

SUSTAINABILITY PROGRESS REPORT

2025



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01 A MESSAGE TO OUR STAKEHOLDERS

As CEME Group continues its journey of growth and evolution, the 2025 Sustainability Report provides an opportunity to reflect on the progress achieved so far and the ambitions that will shape our future. Guided by the values that have contributed to CEME's success over time, we are **strengthening our business, expanding our capabilities, and investing in innovation and long-term growth.**

While remaining firmly rooted in the coffee market, where CEME has earned a strong reputation built on technology, quality, and customer trust, we are also increasingly recognized for the breadth of **our expertise across industrial and medtech applications.** These businesses will develop on the foundation of the same **engineering excellence** that has always distinguished our Group, extending the reach of our technologies into new markets and opportunities while positioning us for the next phase of growth.

This evolution is accompanied by an equally **strong commitment to sustainability.** Fully supporting the principles of the United Nations Global Compact and the Sustainable Development Goals, we continue to integrate environmental, social and governance considerations into our decisions, operations, and long-term strategy. As we look ahead, this perspective remains central to the Group, enabling us to create **lasting value for our people and communities.**

It is therefore my pleasure to present the 2025 Sustainability Progress Report, which not only reflects the progress achieved so far but also outlines the path ahead towards **a more responsible, resilient, and future-ready organization.** Through this report, we provide an overview of our actions, progress, and commitments, reflecting CEME Group as it is today: **a company with deep roots, innovative DNA, and a clear vision for the future.**

Lastly, I would like to sincerely thank all CEME employees, customers, partners, and stakeholders for their trust and support. The achievements here described are the result of our **shared dedication and collaboration.** Together we have built the foundations for our next chapter, contributing to a more sustainable future.

Thank you for being part of this journey.

Alessandro Perrotta, CEO

02 SUSTAINABILITY HIGHLIGHTS

ENVIRONMENT

- Achieved 94% of electricity consumption sourced exclusively from guaranteed renewable energy.
- Installed solar panels with a capacity of 1 MWp at the CEME Trivolzio plant, contributing to on-site renewable electricity production.
- Maintained ISO 14001 certification for the environmental management systems of all currently certified sites
- Achieved ISO 50001:2018 Energy Management System certification for the Trivolzio site.
- Completed the submission of near-term greenhouse gas emissions reduction targets for validation under the Science Based Targets initiative (SBTi).

SOCIAL

- Implemented Workplace Health Promotion (WHP) program across Italian sites to enhance employee health & wellbeing
- Maintained 100% of Italian production sites certified under the ISO 45001 standard for health and safety management systems.

GOVERNANCE

- Expanded Cybersecurity Awareness across the entire organization.
- Maintained 100% of production sites certified under the ISO 9001 standard for quality management systems.
- Earned a Bronze medal in the EcoVadis Sustainability Rating, placing us in the top 35% of companies globally.

03 50 YEARS OF EXPERIENCE AND INNOVATION

A GREAT PAST FOR A BETTER FUTURE

— CEME's history

Founded in 1974, CEME has grown to be a world leader in the production of industrial solenoid valves and pumps. Its first significant expansion came between the 1980s and 1990s with the construction of the Tarquinia site located in the Lazio region in Italy. Following this increase in the company's production capacity, CEME expanded its business by investing in its production facility. Implementing a specialised engineering department and advanced assembly lines allowed it to multiply its application sectors and extend its product portfolio. This specialisation led to the design and development of fluid control components, such as solenoid pumps, solenoid valves, pressure switches, flow meters, and complete accessories.

In the early 2000s, CEME expanded its presence beyond national and European borders. In 2005, the Group opened a production facility in Zhongshan, China, to serve the Asian market. The following year, CEME strengthened its market position through the acquisition of ULKA, a Retorbido (PV)-based company and a market and technology leader in solenoid-piston pumps at the time. This acquisition marked a significant milestone in the Group's growth, providing full access to the Coffee & Steam market and substantially expanding its sales and customer base.



MISSION

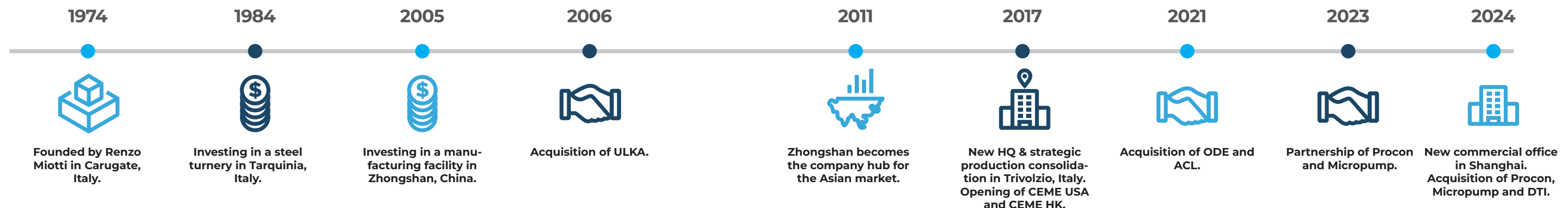
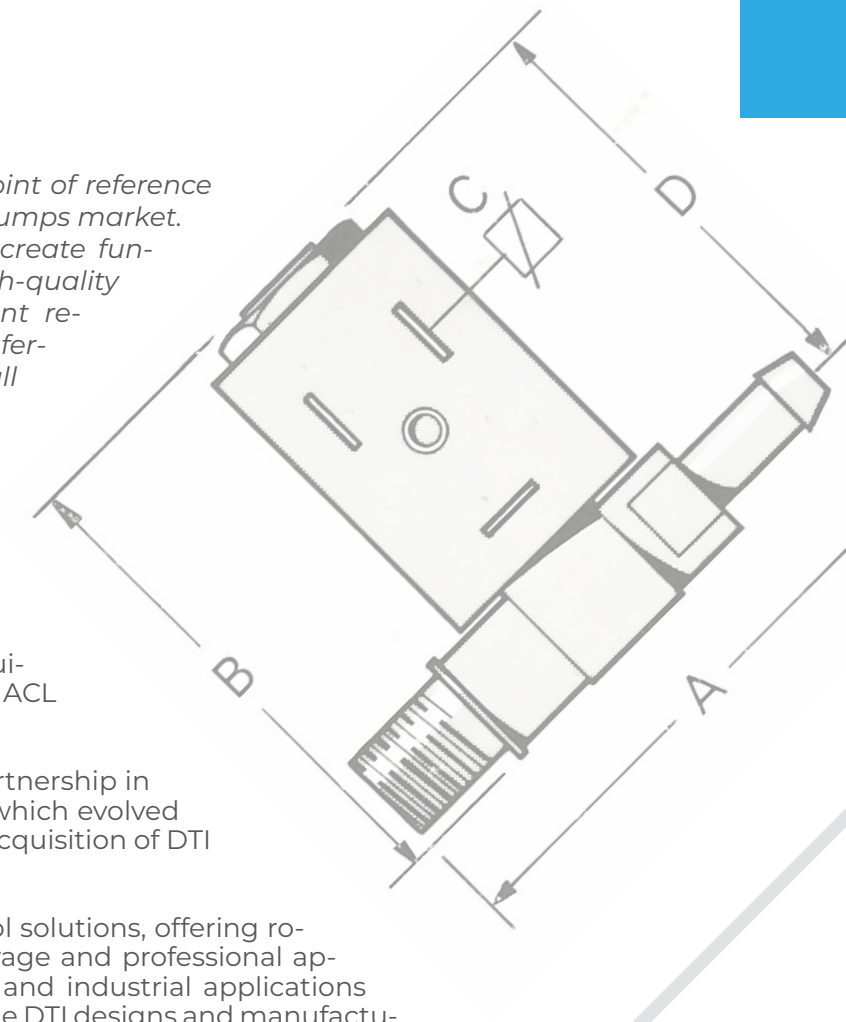
We aim to be the world's point of reference in the solenoid valves and pumps market. We invest in innovation to create functional products. We use high-quality materials to obtain excellent results. We aim to be the preferred technical partner for all clients.

Following Investindustrial's acquisition of the Group and in support of its long-term growth strategy, CEME further expanded its operations in 2021 through the acquisitions of ODE S.r.l., based in Colico (LC), and ACL S.r.l., based in Cavenago (MB).

In 2023, CEME established an operational partnership in the Americas with Procon and Micropump, which evolved into a full acquisition in 2024, alongside the acquisition of DTI in Europe.

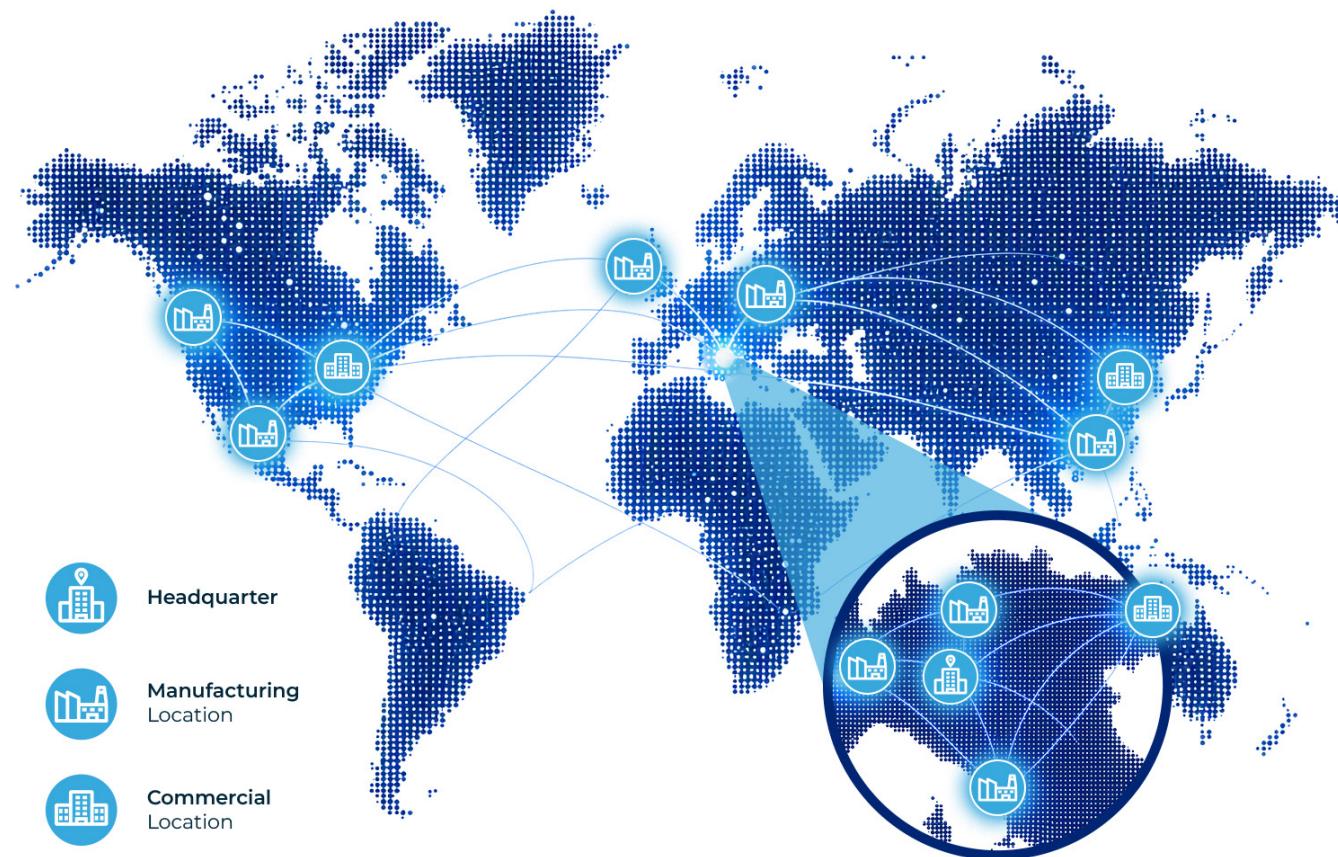
Procon specialises in customised fluid control solutions, offering rotary and gear pumps primarily for the beverage and professional appliance sectors. Micropump serves medical and industrial applications where precision and reliability are critical, while DTI designs and manufactures electronic systems for the professional appliance market. Together, these acquisitions strengthen CEME's technological capabilities, broaden its product offering, and enhance its presence in key strategic markets.

These new acquisitions are currently in the scope of this report.



CEME Today

With revenues of EUR 359 million, CEME employed 1.486¹ people as of December 31st, 2025. The vast majority of the Group's workforce is in the operational production plants and offices in Italy, China, Ireland, Hungary and US, while the remainder are located in offices in Hong Kong and Shanghai.



The Trivolzio site, near Pavia, hosts the Group's administrative headquarters and the Company's largest manufacturing facility, equipped with high levels of cutting-edge automation. The plant, together with the Colico (ODE) and Cavenago di Brianza (ACL) sites, mainly deal with assembly activities. The Tarquinia plant focuses mainly on manufacturing semi-finished products and components for the intercompany flow, while the northern Italy Trivolzio site, together with ODE and ACL, primarily deal with national and international customers.

The Zhongshan plant is our reference production centre for the Asian market. The Chinese site, deals with semi-finished products, components and final solenoid valves and solenoid pumps sold locally.

The Group's industrial footprint is further complemented by Procon Europe, based in Mountmellick (Ireland), and Micropump in Vancouver (Canada), employees.

DTI operates through a dual-site structure, combining an Italian facility focused on R&D and specialized production with a manufacturing plant in Zalaegerszeg, Hungary enabling an effective integration of innovation and industrial capabilities.

¹ Data referring to the total number of CEME employees worldwide in FTE.

Market presence

The global presence and continuous expansion of CEME Group are distinctive traits of its success. The constant diversification of the Group's product portfolio over the years has allowed it to achieve record expansion, both in terms of geographical areas and applications. CEME focuses on four main market segments. The Group's success stems from a customer-oriented operating model, offering critical-to-function bespoke solutions that combine innovation and quality.

EMEA

59,3%

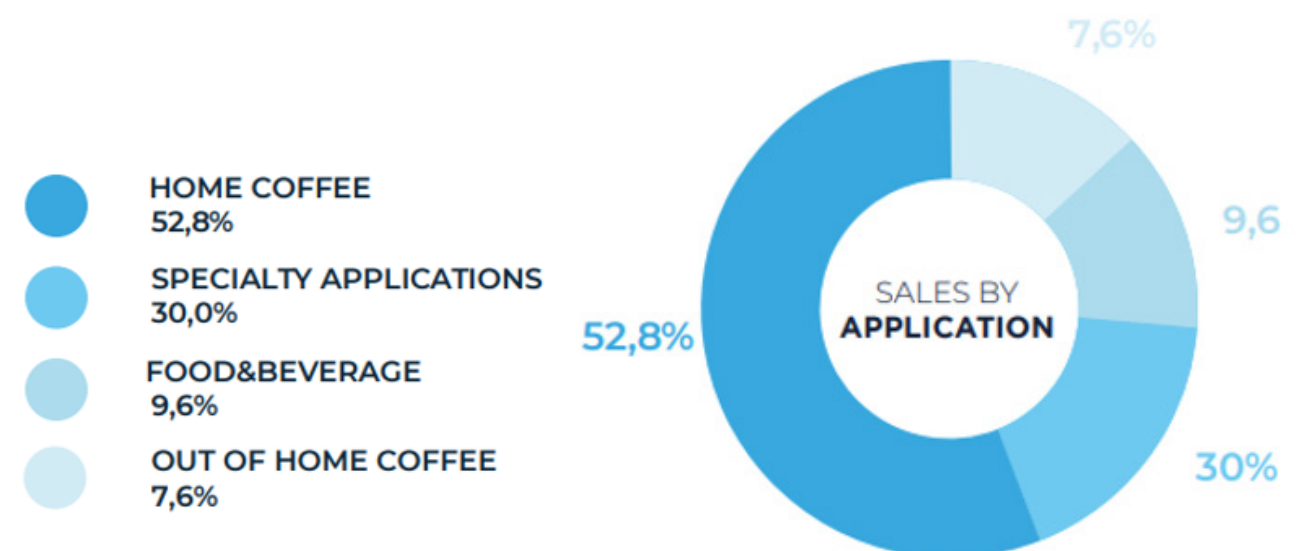
APAC

30,0%

AMERICA

10,7%

With its comprehensive product portfolio, CEME Group is able to meet the needs of its customers in various sectors. The main reference area is Food & Beverage, which represents 52.8% of total sales. Following this are Specialty Applications, while the remaining sales are divided between the coffee market, with both domestic and professional coffee machines.



04

OUR SUSTAINABILITY PATH

CEME is responsible for setting high standards and achieving continuous progress with regard to its stakeholders. Our commitment is expressed through continuous efforts to understand how best to integrate social and environmental sustainability into our daily actions.

CEME’s key stakeholders

CEME's key stakeholders are detailed below, according to the type of engagement activities:

STAKEHOLDER GROUPS AND ENGAGEMENT ACTIVITIES

 Employees	Continuous dialogue between managers, HR department and employees; specific initiatives.
 Suppliers	Continuous dialogue.
 Commercial partners	Continuous dialogue; periodic meetings.
 Local communities	Continuous dialogue; formal meetings and collaborations; specific initiatives.
 Competitors	None.
 Clients	Continuous dialogue; periodic meetings; cooperation on R&D of new products; fairs.
 Investors	Formal meetings; periodic management reports.
 Regulatory and certification bodies	Formal meetings; continuous dialogue.
 Unions	Continuous dialogue between the HR department and the Unions.
 Public administration	Formal, continuous dialogue.

Materiality analysis

The materiality analysis represents a critical step in developing our Sustainability program. The topics included this year are the outcome of a revised materiality analysis that considers the requirement stated in the GRI Standards published in 2021.

The materiality assessment, developed in 2022, is aimed at identifying the relevant impacts coming from the different activities carried out along the Group value chain, classified as negative or positive, and as actual or potential, depending on whether they occurred or just could happen but have not yet.

To conduct this analysis, we followed a structured approach comprising several key steps. We began with a thorough evaluation of our operations and business environment, incorporating a benchmarking review of sustainability reports from industry peers and competitors, as well as an examination of prevailing global sustainability trends and relevant regulatory frameworks. We mapped all elements of the Group's value chain, distinguishing between direct activities and those undertaken by external stakeholders, both upstream and downstream of our core boundaries.

The process starts with upstream operations, which include the extraction and refinement of raw materials that are transported to our manufacturing facilities through an inbound logistics network. At the core of our value chain, we focus on assembly, production engineering, and research & development to foster innovation and create new products. Moving to downstream activities, our outbound logistics network ensures product distribution to clients, who then integrate these components into final goods for consumers. The lifecycle concludes with product utilization and end-of-life management, ensuring the entire cycle.

The operational context sets the basis for our impact assessment. Through this evaluation, we identified various impacts on the economy, environment and society, and analyzed their significance based on severity and likelihood. On the one hand, the severity of an actual or potential impact has been determined according to its scale (how severe the impact is), scope (how widespread the impact is) and irremediable character (how hard it is to counteract or make good the resulting harm). On the other hand, the likelihood represents the chance of the impact happening.



By implementing this structured approach—validated by CEME’s Top Management and overseen by the Chief Sustainability Officer appointed by the CEO—we successfully aligned our key impacts with the list of material topics reported in the table below:

MATERIAL TOPIC	IMPACT	DESCRIPTION	VALUE CHAIN
ENERGY AND GHG EMISSIONS	Climate change caused by greenhouse gas emissions	Through the consumption of energy and the use of F-Gas, the activities carried out along the entire value chain generate greenhouse gas emissions thus contributing to negative impacts on climate change. Among others, we mitigate this impact through the use of renewable energy sources in our plants.	Upstream, Core, Downstream
MATERIALS	Depletion of natural resources caused by the consumption of raw materials	The materials used to manufacture the products depend significantly on the use of natural resources, having repercussions on their availability and on the surrounding ecosystems. In order to mitigate this direct effect, our R&D department is constantly	Upstream
WASTE MANAGEMENT	Environmental pollution generated by incorrect waste management	The production of waste is directly linked to the production processes and to the disposal of the final product. If not managed correctly, waste treatment can cause damage to the ecosystem. To cope with this impact, we guarantee full adherence with all national legislation and best practices in terms of waste management, both as regards our operations (including eco-design) and suppliers'.	Upstream, Core, Downstream
WATER MANAGEMENT	Reduction of water availability due to improper use of water resources	Water withdrawal and consumption have an impact on the territory in which both CEME and its suppliers operate, reducing the availability of the resource for local populations. In an effort to reduce the effects of this impact we implemented actions in order to rationalize and improve our water management.	Upstream, Core
DIVERSITY AND EQUAL OPPORTUNITIES	Human rights violations resulting from inadequate working conditions	The lack of adequate worker protection practices could generate negative impacts of violation of human rights along the entire value chain. Through its Code of Ethics and the policy system put in place, the direct effect of this impact is then mitigated.	Upstream, Core, Downstream

DIVERSITY AND EQUAL OPPORTUNITIES	Employee discrimination and lack of equal opportunity due to poor D&I practices	The lack of practices to protect diversity and inclusion among employees can generate cases of discrimination and worsen the personal and professional conditions of employees. Also in this case, through its Code of Ethics and the policy system put in place, the direct effect of this impact is then mitigated.	Upstream, Core, Downstream
EMPLOYEES HEALTH AND SAFETY	Damage to the health and safety of workers due to inadequate working conditions	The impacts on workers' health and safety are mainly linked to the presence of physical risks associated with inadequate working conditions in all direct and indirect activities. The full adherence to all applicable legislation and best practices, and the involvement of suppliers on these topics, is the main mitigating lever we rely on.	Upstream, Core, Downstream
CUSTOMER HEALTH AND SAFETY	High quality and durability of the product for the final consumer	Careful controls, production practices, constant attention to detail and innovative processes generate positive impacts for a long-lasting and quality final product, guaranteeing a high level of health and safety for the final consumer.	Core, Downstream
PEOPLE TRAINING AND DEVELOPMENT	Development of workforce skills through the promotion of training activities	Through the development of specific skills, we equip our employees with the tools and training necessary for their growth, from technical skills to managerial and interpersonal skills.	Core
BUSINESS ETHICS	Violation of business ethics rules and practices	The lack of effective control over corporate conduct and non-compliance with the law can lead to the emergence of cases of corruption and anti-competitive behaviour. Through the years, we have approved documents such as our Anti-Corruption policy and our Code of Ethics to reduce the likelihood of occurrence of this impact.	Upstream, Core, Downstream

CEME has already carried out a Double Materiality Assessment in accordance with the Corporate Sustainability Reporting Directive (CSRD) and aligned with the requirement of the European Sustainability Reporting Standards (ESRS). Following the adoption of the EU Commission's Omnibus simplification package — a legislative initiative designed to ease and streamline sustainability reporting requirements — the CSRD reporting timeline has been postponed to 2028. CEME will use this additional time to further refine and strengthen its materiality analysis, ensuring alignment with the evolving standards and expectations.



UNITED NATIONS GLOBAL COMPACT

The United Nations Global Compact (UNGC) is a voluntary initiative based on CEO commitments to implement universal sustainability principles and to undertake partnerships in support of UN goals. The ten principles address the areas of human rights, labor, the environment, and anti-corruption.

Given that most of the Group's direct activities and suppliers are located in the European Union, where Human Rights are regulated by law, CEME's Sustainability Report does not directly address the UNGC Human Rights guidelines. As for Zhongshan, the Group's Code of Ethics directly applies to practices in the Chinese facility. In addition, some of the most critical human rights issues related to the Group's activity, such as occupational health and safety, are already included among the "Labour" principles and issues reported by the Company.

The 17 Sustainable Development Goals (SDGs) of the 2030 Agenda for Sustainable Development are seen as an integral part of our UNGC commitment. The SDGs aim to eradicate poverty, mistreatment of human rights and the unequal distribution of resources whilst developing effective strategies to improve and encourage health, education and economic growth. Parallel to all these humanitarian efforts, these goals audaciously strive to tackle climate change and preserve marine and land ecosystems. Given their importance, CEME has identified six SDGs to which it commits its contribution through activities and initiatives. The Group's selected SDGs are highlighted below.



In 2025, CEME Group defined a revised structure of its strategic sustainability pillars, fully aligned with the European Sustainability Reporting Standards (ESRS) and the Corporate Sustainability Reporting Directive (CSRD).

Each pillar of CEME's sustainability strategy is supported by a dedicated policy, which defines the relevant commitments, governance mechanisms, operational processes and controls in place for the management of material topics. This ensures a structured and consistent approach to sustainability management throughout the Group.



SUSTAINABILITY AND ESG OBJECTIVES

CEME sustainability path is intended to continually progress by monitoring performance, reporting on initiatives and setting clear, specific and measurable objectives for the future. To achieve this, this year's report focuses on the events of 2025 and future sustainability targets organized according to the SDGs for which we will be held accountable.



ECOVADIS SUSTAINABILITY RATING: BRONZE MEDAL

In 2025, the CEME Group conducted an in-depth assessment of its corporate sustainability practices through EcoVadis, a globally recognized provider of business sustainability ratings. The EcoVadis assessment covers four key themes: environment, labor and human rights, ethics, and sustainable procurement. The Group was awarded a Bronze Medal, placing it among the top 35% of companies assessed globally.

SDG	SUSTAINABILITY OBJECTIVE	SCOPE	TARGET	YEAR TO REACH THE TARGET	CURRENT STATE
	Reduction of Scope 1 and Scope 2 market based GHG emission	CEME Group	-27,5% emissions reduction by 2030	2030	On track
	% of Electricity covered by Guarantees of Origin purchased and consumed over total electricity in the Group plants	CEME, ODE, ACL	100%	Yearly	On track
	% of Electricity covered by Guarantees of Origin purchased and consumed over total electricity in the Group plants	Procon, Micropump, DTI, Batam	50%	2028	New objective
	Compensation of transport-related CO2 emissions for Italian plants	CEME (Italy), ODE, ACL	100% joining DHL GoGreen program	Yearly	Achieved
 	Implementation of a Health and Safety management system according to the ISO 45001 standard in Zhongshan	Zhongshan	ISO certificate completion	2026	New objective
 	Implementation of a Health and Safety management system according to the ISO 45001 standard at Procon Ireland	Procon Ireland	ISO certificate completion	2026	New objective
 	Progressive implementation of a Health and Safety management system according to the ISO 45001 standard at all Group sites	Newly acquired companies (excluding Procon Ireland)	ISO certificate completion	2030	New objective
	Definition of a Climate Strategy and submission of carbon reduction targets to the Science Based Targets initiative (SBTi)	CEME Group	SBTi targets submission	2026	On track
	Feasibility study for the use of recyclable/sustainable materials, including green plastics, for components production	CEME (Italy)	Certificate of the use of recyclable/sustainable components	2028	Ongoing

SDG	SUSTAINABILITY OBJECTIVE	SCOPE	TARGET	YEAR TO REACH THE TARGET	CURRENT STATE
 	Implementation of an Energy management system according to the ISO 50001 standard in Tarquinia plant	Tarquinia	ISO certificate completion	2028	New objective
 	Maintenance of the threshold levels of Dust/VOCs/COD <10% compared to the limits provided for by the authorizations	CEME (Italy), ODE, ACL	<10% of the authorization limits	Yearly	Ongoing
	Reduction in water consumption per produced unit per plant	CEME, ODE, ACL	Liters per unit produced ≤ previous year	Yearly	Ongoing
	Reduction of waste destined to landfill through reuse, recovery and recycling, optimizing management processes and practices	CEME Group	75% of total waste sent to landfill disposal	Yearly	On track
 	Cybersecurity Awareness extended to the entire organization	CEME (Italy and China)	100% of staff with company electronic devices	Yearly	Achieved
 	Implementation of energy monitoring system for energy efficiency at Tarquinia plant	Tarquinia	100% installation	2026	New objective
	Implementation of the project for the use of returnable packaging in intercompany transport	CEME (Italy)	60% reduction in cardboard packaging	2026	On track
	CEME S.p.A. Code of Ethics extended to all Group companies	CEME (Italy)	100% of the Group companies	2027-2028	New objective
	EU Pay Transparency – Alignment with pay transparency obligations: documented salary criteria and monitoring of the gender pay gap	CEME (Italy), ODE, ACL, DTI Italy, Procon Ireland	100% implementation in EU plants	2026	New objective
	Promotion of employee development through continuous learning and professional development programs, defined according to the different geographical areas in which the Group operates	CEME Group	>60% of employees engaged	Yearly	Achieved

SDG	SUSTAINABILITY OBJECTIVE	SCOPE	TARGET	YEAR TO REACH THE TARGET	CURRENT STATE
	Smart working implementation regulated and differentiated based on the type of work activity.	CEME (Italy), ODE, ACL, DTI Italy	100% adoption at Trivolzio, Tarquinia, ODE, ACL sites	Yearly	Achieved
	Activation of the EAP initiative – Employee Assistance Program	CEME (Italy), ODE, ACL, DTI Italy	Platform activation	2026	New objective
	Workplace Health Promotion program (WHP) for employee health & wellness	CEME (Italy), ODE, ACL	Implementation of the activities at Trivolzio, Tarquinia, ODE, ACL sites	Yearly	Achieved
	Continuous monitoring and effective management of the reporting system to strengthen occupational health and safety practices at ISO 45001 certified sites	CEME (Italy)	90% of corrective actions resulting from reports closed within the expected timelines	Yearly	Achieved
 	Annual increase in the share of suppliers adopting certified or ISO 45001-aligned H&S management systems	CEME Group	% increase in suppliers with respect to previous year	Yearly	Achieved
	Strengthening engagement with local communities through collaborations and partnerships with high schools and universities	CEME (Italy), ODE, ACL	20 students engaged	Yearly	Achieved
	Continuous support of local communities by participating in solidarity projects for the benefit of society and the surrounding area	CEME (Italy), ODE, ACL	4 initiatives	Yearly	Achieved
	Achievement of positive results in customer audits by achieving a defined target score	CEME Group	90% of Class A audits	Yearly	Achieved
	Maintenance of ISO 9001 for the Group's sites	CEME Group (excluding Batam)	Certificate	Yearly	Achieved
	Obtaining ISO 9001 for the Batam site	Batam	Certificate	2026	New objective
	Signature of the Code of Ethics by the main suppliers	CEME (Italy and China), ODE, ACL	95% of new suppliers to whom the Code of Ethics is shared	Yearly	Achieved

CORPORATE GOVERNANCE

Since 2018, CEME is implementing a control and governance system based on a Board of Directors (BoD) that comprises seven members² and is vested with the powers to ensure the ordinary and extraordinary running of the Company's operations. The following table reports the BoD composition as of the end of 2025.

BOARDS OF DIRECTORS

	> Chairman: Dante Razzano
	> Chief Executive Officer and Director: Perrotta Alessandro
	> Chief Financial Officer and Director: Carrabino Aldo
	> Director: Brussolo Nicola
	> Director: Catapano Salvatore
	> Director: Danesin Marco
	> Director: Palmieri Chiara

ETHICAL BUSINESS

CEME is firmly committed to conducting its business in full compliance with prevailing laws and regulations, as well as with the principles and rules expressed in the Code of Ethics.

This document defines the Group's core values and establishes the rights, duties, and responsibilities of all stakeholders. It serves as a benchmark for the day-to-day conduct of company's people and operations, ensuring alignment with our broader commitment to integrity and transparency.

In particular, the Company adopted an "anti-corruption" policy, aligned with the principles of the UK Bribery Act reinforcing our zero-tolerance stance toward any form of bribery or unethical behavior.

² In 2025, the Board membership consisted of one female and six males. As regards age composition, there are no members under 30 years of age.

Our Code of Ethics lays out the corporate values we stand for and the rights, duties, and responsibilities for all stakeholders. The principles and rules of conduct presented in the document govern the Group's daily activities and represent its reference standard. We believe that business ethics are vital precondition for the success of the Company.

As additional evidence of CEME's commitment to ethical governance on December 2nd, 2024, the company appointed a collegial Supervisory Body (Organismo di Vigilanza, OdV) - composed of three members, including two external professionals and one internal member - to ensure a balanced and independent oversight function "pursuant to Italian Legislative Decree no. 231/2001 (the "231 Regulations"), and all applicable legislation. The OdV is responsible for overseeing the effective implementation of the compliance model, verifying its adequacy and promoting continuous updates.

To support a culture of legality and accountability, CEME has established a dedicated reporting channel that allows all employees to make detailed reports of unlawful conduct relevant to the purposes of Legislative Decree no. 231/2001 via a specific portal, guaranteeing full protection of the whistleblower's identity and ensuring confidentiality throughout the investigation process.

The implementation of the Code of Ethics, the Model 231, together with CEME's certifications ISO 9001:2015, 14001:2015 and ISO 45001 Quality, Environmental and Health & Safety Management System, represents the framework to ensure compliance with national and international applicable laws and regulations.



05 SAFETY AT THE BASIS OF QUALITY

CEME leadership is principally due to the combination of the Group's technical and engineering know-how, top-quality materials carefully procured from certified suppliers and flexibility in developing innovative solutions for national and international customers. Attention to product quality and safety is a key aspect of CEME's commitment towards sustainability: it aims to establish long-lasting relationships with customers, inspired by mutual trust and collaboration, and to manage the production process in a responsible way. CEME pursues its objectives by combining the utmost attention to customer safety and dedication to continuous technological improvement in its processes.

Quality and safety

The continuous quest for quality is one of CEME's gold standards, as ensuring excellent product quality is an indispensable criterion for maintaining market leadership. Over the years, the Group has developed comprehensive quality control procedures that check all the production phases and deliver the best product quality to its customers. CEME products are designed, engineered, and assembled almost entirely within the Group. Raw material machining is mainly concentrated in the Tarquinia plant, while assembly takes place in the other plants. Production verticalization enables the Group to control product quality and safety at every stage of the process. All production steps are automatically controlled using statistical software and data archives that enable the operators to monitor processes seamlessly. Products are also checked by CEME Quality Department's internal audits. Quality is an intrinsic feature of CEME project development systems, which can be summarised as a circle of four specific steps: define, design, develop and enhance.



The set of tests includes visual, dimensional, mechanical, chemical, physical, and functional checks that can be divided into two main groups: regular checks carried out on 100% of production, including safety and quality controls; and periodic quality checks, whose frequency depends on customers' needs and normative compliance, along with CEME's experience matured over more than 50 years.

A consequence of the Group's attention to quality matters is safety. Therefore, CEME products are carefully assessed for possible impact on customers' safety. CEME products are also suitable for controlling drinking water and beverages. As a result, CEME evaluates the possible risks connected to end customer health and safety in compliance with food contact materials (FCM) protocols.



FOOD CONTACT MATERIALS (FCM)

CEME strongly believes that product safety is key to client satisfaction, as it constitutes a fundamental element in the delivery of top-quality solutions. Therefore, CEME products are conceived to control and manage any fluid, including beverages, drinking water and in particular for the use with the best coffee machines. As a result, CEME must abide by specific security protocols to guarantee Food Contact Materials (FCMs) compliance under national and international laws while ensuring product safety for final users.

High attention is given to the selection of materials used in the production of food contact elements: CEME relies on external laboratories to check the material composition and performs comprehensive and specific migration tests to quantify the transfer of chemical substances from FCM to food every two years. In addition, extraordinary tests are performed when new materials or suppliers are introduced or if key reference legislation is updated. Finally, CEME releases a declaration of food contact conformity for each of its products subject to FCM requirements.

CEME has also drafted a Good Manufacturing Practice manual (GMP) in order to ensure that products are produced and controlled according to food contact material quality standards. The document covers all aspects of production, from materials procurement to staff training on production practices and personal hygiene.

The manual identifies the production phases where FCM requirements apply and analyses the possible related risks. Specific areas of the Group's plants have been assigned to FCM product manufacturing: in these zones, specific rules and protocols have been put in place to guarantee compliance with all applicable requirements and ensure the highest product safety.

Production is designed to satisfy demand from customers worldwide and is therefore subject to a wide range of requirements and laws. CEME products are engineered and built in compliance with the most important national and international standards, some of which include VDE, UL, IMQ, NSF, ACS, CSA and CE GAS.

In addition to internal tests and assessments on product quality and safety, periodic controls are also carried out by several external certification bodies, which contributes to guaranteeing compliance with international quality standards.

In 2018, CEME obtained ISO 9001:2015 certification for its Quality Management System, confirmed by an independent third party. This certification encompasses the engineering and production processes across all the Group's operational sites.

CEME's strong commitment to product quality and safety is confirmed by positive customer audit results, which require continuous improvement and high standards. In 2025, the Group successfully passed several audits, achieving full compliance with quality and food safety requirements and excellent scores. This approach supports long-term partnerships with major global brands. In addition, the effectiveness of the Quality Management System is demonstrated by the absence of health and safety regulatory violations over the past five years.

A focus on supply chain

CEME's success stems from a well-balanced combination of innovation, a solid industrial strategy marked by vertical integration and automation, customer-centric focus, and a strong global presence. The Group places significant emphasis on the quality of materials sourced from suppliers, recognizing their crucial role in maintaining high standards.

Transformation and production processes are structured to take advantage of the Company's long-standing experience and are thus carried out almost entirely internally, from R&D to product delivery.

Another crucial element in the success of CEME is proximity – a pivotal and strategic parameter made possible through a short supply chain that sustains the development of long-lasting relationships based on trust and competence. Furthermore, this proximity entails a profound knowledge of the specific dynamics that characterise our company and those of our partners. The importance CEME has placed on proximity to suppliers has created very stable relationships based on flexibility and reliability that ensures fast production and quick delivery time with unmatched levels of quality as well as being a sign of attention to the broader community.

In its manufacturing processes, the Group uses both externally sourced semi-finished components (from over 100 suppliers) and internally produced parts, particularly at the Tarquinia plant for steel components. Final products are assembled either in-house across the Group's plants or externally by selected subcontractors.

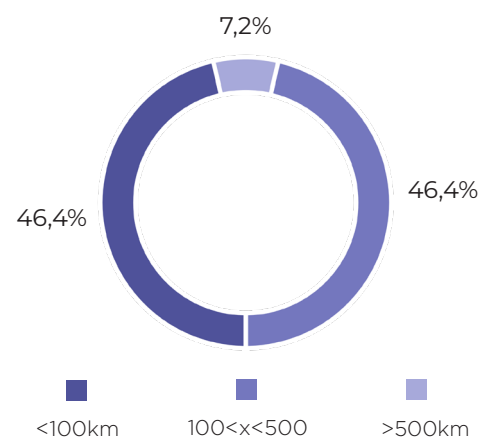
In 2025 the supply chain remained stable without disruptions and maintained a stable supplier network, with only minor adjustments in share distribution, while a significant rationalization of the transport service supplier base was completed, enabling enhanced control and performance monitoring, as well as a more structured measurement of sustainability impacts. Among the selected suppliers, some operators also provide carbon offsetting services (e.g. DHL GoGreen Plus).



Furthermore, to enhance environmental responsibility, in 2025 the supply chain strategy continued to follow the 'local-for-local' approach, where feasible, prioritizing regional sourcing to support local economies and reduce transportation-related emissions.

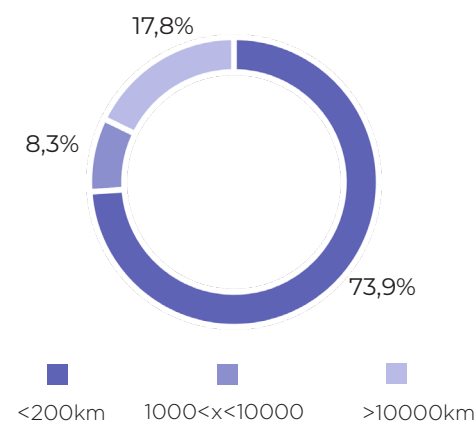
EXPENDITURE ON SUPPLIERS, BY DISTANCE (CEME Italia, ODE, ACL, DTI Italia)

In Italy³, 46.4% of the Group's expenditure was directed to suppliers located within 100 km of the Group's Italian headquarters, while the remaining 53.6% was allocated to suppliers beyond this distance threshold (46.4% to suppliers situated between 100 and 500 km away and 7.2% to suppliers located more than 500 km away).⁴



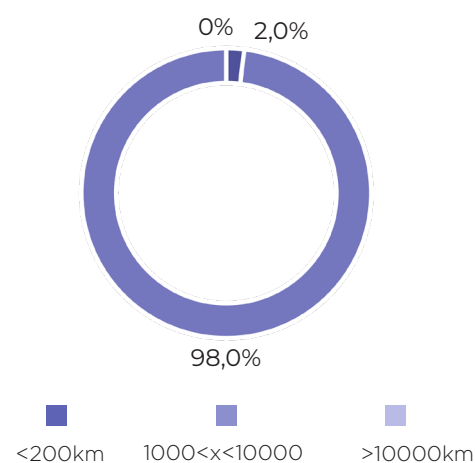
EXPENDITURE ON SUPPLIERS, BY DISTANCE (ZHONGSHAN)

By contrast, Zhongshan has a different supply chain structure, mainly due to regional characteristics and its tight relationship with the Italian HQs. As a result, 73.9% of the Group's expenditure was allocated to suppliers located within 200 km of the regional hub. The remaining expenditure was directed to suppliers located further away, including 8.3% allocated to suppliers situated between 1,000 and 10,000 km away and 17.8% to suppliers based more than 10,000 km away.⁵



EXPENDITURE ON SUPPLIERS, BY DISTANCE (PROCON IRELAND)

Procon Ireland's supply chain is predominantly concentrated at mid-range distances from the regional hub. In terms of expenditure on suppliers by distance, 98.0% is allocated to suppliers located between 1,000 and 10,000 km away, while the remaining 2.0% goes to suppliers established less than 200 km away.



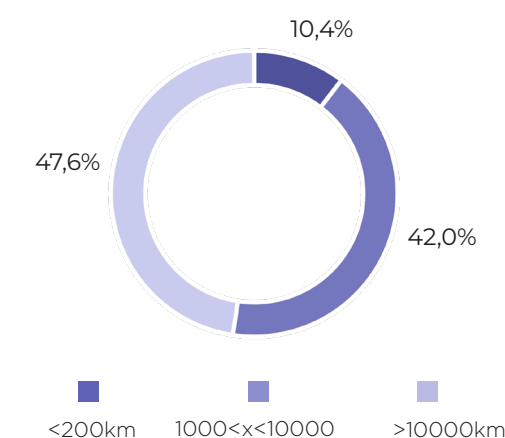
³ The perimeter considered for Italy in this section includes CEME, ODE, ACL and DTI Italy.

⁴ Distances are calculated taking into consideration CEME Italian HQs and the suppliers' HQs.

⁵ Distances are calculated taking into consideration CEME Zhongshan HQs and the suppliers' HQs.

EXPENDITURE ON SUPPLIERS, BY DISTANCE (MICROPUMP)

In contrast, Micropump exhibits a more geographically diversified supplier base. Of total expenditure, 10.4% was directed to suppliers within 200 km of the regional hub, while the remaining 89.6% was distributed among suppliers beyond this distance threshold, including 42.0% attributed to suppliers between 1,000 and 10,000 km away and 47.6% to suppliers situated more than 10,000 km away.



CEME's business model is significantly reliant on product quality and customer satisfaction. Thus, in order to maintain a good reputation, quality assessment is key to supply chain management. Suppliers are constantly monitored and controlled by the Group: they must deliver the materials promptly and comply with technical standards.

The Quality department carries out supplier assessments for qualification or periodic monitoring with extended checklist based on Quality, Environmental and Health & Safety standards including a section related to Food Contact Materials (FCM) and Sustainability. Starting from these, the activities of the Quality Department extend to the promotion of continuous improvement among suppliers, which includes the development of action plans on the different sections.

To further engage all suppliers and the entire supply chain in CEME's commitment to sustainability, a new Code of Conduct outlining fundamental Environmental, Social, and Governance (ESG) principles for the CEME Group was introduced during the year. As of now, around 72% of suppliers have accepted and signed it.



INNOVATION

The CEME Research and Development department is constantly working to find innovative and tailor-made solutions for fluid control systems.

There are increasing signs of growing attention to sustainable design, although customers are not yet actively demanding green alternatives. During 2025, CEME continued to proactively advance its research on green materials, with a particular focus on recycled and bio-based solutions for selected components of solenoid pumps and valves, positioning itself among the first players in this market to move in this direction. Functional testing has delivered positive results for both pumps and valves, although some challenges remain in the molding process. The company is currently assessing the potential for third-party certification by 2027. At present, however, these materials remain more costly than conventional options, limiting their immediate adoption as direct substitutes.

In 2025, through the most recently acquired company, DTI, development activities were also oriented toward improving energy efficiency and water savings of end products. This included operating in co-design with customers, particularly in the coffee and beverage machine sector, for example through the development of chips and memory systems to enhance overall efficiency, as well as interventions to optimize standby energy consumption. In terms of regulatory developments, CEME maintains a very high level of attention through continuous monitoring of global requirements and their impact on products.

A key emerging topic is the increasing restriction of PFAS: regulatory pressure is already growing in the United States, with some states introducing bans from 2026, while Europe is expected to follow with a broader restriction by 2027. CEME is proactively assessing the potential impact on its product portfolio and preparing for necessary adaptations, which may require targeted redesigns for specific markets, confirming its strong commitment to regulatory compliance and sustainable product development.

CHOOSING QUALITY MATERIALS

CEME is the market reference for product performance in combination with the best quality and the highest safety. Materials are carefully selected and tested according to the strictest standards and severe internal procedures to exceed customers' requests and expectations.

The primary materials used by CEME are copper (26% of total materials purchased), iron components (26%), steel (14%) and are almost always purchased from suppliers that

take care of recycling these from previous production scrap. Steel is purchased in bars and subsequently processed in the Tarquinia plant.

Besides raw materials, CEME buys accessory components made up of the same primary materials but used less frequently or occasionally and that cannot be produced internally, such as steel spring or specific electric components like diodes. Moreover, during the production process, CEME also uses certain chemical products such as lubricant grease and oils used for machinery maintenance.

CEME's packaging materials consisted mainly of cardboard boxes: cardboard and paper represented 83% of the total packaging material weight in 2025, while wood and plastic amounted to 16% and 1%, respectively. CEME uses reusable packaging, such as plastic trays, for internal movement of products, or semi-finished products delivered to third parties for the final assembly. Furthermore, CEME has reported packaging information on its company website to facilitate collection, reuse, recovery and recycling for the consumer, as expressed by legislative decree no. 116 of 3 September 2020.

CEME's attention to the sustainable use of resources led to purchasing paper and cardboard packaging with FSC⁶ Mix and FSC Recycled certifications, fully complying with food industry requirements. FSC Mix certification attests that products are made with wood from certified forests, meaning forests are managed in a way that preserves biological diversity and benefits the lives of local people and workers. Similarly, the FSC Recycled label certifies that all the wood or paper in the products comes from reclaimed or reused materials.

In 2025, the Group advanced its efforts to reduce paper and cardboard use by finalizing a project for the introduction of reusable packaging, initially focusing on internal material flows between the Trivolzio and Tarquinia plants. Following multiple trials, an optimized solution was identified from both logistical and ergonomic perspectives, with implementation planned for 2026.

Production and packaging materials

	UoM	2023	2024	2025
Total production materials	Ton	15,485	15,643	23,813
Total packaging materials ⁷	Ton	939	1,247	3,351

The increase in consumption values in 2025 is due to the expanded scope, which includes the newly acquired companies Micropump, Procon and DTI.

⁶ The Forest Stewardship Council (FSC) is an international Non-Governmental Organization. The certification aims at ensuring correct forest management and the traceability of related products. For further details, please visit <https://fsc.org/en/fsc-labels>.

⁷ Wood and Paper and cardboard are categorized as renewable materials.



06 VALUING OUR PEOPLE

For CEME Group, learning, job rotation and internal mobility opportunities represent a pragmatic approach to encourage people competence development and professional growth.

EMPLOYEES AT THE CENTRE

At the end of 2025, CEME had a workforce of 1,573 people⁸ across the ten sites, including both employees and agency workers. The figure shows an increase of 22% compared to the previous year-end.

CEME workforce

	UoM	2023	2024	2025
EMPLOYEES	n.	1,159	1,215	1,511
Male	n.	600	619	782
Female	n.	559	596	729
AGENCY WORKERS	n.	38	23	61
Male	n.	20	14	50
Female	n.	18	9	11
INTERNSHIPS	n.	0	2	1
Male	n.	0	0	1
Female	n.	0	2	0
TOTAL	n.	1,197	1,240	1,573
Male	n.	620	633	833
Female	n.	577	607	740

⁸ Employees and agency workers headcount in Trivolzio, Tarquinia, Colico, Cavenago, Zhongshan, Tavagnacco, Mount-melick, Zalaegerszeg, Nogales and Vancouver sites.

Employees are located mainly in the nine operating plants of Trivolzio (Italy), Tarquinia (Italy), Colico (Italy), Cavenago di Brianza (Italy), Zhongshan (China), Tavagnacco (Italy), Zalaegerszeg (Hungary), Mountmellick (Ireland) and Vancouver (USA), and make up 99% of the Group's overall labour force at a consolidated level⁹. Furthermore, the Company's personnel is 52%-48% (male to female) split, with a light majority of men over women.

Diversity and equal opportunities have always been among CEME's priorities: therefore, the Group is committed to creating an inclusive working environment in which people are treated equally, regardless of gender or other individual differences.

Most of the Company's personnel is permanently employed, representing the 75% of employees, in line with the previous year.

— Employees (contract type, full-time and part-time, category age and gender)

	UoM	2023	2024	2025
REGION				
ITALY	n.	709	717	807
Male	n.	445	438	485
Female	n.	264	279	322
CHINA	n.	450	498	549
Male	n.	155	181	220
Female	n.	295	317	329
HUNGARY	n.	-	-	58
Male	n.	-	-	17
Female	n.	-	-	41
USA	n.	-	-	52
Male	n.	-	-	32
Female	n.	-	-	20
IRELAND	n.	-	-	45
Male	n.	-	-	28
Female	n.	-	-	17

⁹ CEME additionally employed people in its Hong Kong and Shanghai offices, and in the United States.

	UoM	2023	2024	2025
CONTRACT TYPE				
PERMANENT	n.	904	925	1139
Male	n.	473	486	606
Female	n.	431	439	533
ITALY	n.	667	662	722
Male	n.	416	410	452
Female	n.	251	252	270
CHINA	n.	237	263	267
Male	n.	57	76	78
Female	n.	180	187	189
HUNGARY	n.	-	-	58
Male	n.	-	-	17
Female	n.	-	-	41
USA	n.	-	-	50
Male	n.	-	-	32
Female	n.	-	-	18
IRELAND	n.	-	-	42
Male	n.	-	-	27
Female	n.	-	-	15

TEMPORARY	n.	255	290	372
Male	n.	127	133	176
Female	n.	128	157	196
ITALY	n.	42	55	85
Male	n.	-	-	33
Female	n.	-	-	52
CHINA	n.	-	-	282
Male	n.	-	-	142
Female	n.	-	-	140
HUNGARY	n.	-	-	0
Male	n.	-	-	0
Female	n.	-	-	0
USA	n.	-	-	2
Male	n.	-	-	0
Female	n.	-	-	2

	UoM	2023	2024	2025
IRELAND	n.	-	-	3
Male	n.	-	-	1
Female	n.	-	-	2
FULL-TIME AND PART-TIME				
FULL-TIME	%	99%	99%	99%
Of which Italy	%	61%	58%	53%
Of which China	%	39%	42%	37%
Of which Hungary	%	-	-	4%
Of which USA	%	-	-	3%
Of which Ireland	%	-	-	3%
PART-TIME	%	1%	1%	1%
Of which Italy	%	92%	94%	81%
Of which China	%	8%	6%	5%
Of which Hungary	%	-	-	14%
Of which USA	%	-	-	0%
Of which Ireland	%	-	-	0%
CATEGORY				
Executives	%	1%	0.7%	1%
Managers	%	4%	4.1%	5%
White collars	%	19%	18.6%	20%
Blue collars	%	76%	76.6%	74%
AGE				
<30 Years	%	15%	14%	15%
30<X<50 Years	%	67%	64%	63%
>50 Years	%	18%	22%	22%

The vast majority of the CEME workforce is made up of blue-collar operators, followed by office personnel, middle-managers, and executives – this traditional structure remains very stable from year to year. This aspect is mainly due to the labour-intensiveness of the production of the Group's renowned electro-pumps and electro-valves, together with the high level of integration and internalisation of skills in all the manufacturing phases.

Hiring and turnover rates

As for hires and terminations, the table shows a decisive upward trend for hirings.

The 2025 balance between hirings and terminations settles on +19% with particular focus in the Italian geography.

	UoM	2023	2024	2025
HIRES	n.	197	349	447
Male	n.	92	156	239
Female	n.	105	193	298
<30 Years	n.	103	147	198
30<X<50 Years	n.	85	183	209
>50 Years	n.	9	19	40
Employee hiring rate	%	15%	30%	37%
TERMINATIONS	n.	344	288	375
Male	n.	166	133	197
Female	n.	178	155	178
<30 Years	n.	141	99	135
30<X<50 Years	n.	170	146	172
>50 Years	n.	33	43	68
Employee turnover rate	%	26%	25%	31%

Accordingly, the hiring rate, calculated as the ratio between the total number of hires and the total number of employees at the end of the prior reporting period, followed an upward trend, standing at 37% in 2025 compared with 30% in 2024.

The turnover rate – the ratio between the number of terminations and the overall number of employees at the end of the prior reporting period – also increased from 25% in 2024 to 31% in 2025.

As regards recruiting, CEME has participated in initiatives at a technical institute and at the University of Pavia. These initiatives have involved several students, some of whom were initially placed as interns and subsequently hired.

INVESTING IN OUR PEOPLE

Employee training and development

CEME considers education to be a fundamental tool for ensuring compliance and maintaining the highest standards of quality and safety throughout the production process. To this end, training programs are designed to equip employees with the specific knowledge required for their roles and responsibilities.

Additionally, the company encourages technical training on products and applications, which is conducted by internal trainers. This approach leverages the expertise within the Group, highlighting internal skills and fostering peer-to-peer learning.

The most significant development has been the introduction of cybersecurity training across the entire organization, supported by the IT department, demonstrating the growing importance of digital security in industrial operations.

	UoM	2023	2024	2025
TRAINING HOURS	hours	9,002	12,562	15,272
Male	hours	6,503	6,712.5	8,693
Female	hours	2,499	5,849.5	6,579
AVERAGE TRAINING HOURS SPLIT BY GENDER				
Male	hours	10.8	10.8	11.1
Female	hours	4.5	9.8	9.0
AVERAGE TRAINING HOURS SPLIT BY CATEGORIES				
Executives	hours	9.6	4.8	12.0
Managers	hours	3.8	20	23.9
White collars	hours	16.5	20.4	22.2
Blue collars	hours	5.0	6.8	4.4

In 2025, among the various training initiatives, the Group launched an English Academy program in collaboration with Assolombarda, involving approximately 100 employees both in groups and individually.

During the year, sustainability training was delivered to around 100 employees across the Group, aiming to strengthen awareness of key ESG topics, including core sustainability principles, the Group's sustainability journey, relevant regulations and reporting standards (GRI, ESRS), and climate change and GHG emissions measurement.

For the next years, CEME will continue to increase the offering of learning portfolio for people in addition to job rotation and internal mobility, to promote employee engagement, professional growth and maintain stable retention.

Welfare & Benefits

CEME embraces corporate welfare as a key approach to fostering a supportive work environment where employees can thrive. The company is committed to promoting a healthy work-life balance, recognizing that this is crucial to unlocking the full potential of its workforce. To achieve this, CEME has developed an innovative welfare system aimed at enhancing the purchasing power of individuals and their families.

With a strong awareness of the importance of integrating professional and personal life, CEME launched a Welfare platform for all Italian employees in 2018. This platform provides a broad range of services and opportunities, allowing employees to choose how to allocate their welfare benefits.

The available amount on the welfare platform is composed of an annual component granted by the National Collective Labor Agreement, a component deriving from the second-level collective bargaining agreement, and a discretionary amount offered annually by the company.

The Italian Welfare plan is integrated with additional benefit measures linked to the National Collective Labor Agreements (NCLA) in force across all Italian sites – the Metalworker National Contract and Industrial Executive Contract – or directly sponsored by the Company.

Some examples of benefits opportunities are as follows: life plan, medical plan, permanent disability and accident coverage (professional and extra-professional), lunch vouchers or canteen services, fitness centre, osteopathic examinations, company locker for personal shopping delivery, flexible working-hours. Moreover, the Company grants access to all the employees enrolled under Metalworker National Contract, to Metasalute Health Insurance and complementary pension plan both for Metalworkers and Executive. Employee benefits in other countries differ significantly from those in Italy and are governed by local laws and regulations.

With the aim of taking care of the well-being of its collaborators, the remote work remains in place and is reviewed annually with dedicated rules and Teams channels to facilitate scheduling.



COLLECTIVE BARGAINING

CEME employees in Italy are covered by national collective bargaining agreements (NCLA). Furthermore, the Group's Italian sites of Trivolzio, Tarquinia and Colico are covered by a second-level agreement integrating the national one in force. The contract allows for better regulation of the employment relationship, ensuring adequate labor safeguard and essential flexibility for the Company.

PROMOTING A SAFE WORK ENVIRONMENT

CEME places the utmost importance on the health and safety of its employees. Health and safety (H&S) are managed at regional level, ensuring that all plants comply with established policies, procedures, and management systems aligned with applicable local legal requirements.



ISO 45001

Health & Safety Management System according to ISO 45001 standard is maintained in all Italian plants.

Risk assessment represents a core element of H&S management. In strict compliance with local regulations, H&S managers—or equivalent professionals—conduct regular inspections, engage with employees, and proactively identify and assess potential risks, implementing the necessary preventive and mitigation measures. The same structured approach is applied to the analysis and management of work-related injuries.

In Italy, H&S topics are addressed through a structured and inclusive approach involving multiple functions across all organizational levels. Specific roles are formally assigned responsibilities for the implementation of safety procedures, supported by regular training to ensure competencies are continuously maintained and updated.

Employees are represented by dedicated health and safety representatives at each Italian site. These representatives take part in regular meetings with management, fostering open dialogue on safety-related matters. In addition, collaboration with labor unions supports the prevention of any adverse effects related to whistleblowing on H&S issues.

In accordance with legal requirements, each Italian plant has a designated occupational health physician supporting the implementation of health and safety measures.

In terms of training, ergonomics courses have been delivered, involving personnel engaged in workstation design. In addition, monthly training sessions (“Safety Pills”) have been maintained across all Italian plants by the HSE team, each focusing on specific safety topics.



Employee Health & Safety¹⁰

	UoM	2023	2024	2025
Total number of recordable work-related injuries	n.	17	26	30
Work-related injury rate ¹¹	-	1.22	2.32	1.68

During 2025, CEME recorded 30 injuries, of which 16 occurred in the Italian plants while the remaining 14 in Zhongshan.

Sixteen injuries caused more than seven consecutive days of incapacitation while 5 caused more than three days of incapacitation: these mainly involved injuries to hands and feet. During the 2023-2025 three-year period, neither high-consequence work-related injuries, nor fatalities as a result of work-related injuries were recorded.

¹⁰ The reported data refers to the operational plants of Trivulzio, Tarquinia, Zhongshan, as well as the plants and offices of ODE and ACL, and those of the newly acquired companies DTI, Procon and Micropump.

¹¹ Calculated as the total number of injuries multiplied by 200,000 and divided by the overall number of hours worked in the reporting period.



07 SUSTAINABLE PRODUCTION

CEME recognizes the impact its operations have on both society and the environment and understands the importance of adopting measures to minimize this impact. As a result, the company is dedicated to gaining deeper insight into how environmental sustainability integrates with its everyday processes and to crafting tailored management strategies that produce tangible outcomes. This commitment is closely linked to the Group's ongoing efforts to modernize and improve the efficiency of its facilities through gradual, well-considered initiatives.

From an environmental perspective, the Company is committed to ensuring full compliance with all applicable laws and regulations across its five production plants. No incidents of environmental non-compliance have been recorded in the last three years. CEME has maintained ISO 14001 certification for the environmental management systems of all currently certified sites and achieved ISO 50001:2018 certification for the Energy Management System at the Trivolzio plant in 2025.



ISO 50001

An Energy Management System compliant with ISO 50001:2018 was implemented and certified at the Trivolzio plant in 2025.

OUR CARBON FOOTPRINT

CEME is engaged in the progressive improvement of its environmental performance, raising awareness of the impact of its activities and along its value chain. The company's path toward sustainability began with the systematic tracking and transparent reporting of key environmental indicators, including energy usage, greenhouse gas emissions, water consumption, and waste management, as detailed in its Sustainability Progress Report.

Energy consumption

Energy consumption is a key priority for CEME. In recent years, the Group has undertaken initiatives to rationalise energy use and improve efficiency, including the execution of energy audits and the implementation of an energy monitoring system at the Trivolzio site, completed in 2025. The same monitoring system will be implemented at the Tarquinia site by the end of 2026.

Total energy consumption remained broadly constant between 2024 and 2025, with a slight increase mainly in natural gas and electricity consumption.

Electricity represents 82.5% of overall energy consumption: much of it is used in production processes, such as the machinery in the Tarquinia production site (accounting for 37% of CEME total electricity consumption). Other relevant energy vectors are natural gas (10% of overall energy consumption in 2025) and diesel and gasoline used by the vehicle fleet (7%).

	UoM	2023	2024	2025
Electricity (purchased)	GJ	69,764	80,635	84,547
Electricity (produced and consumed)	GJ	0	0	5,049
Natural gas for heating purposes	GJ	6,217	9,602	10,848
LPG	GJ	586	292	385
Gasoline for car fleet	GJ	1,277	987	1,431
Diesel for car fleet	GJ	6,839	5,528	6,137
Diesel for emergency generators	GJ	0	2	0
Kerosene	GJ	0	0	186
TOTAL ENERGY CONSUMPTION	GJ	84,683	97,752	108,583

GHG emissions

In order to monitor the environmental impact of its production processes and to plan effective management strategies, CEME measures and discloses greenhouse gas (GHG) emissions from its activities. In accordance with the GHG Protocol Corporate Accounting and Reporting Standard, the Company reports all relevant direct emissions (Scope 1), indirect emissions from purchased electricity (Scope 2), and a selection of significant indirect emissions occurring outside the Company's operations (Scope 3).

CEME is committed to reducing its Scope 1 and Scope 2 market-based GHG emissions by 27.5% by 2030 (baseline year: 2019).



Science Based Targets initiative (SBTi)

In December 2025, the Group formally committed to the Science Based Targets initiative (SBTi) and completed the submission of its short-term greenhouse gas (GHG) emission reduction targets (Scopes 1, 2 and 3) for validation in 2026, in line with SBTi criteria and recommendations, marking a key milestone in the Company's sustainability journey and reinforcing its commitment to climate action.

Scope 2 GHG emissions have been calculated both with the location-based and market-based methods. The first one reflects the average emission intensity of grids, while the second reflects emissions from the electricity source the Group has purposefully chosen.

Scope 1 GHG emissions (which includes emissions from refrigerant gas refills and fuel consumption for heating, car fleet and emergency generators) increased by 15% with respect to 2024.

While Scope 2 emissions (Location based method) increased by 13%, the Market based ones increased, as the newly acquired companies have not purchased Guarantees of Origin certificates.

Scope 3 emissions, equal to 558,252 tCO2eq, are mainly related to the purchase of raw materials and semi-finished components to produce and package products, which accounts for 26% of the total amount, and the use of sold products in final applications, which accounts for 70%.

GHG SCOPE 3 EMISSIONS CATEGORIES ¹²	DESCRIPTION
1 - PURCHASED GOODS AND SERVICES	Upstream emissions from the production of products purchased or acquired.
2 - CAPITAL GOODS	Emissions related to the productions of capital goods purchased.
3 - FUEL AND ENERGY-RELATED ACTIVITIES	Emissions related to the production of fuels and energy purchased and consumed.
4 - UPSTREAM TRANSPORTATION	Emissions related to the transportation and distribution services purchased by CEME in the reporting year, including inbound logistics, outbound logistics (e.g., of sold products), and transportation and distribution between CEME's proprietary facilities.
5 - WASTE GENERATED IN OPERATIONS	Emissions from third-party disposal and treatment of waste generated by the Group's owned or controlled operations.
6 - BUSINESS TRAVEL	Emissions from the transportation of employees for business-related activities.
7 - COMMUTING EMISSIONS FROM THE TRANSPORTATION OF EMPLOYEES BETWEEN THEIR HOMES AND THEIR WORKSITES.	Emissions from the transportation of employees for business-related activities.
8 - UPSTREAM LEASED ASSETS	Operation of assets leased by CEME (lessee) in the reporting year and not included in scope 1 and scope 2.
9 - DOWNSTREAM TRANSPORTATION	Emissions related to the outbound transportation and distribution services not purchased by CEME in the reporting year.
11 - USE OF SOLD PRODUCTS	Downstream emissions related to the use of products sold by CEME.
12 - END OF LIFE TREATMENT OF SOLD PRODUCTS	Emissions from the waste disposal and treatment of the products sold by CEME (in the reporting year) at the end of their life.



¹² The Greenhouse Gas Protocol – A Corporate Accounting and Reporting Standard – Revised edition.



Sustainability target: renewable electricity

In 2025, CEME, ODE and ACL plants have sourced 100% of electricity from renewable resources certified by Guarantees of Origin (GOs).

	UoM	2023	2024	2025
Direct emissions (Scope 1)	tCO _{2eq}	1,157	1,064	1,225
Indirect emissions (Scope 2) - Location based method	tCO _{2eq}	6,590	7,606	8,628
Indirect emissions (Scope 2) - Market based method	tCO _{2eq}	4,519	-	495
Other indirect emissions (Scope 3)	tCO _{2eq}	308,513	338,942	558,252
Cat. 1 – Purchased good and services	tCO _{2eq}	94,564	101,708	146,047
Cat. 2 – Capital Goods	tCO _{2eq}	4,222	1,091	5,009
Cat. 3 – Fuel and energy related activities	tCO _{2eq}	1,293	204	387
Cat. 4 – Upstream transportation	tCO _{2eq}	1,305	1,411	8,372
Cat. 5 – Waste generated in operations	tCO _{2eq}	496	1,130	568
Cat. 6 – Business travel	tCO _{2eq}	71	153	580
Cat. 7 – Commuting	tCO _{2eq}	985	973	1,673
Cat. 8 - Upstream leased assets	tCO _{2eq}	1,420	208	157
Cat. 9 - Downstream transportation	tCO _{2eq}	1,104	1,298	2,688
Cat. 11 - Use of sold products	tCO _{2eq}	201,185	228,522	390,244
Cat. 12 - End of life treatment of sold products	tCO _{2eq}	1,868	2,244	2,527
Total (Scope 1+2+3) - Location based method	tCO _{2eq}	316,250	347,612	568,105

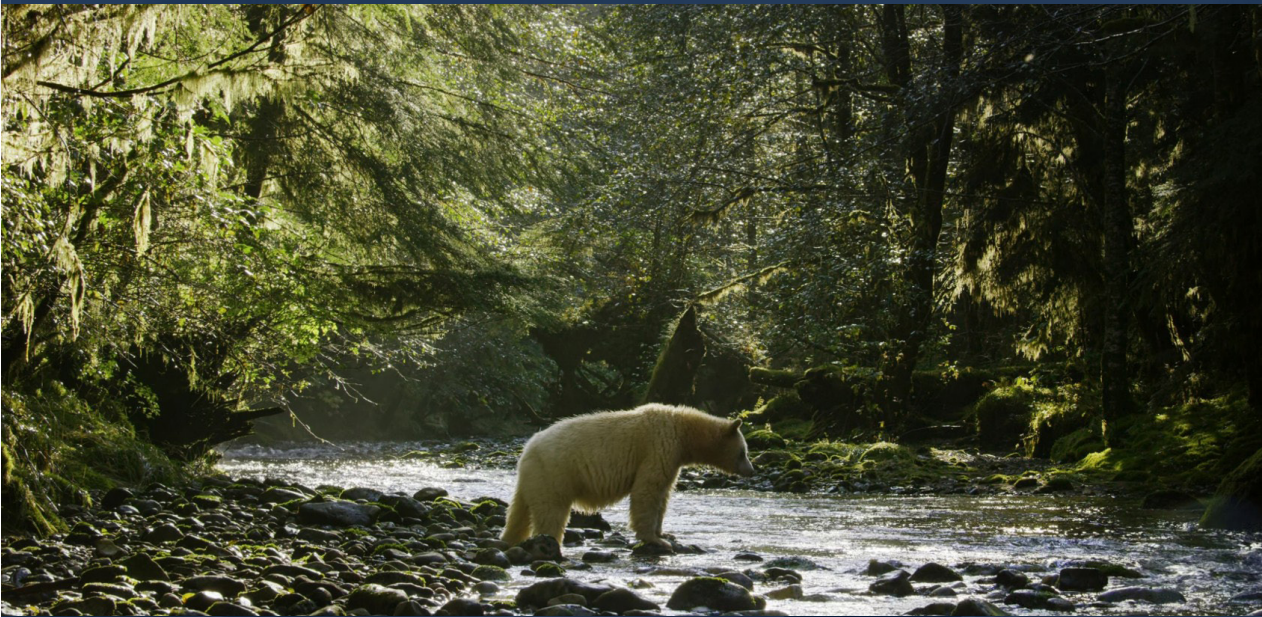
Carbon offsetting project

As a complement to CEME's initiatives to manage and reduce its absolute greenhouse gas ("GHG") emissions, the Company has since 2020 purchased carbon credits on the voluntary carbon market to neutralise its residual Scopes 1 and 2 greenhouse gas emissions. The Company's primary climate mitigation approach is to reduce its absolute carbon emissions over time. Through the purchase of carbon credits, CEME also provides carbon financing to climate mitigation projects beyond its value chain.

In 2025, the project from which CEME has purchased carbon credits is the "Great Bear Forest Carbon". This project was chosen because of its strong credentials on environmental and biodiversity issues as well as its social initiatives.

Great Bear Forest Carbon project*, Canada

The Great Bear Rainforest is one of the world's largest remaining, intact rainforests. Stretching across 6.4 million hectares on British Columbia's northern coast, it contributes to carbon absorption on a massive scale. This landscape is home to diverse wildlife, including the rare Spirit Bear. First Nations communities have protected and cared for this rainforest for over 14,000 years. The Great Bear Forest Carbon Projects protect the ecological and cultural integrity of the Great Bear Rainforest and Haida Gwaii. Revenue from these projects funds vital initiatives such as forestry planning, marine and biodiversity management, and investment in sustainable industries – including renewable energy, tourism, shellfish aquaculture, and non-timber forest products. By purchasing carbon offsets from the Great Bear Forest Carbon Projects, buyers contribute to a globally recognized conservation effort that safeguards ancient forests, upholds Indigenous rights, and supports resilient communities.



(*) The Great Bear Forest Carbon project is registered on the British Columbia Registry under three different projects: Great Bear (South Central Coast) 104000000011319, Great Bear (Haida Gwaii) 104000000011559 and Great Bear (North and Central-Mid Coast) 104000000012798 aims to generate Improved Forest Management and reforestation-based carbon credits.

Other emissions to air

CEME also manages air quality monitoring in full compliance with all applicable national requirements and ISO 14001:2015 standards.

CEME's additional air emissions primarily stem from manufacturing operations, which are subject to stringent EU regulations. Across all facilities, air pollutants—including Volatile Organic Compounds (VOC), Volatile Organic Solvents (SOV), oil mists, and other specific contaminants—are closely monitored in accordance with national laws and environmental permits.

In 2025, CEME assessed its total significant air emissions category by analysing periodic reports and comparing them against operational hours. The company's yearly objective remains focused on adhering to legal standards and environmental requirements, striving to optimize processes, reduce emissions, and contribute to the protection of both the environment and public health.

SIGNIFICANT AIR EMISSIONS CATEGORY	PLANT	UoM	2023	2024	2025
Volatile Organic Compounds (VOC)	CEME Trivulzio	kg	555.9	229.8	123.3
	CEME Zhongshan	kg	-	344.4	344.4
	ODE Colico	kg	667.0	537.1	-
	DTI Hungary	kg	-	-	49.0
Particulate Matter (PM)	CEME Trivulzio	kg	35.4	14.4	19.0
	CEME Tarquinia	kg	23.7	26.1	3.9
	ODE Colico	kg	11.3	1.5	0.6
	DTI Hungary	kg	-	-	0.2
Volatile Organic Solvents (SOV)	CEME Tarquinia	kg	25.5	59.6	6.3
Oil Mists	CEME Tarquinia	kg	1,174.4	2,593.8	342.4
Aromatic Hydrocarbons and Polycyclic Aromatics (IPA)	ODE Colico	kg	0.0001	0.0001	0.0001
Metals	CEME Trivulzio	kg	0.2	0.1	0.1
	ODE Colico	kg	0.01	-	0.0001
	DTI Hungary	kg	-	-	1.0
Formaldehyde	CEME Trivulzio	kg	0.3	4.2	4.3

RESPONSIBLE RESOURCE MANAGEMENT

Waste management & recycling

CEME manages waste production and disposal in full compliance with all applicable national requirements and with ISO 14001:2015 standards.

The Company's waste production derives mainly from production processes, as they include both hazardous and non-hazardous waste, the vast majority of which belongs to the latter cluster (91% in 2025). Waste generated that was recycled or reused amounted to 79% of the total waste weight generated in 2025. In the Trivulzio HQs, waste production is mainly from valve and pump assembly processes and packaging materials: the recycled waste share peaked at 93% in 2024. Waste sent to landfill or incineration decreased by 10% in 2025 in comparison to 2024.

Among the waste categories produced by the Group the ones that registered the highest amounts were metal scraps (55% of the total waste in 2025), liquid waste solutions (12% of the total waste in 2025), and machine oil (7% of the total waste in 2025).

Moreover, the category under the item "other" includes general and municipal waste, as well as low quantity of occasional waste as toner from the office activities, or construction material from extraordinary maintenance work, that account for only 2% of total waste generated.



FROM STEEL SCRAP TO OIL REDUCTION

In the Tarquinia production site, steel scraps from production processes are recovered and turned into steel briquettes, thanks to a combined system of centrifuge and hydraulic press. Furthermore, the oils used in the machinery are recovered through a high level-filtration system that makes fluids available for reuse by removing impurities.

The combination of a steel scrap press and oil filtration allows the Company to reduce the production of waste, thus enhancing reuse of materials and reducing operating costs.

WASTE (DISPOSAL BY CATEGORY)

	UoM	2023	2024	2025
Metal scrap	ton	1,657	1,856	2,093
Liquid waste solutions	ton	667	610	448
Scraps	ton	121	44	52
Discarded equipment	ton	141	202	260
Machine oil	ton	211	272	272
Paper and board	ton	86	145	235
Plastics waste	ton	79	180	207
Wood packaging	ton	45	94	101
Packaging materials	ton	30	46	61
Textile waste	ton	10	29	9
Other	ton	4	6	59
TOTAL	ton	3,051	3,484	3,797
Hazardous waste	ton	268	323	330
Non-hazardous waste	ton	2,783	3,161	3,467
Recycled	ton	2,353	2,606	3,260
Landfilled or incinerated	ton	698	878	537

Water consumption

Apart from civil use in office buildings and in sanitisation procedures, CEME water consumption is mainly attributable to manufacturing processes and to the hydraulic performance testing of finished products in particular in Trivolzio, Cavenago and Zhongshan headquarters.

In 2025 the total water consumed by CEME amounted to 22,976 cubic metres.

Water consumption	UoM	2023	2024	2025
Ground water	m³	31,066	68,470	22,976

The water used by the Group is drawn mainly from municipal utilities, with the only exception being the Tarquinia plant where, since 2018, part of water withdrawal is drawn from groundwater. In line with the previous years, during 2025 the amount of reused or recycled water is equal to 0 m³.

Water withdrawal	UoM	2023	2024	2025
Ground water	m³	560	16,241	1,248
Third-party water (Municipality)	m³	94,895	108,291	85,706
Total	m³	95,455	124,532	86,954

CEME makes use of water drawn from municipal aqueducts to test its pumps and valves. However, in order to guarantee the best testing conditions and to comply with FCM best practices, the water is treated through a process of reverse osmosis¹³ located in Trivolzio, Cavenago and Zhongshan.

¹³ Reverse osmosis is a desalination mechanism based on the physical separation of water-dissolved minerals.



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APPENDIX

SOCIAL	2023	2024	2025
TOTAL NUMBER OF FULL TIME EQUIVALENT (FTE) EMPLOYEES AT THE END OF THE REPORTING PERIOD			
Male	602	618	775
Female	552	586	711
TOTAL	1,154	1,204	1,486
NUMBER OF FULL TIME EQUIVALENT (FTE) EMPLOYEES AT THE END OF THE REPORTING PERIOD, EXCLUDING EXTERNAL GROWTH			
Male	602	618	775
Female	552	586	711
TOTAL	1,154	1,204	1,486
NUMBER OF SENIOR MANAGEMENT ¹⁴			
Male	14	11	23
Female	1	2	2
TOTAL	15	13	14
Voluntary Employee Turnover Rate ¹⁵	28%	2.3%	33%
Is there a workers' council in place?	YES	YES	YES
Lost time injury frequency rate (LTIFR)	1.2	1.85	0.8
Accident severity rate	0.1	0.02	0.1
Absentee rate	0.5%	0.4%	0.5%

ENVIRONMENTAL DATA	2023	2024	2025
Do you have an Environmental Manager in the company?	YES	YES	YES
How much of your total electricity consumption is met via renewable energy sources? (kWh)	11,081,054	22,594,650	23,420,679
% Renewable Electricity	57.2%	100%	94.1%
Energy consumption (kWh)	23,526,678	27,153,726	30,161,824

¹⁴ As of 2023, the data reported for this category concerns Senior Management, defined as C-Suite plus one reporting level below (i.e. the C-Suite and its direct reports).

¹⁵ The value is calculated by considering voluntary departures of permanent employees.

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METHODOLOGICAL NOTE

CEME's Sustainability Progress Report has been prepared with reference to the GRI Sustainability Reporting Standards. The content of the report reflects the results of the materiality analysis as described in detail in the paragraph "Materiality analysis" (see Introduction). As a signatory to the United Nations Global Compact (UNGC) Initiative since April 2020, CEME, through this Sustainability Progress Report, fulfils its commitment to produce a Communication on Progress – a public disclosure outlining its progress in implementing the principles of the UNGC. The UNGC Principles are clearly mapped against the GRI indicators in the GRI Content Index.

Scope of reporting

This document includes a description of initiatives and activities carried out from January 1st to December 31st, 2025, as well as the related key performance indicators, presented for the 2023-2025 period, where available.

The plants falling within the reporting scope are located in:

- **Trivulzio**, Viale dell'Industria 6, 27020 Pavia, Italy;
- **Tarquinia**, Via R. Sanzio 34, 01016 Viterbo, Italy;
- **Zhongshan**, Industrial Road 38, 528415 Guangdong Province, China.
- **ODE C**, Via Borgofrancone, 18, 23823 Colico LC, Italy
- **ACL**, Via G. Falcone, 6, 20873 Cavenago di Brianza MB, Italy
- **DTI**, Via Palladio, 11 - 33010 Tavagnacco (UD) Italy
- **DTI**, Malom u. 2 - 8900 Zalaegerszeg (ZA) Hungary
- **MICROPUMP**, 4600 NW Camas Meadows, Suite 200 Camas, WA 98607 USA
- **PROCON**, Irishtown, Mountmellick Co. Laios, R32XYK6 Republic of Ireland
- **PROCON**, Privato Calzada Industrial Nuevo Nogales No.2 / Parque Industrial Nuevo Nogales 84094 Nogales (Sonora) Mexico

Topic boundary

The following table provides the link between CEME's material aspects and the corresponding GRI Standards topics. The scope and any eventual limitation concerning the reporting boundary due to the unavailability of data and information on the external boundary are duly specified. In the coming years, CEME is committed to gradually extending the scope of data collection and reporting for each material topic.

Quality reporting principles

CEME's Sustainability Progress Report is drafted with reference to the GRI Standards, and with the principles of accuracy, balance, clarity, comparability, completeness, timeliness, verifiability and sustainability context.

The document highlights both strengths and weaknesses, as well as potential areas of improvement for the Group. The data collection and reporting process are structured to ensure comparability over the years and the correct interpretation of information by the key stakeholders interested in CEME's performance assessment.

Furthermore, and as far as the precautionary principle is concerned, a risk-opportunity approach for the management system is applied.

The present Sustainability Progress Report is not subject to external assurance.

Calculation Methodologies

Methodologies and assumptions used to calculate performance indicators included in this report are reported below:

- ◆ All 2025 data related to injuries refer to both CEME employees and contractors. First-aid cases and commuting injuries for which transportation has not been organised by the Company are not included.
- ◆ Where environmental data has not been available, conservative estimates have been used, resulting in the underestimation of CEME's environmental performance.
- ◆ The total recycled waste of the Italian plants has been determined based on disposal methods and waste weights as reported in the Environmental Declaration Form (Modello Unico di Dichiarazione Ambientale).
- ◆ Data concerning Trivolzio's water withdrawal is estimated starting from metered water discharged and assumed as 1:1.
- ◆ In case of unavailability of data relating to "Other emissions to air" for a specific plant, the previous year's values have been used as a conservative approach.
- ◆ Hiring and turnover rates have been calculated by using the total number of employees at the end of the prior reporting period as denominator.
- ◆ Lost time injury frequency rate has been calculated with the total lost time injuries multiplied by 200,000 and divided by the overall no. of hours worked in the reporting period.
- ◆ The energy consumption of the Company's owned and long-term leased vehicles has been calculated starting from available fuel consumption data. The following table shows the conversion factors that have been used:

Diesel and Gasoline
Fuel density (litre/ton)
Calorific Value (GJ/ton)

UK Department of Environment, Food & Rural Affairs (DEFRA), Conversion factors - Full set, 2023, 2024, 2025.

- ◆ The energy consumption of the Company's heating system has been calculated starting from natural gas and LPG available consumption data. The following table shows the conversion factors that have been used:

Natural gas

Fuel density (litre/m³)
Calorific Value (Net CV kWh/kg)
Conversion factor (GJ/kWh)

UK Department of Environment, Food & Rural Affairs (DEFRA), Conversion factors - Full set, 2023, 2024, 2025.

LPG

Fuel density (litre/ton)
Calorific Value (GJ/ton)

UK Department of Environment, Food & Rural Affairs (DEFRA), Conversion factors - Full set, 2023, 2024, 2025.

- ◆ Greenhouse Gas emissions calculations are carried out based on the principles outlined in the GHG Protocol Corporate Accounting and Reporting Standard. Scope 2 emissions resulting from the consumption of electricity purchased from the national grid are calculated according to two different methodologies: the location-based method reflects the average emissions intensity of grids where the energy consumption occurs; the market-based approach reflects the emissions from the electricity source that the Company has purposefully chosen. For the Zhongshan and the Procon Mexico plants, Scope 2 market-based emissions have been calculated using the location-based energy mix coefficient. Outbound logistics distances have been calculated by considering all shipments of sold products from CEME sites to customers. The calculation does not take into account intercompany and spare parts shipments.

2025 Scope 3 data account for a selection of emission categories as specified in the table below.

In detail, CEME's GHG Emissions have been calculated as follows:



GHG EMISSIONS, SCOPE 1

SOURCE	ACTIVITY DATA	EMISSION FACTOR	GLOBAL WARMING POTENTIAL (GWP)
Natural gas for heating	Fuel consumption	UK Department of Environment, Food & Rural Affairs (DEFRA), Conversion factors - Full set, 2022, 2023, 2024.	CO ₂ equivalent emissions were considered
LPG for heating			
Diesel and gasoline for car fleet			
Diesel for emergency generators			
Refill of refrigerant gases of air-conditioning systems	Leakages		Global Warming Potentials (GWPs) are taken from IPCC Fifth Assessment Report (AR6)

GHG EMISSIONS, SCOPE 2

SOURCE	ACTIVITY DATA	EMISSION FACTOR	GLOBAL WARMING POTENTIAL (GWP)
LOCATION-BASED METHOD			
Electricity purchased from the national grid	Electricity consumption	EEA (European Environment Agency) 2022, 2023 Terna, Confronti internazionali, 2019, 2020	Only CO ₂ emissions were considered
MARKET-BASED METHOD			
Electricity purchased from the national grid	Electricity consumption	Europe - AIB, European Residual Mixes, 2020, 2021, 2022	CO ₂ equivalent emissions were considered
		Terna, Confronti internazionali, 2019, 2020	Only CO ₂ emissions were considered

SOURCE	ACTIVITY DATA	EMISSION FACTOR	GLOBAL WARMING POTENTIAL (GWP)
Materials procured (Cat. 1)	Weight of raw, process and packaging materials procured	Ecoinvent, v.3.11 (2024) UK Department of Environment, Food & Rural Affairs (DEFRA), Conversion factors - Full set, 2022, 2023, 2024.	CO ₂ equivalent emissions were considered
Water withdrawn (Cat. 1)	Volume of water withdrawn (cubic metres)	UK Department of Environment, Food & Rural Affairs (DEFRA), Conversion factors - Full set, 2022, 2023, 2024.	CO ₂ equivalent emissions were considered
Capital Goods (Cat. 2)	Capex by product category	Department for Environment, Food and Rural Affairs (DEFRA), Conversion factor – "Table 13" Indirect emissions from the supply chain	CO ₂ equivalent has been considered
Fuel and energy related activities (Cat. 3)	Fuel and electricity consumption	UK Department of Environment, Food & Rural Affairs (DEFRA), Conversion factors - Full set, 2022, 2023, 2024.	CO ₂ equivalent emissions have been considered
Upstream logistics (Cat. 4)	Kilometres covered by air, truck or ship multiplied by shipped weight (ton)	UK Department of Environment, Food & Rural Affairs (DEFRA), Conversion factors - Full set, 2022, 2023.	CO ₂ equivalent emissions were considered
Waste disposal (Cat. 5)	Weight of waste disposed (ton)	UK Department of Environment, Food & Rural Affairs (DEFRA), Conversion factors - Full set, 2022, 2023, 2024.	CO ₂ equivalent emissions were consideredw
		Ecoinvent, v.3.11 (2024)	
Wastewater discharged (Cat. 5)	Volume of water discharged (cubic metres)	UK Department of Environment, Food & Rural Affairs (DEFRA), Conversion factors - Full set, 2022, 2023, 2024.	CO ₂ equivalent emissions were considered

SOURCE	ACTIVITY DATA	EMISSION FACTOR	GLOBAL WARMING POTENTIAL (GWP)
Business travel by air, train and car (Cat. 6)	Kilometres travelled	UK Department of Environment, Food & Rural Affairs (DEFRA), Conversion factors - Full set, 2022, 2023, 2024.	CO ₂ equivalent emissions were considered
		Ferrovie dello Stato Italiane, "Rapporto di Sostenibilità", 2021, 2022, 2023	
Employees commuting (Cat. 7)	Kilometres travelled	UK Department of Environment, Food & Rural Affairs (DEFRA), Conversion factors - Full set, 2022, 2023, 2024.	CO ₂ equivalent emissions were considered
		Ferrovie dello Stato Italiane, "Rapporto di Sostenibilità", 2021, 2022, 2023	
Short-term leased car travel (Cat. 8)	Kilometres travelled	UK Department of Environment, Food & Rural Affairs (DEFRA), Conversion factors - Full set, 2022, 2023, 2024.	CO ₂ equivalent emissions were considered
		Department for Environment, Food and Rural Affairs (DEFRA), Conversion factor - "Table 13" Indirect emissions from the supply chain	
Downstream logistics (Cat. 9)	Kilometres covered by air, truck or ship multiplied by shipped weight (ton)	UK Department of Environment, Food & Rural Affairs (DEFRA), Conversion factors - Full set, 2023	CO ₂ equivalent emissions were considered
Use of sold products (Cat. 11)	Electricity consumed directly by the products sold during their entire lifetime	Terna international comparisons on Enerdata figures, 2020 EEA (European Environment Agency) 2022, 2023	Only CO ₂
End of life treatment of sold products (Cat. 12)	Weight of products and packaging sold in the reporting year	EcolInvent v.3.11(2024)	CO ₂ equivalent emissions were considered

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GRI DISCLOSURES

The material of the present Sustainability Progress Report references the following GRI Disclosures. If not otherwise specified, the Disclosures applied have been used in full.

GRI CONTENT INDEX

Statement of use	CEME S.p.A. has reported with reference to the GRI Standards for the period 01.01.2024 – 31.12.2024.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Not currently available.

GRI STANDARD	DISCLOSURE	PAGE	NOTES
GENERAL DISCLOSURE			
GRI 2: General Disclosures 2021	2-1 Organizational details	p. 62	
	2-2 Entities included in the organization's sustainability reporting	p. 51	The consolidated perimeter is the same in the financial and non-financial reporting
	2-3 Reporting period, frequency and contact point	p. 51	The reporting period of the financial disclosure is the same as for the Sustainability Progress Report
	2-4 Restatements of information		Restatements and related reasons for restatements are clearly identifiable within the text
	2-5 External assurance		The report has not been subjected to external assurance
	2-6 Activities, value chain and other business relationships	p. 6, p. 10	No significant changes to the organization's size, structure, or supply chain were recorded in the reporting period
	2-7 Employees	p. 31	
	2-8 Workers who are not employees	p. 31	
	2-9 Governance structure and composition	p. 20	No committee responsible for decision-making on economic, environmental, and social topics is foreseen to date
	2-13 Delegation of responsibility for managing impacts	p. 12	The Chief Sustainability Officer is appointed by CEO & Top management for impacts approval
	2-14 Role of the highest governance body in sustainability reporting	p. 12	The Chief Sustainability Officer is appointed by CEO & Top management for materiality analysis approval

GRI STANDARD	DISCLOSURE	PAGE	NOTES
GENERAL DISCLOSURE			
GRI 2: General Disclosures 2021	2-22 Statement on sustainable development strategy	p. 15	
	2-23 Policy commitments		Reference is made to the Sustainability Policy publicly available on the Group's website. "https://www.ceme-group.com/Content/images/ceme_sustainability_policy_v2.pdf" Further commitments are published at operating companies' level (e.g Code of Ethics)
	2-24 Embedding policy commitments	p. 20, p. 28	
	2-25 Processes to remediate negative impacts	p. 12	
	2-26 Mechanisms for seeking advice and raising concerns	p. 21	
	2-27 Compliance with laws and regulations		During the reporting period, no cases of non-compliance with laws and regulations have been detected
	2-29 Approach to stakeholder engagement	p. 20	
	2-30 Collective bargaining agreements		100% of employees of Italian plants is covered by collective bargaining agreement

MATERIAL TOPICS	DISCLOSURE	PAGE	NOTES
GRI 3: Material Topics 2021	3-1 Process to determine material topics	p. 10-11	
	3-2 List of material topics	p. 12-13	
PROCUREMENT PRACTISES			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 12	
GRI 204: Procurement practices (2016)	204-1 Proportion of spending on local suppliers	p. 26-27	
ANTI-CORRUPTION			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 13	
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken		During the reporting period, no cases of corruption have been detected

MATERIAL TOPICS	DISCLOSURE	PAGE	NOTES
ANTI-COMPETITIVE BEHAVIOUR			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 13	
GRI 206: Anti-competitive behaviour (2016)	206-1 Legal actions for anti-competitive		During the reporting period, no legal actions have been received
MATERIALS			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 12	
GRI 301: Materials 2016	301-1 Materials used by weight or volume	p. 30	
ENERGY			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 12	
GRI 302: Energy 2016	302-1 Energy consumption within the organization	p. 41	
WATER			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 12	
GRI 303: Emissions 2018	303-3 Water withdrawal	p. 49	
	303-5 Water consumption	p. 49	
EMISSIONS			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 12	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	p. 44	
	305-2 Energy indirect (Scope 2) GHG emissions	p. 44	
	305-3 Other indirect (Scope 3) GHG emissions	p. 44	
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	p. 46	
WASTE			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 12	
GRI 306: Waste 2020	306-1 Waste generation and significant wasterelated impacts	p. 48	
	306-2 Management of significant waste-related impacts	p. 48	
	306-3 Waste generated	p. 48	

MATERIAL TOPICS	DISCLOSURE	PAGE	NOTES
SUPPLIER ENVIRONMENTAL ASSESSMENT			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 12	
GRI 307: Environmental compliance (2016)	307-1 Non-compliance with environmental laws and regulations		During the reporting period, no cases of non-compliance have been detected
EMPLOYMENT			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 13	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	p. 35	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	p. 37	
OCCUPATIONAL HEALTH AND SAFETY			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 13	
GRI 403: Occupational health and safety 2018	403-1 Occupational Health and safety management system	p. 38-39	
	403-2 Hazard identification, risk assessment, and incident investigation	p. 38-39	
	403-3 Occupational health services	p. 38-39	
	403-4 Worker participation, consultation, and communication on occupational health and safety	p. 38-39	
	403-5 Worker training on occupational health and safety	p. 38-39	
	403-6 Promotion of worker health	p. 38-39	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	p. 38-39	
	403-9 Work-related injuries	p. 38-39	
TRAINING AND EDUCATION			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 13	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	p. 36	
DIVERSITY & EQUAL OPPORTUNITY			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 12	
GRI 405: Diversity & Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	p. 31-34	

MATERIAL TOPICS	DISCLOSURE	PAGE	NOTES
NON-DISCRIMINATION			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 13	
GRI 406: Non-Discrimination 2016	406-1 Incidents of discrimination and corrective actions taken		During the reporting period, no episodes of discrimination have emerged
CUSTOMER HEALTH AND SAFETY			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 13	
GRI 416: Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services		During the reporting period, no incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services have emerged
CUSTOMER PRIVACY			
GRI 3: Material Topics 2021	3-3 Management of material topics	p. 13	
GRI 403: Occupational health and safety 2018	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data		During the reporting period, no episodes of complaints of customer privacy or loss of customer data have emerged



Registered Office
Viale dell'industria, 5
27020 - Trivulzio (PV), Italia

Ph.: +39 038293011
E-mail: info@cemegroup.com

www.cemegroup.com

