FILTREC Group

SUSTAINABILITY REPORT

2025

Basic Module

FILTREC

Contents

Letter to **Stakeholders**

Filtrec Group Sustainability Report 2025

Basic Module

Dear Stakeholders,

We are pleased to present the second Sustainability Report of the Filtrec Group, which renews and deepens the reporting process started with the first edition. While our initial goal was to give shape and visibility to an already existing commitment, today we can measure its progress and map out the future direction with greater awareness.

2025 was a year of transformation. The Group expanded its scope with the acquisition of Giberti S.r.l. and the opening of new commercial and production operations in France and the United States, while consolidating its operational foundations in Italy. In a complex and rapidly evolving international context, the ability to grow while maintaining one's values is what distinguishes us.

In terms of people, we confirm a commitment that does not end in the contractual relationship: safety, training, welfare and dialogue with the local community are levers in which we continue to invest with conviction. The improvement of the culture of prevention, the completion of the Industry 5.0 automatic warehouse and the new internal involvement tools are the most concrete testimony to this.

From an environmental perspective, we work to separate economic growth from the impact we generate. With a concrete commitment to increasing renewable energy, improving the waste recovery rate and the first corporate biodiversity project along the Tirna stream, we have shown in which direction the Group wants to orient its strategy.

We are aware that this path is still long. We will continue to build it with responsibility, transparency and the trust of all of you who, reading these pages, choose to accompany us.

The Management of the Filtrec Group

Highlights **2025**

97.9% of employees with permanent contracts

Out of 327 people in the workforce, 320 have a permanent contract: a figure that reflects trust in their people and a long-term approach to growth.

-54% injury rate

The accident rate drops from 1.1 to 0.5, thanks to significant infrastructure investments and an increasingly deep-rooted culture of prevention at all levels of the organization.

+61% near miss reports

There were 29 near misses reported in 2025, compared to 18 in 2024. A positive increase that reflects a greater sensitivity of workers towards safety.

41% of women in the workforce

In a historically male-dominated manufacturing sector, Filtrec stands out for its gender-balanced composition, with women representing the majority in the blue-collar category.

+12% energy from renewable sources

The total amount of energy from renewable sources produced and purchased reached 393 MWh (+12%). Internal production from photovoltaics grew by 19%, mainly thanks to the entry of Giberti S.r.l. into the scope of consolidation of the plant.

96.4% of waste sent for recovery

An increasing rate compared to the previous year, the result of structured management choices and a production logic oriented towards the circular economy, which minimizes the share destined for disposal.

1. Corporate identity

1.1. Who we are

Filtrec began its journey in Italy in 1991 dedicating to the design and manufacture of solutions for high-performance industrial filtration. Thanks to the experience gained in over thirty years of activity, the Group has become an international point of reference. Today, Filtrec serves major global markets through manufacturing facilities in Italy and India, supported by an extensive network of subsidiaries in Europe, Asia and America.

On the production side, the Group operates in Italy through four plants: Filtrec S.p.A., with the sites in Telgate (BG) where the general management, assembly activities and the research and development laboratory are concentrated, Villimpenta (MN) where the filter media is produced, which is flanked by C.M. S.r.l. and the newly acquired Giberti S.r.l. The global production presence is completed by Filtrec Bharat based in India and from 2025 by Filtrec North America (USA). The foreign subsidiaries in Brazil, Turkey, UK, Poland, Germany, Spain, and from 2025, France, mainly carry out commercial, logistical and technical support functions, allowing the Group to be present and operate directly in the reference markets. Overall, this organizational architecture makes it possible to combine high production standards with a widespread territorial presence, adapting the offer to the specific needs of each geographical context.

In response to global geopolitical challenges and the evolution of the US customs framework, the Group has planned to upgrade the Muncie production hub in Indiana (USA) in 2026. The launch of a local production line will make it possible to shorten the supply chain, mitigate the impact of tariffs and ensure a resilient, efficient and competitive supply chain for the North American market.

1.2. Our Mission & Vision

The Group's mission is to develop and offer innovative and sustainable filtration solutions, capable of effectively responding to the most complex technical challenges in the field of hydraulics and process filtration. In a market that is constantly changing, the commitment to guaranteeing reliable, high-performance products that comply with international standards remains the point of reference for every choice of the Group.

The vision of the Filtrec Group is to consolidate itself as a global reference partner in the filtration sector, enhancing the experience accumulated in over three decades of activity and directing it towards a future of responsible growth.

Solid and shared values

Excellence

in the care of products and processes

↓

Innovation

as a tool to anticipate market evolutions

↓

Reliability

that consolidates long-lasting relationships over time

↓

Proximity

to local customers and markets

↓

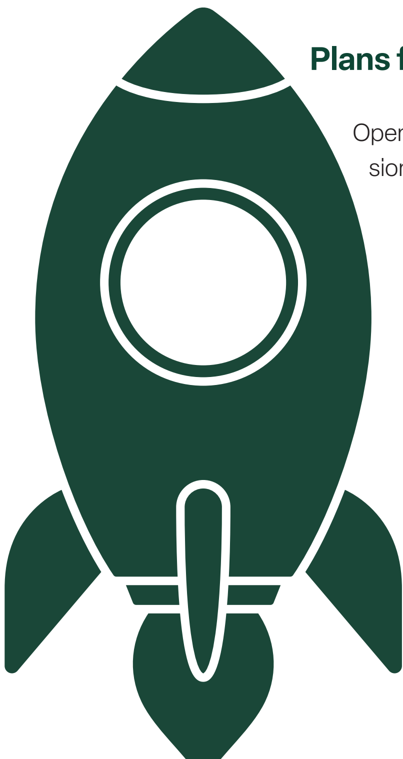
Identity

that blends family entrepreneurial vision and structured management.

1.3. Our history

Filtrec's trajectory tells of constant growth, built through progressive international opening and an expansion of the technological and production perimeter. Each stage strengthened the **Group's ability to serve different markets** with the same quality and identity.

1991	Filtrec is founded in Italy.
2001	First foreign opening with Filtrec Asia Pacific in Australia.
2006 **2009**	Entry into Spain with Filtrec Iberica and start of operations in the Middle East.
2014	Asian expansion with Filtrec Bharat (India) and Filtrec Shanghai (China).
2015 **2016**	Opening of branches in the United Kingdom and Germany.
2017	Start of operations in Turkey and Poland.
2018	Consolidation of the presence in Latin America and North America and acquisition of C.M. S.r.l., an Italian company specialized in the production of metal filters.
2021	Establishment of the commercial subsidiary in Russia, subsequently affected by a reorganization process that ended with the closure of the company in August 2025.
2025	Acquisition of Giberti S.r.l., a Como-based company with a solid tradition in boiler making and process filtration, opening of the new commercial branch in France and start of production in North America with the first local production line.



Plans for the future

Opening of a subsidiary in Denmark and expansion of production in the United States.

1.4. **Products** and Services

Filtrec's offer integrates reliability and innovation in the creation of filtration systems for multiple industrial sectors. The Group offers a complete range of filters, filter elements and accessories for hydraulic and process applications, developed with the aim of optimizing system performance and reducing energy costs, while ensuring long-lasting infrastructure integrity.

The Group is active in over 85 countries, with a customer base consisting mainly of distributors and dealers followed by machine and plant manufacturers. The latter segment has a significant strategic weight, as it generates significant business in terms of spare parts and assistance during the useful life of the machinery.

Starting from a solid base in the aftermarket, the company is expanding its range of action towards industrial filtration and oil & gas, also through targeted acquisitions: the entry of Giberti S.r.l. in 2025 is the most recent and significant step in this direction. The company brings to the Group certified construction skills for the construction of pressure vessels essential qualifications to access markets with high technical complexity such as energy, oil & gas and water purification. In addition, thanks to this acquisition, the possibility of offering integrated filtration systems, complete with container and filtering system, opens up.

Products & Services

The Group's product range reflects this breadth of expertise and covers the entire filtration system, from basic components to more integrated solutions.

The filter housings are made of cast iron, steel and aluminum and designed to last for decades, often for the entire useful life of the machinery on which they are installed. Their metal composition makes them recoverable and recyclable at the end of their life, contributing to the sustainability of the product over time.

The filter elements are the replaceable component of the system, to be renewed based on the hours of use. They are produced with combinations of high-efficiency materials such as microfiber glass, nylon mesh, stainless steel and special polymeric materials, and in some configurations they are offered in a "coreless" version to reduce weight and material consumption.

The ABSOLUTE BETA platform represents the Group's highest technological expression and sets the new standard for Filtrec filter elements. Developed over decades of research, this innovation is based on a multi-layer structure optimized with product-specific materials. It is precisely the application of ABSOLUTE BETA that guarantees the competitive advantages of the system: the impurity retention capacity (D.H.C.) increases by more than 40% compared to the past, while the pressure drop is reduced by 30%. These efficiencies generate direct positive effects on sustainability, reducing energy consumption and maintenance costs, and extending the life cycle of the filter.

The platform is available in three variants:

Spark Buster

intervenes on the management of electrostatic discharges in systems that use low conductivity oils, protecting components and preserving fluid quality over time.

H_2O e H_2O Plus

are designed to remove water from hydraulic fluids, reducing the risk of failure and improving the uptime of systems.

SYN Media

is the variant optimized for mobile applications and low-temperature environments, capable of ensuring high filtration performance even with high-viscosity fluids.

For hydraulic filtration, **Filtrec offers a complete range of in-line, return and suction filters,** designed to protect the most delicate components from contaminants present in the circuit. Available configurations allow each solution to be tailored to specific pressure, flow rate and fluid type requirements.

In the field of process filtration, the range aimed at the oil & gas, chemical, food, marine and energy sectors includes simplex, duplex and self-cleaning filters, designed in compliance with industry regulations and with wide margins of customization. In 2025, this segment has been further enriched thanks to the contribution of Giberti S.r.l. which, with its qualifications in the construction of certified pressure vessels, now allows the Group to offer integrated filtration systems for applications with high technical complexity.

Fluid management units including driers, mobile filtration units, oil conditioning systems and contamination monitoring instruments, complete the offering with solutions designed to keep fluids in optimal condition over time. Effective fluid control reduces the frequency of replacements, lowers operating costs and helps to contain the production of liquid waste, significantly extending the useful life of the entire plant. In addition to these, there is a line of accessories such as **clogging indicators, vents, plugs and mounting components,** functional to ensure installation flexibility, operational safety and overall reliability of the hydraulic circuits.

To support the selection and replacement of components, Filtrec provides customers with the **Cross Navigator, a digital tool** that allows you to quickly and accurately identify the Filtrec equivalent of any filter element available on the market, simplifying the selection process and reducing intervention times.

2. Governance

2.1. Governance model and governing bodies

The governance of the Filtrec Group is based on ethics, transparency and responsibility, essential pillars for effective control of activities and for the correct management of individual companies. The corporate architecture balances the entrepreneurial vision of the founding partners with solid leadership skills.

Filtrec S.p.A. is the owner of the Filtrec brand, and acts as the parent company responsible for strategic direction and operational coordination. The company directly manages the design, production, marketing and promotion of the Group's products in Italy. In addition, it defines the commercial guidelines for the foreign subsidiaries, ensuring them the production support necessary for distribution in their respective local markets.

During 2025, the Group's perimeter expanded with the entry of Giberti S.r.l., a Como-based company acquired to strengthen the process filtration division, and with the establishment of the new commercial branch in France. In August 2025, however, the process of closing the Russian branch, which began in the previous year, was completed.

The following table shows the Group's corporate structure as at 31

Society	Geographical Location	Description
Filtrec S.p.A.	Italy	Parent Company
C.M. S.r.l. ("CM Srl")	Italy	a company 100% owned by Filtrec S.p.A.
Giberti S.r.l. ("Giberti S.r.l")	Italy	a company 60% owned by Filtrec S.p.A.
Filtrec Asia Pacific PTY. Ltd ("Filtrec Asia Pacific")	Australia	a company 40% owned by Filtrec S.p.A.
Filtrec Bharat Manufacturing Private Ltd ("Filtrec Bharat")	India	a company 75% owned by Filtrec S.p.A.
Filtrec Filtertechnik GmbH ("Filtrec GmbH")	Germany	a company 60% owned by Filtrec S.p.A.
Filtrec Iberica SL ("Filtrec Iberica")	Spain	a company 90% owned by Filtrec S.p.A.
Filtrec Latam Comercio De Filtros Eireli ("Filtrec Latam")	Brazil	a company 100% owned by Filtrec S.p.A.
Filtrec Middle East FZC ("Filtrec Middle East")	United Arab Emirates	a company 49% owned by Filtrec S.p.A.
Filtrec North America Inc. ("Filtrec North America")	United States of America	a company 100% owned by Filtrec S.p.A.

Filtrec Poland SP. Z.O.O (“Filtrec Poland”)	Poland	a company 100% owned by Filtrec S.p.A.
Filtrec Filtration Shanghai Co. Ltd. (“Filtrec Shangai”)	China	a company 40% owned by Filtrec S.p.A.
Filtrec Filtre Sistemleri Sanayi Ve Ticaret Ldt Sirketi (“Filtrec Turkey”)	Turkey	a company 80% owned by Filtrec S.p.A.
Filtrec UK Ltd. (“Filtrec UK”)	United Kingdom	a company 60% owned by Filtrec S.p.A.
Filtrec LLC (“Filtrec Russia”) [1]	Russia	a company 100% owned by Filtrec S.p.A.
Filtrec SAS (“Filtrec France”)	France	a company 60% owned by Filtrec S.p.A.

TABLE 1 CORPORATE STRUCTURE OF THE FILTREC GROUP

[1] The Russian branch, which was closed in August 2025, is excluded from this reporting for the two-year period 2024-2025 due to the unavailability of data.

The stability and continuity of vision of the corporate structure guide the Group’s sustainable growth path. In this context, the Board of Directors of Filtrec S.p.A. carries out the functions of guidance, supervision and implementation of the business plan, operating with integrity and competence to combine organizational evolution with the company’s identity values.

Administrators	Charge	Gender	Age group
Modina Sergio	Chairman of the Board of Directors and Director	Man	>50
Modina Marino	Vice Chairman of the Board of Directors and Director	Man	>50
Favalli Tommaso	Director	Man	>50
Belotti Francesco	Director	Man	>50
Ancellotti Francesco	Director	Man	>50
Modina Giacomo	Director	Man	30-50

TABLE 2 COMPOSITION OF THE BOARD OF DIRECTORS OF FILTREC S.P.A.

The legal and administrative control functions are entrusted to the Board of Statutory Auditors, a third and independent body responsible for supervising compliance with the law and the Articles of Association. The Board of Statutory Auditors ensures compliance with the principles of proper administration and constantly assesses the effectiveness and adequacy of the company's organizational, administrative and accounting structure.

Board of Statutory Auditors			
Statutory Auditor	**Role**	**Gender**	**Age group**
Mazzoleni Cristiano Giuseppe	Chairman of the Board of Statutory Auditors	Man	>50
Lecchi Giorgio	Statutory Auditor	Man	>50
Ronzoni Luca	Statutory Auditor	Man	>50
Storani Fabio	Alternate Statutory Auditor	Man	>50
Rota Alessandra	Alternate Statutory Auditor	Woman	>50

TABLE 3 COMPOSITION OF THE BOARD OF STATUTORY AUDITORS OF FILTEC S.P.A.

2.2. Practices, policies and initiatives

The Group's General Management and governing bodies **share a strategic orientation that integrates sustainability among the priorities of its business model.** The integrated management of quality, environment, safety and responsibility along the supply chain is a consolidated approach, in the awareness that only a coherent vision on these fronts can guarantee value creation and solid growth over time.

Filtrec S.p.A. operates according to an integrated management system certified UNI EN ISO 9001:2015, UNI EN ISO 14001:2015 and UNI EN ISO 45001:2018, applied to Italian production sites. The principles and procedures that derive from them are formalized in the Integrated Quality, Environment and Safety Policy, which can be publicly consulted on the official Filtrec website and is subject to annual review by the Management. This policy provides for improvement plans in the various operating areas and is also an active reference for foreign branches.

With this in mind, the Group is working to progressively extend its QHSE practices to all operating realities, building a homogeneous and consistent management system on an international scale.

The steps taken in this direction are already tangible:

- Filtrec Bharat operates with an updated QHSE Policy and has ISO 9001, ISO 14001 and ISO 45001 certifications.
- Filtrec Filtertechnik GmbH adheres to the principles defined at Group level, which are reflected in the internal documents updated by the German headquarters.
- Giberti S.r.l., which joined the Group in 2025, is also ISO 9001 and ISO 45001 certified, the alignment of its management system with the QHSE standards of the parent company is one of the priority objectives for 2026.

The global sales network mainly distributes solutions made in Italian sites according to strict certified standards. **In this way, the excellence and responsibility of the supply chain of origin are reflected directly on the market through a transparent and secure product catalog**.

[3] Certifications and Policies available at the following link: https://www.filtrec.com/it/chi-siamo/#certification

Integrated policy and commitments to sustainability

Filtrec S.p.A.'s Integrated Quality, Environment and Safety Policy defines sustainable development as a value to be cultivated not only internally, but along the entire value chain. Key commitments include:

Key commitments include

- compliance with environmental, safety and product regulatory requirements;
- the reduction of environmental impacts through the systematic monitoring of consumption and responsible waste management;
- the prevention of accidents and occupational diseases, supported by training activities and the active involvement of workers;
- the protection of people's dignity and the promotion of organizational well-being;
- and finally the construction of an ESG-oriented supply chain, with attention to regulations on hazardous substances such as REACH, RoHS and PFAS.

On an operational level, Filtrec S.p.A. monitors its performance through a structured set of indicators:

environmental area: energy consumption divided by source, water consumption, production and destination of waste and compliance with emission limits

safety: accidents, near misses and internal reporting

quality: non-conformities and complaints both in number and in economic value

In terms of medium-term objectives, the Group confirms its commitment to achieving UNI EN ISO 50001:2018 certification for energy management, the progressive extension of the integrated system to branches and the strengthening of the ESG approach in supplier management.

On this last point, in 2025 the work of overseeing the supply chain continued: the share of expenditure towards Italian suppliers remains high, while for some product categories with dependence on non-European markets (in particular China and the United States) actions are underway to bring the sources of supply closer together, including through European hubs and the development of new production technologies in Germany.

Starting from 2026, the **activation of a dashboard dedicated to purchasing is planned**, which will make it possible to monitor suppliers by product category and collect the first qualitative KPIs in terms of ESG.

Research and innovation for a sustainable transition

The governance dimension is also reflected in investments in R&D oriented towards product sustainability. In particular, **Filtrec's R&D Department**, based in Telgate, **operates in accordance with ISO industry standards and develops solutions by cooperating with universities and research centers.** The collaboration with the Polytechnic University of Milan has led to the development of an integrated device for monitoring contamination and moisture in hydraulic fluids: a tool designed for predictive maintenance, which allows you to intervene on systems only when necessary, reducing oil consumption and optimizing material management.

In collaboration with a foreign company, a prototype of an all-polymer filter media has been developed and patented which, in the 'coreless' version, eliminates metal components, **reduces the weight of the filter by about 30%** and simplifies the management of hazardous waste at the end of its life. In terms of system eco-design, solutions are being developed — also in collaboration with major OEMs — that rethink the integration between filter and tank: by reducing the volume of the tank by up to a fifth, these projects lower oil consumption, encourage the adoption of biodegradable fluids and minimize the risk of accidental spills.

Filtrec actively contributes to the evolution of industry standards through participation in ISO technical committees and national and international trade associations, including Federtec, Confindustria Bergamo, Elite Company, Akder, CII – Confederation of Indian Industry, FPSI – Fluid Power Society of India and IICCI – Indo Italian Chamber of Commerce and Industry.

2.3. Fight against corruption

The Filtrec Group bases its work on a culture of **integrity, ethical responsibility and transparency,** in the belief that correct and compliant behavior is an essential condition for lasting growth and for maintaining stakeholder trust.

During 2025, there were no episodes of corruption, nor reports or sanctions against any Group company for illegal conduct of a corrupt nature. All affiliates are committed to adhering to the ethical principles shared at Group level, now made explicit in the Code of Conduct [4], published in 2025 and publicly available on the institutional website.

2.4. Whistleblowing and reporting channels

Filtrec S.p.A. manages a digital whistleblowing channel[5] compliant with Legislative Decree 24/2023, accessible through the company website and communicated to staff in the manner provided by the legislation. The management of complaints is regulated by the company's Whistleblowing Policy[6] , which ensures the confidentiality of the identity of the whistleblower and the people involved, protection from any retaliation and an independent and traceable process. Communications can be received through the dedicated online platform, by paper mail in a reserved envelope, or by direct meeting with the Whistleblowing Manager.

Each report received is preliminarily evaluated to verify its eligibility with respect to the criteria defined by the legislation. In 2025, no reports qualified under the whistleblowing regulations were received.

At Group level, the foreign offices continue the process of aligning with the practices of the parent company.

- Filtrec Bharat has its own internal Whistle Blower Policy;
- Filtrec Latam informs employees of the possibility of also contacting local public bodies for the protection of workers;
- Due to its small size, Filtrec Filtertechnik GmbH provides employees with direct access to the local management and the Group.

Alongside the formal whistleblowing channel, Filtrec S.p.A. manages an internal listening desk: a space for direct confrontation between company and employee, established in 2023 and progressively extended to all staff in Italy. The tool supports the formal reporting system for situations that do not constitute offences under whistleblowing legislation, but which still require attention and response. The data on the use, operation and performance of the counter are described in the chapter dedicated to the well-being of workers. This initiative today represents a strategic lever to accompany the evolution of the corporate structure, and its progressive use is confirmed as a positive indicator of the corporate climate.

Complaints	2024	2025
Whistleblowing reports	0	0
Corruption cases	0	0
Incident reports security information	0	0
Reports of discrimination and harassment	0	0

TABLE 4 WHISTLEBLOWING REPORTS

[4] Corporate Code of Ethics available at the following link: https://www.filtrec.com/wp-content/uploads/2018/04/CODICE-ETICO-ITA-ENG.pdf

[5] Digital whistleblowing reporting channel available at the following link: https://whistleblowersoftware.com/secure/9ab869cc-6f9f-44ad-a29c-dea2078018a4

[6] Whistleblowing Policy available at the following link: https://www.filtrec.com/wp-content/uploads/2018/04/WHISTLEBLOWING-POLICY_REV-1-allegati.pdf

3. Materiality

Materiality analysis is one of the central methodological tools of any sustainability reporting process.

It makes it possible to identify, in a structured and shared way, the most relevant issues for the organization and for the subjects who interact with it, creating a direct link between the company's strategic priorities and the expectations of the external context.

Materiality was built on a broad and methodologically structured stakeholder engagement process, conducted as part of the FY2024 reporting and extended to all branches included in that perimeter. For the 2025 financial year, the Group assessed the opportunity to replicate the process but confirmed the validity of the analysis carried out, finding no significant changes in its reference context such as to require a new survey. The results presented here therefore refer to that analysis, which the Group considers representative also for the current year.

The Filtrec Group has adopted a dual materiality approach, which integrates two distinct and complementary perspectives:

- **The first is impact materiality**, which assesses the extent to which the Group's activities produce effects (positive or negative, real or potential) on the **environment**, people and society, according to an inside-out logic.
- **The second is financial materiality**, which investigates how ESG factors can translate into risks or opportunities capable of influencing the company's ability to generate value over time, according to an outside-in perspective.

This approach guides the Filtrec Group in considering sustainability as an opportunity for development, innovation and risk control, enhancing the centrality of stakeholders, integrating their requests through structured listening and consultation paths.

3.1. Stakeholder engagement

Stakeholders representing the Group's main reference categories (branch managers, employees, customers, suppliers and institutional subjects) were selected with the aim of ensuring participation that is as inclusive and meaningful as possible.

The process was divided into two distinct phases. In the first, dedicated to **impact analysis**, a questionnaire was administered that asked participants to evaluate 33 themes according to two dimensions: on the one hand, the severity or importance of the associated impact, and on the other, the probability that this impact will occur. Each participant expressed a total of 66 evaluations, which were developed to isolate the topics with the highest degree of materiality of impact.

The topics thus selected formed the basis for the second phase, that of financial materiality, in which **internal stakeholders were asked to express their views on the economic weight of each issue**, assessing both the risks associated with insufficient management and the opportunities deriving from active supervision. This second survey resulted in 44 evaluations per participant.

Overall, the process collected responses from 44 stakeholders. The level of participation, combined with the quality of the responses obtained, **confirms the growing sensitivity to ESG issues and the interest of the Group's stakeholders in actively contributing to the definition of sustainability priorities.**

3.2. Impact materiality and material themes

Impact materiality measures how the Group's activities affect the environment, people and the wider social context, identifying the issues on which these effects are most significant. **The questionnaire administered to internal and external stakeholders involved the evaluation of each issue on a scale from 1 to 5, according to the criteria of severity or importance of the impact and probability of occurrence**. For each theme, the average between the two dimensions was calculated, obtaining a synthetic score of perception of impact. **Topics that exceeded a threshold of 3.2 for internal stakeholders and 3.3 for external stakeholders were considered material.** To this quantitative selection was added a qualitative adjustment, shared with the managers of the branches involved, which led to the integration of 3 additional topics considered strategically relevant despite not having reached the numerical threshold. The total of material topics identified is 21.

3.2

internal stakeholder

3.3

external stakeholder

The following table shows all the topics evaluated, with the scores obtained. The topics that have resulted in material are highlighted in green; the qualitative adjustments in yellow.

Impact	Internal	External
Compliance with laws and regulations	4,22	4,38
Employee training and development	4,25	4,31
Technical education	4,03	4,21
Diversity, inclusion and equal treatment	4,22	4,13
Sustainable working hours, taking into account work-life balance	4	4,02
Supply chain traceability	3,5	3,96
Benefits for its employees	3,69	3,92
Education for sustainability	3,75	3,9
Attracting new talent	3,92	3,77
Support for local suppliers	3,75	3,75
Support to the local community (donations, associations, etc.)	3,44	3,73
Adaptation to climate change	3,28	3,71
Supply chain concentration	3,78	3,62
Automation and artificial intelligence	3,69	3,58
Employee dissatisfaction	3,53	3,5
Accidents at work	3,5	3,42
Differences in treatment related to aspects of diversity	3,31	3,37
Production of waste and scrap	3,22	3,31

Impact	Internal	External
Use of recycled raw materials	3,28	3,29
Environmental and social assessment of suppliers*	3,15	3,6
Use of chemical pollutants	3,31	3,25
Harm to consumer health	3,19	3,25
Power consumption	3,00	3,21
Raw materials from conflict zones	3,00	3,19
Exploitation of labor in the supply chain	3,14	3,17
Circular products	3,19	3,13
Reuse of by-products	2,56	3,13
Episodes of corruption in the company	3,17	3,06
Water pollution	3,08	3,02
Greenhouse gas emissions (CO2, methane, N2O, etc.)	2,78	2,98
Soil pollution	3,06	2,94
Water consumption	2,92	2,71
Land use	2,75	2,69

TABLE 5 IMPACT MATERIALITY OF THE FILTREC GROUP

*The topic was excluded from the final list of material topics, despite having exceeded the threshold, in order to avoid overlaps with other topics identified as material, which effectively address the main critical issues related to the supply chain.

3.3. Financial materiality

In the second phase of the analysis, limited only to the topics that emerged as material in the previous phase, internal stakeholders were asked to assess the potential economic and financial impact of each topic on the Group's ability to generate value over time.

For each theme, scores from 1 to 10 were assigned in two dimensions:

• **risk related to inadequate management**

• **opportunity deriving from an active strategic oversight.**

The results are shown on the table below.

Impact	Risk	Opportunities
Compliance with laws and regulations	4,7	4,9
Employee training and development	3,1	6,0
Technical education	4,1	6,4
Diversity, inclusion and equal treatment	3,5	5,3
Sustainable working hours, taking into account work-life balance	3,7	5,4
Supply chain traceability	5,4	6,4
Benefits for its employees	3,9	5,7
Education for sustainability	3,6	5,0
Attracting new talent	5,2	5,3
Support for local suppliers	5,4	6,4
Support to the local community (donations, associations, etc.)	2,1	4,4
Adaptation to climate change	3,6	4,6
Supply chain concentration	5,7	6,4
Automation and artificial intelligence	4,9	6,9
Employee dissatisfaction	3,9	5,4
Accidents at work	4,1	5,4
Differences in treatment related to aspects of diversity	3,7	3,7
Production of waste and scrap	3,9	4,6
Use of recycled raw materials	3,9	4,6
Power consumption	3,6	4,9
Greenhouse gas emissions (CO_2, methane, N_2O, etc.)	3,6	4,6

TABLE 6 FINANCIAL MATERIALITY OF THE FILTREC GROUP

3.4. Double materiality

The results of the two phases were combined into the dual materiality matrix, which positions each theme according to the impact score (horizontal axis) and the risk-opportunity score (vertical axis). The chromatic intensity of the areas in which the themes fall indicates the degree of overall priority, guiding the Group's strategic choices and investments in the coming years.

The 21 material themes are distributed in three levels of relevance:

- **6 critical impacts**, which require the most active and continuous oversight: concentration of the supply chain, traceability of the supply chain, support for local suppliers, technical education, attraction of new talent, automation and artificial intelligence.
- **13 important impacts,** subject to monitoring and structured action: compliance with laws and regulations, employee dissatisfaction, employee benefits, diversity, inclusion and fair treatment, sustainability education, sustainable working hours and work-life balance, accidents at work, employee training and development, use of recycled raw materials, waste and waste production, energy consumption, greenhouse gas emissions, adaptation to climate change.
- **2 information impacts,** to be kept under observation even with lower priority: support for the local community, differences in treatment related to aspects of diversity.

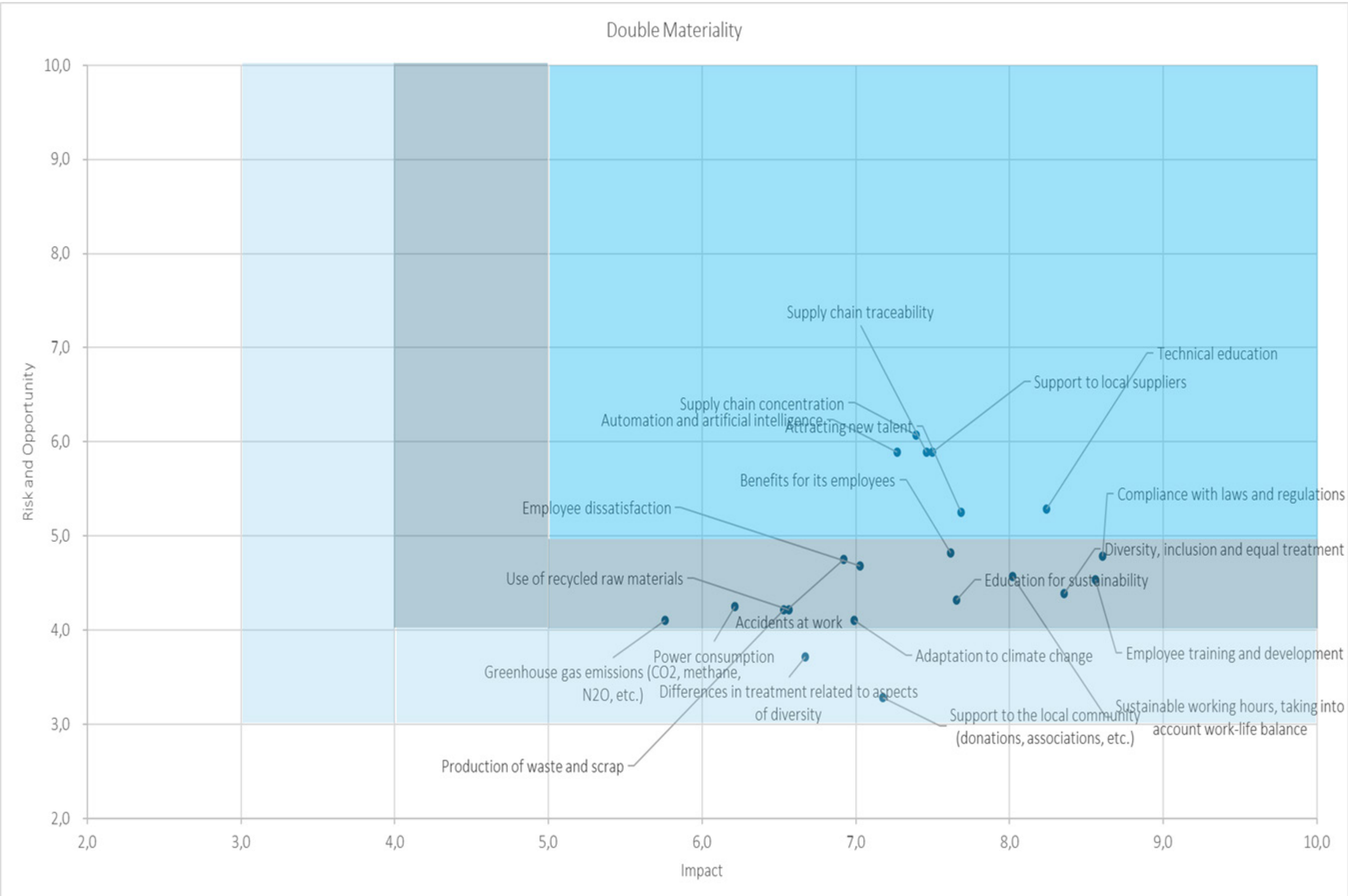
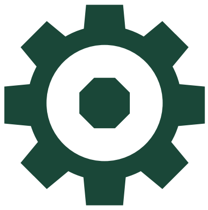


FIGURE 1 FILTREC GROUP'S DOUBLE MATERIALITY MATRIX

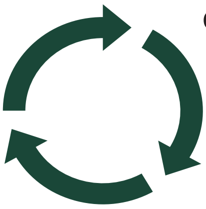
3.5. 2030 Agenda

The 2030 Agenda for Sustainable Development, adopted in 2015 by the 193 member countries of the United Nations, **defines 17 Sustainable Development Goals (SDGs) as a global reference for fair,** inclusive and planet-friendly growth. The Filtrec Group has identified the SDGs that are most consistent with their business model, with its activities and with the material issues that emerged from the double materiality analysis, recognizing in them not only an external reference framework, but a lens through which to read its contribution to sustainable development.

Goal 8 - Decent work and economic growth: the Filtrec Group considers the quality of employment to be an essential element of its growth model. Stable contracts, incentive systems linked to efficiency and safety, welfare initiatives and attention to organizational well-being translate into a work environment in which people can grow and contribute authentically.



Goal 9 - Enterprises, innovation and infrastructure: Filtrec's R&D Department develops sustainable filtration solutions in collaboration with universities and research centers, contributing to the evolution of industry standards. Investments in automation and advanced production infrastructures express an industrial approach oriented towards quality and long-term responsibility.



Goal 12 - Responsible consumption and production: the Filtrec product was born with a vocation for durability, in fact the metal filter bodies are designed for the entire useful life of the machinery and are recyclable at the end of their life, moreover, the "coreless" solutions reduce weight and simplify waste management. The supply chain prioritizes suppliers close to us, limiting the logistical impact and strengthening supply resilience.

Goal 13 - Fight against climate change: the Group monitors its greenhouse gas emissions according to the GHG Protocol and has taken concrete actions to progressively reduce its emission intensity. The extension of photovoltaic systems, the path towards UNI EN ISO 50001:2018 certification for energy management and the adoption of low-impact technologies in daily operations are steps in an energy transition that the Group intends to accelerate in the coming years.

4. Social **responsibility**

4.1. Human capital

The human capital of the Filtrec Group is the foundation on which product quality, business continuity and the ability to grow sustainably are based.

During 2025, the Group continued to invest in the evolution of the working environment, with interventions aimed at automation, safety and operational efficiency. The introduction of the automated warehouse at the Telgate plant, which will be operational from 2026, and the development of the new production line, represent choices that aim to improve working conditions and reduce operational risks, without repercussions on employment. In fact, **the Group's strategy is oriented towards the enhancement and re-employment of personnel, with a redistribution of roles consistent with the technological evolution underway.**

The scope of reporting has undergone a gradual expansion. For the 2024 financial year, historical data have been supplemented by including the subsidiaries C.M. S.r.l. and Filtrec Iberica, whose information had not been included in the previous report. The year 2025 is further expanded with the entry of Giberti S.r.l. and Filtrec France into the perimeter. The following changes and trends should therefore be interpreted in the light of this gradual extension of the database.

In 2025, the total number of employees of the Filtrec Group stands at 327 units[8] , recording an increase of 9% compared to 2024, a change attributable to the acquisition of new branches and a physiological increase in line with the expansion of the Group's operations.

	Men		Women		Total	
Data	2024	2025	2024	2025	2024	2025
Total employees	**178**	**192**	**122**	**135**	**300**	**327**
Indeterminate	174	188	119	132	293	320
Determined	4	4	3	3	7	7

TABLE 7 DISTRIBUTION OF PERSONNEL BY TYPE OF CONTRACT

The distribution between fixed-term and permanent contracts confirms the structurally stable nature of employment in the Group. In 2025, 97.9% of contracts are open-ended, with 320 employees classified with this contractual form, an increase of 9% compared to the previous year.

[8] All workforce calculations were made using the headcount methodology, which accounts for each employee as a unit, regardless of contract type or working hours, based on headcount as of December 31 of each year.

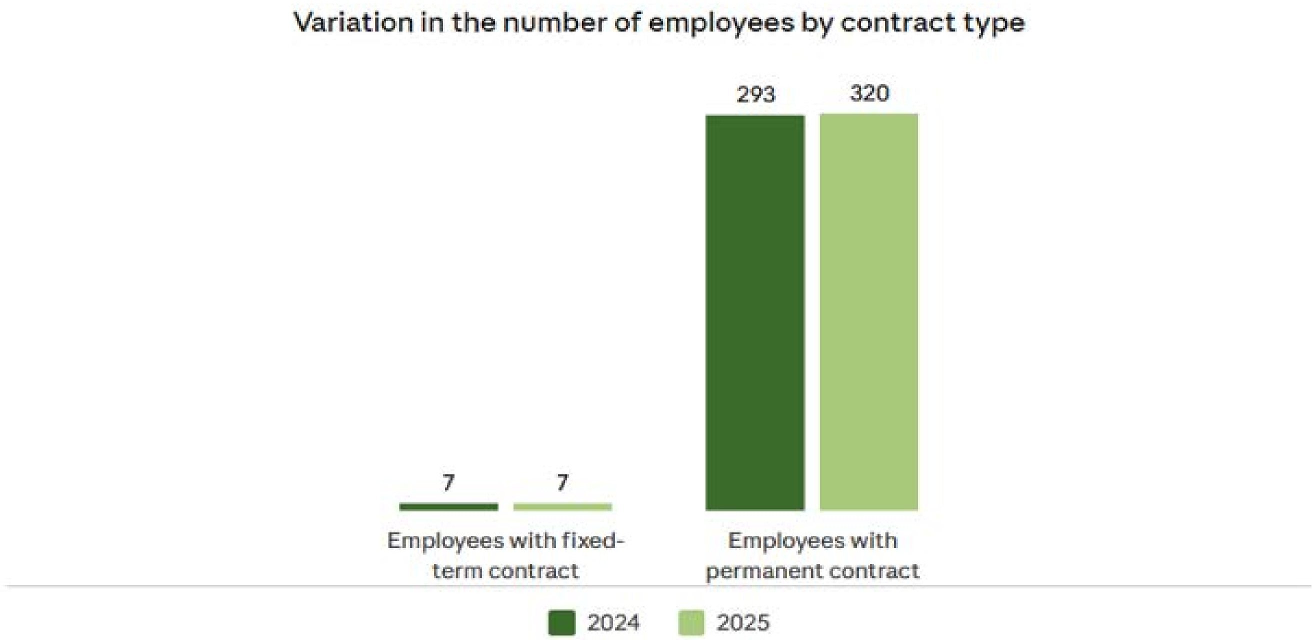


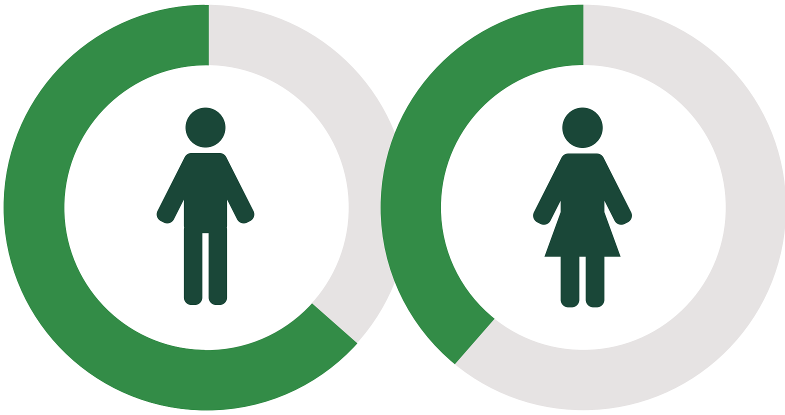
CHART 1 CHANGE IN THE NUMBER OF PERMANENT AND FIXED-TERM CONTRACTS

The distribution between full-time and part-time contracts also confirms the prevalence of full-time employment, which in 2025 represents 96% of the total, substantially in line with the previous year. Part-time contracts increased from 10 to 13, an increase attributable to the expansion of the scope and the Group's flexibility in accommodating work-life balance needs.

EMPLOYEES WITH FULL-TIME AND PART-TIME CONTRACTS

	Men		Women		Total	
Data	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**
Total employees	**178**	**192**	**122**	**135**	**300**	**327**
Full-time	176	189	114	125	290	314
Part-time	2	3	8	10	10	13

TABLE 8 DISTRIBUTION OF STAFF BY HOURLY REGIME



In 2025, women represent 41% of the Group's global workforce, mainly in the blue-collar category where they stand at 84 units, 3 more than men. This figure is highly significant within a manufacturing sector historically characterized by a strong male predominance.

The evolution of the distribution by professional category reflects the progressive expansion of the reporting perimeter and the process of harmonization of classifications at a global level. The 2024 data presented here includes the employees of C.M. S.r.l. and Filtrec Iberica S.L., not present in the previous edition, and incorporate some classification corrections that emerged during the reconciliation phase. The Executives category recorded a slight decrease from 34 to 32 units, while the Managers grew from 6 to 8. The operational categories both show growth: Employees go from 106 to 122 and Workers from 154 to 165 units, reflecting the Group's operational expansion and the entry of Giberti S.r.l. into the 2025 perimeter.

The Group's demographic composition remains stable and balanced. The 30-50 age group is also confirmed as the largest in 2025, with 197 people equal to 60% of the total, substantially unchanged compared to the previous year (61%). The under-30s account for 17% (57 people), a slight decrease from 18% in 2024. The over-50s rose in absolute value from 65 to 73 units, while maintaining the same share of 22%.

	<30		30-50		>50		Total	
	2024	2025	2024	2025	2024	2025	2024	2025
Total employees	**53**	**57**	**182**	**197**	**65**	**73**	**300**	**327**
Executives	1	1	26	23	7	8	34	32
Managers	1	2	5	6	0	0	6	8
Employees	20	22	74	84	12	16	106	122
Workers	31	32	77	84	46	49	154	165
Percentage employees	**18%**	**17%**	**61%**	**60%**	**22%**	**22%**	**100%**	**100%**
Executives	0%	0%	9%	7%	2%	2%	11%	10%
Managers	0%	1%	2%	2%	0%	0%	2%	2%
Employees	7%	7%	25%	26%	4%	5%	35%	37%
Workers	10%	10%	26%	26%	15%	15%	51%	50%

TABLE 9 DISTRIBUTION BY AGE AND BY OCCUPATIONAL CATEGORY

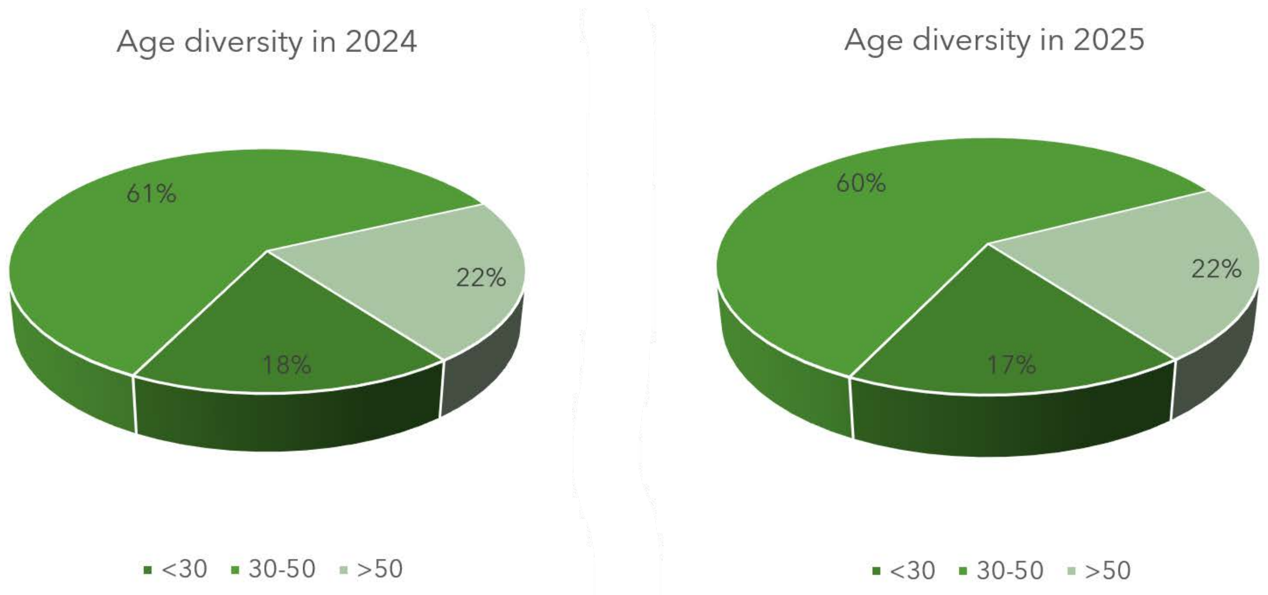


CHART 2 CHANGE IN THE DISTRIBUTION BY AGE GROUP

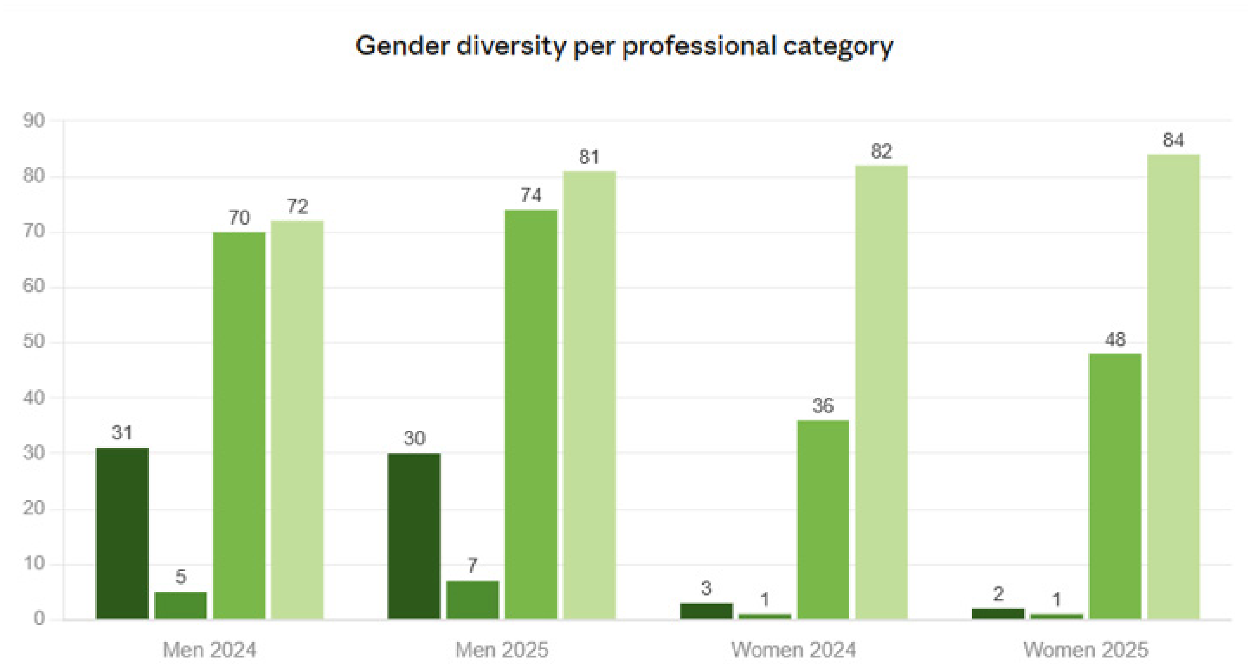


CHART 3 GENDER DIVERSITY BY OCCUPATIONAL CATEGORY

The turnover rates of 2025 confirm a trend that had already emerged in the previous year towards greater stability of the workforce. The outgoing turnover rate drops from 10% to 7%, a sign of an improvement in staff retention and working conditions perceived as satisfactory. The entry rate also fell from 16% to 13%, in line with a year in which the Group favored internal consolidation over the expansion of resources, also due to the process of integrating the new companies that have entered the Group. **The joint reading of the two indicators returns to a more stable organization, in which the physiological turnover remains contained and the continuity of skills is protected.**

	2024	2025
Outbound turnover rate	10%	7%
Inbound turnover rate	16%	13%

TABLE 10 OUTGOING AND INBOUND TURNOVER RATE 4.2. C

4.2. Collective bargaining and remuneration

For the Filtrec Group, investing in people means ensuring continuity and quality at every location. Despite the regulatory differences between the various countries, **the Group's commitment translates into welfare policies and incentive systems aimed at enhancing the contribution and growth of each employee.**

Collective agreement and incentive system

In Italy, all employees are classified in the National Collective Labour Agreement for the metalworking industry. **At company level, a second-level agreement is in force for blue-collar staff,** valid for the two-year period 2025-2026, which defines a performance bonus divided into three dimensions:

- production efficiency (actual hours compared to the expected hours);
- quality (number of customer complaints);
- safety (reports of near misses and virtuous behaviors).

The system provides quarterly monitoring shared with RSU and area managers, in order to make workers an active part in the process of continuous improvement. In 2025, an additional reward element linked to attendance was introduced: for employees with 0 absences, the bonus is increased by 50%, a mechanism that reinforces the recognition of individual commitment. The performance bonus was paid out for the first time in 2025, with reference to the performance of the year. For first-level managers, a bonus system based on individual performance objectives is active.

Similar mechanisms, calibrated to local remuneration models, are also present in several foreign subsidiaries including Filtrec Sistemleri, Filtrec Filtertechnik GmbH and Filtrec North America, and typically refer to sales or productivity results.

In the other Group offices, individual contracts are defined in line with local regulations, without formalized collective bargaining at Group level.

Coverage of collective bargaining and social dialogue	2024	2025
Employees covered by collective bargaining agreements	187	199
Number of employees	300	327
Percentage of employees covered by collective bargaining agreements	62%	61%

TABLE 11 CCNL COVERAGE (ITALY)

Corporate welfare

The forms of welfare available to employees are articulated differently depending on the national context. In Italy, in addition to the protections already provided for by the CCNL, Filtrec S.p.A. employees can access the internal canteen, whose supplier was renewed in 2025 to improve the quality of the service. The intention is to extend this opportunity also to colleagues at C.M. S.r.l. starting from May 2026, with the same supplier; for Giberti S.r.l. the evaluation is still in progress. In some foreign branches, supplementary services are available, including company transport, meal vouchers, supplementary pension and health insurance coverage.

Work-life balance and organizational well-being

In Italy, smart working is active for white-collar staff, managed through individual agreements, flanked by flexible incoming hours (8:00-8:30) and guaranteed leave and leave according to the provisions of the law, with active communication to employees on the rights available. In foreign branches, where the structures are often leaner, flexibility is guaranteed through informal or personalized agreements, adapted to the needs of the individual and the local organizational context.

The corporate climate is the subject of attention in all locations, with tools differentiated according to the size and resources available. Filtrec S.p.A. conducts a biennial anonymous questionnaire, structured on six thematic areas (including remuneration, benefits, work management and internal relations) whose results are shared with the General Management and managers, and returned to workers through internal communications. The questionnaire was prepared in 2025 and will be administered at the beginning of 2026.

In addition to the formal questionnaire, there is an internal listening desk, a space for direct discussion between the company and the employee, accessible on the initiative of both parties and managed by a group composed of the HR manager, the General Manager and the direct contact person of the person involved. In 2024, four reports had been received, all referring to relational dynamics between colleagues or job changes, none of which required disciplinary action. In 2025, the figure remains stable, with 4 reports, once again attributable to relational and organizational issues and none with a disciplinary outcome. The desk is also used as a tool to accompany organizational changes and its progressive adoption is interpreted as a positive sign of the internal climate.

At the foreign offices, climate monitoring is carried out in a way adapted to the context: annual surveys in Turkey, periodic six-monthly audits in India, quarterly one-to-one meetings between management and staff in Germany, where the small size of the team encourages direct and continuous dialogue.

Gender Pay Gap

The gender pay gap is measured as the percentage difference between the average remuneration of men and women compared to the average remuneration of men. In 2025, the Group's overall GPG stands at +3%, compared to -1% in 2024. The negative sign in 2024 indicated that, on average, women received slightly higher remuneration than men; The 2025 figure reverses this relationship, albeit to a limited extent.

	2024	2025
Gender pay gap (men/women)	-1%	3%

TABLE 12 GENDER PAY GAP

Before interpreting this variation, it is necessary to take into account some structural elements that significantly limit its readability. The scope of 2025 is different from that of 2024: the inclusion of new entities such as Giberti S.r.l. and Filtrec France and the presence of subsidiaries with reduced headcounts and uneven salary structures make the comparison between the two years not statistically significant. In some locations, such as the French or German branches, the workforce is made up of a few units, sometimes even only one per gender with different classifications; in these cases, any individual variation, such as a new hire, a change of job, an exit, significantly alters the aggregate average without reflecting any real salary trend. **Added to this is the fact that in 2025 some employees were reclassified into different professional categories than the previous year,** a normalization process that changed the internal composition of the classes and affected the average salaries by category, making a direct comparison with the 2024 data even more difficult. In this context, the Group considers the aggregate GPG to be an indicator to be read with caution. **The path started towards the UNI PDR 125 certification on gender equality in Filtrec S.p.A. will make it possible to structure a salary analysis for homogeneous categories and to define, where necessary, targeted corrective actions.**

4.3. Training

The Filtrec Group considers continuous training a fundamental strategic lever, as the organization's ability to evolve, retain talent and compete in a constantly changing market is fueled by constant investment in skills development. **In 2025, 1,073 hours of training were provided, down 48% compared to 2,065 in the previous year.** This decline reflects a repositioning choice that will lay the foundations for a more structured and targeted training plan starting from 2026.

	2024	2025	% change
Hours per capita per employee	**6,88**	**3,28**	**-52%**
Hours per capita woman	6,28	4,22	-33%
Hours per capita man	7,3	2,62	-64%

TABLE 13 HOURS PER CAPITA TRAINING

During 2025, Filtrec S.p.A. has favored a phase of project consolidation aimed at maximizing the impact of future training: on the one hand, through the definition of a new architecture of skills and company roles conducted with the department managers and, on the other, through the optimization of access to funded training calls.

The preparatory work carried out in 2025 made it possible to outline a multi-year strategy that will see, during 2026, a strong focus on the development of soft skills, with priority given to the issues of communication, leadership and relationship management, and then extended, from 2027, to the deepening of technical and specialist skills. **This planning punctually incorporates the requests that emerged from the questionnaire on the corporate climate,** translating the relational priorities indicated by the staff into a structured and long-term growth path.

Training activities in Italy

Despite the overall downsizing hours, 2025 has kept alive some initiatives that characterize the training approach of Filtrec S.p.A. including training pills, informative appointments on topics of general interest. The guests of 2025 were a Paralympic athlete, with her story of determination and overcoming limits after Paris, and a nutritionist, who delved into the theme of the Mediterranean diet as a pillar of well-being. The latter event was directly linked to the activation of an agreement that allows employees to access individual nutritional consultations at facilitated conditions, integrating the health dimension into the broader framework of welfare initiatives.

Activities in the other locations

In the foreign branches, training is managed according to local needs and available systems. Filtrec Bharat integrates training into individual professional development plans, with regular skills reviews. In smaller locations, the approach is less structured but present, often oriented towards technical updating and regulatory compliance.

4.4. Occupational health and safety

For the Filtrec Group, health and safety at work is a condition that guides every organizational choice. Production activities expose people to specific risks that require constant supervision, effective management systems and a culture of prevention spread at all levels of the organization.

Quantitatively, the analysis focuses on the production sites included in the reporting perimeter, which have structured systems for monitoring accidents and safety conditions. **Filtrec S.p.A. operates according to the UNI EN ISO 45001:2018 certified Occupational Health and Safety Management System**, with an approach that goes beyond compliance with minimum regulatory requirements.

Filtrec Bharat also confirms a very positive safety profile: the Indian branch has not recorded any accidents for over five years and maintains a structured control system, with constant monitoring of accidents and near misses, periodic meetings of the safety committee, distribution of PPE to all staff, annual medical examinations and awareness initiatives such as blood donation campaigns.

The Group's other subsidiaries apply security measures consistent with their local operating and regulatory environment. In the United Kingdom, safety is subject to regular monitoring: the recorded incidents have been limited to minor accidents, and the building is equipped with a defibrillator. In Turkey, monthly checks are carried out in the warehouse and six-monthly checks in the offices; no accidents were recorded and the company is working to further strengthen its H&S system. In Germany, where there are no production activities, full compliance with national labor and safety regulations is ensured, even in the absence of a dedicated formal system. In Latin America, workers' health is protected through an accredited partner company that guarantees health coverage to all staff.

Accident and safety data

In 2025 there is one accident at work, a drop of 50% compared to 2 in 2024, with a corresponding improvement in the accident rate which drops from 1.1 to 0.5. No case of occupational disease or death was recorded in the two-year period. Overall**, hours worked grew by 2%, reaching 370,709 hours in 2025** against the extension of the reporting scope due to the acquisition of Giberti S.r.l. and the French branch.

	2024	2025	% change
Number of hours worked	361.988	370.709	2%
Number of accidents at work	2	1	-50%
Number of occupational diseases	0	0	N/A
Number of deaths	0	0	N/A
Injury rate [9]	1,1	0,5	-54%

TABLE 14 ACCIDENTS AT WORK

The only accident recorded in 2025 occurred in Filtrec S.p.A. and is attributable to the failure to use PPE during a process operation.

A particularly positive sign emerges from the trend in near misses: 29 were reported in 2025, compared to 18 in 2024, with a growth of 61%. This increase highlights a greater maturity in the culture of prevention, in fact, the reporting of near misses has been integrated among the parameters of the production bonus system for blue-collar personnel, creating a direct incentive for active participation in risk management. **Each report is taken care of within three days through the internal digital system and the data is shared quarterly with RSU and department managers to identify the most effective corrective actions.**

[9] The rate of occupational injuries was calculated using a multiplier of 200,000 hours worked, as indicated in the VSME standard. This multiplier makes it possible to express the number of accidents that occurred for every 200,000 hours worked, facilitating the comparability and interpretation of the data in the context of companies with a small number of employees. So a rate of 1.0 indicates an average of one accident per 200,000 hours worked. The 2024 figure has been recalculated using this multiplier.

Risk management and monitoring system

The safety organization chart of Filtrec S.p.A. provides for the presence of RSPP, ASPP, competent doctor, RLS, area supervisors and teams trained for first aid and management of fire emergencies.

The risk assessment is updated more frequently than required by the regulations and is reflected in documented and accessible operating instructions. In both Italian plants and at the UK site, there is a regularly maintained defibrillator, with trained staff (mainly women) ready to intervene.

In 2025, the Group RSPP for Giberti S.r.l. was appointed, a position entrusted to the Manager already operating at the Telgate plant: all the mandatory refresher courses provided for the staff of the new entity were completed during the year. The complete alignment of Giberti's safety management system with the standards of the parent company is one of the priority objectives for 2026.

Training, PPE and staff involvement

Prevention is built through widespread and up-to-date training. The courses **provided cover technical, regulatory and ergonomic aspects, with particular attention to the manual handling of loads and the correct use of personal protective equipment**. PPE is supplied in several sizes and models, also seasonally, leaving the worker the opportunity to choose the solution that best suits their needs. Individual equipment includes complete technical clothing that also allows visual identification of those responsible for safety in the wards.

Infrastructure investments

2025 marked the completion of Telgate's automated warehouse, the most significant investment in safety in recent years, qualified as part of the Industry 5.0 program and made operational in 2026.

The structure, connected to the existing warehouse and powered by the photovoltaic system, does not provide for an operational presence inside: by eliminating direct access by personnel to the racks, it reduces the fleet of mechanical handling vehicles used in the plant by 80%, neutralizing the main risk factor for interference between operators and vehicles.

Personnel previously employed in that area will be redeployed to the production lines. The development of the new automated production line also continued, which will be tested at the beginning of 2026 and consists of **two mirrored lines: one with operators and a robotic one** to support the heaviest manual tasks. These two investments structurally transform the operating conditions of the Italian plants. Every year, the budget dedicated to safety is defined by a special board on the basis of the reports received and the needs that have emerged from the departments, ensuring continuity in preventive action even beyond large infrastructure projects.

4.5. Initiatives for the well-being of workers and dialogue with the community

The relationship between the Filtrec Group and its people is also expressed outside the contractual dynamics. Every year, **initiatives are promoted designed to strengthen the sense of belonging, stimulate active participation in corporate life and build authentic ties with the territory.**

Worker engagement and company culture

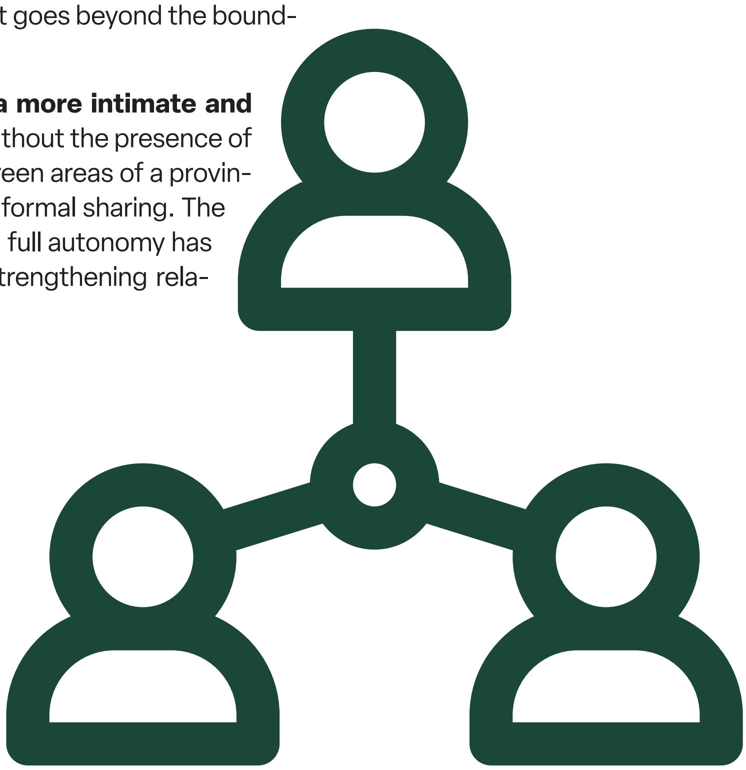
The Job Experience program has also been renewed in 2025, with two distinct phases. In the first part of the year, the exchange between employees and workers was held: office colleagues spent a period in the production departments, acquiring direct knowledge of manufacturing processes. In the second part, the exchange took place between different clerical functions, for example between the administrative and technical offices with the aim of promoting mutual understanding of activities and strengthening transversal collaboration. This practice, now consolidated in the corporate calendar, contributes to building a more open organizational culture, where the boundaries between functions become permeable and the sense of team is strengthened.

Internal social channels continue to be a tool for communication and participation: employees are invited to share content related to their work experience, with symbolic recognition for those who gain greater visibility and contribute to the company's collective narrative.

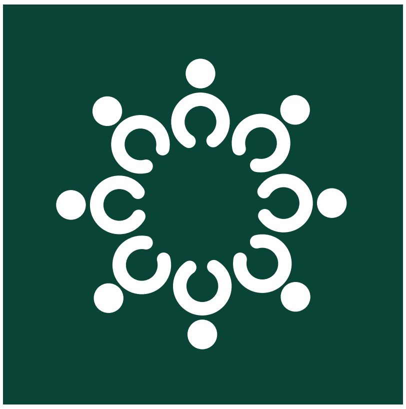
Filtrec for You: events and team building

In 2025, an event open to all and a team building event were organized, with a significant novelty compared to previous years: for the first time, the public initiative was also extended to employees' families. The event took place on a track of remote-controlled cars in the province of Brescia, with food trucks and inflatables for children. A moment designed not only for employees, but for the entire family, in a logic of involvement that goes beyond the boundaries of working hours.

Team building, on the other hand, maintained a more intimate and community-oriented dimension: collaborators, without the presence of managers, participated in the maintenance of the green areas of a provincial park in Bergamo, combining volunteering with informal sharing. The decision to involve only employees and to give them full autonomy has enhanced the horizontal dimension of the group, strengthening relationships outside the daily hierarchies.



Relationship with young people and the territory



Openness to the new generations is constant in the Filtrec S.p.A. calendar. **Every year two eighth-grade classes are welcomed as part of PMI Day,** the initiative promoted by Confindustria Bergamo to bring young people closer to the world of production. The format includes a presentation of the company by colleagues who tell about their studies and professional careers, followed by a team treasure hunt that allows you to visit all the company spaces, answer questions and collect the pieces of a puzzle gadget that is delivered at the end of the day. The event closes with a moment of collective discussion in the meeting room. It is a concrete opportunity to show young people what it means to work in manufacturing, with a direct language and an immersive experience.

On the internship front, in 2025 three students collaborated with Filtrec: two in curricular internships and one in extracurricular internships, as part of a path that the Group considers an integral part of its commitment to the territory and the training of young people.

Integration of C.M. and Giberti into the Group community

2025 marked a significant step in the process of integrating the most recent realities. Giberti S.r.l. was invited for the first time to Filtrec's corporate Christmas lunch, a simple but meaningful gesture: conviviality as a tool for inclusion and recognition of belonging to the Group.

C.M. S.r.l. and Giberti are progressively involved in corporate initiatives, with the aim of building over time a shared culture that holds together distinct identities under common values.

Relationship with the territory and donations

The link of Filtrec S.p.A. with the local community is also expressed through participation in local events, including the Risotto Festival of Villimpenta, near the production plant. On this appointment, all the staff is invited to a convivial dinner and the event is accompanied by a guided cultural tour of the attractions of the area.

At the end of the year, **the Group allocated an allocation dedicated to donations to local associations,** supporting organizations active in different areas: social welfare services and inclusion, education, health, international solidarity and civic initiatives. Some foreign branches also contribute with their own donations, adapted to the local contexts in which they operate.

5. **Environmental** responsibility

5.1. Energy consumption and GHG emissions

The Filtrec Group's energy consumption monitoring perimeter for the two-year period 2024-2025 has been updated compared to the previous edition. The figures for 2024 presented in these financial statements retroactively incorporate the contributions of Filtrec Iberica S.L. and C.M. S.r.l.. For 2025, the perimeter is enriched by the contribution of Giberti S.r.l., which joined the Group during the year and is fully integrated in data collection. On the other hand, the French branch, which was very recently established and operates exclusively as a commercial branch, remains excluded from the environmental perimeter. As in the previous year, the production sites continue to represent the main centres of energy absorption, while the commercial or logistical branches contribute to a limited extent to the overall demand.

The company constantly monitors the trend of its consumption through the updating of energy intensity metrics, using standard parameters published by ISPRA (Higher Institute for Environmental Protection and Research) for the conversion into GJ, subsequently, the data is converted into Megawatt hours through the use of the converter provided by the International Energy Agency (IEA). While for liquid fuels, the conversion factors from liters to kg published by DEFRA (Department for Environment, Food and Rural Affairs) are used as well as the related emission factors.

The Group's three structural energy sources remain electricity, methane gas and liquid fuels, each with distinct functions and consumption dynamics.

- **Methane gas, which is the main vector mainly intended for winter heating of production environments and offices,** remains substantially unchanged in 2025 (4,556 MWh, +0.5%). The trend of this vector is significantly affected by seasonal climatic variations, particularly in Eastern Europe where winter temperature ranges are more marked.
- **Electricity is used in production activities, warehouses, offices, and for lighting and cooling environments**. In 2025, the Group consumed a total of 2,106 MWh of electricity, of which 1,882 MWh were taken from the grid (fossil and certified renewables) and 224 MWh self-produced through photovoltaics, an increase of 7% compared to 2024 volumes. This growth reflects the extension of the perimeter with the entry of Giberti S.r.l., and the infrastructural evolution of some foreign branches. Among these, Filtrec Turkey is affected by the expansion of office space, while Filtrec Poland is experiencing an increase in energy related to the air conditioning of the new headquarters, which includes the thermal management of a large warehouse.

- **Fuels, diesel and petrol are mainly used for company car fleets and, to a residual extent, by fire-fighting systems. I**n 2025 there will be a significant increase in petrol consumption (+38%), attributable to the expansion of the vehicle fleet in some foreign branches, including Filtrec Latam and Filtrec Turkey. On the other hand, diesel for transport remained almost stable (+3%), while diesel for heating marked a reduction of 38% (from 33 to 20 MWh), consistent with the gradual decommissioning of less efficient plant solutions. Filtrec Bharat reports a reduction in diesel consumption, due to greater stability of the electricity grid in 2025, which has limited the use of the emergency diesel generator. With a view to progressively decarbonising the vehicle fleet, in 2025 the Group finalised an agreement for the renewal of the company fleet with full electric vehicles, the first deliveries of which are expected in 2026. At the same time, charging points will be installed at the Telgate and Villimpenta plants, as well as at Giberti and CM.

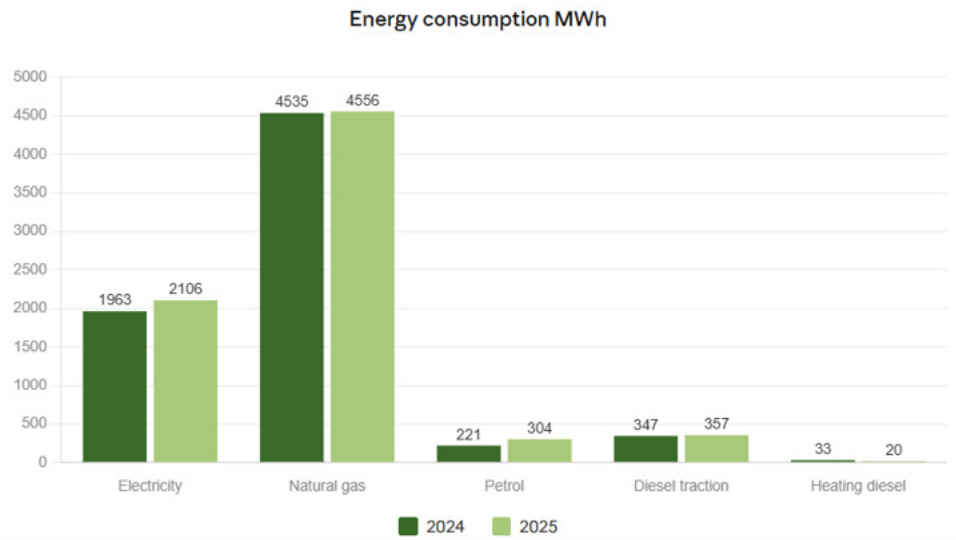


CHART 4 CONSUMPTION OF ENERGY CARRIERS

The Group's total energy consumption in 2025 amounted to 7,344 MWh, up slightly (3%) compared to 7,099 MWh in 2024.

	Consumption			MWh		
	Units of measurement	2024	2025	2024	2025	% change MWh
Fossil fuels						
Electricity from the grid	kWh	1.612.629	1.713.163	1.613	1.713	6%
Methane gas	Stdm3	458.773	460.954	4.535	4.556	0,50%
Petrol for vehicles	Litri	25.306	34.843	221	304	38%
Diesel for vehicles	Litri	34.123	35.114	347	357	3%
Diesel for heating	Litri	3.354	2.065	33	20	-38%
Total energy from fossil sources				**6.749**	**6.951**	**3%**
Renewable sources						
Renewable electricity from the grid	kWh	161.409	169.232	161	169	5%
Electricity from photovoltaics	kWh	188.680	223.833	189	224	19%
Total energy from renewable sources				**350**	**393**	**12%**
Total	**MWh**	**-**	**-**	**7.099**	**7.344**	**3%**

TABLE 15 ENERGY CONSUMPTION WITHIN THE ORGANIZATION

2025 marks a step forward in the contribution of renewable energy to the Group's mix. The total produced and purchased from clean sources reaches 393 MWh, up 12% from 350 MWh in 2024. Specifically, self-produced electricity through photovoltaics increased by 19% (224 MWh), thanks to the entry of Giberti S.r.l. into the scope of the plant.

Looking ahead, 2026 will see a further qualitative leap on this front: the new 383 kWp plant in Villimpenta will enter into operation in the first half of the year and will allow the plant to cover about 50% of its needs from renewable sources; at the same time, the photovoltaic system integrated into the new Telgate automated warehouse, built as part of the Industry 5.0 project and completed in 2025 but not yet in operation as of 31 December 2025, will also become operational.

Across the various sites, the Group has consolidated a set of good practices oriented towards energy efficiency, which are also valid in 2025:

- installation and progressive extension of photovoltaic plants, with the aim of covering increasing shares of the need from renewable sources;
- use of technologies with reduced energy impact, including electric forklifts, adiabatic coolers and LED lighting systems;
- periodic execution of energy audits and diagnoses aimed at identifying efficiency margins and planning investments;
- integration of logistics 5.0 with the new Telgate automatic warehouse, equipped with its own photovoltaic system and designed to reduce operating consumption related to handling;
- progress on the path towards UNI EN ISO 50001:2018 certification, as a structured commitment to systemic energy management at Group level.

Greenhouse gas emissions: Scope 1 & Scope 2

The efficient management of energy carriers and the monitoring of greenhouse gas (GHG) emissions are central elements of sustainability reporting. The company reports annually on its energy consumption and the related CO_2 equivalent (tCO_2eq) emissions, including direct and indirect sources. The standard adopted for calculating the emissions generated by the company is the international Greenhouse Gas Protocol (GHG Protocol).

Scope 1 emissions

Scope 1 emissions include all direct greenhouse gas emissions generated by sources owned or controlled by the company. For the Filtrec Group, this category includes the combustion of methane gas for winter heating of production environments and offices, the use of petrol and diesel for the company car fleet and the residual use of diesel for heating.

In 2025, the Group's direct emissions amounted to 1,115 tCO_2, a slight increase of 3% compared to 1,087 tCO_2 in 2024. The increase is mainly attributable to the growth in petrol consumption linked to the expansion of the car fleet in some foreign branches, which translates into an increase in related emissions of 34%. Emissions from methane gas remained substantially stable (+1%), in line with the trend in related consumption, while emissions from diesel for heating recorded a 39% decrease, following the reduction in the use of this carrier in the Group.

	Units of Measurement	2024	2025	% change
Scope 1	tCO2	1.087	1.115	2,50%
Methane gas	tCO2	926	934	0,90%
Petrol for vehicles	tCO2	60	80	34%
Diesel for vehicles	tCO2	92	95	2,80%
Diesel for heating	tCO2	9	5	-39%

TABLE 16 SCOPE 1: DIRECT GREENHOUSE GAS (GHG) EMISSIONS

Scope 2 emissions

Scope 2 emissions include indirect greenhouse gas emissions from the consumption of electricity purchased from external sources, not directly controlled by the company. For their reporting, the Group adopts the location-based method , which calculates emissions considering the average production mix of the country in which the energy was generated. This approach is based on the average emission intensity of the national electricity grid and reflects the emissions actually associated with the energy mix of the electricity system from which the company draws the energy consumed. In 2025, location-based Scope 2 emissions grew by 11% compared to 2024, an increase that directly reflects the growth in electricity consumption taken from the grid, in turn influenced by the expansion of the perimeter with the entry of Giberti S.r.l..

	Units of Measurement	2024	2025	% change
Scope 2 location-based	tCO2eq	603	668	11%

TABLE 17 SCOPE 2: INDIRECT GREENHOUSE GAS (GHG) EMISSIONS

The Group's total Scope 1 and Scope 2 emissions in 2025 grew by 5%. Giberti's entry into the 2025 perimeter contributes approximately 23 tCO_2eq (Scope 1 + Scope 2 location-based), representing a portion of the absolute variation.

	Units of Measurement	2024	2025	% change
Total emissions (Scope 1 + Scope 2 location-based)	tCO2eq	1.690	1.782	5%
Total emissions (Scope 1 + Scope 2 market-based)	tCO2eq	1.975	2.078	5%

TABLE 18 SCOPE 1 + SCOPE 2 GREENHOUSE GAS (GHG) EMISSIONS

To offer a more meaningful reading of the Group's emissions performance, total location-based Scope 1 and Scope 2 emissions have been compared to two reference metrics: **turnover and number of employees**.

In 2025, despite recording a 5% increase in absolute emissions, the Group shows an improvement in both intensity indicators. The emission intensity on turnover decreased from 0.0000393 to 0.0000364 tCO_2eq/€ (-7%), while the emission intensity per employee decreased from 5.63 to 5.45 tCO_2eq/n (-3%).

The most significant figure emerges from the comparison of growth rates: absolute emissions grew by 5%, against a turnover increase of 14% and a workforce growth of 9%. This decoupling between economic growth and emissions growth indicates that the Group is generating value in a progressively more emission-efficient way: every euro of turnover produced in 2025 generates fewer emissions than in 2024, as does each employee.

	Units of Measurement	2024	2025	% change
Total emissions (Scope 1 + Scope 2 location-based)	tCO2eq	1.690	1.782	5%
Turnover	€	42.968.000	48.904.000	14%
Number of employees	n	300	327	9%
Emission intensity on turnover	tCO2eq/€	0,0000393	0,0000364	-7%
Emission intensity on the number of employees	tCO2eq/n	5,63	5,45	-3%

TABLE 19 EMISSIVE INTENSITY

5.2. Air and water pollution

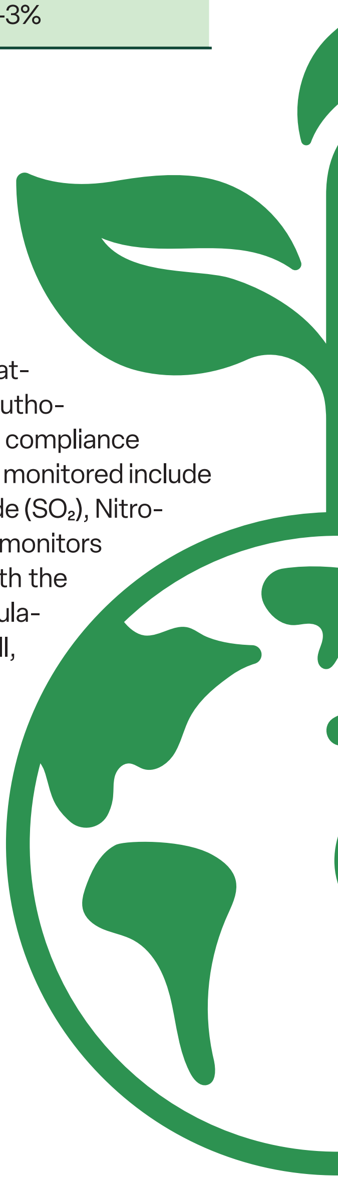
The reporting of other pollutants concerns, also for the two-year period 2024-2025, exclusively the Group's production sites, as they are the only ones to generate and monitor emissions into the atmosphere or exhausts with industrial characteristics. With the entry of Giberti S.r.l. into the 2025 perimeter, the production sites subject to monitoring become three: Filtrec S.p.A. (Italy), Filtrec Bharat (India) and Giberti S.r.l. (Italy).

In the Italian plant of Filtrec S.p.A., emissions into the atmosphere are monitored through two chimneys equipped with extraction systems: the first (E4) serves the sealing and welding department, the second (E2) the screen printing benches. The monitoring, conducted annually, more frequent than the two-year regulatory obligation, detects the concentrations of the following substances: Total Dust (PM), Volatile Organic Compounds (VOCs/COTs), Acrylates.

With regard to water pollution deriving from discharge, the Filtrec S.p.A. plant operates in possession of a permit for discharge into the public sewer system issued by the relevant municipality. First and second rainwater is managed by means of a dedicated discharge with introduction into the soil and surface layers of the subsoil. The analyses of wastewater are transmitted annually to the competent body in accordance with the provisions of the provincial determination.

At Filtrec Bharat, emissions into the atmosphere are subject to a five-year authorization and are periodically analyzed in compliance with local regulations. The substances monitored include Particulate matter (PM), Sulphur dioxide (SO_2), Nitrogen oxides (NO_x). Filtrec Bharat also monitors its water discharges in accordance with the parameters established by local regulations, with particular attention to smell, color, dissolved oxygen concentration and suspended solids. All the values detected are largely within the regulatory limits.

Giberti S.r.l., which entered the scope in 2025, is equipped with two chimneys and is also subject to monitoring dust emissions into the atmosphere, with the obligation of analysis every two years.



5.3. Protection of water resources

Water is not a critical factor in the production processes of the Filtrec Group: its use is structurally limited and **is almost entirely used for hygienic-sanitary functions,** for cooling environments and for irrigating outdoor areas.

No Group site uses water as a direct input to the production process.

In order to contextualize the Group's water consumption with respect to the availability of the resource in the reference areas, a water stress assessment was carried out for each production site, using the Aqueduct Water Risk Atlas[5] tool, developed by the World Resources Institute. This tool makes it possible to classify the level of water stress in a geographical area on the basis of the ratio between total withdrawals and renewable availability of fresh water.

In Italy, the Telgate and Giberti sites fall within areas of medium-high water stress, a classification common to many areas of northern Italy where anthropogenic and agricultural pressure on water resources is historically high. The **Villimpenta and C.M. S.r.l. sites, on the other hand, are located in a medium-low stress range.** The most critical situation concerns **Filtrec Bharat**, whose production site in Bangalore **is classified as an area of extremely high water stress,** a structural condition of a large part of the Indian subcontinent, where the per capita availability of fresh water is among the lowest in the world.

In the Italian plant of Filtrec S.p.A., water withdrawals from the aqueduct and well concern the toilets of the staff, the fire-fighting systems and the irrigation of an adjacent agricultural area, which is managed by a local operator. Similarly, Filtrec Bharat also uses water mainly for the sanitation needs of its staff and for irrigating the company's green areas.

For the two-year period 2024-2025, the scope of water reporting has been extended to the entire Group, also including C.M. S.r.l., Giberti S.r.l. and the commercial branches. For the branches that did not provide the data directly, the withdrawal was estimated on the basis of the number of employees, using as a reference the locations with the most historically stable data.

In 2025, the Group's total water withdrawal amounted to 6,676 m³, an increase of 36% compared to 4,921 m³ in 2024. The two sources of supply continue to be mainly the public aqueduct and the well, used by some specific locations.

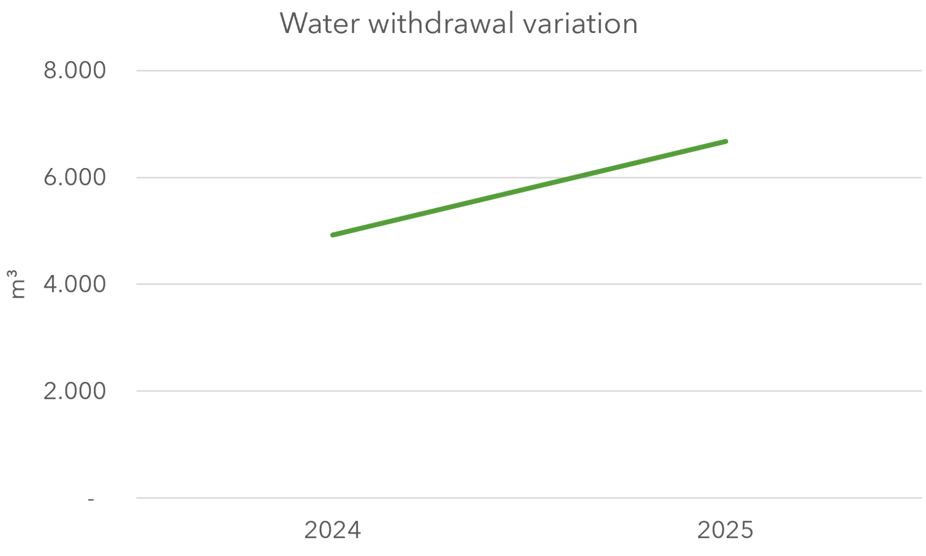


CHART 5 CHANGE IN WATER WITHDRAWAL 2024-2025

The 99% increase in well withdrawals is mainly attributable to Filtrec S.p.A. due to the increase in irrigation of the adjacent agricultural field, which became necessary due to the drier weather conditions recorded in the summer of 2025. **Withdrawals from the aqueduct grew by 19%,** mainly influenced by the increase recorded by Filtrec Iberica (Spain), due to a water leak in a toilet identified and resolved during the year, and by the entry of Giberti S.r.l. **At the same time, there was a reduction in withdrawals from Filtrec Bharat,** which in 2025 did not sustain the extraordinary consumption related to construction activities that had characterized 2024.

	Units of Measurement	2024	2025	% change
Water withdrawal from wells	m^3	1.018	2.024	99%
Aqueduct water withdrawal	m^3	3.903	4.653	19%
Total water withdrawal	**m^3**	**4.921**	**6.676**	**36%**

TABLE 20 WATER WITHDRAWAL

As far as water discharges are concerned, the Group's total in 2025 is 4,018 m^3. The change is largely attributable to the growth in withdrawals and discharges of Filtrec S.p.A., which discharges into the public sewer system in accordance with current authorizations. Net water consumption, calculated as the difference between total withdrawals and discharges, stands at 2,659 m^3 in 2025, up 27% from 2,087 m^3 in 2024.

	Units of measurement	2024	2025	% change
Total water consumption	**m^3**	**2.087**	**2.659**	**27%**

TABLE 21 WATER CONSUMPTION OF THE COMPANY

5.4. Biodiversity

To assess the relationship between the Group's activities and the surrounding ecosystems, a cartographic check was carried out on the production sites in order to ascertain the presence of protected areas, sensitive habitats or areas of high ecological value in the immediate vicinity of the plants. **The audit confirmed that none of the Filtrec Group's production plants are located within protected natural areas, Natura 2000 sites or other areas recognized as being of ecological importance** (e.g. RAMSAR areas, Key Biodiversity Areas).

Although there is no direct impact on vulnerable ecosystems, in 2025 the Group has undertaken a concrete initiative to protect local biodiversity at the Telgate production site. The Tirna stream, which runs along the entire west side of the property of Filtrec S.p.A., is recognized as a provincial ecological corridor by the Provincial Territorial Coordination Plan (PTCP) of the Province of Bergamo, as well as implemented by the Municipal Ecological Network (REC) of the Municipality of Telgate with specific indications for the protection and enhancement of bank vegetation. In this context, **Filtrec S.p.A. has launched a project to enhance the green belt along the stretch of Tirna included within the company property, with the aim of strengthening the ecological continuity of the corridor.**

The intervention involves the construction of a continuous green strip between 4 and 6 meters wide along the entire perimeter adjacent to the stream, for a total area of about 1,450 m^2. The vegetation composition has been designed with semi-hygrophilous species typical of Lombardy's lowland riparian environments, including oxyphyllum ash, black alder, white willow, hawthorn and dogwood. To facilitate the faunal connection between the newly planted green belt and the Tirna riverbed, openings are planned in the existing perimeter fence, sized to allow the passage of wildlife.

The Group remains committed to monitoring the regulatory and territorial context of reference, progressively extending its oversight of the issue of biodiversity also to the offices that have entered the scope more recently.

[15] Analysis performed through the Natura 2000 network database: https://natura2000.eea.europa.eu/

5.5. Input materials

In 2025, the analysis of incoming materials involved three of the Group's production sites: Filtrec S.p.A. (Italy), Filtrec Bharat (India) and, for the first time, C.M. S.r.l. (Italy), which entered the scope of data collection for this year. Giberti S.r.l., acquired during 2025, was not included in the analysis of materials due to a lack of data available in the reporting times; will be integrated from the 2026 financial year. Branches with a commercial or logistical vocation do not generate industrially significant consumption of raw materials and are therefore excluded from the scope of this analysis.

The product categories recorded at the production sites include seven families of materials, identified as representatives of the Group's production needs:

Material	Units of Measurement	2025
Steel	Ton	1.312
Aluminum	Ton	154
Paper	Ton	271
Glues	Ton	52
Wood	Ton	144
Mixed[16]	Ton	649
Plastic	Ton	129
Total	**Ton**	**2.711**

TABLE 22 INPUT MATERIALS[17]

For the 2025 financial year, the total input materials purchased at the three production sites amounted to 2,711 tonnes. The figure is not comparable with that of 2024 as, in that year, the scope of funding was limited to Filtrec Bharat and a partial collection of Filtrec S.p.A., making the temporal comparison unrepresentative. Starting from next year, with the stabilization of the perimeter, it will be possible to offer a more meaningful comparative analysis.

Supply Chain Management

The Group's supplier base remains stable and predominantly local: the Italian production sites are largely sourced from Italian suppliers, limiting exposure to non-European suppliers only to materials for which there are no qualified alternatives on the domestic or continental market. For some types of filter materials, dependence on non-European suppliers remains a structural feature of the sector, which cannot be eliminated in the short term. On this front, the Group is working on the development of alternative suppliers closer together, with some projects already underway in Germany that will become fully operational in 2026.

On the procurement sustainability side, a dashboard dedicated to purchasing offices is being developed which will allow, starting from the end of 2026, to monitor the main suppliers also through qualitative ESG indicators. At the same time, Filtrec Bharat is sta rting a path of development of local suppliers in India, with the aim of progressively reducing the volume of semi-finished products imported from Italy, bringing the supply chain closer to the reference market.

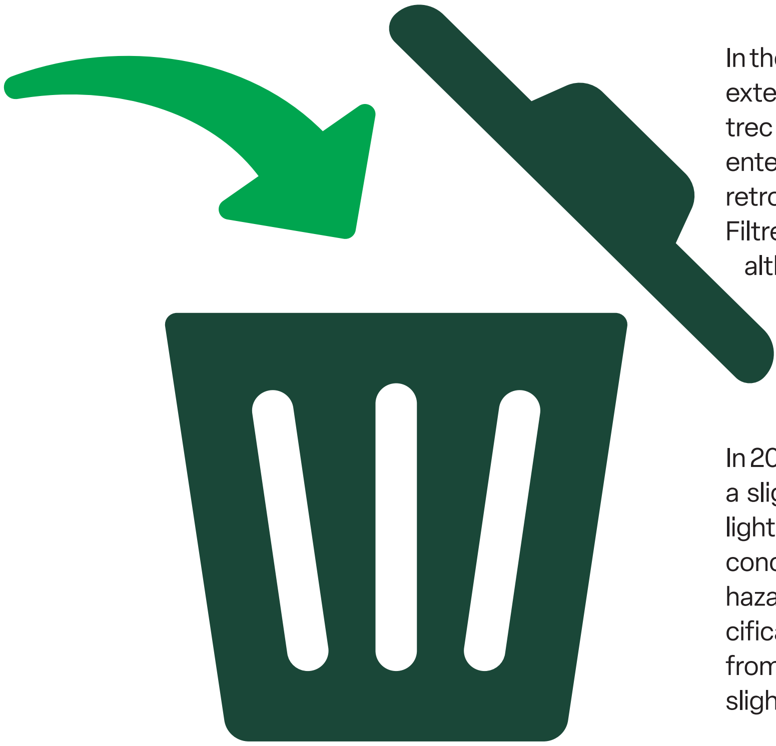
Filtrec S.p.A. plans to start a process of systematic collection of information from its suppliers in 2026, requiring the declaration of the percentage of recycled material incorporated in the products supplied. A further sign of the direction taken is the **adoption, starting from 2026, of certified recycled Euro pallets as a standard for the handling of goods.** The data collected will be reported starting from the next financial statements.

The Group also continues to invest in the digitization of the purchasing process, through the development of advanced features in its management system, aimed at reducing the use of paper and improving efficiency in data sharing with suppliers.

[16] Includes steel, epoxy cover and various materials.

[17] Percentage changes are calculated on the decimal values of internal processing; they may therefore differ by a few percentage points from the integer values displayed.

5.6. Waste management



In the two-year period 2024-2025, waste monitoring was extended to all four of the Group's production sites: Filtrec S.p.A. and C.M. S.r.l. (Italy), Giberti S.r.l. (Italy, which entered the scope in 2025 but whose 2024 data were retroactively integrated to ensure comparability) and Filtrec Bharat (India). The data of commercial branches, although collected for the applicable categories, have a marginal impact on the total and are consolidated in the overall figure. **Waste is classified by type, EER code, final destination (recovery or disposal) and hazardousness.**

In 2025, the Group produced a total of 444 tons of waste, a slight increase compared to 423 tons in 2024, also in light of the expansion of the perimeter. The increase is concentrated in the non-hazardous component, while hazardous waste recorded a significant reduction. Specifically, hazardous waste recorded a contraction of 41% from 28 to 16 tons. Non-hazardous waste increased slightly to 428 tonnes.

The weightiest category remains that of non-hazardous absorbents and filter materials (code 150203), with 141 tons in 2025, confirming the central role of this type of waste in the production cycle. Among the most significant changes are:

- An increase in aluminium sent for recovery (+794%, from 0.4 to 4 tonnes), attributable to a company decision to dispose of aluminium components relating to out-of-catalogue products in stock.
- A strong reduction in aqueous washing solutions (-71%) and oily water (-46%), both hazardous waste destined for disposal, which contribute to the overall improvement of the hazard profile.
- An increase in ferrous metal dust, growing as a result of Giberti's production expansion.
- A reduction in iron and steel (-35%), partly attributable to lower internal processing that generates metal scrap in the period considered.

In 2025, the recovery rate stands at 96.4% of total waste, a further improvement compared to 93.7% in 2024. The share sent for disposal fell to 16 tonnes compared to 27.5 tonnes in the previous year.

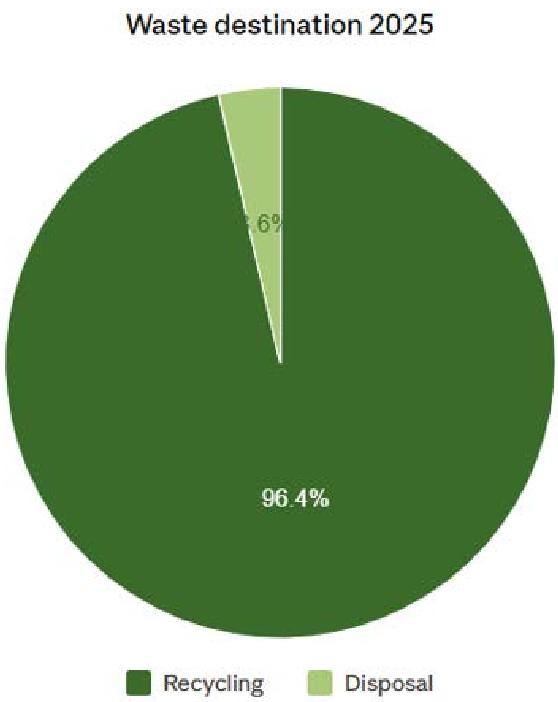


CHART 6 WASTE DESTINATION 2025

Type of waste – EER code	Units of Measurement	2024	2025	% change
Used up toner for printing, other than those referred to in 08 03 17 - 080318	Ton	0,3	0,1	-51%
Waste adhesives and sealants, other than those referred to in 08 04 09 - 080410	Ton	17	17	0,40%
Dust and particulate matter of ferrous metals - 120102	Ton	0	17	N/A
Filing and shavings of non-ferrous metals - 120103	Ton	0,03	3	9597%
Welding waste - 120113	Ton	0	0,8	N/A
Wastes not otherwise specified - 120199	Ton	25	29	17%
Aqueous washing solutions - 120301*	Ton	14	4	-71%
Mineral oils for hydraulic circuits, non-chlorinated - 130110*	Ton	0,1	0,2	67%
Oily water produced by oil/water separators - 130507*	Ton	9	5	-46%
Paper and cardboard packaging - 150101	Ton	64	72	13%
Plastic Packaging - 150102	Ton	13	13	2%
Wooden Packaging - 150103	Ton	67	73	8%
Mixed Material Packaging - 150106	Ton	8	11	32%
Packaging containing or contaminated with hazardous substances - 150110*	Ton	1	2	305%
Absorbents, filter materials (including Oil Filters not otherwise specified), rags and protective clothing, contaminated with hazardous substances - 150202*	Ton	4	5	19%
Absorbents, filter materials, rags and protective clothing, other than those referred to in 15 02 02 - 150203	Ton	134	141	5%
end-of-life equipment, other than that referred to in headings 16 02 09 to 16 02 13 - 160214	Ton	0,1	2	2875%
Aluminum - 170402	Ton	0,4	4	794%
Iron & Steel - 170405	Ton	64	41	-35%
Paper & Cardboard - 200101	Ton	2	3	49%
Total non-hazardous waste	**Ton**	**396**	**428**	**8%**
Total hazardous waste	**Ton**	**28**	**16**	**-41%**
Total waste	**Ton**	**423**	**444**	**5%**

TABLE 23 WASTE GENERATED

6. **Methodological** note

This sustainability report is prepared on a voluntary basis, in accordance with the VSME (Voluntary Sustainability Reporting Standard for non-listed SMEs) defined by EFRAG. The company has adopted the Basic Module, which offers a structured, transparent framework consistent with the requests of the main stakeholders. This edition is the second in the Filtrec Group's Sustainability Report and covers the financial years 2024 and 2025, allowing the main indicators to be comparable over time. The reporting scope refers to the subsidiaries controlled by the parent company Filtrec S.p.A. active in the period under consideration and from which the data were received in the timeframe necessary for this report.

All indicators have been developed according to the methodologies suggested by the VSME standard. In the presence of specific estimates, approximations or methodological choices, these are explicitly reported in the respective thematic chapters.

Quantitative data are expressed in the recommended units of measurement (e.g. MWh, tCO_2eq, m^3, ton), with reference to international standards where relevant. Greenhouse gas emissions are calculated in accordance with the GHG Protocol, applying country-specific emission factors for location-based Scope 2 emissions and supply factors for the market-based method. Conversion factors for fuels follow IPCC reference values.

Information relating to environmental, product and system certifications is described in the chapter dedicated to the Business Model. Where the contents are already reported in other official documents, explicit reference has been made to promote documentary consistency. Omitted or partial information is justified in the Content Index.

Compared to the previous edition, the scope has been significantly expanded: Filtrec Iberica S.L. and C.M. S.r.l., already part of the Group but not included in the 2024 financial statements due to partial unavailability of data, have been integrated starting from the 2024 financial year with retroactive collection. Giberti S.r.l., acquired in July 2025, was included in the 2025 scope, Giberti's data were treated conservatively, referring to the entire year rather than just the period following the acquisition. The French subsidiary (Filtrec France), established in 2025 and operating exclusively as a commercial structure, is included in the corporate perimeter only.

The Group's main production plants are located in Italy (Telgate and Villimpenta, both owned by Filtrec S.p.A., with the sites of C.M. S.r.l. and Giberti S.r.l.) and in India (Filtrec Bharat, Bangalore). The remaining subsidiaries mainly perform commercial, logistical or technical support functions. For the purposes of this Report, the U.S. Branch is reported as a commercial subsidiary. The 2025 production data were excluded because they were incomplete and not homogeneous, following the start of the activity during the year.

The companies included in the reporting scope are the following:

Sites	Address	Country	Geographical coordinates
Filtrec S.p.A. Registered office and production plant	Via dei Morenghi, 1, 24060, Telgate (BG)	Italy	45.63505011083433, 9.85550625465459
Filtrec S.p.A. Production plant	Via Marconi, 61A, 46039, Villimpenta (MN)	Italy	45.14402715095148, 11.013519795706111
C.M. S.r.l. ("CM Srl")	Via S. Giuseppe, 34 - 24060 Telgate (BG)	Italy	45.627261456329414, 9.838984081644957
Giberti S.r.l. ("Giberti S.r.l")	Via Michelangelo Buonarroti 3 - 22070 Carbonate (CO)	Italy	45.67591108879129, 8.928900554656401

Filtrec Bharat Manufacturing Private Ltd ("Filtrec Bharat")	21, 22 & 23, 80 Feet B.D.A. Road, Arekere, 560076, Bangalore, Karnataka	India	12.884454826723568, 77.60362259609325
Filtrec Filtertechnik GmbH ("Filtrec GmbH")	Carl-Zeiss-Str. 3, 71154, Nufringen	Germany	48.63194262772783, 8.89908465478653
Filtrec Latam Comercio De Filtros Eireli ("Filtrec Latam")	Rua Ver. Abrahão João Francisco, 4200, 88307-302, Itajai, Santa Catarina	Brazil	-26.931478379597582, -48.688597218778
Filtrec North America Inc. ("Filtrec North America")	5101 W County Road 400 S, 47302, Muncie, Indiana	USA	40.13428081030137, -85.44550204741194
Filtrec Poland SP. Z.O.O ("Filtrec Poland")	Ul. Wojkowicka 14A, 41-250, Czeladź	Poland	50.33342247923605, 19.07317655486454
Filtrec Filtre Sistemleri Sanayi Ve Ticaret Ldt Sirketi ("Filtrec Turkey")	Yakuplu Mah. Göçmen Sk. No: 1 İç, Kapı No: 107, Beylikdüzü, Istanbul	Turkey	40.99935204527126, 28.680324872906848
Filtrec UK Ltd. ("Filtrec UK")	Units 2 & 3 Parys Road, Ludlow Business Park, Ludlow, Shropshire	United Kingdom	52.36656664772706, -2.6968171892136086
Filtrec Iberica SL ("Filtrec Iberica")	Calle Noria, 9 – Naves 7A-7B - Polígono Industrial Valldoriolf 08430 – La Roca del Vallès	Spain	41.59775756721233, 2.302448485167842
Filtrec SAS ("Filtrec France")	14 Rue Eugène Thevenin Zone des Gravilliers 25300 Pontarlier	France	46.901267491586694, 6.338447066861929

TABLE 24 COUNTRY OF MAIN OPERATIONS AND LOCATION OF SIGNIFICANT ASSETS

The following companies were not included: Filtrec Asia Pacific PTY. Ltd, Filtrec Middle East FZC and Filtrec Filtration Shanghai Co. Ltd., as they are not controlled by the parent company. Filtrec LLC (Russia) is excluded as the subsidiary was closed during 2025, at the conclusion of the reorganization process started in 2024.

2024 data restatement

With the expansion of the scope, the 2024 figures have been retroactively reworked to include C.M. S.r.l. and Giberti S.r.l., in order to ensure comparability with 2025. Where the restatement involves significant deviations from what is published in the 2024 financial statements, this is reported in the respective thematic chapters. In particular, the 2024 totals for human capital, energy, GHG emissions, water and waste differ from those of the previous edition as a result of this integration.

Given the Group's structure and the different availability of data by branch, the scope of reporting varies according to the subject area, as detailed below:

- **Environment — Energy and GHG (B3)**: all production sites (Filtrec S.p.A., Filtrec Bharat, C.M. S.r.l., Giberti S.r.l.) and commercial branches, with the exception of Filtrec France. The data from Filtrec UK and Filtrec GmbH are partial (no consumption from the electricity grid recorded as the sites do not have direct contracts for supply). For Giberti, the data for the entire year 2025 were considered (a conservative approach was taken) despite the acquisition taking place in July 2025.
- **Environment — Pollution (B4)**: production sites with authorisation monitoring obligations, i.e. Filtrec S.p.A., Filtrec Bharat and Giberti S.r.l.. The values recorded are constantly below the limits set by the local regulations applicable to each location.

- **Environment — Water (B6):** extended to the whole Group. For the branches that did not provide the precise data, the withdrawal was estimated on the basis of the number of employees, with reference to the locations with a more stable time series.
- **Environment — Input materials (B7)**: Filtrec S.p.A., Filtrec Bharat and C.M. S.r.l. for 2025. Giberti S.r.l. is excluded for 2025 due to the lack of availability of data within the reporting times; will be included from the 2026 financial year. For 2024, the scope is limited to CM S.r.l. and Filtrec Bharat.
- **Social (B8–B10):** for 2024 all branches included in the scope of the previous year that do not include Giberti S.r.l. and Filtrec France, for 2025 all branches including Filtrec France.

Information from the Parent Company	Filtrec S.p.A.
Legal form	Joint-stock company
NACE code	28.29
Turnover	48.904.000
Number of employees	327
Main Country of Operation	Italy
Certifications and labels	UNI EN ISO 9001:2015, UNI EN ISO 14001:2015 e UNI EN ISO 45001:2018

For information regarding this document, please write to: **amministrazione@filtrec.it**

7. Content **Index**

	Information	Chapter	Omission
Basic Module General information	B1- Basis for preparation	6. Methodological note	N/A
	B2- Practices, policies and future initiatives for transitioning towards a more sustainable economy	2.2 Practices, policies and initiatives	N/A
Basic Module Environment metrics	B3- Energy and greenhouse gas emissions	5.1 Energy consumption and GHG emissions	N/A
	B4- Pollution of air, water and soil	5.2 Air and water pollution	N/A
	B5- Biodiversity	5.4 Biodiversity	N/A
	B6- Water	5.3 Protection of water resources	N/A
	B7- Resource use, circular economy and waste management	5.5 Input materials	The data of the company Giberti S.r.l. are not available for the financial year 2025
		5.6 Waste management	N/A
Basic Module Social metric	B8- Workforce – General characteristics	4.1 Capital human	N/A
	B9- Workforce – Health and safety	4.4 Occupational health and safety	N/A
	B10 - Workforce – Remuneration, collective bargaining and training	4.2 Collective bargaining and remuneration 4.3 Training	
Basic Module Governance metrics	B11- Convictions and fines for corruption and bribery	2.3 Fight against corruption	N/A

Sustainability Report 2025

FILTREC S.P.A