EURO BEARINGS

SUSTAINABILITY REPORT 2025



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LETTER TO THE STAKEHOLDERS

Dear Stakeholders,

It is with great pride that we have the pleasure to present our second Sustainability Report.
This document marks a significant change for all of us, one that our company has decided to pursue with clarity and the utmost transparency.
In 2024, we embarked on a structured growth strategy, backed by significant investments, which are planned for the coming years. Sustainability is undoubtedly one of our key strategic objectives.

In an increasingly complex macroeconomic and geopolitical landscape, which is also seeing an inevitable rise in raw material costs, we have sought to approach 2025 with determination and resolve towards all our stakeholders, whilst still achieving good results. Our company has made transparency and communication its top priority, always keeping our customers and suppliers fully informed, and ensuring there are no surprises, despite the unexpected rise in costs. We have communicated openly and built increasingly strong relationships, avoiding shortcuts and unnecessary excuses. We have navigated this difficult period whilst striving to honour the commitments we had already made to our customers and suppliers.

As in the previous year, we were keen to support and develop our staff. To this end, we launched training programmes for senior and middle management, focusing on leadership and effective communication, and we began rolling out Lean manufacturing practices across the company with the aim of reducing waste of time and resources. All of this is for the benefit of the environment, our customers, our suppliers and our staff.

Our company is committed to sustainable growth, which involves not only carefully monitoring our environmental performance, but also improving the lives of all our employees and creating value for our stakeholders.
People are at the heart of what we do. In our company, they come before everything else. The approach we are pursuing, also through in-house training, is aimed at improving every aspect of people's lives. We believe that approaching the world of work with a smile and the positive attitude that comes from living in a healthy environment makes all the difference.
Alongside our day-to-day work, we place great emphasis on interpersonal relationships. We have just returned from an event that saw the whole company take part in team-building activities such as paintball and treasure hunts, as well as lengthy discussions amongst colleagues on an important topic such as "happiness". The aim of the days spent together was to foster greater synergy among people and to build mutual respect and trust. This approach is reflected in better results for the company. In short, people who are more relaxed and happier are more productive and perform better.

We believe in improving environmental performance, and if everyone did their bit, we would certainly have a more sustainable world. In practical terms, to turn words into action, in addition to the investment in the solar power plant already mentioned in last year's letter, in 2025 we extended our certification scope to include ISO 14001 and ISO 45001, and we have been working towards accreditation with two sustainability measurement platforms: ECOVADIS and SYNESGY. Whilst we were awarded a bronze medal with the first one, we achieved a B grade with SYNESGY.

We have achieved a sound economic and financial footing, which has allowed us to plan new investments each year aimed at improving our production capacity, recruiting young talent, becoming more efficient, and responding more promptly to our customers' needs.
Our strategy for the future is focused on innovation, specifically focusing on the R&D of new polymer materials aimed at improving the performance of turbomachines, the integration of new technological processes with reduced energy-intensive needs, the expansion and differentiation of products with reduced raw material demand, and international expansion. We intend to invest increasingly in human capital, particularly in young people, and to strengthen our relationships with external stakeholders such as universities, research centres and secondary schools. This will include participation in Career Days and the launch of work experience schemes, as well as continuously improving the working environment, ensuring that it is pleasant, harmonious and stimulating.

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Stefano Bianchi
Sole Director
EUROBEARINGS SRL

EUROBEARINGS: OUR IDENTITY



EUROBEARINGS: OUR IDENTITY

1.1 Who we are

Eurobearings S.r.l. (hereinafter also referred to as EUB) is an Italian company founded in 1996 and based in Cortemaggiore. It specialises in the design, manufacture and rehabilitation of industrial bearings with anti-friction coatings based on tin alloys, as well as power transmission components.
Over the years, the company has developed a dynamic and flexible business model, which has allowed it to rapidly expand its scope of operations into advanced mechanical engineering, new applications and the use of high-tech materials, whilst fostering the professional development of its employees.
Close collaboration with our customers, a constant focus on their needs and ongoing investment in R&D, combined with engineering expertise and strong managerial and communication skills, ensure cutting-edge production technologies and high-quality, competitive products and services, ranging from individual components to comprehensive support.
Investing in people, knowledge and technology is the strategic lever on which Eurobearings bases its ability to offer products with ever-higher performance levels and to promote excellence in the dynamics that generate or convert energy, whilst minimising power loss.
In addition to its headquarters in Cortemaggiore, the company operates on the international market through two commercial offices, one in France and one in Germany.

Based in Faridabad (Delhi), the Eurobearings India Ltd production plant, has been operational since 2014 and was established to meet the growing Indian demand for bearings for the energy sector. The branch now has a specialist team of 30 professionals and is equipped with state-of-the-art technology: two centrifugal casting machines, one gravity casting line, three milling machines, one vertical lathe and a heat treatment system. Our direct presence in the region ensures responsiveness and production standards that are consistent with those of the parent company. In May 2025, Eurobearings S.r.l. completed the acquisition of all the shares in Eurobearings India Ltd, marking a significant strategic step in the Company's international integration and development.

1.2 Reference market and activities

"SATISFACTION EVERMORE, THE MISSION. PRECEDE FUTURE, THE CHALLENGE."
Eurobearings' production is primarily aimed at the energy sector and heavy industry applications. The company designs customised technological solutions for bearings, sealing systems and pedestals for turbines (steam, gas and hydro), generators, gearboxes, navy engines, rolling mills and cement mills. Our high level of production flexibility allows us to meet the needs of

highly complex technical specifications, thanks to the use of advanced technologies in machining, coating and quality control.
Eurobearings operates primarily in the Power Generation market, where it has developed specific expertise in the hydroelectric sector and in key power generation applications. Over time, the integration of repair and rehabilitation services has cemented the company's position as the go-to partner for leading manufacturers of power generation equipment and for end-users.
Our production approach favours the build-to-print model (in accordance with the customer's technical specifications), whilst retaining the ability to operate on a build-to-spec basis, providing customers with our in-house expertise and specialist technical know-how. Control over the production process and the provision of services is ensured by an integrated quality management system (ISO 9001:2015: 14001:2015 and 45001:2018)
Eurobearings combines advanced engineering expertise with rigorous design, utilising sophisticated simulation tools and patented thermal sensor systems to optimise efficiency, reduce energy consumption and maintenance, while offering a range of standard and bespoke bearings validated through highly sensitive testing. The organisation is structured to maintain flexibility and adaptability, with shared responsibilities at all levels and a constant focus on quality, timelines and costs.

Eurobearings has developed its own automated centrifugal casting machines (EUB1 and EUB2). These machines are able to handle components weighing up to 6,000 kg and with external diameters of up to 2,200 mm. The machining parameters are managed via the operator interface and, once validated, are stored to ensure repeatability and reduce the risk of human error.
The production department is also equipped with stations for static casting, brazing and welding, alongside a mechanical workshop fitted with state-of-the-art machinery. Furthermore, in 2025, the company adopted a new technological process: laser cladding. For each order, the technical team designs bespoke processes, equipment and tools, optimising both lead times and quality, even for the most complex projects. Where necessary, our in-house production capacity is supplemented by a select network of subcontractors, who are qualified and monitored in accordance with the same standards applied internally.
Components are manually finished by experienced operators and are subjected to inspection and final assembly. Once they have passed quality control, the parts are assembled, tested for pressure, leaks and functionality, and are then safely delivered to the customer.
Eurobearings is a strategic partner of major international players in the energy sector, such as Siemens, General Electric, Voith Hydro and Ansaldo Energia, and provides services to numerous European manufacturers and utilities, including ENEL and EDF..

1.3 Mission and company values

"Building increasingly performing bearings that drive the EXCELLENCE OF DYNAMICS by investing in people, knowledge and technologies."
Eurobearings is based on a commitment to total quality and technological innovation, constantly monitoring every stage of the production process – from raw materials to coatings and precision machining – through rigorous checks and the traceability of individual components, to ensure reliability and impeccable performance.

The key values of Eurobearings

- A strong commitment to total customer satisfaction
- Advanced dynamic solutions thanks to a wealth of engineering expertise
- The ability to embrace new opportunities and take on new challenges thanks to a certified management system
- Rigorous process control to ensure high-quality products and services
- Provide comprehensive technical and logistical support through specialist technical expertise
- Ensure the maximum reliability of the solutions proposed thanks to a safe technical coating process

1.4 B1 - Basic information

Eurobearings S.r.l. has chosen to prepare its sustainability report by adopting Option A ("BASIC Module") of the VSME (Voluntary Sustainability Reporting Standard for SMEs) on an individual basis, with reference exclusively to the activities carried out in Italy at its headquarters in Cortemaggiore (PC). Therefore, the commercial offices and the Indian subsidiary (Eurobearings India Ltd) are not included in the reporting.
The purpose of this report is to provide an overview of the company's financial performance and the social and environmental sustainability aspects it monitors, and to offer a general overview of the actions taken, the results achieved and the initiatives currently underway.
All standards have been reported on, with the exception of the B5 Biodiversity standard.
The NACE Code[1] is provided below, as required by the standard applied.

NACE Code	Description
Section: C	Manufacturing activities
Division: 28	Manufacture of general-purpose machinery
Class: 28.15	Manufacture of bearings, gears and transmission bodies

Company	Description
Legal form	Limited liability company
Turnover	EUR 10,356,627
Balance sheet	EUR 9,610,698
Company name	Eurobearings S.r.l.
Number of employees	35

Site	Address	Postal Code	City	Country	Coordinates
Cortemaggiore	**Via Salvo D'Acquisto 3**	**29016**	**Cortemaggiore (PC)**	**Italia**	44.973720, 9.919807

[1] *Nomenclature statistique des Activités économiques dans la Communauté Européenne*

Certifications in relation to sustainability matters

The company has been awarded a **legality rating** – issued by the Italian Antitrust Authority (AGCM) – of ★++, confirming: the organisation's integrity with regard to anti-Mafia controls; the robustness of its governance system; and the fairness and transparency of Eurobearings operations.

In 2025, the company has obtained important external awards that certify its commitment to sustainability.
In particular, it has completed the **EcoVadis** assessment, achieving a Bronze Medal with an overall score of 55/100, valid until December 2026 EcoVadis is one of the most widely used and internationally recognised sustainability assessment platforms. Using an evidence-based approach, it assesses the quality and robustness of the company's sustainability management system across four key areas: Environment, Work and Human Rights, Ethics and Sustainable Procurement.

In the same year, **Eurobearings** also took part in an ESG assessment via the **Synesgy** platform – a global platform developed by CRIF to assess sustainability within the supply chain – achieving a score of "B – Good".
Synesgy measures ESG performance using a structured, certified questionnaire divided into five key areas (Business, Environment, Social, Governance and Sector-specific), taking into account the specific characteristics of the sector and the relevant geographical context.
These results represent a first step along the path to sustainability and will support the company as it progressively strengthens its practices and improves its ESG performance in the coming years..

OUR SUSTAINABILITY VISION

2.1 B2 - Future initiatives for transitioning towards a more sustainable economy

With the aim of integrating sustainability into its corporate strategy, Eurobearings has implemented a Sustainability Plan. This plan sets out specific, concrete, measurable and results-oriented objectives for the medium to long term. The Plan includes targeted measures and the adoption of key performance indicators (KPIs) to monitor progress and verify the achievement of set targets, representing an essential element in promoting a model of responsible and sustainable growth, in line with the sustainability strategy, the certification system and the corporate tools adopted



2026 Strategic Plan

Sustainability	Target	Action	KPIs	Deadline
Environment	Reduce GHG footprint of activities	Define and implement a plan to decarbonise operational activities, with a progressive and measurable reduction in Scope 1 and 2 emissions	Reduce Scope 1 and Scope 2 GHG emissions by 10% (market-based method), compared to the base year	2028
			Reduce Scope 1 and Scope 2 GHG emissions by 15% by 2030 (market-based method) compared to the base year	2030
		Launch of an initial qualitative and quantitative mapping of relevant Scope 3 emissions	Identification of Scope 3 categories of business materials (Yes/No)	2027
			First quantification of Scope 3 emissions for the priority categories (tCO2e)	2028
		Installation of a solar power system at the company's premises and commencement of on-site generation of electricity from renewable sources	Percentage of energy from renewable sources consumed	2027
			% of total electricity consumption covered by self-generated renewable energy	
		Installazione di fari a LED nel reparto produzione in sostituzione dell'illuminazione esistente	Done/Not done	2026
			Annual energy savings achieved (kWh)	2027
	Reducing material consumption in the production process	Adoption of laser cladding technology	Done/Not done	2026
			Reduce white metal consumption per unit produced by 10%	
		Application of lean manufacturing principles to business processes	Number of business processes/areas involved in the project	On-going
	Renew the ISO 14001 certification for the Environmental Management System	Ensure compliance in annual audits	Done/Not done	On-going
Social	Improve the well-being of employees	Introduction of a corporate welfare scheme offering employees access to services and benefits designed to support their personal and family wellbeing	Done/Not done	2027
	Implement a structured growth plan	Provide training courses aimed at strengthening and expanding technical and soft skills	Maintain an average of at least 20 hours of training per employee per year	On-going
			Employee training on lean manufacturing	2026
		Implementare un percorso strutturato di performance review	Fatto/Non Fatto	2027
			Numero dipendenti sottoposto a performance review	
		Implement a structured performance review process	Done/Not done	On-going
	Promote an inclusive culture and ensuring gender equality within the organisation	Monitor and gradually reduce the gender pay gap	Annual gender pay gap (%)	On-going
	Renew the ISO 45001:2018 certification for the Occupational Health and Safety Management System	Ensure compliance in annual audits	Done/Not done	On-going
Governance	Strengthen corporate governance	Draft, approve and disseminate a corporate Code of Ethics	Done/Not done	2026
	Ensure IT security	Adoption of a data security policy	Done/Not done	
	Development and administration of an ESG assessment questionnaire to strategic suppliers	Development and administration of an ESG assessment questionnaire to strategic suppliers	Number of questionnaires completed	On-going
			Number of suppliers involved	

2.1 B2 – Practices and policies for transitioning towards a more sustainable economy

Sustainability topics	Are there sustainability practices/ policies that address these sustainability topics?	they publicly available?	Do policies have targets?
Climate change	YES	NO	NO
Pollution	YES	YES	NO
Water and marine resources	NO	NO	NO
Biodiversity and ecosystems	NO	NO	NO
Circular economy	YES	NO	NO
Own workforce	YES	YES	NO
Workers in the value chain	NO	NO	NO
Community	YES	NO	YES
Consumers and end-users	YES	YES	NO
Business conduct	YES	YES	NO

Eurobearings has voluntarily adopted a Company Policy on Quality, the Environment and Sustainability, based on the principles of ISO 9001, 14001 and 45001 and on ESG (Environmental, Social and Governance) criteria. The policy is based on three main pillars: quality, environment and sustainability. In terms of quality, the company is committed to meeting customer needs, fostering an internal culture of quality and continuously improving its processes. From an environmental perspective, the policy aims to reduce the environmental impact of our operations, ensure compliance with current legislation, and raise awareness amongst employees. With regard to social sustainability, Eurobearings promotes a safe and inclusive working environment, invests in training, adopts ethical practices and contributes to sustainable development. Senior management is committed to providing the necessary resources, communicating the policy to all stakeholders and involving the entire organisation in the pursuit of these objectives. The policy includes plans to strengthen the governance of environmental and climate risks, improve ESG risk management processes, raise awareness of material topics and foster a culture of sustainability.

The Company has also adopted a policy specifically designed to prevent counterfeit, fraudulent or suspicious (CFSI) materials, with the aim of safeguarding the integrity of its supply chain and ensuring the full traceability of the materials used. The policy provides for active collaboration with suppliers, who are regarded as strategic partners, and sets out a monitoring plan based on witness points and visits to production departments. In the event that non-compliant materials are identified, the company implements a series of measures, including immediately informing the customer, launching internal investigations, assigning a “yellow flag” to the supplier concerned, quarantining and destroying the material where necessary, and scheduling specific audits. Responsibility for implementing and monitoring the policy lies with senior management, which is committed to ensuring that the necessary resources are made available for its proper implementation.

Eurobearings has established a company policy on environmental requirements aimed at reducing the environmental impact of its operations, voluntarily adopting an Environmental Management System based on the ISO 14001 standard.

[1] *Nomenclature statistique des Activités économiques dans la Communauté Européenne*

The policy is structured around a series of operational commitments, including the reduction of risks to people and the environment, the prevention of pollution, the control of odour and noise emissions, the minimisation of waste generated, and the promotion of separate waste collection to facilitate recovery, reuse or optimal disposal. The use of materials with a low environmental impact, the choice of preferably certified suppliers, and compliance with current regulations, in particular with Italian Legislative Decree 152/06, is also envisaged. Lastly, the policy provides for internal awareness-raising and information initiatives, organised by the Safety Manager, aimed at all employees working at the production site.

Eurobearings is committed to adopting practices that promote a more sustainable economy through:

- minimising the environmental impact of its activities by preventing pollution, promoting energy efficiency and managing waste responsibly;
- compliance with applicable environmental laws and regulations;
- training and raising the awareness of employees on environmental issues, encouraging eco-friendly behaviour and promoting awareness of their own environmental impact;
- creating a safe and healthy working environment, promoting diversity and inclusion, and contributing to the development of local communities;
- the development of human resources through professional training, so that everyone, at every level, works towards achieving the company's quality targets;
- the adoption of ethical business practices, ensuring integrity and transparency, and respecting human rights and international labour standards;
- support for a wide range of initiatives that protect the environment and promote social well-being, and which contribute to sustainable development.

ENVIRONMENTAL PROTECTION

As part of its operations, Eurobearings places increasing emphasis on the responsible management of resources and on reducing the environmental impact associated with its processes. Although it operates in a highly specialised industrial sector, the company has implemented a structured programme for the monitoring and continuous improvement of its environmental performance, focusing on energy consumption, the application of circular economy principles, greenhouse gas emissions, water management and waste treatment.
The company is investing in photovoltaics plants to increase its self-generation from renewable sources, incorporating app-based monitoring systems to track consumption and production. A net-metering system is already in place, installed on the adjacent warehouse, with all the energy it generates being fed into the national grid. In the short term, there are also plans to commission a second plant directly on the premises currently in use.

Eurobearings' production process relies on cast or forged components and the use of a small in-house foundry fuelled by LPG.
Whilst domestic water is discharged into the standard sewerage system, water used solely for cooling purposes in the production process is managed within a closed-loop system and is not discharged into the mains network.
Waste management, which is recorded in a dedicated register, covers both metal scrap and waste industrial oils and fluids, which are disposed of through authorised suppliers.
All analysis, measurement and optimisation activities are designed to ensure the efficient use of resources, a reduction in environmental externalities and the continuous improvement of the company's performance in a sustainable manner.

3.1 B3 - Energy and greenhouse gas emissions

Energy consumption
In 2025, Eurobearings continued to monitor its energy consumption, consolidating the monitoring system introduced the previous year and enabling an initial comparison between the two financial years.
Fossil fuel consumption includes diesel for transport, amounting to **87.9 MWh**, used to power the company's vehicle fleet comprising 5 cars and 1 van; LPG used in the in-house foundry, amounting to **51.7 MWh**; and natural gas for heating the company premises, amounting to **322.7 MWh**. In comparison with 2024, there has been a 23.8% reduction in diesel consumption, whilst LPG consumption has remained largely stable and natural gas consumption has risen by 19.1%.

As regards purchased electricity, consumption in 2025 stood at **530.8 MWh**, in line with the previous year, and was used to support production and operational activities at the Cortemaggiore site. Total energy consumption from fossil fuels remains largely stable compared with 2024.

[2] *The figures for diesel consumption for transport purposes in 2024 have been updated from the 2024 disclosure following the discovery of a calculation error in the values expressed in MWh and the corresponding CO₂ emissions; for further details, please refer to the methodological note.*

[3] *LPG consumption for production in 2024 has been updated compared with the 2024 disclosure, in which it had been incorrectly classified under the heading "Diesel for production"; for further details, please refer to the methodological note*

Type	Unit of measurement/Conversion factor Source	2024	2025
Diesel for transport purposes[2]			
Value	Litres	11.668	8.875
Conversion factor	DEFRA	0,00989	0,00990
Total	**MWh**	**115,4**	**87,9**

Type	Unit of measurement/Conversion factor Source	2024	2025
LPG for production[3]			
Value	Litres	7.070	7.647
Conversion factor	DEFRA	0.00676	0.00676
Total	**MWh**	**47,8**	**51,7**

Type	Unit of measurement	2024	2025
Natural gas for heating			
Value	Scm	27.405	32.646
Conversion factor	Ministry of the Environment	0,009884	0,009884
Total	**MWh**	**270,9**	**322,7**

Type	Unit of measurement	2024	2025
Electricity purchased or acquired from fossil sources			
Value	KWh	532.689	530.777
Total	**MWh**	**532,7**	**530,8**

Type	Unit of measurement	2024	2025
Total energy consumption from fossil sources			
Total	**MWh**	**966,8**	**993,1**

The following tables provide a breakdown of energy consumption by source type and the total energy consumption from fossil fuels.

Emissions

In 2025, Eurobearings continued to calculate its greenhouse gas emissions, enabling a comparison with the previous year. The standard and guidelines of the GHG Protocol were applied to carry out the calculation.

Scope 1 emissions include direct emissions from the combustion of fossil fuels. In the case of Eurobearings, these emissions are generated by the use of diesel to power company vehicles, LPG used in the in-house foundry, and natural gas used to heat the company premises. These emissions amounted to **100,9 tonnes of CO^2 equivalent (tCO_2e)**[5], an increase of 5.7% compared to 2024.

The tables below indicate the details of Scope 1 GHG emissions.

Scope 2 emissions include indirect emissions related to purchased electricity. These figures were calculated using two approaches set out in the GHG Protocol – location-based and market-based –

[4] *The Green House Gas Protocol - A Corporate Accounting and Reporting Standard.*

[5] *Carbon dioxide equivalent (CO2e) is a unit of measurement that allows the impact of different greenhouse gases (each of which affects the climate in a different way) to be expressed in a standardised manner; a single activity may produce methane (CH4) and nitrous oxide (N2O) as well as carbon dioxide (CO2)*

yielding results of **136.9 tCO2e** (based on the ISPRA national average mix) and **234.2 tCO2e** (based on the AIB Italian residual mix) respectively.
The reduction in the market-based figure is due to an update of the emission factors used in the calculation and a 2% reduction in consumption.

The tables below provide a breakdown of Scope 2 GHG emissions calculated using the two different approaches.

Type	Unit of measurement/Emission factor Source	2024	2025
Diesel for transport purposes			
Value	Litres	11.668	8.875
Emission factor	DEFRA	0,002512	0,002570
Total	**tCO_2e**	**29,3**	**22,8**

Type	Unit of measurement/Emission factor Source	2024	2025
LPG for production			
Value	Litres	7,070	7,647
Emission factor	DEFRA	0.001557	0.001557
Total	**tCO_2e**	**11**	**11.9**

Type	Unit of measurement/Emission factor Source	2024	2025
Natural gas for heating			
Value	Smc	27.405	32.646
Emission factor	EU ETS	0,00202	0,00202
Total	**tCO_2e**	**55,3**	**66,2**

Type	Unit of measurement	2024	2025
Total Scope 1 emissions	**95,6**	**100,9**	**11,9**

The two tables below represent the total Scope 1 and Scope 2 emissions calculated taking into account the two different approaches to calculating Scope 2 emissions.

Total GHG Scope 1 + Scope 2 emissions location-based approach]	2024	2025
Scope 1	137,4 tCO_2eq	137,4 tCO_2eq
Scope 2	137,4 tCO_2eq	136,9 tCO_2eq
Total	**233 tCO_2eq**	**237,9 tCO_2eq**

Total GHG Scope 1 + Scope 2 emissions [market-based approach]	2024	2025
Scope 1	95,6 tCO_2eq	100,9 tCO_2eq
Scope 2	266,6 tCO_2eq	234,2 tCO_2eq
Total	**362,2 tCO_2eq**	**335,1 tCO_2eq**

Type	2024	2025
Total Scope 1 + Scope 2 emissions ($kgCO_2e$) [location-based approach]	233.092	237.913
Turnover (€)[6]	9.420.626 €	10.356.627
Emission intensity ($kgCO_2e$ /€)	**0,0247**	**0,0264**

[6] *Value of revenue from sales and services (item A1). In the absence of data on Scope 3 GHG emissions, the calculation is based solely on the total Scope 1 and 2 GHG emissions.*

Emission intensity was calculated by dividing total Scope 1 and Scope 2 emissions [location-based approach], measured in kg, by turnover.

3.2 B4 - Pollution of air, water and soil

Air pollution

In 2025, there was a slight increase of 14.7% in airborne Non-Methane Volatile Organic Compounds (**NMVOC**) emissions, which rose from **416 kg** in 2024 to **477 kg** in 2025. The increase is attributable to a different production mix compared with the previous year, which led to greater use of materials containing VOCs, in particular volatile solvents in non-destructive testing (NDT) procedures. Emissions of this type of pollutant are therefore directly influenced by the composition and volume of the orders processed during the period.

NMVOC emissions are monitored in accordance with the requirements set out in the company's Single Environmental Authorisation (Autorizzazione Unica Ambientale, AUA), which defines the limits and operating conditions applicable to Eurobearings' production activities.

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3.3 B6 - Water

Water withdrawal

In 2025, the total water withdrawal from third-party water resources (mains water) was **562 m3**, a 15.7% decrease compared to **667 m3** in 2024, based on the consumption recorded in bills. Domestic wastewater is discharged into the standard sewerage system.

Type	Unit of Measurement	2024	2025
Third-party water resources (mains water) withdrawn			
Value	m^3	667	562

3.4 B7 - Resource use, circular economy and waste management

Eurobearings, the responsible management of resources is a steadfast commitment, which is reflected in day-to-day operational decisions and a vision focused on reducing waste and the recovery of materials. This approach encompasses component repair and rehabilitation services, the identification of new technologies to reduce manufacturing waste, and the exploration of circular economy solutions for waste materials. The main initiatives undertaken during 2025 are illustrated below.

Repair Project

Eurobearings offers its customers a dedicated repair division, specialising in the complete refurbishment of bearings and related systems. Thanks to a dedicated team, a high level of responsiveness and constant dialogue with the customer, we are able to identify and implement swift, optimised solutions. The process utilises specialist techniques for brazing, welding and the removal or reconstruction of the white metal coating, supported by in-house mechanical workshops to ensure precision and speed. Our long-standing partnerships with leading coating companies (specialising in steel and bronze coatings) allow us to accurately reproduce both the internal and external surfaces of the component. Starting with the reverse

engineering of historical components, Eurobearings conducts in-depth technical analyses thanks to advanced measurement tools and evolved technical know-how. Existing systems are then modernised or updated, with the aim of improving efficiency, reducing energy consumption and minimising maintenance times. The technical team supports the customer at every stage: analysing, problem solving and designing preventive actions to reduce risks and increase overall reliability.

Waste reduction and recovery of white metal

During 2025, Eurobearings launched a **technological scouting** aimed at reducing the consumption of white metal in the production process. The traditional process of deposition by gravity casting and centrifugation involves the consumption of excess material, with a significant share of waste. The identified technology (***laser cladding***) allows for more precise and controlled deposition, significantly reducing the excess material applied. The materiality of the topic also involved the academic world, with the writing of a degree thesis dedicated to the analysis of the process.

Since the new technology cannot be applied to the full range of products, the traditional process will remain in use. To further reduce the overall environmental impact, the company has identified a path to recover the waste white metal and reintroduce it into a circular economy circuit. In 2026, the plan is to formalise this path by registering the material as a by-product in the regional list.

During 2025, the conviction grew that applying the **Lean Manufacturing** philosophy not only to production processes but also to operational flows could bring concrete benefits in terms of efficiency and waste reduction. The related project, initiated in January 2026, is still ongoing and reflects Eurobearings' approach to continuous improvement.

Waste management and use of resources

In 2025, Eurobearings generated a total of **48 tonnes** of waste, up 46% compared to 2024, of which **18 tonnes** were classified as hazardous (including emulsions and machine solutions) and **30 tonnes** as non-hazardous, mainly filings and wood chips and packaging. The increase is attributable to an extraordinary cleaning and reordering of company areas, completed in March 2026, which involved the disposal of materials accumulated over time and considered no longer usable, including wood, ferrous materials and oil drums. The data reported reflects the quantities actually delivered to third parties during the year and traced through environmental registers.

All waste is managed in compliance with current regulations and recorded in the waste register. Almost all of it is sent for recovery or recycling, in accordance with the destinations specified in the disposal categories. The production generates metal waste, in particular chips resulting from mechanical processing, disposed of through authorised carriers; there are also other industrial waste, such as waste oils from machine tools and penetrating liquids used in non-destructive checks. In accordance with these practices, a percentage of the scrap material resulting from the processing of the low-founding alloy is recovered and reintroduced into the foundry for the production of new metal ingots, subsequently reused in production cycles.

The following tables provide more details about the waste production.

Hazardous waste	Unit of Measurement	2024	2025
Machining emulsions and solutions EER code:12.01.09			
Total	Tonnes (t)	12,66	18

Non-hazardous waste	Unit of Measurement	2024	2025
Iron and steel EER code:17.04.05			
Value	Tonnes (t)	0,78	0
Ferrous metal filings and turnings EER code:12.01.01			
Value	Tonnes (t)	10,46	18,5
Wood packaging			
Value	Tonnes (t)	8,96	11,5
Total	**Tonnes (t)**	**20,20**	**30**

Type	Unit of Measurement	2024	2025
Total annual waste production			
Total	**Tonnes (t)**	**32,86**	**48**

Type	Unit of Measurement	2024	2025
Total annual amount of waste for recycling or reuse[7]			
Total	**Tonnes (t)**	**20,20**	**30**

In terms of input materials, the relevant figure measured for 2025 is that of wooden packaging used for the shipment of goods and equal to **40.05 tonnes**, 2.3% down compared to the previous year.

Type	Unit of Measurement	2024	2025
Wood packaging[8]			
Total	**Tonnes (t)**	**40.99**	**40.05**

[7] *The quantities of waste for recycling or reuse relating to 2024 have been updated with respect to the 2024 disclosure following the discovery of an attribution error; for further details, please refer to the methodological note.*

[8] *The quantities of incoming wood packaging relating to 2024 were updated compared to the 2024 disclosure following a close check of the available information; for further details, please refer to the methodological note*

THE PEOPLE OF EUROBEARINGS

4.1 B8 - Workforce - General characteristics

Within Eurobearings S.r.l there are various professional figures: technical and administrative white-collar employees, blue-collar employees specialised in machine-tool management, melting processes and quality control.

As at 31 December 2025, the workforce of Eurobearings S.r.l. had 35 employees, of which 28 men and 7 women, with a female presence of 20% of the total, in line with the industry average (18.1%).
94% of staff were hired on permanent contracts, while the remaining 6% were employed on fixed-term contracts. With regard to the hourly regime applied, 91% of workers are employed full-time and 9% part-time.
During the reporting period, there were 6 terminations, all relating to male employees, which contributed to a turnover rate of 17.4% in 2025. In order to ensure the continuity of operations and the correct monitoring of the company's activities, 7 new hires were made during the same period, of which 6 men and 1 woman.
The following tables provide details of the workforce breakdown

Type	Unit of Measurement	2024	2025
Fixed-term contracts	head count	1	2
Permanent contracts[9]	head count	33	33
Total	**head count**	**34**	**35**

Type	Unit of Measurement	2024	2025
Men	head count	28	28
Women	head count	6	7
Total	**head count**	**34**	**35**

Type	Unit of Measurement	2024	2025
Terminations	head count	7	6
Average number of employees	head count	37,5	34,5
Value	**%**	**18,7**	**17,4**

4.2 B9 - Workforce - Health and safety

Eurobearings takes all the prevention and protection measures necessary to minimise exposure to the potential risks workers may be subject to in the course of performing their activities. In implementing the provisions of Legislative Decree 81/2008, the company has adopted its own **Risk Assessment Document** (*Documento di Valutazione dei Rischi*, **DVR**), which identifies and assesses the risk factors of the activity and is a tool to control the planning of prevention and protection measures. Mandatory health and safety training activities are provided in accordance with

[9] *The number of employees with a permanent contract in 2025 includes an employee with an apprenticeship contract*

current legislation.

There was a significant improvement in occupational health and safety performance in 2025. The number of **injuries is reduced from 3 to 1**, with a consequent decrease in the rate of recordable injuries from 54.04 to 17.08, confirming the effectiveness of the measures adopted and the growing level of staff awareness regarding safety issues. There were no fatalities as a result of work-related injuries or occupational diseases during the year.

The following tables show the main indicators relating to workers' health and safety.

Type	Unit of Measurement	2024	2025
Hours worked	Hours	55.512,5	58.551,5
Injuries	Number	3	1
Days of injury	Days	31	27
The rate of recordable work-related injuries[10]	**Number**	**54,04**	**17,08**

4.3 B10 - Workforce - Remuneration, collective bargaining and training

Collective bargaining and wages

All workers of Eurobearings are covered by the **National Collective Bargaining Agreement for the Metalworking Industry**. Wages are in line with the wages defined in the contract and the company is committed to ensuring fair and protected working conditions. Eurobearings promotes **equal treatment** and **equal opportunities** within the organisation. In 2025, female workers earned on average 85.7% of their male colleagues' basic salary. The calculation excludes variable components of remuneration, such as overtime, bonuses, fringe benefits and other ancillary remuneration.

The change in average remuneration compared to 2024 is attributable to changes in the composition of the workforce during the year, which affected the calculation of the total average remuneration for both gender components.

The following tables report the information on remuneration

Type	Unit of Measurement	2024	2025
Gross annual remuneration			
Women	EUR	40.470,00	38.216,86
Men	EUR	42.313,00	44.600,81

Type	Unit of Measurement	2024	2025
Gender pay gap			
Value	%	95,6	85,7

[10] *The injury rate is an indicator of the frequency with which work-related injuries occur in relation to the total volume of hours worked. The rate is calculated as the ratio of the number of work-related injuries in the reporting period to the total hours worked by all employees, multiplied by 1,000,000. This value therefore indicates the number of recordable injuries per 1,000,000 hours worked, allowing for comparisons over time and between companies of different sizes*

Training

Training is a strategic aspect for Eurobearings, essential both for the professional growth of people and for the consolidation of corporate skills.

In 2025, a total of **700** training hours were provided, corresponding to an **average of 20 hours per employee**. Of these, 100 hours concerned occupational health and safety, while the remaining 600 hours focused on continuing professional development.

The training plan was enriched with particularly strategic content during the year. In particular, in the last quarter, a Leadership and Communication training course was delivered aimed at senior management and some key figures, involving a total of 9 people. On the technical front, activities concerned CAD design, laser cladding technology and project management. The belief was also reinforced that it is possible to generate significant benefits in terms of efficiency by applying Lean Manufacturing principles to production processes and operating flows. The related project will start in January 2026.

Training activities and the qualification process are mostly entrusted to external professionals, who contribute to deepening the company's knowledge by transferring specialist skills and experience.

The following tables provide details of the training hours delivered.

Type	Unit of Measurement	2024	2025
Total annual hours of training broken down by gender			
Women	hours	109	120
Men	hours	611	580
Total	**hours**	**720**	**700**

Type	Unit of Measurement	2024	2025
Annual average of training hours per employee, broken down by gender			
Women	hours	18,2	17,1
Men	hours	21,9	20,7
Average of the entire company population	**hours**	**21,2**	**20**

THE GOVERNANCE

Eurobearings adopts a solid governance model that is geared towards industrial continuity, quality and sustainability of its operations. Strategic management is entrusted to a managerial team with proven technical and management experience, who steer the company in accordance with the principles of responsibility, transparency and integrity. Operational choices and investments follow a long-term industrial logic consistent with the company's founding values.

The company is committed to strict compliance with current regulations, particularly with regard to anti-corruption and anti-bribery, promoting ethical behaviour in all activities and in relations with stakeholders and partners. This commitment is also expressed through the adoption of formalised company policies, including the Company Policy for Quality, Environment and Sustainability and the Policy for the Prevention of Counterfeit Materials (CFSI), which define principles, responsibilities and control mechanisms to safeguard the entire organisation.

The company is also subject to accounting control by an independent auditor, confirming the desire to ensure effective supervision of management and control processes, also from an ESG perspective.

5.1 B11 - Convictions and fines for corruption and bribery

Eurobearings is committed to complying with anti-corruption and anti-bribery regulations and to ensuring transparent and ethical behaviour. **During the reporting period, it did not receive any convictions or sanctions for violations of anti-corruption and anti-bribery laws**.

As further confirmation of this approach, the company has obtained the **legality rating** issued by the Italian Antitrust Authority (AGCM), equal to ★++, which certifies: the integrity of the organisation with respect to anti-mafia controls; the solidity of the governance system; the fairness and transparency of Eurobearings' way of operating.

CONCLUSIONS

The publication of Eurobearings' second Sustainability Report confirms the company's continued commitment, born out of a strong sense of responsibility towards people and the environment. With respect to the first reporting period, this document represents not only an exercise in transparency, but also the continuation of a path already started, which is being strengthened over time through increasingly structured operational choices and progressively measurable results. During 2025, the company also initiated its first structured reflection on improvement objectives, with the aim of more consciously directing its future actions in the environmental, social and governance sphere.

By comparing with 2024 data, we can now understand more clearly the changes in the company performance: from health and safety results and material recovery and reuse initiatives to ISO 14001 and ISO 45001 certifications and assessments achieved through EcoVadis and Synesgy platforms. These elements, taken together as a whole, paint a picture of a consistent path of steady consolidation.

Reporting continues to be a useful tool for Eurobearings to aid its growth and continuous improvement: support for understanding its activities, responsible management and planning, which helps the company define its priorities and continue its development in a responsible manner.

APPENDIX

Methodological note

This document is the second voluntary Sustainability Report of Eurobearings S.r.l., relating to 2025 financial year (1 January - 31 December 2025). Its preparation is part of a path of transparency and responsibility already started with the first financial statements relating to 2024, consolidating the company's commitment to ESG (Environmental, Social and Governance) and making it possible, for the first time, to make a structured comparison between two consecutive financial years.

Although not subject to regulatory obligations, Eurobearings S.r.l. has chosen to prepare this document by adopting the VSME (Voluntary Sustainability Reporting Standard for SMEs) standard, published by EFRAG (European Financial Reporting Advisory Group) on 17 December 2024. The VSME is structured in such a way as to provide for two types of application: Basic Module and Comprehensive Module; Eurobearings has confirmed the choice to adopt the Basic Module, in line with the methodological approach of the previous year.

This standard, developed specifically for unlisted SMEs, is aligned with the European Sustainability Reporting Standards (ESRS) and provides a simplified and proportionate methodological framework for the sustainability reporting of small and medium-sized companies. The choice to adhere to this standard, which was also renewed for 2025, demonstrates the company's concrete commitment to ensuring transparency, continuous improvement and the integration of sustainability into its corporate strategy.

Restatement

It should be noted that some data relating to the 2024 financial year has been subject to restatement in order to ensure greater accuracy and consistency in disclosures. In particular:

B3 Energy and greenhouse gas emissions: An adjustment was made relating to automotive diesel consumption, for which, in view of the same conversion factor used, the value in MWh and the corresponding CO2 emissions had previously been overestimated due to a calculation error.

The classification of the fuel used for production was also correct: the figure previously indicated as "production oil" was traced back to the correct item "LPG for production", with the consequent application of the appropriate conversion factor.

These updates involved the revision of total energy consumption values and greenhouse gas emissions for 2024, including total expressed in tCO2e, in order to ensure a more accurate and consistent representation of the data.

B7 Resource use, circular economy and waste management: the figure relating to the amount of waste for recycling or reuse was adjusted following the recognition of an attribute error, which had led to an overestimation of the value previously reported.

In addition, the data relating to incoming wood packaging was updated following a close check of the available information available, with a consequent revision of the quantity relating to 2024.

The information has therefore been

updated in the reporting tables to ensure methodological consistency and comparability between the periods analysed.

Contact point

For any request for clarification or in-depth analysis of the contents of this 2025 Sustainability Report, you can contact Eurobearings at the e-mail address: amministrazione@eurobearings.com.

The 2025 Sustainability Report was prepared with the methodological support of VIVIDA & Partners S.r.l,

www.epyonvivida.it

VSME Index

Standard	Paragraph	Contents	Chapter
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EMISSION FACTORS AND CONVERSION FACTORS

2024 emission factors

Fuels	Unit	Year	Value	Source
Diesel for transport purposes	tCO_2eq	2024	0,002512	DEFRA
LPG for production	tCO_2eq	2024	0,001557	DEFRA
Natural gas	tCO_2eq	2024	0,00202	EU ETS
Electricity (Location-based)	tCO_2eq	2024	0,000258	ISPRA 2024
Electricity (Market-based)	tCO_2eq	2024	0,000500	AI

2024 conversion factors

Fuels	Unit	Year	Value	Source
Diesel for transport purposes	MWh	2024	0,00989	DEFRA
LPG for production	MWh	2024	0,00676	DEFRA
Natural gas	MWh	2024	0,009884	Ministry of the Environment
Electricity	MWh	2025	0,001	N/D (Conversion kWh/MWh)

2025 emission factors

Fuels	Unit	Year	Value	Source
Diesel for transport purposes	tCO_2eq	2025	0,002570	DEFRA
LPG for production	tCO_2eq	2025	0,001557	DEFRA
Natural gas	tCO_2eq	2025	0,00202	EU ETS
Electricity (Location-based)	tCO_2eq	2025	0,000258	ISPRA 2024
Electricity (Market-based)	tCO_2eq	2025	0,000441	AIB

2025 conversion factors

Fuels	Unit	Year	Value	Source
Diesel for transport purposes	MWh	2025	0,00990	DEFRA
LPG for production	MWh	2025	0,00676	DEFRA
Natural gas	MWh	2025	0.009884444524	Ministry of the Environment
Electricity	MWh	2025	0.001	N/D

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