group seeks to ensure that health and safety practices in acquired businesses are in line with expected minimum standards and policies.

Given the safeguards that the Group has in place, no material financial effect from this risk is expected in the next reporting period, 2025, or in the medium to long-term. The Group has sufficient capacity to continue to address this risk in its own workforce.

The Group will develop a reputation-related KPI in line with phase-in requirements for this topic.

Health and safety in own workforce is covered by topic "S1 — Own workforce" and sub-topic "Health and Safety" and further information is therefore provided below in the relevant section of the Group's Consolidated Sustainability Statement.

Workplace safety incidents in supply chain
Negative impact
RHI Magnesita utilises a broad supply chain including raw material producers, energy suppliers, freight service providers, consumables, packaging and capital goods suppliers, amongst others. Occupational injuries occurring in the supply chain have a negative impact on affected individuals and their families. This impact is focused on incidents which occur within the upstream value chain and not in the Group's core operations or downstream value chains.

Health and safety is a core value for RHI Magnesita and suppliers are expected to maintain compliance with health and safety regulations according to the Supplier Code of Conduct. Workplace safety incidents in the supply chain are unlikely to have any financial impact on RHI Magnesita but could result in reputational damage.

RHI Magnesita undertakes audits at supplier sites and requires participation in third party evaluations provided by Eco Vadis to ensure supplier compliance with a range of sustainability issues, including health and safety performance. The Group has sufficient capacity to continue addressing this negative impact in its supply chain.

The Group collects and assesses supplier data and uses as a KPI to track this topic.

Workplace safety incidents in the supply chain are covered by topic "S2 — Workers in the supply chain" and sub-topic "Health and safety" and further information on workplace safety is therefore provided below in the relevant section of the Group's Consolidated Sustainability Statement.

Incidents of forced labour in supply chain
Potential negative impact
RHI Magnesita utilises a broad supply chain including raw material producers, energy suppliers, freight service providers, consumables, packaging and capital goods suppliers, amongst others. Since RHI Magnesita does not have direct managerial control over workers in its supply chain, there is a relatively higher risk of instances of forced labour. This risk is focused on forced labour which may occur within the upstream value chain and not within the Group's core operations or downstream value chain.

According to the terms of RHI Magnesita's Supplier Code of Conduct, suppliers are expected to respect and promote human and civil rights and refrain from using any form of forced, compulsory or child labour. Incidents of forced labour in the supply chain are unlikely to have any financial impact on RHI Magnesita but could result in reputational damage.

RHI Magnesita undertakes on-site assessments at supplier sites and requires participation in third-party evaluations provided by Ecovadis to ensure supplier compliance with a range of sustainability issues, including forced labour. The Group has sufficient capacity to continue addressing this negative impact in its supply chain. No incidents of this kind were recorded in 2025. The Group had previously addressed a case of forced labour identified in 2023 by terminating the supplier relationship. No comparable incidents were identified in 2024 or 2025.

The risk of poor labour practices interacts with the Group's strategy in the area of M&A, which is a primary growth driver for RHI Magnesita. Through due diligence before transactions and during integration processes after completion the Group seeks to ensure that practices in acquired businesses are in line with expected minimum standards and policies.

The Group collects and assesses supplier data and uses as a KPI to track this topic.

Forced labour in the supply chain is covered by topic “S2 — Workers in the supply chain” and sub-topic “Forced labour” and further information on workplace safety is therefore provided below in the relevant section of the Group’s Consolidated Sustainability Statement.

Fraud and corruption in various forms

Risk

RHI Magnesita operates in some geographies with inherently high corruption risks, where employees or third-party representatives may violate anti-corruption laws. This risk could occur in the Group’s core operations or in its upstream and downstream value chains.

Fines, enforcement action and reputational damage as a result of breaches of anti-corruption laws may be significant. The Group is not aware of any ongoing investigation which could result in a material financial impact in the current reporting year, 2025. The risk of fraud and corruption is likely to continue to exist in both the medium and long-term but the Group has sufficient capacity to continue to address this risk.

Fraud and corruption risk interacts with the Group’s M&A growth strategy as it seeks to grow its business in geographies and product segments in which it is under-represented. RHI Magnesita may pursue acquisitions in geographies with a higher risk of fraud and corruption. Through due diligence before transactions and during integration processes after completion the Group seeks to ensure that practices in acquired businesses are in line with expected minimum standards and policies.

Responses to the risk of fraud and corruption include:

- Promoting ethical values supported by strong corporate culture;
- Code of Conduct and compliance policies and procedures;
- Enhancement of global training, documentation of compliance matters and communication;
- Whistleblowing channels available to employees and external parties to report compliance concerns; and
- Range of interventions performed in conjunction with acquired businesses to assess regulatory risk and to introduce and embed the Group’s compliance approach.

The Group tracks the number of reports to the whistleblowing hotline, and it will use as a KPI for this area.

Fraud and corruption are covered by topic “G1 — Business Ethics” and further information is therefore provided below in the relevant section of the Group’s Consolidated Sustainability Statement.

Impact, risk and opportunity management

Disclosure Requirement IRO-1 — Description of the process to identify and assess material impacts, risks and opportunities

RHI Magnesita has assessed material sustainability related impacts, risks and opportunities according to the ESRS concept and requirements of double materiality. The assessment results were presented to management and subsequently reviewed by the joint meeting of the Corporate Sustainability and Audit & Compliance Committees on behalf of the Board of Directors.

Refractory production is a hard-to-abate industry characterised by energy-intensive processes, high-temperature operations, and reliance on fossil fuels, leading to significant carbon emissions, including process emissions from raw material calcination and fuel combustion at raw material processing sites. The impact is exacerbated by rising global demand, particularly in emerging markets, and the inherent challenges of decarbonisation due to technological limitations (e.g., achieving high temperatures with renewable energy), long investment cycles, and substantial transition costs. To address these emissions, the Group is actively pursuing and evaluating solutions such as carbon capture, utilisation, and storage (CCUS), electrification, green hydrogen, energy efficiency enhancements, and the integration of low-carbon materials into its operations.

To prepare for the double materiality assessment, RHI Magnesita conducted a comprehensive evaluation of its business model and activities across the value chain. This included a detailed analysis of the granularity of impact risks and opportunities (IROs) within the Group, ensuring a thorough understanding of their specific implications. This process was aimed at identifying key areas of significance, refining the scope of material issues, and aligning them with the Group’s strategic priorities. This process was guided by the list of sustainability matters outlined in the topical ESRS and facilitated the identification of key stakeholders. Additionally, RHI Magnesita also made use of performance data, literature review, ESG public databases, current and upcoming regulations and standards, industry sector benchmarking and external experts to support the materiality assessment. RHI Magnesita has previously carried out materiality and risk assessments for GRI reporting and TCFD analysis.

The evaluation of potential GHG emissions has been conducted with a focus on the distinct contributions from raw material preparation plants and refractory production facilities. This analysis accounts for variations in energy and fuel mixes across operations, as well as the specific carbon intensity of each process. Raw material preparation plants, due to energy-intensive activities such as calcination and material processing, have been assessed separately to highlight their unique emission profiles. Similarly, emissions from refractory production have been analysed, with particular attention to kiln operations, fuel combustion, and electricity consumption. Additionally, the type and sourcing of raw materials have been considered, given their significant impact on the overall emissions footprint. This approach ensures a comprehensive understanding of source of emissions across the value chain and highlights key areas for targeted mitigation efforts.

The assessment process incorporated input and validation from key stakeholders, including subject matter experts from group functions in health and safety, environment, equality, diversity and inclusion, community engagement, sustainable procurement, compliance, and risk management. Additionally, contributions from the sustainability functions in corporate areas were integral to ensuring a holistic perspective. Involvement of the risk management resources in the materiality assessment process supports the identification and further evaluation of sustainability related impacts, risks and opportunities. There are no additional internal controls for the DMA.

Impact materiality assessment

The impact materiality assessment considered both actual and potential sustainability impacts from RHI Magnesita's own activities and business relationships across the upstream and downstream value chain, focusing on high-risk areas such as mining and production processes, as well as relevant processes and influencing factors. Where applicable, industry-specific issues were also integrated into the evaluation to ensure a tailored approach.

The following steps were taken for the impact materiality assessment:

- Identification of impacts;
- Scoping and classification of individual impacts;
- Assessment of significance of individual impacts;
- Analysis of results and materiality thresholds; and
- Perception and Validation of DMA Outcomes by stakeholders.

Identification of impacts

RHI Magnesita has identified its impacts across the value chain by examining sustainability matters at varying levels of granularity, including topics, sub-topics, and sub-sub-topics. This analysis considered the direct and indirect consequences of RHI Magnesita's operations, products, and services on environmental, social, and governance aspects. By aligning with the detailed structure provided by the ESRS, the assessment captured specific nuances of each sustainability matter, ensuring a thorough understanding of the scale, scope, and depth of RHI Magnesita's impacts at every stage of the value chain. This approach enabled the identification of both significant adverse effects and opportunities for positive contributions to people and environment.

Scoping and classification of individual impacts

As a next step, a detailed analysis of each identified impact, considering its classification along the value chain to pinpoint where it occurs, and its significance was carried out. Impacts were classified as positive or negative and assessed further to determine whether they are actual (already occurring) or potential (likely to occur in the future). Each impact was also evaluated based on its time frame – whether it is short (0-1 year), medium (2-5 years), or long-term (> 5years) – and the probability of its occurrence, enabling a thorough understanding of the likelihood and urgency of the impact. This approach ensures a comprehensive assessment of sustainability impacts across RHI Magnesita's operations and value chain.

Assessment of significance of individual impacts

RHI Magnesita assesses the significance of impacts using the ESRS methodology, evaluating scale, scope, remediability, and likelihood on a 1—6 scale, with 6 representing the highest relevance. This approach combines quantitative indicators with qualitative insights from experts and stakeholders to ensure a balanced and comprehensive assessment. Potential impacts are further reviewed based on their probability of occurrence, level of detail, and time horizon.

For impact materiality, any topic scoring 6 in any category is automatically deemed material, reflecting its importance for people or the environment across the short-, medium- and long-term. A matter is therefore considered material when it presents a significant actual or potential impact—positive or negative—within these time frames.

Analysis of results and materiality thresholds

The analysis of results and materiality thresholds play a critical role in determining which issues are to be included in RHI Magnesita's sustainability reporting. Materiality thresholds were carefully evaluated for reasonableness to ensure a balance between comprehensiveness and manageability, ensuring that resources are focused on critical areas without diluting efforts across too many topics while meeting reporting obligations effectively. Both quantitative (e.g. numerical scoring) and qualitative thresholds (e.g., legal compliance, reputational risk) were utilised, with alignment to Group targets shaping final decisions. To ensure focus on the most critical issues, RHI Magnesita applies a materiality threshold of >5, directing attention to those impacts that require priority action.

Financial materiality assessment

Financial materiality is evaluated based on the potential risks of negative reputational, financial, or commercial impacts on RHI Magnesita arising from sustainability topics, as well as the opportunities linked to sustainability that could benefit RHI Magnesita. The following steps were taken for the financial materiality:

- Gap analysis;
- Risk mapping against CSRS topics, subtopics and sub-subtopics;
- Assessment based on RHI Magnesita's internal risk assessment approach;
- Analysis of results and materiality thresholds; and
- Perception and Validation of DMA Outcomes by stakeholders.

Gap analysis
The gap analysis of financial materiality involves a thorough review of existing risks to assess their alignment with RHI Magnesita's strategy and sustainability goals. This process includes identifying any emerging risks that may pose reputational, financial, or operational challenges and evaluating their potential impact on the Group. Simultaneously, the analysis explores untapped opportunities that align with RHI Magnesita's strategy, enabling the integration of sustainability-driven initiatives into the business strategy.

Risk mapping against ESRS topics
As part of the risk mapping process, ESG risks and opportunities were aligned with their corresponding topics within the ESRS framework. By doing so, RHI Magnesita ensured that highly rated impacts identified in the materiality analysis are adequately reflected as risks or opportunities within the ESRS universe, providing a cohesive and comprehensive integration of sustainability considerations into risk management and reporting practices.

Risk and opportunity assessment following RHI Magnesita's risk management approach

The assessment of risks and opportunities has followed RHI Magnesita's internal risk assessment methodology, ensuring alignment with the Group's established approach to evaluating potential impacts. The analysis incorporates a time horizon perspective, considering short-, medium-, and long-term implications for the business. This comprehensive evaluation enables the identification and prioritisation of risks and opportunities, ensuring that immediate concerns, emerging trends, and long-range strategic impacts are thoroughly addressed within the sustainability context.

Analysis of results and materiality thresholds
The analysis of results and materiality thresholds is key in identifying which issues are significant enough to be included in RHI Magnesita's sustainability reporting. These thresholds were assessed to ensure a balance between comprehensiveness and focus, allowing resources to be directed toward critical risks and opportunities while maintaining effective reporting. Both quantitative thresholds (e.g., numerical scoring) and qualitative criteria (e.g., legal compliance, reputational risk) were applied, with alignment to Group targets guiding final decisions. For Financial materiality, a sustainability matter is considered material when it triggers, or may trigger, material financial effects on the Group, including risks and opportunities that can influence cash flows, development, performance, or access to finance across all relevant time frames. A threshold of >15 has been set for this assessment, ensuring that the analysis concentrates on high or critical financial risks and opportunities. It should be noted, however, not all sustainability related risks in the Consolidated Sustainability Statement are specifically highlighted in RHI Magnesita's aggregate risk profile.

For impact materiality, 95 matters were assessed. Of these, 12 were classified above the materiality threshold. For financial materiality, 70 matters were assessed. Of these, eight were classified above the materiality threshold and one was added as a result of the stakeholder validation process.

Stakeholder perception and validation of Double Materiality Assessment (DMA) results
RHI Magnesita conducted consultations with internal and external stakeholders (employees, investors, suppliers, customers, NGOs, lenders, members of Board) for validation and perceived materiality.

The stakeholder engagement for the 2025 Double Materiality Assessment was conducted through targeted interviews with selected internal and external stakeholders. The engagement focused on validating existing Impacts, Risks and Opportunities (IROs) and identifying potential changes resulting from recent acquisitions, in particular Resco, BPI and Ashwath. Discussions were structured around key topics including environmental impacts, recycling and circularity, biodiversity, workforce and community impacts, and operational risks. The feedback received was used to confirm the continued relevance of existing material topics, assess the materiality of newly identified aspects, and support the robustness of RHIM's materiality conclusions in line with CSRD requirements.

The views of RHI Magnesita's stakeholders are integrated in the materiality assessment. RHI Magnesita's Group functions and business areas summarise input provided to them through their engagement with affected stakeholders, and their interaction with external sustainability experts and users of RHI Magnesita's Consolidated Sustainability Statement.

Results
All identified sustainability related impacts, risks and opportunities that are considered material for affected stakeholders or users of RHI Magnesita's Consolidated Sustainability Statement are presented in the SBM-3 section, which is the basis for the scope of this Consolidated Sustainability Statement. Material information for disclosure has been determined through a structured Double Materiality Assessment aligned with ESRS 1, section 3.2, combining impact materiality and financial materiality considerations. This process integrated qualitative

criteria and quantitative thresholds to ensure consistency and relevance, with potential impacts, risks and opportunities screened across the value chain, assessed based on their severity, likelihood and strategic significance, and validated through internal expert input and stakeholder insights. Only those topics that met the established materiality thresholds or were assessed as critical due to their nature or scale, were designated as material and selected for disclosure.

In 2025, RHI Magnesita updated its double materiality assessment to reflect the acquisition of Resco, BPI and Ashwath, the establishment of the joint venture with BPI, and recommendations from the previous assurance process, including sustainability reporting risks. The review followed a structured five-step methodology aligned with ESRS requirements and assessed changes in impacts, risks and opportunities resulting from the expanded organisational scope. The Group's value chain was updated to include Resco's production and mining sites in the United States and Canada, as well as BPI's processing and laboratory sites. The assessment confirmed that the new entities do not introduce materially new activities. A physical climate risk and hazard analysis was conducted for Resco sites, assessing exposure to acute and chronic risks such as extreme heat, flooding, storms and wildfires, supporting both impact and financial materiality assessments. Stakeholder engagement was strengthened through targeted interviews with relevant internal and external stakeholders, whose input supported the refinement of material topics. In line with updated ESRS interpretation guidance, certain impact classifications were adjusted, including the reallocation of the positive impact related to recycled raw materials from core to downstream, and a new material opportunity related to external sales of recycled materials was identified.

Further validation of physical climate risks will be conducted in 2026 through site-level interviews, and the double materiality assessment will be reviewed to reflect updated ESRS requirements and ongoing organisational developments.

A regular review of the scope of the DMA is expected, to remain responsive to the evolving regulatory environment and/or the Group goes through significant changes in its industrial footprint (e.g. M&A).

Disclosure requirement IRO-2 — Disclosure requirements in ESRS covered by the undertaking's Consolidated Sustainability Statement

Environmental Information

The following index shows the disclosure requirements that were followed in preparing the Consolidated Sustainability Statement based on the results of the materiality assessment (see ESRS 1 Chapter 3), including the page numbers that contain the corresponding disclosures in the Consolidated Sustainability Statement.

In addition, information on data points in ESRS 2 and the thematic ESRSs arising from other EU legislation (ESRS 2 Annex B), as well as the requirements under the thematic ESRSs that need to be taken into account when reporting on the ESRS 2 disclosure requirements (ESRS 2 Annex C), is provided in the Appendix on pages 168-173.

MDR — minimum disclosure requirements

RHI Magnesita's Consolidated Sustainability Statement includes separate sections on all material sustainability topics covered by ESRS. The chapter for each material sustainability topic includes a description of material impacts, risks and opportunities in relation to the topic, and corresponding disclosures on governance, strategy, policies, metrics and targets.
The adopted policies, actions, metrics and targets with reference to the specific sustainability matter concerned, do not necessarily include all the information required under relevant ESRS, hence it is disclosed as required by ESRS.

Environmental information

Disclosures pursuant to Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation)

The EU Taxonomy Regulation (EU Taxonomy) applies in respect of the financial year to 31 December 2025 and requires the Group to report annually on the proportion of its turnover, operating expenditure and capital expenditure attaching to economic activities that are considered to be environmentally sustainable.

The Taxonomy disclosures have been prepared in compliance with Delegated Regulation (EU) 2026/73, which amends the disclosure requirements based on Article 8 of Regulation (EU) 2020/852 (EU Taxonomy Regulation) further specified in supplementing Delegated Regulations. The delegated act updates the applicable reporting framework and technical screening criteria for both climate-related and non-climate environmental objectives, as set out in Delegated Regulations (EU) 2021/2178, (EU) 2021/2139 and (EU) 2023/2486. In line with the updated legislation, the assessment for OpEx and CapEx applies the 10% materiality threshold for the identification and disclosure of taxonomy-eligible and taxonomy-aligned economic activities.

The EU Taxonomy identifies the six environmental objectives: climate change mitigation; climate change adaptation; the sustainable use and protection of water and marine resources; the transition to a circular economy; pollution prevention and control; and the protection and restoration of biodiversity and ecosystems. In respect of the 2025 financial year, the Group, RHI Magnesita has reviewed its activities that qualify as eligible and aligned according to the published technical screening criteria for climate change mitigation and adaptation. As no sector-specific guidance for the refractory industry has been published yet and therefore the Group is required to use its own judgement against the eligibility criteria. The NACE (the statistical classification of economic activities in the European Community) codes most closely describing the activities of the Group are "23.20 Manufacture of refractory products" and "08.99 Other mining and quarrying". These NACE codes are not listed in Annex I or Annex II of the Taxonomy Regulation, but certain activities carried out by the Group do meet the definitions of economic activities listed in Annex I of the Regulation. As elaborated further by the Commission on Taxonomy, if the NACE code of an economic activity is not mentioned in the Climate Delegated Act, but the economic activity corresponds to the description of the activity, it can qualify as Taxonomy eligible.

The EU Taxonomy distinguishes between taxonomy eligibility and taxonomy alignment. An economic activity can be considered eligible if it is listed in the annexes of Taxonomy regulation. However, in order to be considered "aligned", further Technical Screening Criteria (TSC) must be met. This requires a further assessment of the eligible activities identified. The TSC comprise Substantial Contribution plus the Do-No-Significant-Harm criteria (DNSH) for each of the environmental objectives associated with the relevant business activities. Additionally, the Minimum Social Safeguards (MSS) at the corporate level have to be met. The overall aim of this process is to establish the taxonomy-eligibility and alignment.

Accounting policy
RHI Magnesita N.V. prepares consolidated financial information in accordance with IFRS accounting standards as adopted by the EU and the financial information for turnover, operating expenditure and capital expenditure presented under the EU Taxonomy has been prepared under the same accounting principles.

Taxonomy eligible activities of RHI Magnesita
The following economic activities of RHI Magnesita are listed in the annexes of EU Taxonomy Delegated Acts and therefore, are considered eligible:

- CCM/CCA 3.6 Manufacture of other low-carbon technologies.
- CCM/CCA 5.9 Material recovery from non-hazardous waste.
- CCM/CCA 7.7 Acquisition and ownership of buildings.
- CE 2.7 Sorting and material recovery of non-hazardous waste.
- BIO 1.1 Conservation and restoration of habitats, ecosystems and species.

R&D supports eligible economic activities, allocated accordingly. GHG emission avoidance related to R&D is not material, and therefore, not reported separately.

Manufacture of other low carbon technologies
The economic activity CCM/CCA 3.6 "Manufacture of other low-carbon technologies" pursuant to Article 10(3) and Article 11(3) covers the "Manufacture of technologies aimed at substantial GHG emission reductions in other sectors of the economy". At RHI Magnesita products and services for Electric Arc Furnaces (EAF), digital solutions and advanced technologies contribute to achieve substantial GHG emissions at our customers.

EAF refractories
RHI Magnesita provides refractory products specifically designed for EAFs. Additionally, RHI Magnesita provides solutions and services to its customers to reduce their GHG emissions, including digital solutions as well as advanced refractory products.

EAFs are a vital enabling technology for the reduction of CO_2 emissions in the steel industry. EAFs can be powered using electricity sourced partially or wholly from renewable electricity and replace the BOF phase of the traditional integrated steel manufacturing process, which pairs a blast furnace with a BOF and is highly CO_2 intensive. To replace a BOF, EAF steelmaking requires scrap steel, and a source of virgin iron like DRI or pig iron produced from the reduction of iron ore. EAF steelmaking requires a source of scrap steel or sponge iron produced from the reduction of iron ore.

DRI using elevated levels of or exclusively hydrogen and is a new technology under development that seeks to eliminate CO_2 emissions from the reduction of iron ore in blast furnaces using coke. If enough hydrogen manufactured from renewable sources can be accessed and if a DRI furnace can be paired with an EAF for the second stage of the steelmaking process that is also powered by renewable energy, CO_2 emissions from steel production can be largely eliminated. A key limiting factor for increased DRI production is currently the availability of suitable iron ore, as DRI production requires highest quality iron ore pellets while blast furnaces can consume almost any kind of iron ore facing no restrictions.

RHI Magnesita is one of the market leaders in EAF-specific refractories, services and solutions, in part due to the unique chemical composition of the Group's raw material supply. RHI Magnesita's refractories used in EAF production contribute to reducing CO_2 emissions at steel plants by supporting the more sustainable electric arc furnace process, which inherently generates lower emissions compared to steel production via blast furnace and BOF methods,

Digital Solutions and advanced technologies
RHI Magnesita offers digital solutions and associated physical equipment, which achieve CO_2 emissions reductions through process efficiencies, such as wear monitoring and gunning repairs to extend the safe working life of refractory linings. Safely extending the working life of refractory linings can achieve significant energy savings for steel producers by reducing the number of heating and cooling cycles required per unit of steel output.

The Group also offers advanced refractory products, which enable its customers to substantially reduce GHG emissions by reducing electricity consumption, improving yield and reducing oxygen consumption.

Other solutions and products which directly contribute to CO_2 emissions reductions at customers' sites include cold setting mixes, EAF direct purging plugs and converter inert gas purging.

Material recovery from non-hazardous waste
The activity CCM/CCA 5.9 Material recovery from non-hazardous waste pursuant to Article 10(3) and Article 11(3) – covers the "construction and operation of facilities for the sorting and processing of separately collected non-hazardous waste streams into circular raw materials involving mechanical reprocessing, except for backfilling purposes."

RHI Magnesita increased its Secondary Raw Material (SRM) input to 15.9% of raw material used in production of refractories. As part of this effort, RHI Magnesita operates facilities for the sorting and processing of spent refractories from customers' industries.

Circular raw materials, which are mechanically processed by RHI Magnesita and transformed from waste to raw material are eligible for consideration under the EU Taxonomy, whilst circular raw material processed by a third party and purchased externally by the Group are non-eligible.

Sorting and material recovery of non-hazardous waste
The activity CE 2.7 "Sorting and material recovery of non-hazardous waste" pursuant to Article 13 (2) covers "Construction, upgrade, and operation of facilities for the sorting or recovery of non-hazardous waste streams into high-quality secondary raw materials using a mechanical transformation process".

RHI Magnesita actively collaborates in the transition to a circular economy through the sorting and material recovery of non-hazardous waste. This encompasses the construction, upgrade, and operation of facilities for sorting or recovering non-hazardous waste streams into high-quality secondary raw materials using mechanical transformation processes.

Across various sites, RHI Magnesita engages in sorting non-hazardous waste, recovering materials for use as secondary raw materials in its refractory production, aligning with the EU Taxonomy criteria.

Conservation and restoration of habitats, ecosystems and species
The activity BIO 1.1 "Conservation and restoration of habitats, ecosystems and species" pursuant to Article 15(2) – covers in-situ conservation and restoration activities aligned with Convention on Biological Diversity".

RHI Magnesita is committed to the protection and restoration of biodiversity and ecosystems, specifically through the conservation and restoration of habitats, ecosystems, and species. RHI Magnesita's engagement in-situ conservation and restoration activities align with the Convention on Biological Diversity's definition and applies to its open-pit mining operations, where recovery of ecosystems and habitats is planned and executed.

The Group operates multiple mines, where a crucial aspect of open-pit mining involves restoring ecosystems and habitats. In 2025, recultivation activities occurred at six sites.

Acquisition and ownership of buildings
The activity CCM/CCA 7.7 'Acquisition and ownership of buildings' is a cross-cutting activity pursuant to Article 10(3) and Article 11(3) occurring also at RHI Magnesita. Due to the acquisition of Resco, significant CapEx relating to buildings such as office buildings falls into this category in 2025 and is reported as eligible CapEx without further assessment as this is not a core activity of RHI Magnesita.

KPIs
Share of Taxonomy-eligible revenue, operating expenditure and capital expenditure — climate change mitigation, transition to circular economy, and protection and restoration of biodiversity and ecosystems.

Turnover
The turnover KPI is calculated as the ratio of turnover associated with taxonomy-eligible and/or aligned economic activities in the reporting period to total turnover in that period. The total turnover of the financial year 2025 of €3.4 billion forms the denominator of the turnover key figure and is provided in the Consolidated Statements of Profit or Loss of the Financial Statement Note 5 of this Annual Report.

The following eligible and/or aligned activities have been identified as relevant in view of turnover:

- CCM/CCA 3.6 Manufacture of other low-carbon technologies.
- CCM/CCA 5.9 Material recovery from non-hazardous waste.
- CE 2.7 Sorting and material recovery of non-hazardous waste.

Most of our Taxonomy-eligible turnover (numerator) are reported under Activity CCM/CCA 3.6. "Manufacture of other low-carbon technologies". The only portion of our turnover Taxonomy-aligned is reported under Activity CCM/CCA 5.9 "Material recovery from non-hazardous waste". A thorough analysis of turnover KPI drivers during the reporting period considered diverse revenue sources, including customer contracts and lease income. About 84% of materials recovered by the Group from non-hazardous waste are consumed internally. Therefore, the 2025 financials include external Turnover from material recovery in non-hazardous waste.

Capital expenditure
The total capital expenditures in line with point 1.1.2.1. Annex 1 of the Disclosure Delegated Act equal the denominator. Total CapEx consists of additions to tangible and intangible fixed assets during the financial year, before depreciation, amortisation and any remeasurements, including those resulting from revaluations and impairments, as well as excluding changes in fair value. It includes acquisitions of tangible fixed assets (IAS 16), intangible fixed assets (IAS 38), right-of-use assets (IFRS 16) and investment properties (IAS 40). In 2025, the total CapEx amounts €411m and is in line with the Financial Statement Notes 18 and 19 of this Annual Report.

The CapEx KPI is defined as Taxonomy-eligible CapEx (numerator) divided by total CapEx (denominator), for the financial year, ended 31 December 2025.

The following eligible activities have been identified as relevant regarding the capital expenditure KPI:

- CCM/CCA 3.6 Manufacture of other low-carbon technologies.
- CCM/CCA 5.9 Material recovery from non-hazardous waste.
- CE 2.7 Sorting and material recovery of non-hazardous waste.
- CCM/CCA 7.7 Acquisition and ownership of buildings.

The additions of assets in the reporting year served as a basis for the necessary identification.

Taxonomy-eligible CapEx (numerator) is an aggregation of addition to property, plant and equipment reported under Activity CCM/CCA 5.9 "Material recovery from non-hazardous waste" and Activity CE 2.7 "Sorting and material recovery of non-hazardous waste"; and to internally generated intangible assets reported under Activity CCM/CCA 3.6 "Manufacture of other low-carbon technologies" and under Activity CCM/CCA 7.7 "Acquisition and ownership of buildings" There is neither a CapEx plan to expand RHI Magnesita's Taxonomy-aligned economic activities nor to upgrade Taxonomy eligible economic activities to render them Taxonomy-aligned.

Operating expenditure
Total applicable OpEx is in line with the Taxonomy legislation consisting of maintenance OpEx, R&D OpEx and Recultivation OpEx. Other OpEx categories such as short-term lease are excluded as they are immaterial.

The following eligible activities have been identified as relevant regarding the operating expenditure KPI:

- CCM/CCA 3.6 Manufacture of other low-carbon technologies.
- CCM/CCA 5.9 Material recovery from non-hazardous waste.
- CE 2.7 Sorting and material recovery of non-hazardous waste.
- BIO 1.1 Conservation and restoration of habitats, ecosystems and species.

Most of our Taxonomy-eligible OpEx (numerator) is related to assets or processes associated with taxonomy-eligible activities reported under Activity CCM/CCA 3.6 "Manufacture of other low-carbon technologies".

Avoidance of double counting
To avoid double counting, data sources for the various reported items are individually cross-checked to identify overlapping classifications. Where double counting is identified, overlapping data is removed from the eligible amount. OpEx related to activity CE 2.7 "Sorting and material recovery of non-hazardous waste" is overlapping with OpEx reported under activity CCM 5.9 "Material recovery from non-hazardous waste" therefore, not reported.

Taxonomy aligned activities of RHI Magnesita
For the eligible economic activities of RHI Magnesita previously described, the following activity is considered as aligned:

- CCM/CCA 5.9 Material recovery from non-hazardous waste.

The aligned turnover for this activity amounts € 24m, which reflects the total revenue from external sale of secondary raw material. In 2025, the increase of turnover from Mireco is the key element of change compared to prior year. The aligned CapEx for this activitity amounts € 2m and shows the capital expenditures of our recycling sites, which fulfil the DNSH assessment criteria. The decrease results from a general reduction of operational investment activities. The aligned € 4m OpEx of this activity can be split into € 2m of recycling related R&D expenses and € 2m for maintenance[4] OpEx at recycling sites. This increase is in line with our expanded recycling activities, which is also reflected by increased recycling revenues.

Substantial contribution criteria

In respect to alignment criteria, RHI Magnesita considered its activities under "Material recovery from non-hazardous waste" aligned because for each raw material recovery site, yield reports demonstrate a constant yield above 50%, which fulfil the alignment criteria. Not all of the eligible amount of the activity material recovery from non-hazardous waste is aligned, mainly due to the fact that DNSH assessment of recently acquired recycling plants has not yet been concluded in the reporting year.

All the other activities could not meet the technical screening alignment criteria and therefore, these are not considered as aligned activities.

Do No Significant Harm (DNSH)

To fulfil the DNSH criteria for the identified taxonomy-eligible economic activities, corresponding analyses and surveys were carried out in accordance with (EU) 2021/2139 to establish taxonomy alignment.

DNSH to climate change adaptation
Activity 5.9

For the climate risk and vulnerability analysis for objective 2 "climate change adaptation", potential climate hazards were analysed and assessed for their risk potential in accordance with the requirements of Appendix A (EU) 2021/2139. RHI Magnesita conducted climate risk assessments considering both physical and transitional climate risks aligned with TCFD. Four climate scenarios (representative concentration pathways 2.6, 4.5, 6.0 and 8.5) were considered based on the Intergovernmental Panel on Climate Change Fifth Assessment Report and the International Energy Agency (IEA) Sustainable Development Scenario. The results of the assessment indicated that the impact for physical risks is limited, since measures are in place to assess on a regular basis the risk of physical damage of assets. Insurance policies are partially covering physical damage by natural catastrophes.

DNSH to protection and restoration of biodiversity and ecosystems
Activity 5.9

The requirements for objective 6 "Biodiversity" according to Appendix D of Regulation (EU) 2021/2139 are ensured due to the legal framework within the EU. For sites outside the EU, the national legal framework was analysed.

RHI Magnesita considers its mining sites as the part of the production process with the highest potential for adverse effects on biodiversity. Therefore, the assessment focuses on mining sites. For all major RHI Magnesita's mining sites an environmental impact screening has been conducted. The mining sites operate close (less than 10 kilometers) to IUCN category Ia, II, IV, VI and unclassified (Natura 2000) protected areas. All mining sites fulfil general environmental protection requirements in line with legal requirements. Additionally, RHIM assessed its recycling sites in 2025. Generally, most recycling sites have a small environmental footprint due to the nature of the recycling processes. The assessment concludes that a few recycling sites are located less than 10 kilometers to protected areas but none of the sites is requested to monitor its environmental impact on nature protected areas in proximity. A very few sites have to comply with nature protection requirements as part of their permit and several sites had to conduct environmental impact screening as part of their permitting process.

Minimum social safeguards

RHI Magnesita has implemented a due diligence and governance framework aligned with internationally recognised standards, including the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, the International Bill of Human Rights, and the eight fundamental conventions of the International Labour Organization (ILO).

Human rights protection is embedded in the Group's policies and oversight structures. The Consolidated Anti-Slavery Statement is approved by the Corporate Sustainability Committee and published annually. Suppliers are required to comply with the Supplier Code of Conduct, which mandates adherence to internationally recognised human rights and labour standards, supported by contractual clauses and ongoing monitoring across the supply chain. A dedicated Human Rights Officer oversees the continuous strengthening of the Group's human rights framework.

Risk-based due diligence procedures apply to business partners—including customers, sales intermediaries, and suppliers—as well as to mergers and acquisitions. Enhanced screening is conducted for partners operating in high-risk countries. All sales agents are certified by Ethixbase360, including reputational screening. The Board retains ultimate responsibility for corporate governance, including risk

[4] Maintenance includes all measures during the life cycle of an object to maintain the functional state or to return it to this state so that it can fulfil the required function.

management, internal controls, and internal audit. An independent whistleblowing system enables confidential reporting of concerns, which are investigated by Internal Audit, Risk, and Compliance in cooperation with relevant functions.

Fair competition is firmly anchored in the Code of Conduct and compliance framework. The Group conducts its business in full compliance with applicable antitrust and competition laws and prohibits any anti-competitive agreements or practices that could distort market conditions. Publicly available policies on gender equality, anti-discrimination, and anti-harassment further reinforce the Group's commitment to responsible business conduct.

Tax governance forms part of the minimum safeguards framework. RHI Magnesita complies with applicable tax laws and internationally recognised standards and maintains a comprehensive Tax Control Management System (TCMS). The Global Tax Policy, approved annually by the Audit Committee, defines the Group's tax strategy, principles, and control mechanisms to manage and mitigate tax risks. Tax-related disclosures are transparently reported in the Financial Review section (see pages 32–36) of the Annual Report. During the reporting period, there were no convictions or severe violations of tax law, no systemic aggressive tax avoidance practices, no repeated penalties for tax misconduct, and no failure to remediate significant tax controversies.

Through these governance structures, policies, due diligence processes, and reporting mechanisms, RHI Magnesita ensures the effective implementation of the EU Taxonomy Minimum Safeguards across its operations and value chain.

Proportion of turnover, CapEx, OpEx from products or services associated with Taxonomy-eligible and Taxonomy-aligned economic activities — disclosure covering year 2025 (summary KPIs)

Financial year 2025

KPI	Total	Proportion of Taxonomy eligible activities	Taxonomy aligned activities	Proportion of Taxonomy aligned activities	Breakdown by environmental objectives of Taxonomy aligned activities						Proportion of enabling activities	Proportion of transitional activities	Not assessed activities considered non-material	Taxonomy aligned activities in previous financial year (N-1)	Proportion of Taxonomy aligned activities in previous financial year (N-1)
					Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity					
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Text	€ million	%	€ million	%	%	%	%	%	%	%	%	%	%	€ million	%
Turnover	3,366	16.7%	24	0.7%	0.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	17	0.5%
CapEx	411	2.8%	2	0.5%	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	9.3% (1)	4	2.3% (3)
OpEx	167	16.2%	4	2.4%	2.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	8.1% (2)	3	1.7%

Explanatory notes for Proportion of turnover, CapEx, OpEx from products or services associated with Taxonomy-eligible and Taxonomy-aligned economic activities:
(1) refers to cross-cutting activities and related additions to property, plant and equipment.
(2) refers to cross-cutting activities covering buildings incl. energy efficient equipment for buildings as well as cars & light commercial vehicles.
(3) amount restated, see section "Restatements and reporting errors in prior years" for details.

Proportion of turnover from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities — disclosure covering year 2025 (activity breakdown)

Reported KPI: Turnover

Financial year 2025													
Economic Activities	**Code**	**Taxonomy eligible KPI (Proportion of Taxonomy eligible Turnover)**	**Taxonomy aligned KPI (monetary value of Turnover)**	**Taxonomy aligned KPI (Proportion of Taxonomy aligned Turnover)**	**Environmental objective of Taxonomy aligned activities**						**Enabling activity**	**Transitional activity**	**Proportion of Taxonomy aligned in Taxonomy eligible**
					Climate Change Mitigation	**Climate Change Adaptation**	**Water**	**Circular Economy**	**Pollution**	**Biodiversity**			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Text		%	€ million	%	%	%	%	%	%	%	(E where applicable)	(T where applicable)	%
Manufacture of other low carbon technologies	CCM/CCA 3.6	15.6%	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	E		0.0%
Material recovery from non-hazardous waste	CCM/CCA 5.9	1.1%	24	0.7%	0.7%	0.0%	0.0%	0.0%	0.0%	0.0%			63.6%
Sum of alignment per objective					**0.7%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**			
Total KPI Turnover		**16.7%**	**24**	**0.7%**	**0.7%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**63.6%**

Proportion of CapEx from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities — disclosure covering year 2025 (activity breakdown)

Reported KPI: CapEx

Financial year 2025

Economic Activities	Code	Taxonomy eligible KPI (Proportion of Taxonomy eligible CapEx)	Taxonomy aligned KPI (monetary value of CapEx)	Taxonomy aligned KPI (Proportion of Taxonomy aligned CapEx)	Environmental objective of Taxonomy aligned activities						Enabling activity	Transitional activity	Proportion of Taxonomy aligned in Taxonomy eligible
					Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Text		%	€ million	%	%	%	%	%	%	%	(E where applicable)	(T where applicable)	%
Manufacture of other low carbon technologies	CCM/CCA 3.6	0.2%	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	E		0.0%
Material recovery from non-hazardous waste	CCM/CCA 5.9	1.9%	2	0.5%	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%			26.3%
Acquisition and ownership of buildings	CCM/CCA 7.7	0.7%	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			0.0%
Sum of alignment per objective					**0.5%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**			
Total KPI CapEx		**2.8%**	**2**	**0.5%**	**0.5%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**26.3%**

Proportion of OpEx from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities — disclosure covering year 2025 (activity breakdown)

Reported KPI: OpEx

Financial year 2025

Economic Activities	Code	Taxonomy eligible KPI (Proportion of Taxonomy eligible OpEx)	Taxonomy aligned KPI (monetary value of OpEx)	Taxonomy aligned KPI (Proportion of Taxonomy aligned OpEx)	Environmental objective of Taxonomy aligned activities						Enabling activity	Transitional activity	Proportion of Taxonomy aligned in Taxonomy eligible
					Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Text		%	€ million	%	%	%	%	%	%	%	(E where applicable)	(T where applicable)	%
Manufacture of other low carbon technologies	CCM/CCA 3.6	12.6%	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	E		0.0%
Material recovery from non-hazardous waste	CCM/CCA 5.9	3.0%	4	2.4%	2.4%	0.0%	0.0%	0.0%	0.0%	0.0%			80.0%
Conservation including restoration of habitats, ecosystems and species	BIO 1.1	0.6%	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			0.0%
Sum of alignment per objective					**2.4%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**			
Total KPI OpEx		**16.2%**	**4**	**2.4%**	**2.4%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**80.0%**

ESRS E1 Climate change

ESRS 2 General disclosures

Governance

Disclosure requirement related to ESRS 2 GOV-3 Integration of sustainability-related performance in incentive schemes

RHI Magnesita integrates sustainability considerations into its executive remuneration framework in order to align management incentives with the long-term strategic objectives of the Group and the creation of sustainable value.

In line with the requirements of ESRS 2 GOV-3, sustainability-related performance metrics are embedded in both the annual bonus and the long-term incentive plan (LTIP). These metrics are designed to support the Group's strategic priorities, including financial resilience, operational efficiency and environmental performance.

Particular emphasis is placed on climate- and resource-related indicators, reflecting RHI Magnesita's commitment to reducing its environmental footprint and supporting the transition to a more circular and low-carbon business model. The remuneration structure ensures that a defined portion of variable compensation is directly linked to the achievement of sustainability objectives, including the reduction of greenhouse gas emissions and the increased use of secondary raw materials.

The Board, the Corporate Sustainability Committee and the Remuneration Committee recognise that the use of financial incentives for executive management and other key functions, such as sales, can accelerate the achievement of sustainability objectives. This approach is further supported by feedback received through shareholder engagement, which has confirmed strong support for the inclusion of sustainability-related performance measures within the overall executive remuneration framework.

Annual bonus and Long-term incentive plan (LTIP)

Annual bonus and Long-term incentive plan are described in detail in the section GOV-3, page 78.

Disclosure requirement related to ESRS 2 SBM-3 — Material impacts, risks and opportunities and their interaction with strategy and business model

Climate strategy

Driving down carbon emissions is a key strategic priority for RHI Magnesita. In addition to pursuing its own decarbonisation pathway, the Group aims to support its customers in their transition towards a lower-carbon economy.

The Group has set clear carbon reduction targets. Its first target aims at a 15% reduction in CO_2 emissions per tonne across Scope 1, 2 and relevant Scope 3 (raw materials) by 2025, compared to the 2018 baseline. In early 2025, a second target was established, targeting a 10% reduction in CO_2 emissions per tonne by 2030, based on a 2024 baseline.

The Group's climate strategy is based on:

- reducing the carbon footprint of our raw materials, including through the increased use of circular raw materials;
- enhancing energy efficiency in our operations;
- reducing the carbon intensity of our energy sources; and
- providing innovative solutions to reduce customer emissions.

To assess the resilience of its strategy, the Group conducts annual climate scenario review to assess the potential impacts of transitional climate-related risks and opportunities over the short, medium, and long term. The analysis considers key drivers relevant to its energy-intensive operations, including CO_2 pricing, energy costs, regulatory developments, and the availability of low-carbon technologies.

Key assumptions considered in the transition to a lower-carbon economy, progress will be driven by increasingly stringent climate regulation, growing customer demand for low-carbon solutions, and the gradual decarbonisation of energy systems. It is assumed that energy efficiency will continue to improve and that the share of renewable energy will increase over time, while energy-intensive industrial processes will remain necessary in the medium term. The strategy further assumes the progressive development and deployment of recycling, low-carbon, and digital technologies, with more advanced solutions such as carbon capture utilisation / storage becoming available over the longer term. These assumptions are regularly reviewed to reflect evolving regulatory, market, and technological conditions.

Scenario modelling is based on International Energy Agency (IEA) reference pathways and includes both a Paris-aligned mitigation scenario (RCP 2.6) and a high-emissions scenario (RCP 8.5). These scenarios are used as analytical tools to assess resilience and risk exposure, rather than as direct representations of the Group's decarbonisation commitments.

The analysis is conducted at an aggregated level using sector- and region-specific assumptions reflecting current data availability and modelling capabilities. While the Paris-aligned scenario provides insight into potential transition risks under ambitious climate policy conditions, the interpretation of results takes into account uncertainties related to regulation, technology maturity, infrastructure availability, and economic feasibility.

Short term
For short-term risks (between 0-1 years), aligned with the business and financial planning cycle. In addition, we are actively monitoring emerging trends and opportunities that may require us to adjust our strategic plans. We are committed to staying agile and adapting our plans as needed to ensure that we remain competitive in the marketplace and continue to meet our sustainability targets.

In 2025, the Group has achieved an additional reduction in CO_2 emissions intensity resulting in a 15% reduction in CO_2 emissions intensity, compared to its base year 2018 (2024: -14%). This progress is mainly a result of recycling overperformance, but this has been offset by slower progress on switching to alternative fuels and lower plant capacity utilisation in the short term.

Medium term
For medium term risks (between 2-5 years), it is the most likely horizon for the regulatory frameworks (such as the EU Emissions Trading System and Carbon Border Adjustment Mechanism) currently over a three-year transition period, and to be expanded to all sectors within EU ETS in the future thus having partial effect on to RHI Magnesita's operations due to the gradual phase out of free allocations. We are anticipating and considering adjustments to our plant footprint.

Long-term
For the long-term risks (> 5 years), the Group considered the deadline that has been set by the UN and many policy-making bodies to meet decarbonisation goals, being the year 2050.

Time horizons for both physical and transitional risks are aligned with climate scenarios to ensure a structured and forward-looking approach to sustainability and risk management.

The Group considers the resilience of its strategy in relation to physical and transition climate risks as part of its overall risk management and strategic planning processes. The strategic focus on portfolio enhancement, performance excellence, and planet engagement supports the long-term viability of the business model, particularly in the context of evolving regulatory and market conditions. The analysis of climate-related risks and opportunities focuses primarily on the Group's own operations, and those parts of the value chain considered most material, notably raw material sourcing, production activities, and key customer industries. Due to the nature of the Group's industrial operations and data availability, certain upstream and downstream activities, as well as longer-term systemic transition risks, are currently assessed at a qualitative level or excluded from detailed analysis. While technical limitations apply, climate-related developments and regulatory changes are monitored on an ongoing basis to support informed reassessment of strategic priorities and the progressive refinement of the strategy.

The resilience analysis is subject to uncertainties related to the pace of climate change, regulatory developments, technological availability, and market evolution. It focuses primarily on the Group's own operations and those business activities with the highest exposure to physical and transition risks, while certain upstream and downstream value chain elements are considered at a qualitative level due to data and methodological limitations

Each year, the Group systematically reviews and evaluates all viable measures to reduce CO_2 emissions across its operations, prioritising proven technologies and aligning with available financial resources. While achieving emission reductions consistent with a "well below 2 degrees" scenario appears feasible, our current assessment indicates that setting a target aligned with a 1.5-degree scenario is not achievable without the advancement of currently unavailable technologies or substantial external financial and infrastructure support.

RHI Magnesita will continue to monitor technological developments, regulatory changes and internal innovation progress and will update its transition pathway accordingly where additional decarbonisation potential becomes feasible.

Impact of climate-related risks on the Group's strategy
RHI Magnesita defines "substantive financial or strategic impact" as impact which is classified as "high" (score 4) or "critical" (score 5) impact.

RHI Magnesita defines the impact of a risk, including those related to climate change, on a scale of 1 (minor) to 5 (critical). Each of these five ratings has specific definition and quantifiable indicators based on the potential to compromise the ability of RHI Magnesita in achieving its strategic, operational, financial and compliance goals.

- A score of 1 represents minor impact on our ability to achieve these goals.
- A score of 2 represents low impact in achieving such goals.
- A score of 3 represents moderate impact (for example the potential for one strategic deliverable to be slightly delayed).
- A score of 4 represents high impact on the achievement of our goals, which might result in one objective not being achieved or being significantly delayed.
- Finally, a score of 5 represents a critical impact on RHI Magnesita's ability to deliver more than one goal.

With specific reference to climate-related risks, the following four quantifiable indicators are used by RHI Magnesita to define a substantive strategic or financial impact:

- An impact that would compromise the ability of RHI Magnesita to achieve (or achieve in a timely fashion) one or more objectives defined in the Group's 2025 strategy, which includes climate-related targets. RHI Magnesita's climate-related objectives include the reduction of CO_2 emissions by 15% per tonne of product — Scope 1,2 and 3 (raw materials), a 5% increase in energy efficiency tonne of product, and the increase of secondary raw materials use to 15%.
- An impact that would compromise our ability to achieve our financial objectives by more than 15% Group budgeted EBITA.
- An impact that would compromise our ability to meet climate regulatory requirements applicable to our Group resulting in negative international media attention and/or reputational damage to RHI Magnesita.
- An impact that would create a substantial disruption to a) our plants (i.e., the inability to continue operations in more than one of RHI Magnesita key locations across four global regional areas) and b) our ability to fulfil contracts with customers comprising a negative impact of more than 15% Group budgeted EBITA for the year and/or c) compromise the safety of our employees.

The impact of risks and opportunities were assessed across three different time horizons. The short-term (2025) sits within our short-term business plan, while the medium (2030) and long-term (2050) time horizons are oriented towards the broader international policy developments, including the Paris Agreement, EU Green Deal and the EU Carbon Border Adjustment Mechanism.

The Group believes, and this view is endorsed by the CSC, that it has the essential elements to run the climate resilience analysis. From risk identification, ability to implement mitigation measures, high adaptive capacity, the Group has the means to reduce risk exposure and embrace the opportunities associated with the climate-change related developments across the different scenarios. The Group also collaborates with governments, industry associations, universities to enhance climate mitigation and adaptation across the regions. By making use of frameworks like TCFD, the Group discloses transparently and regularly updates stakeholders on climate-related matters.

Climate-related risk opportunities could range from disruptive regulatory developments, physical hazards for our operations or new business opportunities, for example, to earn a Green Premium for refractories with low-carbon footprint. By monitoring market developments and enhancing its business adaptability, innovation and planning, RHI Magnesita can maintain a strong level of climate resilience over the short, medium and long-term across different scenarios. The Group remains committed to supporting its customers' decarbonisation efforts as well as actively managing our own climate-related risks and opportunities.

The Group's resilience analysis, updated annually, assesses risks across acute and chronic physical hazards, legal factors, evolving regulations, technological shifts, market dynamics, and reputational risks. Risks affecting direct operations, downstream, and upstream activities are systematically identified through the Group's risk management framework. The analysis incorporates four climate scenarios - RCP2.6, RCP4.5, RCP6.0, and RCP8.5, based on the IPCC Fifth Assessment Report - to evaluate exposure under different climate conditions. Results indicate that 39 sites may be susceptible to physical climate hazards, with insurance policies in place to cover potential damage and losses, including those caused by natural catastrophes.

The Board actively advances initiatives that align sustainability with business success. By offering more sustainable products and solutions, the Group strengthens its competitive position through pricing, market share, and preferred supplier status - key advantages in a low-carbon economy. At the same time, RHI Magnesita remains committed to minimising its environmental and social impact, maintaining its licence to operate and reputation as a responsible industry leader.

With a strategic focus on climate resilience, endorsed by CSC, RHI Magnesita is well-positioned to navigate future challenges and opportunities, ensuring long-term value creation for both the business and its stakeholders.

Impact, risk and opportunity management

Disclosure requirement related to ESRS 2 IRO-1 — Description of the processes to identify and assess material climate-related impacts, risks and opportunities

Climate material impacts, risks and opportunities and their interaction with strategy and business model are shown in SBM-3 ESRS 2 and the process to identify and assess material climate-related impacts is described in IRO-1 ESRS2. Time horizons are aligned with strategic planning to integrate climate risks and opportunities into the Group's business strategy. The short-term horizon focuses on immediate sustainability targets and operational adjustments, while the medium-term guides investment and regulatory adaptation. The long-term horizon aligns with global decarbonization goals, ensuring resilience and competitiveness.

Climate risks and opportunities management

The Group has an established risk management approach with the objective of identifying, assessing, mitigating, monitoring and reporting uncertainties and risks that could impact the delivery of RHI Magnesita's strategy. Since environment and climate change represent both strategic and operational risks to our business, they are considered as RHI Magnesita's principal risks.

The climate scenarios applied are consistent with both the key assumptions used in the preparation of the Consolidated Financial Statements and the Group's climate-related risk assessment under ESRS E1. The Paris-aligned Mitigation and Hot House World Limited mitigation scenarios reflect management's best estimate of plausible future economic and regulatory conditions and are aligned with assumptions on carbon pricing, energy costs, asset utilisation and demand development applied in financial planning and impairment testing. The timing and magnitude of the impacts identified, in particular the expected increase in carbon prices from 2026 onwards, are consistent with the assumptions underlying asset valuations, provisions and cash-flow projections. The concentration of negative impacts in European operations and the identification of global opportunities are likewise aligned with the Group's geographic risk assessment and strategic planning assumptions.

Several mitigation measures are in place to ensure that the risk is appropriately managed and within the Group's risk appetite. The risk management process at RHI Magnesita combines top-down, bottom-up and subject-specific risk assessments. The top-down risk assessment is performed by the Executive Management Team and reviewed by the Audit & Compliance Committee and reporting against these risks is included in Board meetings, Executive Management Team meetings and strategic reviews. The bottom-up risk assessment is based on operational sites that maintain ongoing risk management activity and is linked to the quality management-based governance practices. Subject-specific risk assessments are performed for areas of emerging or important risks such as climate change. These risk assessments are reviewed by the CEO, the Executive Management Team and the Audit & Compliance Committee.

The Corporate Sustainability Committee (CSC) reviews the Group's risk appetite, tolerance and strategy in respect of corporate sustainability risks and advise the Board accordingly. The CSC reviews, at least annually, periodic reports from management identifying the Group's material business risks within the Committee's scope and setting out risk management strategies, controls and mitigating actions applied to these risks.

Climate change represents both strategic and operational risks to our business. These are grouped as physical risks and transitional risks. Physical Climate Risk refers to the potential financial and operational impacts on an organisation resulting from climate-related events. These risks are categorised as:

Acute Risks: Sudden, extreme weather events like tornados, floods, or heatwaves.

Chronic Risks: Long-term changes in climate patterns, such as changing air temperatures, sea-level rise, or soil erosion.

These risks can disrupt operations, damage assets, increase costs, and impact supply chains, requiring proactive risk assessment and adaptation strategies.

Transitional climate risk refers to potential financial, operational, and strategic risks that organisations may face as economies transition toward a low-carbon economy. These risks arise from changes in policies, regulations, market dynamics, technologies, and social attitudes aimed at mitigating climate change. While these risks can pose challenges, they also present opportunities for innovation, competitive advantage, and long-term resilience.

The process of identifying and assessing all Group climate-related risks and opportunities, is as follows.

Starting from the risk and opportunity universe (comprising all categories that could impact businesses in the next ten years), categories which are not applicable to our business are excluded from the risk and opportunity analysis. Categories identified as applicable to our Group are analysed to identify specific risks and opportunities that impact (or potentially impact) our business. These are linked to potential root-causes and assessed for their inherent likelihood impact, and velocity. For climate-change risks and opportunities, the following categories are considered: acute and chronic physical risk, legal, current and emerging regulations, technology, market, and reputational risks. Within each category, specific risks and opportunities impacting direct operations, downstream and upstream, are identified and assessed based on the Group's risk management processes.

Risk and opportunities impact is evaluated based on a scale of 1 (minor) to 5 (critical). Each rating has a specific definition based on the impact of the risk on RHI Magnesita's strategic, operational, financial and compliance goals.

Risks and opportunities are also rated according to their inherent likelihood on a scale of 1 (rare) to 5 (very likely) based on their probability or expected frequency.

Once likelihood, impact and velocity of a risk have been assessed, an appropriate response is determined. This ranges from mitigating the risk to transferring or avoiding the risk based on the level of "risk appetite" defined by the Board.

Appropriate initiatives to reduce the level of inherent risk are then identified and implemented. The level of residual likelihood and impact after mitigation is assessed for each risk and opportunity using the scoring system above (i.e. impact on a scale of 1 "minor" to 5 "critical" and likelihood on a scale of 1 "rare" to 5 "very likely").

The overall level of residual risk is evaluated to ensure that it is aligned with the Group's risk appetite and risk tolerance. Effectiveness of mitigating measures is monitored over time and risks are reassessed at least on an annual basis and as needed in the case of significant changes in the risk landscape.

Climate-related transitional risks and opportunities
Operating in an emissions intensive industry, it is likely that RHI Magnesita's business model will be affected by the transition to a low-carbon economy. As well as risks, there are significant opportunities that the Group is well positioned to benefit from.

For transitional risks, financial effects are expected due to evolving regulatory frameworks, market dynamics, and technological shifts. These impacts may include increased costs related to carbon pricing mechanisms, investment requirements for low-carbon technologies, and adjustments in operational strategies. The specific financial implications of these transitional risks are disclosed in the accompanying table, providing transparency on potential cost impacts and strategic responses.

The assessment has identified EU sites needing significant efforts to align with climate-neutral goals due to regulatory changes, infrastructure limitations, and investment requirements for low-carbon technologies. Key challenges include the phase-out of free carbon allowances under the EU ETS and constraints in adopting alternative fuels. The Group is exploring process optimisation, renewable energy use, and industry collaboration with policymakers and industry partners to support a viable and sustainable transition.

RHI Magnesita has updated its climate-risk modelling and analysis of climate-related transitional risks and opportunities across short-, medium-, and long-term horizons. This update integrates key variables such as CO_2 pricing and energy costs based on IEA references. Scenario analysis was conducted using two climate pathways: the Paris-aligned mitigation scenario (RCP 2.6), which envisions strengthened climate policies limiting warming to below two degrees, and the hot-house world scenario (RCP 8.5), which assumes inadequate mitigation, leading to three to four degrees of warming. While this report is based on the Paris-aligned scenario, regulatory and market uncertainties add complexity to quantifications.

Risks
RHI Magnesita's main risk is the additional operating expense resulting from carbon pricing developments. The financial implications of this risk have escalated following the implementation of the EU's Carbon Border Adjustment Mechanism (CBAM). This policy instrument aims to create a level playing field for domestic producers subject to carbon pricing by imposing a carbon-based tariff on imports from countries lacking comparable carbon pricing mechanisms. By increasing the cost of imports from such regions, CBAM mitigates competitive disadvantages for domestic industries, ensuring alignment with the EU's climate objectives while protecting local producers.

This mechanism would help to ensure that domestic producers and consumers are not put at an economic disadvantage by having to bear the cost of carbon pricing, while their international competitors do not. CBAM is intended to incentivise countries to adopt similar carbon pricing policies, thereby reducing the global greenhouse gases emissions.

CBAM is expected to have a financial impact on the Group from 2030 onwards as free carbon allowances under EU-ETS are phased-out. This is attributed to levies on imported materials, implemented to safeguard the EU domestic business.

This is expected to increase refractory pricing for all suppliers selling into the EU. Additionally, products manufactured in the EU and then exported will incur higher costs, as there are currently no compensation mechanisms for exporters.

The financial impacts of CBAM have been included in the Group's updated TCFD modelling, resulting in a future impact on equity value of circa €136 million due to the increase in operating costs because of increase in level or scope of carbon pricing. (2024: €260 million; 2023: €180 million) — see Note 4 of Financial Statements for more details.

Opportunities
Three opportunities were identified (i) increased demand for products that enables decarbonisation in the customer industries, e.g. EAF refractories, and (ii) increased demand for low carbon footprint refractory products and (iii) decrease in costs or increase in revenue through use of new technologies to reduce or capture CO_2 emissions from refractory production in ETS zones.

The steel industry is undergoing a decarbonisation process which is predicted to continue into 2050 and beyond. Long-term emissions reduction solutions include direct reduced iron in electric arc furnaces and increased scrap steel use. This megatrend has led to an increased demand for electric arc furnaces (EAF) and electric smelter furnaces. As global pressure to reduce carbon emissions intensifies, RHI Magnesita is strategically positioned to capitalise on this trend. Through its vertically integrated business model, the Group secures essential raw materials for electric arc furnace applications from its European mines in Hochfilzen and Breitenau, Austria. This integration not only ensures a reliable and sustainable supply chain but also provides RHI Magnesita with a distinct competitive advantage. These capabilities strengthen the Group's standing as the preferred refractory partner in the steel industry's transition toward greener and more sustainable operations.

RHI Magnesita maintains its industry leadership in utilising recycled minerals and recycling has been the major contributor to the Group's CO_2 emissions reductions to date.

Moreover, recycling also has significant waste management and circular economy benefits for Group's customers. RHI Magnesita's joint venture with Horn & Co., MIRECO, combines recycling activities in Europe and increases the production, use and offering of secondary raw materials. This results in a significant decrease in CO_2 emissions. Horn & Co., MIRECO is well positioned at the forefront of the circular economy, providing services to customers in steel, cement, glass and other process industries. In 2025 RHI Magnesita started a strategic joint venture with BPI, Inc in the United States to extend its recycling business to North America.

With an estimated CO_2 reduction of 1.6 tonnes per tonne of secondary raw material used, financial benefits arise from both premium pricing and lower production costs. However, long-term gains remain uncertain, influenced by carbon price volatility, regulatory changes, and customer demand for low-carbon solutions. Read more on chapter ESRS E5 — "Resource Use and Circular Economy" and "Business Model" on pages 140-144.

The net future impact on equity value of these opportunities combined is +€608 million (2024: +€515 million; 2023: +€388 million, 2022: +€123 million; 2021: +€352 million).

Climate Drivers	Risk/ Opportunity	Category	Impact	RHI Magnesita response and strategy	Main affected Time Horizon	Related metrics and targets
Policy-Making & Regulatory Pressure	Increase in operating or capital expenditures due to changes in policy and regulation	Risk	RHI Magnesita foreseen an impact on equity value of circa ca. €136 million due to the increase in operating costs because of increase in level or scope of carbon pricing	The Group incorporates carbon permit price projections into its financial planning and maintains a hedging programme to mitigate future exposure risks. To further enhance sustainability and reduce emissions, we are actively developing innovative technologies, including carbon capture, utilization, and storage (CCUS). Additionally, advancements in sorting technology are being pursued to improve recycling performance. A key priority is increasing the use of secondary raw materials, which offers a lower carbon footprint compared to the extraction or procurement of virgin raw materials. Furthermore, the Group remains committed to ongoing investments in fuel switching, renewable energy adoption, and energy efficiency measures, all of which contribute to reducing carbon intensity across operations.	Medium-Long Term	We have set a 15% emissions intensity reduction target by 2025 on a 2018 baseline of Scope 1, 2 and 3 raw materials emissions. By the end of 2025, the Group emissions intensity was 15.4% lower than the 2018 baseline.
Technology	Increased cost of capital for investing in recycling technology to achieve CO_2 reduction targets	Risk	RHI Magnesita anticipates an estimated impact of approximately € 12m on its equity value, driven by the increase in the cost of capital required to achieve its CO_2 reduction targets. This reflects the financial implications of transitioning towards lower-carbon operations and compliance with evolving regulatory frameworks.	The Recycling Rate in 2025 reached 15.9%. RHIM plants had consumed 416kt of recycled materials. This led to €49 million in raw material cost savings for refractory finished goods and a reduction of 551kt in CO_2 emissions.	Short-term	We have a target to increase the use of secondary raw material to 15% by 2025 and 20% by 2030. In 2025, the Group achieved a recycling rate of 15.9% (excluding the recent Joint Venture with BPI Inc).

Climate Drivers	Risk/ Opportunity	Category	Impact	RHI Magnesita response and strategy	Main affected Time Horizon	Related metrics and targets
Market & Customers	Increased demand for refractory products that enable decarbonisati on of customer industries (EAF, ESF, OBF, DRI)	Opportunity	RHI Magnesita foresees a positive financial impact on equity value of €251m, regarding the increased demand from customers for refractory products that help them reduce their emissions is considered low (e.g. EAF)	RHI Magnesita is committed to supporting its customers in transitioning to low-carbon production processes through our advanced refractory products. Currently, a significant portion of our portfolio serves the steel and cement industries, which together represent approximately 80% of our business. In the steel sector, we provide refractory solutions that enable the use of electric arc furnaces (EAF), a key technology for reducing CO_2 emissions. Our market position reflects this commitment: RHI Magnesita holds a higher market share in lower CO_2-emitting applications, such as EAF, while maintaining a comparatively lower share in higher-emission technologies, such as basic oxygen furnaces (BOF) and blast furnaces. The Group will continue to expand its portfolio of low-energy and low-carbon solutions, including process optimization, recycling services, advanced coating technologies, and digital innovations, to further support our customers in achieving their sustainability targets.	Short-Medium-Long Term	Sales of refractory products supporting electric arc furnaces, associated with the lower carbon production of steel, was €510 million in 2025
Market & Customers	Increased demand for RHI Magnesita products that are produced with lower carbon footprint and incorporation of carbon expenses	Opportunity	Higher revenue due to increased demand for low-carbon (e.g. recycled) refractory products, resulting in a combined positive impact on equity value of €608 million	In the short term, increasing the proportion of secondary raw materials (SRM) in our products will contribute to a reduction in geogenic emissions from raw material use while simultaneously enabling the development of competitive low-carbon product offerings. In the long term, the successful implementation of carbon capture, sequestration, and utilization technologies, alongside a transition to renewable energy sources, has the potential to enable the production of refractory products with significantly lower or even net-zero CO_2 emissions. This strategy is expected to yield a competitive advantage in terms of pricing and market positioning, particularly as customers place increasing emphasis on reducing their Scope 3 emissions. By proactively addressing these sustainability concerns, the Group can strengthen its market presence and differentiate itself from competitors with higher carbon footprints.	Short-Medium-Long Term	We established a target to reach a 15% recycling rate by 2025. In 2025, the Group achieved a secondary raw material share of 15.9%, excluding the recently formed Joint Venture with BPI Inc. This represents continued progress compared with prior years (2024: 14.2%; 2023: 12.6%) and exceeds the original 2025 target. In parallel, we set a goal to reduce CO_2 intensity by 15% by 2025.

Climate-related physical risks

The 2025 assessment builds on earlier climate risk analyses and reflects the expansion of the Group's operational footprint following recent acquisitions. The scope included production sites, recycling facilities, and mining locations, ensuring consistency with the Group's enterprise risk management framework. Certain value chain assets had already been assessed as part of the initial physical climate risk assessment conducted in 2021 and were not identified as being materially exposed to climate-related risks.

The Group has carried out a comprehensive assessment of its production sites with regard to physical climate hazards. While all sites have been assessed for climate-related exposure, the most recent in-depth assessment conducted in 2025 focused on 11 sites, reflecting a targeted analysis of newly integrated operations. This assessment placed particular emphasis on ensuring operational resilience, business continuity, and alignment with the Group's climate risk management and adaptation approach.

The assessment considered four distinct climate scenarios – RCP2.6, RCP4.5, RCP6.0, and RCP8.5 – taken from the findings of the Intergovernmental Panel on Climate Change Fifth Assessment Report. These scenarios project varying greenhouse gas concentration trajectories, indicating potential outcomes such as staying below a 2°C temperature increase, reaching approximately 2°C above the modern climate baseline, a global temperature rise of about 3—4°C by 2100, and an exceeding 4°C increase in the global average surface temperature by 2100.

The assessment focused on evaluating future exposure of RHI Magnesita sites to climate-related hazards across temperature, wind, water, and solid matter, encompassing a total of 29 categories as recommended by Delegated Regulation EU 2021/2139, assessing the probability of future climate conditions surpassing current baseline values.

Classification of climate hazards (source: Commission Delegated Regulation (EU) 2021/2139)

Classification of climate-related hazards	Temperature-related	Wind-related	Water-related	Solid mass- related
Chronic	Changing temperature (air, freshwater, marine water)	Changing wind patterns	Changing precipitation patterns and types (rain, hail, snow/ice)	Coastal erosion
	Heat stress		Precipitation or hydrological variability	Soil degradation
	Temperature variability		Ocean acidification	Soil erosion
	Permafrost thawing		Saline intrusion	Solifluction
			Sea level rise	
			Water stress	
Acute	Heat wave	Cyclones, hurricanes, typhoons	Drought	Avalanche
	Cold wave/frost	Storms (including blizzards, dust, and sandstorms)	Heavy precipitation (rain, hail, snow/ice)	Landslide
	Wildfire	Tornado	Flood (coastal, fluvial, pluvial, ground water)	Subsidence
			Glacial lake outburst	

Climate exposure levels were determined using a probability-based approach, assessing the likelihood that projected future climate values exceed historical mean levels at site level. Climate indices were grouped into five exposure classes (no exposure, low, medium, high, and red flag). The overall classification for each climate dimension reflects the highest individual variable under the RCP8.5 scenario, applying a precautionary approach.

Where no forward-looking data were available, present-day climate exposure was assessed instead, where feasible. This is indicated as "n.a." in the corresponding table. Uncertainty was evaluated based on model robustness, data quality, and the use of direct indicators or proxy variables.

The 2023 results highlighted that several locations within the Group's industrial footprint are exposed to chronic physical climate hazards—such as rising air temperatures, heat stress, and soil erosion—as well as acute risks like flooding. For the sites initially red flagged, a more detailed assessment was carried out in 2024 to deepen the understanding of these exposures and determine appropriate responses. This included targeted interviews to validate modelling outputs, confirm whether local perceptions align with the assessed risk levels, and identify existing or planned adaptation measures. The sites identified as high risk through the 2025 modelling will undergo the same structured assessment process, ensuring a consistent and comparable approach across the Group's portfolio. This approach enables a thorough evaluation of site-specific vulnerabilities and supports the development of effective risk mitigation strategies.

The table below presents the outcome of the physical climate risk assessment model for all sites red flagged.

Country	Climate Hazards (A-Acute; C-Chronic)	Site	Current Risk Assessment (Short-term)	2030-2050 (Medium-long-term)			
				RCP 2.6	RCP 4.5	RCP 6.0	RCP 8.5
Brazil	Heat stress – C	Brumado	Low	Low	High	High	Red flag
	Sea level rise – C	Terminal Aratu	Medium	Red flag	Red flag	Red flag	Red flag
	Soil erosion – C	Contagem	Low	High	High	n.a.	Red flag
	Soil erosion – C	Coronel Fabriciano	Low	Red flag	Red flag	Red flag	Red flag
	Soil erosion – C	Fazenda Funchal	Medium	Red flag	Red flag	Red flag	Red flag
	Soil erosion – C	Retiro Pd Domingo	Medium	Red flag	Red flag	n.a.	Red flag
	Soil erosion – C	Fazenda Serra dos Ferreiras	Low	High	High	n.a.	Red flag
	Changing air temperature – C	Uberaba	Low	Low	High	High	Red flag
	Heat stress – C	Uberaba	Low	Low	High	High	Red flag
	Soil erosion – C	Uberaba	Low	High	High		Red flag
China	Flood (A)	Chizhou	Medium	Red flag	Red flag	Red flag	Red flag
	Changing air temperature – C	Chongqing	Low	Low	Medium	High	Red flag
	Soil erosion – C	Chongqing	Low	Red flag	Red flag	Red flag	Red flag
	Soil erosion – C	Dalian	Low	Red flag	Red flag		Red flag
Germany	Flood – C	Niederdollendorf	Low	Red flag	Red flag	Red flag	Red flag
	Flood – C	Urmitz	Low	n.a.	n.a.	n.a.	Red flag
India	Changing air temperature – C	Venkatapuram	Low	Medium	Red flag	Red flag	Red flag
	Changing air temperature – C	Rajnandgaon	Low	Low	High	High	Red flag
	Soil erosion – C	Jamshedpur	Low	High	High	n.a.	Red flag
	Changing air temperature – C	Jamshedpur	Medium	Medium	Red flag	Red flag	Red flag
	Heat stress– C	Jamshedpur	Low	No risk	Medium	High	Red flag
	Soil erosion – C	Katni	Low	Low	High	High	Red flag
	Soil erosion – C	Cuttack	Low	High	Red flag	Red flag	Red flag
	Soil erosion – C	Dalmiapuram	Low		Medium	Medium	Red flag
Mexico	Changing air temperature – C	Tlalnepantla	Low	Low	High	High	Red flag
Switzerland	Water stress – C	Pfäffikon	Low	n.a.	n.a.	n.a.	Red flag
Türkiye	Water stress – C	Sörmaş	Low	n.a.	High	n.a.	Red flag
	Water stress – C	Eskisehir	Low	n.a.	High	n.a.	Red flag
USA	Soil erosion – C	Pevely	Low	High	High	n.a.	Red flag
	Changing air temperature – C	York	Low	Medium	Medium	Medium	Red flag
	Cold Frost –	Hammond	Redflag	Medium	Medium	Medium	Medium
		Mareland	Redflag	Red flag	Red flag	Red flag	Red flag
	Tornado	Hammond	Redflag	n.a.	n.a.	n.a.	n.a.
		Mouton	Redflag	n.a.	n.a.	n.a.	n.a.
	Flood	New Castle	Redflag	Red flag	n.a.	Red flag	Red flag
		Oakhill	Redflag	Red flag	n.a.	Red flag	Red flag
	Water stress – C	Santa Fe	Redflag	Redflag	Redflag	Redflag	Red flag
		Hillsboroug	Redflag	Redflag	Redflag	Redflag	Red flag
	Soil erosion	Oakhill	Redflag	n.a.	n.a.	Redflag	Red flag

This comprehensive process included engaging with local experts to assess the accuracy of climate risk models and reviewing insurance audits where available. The findings from this analysis revealed that the Group's overall exposure to physical climate risks is limited. The rationale behind this conclusion is twofold: (i) Imminence of Risks: Many of the flagged sites, under current climate conditions, are not perceived to face immediate threats, meaning the anticipated risks are either less severe or unlikely to materialise in the near term; (ii) Proactive Risk Management: For sites where risks are acknowledged, effective adaptation measures have already been implemented or are planned. These measures demonstrate the Group's proactive approach to resilience and preparedness, significantly mitigating potential vulnerabilities. This targeted approach underlines the Group's commitment to continuous improvement in climate risk management and ensures that the business remains resilient even under changing climate conditions.

Moreover, a three-year programme dedicated to the ongoing assessment of physical risks associated with the Group's assets has been implemented. This programme involves on-site evaluations by experts to assess preparedness for various risks, including structural conditions and geographical exposure to extreme weather events such as storms, hurricanes, and earthquakes – mainly focusing on acute risks. Newly acquired sites are seamlessly integrated into the programme to ensure a consistent risk assessment approach. Beyond climate-related hazards, this initiative also evaluates the overall physical conditions of each site and its exposure to broader operational risks, with natural catastrophes forming just one part of a holistic risk assessment framework. Additionally, RHI Magnesita's property, damage, and business interruption insurance programme provides partial coverage for all production sites and key offices, offering financial protection against physical damage and losses, particularly those arising from natural catastrophes. This integrated approach enhances resilience and ensures systematic risk mitigation across the organisation.

No material financial impacts are anticipated from the physical climate risk assessment. Current evaluations indicate that existing mitigation measures adequately address potential exposures, ensuring resilience against physical climate risks such as extreme weather events or long-term environmental changes. The Group continues to monitor developments and adapt its strategies as needed to maintain operational stability.

Disclosure requirement E1-1 — Transition plan for climate change mitigation
Refractory production is a 'hard to abate' industry. Raw material processing generally uses fossil fuels for ignition and burning of carbonate rock. In the burning process, around 50% of the weight of the mineral is converted into CO_2, resulting in geogenic emissions. These geogenic emissions are classified as Scope 1 when originating from the Group's own production, or Scope 3 in the case of externally purchased raw materials. Taken together, our own geogenic emissions and those associated with the raw materials that we purchase account for a quarter of our total CO_2 footprint.

Significant energy is also required for firing of refractory products in the manufacturing process and further emissions are generated in the shipping and distribution of our products to customers worldwide.

The Group has published a theoretical decarbonisation pathway which sets out a potential route to substantially remove all CO_2 emissions by 2060. The decarbonisation pathway is not aligned with a 1.5°C temperature goal of the Paris Agreement. Consequently, the Group does not currently have a climate transition plan for mitigation that is consistent with limiting global warming to 1.5°C. However, the Group has a climate transition plan for climate mitigation that is aligned with the Paris Agreement's objective of holding the increase in global average temperature to well below 2°C, based on feasible and available technologies.

Actual delivery of decarbonisation pathway is uncertain due to reliance on yet unproven technologies, infrastructure, energy sources and the actions of suppliers and governments which are not under the control of management. RHI Magnesita's decarbonisation commitment is as follow:

- Lead the refractory industry by decarbonising our operations as fast as sustainably possible.
- Annually update our decarbonisation pathway based on technology, infrastructure and capex developments.
- Invest in the research and development of new technologies to avoid or capture CO_2 emissions.
- Offer our customers enabling technologies or solutions for their own low-carbon production technologies and low-carbon refractory products to reduce their Scope 3 emissions.
- Lobby governments to invest in infrastructure to support decarbonisation.
- Work with partners in the private sector to develop new solutions for decarbonisation.

Full decarbonisation will require significant capital expenditure, starting in Europe and subsequently in all regions.

The decarbonisation pathway has been approved by the Board, the CSC and the Executive Management Team.

The first step of CO_2 emissions reduction is to be delivered through measures which can be implemented by the Group without significant external support, including increased use of recycled raw materials, fuel switches and energy efficiency measures (see E1-4 for details on levers and respective targets). It is estimated that these measures could deliver an absolute reduction of around 1.3 million tonnes of CO_2 emissions, or 28% of the baseline total by 2035. Beyond this initial reduction, decarbonisation measures become progressively harder to deliver. Recycling has a natural ceiling since refractories are consumed during use and only residual materials can be reclaimed, whilst fuel switches to natural gas only offer a partial reduction. The next steps of the pathway are reliant on the provision of (i) new infrastructure or renewable energy sources such as hydrogen by outside parties; (ii) the use of technologies which do not yet exist or are not proven at pilot or production scale; and (iii) significant capital expenditure, which may not be possible for the Group to generate from its existing operations, obtain from its finance providers or receive via government funding. While the Group uses in its production natural gas, pet coke, coal and oil as fuels, it is not engaged in other fossil-fuel related economic activities. The Group is not excluded from the EU Paris-aligned Benchmarks in accordance with Commission Delegated Regulation (EU) 2020/1818. The Group currently has one economic activity that is aligned with the requirements of Commission Delegated Regulation (EU) 2021/2139. There are no Capex plans to expand taxonomy-aligned activities in the short to medium term. RHI Magnesita will continue to monitor evolving regulatory requirements and technical screening criteria to assess whether future changes may require a reassessment of alignment.

The costs of emitting carbon, which could provide an incentive to accept higher capital expenditure and operating costs for the purposes of reducing CO_2 emissions, apply in certain jurisdictions and may provide a business case for reducing emissions in those geographies. Estimates of future potential CO_2 costs are built into the Group's financial forecasts and planning decisions. However, the Group has a global production and customer network and competes with other refractory producers who are not subject to additional CO_2 costs.

Carbon capture and utilisation

In 2025, further progress has been made in the evaluation of technologies for CO_2 capture at the Group's raw material production sites. 2025 activity was concentrated on the operation of a membrane-based demonstrator at one of RHI Magnesita's raw material plants.

In the area of Carbon Capture and Utilisation (CCU), the Group has progressed its partnership with MCi Carbon to develop technologies focused on the direct mineralisation of CO_2 from flue gases, through a process which can efficiently transform gaseous waste CO_2 into new green minerals. The MCi process offers opportunities for utilisation in other industries, such as the cement sector, which faces similar challenges with process emissions of CO_2 not originating from the use of fossil fuels. 2025 activity was concentrated on finalizing the construction a pilot facility in Newcastle, Australia. Testing and development programmes with MCi Carbon are set to continue until mid-2026.

Alternative fuels including hydrogen and biofuels

Hydrogen produced using renewable energy is a promising alternative fuel for use in high temperature industrial processes such as those undertaken by RHI Magnesita. Proof of concept has been achieved, and no further significant investments are required until, and unless, an economic source of clean hydrogen fuel becomes available.

Securing a reliable and economic supply of green hydrogen is an essential pre-cursor to large scale adoption of hydrogen use in quantities that would make a material difference to the Group's Scope 1 emissions.

RHI Magnesita is also exploring other non-fossil fuel options including biofuels. RHI Magnesita uses charcoal in Brazil, which is considered as biofuels and tests are ongoing with sunflower husks in Europe.

Reducing the carbon intensity of energy

RHI Magnesita is seeking to reduce the carbon intensity of its energy sources through switching to lower intensity alternatives where possible. In Europe, transition from CO_2 intensive petroleum coke to more CO_2 efficient natural gas in our plants will start in 2026 but due to high natural gas prices only partially. Exploring biofuels as an alternative is dependent upon local availability and cost competitiveness. We continue to monitor energy markets and alternative fuel sources to reduce emissions.

At Brumado plant in Brazil we aim to change from heavy fuel oil to natural gas. Currently the construction works to the plant are on-going. At the Ponte Alta raw material production site in Brazil, we substituted petroleum coke with sustainable sourced charcoal as much as technically possible given the lower calorific value of charcoal.

We continue to reduce the CO_2 intensity of purchased electricity. The Group is investigating the potential for solar generation at several other sites. In 2025, 78% of total electricity generated was from renewable sources.

Investment and funding

The capital cost of full decarbonisation is highly uncertain but has been estimated at approximately €1 billion. Since there is no payback outside of jurisdictions where an ETS imposes a cost of carbon emissions, there is a limit to the amount of capital that the Group can commit to decarbonisation. In 2025 RHI Magnesita generated €214 million of free cash flow and allocates capital to M&A, organic capex, maintenance and dividends to sustain and grow the business. At current levels of cash generation and considering competing demands for capital it is unlikely that the Group would be able to fund a full decarbonisation of its operations from internally generated cash flow. External funding may be possible to obtain in the form of subsidies or co-investment in specific projects. The Group's transition plan is based on a bottom-up approach to ensure feasibility and alignment with the Group's overall business strategy and financial planning. The transition plan does not entail any objectives or plans for aligning with Taxonomy activities as there are not Taxonomy activities for refractory production.

Locked- in emissions

The vast majority of direct emissions at RHI Magnesita result from firing at high temperature of various kilns and geogenic emissions from carbonate raw materials during firing. The Group has set a 2030 target to also reduce direct emissions. Remaining emissions both from fuels and geogenic emissions are hard to abate and require carbon-neutral fuels such as hydrogen as well as carbon capture for geogenic emissions which are in nature otherwise unavoidable. We do not expect that the locked-in emissions jeopardise the undertaking's GHG emission 2030 reduction target. For a comprehensive decarbonisation beyond the Group's 2030 target locked-in emissions require a market environment which allows the Group to pass on higher costs of carbon-neutral fuels and carbon capture and utilisation.

Disclosure requirement E1-2 — Policies related to climate change mitigation and adaptation

RHI Magnesita has an Integrated Management System Policy (IMS policy) in place which addresses, among others matters, climate change mitigation. In this policy the Group commits to tackling climate change as far as it is technically and economically feasible. The Group strives to minimise direct and indirect CO_2 and other greenhouse gas emissions, by improving the energy efficiency of its operations and the use of cleaner sources. RHI Magnesita's IMS policy covers the environmental policy. With this policy the Group commits to operate all its business activities in a most sustainable way to ensure environmental protection, tackling climate change, through minimising the environmental impacts of its operations as far as it's technically and economically feasible. The policy applies to RHI Magnesita N.V. and all Group companies (together referred to as RHI Magnesita) and employees. The scope of the IMS policy is limited to Group companies and employees and does not extend to the upstream or downstream value chain. The Supplier Code of Conduct includes references to environmental compliance and other sustainability priorities and is aimed at the Group's upstream value chain. The CTO is accountable for the implementation of the policy. The IMS policy does not refer to any third-party standard and does not consider any particular stakeholder group. The IMS policy is published on RHI Magnesita's website. The Group's IMS policy is globally applicable and does not specifically address or exclude stakeholder groups. The Group's current policy does not yet fully align with all ESRS disclosure requirements. An update is underway to ensure compliance and comprehensive reporting.

RHI Magnesita's Corporate Risk-Taking/Management Policy outlines structured processes for identifying and managing risks across the organisation. The Risk Register includes a diverse range of risks and is not limited to specific categories such as Health & Safety or Environment. Rather than implementing separate policies for individual risks, the Group relies on this comprehensive risk framework to ensure a consistent approach to risk management. Additionally, while the IMS Policy covers climate change mitigation and energy efficiency, it does not explicitly address renewable energy or climate change adaptation. Climate-related risks and opportunities are, however, integrated into the broader corporate risk management framework to ensure a holistic approach to sustainability and resilience.

Disclosure requirement E1-3 — Actions and resources in relation to climate change policies

In 2025, the Group made further progress on our decarbonisation roadmap. Guided by the climate objectives set out in our transition plan, our recycling initiatives once again exceeded expectations, contributing decisively to emissions reductions. Multiple energy efficiency measures were implemented across regions, increasing operational performance where feasible and expanding the share of renewable energy in our mix. In China, a 2.2 MW photovoltaic installation was completed at the end of 2024, with an expected annual output of around 3,000 MWh and a reduction of approximately 1,700 tonnes of Scope 2 CO_2 emissions. Consistent with actions implemented near year-end, the resulting emission reductions are now reflected in the 2025 reporting period.

We also advanced key technology pathways and partnerships aimed at addressing hard-to-abate emissions, including the commissioning of MCi Carbon's "Myrtle" pilot plant in Australia and the scale-up of MCi Carbon's technology ahead of the planned commercial deployment at Hochfilzen, Austria in 2029. Once operational, the facility is expected to capture and convert approximately 50,000 tonnes of CO_2 per year into valuable mineral products. These initiatives reflect our commitment to aligning our operations with a low-carbon trajectory and delivering positive environmental, social, and economic outcomes.

The recycling target, initially set in 2019, was reviewed in 2022 and raised to 15% by 2025. In 2024, the Group further expanded its ambition by introducing a new 2030 target aiming for a 20% recycling rate. In 2025 the Group increased its recycling rate to 15.9% (compared to 14.2% in 2024). Every tonne of secondary raw material used replaces virgin raw material with a CO_2-intensity of 1.6t CO_2 per tonne of raw material on average.

The impact of acquisitions on the recycling rate has been assessed by taking into account the BPI acquisition (effective 21 August 2025) and the fact that Resco plants have historically not utilized recycled raw materials. For methodological consistency, the baseline raw material demand is derived from global supply chain planning data and excludes projects planned for 2026. Based on these assumptions and calculations, the recycling rate (RR) is estimated at 16.2%.

Other actions are energy efficiency measures with the aim to reduce the energy intensity of RHI Magnesita by 1% per year. In 2025 energy efficiency measures contributed to an emission reduction of around 11,000 t CO_2.

In addition, the partial switch from petroleum coke to natural gas at our Hochfilzen plant starting in 2026 will be another CO_2 reduction lever. Furthermore, the Group switches to green electricity where feasible. As a result, most of the electricity consumption in Europe and South America is from renewable sources and in China an increasing share of green electricity is consumed, and PV panels are installed at several plants in China and India. The scope of the key actions is direct Scope 1, Scope 2 market based and Scope 3 emissions from purchased raw materials. While the Group has set time-bound targets to reduce its GHG-footprint, increasing the use of secondary raw materials and increasing energy efficiency are continuous actions. The full switch to natural gas at our Hochfilzen plant is planned for 2026.

The main short-term decarbonisation lever at RHI Magnesita's direct and indirect emissions is the increased use of circular raw materials. Actions to increase the share of circular raw material include improved recipes and processes which allow higher shares of circular raw materials as well as sales activities aiming at sale of brands with higher circular raw materials share as well as investments in operations to improve the capacity to process circular raw materials.

Investments in increased recycling capabilities are a continuous effort, and individual investments are short-term and are part of the asset category 'Plant Property & Equipment'.

Other short-term levers are increasing energy efficiency, switching to renewable electricity and switching to less CO_2-intensive fuels.

The implementation of actions to achieve the Group's 2030 CO_2 reduction target depends on annual CapEx and OpEx in the same order of magnitude as in the reporting year; therefore, for 2026 and beyond no additional availability and allocation of resources is required.

All actions described above contribute to the policy objective to minimise direct and indirect CO_2 and other greenhouse gas emissions.

During the reporting period, the Group incurred operational expenditure (OpEx) of €4 million related to decarbonisation activities. This amount primarily comprises the additional cost associated with procuring green electricity compared to conventional electricity supply, as well as research and development expenses for projects supporting low-carbon solutions, including recycling initiatives and other resource-efficiency measures. These expenditures reflect the Group's ongoing efforts to reduce operational emissions and advance sustainable production processes.

In 2025 the Group invested €4.5 million to reduce its CO_2 emissions. The Capex mainly contributes to increase the share of circular raw materials. Thereof, around €1.9 million relate to recycling investments according to EU Taxonomy (EU regulation 2021/22178) Material recovery from non-hazardous waste/sorting and material recovery of non-hazardous waste. Additionally, more than €2 million were invested for the switch to natural gas to replace Petroleum Coke at the Austrian Hochfilzen plant. Future financial resources are projected to remain at levels comparable to those in 2025.

The CapEx is part of Note 19 (Property, plant and equipment) in the Financial Statements under 'Additions'.

The CapEx/OpEx reported under Taxonomy-related disclosures deviate for various reasons from the disclosures required by ESRS:

- Not all Taxonomy-eligible activities contribute to reducing CO_2 emissions within the scope of the Group's transition plan (e.g. downstream indirect emissions).
- Not all Capex or OpEx reported following ESRS for achieving the Group's transition plan are eligible or aligned with the taxonomy activities (e.g. purchasing of green electricity or expenditures to switch to less CO_2-intensive fuels).

In line with the EU Taxonomy requirements, climate-related operating expenditure (OpEx) and capital expenditure (CapEx) are assessed separately from the Group's broader climate action measures.

Taxonomy-eligible OpEx and CapEx do not fully correspond to all climate mitigation actions, for example energy efficiency measures that fall outside the Taxonomy's technical screening criteria. In addition, Taxonomy-eligible R&D OpEx is limited to activities with technologies at a Technology Readiness Level (TRL) of 6 or higher, which excludes earlier-stage or pilot decarbonisation initiatives that are nevertheless relevant to the Group's climate transition strategy.

Metrics and targets

Greenhouse gas emissions methodologies
RHI Magnesita reports all relevant direct and indirect emissions. Reported GHG emissions considers carbon dioxide, Hydrofluorocarbons, methane, nitrous oxide and sulphur hexafluoride. Emissions of Scope 1, 2 and 3 are annually externally verified by LRQA Group Limited (limited assurance according to ISO 14064).

CO_2 KPI methodology

The CO_2 KPI is the metric used to measure progress against the Group's 15% relative reduction target against a 2018 base year. The denominator of the KPI are tons of shipped products excluding resale and sale of primary raw materials with very low GHG-intensity (raw magnesite and dolomite). The shipped volumes are corrected by inventory changes of finished goods and GHG-intensive raw materials produced by RHI Magnesita. The metric is not externally verified. The target did not undergo any significant change in methodology.

The KPI reflects RHI Magnesita's policy commitment to tackle climate change. The target is not a science-based target and external stakeholders have not been consulted. The target is based on a bottom-up approach with clearly identified CO_2 reduction levers.

Disclosure requirement E1-4 — Targets related to climate change mitigation and adaptation
RHI Magnesita has defined greenhouse gas (GHG) emission reduction targets based on a structured internal decarbonisation pathway covering its core operations and relevant upstream value chain activities. The pathway outlines a potential trajectory to significantly reduce CO_2 emissions by 2060 and serves as the basis for the Group's climate transition planning. It was developed through a comprehensive internal assessment of technically feasible and economically viable abatement measures, taking into account technological maturity, financial viability, and expected developments in energy systems and industrial infrastructure.

The Group's emission reduction targets are not science-based targets as defined by external validation frameworks such as the Science Based Targets initiative (SBTi), and they have not been externally assured.

Based on this assessment, the Board concluded that emission reductions consistent with a well-below-2°C pathway are achievable for the Group. Alignment with a 1.5°C pathway was assessed but determined not to be feasible at this stage, as it would require the large-scale deployment of technologies that are not yet commercially available as well as significant external infrastructure development and supportive regulatory and financial frameworks, all of which remain uncertain. Accordingly, the Group's greenhouse gas reduction targets are aligned with a well-below-2°C trajectory. Climate scenario analysis aligned with a Paris-consistent pathway (RCP 2.6) is used to assess transition risks but does not constitute a target calibration methodology. The assessment assumes continued improvement in energy systems and incremental technology deployment but does not assume large-scale commercial availability of breakthrough process technologies before 2035.

The Group has established intensity-based CO_2 reduction targets covering Scope 1, Scope 2, and Scope 3 emissions from purchased raw materials. The targets apply to all RHI Magnesita operations globally and are reported in tonnes of CO_2 equivalent, covering approximately 4.4 million tonnes of CO_2e, representing ca. 70% of total Scope 1, 2, and 3 emissions. Geogenic CO_2 emissions from raw materials represent a significant share of total emissions and are therefore explicitly included in the target framework. Emissions are calculated and reported using standardized, Group-wide methodologies aligned with the GHG Protocol, with central oversight in place to ensure consistent application and comparability across operations.

The Group's targets do not include non-CO_2 greenhouse gas emissions and do not assume the availability of breakthrough technologies or future regulatory changes. Nevertheless, the Group continues to invest in decarbonisation technologies, operational efficiency, and the increased use of secondary raw materials in order to support the progressive reduction of emissions and mitigate transition risks over time.

New technologies are not considered as a significant lever given the technical and economic uncertainties associated with them for the target period.

Based on identified reduction levers, the Group aims to reduce Scope 1 emissions by 9%, Scope 2 emissions by 5%, and Scope 3 raw material emissions by 12% by 2030. Scope 2 emissions reductions are calculated using a market-based approach. The levers outline the quantified contribution of our key measures toward achieving the defined CO_2 reduction target. Their impact is determined through a structured bottom-up assessment of the estimated abatement potential, ensuring transparency and traceability. To reduce the influence of production volume fluctuations and enhance comparability over time, targets are defined and monitored on an intensity basis rather than as absolute emission reductions.

The 2025 emission reduction target is based on 2018 as the base year, which represents the first full reporting year following the merger of RHI and Magnesita. The 2030 target is based on 2024, as this year reflects current operations and is supported by robust emissions data. Base years are adjusted in the event of significant structural changes, including mergers, acquisitions or divestments exceeding 5% of total CO_2 emissions. No such adjustments were required in 2025. All targets are developed in accordance with the GHG Protocol and are based on consistent Group-wide methodologies.

The Group achieved its 2025 target of a 15% reduction in CO_2 intensity per tonne of product, compared to the 2018 base year. This improvement was primarily driven by increased use of secondary raw materials, operational efficiency measures, and lower short-term plant utilisation, which partially offset slower progress in fuel switching.

A comparison with a 1.5°C-aligned pathway indicates that such a trajectory would require approximately a 42% reduction in Scope 1 and Scope 2 emissions and a similar reduction in Scope 3 emissions by 2030. The Group's current targets do not meet this level of ambition and are therefore not aligned with a 1.5°C pathway, reflecting the technological, economic and infrastructure constraints identified in the internal assessment.

Progress against the targets is measured using CO_2 intensity per tonne of product and energy efficiency indicators derived from a bottom-up assessment of identified reduction levers.

In addition to its CO_2 reduction targets, the Group has established energy efficiency targets. The 2025 target of a 5% reduction in energy intensity compared to 2018 has been achieved. Energy efficiency performance per tonne of product shows an 8% improvement compared to 2018 and a 2% improvement compared to 2024.

In line with the Greenhouse Gas Protocol, the metric is adjusted to reflect changes in the Group's operational footprint resulting from mergers, acquisitions, and divestments. However, it does not account for changes in the sourcing of energy-intensive raw materials from within or outside the Group. The KPI captures only energy consumed directly by the Group.

The denominator of the KPI is tonnes of shipped products, excluding resale volumes and the sale of primary raw materials with very low GHG intensity (raw magnesite and dolomite). Shipped volumes are adjusted for inventory changes in finished goods and GHG-intensive raw materials produced by RHI Magnesita. The KPI has neither been externally verified nor assured. The target has not undergone any material methodological changes. The 2018 baseline value is 1.91 MWh per tonne of product, adjusted to reflect mergers and acquisitions.

The reported energy efficiency metric covers direct energy consumption and excludes upstream energy embedded in purchased raw materials. Adjustments are made for mergers and acquisitions exceeding 5% of total energy consumption to maintain year-on-year comparability. The metric has not been subject to external assurance and is not based on a science-based target methodology.

The Group has revised its energy efficiency target metric from energy intensity (MWh/t) to absolute annual energy savings (MWh per year). While MWh/t reflects relative efficiency, it is significantly influenced by external and structural factors such as plant load, production mix, and the share of externally purchased raw materials. These variables can distort the measurement of actual operational efficiency improvements.

To better reflect the impact of dedicated energy-saving initiatives, the Group now targets annual energy savings equivalent to a 1% efficiency improvement per year by 2030, using 2024 as the baseline. The target is supported by structured energy management processes and specific measures aligned with ISO 50001 principles.

Targets related to climate change mitigation and adaptation

The Group does not have an absolute emission target. The table below presents the theoretical reduction path in alignment with a 1.5°C, based on the SBTi calculation tool and an absolute contraction approach for Scope 1, 2 (market-based) and 3. The expected reduction by 2030 would be 41.9%.

SBTI Approach – Absolute emissions tCO_2e	2018	2024	2025	2030 T	2025 vs. 2018	2025 vs. 2024	2030 vs. 2025 T
Scope 1	2,528,000	2,250,000	2,176,000	1,305,000	(13.9)%	(3.3)%	(40.0)%
Scope 2	239,000	99,000	83,000	57,000	(65.3)%	(16.2)%	(31.3)%
Scope 3 – raw materials	3,350,000	2,058,000	2,141,000	1,194,000	(36.1)%	4.0%	(44.2)%
Total	**6,117,000**	**4,407,000**	**4,400,000**	**2,556,000**	**(28.1)%**	**(0.2)%**	**(41.9)%**

RHI Magnesita approach – Absolute emissions tCO_2e	2018	2024	2025	2030 T	2025 vs. 2018	2025 vs. 2024	2030 vs. 2025 T
Scope 1	2,528,000	2,250,000	2,176,000	2,050,000	(13.9)%	(3.3)%	(5.8)%
Scope 2	239,000	99,000	83,000	94,000	(65.3)%	(16.2)%	13.3%
Scope 3 – raw materials	3,350,000	2,058,000	2,141,000	1,811,000	(36.1)%	4.0%	(15.4)%
Total	**6,117,000**	**4,407,000**	**4,400,000**	**3,955,000**	**(28.1)%**	**(0.2)%**	**(10.1)%**

RHI Magnesita approach – Relative emissions tCO_2/t	2018	2024	2025	2030 T	2025 vs. 2018	2025 vs. 2024	2030 vs. 2025 T
Scope 1	0.75	0.80	0.76	0.73	1.3%	(5.0)%	(3.9)%
Scope 2	0.07	0.04	0.03	0.03	(57.1)%	(25.0)%	0.0%
Scope 3 – raw materials	1.00	0.73	0.75	0.64	(25.0)%	2.7%	(14.7)%
Total	**1.82**	**1.57**	**1.54**	**1.41**	**(15.4)%**	**(1.9)%**	**(8.4)%**

Reductions planned by lever

Expected contributions by lever to 2025 and 2030 targets are presented in the following table

Reductions planned in core operations	2025 vs. 2018	2030 vs. 2024	GHG Scope
GHG emissions ($ktCO_2e$)	1,717	452	
Energy efficiency and consumption reduction	6.5%	2.0%	Scope 1
Fuel switching	2.5%	35.0%	Scope 1
Use of renewable energy	10.6%	1.0%	Scope 2
Reductions expected in value chain			
Supply chain decarbonisation	0.0%	21.0%	Scope 3
Recycling	80.4%	41.0%	Scope 3

* Values presented in column "2025 vs. 2018" are actuals.

Disclosure Requirement E1-5 — Energy consumption and mix

RHI Magnesita operates entirely within high climate impact sectors, meaning that total revenue is fully classified as revenue from these sectors, aligning with financial statement disclosures. The Group's energy production includes 1,000MWh from non-renewable sources and 3,600 MWh from renewable sources.

A key limitation of the 2018-2025 energy target is the challenge of identifying drivers of progress, as changes in product portfolio and capacity utilisation can influence the metric. Additionally, the measurement of energy metrics is not externally validated beyond assurance provider reviews.

The Group determines energy intensity based on its operations in high climate impact sectors, which include refractory production and metallurgical processes, both characterised by energy-intensive manufacturing and resource transformation.

Assumptions and methodologies

The share of electricity from renewable, nuclear and fossil sources is calculated on a market-based approach using location-based data where no other data is available.

Energy consumption and mix	2025	2024	%N/(N-1)
1) Fuel consumption from coal and coal products (MWh)	891,000	837,000	6.5%
2) Fuel consumption from crude oil and petroleum products (MWh)	1,447,000	1,511,000	(4.2)%
3) Fuel consumption from natural gas (MWh)	2,018,000	2,024,000	(0.3)%
4) Fuel consumption from other fossil sources (MWh)	–	–	–
5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	115,000	121,000	(5.0)%
6) Total fossil energy consumption (MWh) (calculated as the sum of lines 1 to 5)	**4,471,000**	**4,493,000**	**(0.5)%**
Share of fossil sources in total energy consumption (%)	90%	90.0%	
7) Consumption from nuclear sources (MWh)	**30,000**	**29,000**	**3.4%**
Share of consumption from nuclear sources in total energy consumption (%)	0.6%	0.6%	
8) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	21,000	28,000	(25.0)%
9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	438,000	441,000	(0.7)%
10) The consumption of self-generated non-fuel renewable energy (MWh)	4,000	1,000	
11) Total renewable energy consumption (MWh) (calculated as the sum of lines 8 to 10)	**463,000**	**470,000**	**(1.5)%**
Share of renewable sources in total energy consumption (%)	9.3%	9.4%	
Total energy consumption (MWh) (calculated as the sum of lines 6, 7 and 11)	**4,964,000**	**4,992,000**	**(0.6)%**

Assumptions and methodologies:
Electricity from renewable sources (PV) is considered in the total energy consumption. Energy from non-renewable energy generation is not considered in the total energy consumption to avoid double reporting. Non-renewable energy generation is estimated based on fuel inputs to electricity generators with an estimated conversion efficiency of 36%.

Disagregation of non-renewable and renewable energy production	2025	2024	%N/(N-1)
Non-renewable energy generation (MWh)	1,000	900	11.1%
Renewable energy generation (MWh)	3,600	1,300	176.9%
Total (MWh)	**4,600**	**2,200**	**109.1%**

Assumptions and methodologies
Electricity from fossil sources is calculated on a location-based approach.

Consumption of purchased or acquired electricity, heat, steam, or cooling from fossil sources	2025	2024	%N/(N-1)
Electricity fossil (MWh)	115,000	121,000	(5.0)%

Energy intensity based on net sales
Assumptions and methodologies

Total energy consumption also considers self-generated electricity from renewable sources.

Energy intensity per net revenue	2025	2024	% N / N-1
Total energy consumption from activities in high climate impact sectors (MWh)	4,964,000	4,992,000	(0.6)%
Net revenue from activities in high climate impact sectors (EUR)	3,366,000,000	3,487,000,000	(3.5)%
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors (MWh/Monetary unit)	**0.00147**	**0.00143**	**3.0%**

Net revenue is disclosed in Note 5 of the Group's Financial Statements on page 261.

Connectivity of GHG intensity based on net revenue with financial reporting information

Connectivity of energy intensity based on net revenue with financial reporting information	2025 (EUR)	2024 (EUR)	% N / N-1
Net revenue from activities in high climate impact sectors used to calculate energy intensity	3,366,000,000	3,487,000,000	(3.5)%
Total net revenue (Financial statements)	**3,366,000,000**	**3,487,000,000**	**(3.5)%**

Net revenue is disclosed in Note 5 of the Group's Financial Statements on page 261.

Energy efficiency target 2018-2025: 5% energy efficiency improvement

	Retrospective				Milestones and target years	
Energy efficiency target 2018-2025: 5% energy efficiency improvement	**Base year (2018)**	**2024**	**2025**	**%N/N-1**	**2025 (absolute target)**	**2025 progress in target year against base year (%)**
Energy consumption (MWh)	6,418,000	4,992,000	4,964,000	(0.6)%	5,185,000	(22.7)%
MWh/t	1.91	1.77	1.74	(1.9)%	1.82	(9.0)%

Table note — Energy targets

Energy intensity target (2018—2025)

The Company aims to reduce energy consumption per tonne of product by 5% by 2025, using 2018 as the baseline year.

Energy efficiency target (2024—2030)

From 2024 to 2030, the Company targets a 1% reduction in absolute energy consumption per year, with 2024 as the baseline year.

				Retrospective	Milestones and target years
Energy efficiency target 2025-2030: 1% energy reduction per year	**Base year (2024)**	**2024**	**2025**	**%N/N-1**	**1% of base year**
Energy consumption (MWh)	4,992,000	4,992,000	4,964,000	(0.6)%	299,000

Energy efficiency initiatives delivered cumulative savings of 42,000 MWh in 2025, equivalent to 0.84% of total energy consumption.

Disclosure requirement E1-6 — Gross scopes 1, 2, 3 and total GHG emissions
Assumptions and Methodologies
Scope 1 emissions
Reporting boundaries: RHI Magnesita follows the operational control approach for consolidating data and accounts for GHG emissions or removals from operations over which it has full year operational control in the respective reporting year. Emissions from offices and ware-houses which are not part of operational sites and emissions from Group cars used offsite are not included. Facilities partially owned without operational control are Scope 3 emissions (Investments; not material).

For investees that are not fully consolidated in the financial statements, including associates, joint ventures, unconsolidated subsidiaries, and contractual joint arrangements where RHI Magnesita has operational control, the following emissions have been considered: 44 tCO_2 under Scope 1 and 14 tCO_2 under Scope 2 market-based. These figures ensure alignment with the reporting requirements by reflecting emissions from entities and operations where operational control is exercised, even if they are not fully consolidated in the financial statements.

For Scope 1 emissions a materiality threshold of 1% of the total direct plant CO_2 emissions (Scope 1) or 1,000 tCO_2 per year is applied on plant level.

Most relevant Scope 1 GHG sources are 1) fuel-based emissions at our production facilities from firing various types of kilns in the raw material production and finished goods production and 2) geogenic process emissions from the raw material ($MgCO_3$ is calcined to MgO and CO_2). Other minor sources of GHG are organic additives in RHI Magnesita's finished goods production which oxidize to CO_2 in high temperature kilns and emissions from explosives as well as emissions from mobile equipment.

Potentially existing sinks are forests owned by the Group but are at the moment not considered.

Emission factors

For direct Scope 1 emissions, fuel emission factors are used. Where available, supplier and fuel specific emission factors are applied; otherwise, generic fuel emission factors are used. For geogenic emissions from raw materials, emission factors are stoichiometrically calculated. The emission factors used to calculate Scope 1 GHG emissions are provided as fallback emission factors as published by the German Environmental Agency (Umweltbundesamt, 2016). The selection of these emission factors aligns with established methodologies and ensures consistency in reporting. Furthermore, no third-party calculation tools were used in the preparation of Scope 1 GHG emissions data.

Scope 2 emissions

RHI Magnesita applies a dual reporting approach for Scope 2 emissions in line with the GHG Protocol Scope 2 Guidance (2015). Market-based emissions reflect the CO_2 intensity of purchased electricity as provided by suppliers and include eligible contractual instruments such as unbundled renewable energy certificates. Where supplier-specific emission factors are unavailable, residual mix emission factors are applied; where neither are available, location-based factors are used as a fallback. Non-CO_2 greenhouse gases are not consistently included in market-based calculations.

Location-based Scope 2 emissions are calculated using grid-average emission factors obtained from third-party databases. These factors include non-CO_2 greenhouse gases, such as CH_4 and N_2O, where available. No external calculation tools were used in the preparation of location-based emissions data. The applied methodology avoids double counting with Scope 1 and Scope 3 emissions and ensures consistency with the GHG Protocol.

Scope 3 emissions

RHI Magnesita reports indirect upstream and downstream emissions. Various approaches are used to calculate indirect emissions. No calculation tools have been used for this purpose. The following indirect emissions are excluded from reporting, as they remain below cumulative 5% of the Group's Scope 1,2 (market-based), and 3 emissions—RHI Magnesita's threshold for inclusion

- Use of sold products
- Capital goods
- Employee commuting
- Waste generated in operations
- Business travel
- End of life treatment of sold products
- Investments
- Upstream leased assets
- Downstream leased assets
- Franchises

The reporting excludes the following indirect emissions:

- Other purchased goods than purchased raw materials and metal components, trading goods, packaging and those used in capital goods.
- Emissions of customers other than those directly from use of RHI Magnesita's products.

Calculation methods for significant Scope 3 categories:

Purchased goods and services: The indirect emissions from purchased goods and services consists of two main groups: purchased raw materials and goods for resale; minor emission sources within this category are packaging, purchased metal parts and auxiliary materials. Indirect emissions of these groups are quantified by applying emission factors to the volumes of purchased goods. For purchased raw materials emission factors are applied per raw material class. RHI Magnesita actively engages with suppliers to use emission factors provided by suppliers. For resale goods and estimated emission factors are applied due to a lack of supplier data. For minor emission groups literature values are applied for calculating indirect GHG emissions. Emission factors are applied to actual tonnages of consumed purchased goods.

The Group uses several sources for emission factors for purchased raw materials, prioritized in descending order:

1. Supplier provides emission factors of their raw materials which are then used for calculating the emission of the respective raw material independently of the actual supplier.
2. In the case of purchased raw materials which the Group also produces on its own it uses the emission factor from own production, if production settings are comparable (e.g., fuel use) or it adapts emission factors according to the assumed energy mix (e.g., coal or electricity based on coal).
3. The emission factor is taken from literature or databases (e.g., ecoinvent).
4. Based on literature research and investigation the CO_2 emission factor is calculated reflecting the production process and assumed energy sources of the supplier; or for other products with similar production method as products for which suppliers provided emission factors.
5. For raw materials for which none of the four approaches leads to a plausible emission factor the residual category "Others" is created for which a generic emission factor of 1.8 tCO_2 per tonne of product is taken. The 1.8 t CO_2 were defined per expert judgement as a plausible average value for refractory raw materials.
6. For secondary raw materials a cut off approach is applied which allocates CO_2 emissions form the initial production of primary raw materials fully to the first use phase. As a result the emission factor of secondary raw material only reflects the processing of waste to a secondary raw material.

Downstream and upstream transportation: For all transportation in the corporate ERP system all transport and distribution flows from origin to destination are fully covered in the GHG calculation, independent if the actual transport activity was performed under the Group's management responsibility or customer or supplier management responsibility. Transport distances are sourced from publicly available routing platforms. Literature-based CO_2 emission factors per tonne-kilometre are used to calculate transport-related GHG emissions. Transportation not covered by the corporate ERP system is extrapolated according to shipped volumes. For emissions related to transport, third party database emission factors are used.

Upstream fuel and energy related activities: Emissions from fuel and energy related activities are calculated based on fuel-specific emission factors and applied on fuel-specific energy consumption at company's operations and for processing of sold products at customer sites. For emissions related to fuel and energy related emissions, third-party database emission factors is used. Fuel- and energy-related emissions are indirect greenhouse gases released during the extraction, production, and transportation of fuels, as well as energy lost during transmission and distribution, before reaching the user of the energy.

Processing of sold products: Emissions from the processing of sold products origin heating up of refractory products at the customer. Emissions are estimated based on representative energy consumption data. Total emissions are calculated based on sales volumes of respective product groups.

The base year is adapted in case of changes in the calculation method; changes in production footprint (e.g. plant divestment or mergers and acquisitions) but also in case of an error or a number of cumulative errors that are collectively substantial (exceeding 5% of the respective metric). Start of a new operation or expansion of an existing operation as well as closure of an operation or part of an operation do not lead to an update of the base year. In 2025, RHI Magnesita expanded its Group perimeter through the acquisition of Resco, BPI and Ashwath. These acquisitions led to an increase in greenhouse gas emissions of approximately 13,000 tCO_2e in Scope 1, 6,000 tCO_2e in Scope 2, and around 105,000 tCO_2e in Scope 3 (Category: purchased goods and services). The CO_2-intensity of the production does not change significantly. The base year is not adjusted as the changes do not exceed cumulative 5% of the total Scope 1,2 (market-based) and 3 emissions.

	Retrospective				Milestones and target years			
	Base year (for 2025T)	Comparative (N-1)\ Base year (for 2030T)	(N)	% (N / N-1)				
CO_2 and equivalent	**2018**	**2024**	**2025**	**%2025/2024**	**2025 progress against base year 2018 (%)**	**2025T**	**2030T**	**Annual % target / Base year 2024**
Scope 1 GHG emissions								
Gross Scope 1 GHG emissions (tCO_2e)	2,528,000	2,259,000	2,186,000	(3.2)%				
thereof CO_2 emissions (tCO_2e)	2,519,000	2,250,000	2,176,000	(3.3)%	(13.5)%	2,278,800	2,050,000	1.5%
thereof other GHG emissions (tCO_2e)	9,000	9,000	10,000	11.1%				
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	24%	27%	24%					
Scope 2 GHG emissions								
Gross location-based Scope 2 GHG emissions (tCO_2e)	293,000	230,000	232,000	0.9%	(20.8)%			
Gross market-based Scope 2 GHG emissions (tCO_2e)	239,000	99,000	83,000	(16.2)%	(65.3)%	128,900	94,000	0.8%
Significant scope 3 GHG emissions								
Total Gross indirect (Scope 3) GHG emissions (tCO_2e)	4,972,000	3,880,000	3,993,000	2.9%	(19.7)%			
1) Purchased goods and services	3,510,000	2,615,000	2,715,000	3.8%	(22.6)%			
there of purchase of raw materials	3,350,000	2,058,000	2,142,000	4.1%	(36.1)%	2,340,900	1,811,000	2.0%
3) Fuel and energy-related Activities (not included in Scope 1 or Scope 2)	559,000	468,000	468,000	0.0%	(16.3)%			
4) Upstream transportation and distribution	490,000	412,000	404,000	(1.9)%	(17.6)%			
9) Downstream transportation	190,000	159,000	162,000	1.9%	(14.7)%			
10) Processing of sold products	223,000	226,000	244,000	8.0%	9.4%			
Total GHG emissions								
Total GHG emissions (location-based) (tCO_2e)	7,793,000	6,369,000	6,411,000					
Total GHG emissions (market-based) (tCO_2e)	7,739,000	6,238,000	6,262,000		1.3%	4,749,000	3,955,000	6.1%

Table notes:

1) For the 2025 targets, the baseline year is 2018; for the 2030 targets, the baseline year is 2024.
2) Scope 2 and Scope 3 data for 2024 have been restated. Scope 2 (location-based) figures were updated due to the revision of Ecoinvent emission factors. The total Scope 3 base-year values were restated following the exclusion of several Scope 3 categories that cumulatively fell below the 5% of relevant threshold.
3) The reduction percentages shown under "Annual % target / Base year" refer to the planned annual reduction required to achieve the 2030 target over the period 2024—2030.

Disaggregation of GHG emissions
Assumptions and methodologies
Scope 1 emissions are disaggregated into fuel-related emissions and process emissions. The biggest share of process emissions are geogenic emissions which result from the dissolution of carbonate minerals where CO_2. A much smaller share of process emissions are emissions from additives. The disaggregation excludes biogenic emissions.

Scope 1	2025	2024	%N/(N-1)
Fuel emissions (t CO_2)	1,103,000	1,117,000	(1.3)%
Process emissions (t CO_2)	1,073,000	1,133,000	(5.3)%

Percentage of Scope 1 GHG emissions from regulated emission trading scheme (%)
Assumptions and methodologies
Emissions from regulated emission trading schemes cover all emissions covered the EU ETS. Other emission trading schemes do not cover Scope 1 emissions of RHI Magnesita.

The percentage of Scope 1 GHG emissions from regulated emission trading schemes is determined by identifying all installations operated by the undertaking that fall under the EU ETS or other applicable national or non-EU emission trading schemes. For these installations, only emissions of CO_2, CH_4, N_2O, HFCs, PFCs, SF_6 and NF_3 are considered. The calculation is performed using the same accounting period as applied for the reporting of total gross Scope 1 GHG emissions to ensure consistency and comparability.

Scope 1:	2025	2025 (%)	2024	2024 (%)	2018	2018 (%)
ETS covered emissions (t CO_2)	540,000	24.7%	598,000	26.6%	613,900	24.2%
Not ETS covered emissions (t CO_2)	1,646,000	75.3%	1,652,000	73.4%	1,922,800	75.8%

Emissions from biogenic fuels and additives
In accordance with ESRS E1, biogenic CO_2 emissions are reported separately and excluded from Scope 3 emissions. Any potential biogenic CO_2 emissions would relate to the use of sold products and are currently assessed as not material. Based on available information, no use of biomass by suppliers has been identified. The Group continues to monitor its value chain and will reassess materiality as part of its regular emissions reporting and supplier engagement.

Direct emissions from biogenic fuels result from the use of charcoal, biofuels for mobile equipment and from biogenic additives to products which oxidise during the production process to CO_2. Indirect emissions from biogenic fuels are calculated based on Ecoinvent emission factors.

Emissions from biogenic fuels (t CO_2eq)	2025	2024	%N/(N-1)
Direct emissions from biogenic fuels and organic additives	25,000	28,000	(10.7)%
Indirect emissions from biogenic fuels	3,000	5,000	(40.0)%
Indirect biogenic emissions from electricity consumption	39,000	42,000	(7.1)%

Percentage of contractual instruments, Scope 2 GHG emissions
Purchased electricity which is not green electricity is categorised as 'None'. All green electricity which does not rely on unbundled attribute claims is categorised as 'Default delivered electricity from the grid (e.g. standard product offering by an energy supplier), supported by energy attribute certificates'. Green electricity based on an unbundled guarantee of origin (e.g. IREC certificate) is categorised as 'Unbundled attribute claims'.

Percentage of contractual instruments, Scope 2 GHG emissions	**2025**		**2024**	
	MWh	**%N/(N-1)**	**MWh**	**%N/(N-1)**
None (no active purchases of low carbon electricity)	185,000	31.7%	202,000	34.2%
Default delivered electricity from the grid (e.g. standard product offering by an energy supplier), supported by energy attribute certificates	144,000	24.7%	151,000	25.6%
Unbundled attribute claims	255,000	43.7%	237,000	40.2%
Green electricity products from an energy supplier (e.g. green tariffs)	–	0.0%	–	0.0%
Total	**584,000**	**100.0%**	**590,000**	**100.0%**

Percentage of GHG scope 3 calculated using primary data
Emissions are categorised as based on supplier data if emissions are either directly provided by supplier or if relevant information (e.g. emission factors) is provided by a supplier. For purchased raw materials all raw material related emissions are categorised as based on supplier data if the used emission factor is from a supplier of the raw material class, but not all raw materials considered in a raw material class are from the providing supplier.

	2025			**2024**			
Percentage of GHG Scope 3 calculated using primary data (E1-6 AR46g)	**t CO_2 Scope 3**	**Share of emissions based on supplier data**	**Share of Scope 3 category among total Scope 3 emissions**	**t CO_2 Scope 3**	**Share of emissions based on supplier data**	**Share of Scope 3 category among total Scope 3 emissions**	**%N/(N-1)**
Upstream transportation and distribution	404,000	0.0%	10.1%	412,000	0.0%	10.6%	(1.9)%
Downstream transportation and distribution	162,000	0.0%	4.1%	159,000	0.0%	4.1%	1.9%
Purchased goods and services	2,715,000	20.6%	68.0%	2,615,000	22.6%	67.4%	3.8%
thereof purchased raw materials	2,142,000	26.9%	53.6%	2,058,000	25.0%	53.0%	4.1%
Fuel-and-energy-related activities	468,000	0.0%	11.7%	468,000	0.0%	12.1%	0.0%
Processing of sold products	244,000	0.0%	6.1%	226,000	0.0%	5.8%	8.0%

Restatement due to introduction of a 5% materiality threshold and more accurate Scope 3 categorization of sold products. Employee commuting Capital Goods; Waste Generated in Operations; Business Travel; Use of Sold Products; End-of-Life Treatment; and Investments cumulatively account for less than 5% of total Scope 1,2 and 3 emissions and are considered non-significant. Scope 3 emissions from processing of sold products and use of sold products have been split into these two categories to enhance accuracy and transparency (previously reported in 2024 all under Scope 3 use of sold products.). Only processing of sold products remains a material emission category.

Current and future financial resources allocated to action plan (OpEx and CapEx)
Additional cost for green electricity and R&D activities in direct relation to CO_2 emissions (e.g. R&D to increase share of secondary raw material usage) are considered as relevant OpEx. Future financial resources are estimated based on relevant OpEx in 2025.

The capex reported considers investments into increasing the Group's recycling rate and investments into CO_2 reduction measures such as fuel switches or use of waste heat. Future financial resources are projected to remain at levels comparable to those in 2025.

Current and future financial resources allocated to action plan	2025	2024	%N/(N-1)
CapEx (EUR)	4,500,000	5,800,000	(22.4)%
OpEx (EUR)	4,000,000	4,300,000	(7.0)%

Revenue from refractory products that enables decarbonisation in the customer industries (e.g. EAF; ESF; BOF; DRI)

Revenue (in EUR)	2025	2024
Revenue from refractory products that enables decarbonisation in the customer industries (e.g. EAF; ESF; BOF; DRI)	525,000,000	548,228,600

The CO_2 KPI is the metric used to measure progress against the Group's 15% relative reduction target against a 2018 base year. In line with the greenhouse gas protocol the metric is adjusted to reflect changes in the operational footprint due to mergers and acquisitions as well as divestments (when exceeding cumulatively 5% of Scope 1,2 and 3 raw material emissions). As a result, the metric does not show the impact of mergers and acquisitions and divestments on the GHG-intensity of the Group. The denominator of the KPI are tonnes of shipped products excluding resale and sale of raw materials with very low GHG-intensity (raw magnesite and dolomite). The shipped volumes are corrected by inventory changes of finished goods and GHG-intensive raw materials produced by RHI Magnesita. The metric is not externally verified. The target did not undergo any significant change in methodology.

The KPI reflects RHI Magnesita's policy commitment to tackle climate change. The target is not a science-based target, and external stakeholders have not been consulted. The target is based on a bottom-up approach with clearly identified CO_2 reduction levers.

GHG intensity per net revenue

GHG intensity per net revenue	2025	2024	% N / N-1
Total GHG emissions (location-based) per net revenue (tCO_2eq/Monetary unit)	0.00190	0.00183	4.0%
Total GHG emissions (market-based) per net revenue (tCO_2eq/Monetary unit)	0.00186	0.00179	3.9%

Net revenue is disclosed in Note 5 of the Group's Financial Statements on page 261.

Connectivity of GHG intensity based on net revenue with financial reporting information

Connectivity of GHG intensity based on net revenue with financial reporting information	2025	2024
Net revenue used to calculate GHG intensity	3,366,000,000	3,487,000,000

Net revenue is disclosed in Note 5 of the Group's Financial Statements on page 261.

Disclosure requirement E1-7 — GHG removals and GHG mitigation projects financed through carbon credits

The Group has significant CO_2 emissions within its own value chain and there are large emissions savings that can be delivered for its customers through improved solutions contracts or other solutions. The Board therefore considers that the priority should be to allocate capital and other resources to reducing the Group's own CO_2 footprint and the emissions of its customers rather than investing in carbon offset projects. The Board believes that taking this approach will deliver a faster, greater and more sustainable decrease in net CO_2 emissions than could be delivered by allocating capital to offsets.

Disclosure requirement E1-8 — Internal carbon pricing

RHI Magnesita has conducted a thorough evaluation of the implicit carbon pricing approach as a potential element of its sustainability strategy. While recognising the value of such a mechanism, the Group has opted not to proceed with its adoption at this stage due to the significant complexity involved in implementation. However, RHI Magnesita remains committed to revisiting this approach as it closely monitors the evolution of emissions trading schemes and regulatory developments in the countries where it operates. Following this proactive approach, the Group remains well-positioned to adapt its strategy to align with emerging sustainability and market requirements.

Disclosure requirement E1-9 — Anticipated financial effects from material physical and transition risks and potential climate-related opportunities

The anticipated financial effects from material transition risks and potential climate related opportunities are presented on table of climate-related risks and opportunities on pages 115-116. Sites exposed to climate hazards are presented on page 118. Currently, there are no material physical risks.

ESRS E2 Pollution

ESRS 2 General disclosures

Impact, risk and opportunity management

Disclosure requirement related to ESRS 2 IRO-1 — Description of the processes to identify and assess material pollution-related impacts, risks and opportunities

As part of the materiality assessment, the impacts, risks, and opportunities associated with pollution of RHI Magnesita's production sites were assessed in addition to operational environmental permit requirements. The environmental permit and the related programme for monitoring emissions and impacts set the minimum requirements for the observation of environmental impacts. This holistic approach supports the identification and prioritisation of material topics relevant to RHI Magnesita. The DMA process is described on pages 96-99.

As a result, RHI Magnesita has identified that in addition to GHG emissions, RHI Magnesita's production generates other emissions to air and can have a negative impact on health and environment. Most of these emissions arise from industrial processes involved in raw material preparation and refractory production.

Emissions from sources other than RHI Magnesita production sites are not included in the pollution screening. The assessment is based on emission thresholds defined by the European Pollutant Release and Transfer Register (EC No. 166/2006)[5] and focuses on actual pollution related to the nature of the IRO. Upstream and downstream value chain emissions were not assessed; however, given that both involve high-temperature processes, similar pollution impacts are expected.

RHI Magnesita adopts a compliance-driven approach to pollution management, ensuring that all operations meet or exceed the strict environmental regulations in place. By adhering to enforceable legal standards, such as emission limits and monitoring obligations, the Group ensures responsible management of pollutants, Production sites are required to record and report their emissions for various parameters into the Group's environmental ERP system, ensuring a comprehensive corporate overview of relevant pollutants. Communities were not consulted for this specific analysis.

Disclosure requirement E2-1 — Policies related to pollution

Policies are formulated with key stakeholder interests in mind and align with the ISO and other internationally recognized standards.

Through its Integrated Management System (IMS) policy, RHI Magnesita is committed to minimising emissions—including both direct and indirect CO_2 as well as other greenhouse gases—along with reducing pollution and the release of harmful substances. This effort extends across its operations and applications at customer sites, aiming to mitigate potential negative impacts on human health, and the environment. This policy underscores the Group's dedication to reducing the environmental impact of its activities to the extent that it is technically and economically feasible. The Group's current policy does not fully address all ESRS disclosure requirements. At this stage, IMS policy updates are not planned, as the existing framework is considered appropriate to support the Group's current climate management and reporting approach.

Based on RHI Magnesita's DMA, substances of concern and substances of very high concern are not considered to have material impacts, risks, or opportunities for the Group. Consequently, there is no stand-alone policy addressing these substances. While the IMS policy commits to minimising pollution, it does not explicitly include provisions for incidents and emergency situations.

The scope of the IMS policy encompasses RHI Magnesita's direct operations as well as activities at customer sites. The CTO holds the highest level of accountability for the policy's implementation within the organisation. The Group's current policy does not yet fully align with all ESRS disclosure requirements.

The IMS policy is integrated into the governance framework of the Group's ISO-certified management systems and is publicly available on the RHI Magnesita website.

Business partners (upstream and downstream) are expected to adhere to the RHI Magnesita's Code of Conduct and Supplier Code of Conduct.

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[5] Reporting thresholds applied: Nox.100t/y/plant; SOx: 150t/y/plant; CO: 500t/y/plant; HFC:0.1t/y/plant; Hg: 0.01t/y/plant

Disclosure requirement E2-2 — Actions and resources related to pollution
The Group adheres to all legal requirements regarding pollution control and proactively takes measures to ensure compliance. In 2025, several targeted initiatives were implemented to reduce air pollution across the Group's global core operations.

The reported actions, all completed within the reporting year, focused primarily on mitigating dust emissions, with a particular emphasis on minimising occupational exposure risks. These measures reflect the Group's ongoing commitment to safeguarding health and maintaining environmental standards.

To support these efforts, the Group allocated approximately €3.5 million in capital expenditures (CapEx) towards pollution control initiatives during the reporting period. Future financial resources are projected to remain at levels comparable to those in 2025.

In line with ESRS E2 AR13, RHI Magnesita extends actions related to pollution prevention and environmental protection across its upstream and downstream value chain. The Supplier Code of Conduct requires suppliers to comply with applicable environmental laws and regulations, while the RHI Magnesita Code of Conduct sets environmental protection expectations for all business partners. Compliance with these requirements is supported through supplier on-site assessments, thereby embedding pollution prevention and environmental protection practices throughout the value chain.

Metrics and targets
Disclosure requirement E2-3 — Targets related to pollution
The Group is currently not planning to establish specific pollution-related targets and continues to follow a compliance-driven approach. Air pollution across its operations is subject to stringent regulatory requirements, including enforceable emission limits and mandatory monitoring obligations. By prioritising full adherence to these legal standards, the Group ensures that emissions remain within permissible levels and that the effectiveness of its policies and actions is consistently monitored and maintained.

Disclosure requirement E2-4 — Pollution of air, water and soil
Soil and water pollution were assessed as part of RHI Magnesita's double materiality evaluation and were deemed immaterial to the Group's value chain. The assessment considered the nature of industrial processes, mining activities, existing environmental controls, and regulatory compliance measures, which mitigate significant risks in these areas. As a result, no material impacts, risks, or opportunities were identified related to soil and water pollution.

Main emissions to air from the production of refractory and refractory raw materials are (nitrogen oxides) NOx and sulfur oxides SOx emissions. Other pollutants relevant for certain sites are dust (reported as PM10), carbon monoxide (CO), hydrogen chloride (HCl) and mercury (Hg). Additionally, emissions from Hydrofluorocarbons (HFCs) from air conditioning are relevant at certain sites. Mercury, hydrogen chloride and carbon monoxide emission levels are reported; however, E2-5 pollutants of high concern are not material, as the products do not contain these pollutants.

RHI Magnesita has implemented significant actions in recent years to reduce its NOx emissions across key regions. These efforts have led to a 61% reduction in China, a 33% reduction in North America, and a 35% reduction in Europe, and 42% reduction in South America (compared to 2018), resulting in an overall substantial decrease in NOx emissions[6]. SOx emissions also reduced over time through investment into SOx abatement technologies. CO emissions typically occur at the abnormal operating conditions of kilns when incomplete combustion occurs. Emissions are quite stable over time. Unabated HCl emissions stem from the naturally occurring chloride content in fuels and raw materials, which is released as hydrogen chloride during high-temperature processing. Hydrofluorocarbons (HFC) emissions reduced compared to 2024 due to reductions in major Brazilian plants. Reported PM10 emissions reduced significantly due to a reduction of plants which exceed the reporting threshold as a result of operational improvements.

Pollution-related data is collected annually or for very few sites monthly via the Group environmental ERP-system. Depending on the pollutant required information are pollutant-concentration in off gas and off gas volumes, consumption of HFCs.

Air pollutants methodology at RHI Magnesita
RHI Magnesita systematically monitors key air pollutants, including nitrogen oxides (NOx), sulfur oxides (SOx), carbon monoxide (CO), dust, hydrogen chloride (HCL), hydrofluorocarbons (HFCs), and mercury (Hg). While NOx, SOx, and CO emissions primarily result from combustion processes, mercury emissions originate from its presence in certain raw materials and coal used as fuel.

Given its global operations, RHI Magnesita adheres to local regulatory standards for air pollutant monitoring.

Monitoring is carried out in alignment with the applicable EU BREF standards for ceramics and magnesium oxide. Where BREF guidance is not applicable, equivalent internationally recognised benchmarks are applied.

[6] NOx emission reductions are calculated based on total emissions, including volumes below applicable reporting thresholds.

Sites in Europe comply with EN standards, while the U.S. facility follows EPA reference methods, integrating both continuous and periodic stack testing. In China and India, sites align with national air quality regulations, while Brazilian operations adhere to CONAMA standards, utilizing monitoring instruments and methodologies comparable to those in Europe and the U.S.

Emissions are measured from off-gases of relevant production units, either continuously or on a spot basis, as specified by environmental permits that define monitoring locations, frequency, and methodologies. Total emissions are calculated based on pollutant concentration per cubic meter of off-gas and total annual off-gas volumes.

Where automated measurement systems (AMS) are used, calibration tests are performed in accordance with applicable regulatory, technical, and permit-based requirements to ensure the accuracy and reliability of measured data.

For compliance reporting purposes, all sites are recommended to report the results from spot measurement campaigns with exception from China facilities that emission monitoring is direct connected with authorities.

Periodic and spot measurements are conducted and/or verified by independent accredited laboratories where required by regulation or permit conditions. In jurisdictions with direct regulatory oversight of emissions data, such oversight is considered to provide equivalent assurance.

Dust emissions occur both as piped emissions (e.g. from chimney as part of the offgas) from the firing process, but also during the storage and handling of raw materials and fuels (e.g. conveyors or elevators), and from grinding and milling processes or as diffuse emissions (e.g. from dusty roads in plants). For channeled dust emission from combustion, emission measurement is typically done as part of the other air pollutant measurements as spot measurement. For channeled dust emissions from non-combustion sources (e.g. dedusting units in dusty production areas), additional spot measurements are taken. Frequency of measurements is once or a few times per year in line with local applicable law. Total dust emissions are calculated based on measurements where concentrations are measured and offgas volumes (same as for other air pollutants).

For HFC emissions, direct measurement is not feasible; instead, mass balance calculations ensure a more accurate and reliable estimation compared to online analysers.

HFCs, commonly used in air conditioning, are accounted for by tracking all inputs and outputs, minimizing measurement uncertainties. Where historical data is incomplete, HFC emissions are estimated based on production volumes, maintaining consistency in reporting. RHI Magnesita follows the recommended approach for both equipment manufacturers and users who maintain their own equipment, estimating HFC emissions based on the quantity of refrigerant purchased and used, in accordance with the GHG Protocol. This "Sales-Based Approach" requires data that should be available from entity purchase and service records, and tracks emissions from equipment manufacturing (producers) or installation (users), operation, servicing, and disposal. The Group has restated its 2024 emissions data for SOx, NOx and other regulated air pollutants as it introduced reporting thresholds provided by the European Pollutant Release and Transfer Register (E-PRTR) resulting in lower total pollutant emissions being reported. Furthermore, dust is newly reported as PM10 and the respective 2024 figures are presented in this report to enhance comparability.

NOx emissions

t NOx	2025	2024	%N/N-1)
India	147	147	0.0%
China & East Asia	–	–	0.0%
North America	1,706	1,615	5.6%
Latin America	3,751	5,855	(35.9)%
Europe & CIS	1,527	1,668	(8.5)%
Middle East, Türkiye & Africa	121	128	(5.5)%
Total	**7,252**	**9,413**	**(23.0)%**

SOx emissions

t SOx	2025	2024	%N/N-1)
India	–	–	0.0%
China & East Asia	–	–	0.0%
North America	688	641	7.3%
Latin America	–	283	(100.0)%
Europe & CIS	–	–	0.0%
Middle East, Türkiye & Africa	–	–	0.0%
Total	**688**	**924**	**(25.6)%**

Other air pollutants emissions

t Other air pollutants	2025	2024	%N/N-1)
CO	3,627	4,098	(11.5)%
HFC	1	2	(50.0)%
Hg	–	0.01	(100.0)%
HCl	33	31	6.5%
Particulate Matter (PM10)	61	122	(50.0)%

Disclosure requirement E2-6 — Anticipated financial effects from pollution-related risks and opportunities
The Group omits information prescribed by ESRS E2-6 — except paragraph 40b.

During the reporting period, the Group did not incur any operating or capital expenditures in connection with major pollution-related incidents, as no such incidents occurred. Environmental deposits are only relevant in relation to potential soil pollution. As soil pollution is not material to the Group's activities, no significant deposits were recognized during the reporting period.

ESRS E3 Water and marine resources
ESRS 2 General disclosures
As part of its DMA, RHI Magnesita conducted a thorough evaluation of its operations, upstream and downstream value chain, and sector-specific context to identify water-related impacts, risks, and opportunities. This assessment was guided by RHI Magnesita's global sustainability team, alongside subject matter experts in health, safety, and environmental management.

Impact, risk and opportunity management
Disclosure requirement related to ESRS 2 IRO-1 — Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities
Water usage in refractory manufacturing
The refractory industry primarily relies on raw materials, energy, and heat, with minimal water dependency. While certain processes such as mixing, forming, cooling, and dust suppression require water, overall consumption remains significantly lower than in water-intensive industries like agriculture or textiles.

Water consumption within RHI Magnesita's operations is primarily associated with process cooling, including applications in the Rotary Kiln, Venturi Scrubber, and Flotation systems. Additionally, water is utilised for laboratory and sanitation purposes, such as in toilets, showers, and water coolers. Another key area of water use is dust suppression, which helps control airborne particulates in mining and production activities, ensuring compliance with environmental standards and workplace safety regulations.

Assessment of water impact in RHI Magnesita's value chain
RHI Magnesita assessed the impact of its mining sites with highest water inflow (covering 90% of RHI Magnesita's water inflow) is based on criteria outlined in the EU Water Framework Directive. The assessment considered site-specific operational characteristics, and their potential impact on water quality and availability. Based on this evaluation, the impact on surface water availability is considered to be low as surface water is mainly used for cooling which is fed back to the source water stream. The impact on water quality is considered to be low as mining water does not cause acid mine drainage due to the chemical composition of the mines.

Marine resources were assessed as part of the double materiality analysis but were not identified as material, as the company's refractory production and supply chain do not involve marine resource extraction, marine ecosystems, or related environmental impacts. A river basin assessment was conducted using the WWF Water Risk Filter. The Group's operations do not rely on significant water consumption, and do not cause relevant discharges into surface or groundwater bodies.

To ensure compliance with local laws and to proactively conserve resources, RHI Magnesita has conducted a water scarcity risk assessment using the WWF Water Risk Filter, which helps identify and mitigate potential vulnerabilities.

Additionally, RHI Magnesita has an established water management approach, which includes internal measures to enhance sustainable water use, incorporating best practices for monitoring, conservation, recycling and responsible water discharge.

Water withdrawal is monitored through the installation of water meters at usage units, with monthly readings conducted to track consumption trends. Conservation measures include the implementation of water efficiency measures such regular inspections key consuming facilities and maintenance to prevent leaks and awareness campaigns to promote water-saving behaviours. To further optimize water use, RHI Magnesita implements recycling and reuse initiatives, including the utilisation of drained underground water for beneficiation processes and dust suppression, internal recycling in rotary kiln cooling and gas scrubbers, and rainwater harvesting from mine pits for storage and future use. Wastewater management practices involve the establishment of rainwater harvesting pits for groundwater recharge, connections to sewage treatment plants (STPs) and effluent treatment plants (ETPs) where applicable, and the use of soak pits in limited cases. These measures collectively contribute to the sustainable management of RHI Magnesita's water sources and consumption across its operations.

RHI Magnesita sources its water from multiple channels, including tap water purchased from municipal utilities, groundwater extracted from borewells and mine pits, and surface water supplied by industrial partners.

Water risk management in the supply chain
RHI Magnesita actively monitors water-related risks in its upstream supply chain, with a particular focus on raw material mining. Environmental compliance of suppliers is assessed through desk-based risk evaluations and on-site audits. To date, no signifcant water shortages or related risks have been identified in supplier operations.

Communities were not directly consulted in the identification of material impacts, risks, and opportunities, as RHI Magnesita maintains close relationships with key communities through dedicated personnel at various sites. This ongoing engagement provides a comprehensive understanding of community priorities, enabling the Group to effectively align its initiatives with local needs.

Conclusion
Given the refractory industry's low water dependency, RHI Magnesita has determined that water-related concerns do not constitute a material ESG issue. Following ESRS methodology for scale, scope and remendability, the overall impact score at 4 - below the materiality threshold of 5 - confirming that water is a non-material ESG factor for RHI Magnesita. Comparative benchmarking with water-intensive industries reinforced this conclusion.

However, the Group remains committed to ongoing monitoring, compliance, and best practices in water management, ensuring that potential risks are minimised.

ESRS E4 Biodiversity and ecosystems
ESRS 2 General disclosures
As part of its DMA, RHI Magnesita has conducted an evaluation of its biodiversity-related impacts, dependencies, risks, and opportunities. The assessment included key mining sites located in Austria (3), China (1), USA (1), Brazil (1), and Türkiye (1). Mining activities, including land degradation, blasting, and land use, were assessed for their impact on biodiversity, while also considering potential positive contributions.

Impact, risk and opportunity management
Disclosure requirement related to ESRS 2 IRO-1 — Description of the processes to identify and assess material biodiversity and ecosystems-related impacts, risks and opportunities
The identification and assessment of biodiversity-related impacts, risks and opportunities is conducted as part of the Group's double materiality assessment process. The process includes an initial screening of operations and value chain activities, followed by a site-level risk assessment using external tools such as the WWF Biodiversity Risk Filter in 2023 and internal environmental data. Identified impacts are assessed based on scale, scope and remediability, and reviewed to determine materiality. The process involves input from environmental and operational experts and is updated periodically to reflect significant changes in operations, regulatory requirements and environmental conditions. Since the initial assessment the company did not significantly change its biodiversity impact and exposure; therefore, a complete revision of the assessment was not conducted.

The assessment considers the location of operations, proximity to communities and sensitive ecosystems and the nature of mining and processing activities in order to identify potential impacts on ecosystem services and to assess whether such impacts can be avoided or minimised through existing operational and management practices.

Engagement with local communities is conducted through ongoing site-level interactions and stakeholder engagement processes. While no dedicated consultations were carried out specifically for biodiversity risk identification, local insights are considered through established communication channels and operational oversight.

Based on this assessment, biodiversity was not identified as a material topic for the Group. This conclusion reflects the limited physical footprint of the Group's mining activities, the predominance of long-established sites, and the absence of large-scale greenfield developments.

The materials extracted are non-hazardous, do not generate acid mine drainage and require limited processing, resulting in limited tailings or overburden. Changes in land use are minimal and managed in line with permitting requirements, with only minor annual variations and ongoing rehabilitation activities. In addition, recycling activities reduce the need for primary raw material extraction and thereby contribute to limiting pressures on ecosystems.

On this basis and considering the limited proximity of most sites to sensitive ecosystems or community-dependent biodiversity, biodiversity-related impacts, risks and opportunities were assessed as non-material at Group level.

Contribution to direct impact drivers on biodiversity loss
RHI Magnesita acknowledges that raw material extraction may contribute to biodiversity loss through land-use change and pollution. The following mitigating measures are in place:

The Group's mining operations occupy a small environmental footprint, with some sites utilising underground mining to reduce surface disruption. In 2025, land use increased by 1% from mining or storage of tailings, while in 2024, no additional land area was occupied by RHI Magnesita's mines, with rehabilitation efforts conducted in line with local regulations.

RHI Magnesita enforces stringent environmental controls to mitigate pollution from dust emissions and wastewater discharge. The raw materials extracted are non-hazardous and do not produce acid waste runoff or significant tailings.

The Group's activities do not introduce invasive alien species or exploit biodiversity beyond standard mineral extraction processes. Negative impacts on threatened species have not been identified.

Given the refractory industry's low water dependency, biodiversity risks associated with water use are deemed immaterial. Practices in water management are described in ESRS E3 IRO-1.

Impacts on species and ecosystems
RHI Magnesita's operations do not significantly affect species population size or global extinction risks. The RHI Magnesita's approach to mining, primarily in long-established sites, ensures that most biodiversity disturbances occurred at the initial development stage rather than through ongoing operations. Rehabilitation programmes further mitigate residual impacts.

As part of the assessment of biodiversity-related impacts, the Group evaluated whether specific biodiversity mitigation measures, including those under EU nature conservation legislation or equivalent international standards, were required. Based on this assessment and the characteristics of the Group's operations, no additional mitigation measures beyond existing regulatory and permitting requirements were identified as necessary. Where applicable, site activities are subject to environmental impact assessments and national permitting processes aligned with relevant EU or international standards.

Additionally, RHI Magnesita's operations do not heavily depend on ecosystem services such as pollination, water purification, or carbon sequestration. The primary dependency remains on raw mineral extraction.

Biodiversity materiality assessment approach
RHI Magnesita conducted a biodiversity risk screening using the WWF Biodiversity Risk Filter. This analysis identified four primary drivers of biodiversity loss relevant to RHI Magnesita's operations: climate change, pollution, land and water use change, and tree cover loss. The screening highlighted water scarcity and extreme heat as potential dependencies at certain locations but did not indicate direct exposure to systemic biodiversity risks.

While some mining sites are located near biodiversity-sensitive areas, the RHI Magnesita does not anticipate negative effects. This is supported by the fact that most mining sites do not have specific legal requirements related to protected areas within their operating licences. Additionally, RHI Magnesita consistently undertakes land rehabilitation initiatives across its mining operations to mitigate biodiversity-related risks. The company has not identified negative impacts on threatened species. Main mining sites of the company are:

- Brumado (Brazil)
- York (USA, Pennsylvania)
- Chizhou (China, Anhui province)
- Breitenau (Austria)
- Hochfilzen (Austria)
- Radenthein (Austria)
- Eskisehir (Türkiye)

RHI Magnesita recognises the interconnection between biodiversity risks and climate risks, particularly in the context of its mining and production operations. Through the physical climate risk assessments, conducted in a regular basis, the Group gathers valuable insights into the vulnerability of certain operational sites to chronic and acute climate hazards, such as temperature fluctuations, heat stress, soil erosion, and flooding. These climate-related factors can indirectly influence biodiversity by altering ecosystems, disrupting natural habitats, and impacting soil and water quality. However, the findings indicate that the Group's overall exposure to physical climate risks remains limited, primarily due to two key factors: the lack of immediate threats at most flagged sites and the Group's proactive risk management approach. For details, see E1 Climate Change — Climate-related physical risks.

In 2025, two small mining sites were acquired as part of the Resco acquisition. Despite their limited size and production capacity, both sites were assessed for biodiversity-related risks in line with the Group's due diligence processes.

In addition, the Group's main recycling sites underwent biodiversity risk screening as part of the EU Taxonomy assessment. The results indicated no material biodiversity risks.

Despite approximately 43% of raw materials being sourced from its own mines, RHI Magnesita's DMA found that the land-use change impact does not meet the materiality threshold. The assessment assigned a 'Scale' score of 5, a 'Scope' score of 3, and a 'Remediability' score of 5, resulting in an average score of 4.33, which falls below the threshold for materiality. Consequently, while land-use change is acknowledged as a contributing factor, it does not constitute a significant material impact within the RHI Magnesita's operational framework.

Biodiversity risk management in the supply chain
RHI Magnesita actively assesses biodiversity-related risks within its supply chain, particularly regarding raw material procurement. Supplier compliance is monitored through risk evaluations and on-site assessments. To date, only one supplier has been identified with a potential biodiversity-related concern which will be monitored during 2026. Newly acquired entities were also included in this assessment and did not give rise to any additional material biodiversity-related impacts or risks. Given RHI Magnesita's stringent supplier standards and the nature of procured materials, overall biodiversity risks are assessed as limited.

Stakeholder considerations and Management conclusion
External stakeholders indicated that biodiversity is a high priority for them, but RHI Magnesita's management determined that RHI Magnesita's operational footprint and biodiversity impact profile did not meet the materiality threshold compared to other sustainability impacts, risks and opportunities. Communities were not consulted for this specific analysis.

Management's conclusion is based on a thorough assessment of RHI Magnesita's mining activities, which demonstrate a limited and controlled nature of change in land-use annually. RHI Magnesita's mineral extraction operations are primarily confined to existing, long-established mining sites, with minimal expansion and a strong focus on land rehabilitation. Additionally, there are no inherent biodiversity risks beyond localised land-use effects, as the RHI Magnesita's mining processes do not involve hazardous materials, invasive species, or significant ecosystem dependencies. Furthermore, RHI Magnesita remains committed to mitigating environmental impacts through strict adherence to regulatory requirements and proactive rehabilitation measures. It has not been concluded whether biodiversity mitigation measures, as outlined in relevant EU directives or international standards, are necessary.

ESRS E5 Resource use and circular economy

ESRS 2 General disclosures

Impact, risk and opportunity management

Disclosure requirement related to ESRS 2 IRO-1 — Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities

As part of its double materiality assessment, RHI Magnesita identifies and evaluates material impacts, risks and opportunities related to resource use and the circular economy across its value chain, with a particular focus on resource inflows, resource outflows and waste.

A key material topic identified is the efficient use of raw materials and resources, including the use of recycled materials, which is embedded in the Group's Integrated Management System (IMS) policy. This topic was assessed as material due to its relevance for environmental performance, cost efficiency and long-term resource security.

The assessment follows a structured, data-driven approach and considers material flows, recycling rates, waste generation and the potential for circular use of materials across upstream, own operations and downstream activities. Internal operational data, industry benchmarks and expert input are used to identify and assess impacts, risks and opportunities.

In addition to risk mitigation, the assessment identified opportunities related to downstream activities, in particular the recycling of non-refractory materials. These activities create new revenue streams, broaden market reach and support the transition towards a more circular business model.

The outcomes of this assessment inform strategic decision-making, including the prioritisation of recycling initiatives, the increased use of secondary raw materials and the development of circular solutions for customers. In this way, the management of resource use and circularity contributes both to reducing environmental impacts and to strengthening the Group's long-term business performance.

RHI Magnesita maintains its industry leadership in utilising recycled minerals and recycling has been the major reduction lever to achieve the Group's CO_2 emissions reductions target. The reuse of one tonne of recycled refractory material prevents approximately 1.6 tonnes of CO_2 emissions compared to virgin raw materials, making recycling the most effective short-term lever to achieve the Group's 2025 emissions intensity target. Beyond emissions reduction, recycling supports waste management and the circular economy for customers. While refractory recycling was historically limited by lower performance levels of reclaimed materials, RHI Magnesita has successfully demonstrated through innovative processes and operational examples that recycled materials can now be used without compromising performance.

In 2025, the company achieved a recycling rate of 15.9% for the full year, surpassing its established target of 15%. More than 400 kt of recycled materials were incorporated into the production of refractory finished products and metallurgical additives. The expanded use of secondary raw materials generated approximately €50 million in cost savings and avoided around 550 kt of CO_2 emissions, representing a substantial advance in resource efficiency and circularity.

Disclosure requirement E5-1 — Policies related to resource use and circular economy

Through its IMS policy, RHI Magnesita strives to increase the usage of recycled materials and promote and develop the circular economy wherever possible. This effort extends across its operations and applications at customer sites, aiming to mitigate potential negative impacts on the environment. This policy underscores the Group's dedication to reducing the environmental impact of its activities to the extent that is technically and economically feasible. The Group's IMS policy is globally applicable and does not specifically address or exclude stakeholder groups. The IMS policy does not explicitly address the use of renewable resources or sustainable sourcing of renewable materials. This reflects the nature of the refractory industry, which relies predominantly on mineral-based raw materials for which the availability and applicability of renewable alternatives are inherently limited.

The scope of the IMS policy encompasses RHI Magnesita's direct operations as well as activities at customer sites, but it does not extend to the upstream and other downstream stages of RHI Magnesita's value chain. The CTO holds the highest level of accountability for the policy's implementation within the organisation.

No third-party standards or initiatives are respected through implementation of the policy. For setting the policy, the Group did not consult with external stakeholders. The IMS policy is integrated into the governance framework of the Group's ISO-certified management systems and is publicly available on the RHI Magnesita website.

The Group has a global sourcing guideline for recycling, which aims to provide guidance on purchasing of spent refractories and indicates the recyclability of spent refractories of different industries. This guideline applies to all global regions and all the personnel involved in the purchasing process of spent refractories.

Disclosure requirement E5-2 — Actions and resources related to resource use and circular economy

The Group has taken substantial steps to enhance its use of circular raw materials, aligning with its commitment to resource efficiency and circular economy principles. In 2025, the Group invested approximately €1.9 million to expand processing, sorting, and storage capacities at recycling sites. These investments are aimed at increasing the integration of secondary raw materials into production processes. Additionally, €2.8 million was allocated to research and development (R&D) initiatives focused on improving recycling methods and product formulations to accommodate a higher share of circular materials. Future financial resources allocated to recycling CAPEX are projected to be ca. €2.9 million in 2026.

The Group anticipates maintaining similar levels of spending in the future to sustain its progress in this area. Key actions include advancing R&D to refine product recipes and investing in internal recycling operations to ensure efficient processing of circular raw materials. Since 2018, these efforts have enabled a consistent increase in the share of circular raw materials used, driven by the continuous development of recycling capacities, R&D advancements, and strategic sales initiatives.

Recycling

To strengthen our commitment to resource efficiency and circular economy principles, the Group prioritises recycling activities as a key component of its sustainability strategy. This involves implementing waste management systems, optimising the recovery of materials from production processes, and ensuring the reintegration of recycled content into new products. Furthermore, the Group actively collaborates with stakeholders across the value chain to drive resource efficiency, minimising landfill dependency, and advance cutting-edge recycling technologies. These efforts not only reduce our environmental footprint but also support regulatory compliance and deliver long-term operational cost efficiencies.

2025 highlights in recycling initiatives

In 2025, the Group advanced its recycling performance through a series of targeted technological and process improvements. Key achievements included the rollout of DGG recycling in Chizhou (China), the start-up of MU production in Vietnam, and the increased use of recycled materials in basic mixes across LATAM—while consistently maintaining product quality and expanding recycling in tundish mixes.

To accelerate progress toward the Group's ambition of achieving a 20% recycling rate by 2030, RHI Magnesita continues to pursue both organic growth and the establishment of regional recycling hubs as a key implementation lever to scale circular materials. As part of this strategy, the company is expanding its recycling footprint beyond Europe. In June 2025, it announced a strategic joint venture with BPI, Inc. to drive circular economy initiatives in North America. By combining RHI Magnesita's global refractory expertise with BPI's local infrastructure, sourcing capabilities, and technical processing know-how, the partnership is expected to enable higher regional recycling rates and strengthen long-term innovation in secondary raw material processing.

The Group also continued to set industry benchmarks in recycling technologies. Within the EU Horizon Research Project ReSoURCE, significant progress was made with the commissioning of the automated sorting system RAPTOR (Refractory Automated Precision Technology for Optimized Recovery) at RHIM Mireco's facility in Mitterdorf. Designed to efficiently process particles as small as 16 mm using advanced LIBS (Laser-Induced Breakdown Spectroscopy) and HSI (Hyperspectral Imaging) technologies, RAPTOR marks an important step forward in precision and sensor-based sorting of spent refractories.

Throughout 2025, RHI Magnesita's R&D and technology teams focused on optimizing the RAPTOR 1 pilot system following its installation in late 2024. Improvements were implemented across singulation, sensor calibration (3D, LIBS, HSI), scanner control, ejection timing, and maintainability, resulting in a stable performance level suitable for industrial deployment. In parallel, the engineering of a mobile conveyance system for automatic transport of sorted fractions into dedicated bins was completed, enabling flexible on-site operation. Enhanced data logging and quality assurance capabilities now ensure full traceability and compliance with future certification requirements. With a technically mature pilot setup and a defined mobile handling concept, RAPTOR 1 is ready to progress toward full industrial implementation.

Metrics and targets

Disclosure requirement E5-3 — Targets related to resource use and circular economy

RHI Magnesita has established ambitious targets to enhance resource efficiency and circular economy efforts, focusing on increasing recycling and reducing waste. The Group aims to increase the share of secondary raw materials in its products, targeting 15% by 2025 and 20% by 2030, reinforcing its commitment to integrating circular materials into production and minimising primary raw material use. This is a relative target.

These targets apply to refractory and metallurgical product operations, covering upstream and downstream value chains within relevant geographical boundaries. The focus on secondary raw materials directly supports the waste hierarchy's recycling layer.

The targets were set in 2018, when the recycling rate was below 4%. The 15% target for 2025 serves as an interim milestone toward 2030. Key considerations in setting the targets include recycling availability, market development, and supply chain integration. The targets are voluntary and not based on scientific thresholds, and stakeholders were not involved in the target-setting process. Nevertheless, they reflect RHI Magnesita's long-term vision to reducing environmental impacts, minimizing dependency on primary raw materials, and advancing circular economy practices. The target metric has remained unchanged since its introduction to ensure consistency in tracking progress over time.

Both targets contribute to reducing the depletion of primary raw material resources by substituting virgin inputs where technically feasible; however, the level of substitution is currently limited by technological constraints and product performance requirements, which restrict the use of recycled materials in certain applications.

Disclosure requirement E5-4 — Resource inflows

A substantial portion of the Group's inflow consists of purchased raw materials used in refractory production, which often involve energy- and CO_2-intensive processing. Therefore, increasing the use of circular raw materials is a critical focus for addressing the environmental impacts associated with resource inflows.

Refractories cannot be reused because they no longer meet functional performance requirements, but they can be recycled because their raw material value remains, therefore, overlapping categories of reuse and recycling are not applicable. Material inflow data is primarily sourced from direct measurements, ensuring accuracy. A small share of auxiliary materials is estimated where plants are not covered the the corporate ERP system.

The main material inflows include water, purchased raw materials, auxiliary materials, resale items and packaging. These are calculated based on direct measurements, with minor estimations applied only when necessary.

In 2025, the total resource inflow amounted to approximately 11.0 million tonnes. Of this, around 0.6% (65,000 tonnes) was biological material. Due to the low share of biological materials in the Group's overall resource inflow, sustainably sourced biological materials are not a significant component of the Group's material portfolio. All metrics are not validated by an external body.

A notable achievement in 2025 was the utilisation of 239.000 tonnes of externally sourced secondary raw materials in production, representing 2% of total material inflows. This demonstrates the Group's ongoing efforts to integrate circular raw materials into its operations, thereby reducing reliance on primary raw materials with higher environmental impacts.

The biggest share of inflow is water. In 2025 the inflow of water was around 8 million m³ resulting in around 77% of total material inflow. Of these the biggest share is water from its mining operations.

To ensure accurate tracking and reporting, material inflows are recorded in the Group's enterprise resource planning ERP system and in its environmental IT system. For production plants not covered by the central ERP system, material volumes are estimated based on finished goods production. The reported figures exclude inflows for capital expenditure projects and own-mined raw materials, while double counting is prevented by employing a distinct recycling classification within the ERP system.

Resource inflow
Assumptions and Methodology

The Group captures in its enterprise resource planning tool the actual material inflows. Water inflow is measured on plant level and reported via environmental IT system. Material inflow considers purchased raw materials, trading goods, packaging, spare parts, and auxiliary materials and water, excluding own-mined raw materials, and material inflow for capex projects. For plants not considered in the central enterprise resource planning tool, volumes are estimated based on finished goods production volumes. For the calculation of the share of sustainably sourced biological materials and the weight of externally sourced secondary reused or recycled materials, the denominator corresponds to the overall total weight of materials used during the reporting period. The reported weight reflects the material in its original state.

Resource inflow (E5-4 28/30/31/32)	2025	2024	%N/N-1)
t materials	11.0	12.3	(10.6)%
Percentage biological materials	0.6%	0.5%	20.0%
Percentage secondary raw materials	2.2%	1.6%	37.5%

Financial resources (CapEx and OpEx)
Assumptions and Methodology
The Capex reported considers expenditures to increase the company's recycling rate (excluding acquisitions). The Opex reported considers R&D Opex aimed at increasing the company's recycling and excludes maintenance opex of recycling sites.

Financial resources	2025	2024	%N/N-1)
Recycling Capex in EUR	1,858,000	3,900,000	(52.4)%
Recycling Opex in EUR	2,800,000	2,300,000	21.7%

Recycling rate	2025	2024	2023	2022	2021	2020	2019	2018	%N/(N-1)
Use of Secondary raw materials (%)	15.9%	14.2%	12.6%	10.5%	6.8%	5.0%	4.6%	3.8%	12.0%

The impact of acquisitions on the recycling rate has been assessed by taking into account the BPI acquisition (effective 21 August 2025) and the fact that Resco plants have historically not utilized recycled raw materials. For methodological consistency, the baseline raw material demand is derived from global supply chain planning data and excludes projects planned for 2026. Based on these assumptions and calculations, the recycling rate (RR) is estimated at 16.2%.

Assumptions and Methodology
The recycling rate represents the total usage of circular raw materials—such as external recycling, by-products, and obsolete inventory—in the production of refractory finished goods and metallurgical products.

The reported usage data reflect materials in their original physical state as recorded at the point of purchase or use. No further adjustments or conversions, such as recalculation to dry weight or normalised values, are applied.

Other Recycling KPIs	2025	2024	2023	2022	2021	2020	2019	2018	%N/(N-1)
Recycling quantity (tonnes)	416,000	364,000	271,000	226,000	166,000	91,000	42,000	36,000	14.3%
CO_2 savings due to recycling (tonnes)	551,000	476,000	393,000	337,000	268,000	142,000	74,000	63,000	15.8%

Disclosure requirement E5-6 — Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities
The Group omits information prescribed by ESRS E5-6.

Social information

ESRS S1 Own workforce
ESRS 2 General disclosures
RHI Magnesita has identified impacts, risks, and opportunities related to its own workforce through its Double Materiality Assessment (DMA). Health and safety, working conditions, and human rights have been assessed as material topics under both impact and financial materiality dimensions. The DMA integrates Impact, Risk and Opportunity (IRO) considerations across the value chain. Further details on the materiality assessment process are presented in ESRS 2 IRO-1 on pages 96-99.

Disclosure requirement related to ESRS 2 SBM-2 — Interests and views of stakeholders
RHI Magnesita is committed to creating sustainable and shared value for its stakeholders, including its own workforce. Engagement with employees and workforce representatives supports the understanding of workforce-related interests, expectations, and potential human rights impacts, and informs the Group's strategy and business model. Employee perspectives are gathered through regular dialogue, internal communication channels, and established employee representation structures, and are considered in decision-making related to operational practices, health and safety, working conditions, and talent development. Respect for human rights, including fair working conditions and occupational safety, forms an integral part of the Group's sustainability approach and contributes to long-term value creation. Further information on our stakeholders and stakeholder engagement is provided on pages 20-27 of the Annual Report.

Disclosure requirement related to ESRS 2 SBM-3 — Material impacts, risks and opportunities and their interaction with strategy and business model
RHI Magnesita employs approximately 15,500 employees and engages around 5,500 contractors across its global production sites. The Group's own workforce therefore comprises both directly employed personnel and workers provided by third-party undertakings, particularly in operational, maintenance, and site-based roles.

Due to the asset-intensive and operationally demanding nature of its activities, these worker groups are exposed to material occupational health and safety risks. In addition, forced labour has been identified as a material potential impact, particularly in relation to contractor workforces, where the Group has comparatively less direct control over recruitment practices and working conditions.

Findings from the Double Materiality Assessment indicate that there is a potential impact of forced labour in certain regions, including parts of BRICS countries, Asia, Africa, and Middle and South America, where regulatory oversight and enforcement mechanisms may be less robust. While no systemic incidents have been identified within the Group's operations, the potential severity of such impacts on individuals' rights and wellbeing makes prevention and mitigation a strategic priority.

These potential impacts do not affect the entire workforce equally but primarily relate to contractors and site-based workers in specific regions, while the majority of directly employed staff are subject to more standardised employment conditions and internal controls.

Addressing these is essential to safeguarding employee welfare, ensuring operational continuity, and supporting the long-term resilience of the business model.

Impact, risk and opportunity management
Disclosure requirement S1-1 — Policies related to own workforce
Health and Safety
RHI Magnesita's Health and Safety Policy is aligned with ISO 45001 and applies to both its own workforce and contractors working on Company sites. The policy reflects the Group's commitment to preventing occupational health and safety risks and to continuously improving safety performance through structured management systems and controls, however, it is not aligned with ESRS requirements.

All hazardous activities are subject to formal risk assessments, and appropriate preventive and protective measures are implemented to minimise exposure to health and safety risks. Temporary and agency workers are fully covered by the Group's Health and Safety

Management System and are afforded the same level of protection as permanent employees. In addition, young and inexperienced workers are subject to specific work restrictions and enhanced supervision to ensure they are not exposed to high-risk activities without adequate training and oversight.

The Group applies consistent health and safety standards across all operations and monitors impacts on employees and contractors using the same policies, procedures, and performance indicators. This approach ensures a uniform level of protection and supports continuous improvement in safety outcomes.

Human Rights and Labour Standards
RHI Magnesita is firmly committed to respecting and promoting human rights across its operations, in line with the United Nations Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises. These international standards form the foundation of the Group's approach to responsible business conduct.

The Group's Human Rights Policy and Code of Conduct set out clear expectations regarding fair labour practices, freedom of association, equal treatment, and the strict prohibition of child labour, forced labour, modern slavery, and human trafficking. These principles apply to all employees, irrespective of role or contract type, and are also reflected in expectations placed on business partners, contractors, and other third parties operating on behalf of the Group.

RHI Magnesita recognises that child labour and forced labour represent a significant human rights risk in certain parts of the world, particularly in regions where socio-economic challenges, weak enforcement of labour legislation, or governance limitations may exist. In contrast, operations in regions with strong regulatory frameworks and enforcement mechanisms, such as Europe, North America, Singapore, and South Korea, face significantly lower levels of risk. Given the Group's global footprint and reliance on contractors in operational activities, the potential for forced labour is treated as a material risk that requires continuous monitoring and mitigation.

To address these risks, the Group applies a risk-based approach to human rights due diligence, including supplier expectations, contractual requirements, internal controls, and monitoring processes. Progress and effectiveness are reported annually through the Group's Modern Slavery Act statement, which outlines actions taken and ongoing improvements.

Workforce engagement, Equality and Inclusion
RHI Magnesita promotes a respectful, inclusive, and safe working environment through a set of Group-wide policies designed to support workforce engagement, equal treatment, and responsible conduct across all operations. These policies are aligned with the Group's Human Rights commitments and reinforce a culture of integrity, dignity, and mutual respect.

The Group's Anti-Discrimination and Anti-Harassment Policy establishes a zero-tolerance approach to discrimination and harassment in the workplace. It sets out clear expectations for behaviour and provides multiple confidential channels for reporting concerns, including Human Resources, line management, and the whistleblowing system. These mechanisms are designed to ensure concerns can be raised safely, investigated appropriately, and addressed in a timely manner.

In addition, the Speak Up Policy enables employees and third parties to report suspected misconduct confidentially or anonymously through web-based platforms, dedicated telephone lines, or direct contact with the Internal Audit, Risk and Compliance function. This framework supports transparency, accountability, and protection against retaliation.

The Group's Global Gender Equality Policy further reinforces its commitment to fair and equal treatment in all aspects of employment and workplace practice. The policy prohibits discrimination on the grounds of age, gender or gender identity, marital or civil partnership status, pregnancy or maternity, family responsibilities, political opinion, colour, nationality or ethnic origin, religion or belief, disability, sexual orientation, social origin, or any other status protected under applicable European Union or national legislation.

The Group's Code of Conduct, Human Rights Policy, Global Gender Equality Policy and Anti-Harassment Policy define clear expectations for behaviour and apply to all individuals associated with RHI Magnesita. This includes directors, managers, employees, contractors, consultants, interns, candidates, and third parties working on behalf of or at RHI Magnesita premises. The Code of Conduct, which is signed by members of the Executive Management Team and Regional Presidents, together with the Human Rights Policy, establishes a consistent framework for responsible conduct and respect for human rights across the organisation.

Compliance with these policies is supported through a combination of policy commitments, internal controls, training activities, supplier due diligence processes, and ongoing monitoring. Transparency is further ensured through the annual Modern Slavery Act statement, which reports on the Group's approach, actions, and progress in addressing risks related to forced labour and human rights and is publicly available on the Group's website. All policies are developed with key stakeholder interests in mind and are aligned with the United Nations Guiding Principles on Business and Human Rights and other internationally recognised labour and human rights standards.

These policies apply across the Group's workforce, regardless of position or contract type. The Health and Safety Policy extends this scope further by covering both employees and contractors, ensuring a consistent level of protection across all operations.

All the aforementioned policies are available on the Group's website.

Governance
Governance of workforce-related matters sits at the highest level of the organisation. Overall accountability lies with the Chief Executive Officer and the Executive Management Team. Strategic priorities relating to workforce development, engagement, and inclusion are coordinated by the Executive Vice President for People, Projects, Integrations, and Recycling. The Human Rights Officer reports to the Executive Vice President for People, Projects, Integrations, and Recycling and is responsible for overseeing the implementation of the Group's human rights commitments across operations. Dedicated Health and Safety functions, reporting to the Chief Technology Officer, ensure the consistent application of health and safety standards across all regions. In addition, the Internal Audit, Risk and Compliance team oversees the Group's risk management framework, including risks related to working conditions, labour rights, and occupational health and safety.

Disclosure requirement S1-2 — Processes for engaging with own workforce and workers' representatives about impacts
RHI Magnesita is committed to cultivating a transparent, inclusive, and accountable workplace by actively engaging its workforce and workers' representatives on actual and potential impacts.

In RHI Magnesita, engagement takes place directly with employees and, where applicable, through workers' representatives, including Works Councils, ensuring representation at relevant organisational levels. These engagement mechanisms enable the Group to gather employee perspectives on working conditions, health and safety, and human rights, and to reflect these inputs in workforce-related policies, management practices, and improvement initiatives.

Engagement is conducted regularly through diverse channels, such as quarterly Works Council meetings, conferences for different functions and seniority levels and through corporate communications mobile application (Workvivo) and global campaigns including International Day for Persons with Disabilities and International Women's Day. Frequent global town hall meetings are held online, providing employees with the opportunity to raise questions and share concerns. Questions that cannot be addressed during the live session due to time constraints are subsequently answered on Workvivo. Regional leadership teams hold townhalls to address regional specific issues, e.g. local supply chain issues, employee health and safety initiatives,

The Global Engagement Team oversees the implementation of engagement processes, developing a global leadership framework while enabling localised adaptations to ensure inclusivity and relevance.

Commitments under the Stakeholder Dialogue Policy, Speak Up Policy and Human Rights Policy are upheld, ensuring workforce rights and perspectives are respected.

Focusing on vulnerable and marginalised groups
RHI Magnesita actively incorporates the perspectives of vulnerable and marginalised workforce members, such as women, migrants, and individuals with disabilities, through targeted initiatives:

- Global Campaigns: Awareness initiatives such as the International Day for Persons with Disabilities, Global Mental Health Day, Pride Month, and International Women's Day foster dialogue and learning across the organisation. Employees worldwide participate in online lectures to gain diverse perspectives.
- Business Resource Groups: Regional groups promote inclusivity, representation, and peer support within the workforce.
- On-Ground Interventions: Health and safety concerns can be escalated directly to senior leadership, with follow-up shop-floor discussions led by executive management or Board representatives.
- NGO Collaborations: Partnerships with NGOs support the placement of youth interns with disabilities and young people from challenging backgrounds.
- Language Integration Support: Weekly one-hour online German courses at all proficiency levels help integrate immigrant colleagues in Austria and Germany, while also supporting international employees more broadly.
- SHE goes DIGITAL Initiative: This programme empowers women pursuing careers in IT by offering introductory programming, training on sexual harassment prevention, negotiation skills workshops, gender-inclusive job ads, and leadership development opportunities.
- Female-Only Youth Entrepreneurship Week: Launched in 2025 and continuing in future years, this initiative strengthens the empowerment of young women and introduces them to the company.
- Unconscious Bias Training: New colleagues globally participate in unconscious bias workshops to support an inclusive and equitable workplace culture. Balanced Trainee Recruitment: A gender-balanced approach to trainee recruitment has resulted in 58% female participation since the programme's launch in 2020.

Employee engagement initiatives
To further strengthen its connection with employees, RHI Magnesita implements various initiatives:

- Volunteering Programmes: Empower employees to contribute to their communities.
- Female Factor and DEI Campaigns: Highlight diversity, equity, and inclusion priorities.

- Culture Champions: Advocate for RHI Magnesita's cultural values globally.
- Psychological safety and resilience initiatives kicked-off in 2025.

Evaluating Engagement Effectiveness
The effectiveness of engagement is assessed through feedback from Works Council meetings, whistleblowing channels, and employee participation in diversity and inclusion initiatives. Outcomes include improved workplace policies, targeted action plans, and more inclusive practices. The EVP for People, Projects, Integrations, and Recycling, supported by the Global Engagement Team, ensures that engagement outcomes inform strategy and shape workforce-related initiatives.

Disclosure requirement S1-3 — Processes to remediate negative impacts and channels for own workforce to raise concerns
Channels for the Workforce to raise concerns
RHI Magnesita has established robust mechanisms to enable its workforce to report potential misconduct or workplace concerns. These mechanisms include the Whistleblowing Hotline, Works Councils, leadership access platforms such as Workvivo, and frequent town hall meetings that provide employees with the opportunity to raise questions and concerns directly with the Executive Management Team. Whistleblowing channels are accessible to employees, third parties, and external stakeholders, ensuring anonymity and confidentiality.

Whistleblowing, investigations and protection against retaliation
The Whistleblowing Hotline is a confidential platform available in more than 50 languages, designed to enable employees and external stakeholders to report suspected misconduct, including violations of human rights or ethical standards, at any time. Reports are handled in line with the Speak Up Policy, which sets out key investigative principles and explicitly prohibits retaliation against individuals who report concerns in good faith. Indications of serious misconduct are typically investigated by IARC, People and Culture, and other relevant functions. No complaints related to forced or compulsory labour or human trafficking were reported in 2025.

Proactive and structured approach to remedying negative impacts
RHI Magnesita employs a proactive and structured approach to remedying material negative impacts on its workforce. When material workforce-related impacts are identified, the Group takes immediate action to assess the situation, implement corrective measures, and prevent recurrence. Findings from investigations are escalated through internal governance mechanisms, and the effectiveness of actions is monitored through internal audits, employee surveys, whistleblower statistics, and other compliance reviews. Key performance indicators such as turnover rates, health and safety metrics, and the volume and nature of whistleblower reports are used to evaluate progress and inform continuous improvement

Disclosure requirement S1-4 — Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions
Health and Safety
Health and safety remain a central pillar of our strategy, shaping concrete actions to protect our workforce and strengthen operational integrity. We broadened the application of our Life-Saving Rules, advanced Major Hazard Prevention programmes, and reinforced a learning-oriented safety culture supported by improved monitoring, data insights, and active leadership engagement.

Workplace risk assessments
RHI Magnesita's business includes high-risk activities for which hazard identification and risk assessments are carried out, documented, and shared. Following a continuous improvement approach, the Group performs risk assessments in multidisciplinary teams which include team leaders, workplace personnel, local health and safety experts and locally assigned occupational health or occupational physician representatives and worker representatives, depending on local legal requirements.

A "Hierarchy of Controls" approach is applied to the risk assessment process, including but not limited to:

- Assessing whether the risk can be eliminated, e.g. purchasing equipment which is not noisy.
- Implementation of engineered solutions to eliminate or reduce the risk, e.g. automated processes which reduce manual work.
- Organisational measures, such as training and auditing.
- Standard operating procedures and work instructions defined with the involvement of the team who performs the task, with illustrations and in local languages.
- Providing personal protective equipment according RHI Magnesita global minimum standard to employees.
- Corrective and preventive actions and further upgrades identified by the risk assessment are documented.

Incident management report
Incident management is a fundamental element of effective safety management systems, enabling the whole own workforce to proactively identify and address potential hazards before they escalate into accidents. Promoting a culture that encourages the reporting of all safety observations – especially near-misses and safety observations – ensures thorough investigation and the implementation of preventative actions.

Any observation, regardless of its severity or the personnel involved, must be reported immediately within RHI Magnesita. All employees and contractors are required to immediately report any "Safety observation" to supervisors so that corrective actions can be put in place to avert harm. Every report is flagged in RHI Magnesita's safety reporting system for further follow-up and analysis.

Global standardisation for health and safety excellence

Standardisation is an effective tool to improve health and safety performance. RHI Magnesita has a global Health & Safety Management System certified by Bureau Veritas. Regular internal audits ensure that the organisation complies with relevant regulations, standards and internal policies; it identifies potential risks, enabling proactive mitigation; provide insights and fosters a culture of ongoing improvement, as corrective actions and lessons learned are implemented organisation wide. RHI Magnesita holds an integrated management system covering health and safety, environmental, energy and quality. 70% of all sites including industrial footprint hold a certification for health and safety.

Due to the ongoing expansion of the Group's production network, the integration of other plants has also commenced. We seek to engage with local senior management and the workforce from the beginning to ensure that our values and standards are adopted.

Health & Safety Fund

RHI Magnesita HELP is a dedicated programme to provide financial support to individuals and their direct family members impacted by occupational work-related accidents or fatalities. This initiative extends beyond RHI Magnesita's obligations as an employer, reflecting the Group's commitment to supporting its employees, operating communities, and business partners—including suppliers, contractors, and customers.

The HELP initiative was launched in 2024 in which more than €810,000 was raised, which includes a €405,000 contribution by the Group and private donations from individuals worldwide, including RHI Magnesita employees in any location or role. In 2025, voluntary contributions amounted to approximately €84,000. These funds were matched by the Group in the beginning of 2026, resulting in a total of nearly €169,000. This initiative highlights the strong culture of care and solidarity shared by our workforce and stakeholders. We provided financial assistance through the HELP Fund in 2025 to support two families and two colleagues who sustained injuries.

The HELP Fund is financed through voluntary contributions from private individuals, RHI Magnesita colleagues, and members of the Executive Management Team (EMT). As expected, the highest contribution levels were recorded in the first year following the Fund's launch, reflecting the typical "launch effect" and strong initial engagement associated with new initiatives. In the second year, total contributions decreased compared to the inaugural period. This trend is consistent with standard fundraising dynamics, where initial peak participation stabilizes over time.

The effectiveness of actions taken is tracked in practice through the Group's health and safety KPIs, mentioned above. By regularly monitoring its health and safety performance the Group ensures that its own working practices are not causing harm to its workforce.

Safety Culture Transformation

Key actions taken in 2025 aiming to move from a compliance-based safety approach to a deeply embedded safety mindset across all levels of the Group included the full roll out of our Life-Saving Rules, advanced Major Hazard Prevention measures, and reinforced a learning-oriented culture supported by improved monitoring, data insights, and leadership engagement. This strategic initiative is dedicated to strengthening RHI Magnesita's safety culture, with a key focus on mitigating Serious Injuries and Fatalities potential (SIFp) risks across all operations.

To strengthen RHI Magnesita's safety culture and reduce serious injury and fatality risks, the Group is investing in leadership development at all levels through a comprehensive coaching programme to be implemented over the next two years. This initiative commenced with a design phase in the second half of 2024, focusing primarily on enhancing safety leadership across production and service sites. The program targets front-line leaders, providing them with structured coaching over several weeks. The coaching curriculum was developed in collaboration with dss+. In the initial phase, dss+ facilitated the coaching sessions and simultaneously trained internal RHIM coaches. In 2025, the internal coaches assumed responsibility for continuing the program. Out of a total of 25 planned internal coaches, 24 had been nominated by year-end 2025; of these, 14 had completed the 10-week training programme and remaining are in process of completing it.

The internal coaches are actively training front line leaders and globally more than 450 front-line leaders have participated in the coaching program. In parallel, additional safety performance indicators, specifically SIF and SIFp, were developed and successfully rolled out alongside standards targeting the company's identified top risks.

In 2025 the Group incurred €10 million in health and safety related capital expenditure. Over the period 2026-30 the Group expects to allocate a similar amount of capital each year to sustainability and health and safety related capital expenditure,

In 2026 the existing Health and Safety reporting system, AccStat, will be superseded by an SAP S4/HANA—based Safety Management System (SMS), providing improved capabilities for recording incidents and monitoring safety observations.

These actions are expected to lead to an improvement in the Group's health and safety performance metrics over the medium term.

Continuous Initiatives and Improvements
RHI Magnesita takes action to prevent the negative impact on its workforce from poor health and safety performance and to remedy the impact of any accidents that may occur. Preventative steps include establishing standardised safe operating procedures, the provision of personal protective equipment and safety training, designing out risks from work related tasks, carrying out risk assessments, encouraging every kind of report and conducting comprehensive incident investigations with detailed follow up actions. Individuals who may be injured as a result of a workplace incident (or their families) may receive financial assistance in the form of contractual payments, insurance awards or discretionary awards from the Group's HELP fund initiative. The main focus of remedial action is taking steps to ensure that the factors leading up to the incident are not repeated.

Health and safety performance is tracked very closely and is a fundamental KPI for individual sites and regional management teams, examined on a monthly basis. At Group level the EMT, CSC and Board regularly receive reports on safety performance which includes overall statistics as well as reports on major incidents and follow up actions if applicable. Improvement or deterioration in these metrics provides a clear indication of the effectiveness of the actions the Group is taking to improve its health and safety performance.

The process for identifying actions that the Group must take primarily relies on follow up actions to risk assessments, all reports and accident investigations. Accident investigations are usually undertaken by local authorities, but the Group also forms its own view of required remedial actions. Recommendations for changes to procedures to avoid future serious injuries or fatalities are ascribed the highest importance and applied across the Group's global operations.

Sales practices at RHI Magnesita include the provision of services by RHI Magnesita employees who perform their tasks whilst physically located at customer sites. In such circumstances the Group's employees are in the customer's-controlled location and exposed to safety risks. The Group seeks to ensure that this practice does not cause or contribute to negative impacts on its workforce by holding the customer to a high standard of safety, encouraging RHI Magnesita staff to report unsafe situations or incidents and investigating any at such sites.

An actual or potential negative health and safety impact on its own workforce would contribute to a decision by the Group to terminate a business relationship with a supplier or customer. For example, poor safety practices at a customer site where RHI Magnesita staff are working, or poor driving standards from freight contractors whilst on RHI Magnesita sites would not be tolerated.

Human Rights
RHI Magnesita is committed to upholding international human rights principles, ensuring that all employees work under fair, ethical, and safe conditions. A human rights risk assessment has been carried out in the Group's own operations and as part of supplier due diligence. Through the DMA, the Group has identified potential negative impacts related to forced labour, as well as risks of discrimination, harassment, and health and safety concerns within its workforce and upstream value chain.

The Group's policies, training initiatives, due diligence processes, and grievance mechanisms aim to prevent, identify, and address human rights issues, including potential incidents of forced labour. The IARC function oversees the Group's overall risk management process and ensures that incidents relating to working conditions, labour rights, and health and safety are reviewed and escalated as appropriate. Corrective actions may include enhanced monitoring, additional training, and direct engagement with affected employees.

Whistleblowing hotline
RHI Magnesita Whistleblowing Hotline is a confidential platform designed to enable employees and external stakeholders to report suspected misconduct, including violations of human rights or ethical standards, at any time. All compliance violations – therefore also suspicions regarding slavery, forced labour and human right violations (e.g. harassment and discrimination) – can be reported (also anonymously) both by employees and external parties in more than 50 languages via various communication channels. Indications of serious misbehaviour will typically be investigated by IARC, People and Culture and other appropriate departments in the organisation. There were no new reported complaints related to forced or compulsory labour or human trafficking in the year 2025. Additionally, Group's Speak Up policy provides the necessary information on how to report misconduct, unethical practice, or behaviour that goes against RHI Magnesita's Group values. It also outlines the key investigative principles when handling a report.

Whistleblowing channels are accessible to everyone, both internally and externally. Reported data confirm that these channels are widely recognised and trusted as official channels for reporting.

For an overview of our approach throughout the value chain, please refer to Chapter S2 — Workers in the value chain of this report and for our business conduct, please refer to Chapter G1 — Governance of this report.

Tracking, monitoring, and effectiveness evaluation
RHI Magnesita has implemented structured processes to track and monitor reported concerns, led by the IARC team and local committees.

Follow-ups and Timeliness: Regular follow-ups ensure issues are addressed promptly and resolutions are effective.

Stakeholder Involvement: Feedback from employees and other stakeholders is incorporated to review and enhance reporting systems.

Awareness and Trust: The Group promotes awareness of its reporting mechanisms through training and engagement campaigns, such as International Women's Day and Disability Days. Leadership visibility and consistent communication of the Speak Up Policy further foster trust in the system.

Protection against retaliation
RHI Magnesita's policies, including the Speak Up Policy, explicitly prohibit any form of retaliation against individuals who report concerns in good faith. This protection extends to workers' representatives and includes disciplinary actions against those who intentionally file false reports.

Actions towards preventing human rights issues, including potential incidents of forced labour
RHI Magnesita aligns with ILO principles and has adopted policies to combat forced labour and trafficking, and the Group is committed to identifying, addressing, and mitigating actual and potential negative impacts on its workforce through structured risk management, remediation efforts, and continuous improvement initiatives.

When material workforce-related impacts are identified, RHI Magnesita takes immediate action to assess, remediate, and prevent recurrence. The IARC department is responsible for overseeing the Group overall risk management process, ensuring that incidents related to working conditions, labour rights, and health and safety are reviewed. Findings are escalated through internal governance mechanisms, ensuring timely interventions and corrective measures. Corrective actions may include enhanced monitoring, and engagement with affected employees to provide appropriate remedies. For additional information, please refer to Chapter G1 —Governance information (pages 161-166) and the Our Stakeholders section of the Annual Report (pages 20-27).

The Group continuously monitors and assesses the effectiveness of workforce-related actions through internal audits, employee surveys and compliance reviews. Key performance indicators (KPIs) such as turnover rates, health and safety metrics, and whistleblower reports are used to evaluate impact and drive improvements. For further information, see Internal Controls section of the Annual Report (pages 40-41).

Human Rights Training
A global e-learning module on business ethics—including key human rights components—was first introduced in 2020 and updated in 2023. This training became mandatory for all employees in 2025. In the past year, a dedicated course on the fundamentals of human rights was added to the training portfolio. In parallel, an ESG-focused training module for procurement employees was developed and rolled out in 2024, placing stronger emphasis on human rights in supply chain decision-making.

The integration of newly acquired entities into RHI Magnesita's ethics and compliance framework is an ongoing priority for the Group. As part of a continuous process, acquired organisations are assessed to understand their existing compliance cultures and progressively aligned with Group-wide standards. Through tailored training and upskilling programmes, employees across these entities are supported in meeting RHI Magnesita's expectations on ethics, compliance, and responsible business conduct. Strengthened due diligence processes and enhanced compliance monitoring further help mitigate labour-related risks and ensure consistent adherence to ethical employment standards across the expanded Group.

Since 2025 there is a new international travel emergency hotline. This provides immediate multilingual support in over 130 languages for situations such as: Accident, illness or any medical emergency, Natural disasters, Loss of documents or valuables, Communication issues, Delays in returning home, Onward Travel, Roadside Assistance. Through our partner Chubb-CEGA, all employees are covered by comprehensive international insurance during business travel and in case of accidents.

Metrics, Targets and Workforce Characteristics
Disclosure requirement S1-5 — Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities
Health and safety — Assumptions and methodologies
The recording of health and safety incidents was done via AccStat in 2025, this system will be replaced by a Group wide reporting system (Safety Management System) which will be available to all employees and contractors with intranet access starting in 2026. Any employee or contractor with access to the system can submit a report and they are required to do so by Group internal procedures.

Total Recordable Injury Frequency Rate (TRIFR) indicates the number of work-related injuries that require medical treatment, restricted work, or result in lost workdays per hours worked. It includes fatalities in our own workforce, lost time injuries, restricted work cases, and medical treatment cases, but excludes first aid cases and non-work-related incidents.

Lost Time Injury Frequency Rate (LTIFR) indicates the number of work-related injuries resulting in at least one lost workday per hours worked. It includes fatalities in our own workforce and lost time injuries and excludes restricted work cases, medical treatments without lost time, and non-work-related incidents.

Fatality is defined as death of a person resulting from a work-related accident, either immediately or within 30 days of the event. No lost days are recorded. In addition, every single fatality is investigated case by case, and the Group reserves the right to reclassify a case even after 30 days.

Worked hours are the total hours actually worked by all members of the own workforce - including permanent staff, apprentices, and long-term temporary workers under direct company supervision - excluding breaks, leave, and absences. The factor of 165 hours per FTE per month is used for the employee hours worked, and for non-employee/contractors, the worked hours are obtained from AccStat. Contractors are external service providers or long-term contractors under the site's operational control, excluding unsupervised off-site personnel.

RHI Magnesita is required to report Recordable work-related accidents in accordance with the ESRS requirements. A Recordable work related accident is a work-related injury or ill health that results in death, days away from work, restricted work or transfer to another job, medical treatment beyond first aid, or loss of consciousness; or significant injury or ill health diagnosed by a physician or other licensed healthcare professional, even if it does not result in death, days away from work, restricted work or job transfer, medical treatment beyond first aid, or loss of consciousness.

RHI Magnesita Group does not have non-guaranteed hours employees.

Health and safety performance and targets

RHI Magnesita has established measurable health and safety targets to address the material risks associated with occupational injuries and fatalities identified through its double materiality assessment. These targets are aligned with the Group's long-term commitment to Zero Harm and are designed to drive continuous improvement in safety performance across all operations. In line with our commitment to transparency and accountability we have adopted a phased approach to develop entity-specific metrics. Our efforts aim to ensure a robust and tailored framework that reflects our operational realities while driving meaningful progress.

The Group's first formal health and safety target was introduced in 2019, following the merger, and focused on achieving a Lost Time Incident Frequency Rate (LTIFR) below 0.30 per 200,000 hours worked. This target was set to establish a consistent safety performance benchmark across the newly integrated organisation and to support the development of a common safety culture.

A comprehensive Health and Safety performance review, supported by dss+, formed the basis for defining the Group's 2030 HS targets. The targets were developed by internal experts, drawing on findings from dss+ site audits and recognized international standards. The assessment included on-site inspections and interviews across multiple organizational levels. The resulting targets apply to the entire workforce and reflect recent acquisitions as well as identified regional performance gaps.

The 2030 target has been revised from <1.2 to <2.0 per 1,000,000 following a reassessment of the underlying health and safety data in 2025. Due to a reclassification assessment, 2024 can no longer serve as the baseline year. Therefore, 2025 has been set as the new baseline, based on more robust and reliable data from a comprehensive review of case classifications.

The transition from an LTIFR-based target to a TRIFR-based target reflects a more comprehensive and internationally aligned approach to measuring safety performance, capturing a broader range of recordable incidents and enabling improved comparability and management oversight. The current TRIFR stands at 4.09.

Performance against health and safety targets is monitored through the Group's safety management systems. In 2025, the Lost Time Incident Frequency increased from 0.11 to 0.37, with (92) lost time injuries recorded compared to (28) in the prior year. The increase was primarily driven by incidents at Resco and service locations as well as deep dive on the reclassification of health and safety cases. As a result, performance remained above the LTIFR target of 0.30 per 200,000 hours worked.

The scope of the Group's health and safety targets is global and covers 100% of RHI Magnesita own workforce. Performance is monitored through the Group's internal safety systems. The newly implemented Safety Management System will replace the current incident reporting system AccStat. The new tool is expected to further enhance data quality, management control, and the continuous improvement of safety practices. Regional health and safety initiatives complement the global framework, allowing risks to be addressed in a locally appropriate manner while remaining aligned with Group-wide objectives.

Disclosure requirement S1-6 — Characteristics of RHI Magnesita employees

Characteristics of Own Workforce - Assumptions and Methodologies

Definition of headcount:

The headcount includes employees actively employed within the organisation, categorised into the following groups: employees, apprentices, trainees, and interns. Temporary workers, contractors, and consultants are explicitly excluded from this definition. Additionally, individuals on extended unpaid leave are not considered part of the active headcount. Headcount is the number of employees at the end of reporting period. RHI Magnesita's financial statements adhere to the IFRS framework, which mandates the disclosure of the average workforce to ensure standardized and consistent reporting. The information is available in Note 10 of the Consolidated Financial Statements 2025 (page 265).

Full-time equivalent (FTE) calculations:
FTE is used as a standardized metric for employee contributions, adjusted for part-time arrangements. Full-time employees are assigned an FTE value of one, while part-time employees are calculated as a fraction of one based on their actual working hours relative to the full-time schedule.

Inclusion criteria:
Only employees who hold a signed employment contract with the Group are included in the headcount. This ensures that the data reflects the organisation's contractual workforce accurately.

Contract type definitions
Permanent employees are individuals engaged under employment contracts with no predefined end date. These contracts provide ongoing employment subject to termination conditions defined by law, collective agreements, or internal policies.

Temporary employees are individuals engaged under employment contracts with a fixed duration or for a specific task or project, including fixed-term contracts and comparable arrangements. Employment ends automatically upon reaching the agreed end date or completion of the defined task.

Working time definitions
Full-time employees are individuals whose contractual working hours correspond to the standard full-time working hours defined by applicable national legislation, collective bargaining agreements, or internal company policy in the relevant jurisdiction.

Part-time employees are individuals whose contractual working hours are lower than the applicable full-time working hours, expressed either as a reduced number of weekly hours or as a percentage of a full-time equivalent (FTE).

Hires and turnovers:
Employees who join or leave during the reporting period are included in the headcount as active only if they have worked for at least one day within the period.

Turnovers by leave category:
Turnover data is segmented into specific leave categories, including death, dismissal, retirement, and voluntary departures. However, the group "Other," which encompasses contract expirations (this includes contracts that were chosen to be renewed) and employee transfers, is excluded to maintain clarity in turnover reporting.

Turnover rate:
"Employee turnover" is defined as the cumulative headcount of employees who have departed from the RHI Magnesita Group, whereas the "employee turnover rate" is defined as the proportion of employees who have left the Group expressed as a percentage. To determine the percentage of departing employees, the total is divided by the total number of employees at the end of the reporting period, which differs from the method in Note 10 to the Financial Statements, whereas the denominator takes into account the average number of employees during the reporting period.

Headcount is allocated to regions based on the primary legal entity location of the office where the employee is associated, irrespective of remote working arrangements. This approach aligns headcount data with organisational and legal structures.

These assumptions ensure clarity, consistency, and precision in calculating and reporting headcount-related KPIs, enabling accurate workforce analysis and strategic decision-making. These metrics have not been externally validated by any organisation other than the assurance provider.

Changes in regional structure – Impact on comparability
In 2025, the Group updated its regional set-up. Europe & CIS no longer includes Türkiye, which is now reported under Middle East, Türkiye & Africa. India is presented as a standalone region, whereas in 2024 it formed part of the broader India, West Asia & Africa region. Latin America replaces the former South America region, with Mexico now included in this new regional grouping. North America now comprises only the USA and Canada.

Due to revised regional boundaries and differing reporting periods, year-on-year changes in regional headcount between 2024 and 2025 are largely structural rather than operational. Accordingly, regional comparisons should be interpreted with caution, as most differences reflect reclassification of reporting regions rather than changes in workforce size or composition.

Table 1 below presents the composition of RHI Magnesita's workforce by gender for 2025 compared to the prior year. The data reflects total headcount at year-end and highlights year-on-year changes in workforce size. Overall employee numbers decreased slightly compared to 2024, with a marginal reduction in both male and female employees. The gender distribution remains broadly stable and reflects the operational and industrial nature of the Group's activities.

Table 1 — Employees by gender

Employees by gender	2025	2024	%N/(N-1)
Male	13,575	13,601	(0.2)%
Female	1,973	2,044	(3.5)%
Total Employees	**15,548**	**15,645**	**(0.6)%**

Table 2 below presents the geographical distribution of RHI Magnesita's workforce by country for 2025 compared with the previous year. It reflects headcount at year-end and highlights year-on-year changes across the Group's operating locations. Overall workforce numbers increased slightly in 2025, driven primarily by changes in selected countries, while headcounts in several locations remained stable or decreased. The significant changes are primarily driven by acquisitions in the United States (+55%), Canada (+18%) and United Kingdom (+13%) and in the United Arab Emirates (+73%), which now hosts the regional hub of the newly established META region. Other variations largely reflect operational developments, business activity levels, and organisational adjustments across regions, rather than structural changes to the Group's workforce strategy such as the headcount transferences from Hong Kong to South Korea and from Belgium to France.

Table 2 — Employees by country

Employee per country	**2025**	**2024**	**%N/(N-1)**
Argentina	152	166	(8.4)%
Austria	1,638	1,691	(3.1)%
Belgium	0	4	(100.0)%
Brazil	4,086	4,098	(0.3)%
Canada	105	89	18.0%
Chile	23	29	(20.7)%
China	1,979	2,106	(6.0)%
Colombia	92	95	(3.2)%
Czech Republic	620	626	(1.0)%
France	173	156	10.9%
Germany	1,270	1,508	(15.8)%
Hong Kong	0	3	(100.0)%
India	2,546	2,489	2.3%
Italy	21	24	(12.5)%
Mexico	443	470	(5.7)%
Netherlands	96	111	(13.5)%
Peru	33	31	6.5%
Romania	2	4	(50.0)%
Russian Fed.	54	58	(6.9)%
Singapore	34	37	(8.1)%
Slovenia	95	112	(15.2)%
South Africa	45	44	2.3%
South Korea	6	0	100.0%
Spain	94	98	(4.1)%
Sweden	40	42	(4.8)%
Switzerland	93	102	(8.8)%
Taiwan	11	10	10.0%
Türkiye	360	466	(22.7)%
Ukraine	6	9	(33.3)%
United Arab Emirates	38	22	72.7%
United Kingdom	137	121	13.2%
USA	1,225	789	55.3%
Vietnam	31	35	(11.4)%
Total Employees	**15,548**	**15,645**	**(0.6)%**

Table 3 below shows the composition of RHI Magnesita's workforce by gender and employment type for 2024 and 2025. The workforce remained largely stable year on year, with most employees engaged on a permanent and full-time basis, reflecting the Group's operational profile. No employees were reported under the categories "other" or "not reported".

Table 3 — Employees by type of contract and gender

2025	Female	Male	Other	Not reported	Total
Number of employees (Headcount)	1,973	13,575	0	0	15,548
Number of permanent employees (Headcount)	1,571	12,043	0	0	13,614
Number of temporary employees (Headcount)	402	1,532	0	0	1,934
Number of full-time employees (Headcount)	1,825	13,491	0	0	15,316
Number of part-time employees (Headcount)	148	84	0	0	232

2024	Female	Male	Other	Not reported	Total
Number of employees (Headcount)	2,044	13,601	0	0	15,645
Number of permanent employees (Headcount)	1,663	12,123	0	0	13,786
Number of temporary employees (Headcount)	381	1,478	0	0	1,859
Number of full-time employees (Headcount)	1,892	13,529	0	0	15,421
Number of part-time employees (Headcount)	152	72	0	0	224

Table 4 below presents the geographical distribution of RHI Magnesita's workforce by region for 2025, with comparative figures for 2024. It shows employee headcount by contract type and working time, reflecting the Group's global operational footprint. Overall workforce levels remained broadly stable year on year, with changes primarily driven by organisational and regional realignments rather than structural workforce reductions or expansions.

Table 4 — Employees by type of contract and region

2025	China & East Asia	Europe & CIS	India	North America	Latin America	Middle East, Türkiye & Africa	Total
Number of employees (Headcount)	2,061	4,339	2,546	1,330	4,829	443	15,548
Number of permanent employees (Headcount)	1,040	3,786	2,545	1,330	4,475	438	13,614
Number of temporary employees (Headcount)	1,021	553	1	0	354	5	1,934
Number of full-time employees (Headcount)	2,060	4,132	2,546	1,329	4,809	440	15,316
Number of part-time employees (Headcount)	1	207	0	1	20	3	232

2024	China & East Asia	Europe & CIS	India	North America	South America	Total
Number of employees (Headcount)	2,191	5,132	2,555	1,348	4,419	15,645
Number of permanent employees (Headcount)	1,081	4,577	2,551	1,250	4,327	13,786
Number of temporary employees (Headcount)	1,110	555	4	98	92	1,859
Number of full-time employees (Headcount)	2,191	4,920	2,555	1,340	4,415	15,421
Number of part-time employees (Headcount)	0	212	0	8	4	224

The headcount reported for Europe & CIS in 2025 (4,339 employees) is lower than in 2024 (5,132 employees) mainly due to the reassignment of Türkiye to a different regional structure. As part of this reorganisation, the region Middle East, Türkiye & Africa appears as a new reporting category in 2025, comprising 443 employees who were previously reported under Europe, CIS & Türkiye or under India, West Asia & Africa.

In addition, India is reported as an independent region in 2025, with a headcount of 2,546 employees. This reflects the creation of a new META regional structure and limits direct comparability with the composite regional reporting used in 2024. These changes in regional reporting structure should therefore be considered when interpreting year-on-year movements in headcount.

The table 5 below presents employee turnover by category for 2025, with comparative data for 2024. Turnover includes departures due to retirement, voluntary resignations, involuntary dismissals, and deaths. Overall employee turnover increased year on year, as result of organisational adjustments during the reporting period.

Table 5 — Number of employee turnover

Number of employee turnover (excluding seasonal staff)	2025	2024	%N/(N-1)
Death	25	21	19.0%
Dismissal (Involuntary)	1,240	889	39.5%
Retirement	139	141	(1.4)%
Voluntary	804	829	(3.0)%
Total Employees	**2,208**	**1,880**	**17.4%**

The turnover rate for 2025, calculated in line with ESRS requirements and including deaths, involuntary and voluntary departures, and retirements, was 14.20%, compared with 12.02% in 2024.

2025 was a challenging year for RHI Magnesita, marked by a difficult market environment and capacity adjustments across parts of the organization. In response, management implemented a range of cost-containment and efficiency measures aimed at optimizing the SG&A cost base. These measures included operational restructuring activities such as site rationalizations, the introduction of automation at selected production locations, and workforce adjustments in areas where production capacity was below planned utilization levels. In addition, voluntary workforce programs (e.g., early retirement, sabbaticals, and temporary leaves, where legally permissible) were offered. Collectively, these actions contributed to a higher level of employee turnover during the period.

Disclosure requirement S1-14 — Health and safety metrics
These metrics have not been externally validated by any organisation other than the assurance provider.

The table below presents key health and safety performance indicators for RHI Magnesita's own workforce for 2025, with comparative figures for 2024. It includes coverage of the health and safety management system, fatalities, recordable injuries, and injury frequency rates. All employees are covered by a health and safety management system aligned with legal requirements and recognised standards.

Health and safety metrics	2025	2024	%N/(N-1)
Percentage of people in its own workforce who are covered by health and safety management system based on legal requirements and (or) recognised standards or guidelines	100%	100%	0.0%
Number of fatalities in own workforce as result of work-related injuries and work-related ill health	1	1	0.0%
Number of fatalities as result of work-related injuries and work-related ill health of other workers working on undertaking's sites	0	1	(100.0)%
Number of recordable work-related accidents for own workforce	204	98	108.2%
Rate of recordable work-related accidents for own workforce	4.09	1.90	115.3%
Total hours worked	49,938,226	51,611,558	(3.2)%

Health and safety targets	2025	2024	%N/(N-1)
LTIFR (Lost time injury frequency per 200,000 hours worked)	0.37	0.11	236.4%
TRIFR (Total Recordable Injury Frequency Rates per 1,000,000 hours worked)	4.09	1.90	115.3%

In 2025, one fatality resulting from the treatment of the work-related injury was recorded among employees and other workers at RHI Magnesita sites. This compares with two fatalities in the previous year—one involving a member of the Group's own workforce and one involving one contractor working at a RHI Magnesita site.

Injury frequency indicators increased year on year, primarily reflecting enhanced incident reporting, broader data capture, and site-specific operational factors. The ongoing Safety Culture Transformation has expanded engagement across the organisation and strengthened alignment with company safety standards and guidelines. Health and safety remain a priority for RHI Magnesita and training will be reinforced to ensure consistent incident classification and reporting.

Disclosure requirement S1-17 — Incidents, complaints and severe human rights impacts
This metric has not been externally validated by any organisation other than the assurance provider.

A discrimination incident is defined as direct or indirect discrimination on the basis of protected characteristics, which may include, but are not limited to gender or gender identity, sex, ethnicity, religion or culture, disability, sexuality, age. Indirect discrimination could be putting a criterion in place that may seem neutral, but that would practically be unfavourable for a person with a protected attribute.

A harassment incident is defined as unwanted conduct related to a protected characteristic that has the purpose or effect of violating a person's dignity or creating an intimidating, hostile, degrading, humiliating or offensive environment. There were no fines, penalties or compensations for damages arising from incidents of discrimination, harassment, or severe human rights issues and incidents during the reporting period.

Incidents, complaints and severe human rights impacts	2025	2024	%N/(N-1)
Number of incidents of discrimination including harassment	9	25	(64.0)%
Number of complaints filed through channels for people in own workforce to raise concerns	0	0	0.0%
Number of complaints filed to National Contact Points for OECD Multinational Enterprises	0	0	0.0%
Number of severe human rights issues and incidents connected to own workforce	0	0	0.0%
Number of severe human rights issues and incidents connected to own workforce that are cases of non-respect of UN Guiding Principles and OECD Guidelines for Multinational Enterprises	0	0	0.0%

In 2025, reported incidents of discrimination and harassment declined by 64% compared to 2024, reflecting the impact of strengthened policies, awareness initiatives, and enhanced leadership accountability. At the same time, the Company improved its investigation and case-classification processes by introducing clearer assessment criteria and strengthened oversight to ensure consistent and transparent handling of cases. This has led to more accurate categorization and improved data quality. The combined effect of preventive measures and more robust case management demonstrates measurable progress toward fostering a more inclusive, respectful, and sustainable workplace culture.

ESRS S2 Workers in the value chain
ESRS 2 General disclosures
RHI Magnesita has identified impacts, risks, and opportunities related to its workers in the value chain through RHI Magnesita's risk management approach. Details of the double materiality assessment are described in detail under section ESRS 2 SBM-3 (pages 82-96) and ESRS IRO-1 (pages 96-99).

Strategy
Disclosure requirement related to ESRS 2 SBM-2 Interests and views of stakeholders
The Group considers the interests and views of its key stakeholders, including its own workforce, customers, suppliers (including the workers in the value chain) and local communities through structured engagement processes, and integrates these insights into strategic decision-making, risk management, and the management of sustainability impacts, risks and opportunities. Read more about our stakeholders and our stakeholder engagement on pages 20-27 of this Annual Report.

Disclosure requirement related to ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model
RHI Magnesita's diverse and global upstream supply chain presents a wide range of risks for supply chain workers. These risks vary based on factors such as workers' country of residence and employment, gender, age, and status as migrant workers. Industry-specific factors also play a critical role, with labour-intensive sectors like mining and manufacturing posing higher risks for occupational safety and forced labour.

The Group uses a risk-based approach to identify a broad range of risks within the value chain with the use of risk indicators and assessments and closely monitors suppliers at risk. To assess specific risks, such as forced labour and child labour, the Group conducted sector benchmarking and reviewed labour standards across regions. The Global Slavery Index was used to identify countries with high risks of forced labour by using its estimated prevalence of modern slavery per 1.000 population. Countries among the highest prevalence are North Korea, Eritrea and Saudi Arabia. Relevant value chain stakeholders for the Group are located in India and China which are not among the countries with the highest prevalence but which have a relatively high total estimated number of people in modern slavery due to their considerable population size[7]). The Global Slavery Index was used to identify countries with high risks of forced labour, such as India, North Korea, and Pakistan. Relevant value chain stakeholders for the Group are located in India. In the context of health and safety as well as child labour risks, a dual approach was taken addressing country-specific factors as well as industry- and commodity-specific considerations, particularly in labour-intensive industries. High risk areas with regards to child labour, as stated by UNICEF and the International Labour Organisation)[8], are Sub-Saharan Africa, Central and Southern Asia and Eastern and South-Eastern Asia. More than two-thirds of children in child labour work within the agriculture sector, followed by Services and Industry. The material streams and services required for RHI Magnesita have, due to the nature of the Group's industry, little interaction with the agriculture sector and its associated risks. Suppliers located within Asia are a relevant part of RHI Magnesita's value chain. Only a few value chain stakeholders are located in Sub-Saharan Africa.

Material impacts within the Group's value chain were primarily identified in relation to suppliers' employees, especially those working in mining and production units. Occupational safety was identified as material, alongside the potential for incidents of forced labour. Particularly vulnerable worker groups with regards to these material impacts are migrant workers, young workers and women.

The Group's assessment identified that a significant share of potential risks related to value chain workers, in particular forced labour and occupational health and safety risks, are concentrated in certain key sourcing regions that are critical to the Group's supply chain. These risks are closely linked to the Group's business model, which relies on a limited number of suppliers in labour-intensive industries and regions with varying labour standards and regulatory frameworks. As a result, these actual and potential impacts on value chain workers informs the Group's procurement strategy and supplier management approach. Risks, in particular related to forced labour and occupational health and safety, are considered when prioritising suppliers, defining due diligence activities, and allocating resources for risk mitigation. These insights support the ongoing development of the Group's business model by strengthening risk management practices, enhancing supply chain resilience, and reducing exposure to social and operational risks.

In response, RHI Magnesita has prioritised the assessment and monitoring of suppliers located in higher-risk regions and has established specific targets and due diligence measures for key suppliers operating in critical locations. As risk management maturity has increased for these suppliers, the scope of assessments has progressively expanded to include smaller suppliers across additional regions. Supplier due diligence is supported by risk-based evaluations, targeted audits, and ongoing monitoring, with oversight provided by the sustainable procurement and IARC function and regular reporting to senior management and the Board. This approach ensures that identified risks directly inform sourcing decisions, supplier engagement, and mitigation measures, while strengthening the resilience and integrity of the Group's value chain.

The Group acknowledges the complexity of ensuring transparency and compliance in a global value chain, especially in industries with varying labour standards and safety regulations. Addressing these risks requires continued collaboration, monitoring, and the integration of robust standards to protect workers' rights and well-being.

The Group seeks to gain insight into the perspectives of value chain workers in respect of their human rights, including the right to collective bargaining through alternative mechanisms, including supplier assessments, contractual requirements, and grievance mechanisms.

Read more about RHI Magnesita's strategy and business model at ESRS 2 SBM-1.

Systemic challenges

The risks identified are often systemic and widespread, particularly regarding forced labour, where limited transparency within certain business relationships exacerbates the challenge. Negative impacts may also arise from individual incidents, such as workplace accidents, affecting the health and safety of workers in the value chain. Workers conducting physical labour or operating heavy machinery in countries with lower safety regulations face heightened risks. Examples include insufficient safety mechanisms and inadequate training for machinery operation.

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[7] Walk Free 2023, Global Slavery Index 2023. Available from: https://www.walkfree.org/global-slavery-index/

[8] International Labour Office and United Nations Children's Fund, Child Labour: Global estimates 2020, trends and the road forward, ILO and UNICEF, New York, 2021. Licence: CC BY 4.0.

Impact, risk and opportunity management

Disclosure requirement S2-1 — Policies related to value chain workers

RHI Magnesita has established a comprehensive set of policies to ensure respect for human rights and ethical practices throughout its value chain. These include the Human Rights Policy, Supplier Code of Conduct, and Anti-Slavery Statement, which align with the requirements of the UK Modern Slavery Act and the California Transparency in Supply Chains Act. The Speak Up Policy prohibits retaliation against individuals who report concerns in good faith, including workers' representatives, and supports a culture of accountability and trust.

The Group adheres to internationally recognized human rights standards and expects its suppliers and contractors to uphold the same high standards. The Group's Human Rights Policy serves as a guiding framework, consistent with the principles outlined in the United Nations Universal Declaration of Human Rights, the United Nations Global Compact, and relevant local legislation. This policy underscores our commitment to respecting human and labour rights, prohibiting human trafficking and slavery as well as child labour and forced labor, and promoting safe and fair working conditions across our operations and supply chain.

The Supplier Code of Conduct mandates that suppliers respect human rights and strictly prohibits any form of precarious work such as human trafficking or slavery as well as child labour and forced labour. To ensure compliance, suppliers may be required to complete self-assessment questionnaires, respond to further inquiries, and, if necessary, undergo on-site assessments or full compliance evaluations. Non-compliance with the Supplier Code of Conduct may result in corrective action plans or, in severe cases, termination of the business relationship in accordance with applicable legal agreements.

As a participant in the UN Global Compact, RHI Magnesita is committed to integrating the principles of UN Guiding Principles of Business and Human Rights into its business strategy and operations. This commitment is explicitly outlined in the Code of Conduct, which prioritises compliance with human and civil rights, applicable labour laws, and social standards. Respectful treatment, equal opportunities, and fairness are core values demanded of all employees and business partners.

RHI Magnesita actively encourages transparency and ethical practices by providing a Whistleblowing hotline. Suppliers, employees, and stakeholders are encouraged to report any unethical or illegal behaviour, including suspicions of misconduct by employees or its suppliers. The helpline is accessible via https://www.rhimagnesita.com/compliance-helpline/.

By embedding internationally recognized human rights standards into its policies and operations, the Group ensures a robust framework to address risks related to forced labour, human trafficking, child labour and workplace safety. These measures not only demonstrate RHI Magnesita's commitment to ethical business practices but also promote transparency and accountability throughout its global supply chain.

Disclosure requirement S2-2 — Processes for engaging with value chain workers about impacts

Direct engagement with value chain workers forms an integral part of the Group's on-site sustainability supplier assessments, which are conducted annually with selected suppliers worldwide. These assessments are designed to identify actual or potential adverse impacts on value chain workers, including risks related to established minimum requirements.

Where negative findings or risks are identified, structured risk reduction and mitigation measures are agreed and implemented jointly with the supplier. Failure to remediate identified issues within the defined timeframe may affect future sourcing decisions and the continuation of the supplier relationship.

These processes are governed by the Group's internal supplier on-site assessment guideline, which sets out clear roles, responsibilities, and procedures for addressing and monitoring identified risks.

Direct engagement with value chain workers takes place during on-site sustainability supplier assessments. The scope and type of engagement vary depending on the focus of the assessment. Where assessments emphasize the social pillar, they include direct interviews with selected value chain workers to identify specific risks and challenges, particularly those who may be vulnerable to impacts and/or marginalized.

For suppliers identified as higher risk in relation to social aspects, the social pillar is automatically included as a mandatory component of the assessment.

Suppliers with concerning results are required to develop a time-bound action plan to mitigate identified issues. The implementation of these plans is monitored within a pre-defined timeframe, ensuring accountability and measurable improvements.

This structured approach ensures risks are identified, mitigated, and managed effectively, aligning with the Group's commitment to uphold ethical and sustainable practices across its value chain.

Disclosure requirement S2-3 — Processes to remediate negative impacts and channels for value chain workers to raise concerns
There are multiple processes on channels for value chain workers to raise concern. On an annual basis, suppliers are selected worldwide for our on-site sustainability assessments. Results from our on-site sustainability supplier assessments as well influence our future decisions. Our internal supplier on-site assessment guideline defines our processes in case of negative or risk attributed findings. Additionally, value chain workers can voice risks and issues using our whistleblowing hotline.

These cases are investigated according to our "Whistleblowing hotline Guideline" which is visible to the public on our website. When raising concern, parties can either disclose their identity or stay anonymous and there is no retaliation for those who report. All concerns reported on the web, the mobile application, by phone or by email will be passed on to responsible members of RHI Magnesita's Internal Audit, Risk & Compliance team, who will get back within seven days latest to acknowledge the receipt of your report. All complaints are processed objectively and with the same level of care and diligence by trained professionals of RHI Magnesita's Internal Audit, Risk & Compliance team. Their identity will be kept confidential throughout the process and all information pertinent to the investigation will only be shared on a need-to-know basis.

The effectiveness of actions is assessed through supplier assessments and on-site audits, which include checks on the existence, accessibility, and communication of grievance mechanisms. Where relevant, worker interviews are used to assess awareness and trust in these channels, and findings are used to define corrective actions.

The Group upholds the expectations outlined in the RHIM Code of Conduct, the Supplier Code of Conduct and the Anti-slavery statement, with a focus on workers' rights and well-being throughout the value chain.

Read more about RHI Magnesita's business conduct, mechanisms of investigation and supplier management in G1-1.

Disclosure requirement S2-4 — Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions
The Group has established robust mechanisms to identify and address human rights risks in its supply chain, with country-specific risk data internally accessible to the procurement department. This resource is integral to risk identification and forms the basis for targeted mitigation actions. Financial resources are allocated to managing the supply chain and material impacts and enable the supplier assessments with EcoVadis and the on-site supplier assessments. The strategic target for 2025 is to assess suppliers representing 66% of spend through EcoVadis sustainability assessments, which enhance transparency and aid in mitigating adverse impacts. These assessments provide valuable insights into suppliers' human rights policies and practices, enabling the Group to request improvements or conduct further validation through on-site assessments when necessary.

The internal on-site assessment guidelines define clear procedures for addressing risks, categorised by severity. Severe risks, such as child or forced labour, are part of our Supplier Code of Conduct and explicitly outlined in our on-site assessment guideline. Incidents of the highest severity activate a high-priority response process involving case creation, detailed investigation, and escalation to executive management for action planning. These processes are integrated into the company's overall risk management framework, ensuring that material risks related to value chain workers are systematically identified, assessed, and managed alongside other business risks

The Supplier Code of Conduct requires suppliers to respect human rights and prohibits forced labour, child labour, and other forms of precarious work. Compliance is assessed through risk-based due diligence, including self-assessments and, where necessary, on-site reviews. Where non-compliance is identified, corrective actions are required, and in severe or unresolved cases, the business relationship may be terminated in accordance with contractual requirements.

In addition to EcoVadis assessments, RHI Magnesita conducts on-site sustainability assessments globally to verify compliance with the Group's standards. Identified risks or non-compliance issues are communicated to suppliers, who are given a defined timeframe for corrective action. Progress is monitored, and follow-up assessments ensure the effective implementation of improvements.

Supplier on-site assessments play a critical role in evaluating the alignment of supplier practices with Group standards. These assessments include reviews of operational processes and direct interviews with workers to ensure adherence to ethical and safety standards. The findings from our described supply chain due diligence mechanisms play an integral part of defining targets and define our focus areas. By integrating these evaluations, RHI Magnesita reinforces its commitment to fostering transparency, improving supplier performance, and upholding responsible sourcing practices across the value chain.

The Supplier Code of Conduct formalises the expectations of RHI Magnesita for ethical and sustainable practices throughout the value chain. Suppliers are contractually required to align with these standards, which include explicit protections for workers' rights. The detailed process on the Group's actions and processes on material impacts is described in section S2-2.

More than 1,000 suppliers were assessed by EcoVadis, representing 64.9% (2024:55%) of RHI Magnesita procurement spend. A supplier in EcoVadis is assessed on four key themes: Environment (energy use, emissions, waste management, and resource efficiency), Labour & Human Rights (working conditions, health & safety, diversity, and human rights policies), Ethics (anti-corruption, fair business practices, and data protection), and Sustainable Procurement (supplier monitoring, responsible sourcing, and supply chain transparency). The assessment evaluates the supplier's policies, actions, and reporting practices to determine their sustainability performance. EcoVadis assessment commitment has been selectively made part of contracts to ensure transparency in areas with low coverage.

No severe human right issues and incidents were identified with EcoVadis Adverse Media Alerts in 2025.

Finally, RHI Magnesita's sustainable procurement team provides regular sustainability training for employees involved in procurement and dedicated due diligence training for suppliers. These programmes strengthen awareness of human rights, environmental, and legal requirements, including the German Supply Chain Due Diligence Act (LkSG), and support the identification and mitigation of negative impacts within the value chain.

Metrics and targets
The metrics used is based on the total spend of the Group.

For 2025, RHI Magnesita's goal is to achieve 66% of spend assessed by EcoVadis Sustainability Assessments.

For 2030, RHI Magnesita will enhance its supplier sustainability management to cover 80% Spend Coverage.

In line with our commitment to transparency and accountability we have adopted a phased approach to develop entity-specific metrics. Our efforts aim to ensure a robust and tailored framework that reflects our operational realities while driving meaningful progress.

Disclosure requirement S2-5 — Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities
To enhance supply chain transparency and manage material impacts and risks related to value chain workers, RHI Magnesita has established supplier assessment targets as part of its risk-based due diligence approach. The process for setting these targets considered the insights gained from previous assessments, risk indicators, and ongoing dialogue with suppliers, including engagement with their legitimate worker representatives where applicable.

Based on the results of the risk analysis, the Group has set quantitative targets, including assessing 66% of suppliers through EcoVadis by 2025 and screening 80% of procurement spend by 2030.

By the end of 2025, 64.9% of suppliers had been assessed through EcoVadis. In addition to this screening, 68 on-site supplier assessments were conducted during the reporting period, out of the planned 73 assessments, focusing on suppliers operating in higher-risk regions, labour-intensive industries, or strategic sourcing categories.

These targets aim to increase transparency across the supply chain at an individual supplier level, enabling the identification of actual and potential risks related to labour conditions, occupational health and safety, and human rights. The results of supplier assessments and related engagement activities, including input obtained through audits and worker-related reviews, are used to prioritise follow-up actions, define corrective measures, and support continuous improvement with suppliers.

Based on the findings from previous and current reporting periods, RHI Magnesita has refined its supplier engagement approach by strengthening follow-up mechanisms, improving the prioritisation of high-risk suppliers, and enhancing the focus on worker-related issues identified through audits.

Through this approach, RHI Magnesita strengthens its ability to mitigate material risks, reduce negative impacts on value chain workers, and support positive social outcomes, while also reinforcing supply chain resilience and the long-term sustainability of its business model.

Governance information

ESRS G1 Business conduct
ESRS 2 General disclosures
Governance
Disclosure requirement related to ESRS 2 GOV-1 — The role of the administrative, supervisory and management bodies
This section is incorporated by reference to the Corporate Governance Section of Annual Report, pages 178–205.

Impact, risk and opportunity management
Disclosure requirement related to ESRS 2 IRO-1 — Description of the processes to identify and assess material impacts, risks and opportunities
As part of its materiality assessment, RHI Magnesita identifies and assesses material impacts, risks and opportunities related to business conduct through a structured risk assessment process. The assessment considers a range of criteria, including the geographic location of

operations, the nature of business activities, the sector in which the Group operates, and the structure of business transactions, including acquisitions and relationships with third parties.

Particular attention is given to operations and business relationships in geographies with an elevated inherent risk of corruption, as well as to activities involving public authorities, complex supply chains or the use of intermediaries. These factors are assessed across the Group's own operations and its upstream and downstream value chain.

Fraud and corruption risks are also evaluated in the context of the Group's growth strategy, particularly in relation to mergers and acquisitions and entry into new markets or product segments. Due diligence processes conducted prior to transactions and during post-acquisition integration are used to identify potential compliance risks and to assess alignment with the Group's ethical standards and policies.

The identification of risks is supported by ongoing risk assessments, internal controls and compliance monitoring. While the Group is not aware of any current investigations that could result in material financial impacts in the next reporting period, fraud and corruption risks are considered to remain relevant in the medium and long term due to the nature of the operating environment.

Based on this assessment, the Group has implemented measures to mitigate identified risks, including a Code of Conduct, compliance policies and procedures, mandatory training, whistleblowing mechanisms for employees and third parties, and targeted compliance reviews in connection with acquisitions and higher-risk activities.

For more details, read Our Risk management approach of Annual Report, pages 37-39.

Disclosure requirement G1-1— Business conduct policies and corporate culture
RHI Magnesita has adopted numerous policies that apply globally, covering the whole value chain, which are relevant to business conduct, as follows:

- Anti-Corruption Policy — mandatory policy with zero tolerance of bribery and corruption which prohibits employees from offering, promising or granting any advantage with the objective of obtaining unlawful consideration — implemented since 2020.
- Anti-trust and Fair Competition Policy — mandatory compliance with all anti-trust and competition laws in all relevant jurisdictions. Prohibits anti- competitive behaviour such as communicating with competitors concerning pricing or tenders or obtaining competitive knowledge through illegal means. Provides guidance for dealing with possible situations and how staff should react, including procedures for reporting potentially anti-competitive behaviour.
- Conflict of Interest Guideline — complements Code of Conduct and Anti-Corruption Policy, providing more detailed explanations for staff as to what practical scenarios may give rise to a conflict of interest. Sets out procedure for disclosing any potential conflict of interest for internal management.
- Gifts and Invitations Guideline — complements Code of Conduct and Anti-Corruption Policy, providing more detailed explanations for staff as to when gifts and invitations should be declared and/or refused so as not to give rise to a potential conflict of interest or perception of potentially corrupt behaviour.
- Code of Conduct — detailed document setting out standards of behaviour that are expected of employees, covering general principles and specific guidance in all areas of business conduct.
- Supplier Code of Conduct — declaration for signing by all suppliers committing to minimum standards of business conduct, aligned with the Group's own Code of Conduct.
- Global Gender Equality Policy — policy establishing RHI Magnesita's commitment to equality across all genders and how individuals are treated in the workplace irrespective of their personal characteristics.
- Sanctions, Export Controls and Business Partner Due Diligence Policy — policy establishing RHI Magnesita's commitment to complying with all applicable sanctions and export control laws, and mandates that third-party engagements are conducted only with professional, ethical, and compliant partners.
- Anti-Discrimination and Anti-Harassment Policy — policy affirming zero-tolerance stance against all forms of discrimination, harassment, and vilification. The policy underscores RHI Magnesita's commitment to maintaining a respectful workplace and our role as an equal opportunity employer.
- Data protection and privacy - established a comprehensive framework for data protection and privacy, including global policies, employee guidelines, and procedures for compliance, retention, and breach management. These measures ensure responsible handling of personal data and reinforce trust through transparency and accountability.
- Speak Up Policy — complements Code of Conduct, providing more detailed information on reporting and investigation processes for misconduct.
- Human Rights Policy — policy establishing a framework of core human rights principles that RHI Magnesita shall conform to when conducting its business. The principles are in line with the United Nations Universal Declaration of Human Rights, the principles of the United Nations Global Compact, and the requirements of relevant local laws, such as the UK Modern Slavery Act 2015, among others.
- Anti-slavery statement - RHI Magnesita's Anti-Slavery Statement is embedded as a formal policy within its governance framework. RHI Magnesita rejects and does not tolerate any form of slavery or human trafficking in any part of its business and expects full

compliance with these standards from its suppliers and contractors. The policy defines clear responsibilities and establishes due diligence and monitoring processes across operations and the value chain.

RHI Magnesita is committed to adhering to international standards and, as a participant in the UN Global Compact, has pledged to integrate its principles in the areas of human and labour rights into our business strategy and operations. Our Code of Conduct reflects this commitment, ensuring compliance with human and civil rights as well as applicable labour and social laws. Respect, fairness, and equal opportunity-ties are core values we demand from our employees and business partners alike. The CEO is the most senior executive responsible for policy implementation. All policies are publicly available on the Group's website in the Policy Library section.

How RHI Magnesita fosters its corporate culture

This section is incorporated by reference to the Corporate Governance Report, under the section "Culture and Purpose" (pages 196-198).

Mechanisms for identifying, reporting and investigating concerns

Potential concerns about ethical misconduct or any compliance matters can be reported by all stakeholders (both internal and external) to an independently operated, confidential, and anonymous whistleblowing hotline, available in areas where the Group operates as well as other locations, in several languages. Contact details are communicated throughout the business and are available externally on the Group's website. In addition to the hotline, whistleblowing reports can also be submitted via other channels, such as to a dedicated email address. All reports are overseen by the Internal Audit, Risk & Compliance team and then addressed on a case-by-case basis.

The Audit & Compliance Committee and Board reviews this process and the reports arising from it, ensuring there are arrangements in place for the appropriate investigation of these cases and that follow-up actions to address the root causes are completed.

We use digital registers, workflows and employee guidelines to address, document and monitor conflicts of interest declarations, gifts and invitations, and community investment approvals.

Business partners (e.g. customers, sales intermediaries and suppliers) and transactions such as mergers or acquisitions are subject to a separate due diligence process. All sales agents are certified by Ethixbase360 (formerly TRACE International), a leading international organisation specialised in third-party due diligence solutions.

Our focus on human rights and labour rights includes a programme of supplier audits. In 2025, we will continue to strengthen our human rights due diligence processes within the Group and in the supply chain.

In compliance with this legislation, a Human Rights Officer has been appointed. The Board approves an annual statement in accordance with the UK Modern Slavery Act 2015 and the California Transparency in Supply Chains Act.

In 2025 particular attention continued to be given to the integration of acquired entities in respect of ethics and compliance standards. Extensive work was conducted as part of integration activities to understand the compliance culture of each new entity and work to harmonise their approach with Group practices.

Emphasis was placed on face-to-face interaction and discussion to jointly evolve Business Ethics approaches.

We encourage anyone with ethics or compliance concerns to report them to an independently operated hotline, which is confidential and can be used anonymously.

RHI Magnesita is firmly committed to whistleblower protection, adhering to the principle of non-retaliation and ensuring that all reports are investigated with appropriate follow-up actions. The Group is subject to various legal requirements for whistleblower protection, which vary based on national legislation. To ensure transparency and oversight, the Audit & Compliance Committee regularly reviews data on cases submitted via the hotline and other reporting channels, as well as the outcomes of investigations. This approach reinforces RHI Magnesita's commitment to ethical business practices and compliance with legal and regulatory standards.

Disclosure requirement G1-2 — Management of relationships with suppliers

RHI Magnesita's top 20 suppliers account for approximately 21% of our expenditure and the top 200 around 57%. Procurement extends to suppliers producing refractory raw materials, energy suppliers facilitating the conversion of raw materials to finished products, transport suppliers, and manufacturing suppliers. While contractual commitments generally do not exceed one year, the Group may enter into longer contracts on an exceptional basis for critical raw materials and energy. Our operational focus is on capital and energy intensive processes, especially in equipment for raw material and finished product production. Most specific raw materials are sourced from China, resulting in a lengthy supply chain. Procurement spending in our industry equates to about two-thirds of revenue, on average.

Despite a high reliance on Chinese raw materials in the broader refractory industry, RHI Magnesita's suppliers are predominantly situated in the regions where its production facilities operate. Europe leads in supplier concentration, followed by China, Brazil, the USA, and India. In our commitment to sustainable procurement, the Group aims to integrate sustainability priorities into its procurement processes. RHI

Magnesita has a global guidance that adheres to all legal requirements regarding payments and focus fair treatment of all suppliers, especially small and medium-sized enterprises (SMEs). Payment terms are clearly defined in contracts and purchase orders, and invoices are processed in a timely manner in accordance with established internal procedures. Payment performance is monitored on a regular basis, and corrective actions are taken where recurring delays are identified.

RHI Magnesita's sustainable supply chain guideline foresees the integration of social and environmental criteria into the tender and supplier selection process. While these criteria are not yet systematically applied across all tenders, they are included selectively and form part of Group ongoing improvement efforts.

Supply chain due diligence
Since 2022, RHI Magnesita has established a framework for supply chain due diligence, to ensure ethical and compliant practices across the Group's supplier network. A comprehensive Supplier Code of Conduct outlines the standards and expectations the Group holds for all partners in the supply chain. Supplier desktop evaluations and on-site assessments are also used to proactively identify and address any potential risks, fostering a sustainable and resilient supply chain.

The company's sustainable supply chain guideline foresees the integration of social and environmental criteria into the tender and supplier selection process. While these criteria are not yet systematically applied across all tenders, they are included selectively and form part of our ongoing improvement efforts.
For selected raw material suppliers, contractual clauses addressing environmental and/or social requirements are already in place.

Supplier code of conduct
The Supplier Code of Conduct requires suppliers to follow the same principles as set out in RHI Magnesita's own Code of Conduct. It is distributed to all suppliers who are required to confirm compliance.

Supplier assessments through EcoVadis
An assessment system developed with EcoVadis is used to rate potential suppliers for sustainability impacts such as energy use, CO_2 emissions and waste. The ratings resulting from this assessment form an important part of the Group's decision-making procurement process.

The initial phase of supplier assessments started in 2021 based on contract size and risk mapping. The process continued in 2025, now covering 64.9% of spend.

Supplier on-site assessments
The Group conducts on-site assessments to evaluate suppliers based on product quality, Health & Safety and ESG aspects. RHI Magnesita has increased the number of on-site assessments, covering 52 in 2024 and 68 in 2025. The assessments were conducted across all regions.

Supplier product carbon footprint
Since the contribution of raw material extraction and processing is the largest single source of CO_2 emissions in the refractory value chain, the Group is seeking to increase the accuracy of its supplier CO_2 emissions data. Since 2023 our specific focus is with selected raw material suppliers by raising their awareness of our data requirements and providing support on the required calculation methodology. Accurate information enables the Group to prioritise suppliers with lower emissions in order to minimise Scope 3 emissions. Engagement on the subject of emissions also demonstrates to potential suppliers that CO_2 reduction is a key priority for the Group, which is expected to drive long-term changes in supplier behaviour and energy use.

Supplier collaboration
RHI Magnesita is committed to shaping a more resilient and sustainable supply chain. Therefore, the Group seeks collaborations with strategic suppliers to create more sustainable goods and services, with lower environmental impact. Several collaborations in 2025 resulted in projects with positive impacts, such as emission reduction in dedicated transport lanes in Europe and a program in Latin America that provides our transport partners with trees grown in our own nurseries to be planted in proportion to their transport volumes.

Read more about our actions in chapter ESRS S2.

Disclosure requirement G1-3 — Prevention and detection of corruption or bribery
In 2025 we continued to embed and evolve our compliance policies and procedures. We take a zero-tolerance approach to incidents of fraud, bribery or corruption in our business. This approach is set out in our Code of Conduct, which was updated and re-launched in 2025, as well as our Supplier Code of Conduct. The reshaped Code of Conduct with an emphasis on simple, focused messaging for key areas, including business ethics, integrity, health and safety, anti-corruption, legal compliance, data privacy, sustainability, and conflict of interest avoidance has been well received across the Group. All 107 (2024:109) governance body members and employees have been informed of the Group's Anti-Corruption (AC) policies and procedures. As part of compliance measures, they have completed mandatory e-learning training.

Comprehensive online training is mandatory for key compliance areas, including business ethics, data privacy, sanctions, and export controls. Regular monitoring ensures completion across all office-based employees. Newly onboarded employees are required to complete these training sessions within the first three months of employment.

During 2025, ensuring the continuity of high standards for ethics and compliance continued to be prominent element of the transfer of staff to Capgemini. Capgemini staff, including both transferred and newly hired employees, were required to complete the mandatory compliance training, to ensure the continuity and ongoing quality of the ethics.

The anti-corruption and bribery training covers:

- definition and legal framework of bribery and corruption;
- consequences of non-compliance;
- identification of high-risk activities and locations;
- risks associated with cash transactions, gifts, and entertainment;
- preventative measures to mitigate bribery and corruption risks;
- proper maintenance of books and records;
- identification of politically exposed persons (PEPs); and
- adherence to Group policy on anti-corruption and bribery.

This structured approach reinforces compliance, mitigates legal and reputational risks, and strengthens ethical business practices across the organisation and value chain.

In 2025, the Region-wise breakdown indicates the following e-learnings completion rates for white-collar staff: Europe &CIS at 95%, China & East Asia at 100%, North America at 94%, Latin America at 94%, and India at 95%, and Middle East, Türkiye and Africa at 91%.

The regional analysis of e-learning completion rates for white-collar employees in 2024 shows consistently high participation levels: Europe/CIS/TR reached 96%, China & East Asia achieved 100%, the Americas (North and South America) recorded 95%, and India & West Asia attained 96%.

In 2025, the Group reorganized its regional business units. A new “Middle East, Türkiye and Africa” (META) region was created; the former “India, West Asia and Africa” region was renamed “India” and is now focused solely on India; the “South America” region was renamed “Latin America”; and Mexico was reallocated from “North America” to “Latin America”. The regional information presented above reflects the comparative data for 2024 based on the previous regional structure, while the 2025 data has been prepared in accordance with the new regional structure.

The e-learnings completion rates for white-collar staff have been kept stable since 2024 due to the continued focus of senior leadership on the Code of Conduct and the related training.

During the integration activities for M&A, training is initiated as soon as employees are integrated into the Group HR system to ensure seamless compliance alignment.

Furthermore, all business partners have acknowledged and accepted the Group’s standard contract terms, which mandate adherence to both RHI Magnesita’s Code of Conduct and the Supplier Code of Conduct. These documents are readily accessible via the Group’s website, ensuring transparency and broad dissemination among business partners.

During the financial year 2025, the Group provided training to its own at-risk workers. Training is mandatory for all white-collar roles classified as at-risk functions, but the Group also provides voluntary training to other of its own workers.

We regularly conduct compliance risk assessments, such as fraud risk assessments, with results presented to management and the Audit & Compliance Committee each year. The regular risk assessments conducted at Group, regional and plant level cover Compliance risks (including corruption risks). The plant risk assessment carried out in 2025 included 67 plants and mines, including newly acquired sites.

Read more about the RHI Magnesita’s Risk Management Approach on pages 37-39.

Metrics and targets
Disclosure requirement G1-4 — Incidents of corruption or bribery
Assumptions and Methodologies
These metrics have not been externally validated by any organisation other than the assurance provider and they account with the number of cases reports to our compliance management system.

In 2025, the hotline and additional reporting channels generated 146 reports as of 31 Dec 2025 (versus 184 in 2024). 137 cases have been investigated and nine are classified as non-case reports. Out of these, five cases are classified under the category 'Bribery & Corruption' (2024:6). Submissions are classified as non-case reports where they cannot be processed as a case due to the absence of minimum information required for assessment or follow-up. This includes submissions with no factual description of an issue, no recorded content or supporting documentation, no identifiable concern or allegation, or submissions in which the communication line is mute or blank.

The investigation into all cases is overseen by IARC department and investigations are performed in collaboration with other departments and external legal support if necessary. For substantiated complaints, RHI Magnesita takes appropriate action to address the immediate risk and implement preventive actions.

There were no confirmed incidents of corruption or bribery during the reporting period, no public legal cases brought against the Company or its own workers and therefore no outcomes to report, no cases in which own workers were dismissed or disciplined, and no contracts with business partners that were terminated or not renewed due to corruption or bribery-related violations. Read more about RHI Magnesita's internal controls on pages 40-41.

TCFD Recommendations

ESRS 2 — IRO-2 — List of datapoints in cross-cutting and topical standards that derive from other EU legislation

The following index shows the disclosure requirements that were followed in preparing the sustainability statement based on the results of the materiality assessment, including the page numbers that contain the corresponding disclosures in the sustainability statement.

In addition, we provide below information on data points in the ESRS 2 and the thematic ESRSs arising from other EU legislation (ESRS 2 Annex B) — as well as requirements under the thematic ESRSs that need to be taken into account when reporting on the ESRS 2 disclosure requirements (ESRS 2 Annex C).

Disclosure Requirement and related datapoint	(1) SFDR reference[1]	(2) Pillar 3 reference[2]	(3) Benchmark Regulation reference[3]	(4) EU Climate Law reference[4]	Page Reference/ Relevance
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816[5], Annex II		73
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)	Indicator number 10 Table #3 of Annex 1				73
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453[6] Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		80
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818[7], Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	Not material

Disclosure Requirement and related datapoint	(1) SFDR reference[1]	(2) Pillar 3 reference[2]	(3) Benchmark Regulation reference[3]	(4) EU Climate Law reference[4]	Page Reference/ Relevance
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book — Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article12.1 (d) to (g), and Article 12.2		Not material
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book — Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		123
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				125
ESRS E1-5 Energy consumption and mix paragraph 37 ESRS	Indicator number 5 Table #1 of Annex 1				125
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43 ESRS	Indicator number 6 Table #1 of Annex 1				127
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book — Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		130
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book — Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		130
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	Not material
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		134

Disclosure Requirement and related datapoint	(1) SFDR reference[1]	(2) Pillar 3 reference[2]	(3) Benchmark Regulation reference[3]	(4) EU Climate Law reference[4]	Page Reference/ Relevance
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book — Climate change physical risk: Exposures subject to physical risk.			134
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Banking book — Climate change transition risk: Loans collateralised by immovable property — Energy efficiency of the collateral			Not material
ESRS E1-9 Degree of exposure of the portfolio to climate- related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		134
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				135
ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex 1				Not material
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 Table 2 of Annex 1				Not material
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12 Table #2 of Annex 1				Not material
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex 1				Not material
ESRS E3-4 Total water consumption in m^3 per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex 1				Not material
ESRS 2 — SBM-3 — E4, paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1				Not material
ESRS 2 — SBM-3 — E4, paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1				Not material
ESRS 2 — SBM-3 — E4, paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				Not material
ESRS E4-2 Sustainable land/agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1				Not material
ESRS E4-2 Sustainable oceans/seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1				Not material

Disclosure Requirement and related datapoint	(1) SFDR reference[1]	(2) Pillar 3 reference[2]	(3) Benchmark Regulation reference[3]	(4) EU Climate Law reference[4]	Page Reference/ Relevance
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1				Not material
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1				Not material
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex 1				Not material
ESRS 2-SBM3 — S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				Not material
ESRS 2-SBM3 — S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				Not material
ESRS S1-1 Human rights policy commitments, paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				145
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		145
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				145
ESRS S1-1 workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I				145
ESRS S1-3 grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				147
ESRS S1-14 Number of fatalities and number and rate of work- related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		156
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				156
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				Not material
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				157

Disclosure Requirement and related datapoint	(1) SFDR reference[1]	(2) Pillar 3 reference[2]	(3) Benchmark Regulation reference[3]	(4) EU Climate Law reference[4]	Page Reference/ Relevance
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		157
ESRS 2-SBM3 — S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators number 12 and n. 13 Table #3 of Annex I				157
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				159
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator number 11 and n. 4 Table #3 of Annex 1				159
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		159
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		159
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 Table #3 of Annex 1				160
ESRS S3-1 Human rights policy commitments paragraph 16	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				Not material
ESRS S3-1 non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not material
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex 1				Not material
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				Not material

Disclosure Requirement and related datapoint	(1) SFDR reference[1]	(2) Pillar 3 reference[2]	(3) Benchmark Regulation reference[3]	(4) EU Climate Law reference[4]	Page Reference/ Relevance
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not material
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex 1				Not material
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1				162
ESRS G1-1 Protection of whistleblowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1				162
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		166
ESRS G1-4 Standards of anti-corruption and anti-bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1				166

1. Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (OJ L 317, 9.12.2019, p. 1).
2. Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (Capital Requirements Regulation) (OJ L 176, 27.6.2013, p. 1).
3. Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171, 29.6.2016, p. 1).
4. Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law') (OJ L 243, 9.7.2021, p. 1).
5. Commission Delegated Regulation (EU) 2020/1816 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards the explanation in the benchmark statement of how environmental, social and governance factors are taken into account in each benchmark that is made available and published (OJ L 406, 3.12.2020, p. 1)
6. Commission Implementing Regulation (EU) 2022/2453 of 30 November 2022 amending the implementing technical standards laid down in Implementing Regulation (EU) 2021/637 with regard to the disclosure of environmental, social and governance risks (OJ L 324, 19.12.2022, p.1).
7. Commission Delegated Regulation (EU) 2020/1818 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council with regard to minimum standards for EU climate transition benchmarks and for EU Paris-aligned benchmarks (OJ L 406, 3.12.2020, p. 17).

Sustainable Development Goals (SDG) index

Ensuring safe working environments in its operations

Total Recordable Injury Frequency Rate <2.0 per 1,000,000 hours worked by 2030

Health and safety remain a core strategic priority, guiding actions to protect our workforce and strengthen operations through expanded Life-Saving Rules, enhanced major hazard prevention, and a learning-driven safety culture supported by stronger data and leadership engagement.

In 2025, the Group invested €10 million in health and safety. One work-related fatality was recorded and TRIFR closed the year at 4.09; the increase of KPI is due to improved reporting, expanded data capture, and site-specific operational factors.

Sponsoring Education and Youth Development CSR projects

RHI Magnesita supports Sustainable Development Goal 4 — Quality Education — by promoting inclusive, equitable, and life-long learning. We enable all employees, regardless of role or location, to develop current skills and build capabilities for the future.

In 2025, our contributions included providing broad access to the RHIM Learning Academy, LinkedIn Learning, and the UN Learning Academy, expanding access to qualified teachers for disadvantaged students, and training suppliers through dedicated learning content available on our **website**.

Committed to supporting gender equity in our workplace on all levels

Board gender diversity equal or above 33%
Women in senior leadership roles equal or above 33%

Diversity, Equity & Inclusion are embedded in our culture. By promoting gender equity and equal opportunities at all levels, we strengthen decision-making and support sustainable business performances.

Gender balance enables diverse perspectives, strengthens decision-making, and supports an inclusive, high-performing workplace. We are committed to pay equity, ensuring no gender based wage disparities for employees in comparable roles and responsibilities.

Committed to continually improve the energy efficiency of its operations and the use of cleaner energy sources

5%energy consumption reduction per ton by 2025 versus 2018 levels
Reduce energy consumption by 1% annually through 2030 versus 2024 baseline

RHI Magnesita operates exclusively in high climate-impact sectors, with all revenue classified accordingly. Energy production comprises 1,000 MWh from non-renewable and 3,600 MWh from renewable sources. A 9%reduction in energy consumption per ton achieved against the 2018 baseline year.

Offering apprenticeship opportunities, investment on skill development programs

Each year, the company opens up applications for its globally structured Trainee program for hiring and developing graduates from around the world. Participants also get to take part in a rotation abroad to gain international experience

We offer apprenticeships and internships from age 16 and strengthened partnerships with educational institutions to support early career choices and encourage female participation.

Developing R&D projects, setting key partnerships to enhance Recycling and Decarbonisation (e.g. ReSOURCE and CCUS — MCi Carbon)

Achieve 20% of recycling rate by 2030 versus 2024 levels

Reduction of 10% of Scope 1, 2, 3 emissions (raw materials) per ton by 2030 versus 2024 levels

RHI Magnesita's climate strategy balances decarbonisation ambition with the technical constraints of long-lived, energy-intensive refractory production.

Increasing the use of recycled and secondary raw materials is the Group's key near-term decarbonisation lever, reducing emissions and strengthening supply security. In parallel, RHI Magnesita is preparing for future technologies, including alternative fuels, electrification, hydrogen-based firing and carbon capture and utilisation.

11 SUSTAINABLE CITIES AND COMMUNITIES

Investing directly and indirectly to Education & Youth Development, Health & Medical care and Environment

1% of Group annual net profit to support Community Investments

To ensure focus and maximum benefit and be aligned with Group Sustainability Strategy, the contributions should target these focus areas: **Education & Youth Development, Health & Medical care and Environment.**

In 2025, RHI Magnesita spent over €1,5 million in community projects — Almost 80% of investments done in Education and Youth development.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Committed to increase the usage of recycled materials and promote and develop the circular economy wherever possible

Achieve 15% of recycling rate by 2025

Achieve 20% of recycling rate by 2030

Recycling is a cover lever of RHI Magnesita's decarbonisation transition plan. In 2025, recycling has evolved from a verticalized focus to a comprehensive business overview, forming a complete recycling platform solution that underscores its strategic importance as well as its environmental and commercial value.

In 2025, the Group advanced recycling through targeted process and technology improvements across regions, increasing the use of recycled materials while maintaining product quality.

Recycling reached 15.9%, supporting the 2030 target of 20% and delivering meaningful CO_2 reductions. Progress toward the 2030 recycling target is supported by organic growth, regional recycling hubs, and expanded partnerships, including a joint venture in North America.

13 CLIMATE ACTION

Committed to minimize direct and indirect CO_2 and other greenhouse gas emissions

15% Reduction of Scope 1, 2, 3 emissions (raw materials by 2025 versus 2018 levels

10% Reduction of Scope 1, 2, 3 emissions (raw materials by 2030 versus 2024 levels

The Group achieved its 2025 target of a 15% reduction in CO_2 intensity per tonne of product, reaching a reduction of 15% compared to the 2018 base year. This improvement was primarily driven by increased use of secondary raw materials, operational efficiency measures, and lower short-term plant utilisation, which partially offset slower progress in fuel switching.

The Group progressed its decarbonisation roadmap through expanded recycling, energy efficiency measures, increased renewable energy use, and targeted investments in circular raw materials.

Additionally, the Group advanced key technology pathways and partnerships to address hard-to-abate emissions, including Green Minerals Initiative, which includes a pilot plant in Australia and preparation for commercial deployment in Austria from 2029. Overall, €4.5 million was invested in CO_2 reduction measures, reinforcing alignment with a low-carbon transition.

15 LIFE ON LAND

Committed to minimize any other emissions, pollution, during operation or at our customers sites which could adversely affect humans, or the environment

RHI Magnesita aims to minimise emissions, pollution and substance releases to protect people, nature and the environment

In 2025, several targeted initiatives were implemented to reduce air pollution across the Group's global core operations.

Actions completed during the reporting year focused on reducing dust emissions and occupational exposure, supporting the Group's commitment to health protection and environmental standards.

RHI Magnesita Policies Index

RHIM Policy	DR	Applies to	Key Commitments	Last Update	Pages
Anti-corruption policy	G1- Business Conduct	Group-wide- all directors, managers and employees, as well as third parties acting on behalf of the Group, who must formally commit prior to providing services.	Zero tolerance for bribery and corruption; prohibits any improper advantage and requires compliance with all applicable anti-corruption laws	2020	162
Anti-Discrimination and Anti-Harassment Policy	S1 — Own Workforce S2 — Workers in the value chain G1- Business Conduct	Group-wide	Zero tolerance for discrimination, harassment or abusive behaviour, with access to reporting and remediation mechanisms	2022	144, 157, 162
Consolidated Anti-slavery statement	S1 — Own Workforce S2 — Workers in the value chain G1- Business Conduct	RHI Magnesita N.V. and all Group companies (together referred to as “RHIM” or “RHI Magnesita”)	Zero tolerance for slavery and human trafficking across own operations and the supply chain, supported by human rights due diligence and dedicated oversight.	2025	144, 157, 162
Anti-trust and fair competition policy	G1- Business Conduct	Group-wide — all directors, employees and third parties acting on behalf of RHI Magnesita.	Full compliance with competition and anti-trust laws; prohibits anti-competitive behaviour and requires reporting of suspected violations	2021	162
Code of Conduct	G1- Business Conduct	Group-wide	Defines expected standards of ethical behaviour and requires compliance with applicable laws, internal policies and company values	2025	162
Conflict of interest guideline	G1- Business Conduct	Group-wide	Requires disclosure and management of actual or potential conflicts of interest to ensure decisions are taken in the best interest of the Group	2020	162
Data protection and privacy policy	G1- Business Conduct	Group-wide — all directors, managers and employees, and to third parties processing or influencing RHI Magnesita personal data	Ensures lawful, transparent and secure handling of personal data through global policies, procedures and breach management controls	2020	162
Gifts and invitation guideline	G1- Business Conduct	Group-wide	Sets clear rules for declaring or refusing gifts and invitations to prevent conflicts of interest and corrupt behaviour	2020	162

RHIM Policy	DR	Applies to	Key Commitments	Last Update	Pages
Global gender equality policy	S1 — Own Workforce S2 — Workers in the value chain G1- Business Conduct	All employees	Commits to equal treatment and equal opportunities across all genders and promotes an inclusive, non-discriminatory workplace.	2023	144, 157, 162
Human Rights	S1 — Own Workforce S2 — Workers in the value chain G1- Business Conduct	Group-wide	Commits to respecting internationally recognised human rights and complying with applicable human rights and modern slavery laws	2023	144, 157, 162
IMS — Integrated Management System — Health and Safety Policy	S1 — Own Workforce S2 — Workers in the value chain	RHI Magnesita N.V. and all Group companies (together referred to as "RHIM" or "RHI Magnesita") and employees	Commits to preventing occupational health and safety risks through continuous improvement, employee consultation, training, PPE, safe substance handling and effective emergency procedures	2025	144, 157
IMS — Integrated Management System- Environment and Energy policies	E1 — Climate Change and Energy E2 — Pollution E5 — Resource use and circular economy	RHIMagnesita N.V. and all Group companies (together referred to as "RHIM" or "RHI Magnesita") and employees	Commits to reducing greenhouse gas emissions, pollution, resource and water use, waste and biodiversity impacts, while improving energy efficiency and sustainable energy sourcing, including a targeted reduction of specific energy consumption by 1% per year	2025	121, 134, 141
Sanctions, Export Controls and Business Partners due diligence policy	G1- Business Conduct	Group-wide	Ensures compliance with sanctions and export control laws and requires risk-based due diligence of business partners	2021	162
Speak up Policy	S1 — Own Workforce S2 — Workers in the value chain G1- Business Conduct	All employees	Provides confidential channels for reporting misconduct and defines investigation and escalation processes	2024	144, 158, 162
Stakeholder dialogue policy	S1 — Own Workforce S2 — Workers in the value chain	Group-wide	Commits to transparent stakeholder engagement, fair grievance handling and regular communication of outcomes	2023	144, 158
Supplier Code of Conduct	S1 — Own Workforce S2 — Workers in the value chain G1- Business Conduct	Suppliers	Requires suppliers to meet minimum ethical and legal standards, aligned with the Group's values and Code of Conduct	2025	144, 158, 162

Policies available on RHI Magnesita **website**.