

SUSTAINABILITY REPORT 2025



Table of Contents

<i>Purpose of this document and methodological note</i>	4
<i>Letter to stakeholders</i>	5
1. The Group	7
1.1 The fluorseals Group's business	7
1.2 The history of fluorseals A family of companies	11
1.3 Governance Structure of fluorseals A family of companies	12
Ownership and corporate structure	12
Organisational chart of fluorseals A family of companies	13
Governance	14
1.4 Anti-corruption and anti-bribery	16
1.5 Information security and personal data protection	16
1.6 Financial results: economic value generated and distributed	17
1.7 The path to sustainability	18
1.8 Management systems, certifications and sustainability	18
1.9 Stakeholders	19
Stakeholders, channels and methods of engagement	19
1.10 The supply chain	20
1.11 Customers	24
1.12 Consumers and end users	25
1.13 Material Issues	25
2. The environment	29
2.1 Material issues	29
2.2 Energy	30
2.3 GHG emissions	32
2.4 Water	34
2.5 Incoming and outgoing materials	35
2.6 Indirect environmental impacts	37
3. People	38
3.1 Employees	39
Material issues	39
Headcount and composition	40
3.2 Non-employees	48
3.3 Staff training and development	48
Principles and policies	48
Training delivered in	48
Internal communication	52
3.4 The remuneration system	52
General aspects and remuneration policies	52
3.5 Non discrimination, diversity and equal opportunities	52
Principles and policies	52

Remuneration by gender	53
People with disability	54
Reports of harassment and/or discrimination.....	54
3.6 Work-life balance and corporate welfare	55
Principles and policies.....	55
Remote working	55
Flexible working hours and part-time work.....	55
Leave	55
3.7 Social dialogue and collective bargaining	55
3.8 Health and safety	56
3.9 Disputes	59
3.10 Communities affected.....	59

Purpose of this document and methodological note

This document covers the period 1 January – 31 December 2025, in line with the fluorseals Group's consolidated financial statements, and represents the second edition of the Group's annual reporting process. The scope includes: fluorseals S.p.A., flon Gaskets S.r.l., Ciflon S.r.l., fluor One S.a.s.u., fluorseals Asia Manufacturing Co., fluorseals America Inc. and fluorIM S.r.l. Where the data do not cover all companies within the Group, this is expressly stated. Any discrepancies between the totals and the sum of the individual items shown in the tables and graphs within this document are due to the rounding applied to the figures presented.

The reporting follows the VSME standard developed by EFRAG for unlisted SMEs, with reference to the Basic Module and the inclusion of certain elements from the Comprehensive Module. The GRI Standards have also been taken into account ("with reference to").

The material issues were identified through an analytical process carried out in the 2024 financial year and described in the chapter 'Group Profile'. The findings of the materiality analysis were also confirmed for the 2025 financial year. In particular, the identification of the main impacts, risks and opportunities associated with the Group's business activities has enabled the Group to define a number of objectives to be pursued in the short and medium to long term. The aim of this document is to report on the progress made, conveying the Group's commitment to adopting a systemic approach to sustainability, integrating it into the Group's strategy and throughout the entire value chain.

Through the progressive involvement of stakeholders and the strengthening of analytical tools, the Group aims to seize opportunities, mitigate risks and contribute to a more resilient operating model. The reporting focuses on policies, actions, objectives and KPIs relating to material issues, drawing on data from both financial and non-financial sources, which have been validated by company managers. The process was supported by SENECA S.r.l., a specialist consultancy firm.

Letter to stakeholders

Dear Stakeholders,

We are pleased to present the fluorseals Group's second Sustainability Report. With this second publication, the fluorseals Group confirms and reinforces the path undertaken last year, consolidating a commitment that is not merely a formal obligation, but a strategic choice geared towards transparency, accountability and the creation of long-term value. The continuity of our reporting demonstrates the Group's commitment to maintaining an open and structured dialogue with all its stakeholders, sharing results, progress and areas for improvement.

Our vision of sustainability is based on the principles enshrined in the Group's Code of Ethics, a document that guides behaviour, decision-making and internal and external relations. Following the review and update of this fundamental document – which now incorporates sustainability as one of the Group's core values – we have, over the past year, stepped up our outreach and awareness-raising activities to ensure that these values are fully understood and applied across all Group companies.

The drafting and approval of the Supplier Code of Conduct, which has been sent to our strategic partners for their signature, also forms part of this initiative. The document sets out clear criteria regarding environmental protection, human rights, safety and integrity, with the aim of promoting responsible and consistent practices at every stage of the supply chain. This tool represents a key step towards strengthening the management of indirect impacts and building relationships based on shared responsibility and continuous improvement.

On the environmental front, the Group has continued its efforts to strengthen its environmental management systems, launching preliminary activities at fluorseals S.p.A. to obtain ISO 14001 certification. This commitment confirms the Group's determination to establish processes that are increasingly robust, measurable and geared towards preventing environmental impacts, in line with industry best practice.

This year's Annual Report therefore reflects a more mature and integrated approach, combining the continuity of previously reported information with the introduction of new elements of governance, control and accountability. Our aim remains to ensure a high standard of clear and comprehensive information, for the benefit of all stakeholders who accompany the Group on its path to growth.

We would like to thank all those who, through their work and dedication, contribute daily to the development of the fluorseals Group. We will continue to invest in sustainability, innovation and quality, recognizing that only through a shared commitment we can build a solid and responsible future.

The Chairman

Giorgio Dall'Olio



COMPANY PROFILE



1. The Group

The fluorseals Group, with its headquarters in Grumello del Monte (Bergamo), is a leading international player in the manufacture and distribution of solutions made from PTFE and other high-performance thermoprocessable materials. The Group's global presence extends to over 50 countries, thanks to a well-established network of industrial and technical-commercial partners who support its growth and expansion.

The Group operates across a wide range of strategic sectors, including:

- **pneumatics and hydraulics,**
- **electronics and electromechanics,**
- **chemical and petrochemical,**
- **automotive,**
- **food and pharmaceutical,**
- **medical and aerospace.**

This diversification enables fluorseals to meet complex technical requirements, ensuring operational continuity and reliability in critical applications.

Customers recognise fluorseals as a technical partner capable of offering a comprehensive service throughout the entire product lifecycle. The Group's approach encompasses:

- **technical design of products**
- **specialised manufacturing**
- **advanced quality control**
- **dedicated after-sales support**

Each stage is tailored to the specific applications of the products, ensuring customized solutions and high performance.

Production is planned on a historical basis, depending on the order book, ensuring visibility and operational continuity on a quarterly basis.

The Group consists of **fluorseals S.p.A.**, **flon Gaskets S.r.l.**, **ciflon S.r.l.**, **fluor One S.a.s.u.**, **fluorseals Asia Manufacturing Co. Ltd.**, **fluorseals America Inc.** and **fluorIM S.r.l.** (with MCP Engineering Plastics and Thermal Breaks excluded from this report), all of which are committed to strengthening their international presence through a strategy focused on quality and innovation.

1.1 The fluorseals Group's business

A brief description of the business activities of the companies within the fluorseals Group is provided below. It should be noted that there have been no significant changes compared with the previous financial year.

fluorseals S.p.A. (NACE Code: 22.21), the parent company and hub of technical and industrial know-how, manufactures and distributes semi-finished products, technical items and finished products made from PTFE and thermally processable materials. The integrated business model enables the company to control the entire supply chain, ensuring traceability and certified quality (EN ISO 9001:2015).

Thanks to advanced technological solutions and ongoing R&D, the company develops innovative products and cutting-edge applications of PTFE. It operates through two production plants and a logistics hub, while also coordinating the Group's strategic direction, product certifications, R&D activities, technical and management services for its associates.

flon Gaskets S.r.l. (NACE Code: 22.21), based in Soverè (Bergamo), is a wholly-owned subsidiary of fluorseals S.p.A. and operates throughout Italy and Europe in the production and marketing of finished products made from PTFE and plastics, primarily for the **valve and water sectors**, specifically in relation

to **pneumatic and hydraulic fittings**. The company carries out the turning of finished products using cam-type lathes and primarily serves the Italian market in the production of gaskets in large production runs.

ciflon S.r.l. (NACE Code: 22.2), based in Amorosi (Benevento), is 90 per cent owned by fluorseals S.p.A. and is involved in **the production and marketing of extruded semi-finished (and finished) PTFE products** on the domestic market, with the aim of supporting of fluorseals S.p.A.'s sales.

fluor One S.a.s.u. (NACE Code: 22.260), based in Vernouillet (France), is a wholly-owned subsidiary of fluorseals S.p.A. and operates in the French and European markets, manufacturing and marketing semi-finished and finished products made from PTFE and plastics for medium - to high - complexity applications, with significant applications in **the aerospace and defence sectors** (the only company in the Group with EN 9100:2018 certification, a globally recognised quality management standard applicable to organisations operating within the aerospace supply chain).

fluorseals Asia Manufacturing Co. Ltd. (Chinese Industrial Classification Code: 2929), based in Wuxi City, Shuofang Town (China), a wholly-owned subsidiary of fluorseals S.p.A., was established in December 2016 to expand the Group's commercial presence in the **Far East Asian** market, operating as a production unit specialising in moulding and laminating, manufacturing and marketing moulded sheets, semi-finished and finished PTFE products, in **support of fluorseals S.p.A.'s sales**.

fluorseals America Inc. (ISIC Code: 2220), a wholly-owned subsidiary of fluorseals S.p.A., based in Stafford (Texas), was established in April 2021 to expand the Group's commercial presence in the American market, establishing itself as **a distribution centre for products in the United States**, as well as providing local production support for finished products to guarantee service and '*local for local*' production.

fluorIM S.r.l. (NACE Code: 22.2, formerly One.Pore S.r.l.), based in Grumello del Monte (Bergamo), is a wholly-owned subsidiary of fluorseals S.p.A. and was acquired in 2023 to develop new markets. The company specialises in the injection moulding of thermoplastic materials.

Main products and channels

1. **Standard semi-finished products in virgin PTFE**, comprising generic items held in stock on a planned basis, designed to provide customers with immediate availability of material for processing;
2. **special semi-finished products in virgin and filled PTFE**, comprising items managed on request and produced according to technical specifications provided and/or agreed upon with customers, designed to supply customised material for specific machining operations;
3. **finished products in virgin and filled PTFE and, to a lesser extent, in general-purpose plastics**, comprising technical items produced by turning and milling, manufactured to the customer's drawings and technical specifications and intended for use in the industrial sector as main components or spare parts;
4. **technical items in PEEK, PCTFE and high-performance thermoset materials**, comprising items produced to order and manufactured according to technical specifications provided and/or agreed with customers, intended for direct use as spare parts or to supply material for specialised machining in critical application fields.

BREAKDOWN OF TURNOVER BY PRODUCT CATEGORY 2025

Product category	<i>fluorseals S.p.A.</i>	<i>ciflon S.r.l.</i>	<i>fluorIM S.r.l.</i>	<i>flon Gaskets S.r.l.</i>	<i>fluor One S.a.s.u.</i>	<i>fluorseals Asia Manufacturing Co. Ltd.</i>	<i>fluorseals America Inc.</i>
1. Standard semi-finished products made from virgin PTFE	14.1%	100.0%	-	-	13.0%	25.0%	45.0%
2. Special semi-finished products in virgin and filled PTFE	50.3%	-	-	-	2.0%	73.0%	6.0%
3. Finished products made from virgin and filled PTFE and, to a lesser extent, from general-purpose plastics	26.6%	-	-	99.0%	83.0%	1.0%	43.0%
4. Technical components made from PEEK, PCTFE and high-performance thermoset materials	9.0%	-	100.0% (exclusively processing of thermally processable engineering polymers)	1.0%	2.0%	1.0%	6.0%

Target markets

The fluorseals Group operates with a well-established international presence in Europe, Asia and the Americas, leveraging the specific expertise of each company in its respective market. **fluorseals S.p.A., the heart of the Group**, has gained a strong reputation in the most demanding sectors (Oil & Gas, chemicals, food, pharmaceuticals, aerospace) thanks to the quality of its PTFE and thermoset products. In Europe, **fluor One S.a.s.u.** stands out for its excellence in the aerospace and defence sectors, with a strong foothold in the French market. In Asia, **fluorseals Asia Manufacturing Co. Ltd.** strategically serves the Far East market, while in the Americas, **fluorseals America Inc.** is progressively strengthening its position in the North American market.

The breakdown of turnover by geographical area is shown below¹.

BREAKDOWN OF TURNOVER BY GEOGRAPHICAL AREA 2025

Geographical area of customers	<i>Fluorseals S.p.A.</i>	<i>ciflon S.r.l.</i>	<i>FluorIM S.r.l.</i>	<i>flon Gaskets S.r.l.</i>	<i>fluor One S.a.s.u.</i>	<i>Fluorseals Asia Manufacturing Co. Ltd.</i>	<i>Fluorseals America Inc.</i>
Europe (excluding Italy)	68.7%	-	-	17.5%	95.0%	-	-
Italy	21.8%	100.0%	100.0%	80.5%	0.6%	-	-
North America	6.9%	-	-	2.0%	1.9%	-	100.0%

¹ It should be noted that intercompany transactions have been excluded in order to reflect the impact exclusively outside the fluorseals Group.

BREAKDOWN OF TURNOVER BY GEOGRAPHICAL AREA 2025							
Geographical area of customers	<i>Fluorseals S.p.A.</i>	<i>ciflon S.r.l.</i>	<i>FluorIM S.r.l.</i>	<i>flon Gaskets S.r.l.</i>	<i>fluor One S.a.s.u.</i>	<i>Fluorseals Asia Manufacturing Co. Ltd.</i>	<i>Fluorseals America Inc.</i>
Asia and Australia	1.9%	-	-	-	1.3%	99.9%	-
South America	0.6%	-	-	-	-	-	-
Middle East	0.1%	-	-	-	-	0.1%	-
Africa	-	-	-	-	1.2%	-	-

1.2 The history of fluorseals A family of companies

1976: Antonio Lanza founded fluorseals, specialising in PTFE. Right from the start, the company's commitment to quality and its technical approach led to international recognition.

1980: A new 12,000 m² factory was opened, with six production departments; fluorseals established itself as a global technical partner in PTFE.

1993–1994: An in-house quality control laboratory was established. In 1994, the company obtained ISO 9001 certification.

2000: Expansion into global markets began.

2001: Acquisition of Polis S.r.l. to achieve vertical integration of raw materials.

2008: ciflon S.r.l. joined the Group to support the extrusion department.

2012: Acquisition of Flon Gaskets S.r.l., specialising in fluid transmission components and large-scale production. The advanced thermoplastics division (PEEK, PCTFE, etc.) was established.

2013: First overseas acquisition: fluor One S.a.s.u. (France), operating in the aerospace and defence sectors.

2016: fluorseals Asia Manufacturing Co. Ltd. was established to serve the Far East.

2019: Acquisition of MCP Engineering Plastics Ltd. to strengthen the company's presence in the United Kingdom.

2020: Launch of a new master brand spearheaded by Laura Lanza, CEO. A new logistics hub was opened in Palosco.

2021: fluorseals America Inc. was established to enter the US market; Polis S.r.l. was divested.

2023: The compounds division was established.
Acquisition of the injection moulding business unit of HQS S.r.l. Entry into the thermoplastic polymers sector confirms the expansion strategy based on research, quality and innovation.

2025: The fluorseals Group's first Sustainability Report, covering the 2024 financial year, is published.

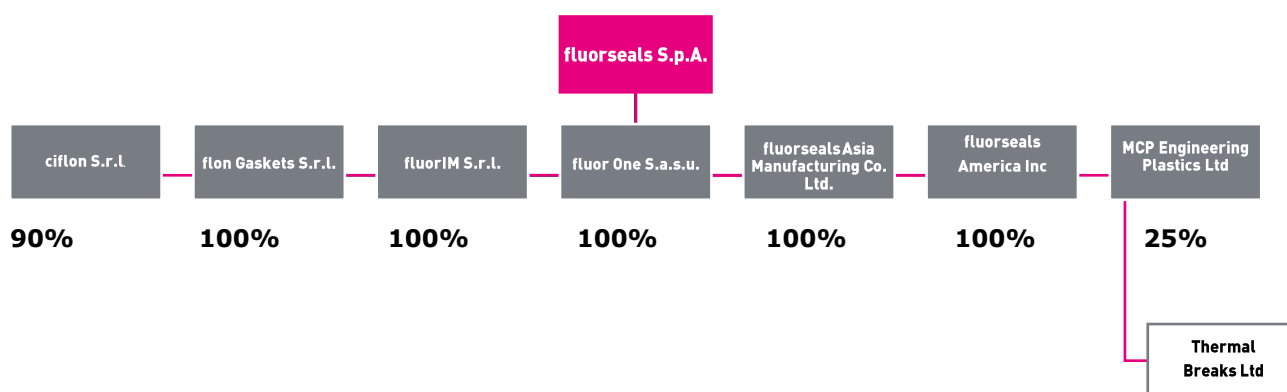
2026: 50th anniversary of the company's foundation, making a milestone that reinforces the value of its journey of growth, innovation and responsibility.

1.3 Governance Structure of fluorseals A family of companies

Ownership and corporate structure

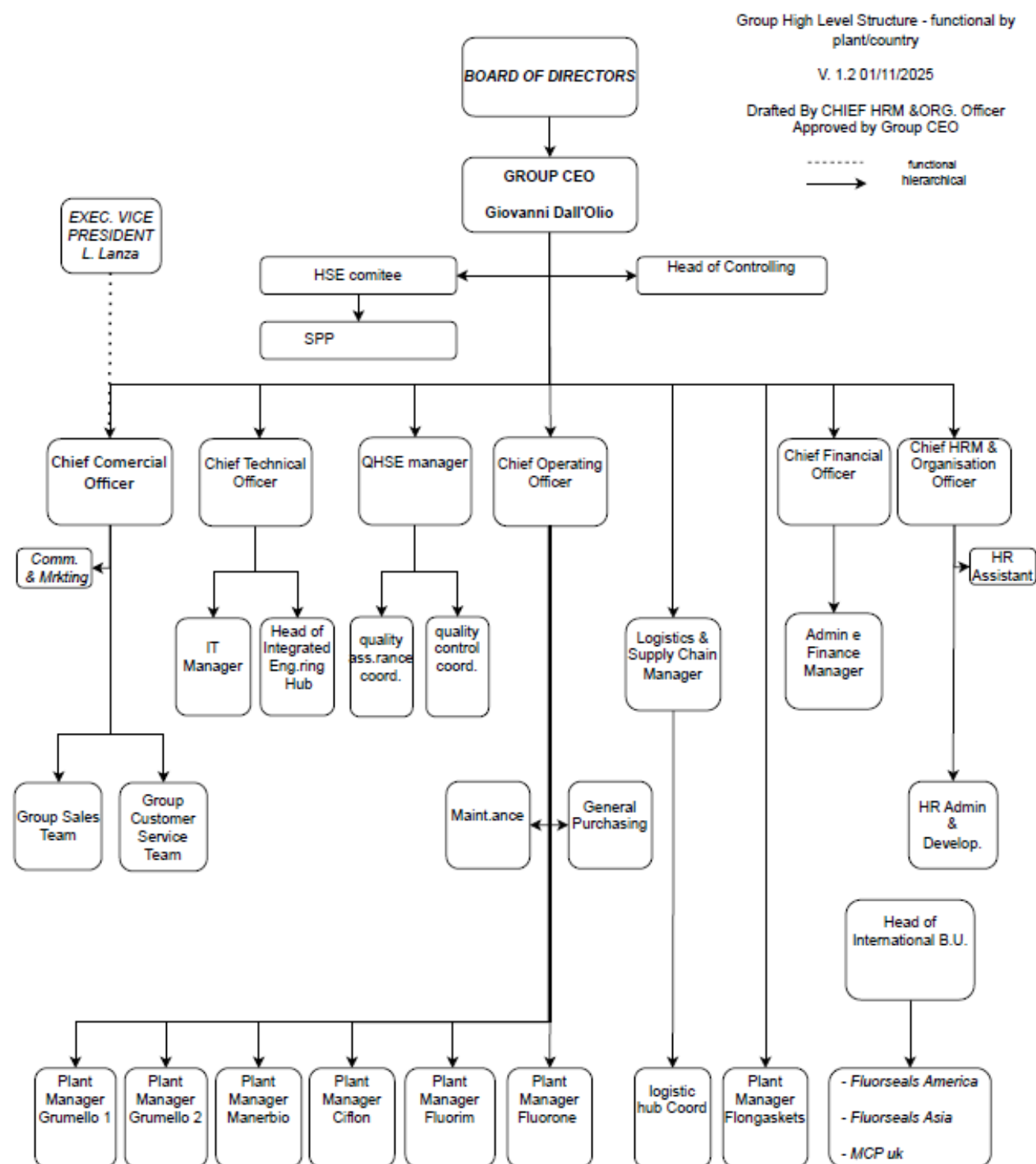
fluorseals S.p.A. is the parent company of a pyramid-shaped structure and has established an industrial group with an international focus.

- It holds 100% of the following companies: **flon Gaskets S.r.l.**, **fluor One S.a.s.u.**, **fluorseals Asia Manufacturing Co. Ltd.**, **fluorseals America Inc.**, **fluorIM S.r.l.**
- It also holds a 90 per cent stake in **ciflon S.r.l.**, while remaining open to industry partnerships.
- Finally, it holds a 25 per cent stake in MCP Engineering Plastics Ltd., which controls Thermal Breaks Ltd.: neither of these companies is included in the scope of the consolidated financial statements or this report. This structure has enabled the Group to strengthen its presence in the UK market.



Organisational chart of fluorseals A family of companies

The organisational chart of the Group's departments is shown below.



Governance

The fluorseals Group maintains a traditional organisational structure, in which each company, while legally independent, operates under the strategic coordination of fluorseals S.p.A. This model allows the specific expertise of the individual operating entities to be utilised to the full, while ensuring a unified vision, consistent management and alignment with the Group's common objectives.

From 2024, fluorseals S.p.A. began developing a sustainability governance framework, with the aim of systematically integrating environmental, social and governance policies into the corporate strategy. In 2025, this framework was further consolidated, introducing more structured mechanisms for monitoring ESG performance through the use of dedicated KPIs and more mature reporting processes. This approach fosters the development of a corporate culture focused on sustainability and continuous improvement.

In 2025, the Group took a further step towards strengthening its governance by appointing Elisabetta Dall'Olio as the Group's Chief Sustainability Officer.

Her appointment represents both continuity and, at the same time, an evolution of the management model. Her role includes:

- overseeing the Group's ESG policies
- coordinating reporting activities and data collection processes
- promoting cross-functional initiatives to integrate sustainability into strategic decision-making

This role strengthens the Group's ability to manage ESG issues in a structured manner and to ensure consistency between strategy, operations and reporting.

The Parent Company's Board of Directors meets every two or three months to analyse the company's performance and to delegate powers, including in the ESG sphere. It is supported by external advisers with specific technical expertise in sustainability reporting. There are currently no incentive schemes linked to sustainability targets for members of the Board of Directors, but the introduction of such schemes is seen as an opportunity for improvement.

GOVERNING BODIES OF GROUP COMPANIES	
Company	Governing body
<i>fluorseals S.p.A.</i>	Board of Directors
<i>flon Gaskets S.r.l.</i>	Board of Directors
<i>ciflon S.r.l.</i>	Sole Director
<i>fluorIM S.r.l.</i>	Sole Director
<i>fluor One S.a.s.u.</i>	Sole Director
<i>fluorseals Asia Manufacturing Co. Ltd.</i>	Board of Directors
<i>fluorseals America Inc.</i>	Board of Directors

GENDER BREAKDOWN OF THE GOVERNING BODIES OF THE GROUP COMPANIES				
Company	No. of men	No. of women	% men	% women
<i>fluorseals S.p.A.</i>	5	2	71.4%	28.6%
<i>flon Gaskets S.r.l.</i>	4	1	80.0%	20.0%
<i>ciflon S.r.l.</i>	1	0	100.0%	-
<i>fluorIM S.r.l.</i>	1	0	100.0%	-
<i>fluor One S.a.s.u.</i>	1	0	100.0%	-
<i>fluorseals Asia Manufacturing Co. Ltd.</i>	2	1	66.7%	33.3%
<i>fluorseals America Inc.</i>	3	0	100.0%	-

Overall, taking into account all members of the boards of directors or sole directors of the Group companies, the breakdown by gender and age is set out below.

AGE AND GENDER OF BOARD MEMBERS				
Age	Men	%	Women	%
<30	0	-	0	-
Between 30 and 50 years	3	75.0%	1	25.0%
Over 50	8	88.9%	1	11.1%
Total directors	11	84.6%	2	15.4%

EXECUTIVE AND INDEPENDENT DIRECTORS			
Company	No. of independent directors	No. of executive directors	Total directors
<i>fluorseals S.p.A.</i>	2	2	7
<i>flon Gaskets S.r.l.</i>	0	3	5
<i>fluorseals Asia Manufacturing Co. Ltd.</i>	0	3	3
<i>fluorseals America Inc.</i>	0	3	3

*Companies with a sole director, where the director is an executive and not independent, have been excluded.

1.4 Anti-corruption and anti-bribery

The fluorseals Group reaffirms its commitment to operating in accordance with the principles of legality, transparency and fairness, adopting measures aimed at preventing all forms of corruption, fraud, collusion, coercion, obstruction, theft or misuse of company assets.

In 2025, a significant step was taken towards strengthening ethical governance: the Code of Ethics, already adopted by Fluorseals S.p.A., was extended to all Group companies, becoming the common reference point for employees, contractors and business partners. The Code sets out clear principles regarding integrity, professional conduct and the prevention of corruption risks, helping to foster a shared ethical culture throughout the entire value chain.

To foster greater internal awareness, the Group has launched a programme to actively disseminate the contents of the Code, which includes:

- the production of a concise and user-friendly brochure
- the preparation of digital resources that clearly present the fundamental principles
- dedicated sessions for the presentation and discussion of the Code

Any breaches of the Code of Ethics trigger the disciplinary system provided for under the National Collective Labour Agreement or, in the case of suppliers, the mechanisms for disqualification and termination of contracts.

Although no Group company has yet adopted an organisational model compliant with Italian Legislative Decree 231/2001, the fluorseals Group regards the strengthening of governance practices as a priority area for development. The extension of the Code of Ethics and the new awareness-raising initiatives represent a concrete step towards an increasingly structured and shared integrity system.

1.5 Information security and personal data protection

Data Protection and IT Security – fluorseals Group

The fluorseals Group recognises the strategic value of the information and personal data processed in the course of its business activities and is committed to ensuring their security, confidentiality and integrity, in compliance with Regulation (EU) 2016/679 (GDPR) and applicable data protection legislation. Following a thorough analysis of the legislation and the clarifications provided by the National Cybersecurity Agency (ACN), Fluorseals has assessed that it does not currently fall within the scope of the NIS2 Directive with regard to the activities carried out by the company.

Although not subject to the obligations set out in the Directive, the Group adopts a proactive approach to cybersecurity and business continuity, implementing organisational and technological measures aimed at preventing, detecting and mitigating cyber risks.

Key initiatives adopted include:

- management and monitoring of IT assets through centralised cataloguing and structured risk analysis processes;
- implementation of a regularly tested and updated disaster recovery plan, supported by highly reliable infrastructure and backup strategies compliant with the 3-2-1 principle;
- the adoption of multi-factor authentication (MFA) systems and access control based on conditional authentication criteria;
- continuous monitoring of security events via advanced threat detection and behavioural analysis platforms;
- training and awareness programmes for staff, with a particular focus on the risks of phishing, social engineering and the secure use of digital resources.

The protection of data and company information is also enshrined in the Group's Code of Ethics and is supported by a process of continuous improvement of internal policies and procedures. In this context, an information security management framework is currently being consolidated, aimed at further strengthening the culture of security at all levels of the organisation.

As confirmation of the effectiveness of the measures adopted, over the last two years the Group has not recorded any personal data breaches nor any complaints relating to the management of privacy and information security.

1.6 Financial results: economic value generated and distributed

In 2025, the fluorseals Group confirmed its economic and financial stability, closing the year with a positive operating result in line with previous financial years. The performance achieved reflects the effectiveness of the business model and the Group's ability to generate value over the long term. The reclassified income statement, presented below, highlights the added value generated during the year and its distribution among the main stakeholders: employees, the financial sector, the public sector and internal reinvestment. For further economic, balance sheet and financial details, please refer to the Management Report and the Notes to the consolidated financial statements for FY 2025.

RECLASSIFIED INCOME STATEMENT (€ million)	Financial Year 2025	Financial Year 2024	% change
Value of production	85,734,203	86,188,183	-0.53%
Raw material consumption	35,746,300	35,686,664	+0.17%
Overheads	15,428,179	15,622,046	-1.24%
Value added	34,559,725	34,879,472	-0.92%
-Other revenue	982,222	1,870,147	-47.48%
-Staff costs	23,875,866	22,629,076	+5.51%
Gross operating profit	9,701,637	10,380,250	-6.54%
-Depreciation, amortisation and write-downs	4,657,477	4,731,457	-1.56%
Core operating profit	5,044,160	5,648,793	-10.70%
+Other revenue	982,222	1,870,147	-47.48%
-Other operating expenses	1,393,435	429,717	+224.27%
Profit before financial operations	4,632,947	7,089,223	-34.65%
+Financial income	137,336	605,755	-77.33%
Foreign exchange gains and losses	-647,868	+224,138	-389.05%
Operating profit	4,122,416	7,919,115	-47.94%
-Financial expenses	1,813,368	2,252,500	-19.50%
Profit before adjustments to financial assets and liabilities	2,309,048	5,666,616	-59.25
+Value adjustments to financial assets and liabilities	31,491	-19,674	-
Profit before tax	2,340,539	5,646,942	-58.55%
-Income tax for the financial year	801,369	1,770,149	-54.73%
Net profit	1,539,170	3,876,792	-60.30%

It is reported that, for the financial year 2025, as in the previous financial year, no financial contributions or other benefits were made to political parties or their associated bodies.

BALANCE SHEET DATA AND RATIOS (€ million)	Financial year 2025	Financial year 2024	% change
Total assets	119,061,036	112,461,367	+5.87%
Net working capital	51,482,949	48,113,694	7.00%
Total equity	56,785,259	52,949,841	+7.24%
Equity/Total assets	47.69%	47.08%	+1.30%

1.7 The path to sustainability

The fluorseals Group continues its strategic journey towards integrating the principles of environmental, social and governance (ESG) sustainability into its business model. Following the publication of its first Sustainability Report, the Group has consolidated the commitment it set out on, strengthening its ability to interpret regulatory developments and the expectations of civil society and translating these into organisational and management decisions. The integration of ESG values does not merely involve setting operational targets, but entails fostering a coherent corporate culture capable of guiding behaviour, processes and decisions. This second Sustainability Report represents a further step forward: a tool for transparency and accountability that documents, in a more mature manner, the Group's current position on environmental, social and governance issues, highlighting progress, priorities and areas for development.

1.8 Management systems, certifications and sustainability

In this report, the fluorseals Group reports on its sustainability commitments, promoting a clear and transparent dialogue with all stakeholders. The Group is certified according to the ISO 9001 standard, which attests to the effectiveness of its quality management system and its ability to provide products and services that meet the required specifications, with a view to continuous improvement and the optimisation of operational efficiency.

<i>Sector</i>	<i>Standard/Certification</i>	<i>Country/Region</i>
Aerospace	EN 9100 Standard – ISO 9001:2015	Europe
Automotive	IATF 16949	International
Civil Engineering	EN 1337 – 2:2004	Europe
Chemical	BAM Federal Institute for Materials Research and Testing	Germany
	TA – LUFT Technical Instructions on Air Quality Control	Germany
Drinking Water	WRAS Water Regulations Advisory Scheme	USA
	KTW (Plastics and Drinking Water)	Germany
	DVGW – German Association for Gas and Water e.	Germany
	NS61 NSF/ANSI Standard 61	United States
	ACS Sanitary Conformity Certification	France
Food Industry	US Food and Drug Administration (FDA)	USA
	3-A Sanitary Standards	USA
	EU Regulation 10/2011, as amended	European Union
	GMP	International
Oil & Gas	NORSOK M-710 Norwegian Continental Shelf	Norway
	BAM Federal Institute for Materials Research and Testing	Germany
Pharmaceutical and Medical	USP Class VI, ISO 10993 United States Pharmacopeia	United States

1.9 Stakeholders

The fluorseals Group recognises the central role played by stakeholders – those who influence or are influenced by the Group’s activities, both strategically and operationally. For this reason, it is essential to develop dialogue processes aimed at **creating shared value**.

Primary stakeholders:

- **customers**, who directly influence strategies through their needs;
- **employees**, a key resource for the company’s development;
- **suppliers**, essential partners for quality and innovation;
- **local communities**, who are crucial for a positive relationship with the local area;
- **the environment**, which must be protected by reducing the impact of the Group’s activities.

Secondary stakeholders:

- **public institutions**, for regulatory compliance and sustainable initiatives;
- **financial stakeholders**, who support the Group’s growth;
- **universities and schools**, as partners in innovation and continuous learning.

The fluorseals Group promotes **ongoing dialogue**, varying in frequency and format: more informal and effective with primary stakeholders, more formal and less frequent with secondary stakeholders. Trust and transparency remain at the heart of all relationships.

Stakeholders, channels and methods of engagement

The fluorseals Group uses **a variety of communication tools** to ensure effective dialogue with each category of stakeholder.

- **Employees and other workers:** company information is disseminated via online platforms, screens and noticeboards. The HR department promotes open and constructive dialogue to foster a positive and inclusive environment.
- **Suppliers:** dialogue takes place via email, weekly phone calls and quarterly visits, ensuring a constant flow of information.
- **Customers:** Communication takes place daily via email and telephone, with quarterly visits. Social media channels (Instagram, LinkedIn) and the website are also active. Participation in trade fairs strengthens the professional network.
- **Consumers/end users:** they are not considered direct stakeholders, as interaction takes place via distributors or other partners.
- **Local authorities:** relations are commercial in nature and managed through formal channels (certified email, post) and meetings.
- **Non-governmental organisations:** dialogue takes place through face-to-face meetings and networking events.
- **Trade associations:** fluorseals participates actively, ensuring institutional dialogue.
- **Shareholders and investors:** 1–2 annual general meetings are held; daily presence at the company ensures constant informal updates.
- **Trade unions:** meetings are held to discuss contractual updates, and regular meetings take place with the union representatives (RSU).
- **Financial institutions:** contacts are daily, managed by the finance department via email, meetings and certified email (PEC).

- **Insurance companies:** well-established relationships with monthly meetings and regular email exchanges.
- **Schools and universities:** communication via university portals, email, telephone calls and meetings relating to specific projects.
- **Certification bodies:** interaction via audits, annual reviews, gap analyses, training courses, information sessions and migration tests.
- **External laboratories:** involved in job-specific checks; communication via email and reports (e.g. Test Reports, Inspection Certificates).

Among the initiatives aimed at **strengthening communication and dialogue with stakeholders is the development of a questionnaire for customers and suppliers**, intended to raise awareness of ESG issues amongst key partners and, at the same time, to gather information on their expectations, the practices already in place and their level of maturity in terms of sustainability. The questionnaire provides an opportunity to initiate a more direct and structured dialogue, fostering greater awareness throughout the value chain and enabling the Group to better understand how partners perceive its commitment and which areas they consider to be priorities. The questionnaires will be sent out during the 2026 financial year. The results of these questionnaires will be reported in the following financial year, as no significant results were available at the time of drafting this document.

1.10 The supply chain

The fluorseals Group develops relationships with its suppliers based on trust, fairness and transparency, prioritising strategic and long-term partnerships. ISO 9001 certification guarantees the quality of the materials purchased. Compliance with the payment terms and schedules set out in contractual agreements is considered not only a duty but also an ethical commitment. It is noted that the majority of suppliers (approximately 70% of total purchase turnover) have payment terms of less than 30–40 days from the invoice date. No disputes were recorded during the three-year period 2023–2025 regarding ESG issues or late payments.

Supplier qualification is based on criteria of quality, price, punctuality and regulatory compliance, with specific audits carried out in the event of critical issues or significant orders. An annual supplier analysis is conducted to identify the most critical or significant suppliers. The turnover (on purchases, excluding *intercompany* transactions) generated by the fluorseals Group during the 2025 financial year can be broken down into the following categories: raw materials and semi-finished products, consumables, services and miscellaneous purchases, machinery, plant and equipment, external processing, and packaging.

BREAKDOWN OF PURCHASE TURNOVER BY SUPPLIER CATEGORY		
<i>Category</i>	<i>% of total turnover</i>	<i>Number of suppliers</i>
Raw materials and semi-finished products	54.3%	132
Services and miscellaneous purchases	19.8%	750
Machinery, plant and equipment	18.4%	102
External processing	3.8%	76
Consumables	2.4%	170
Packaging	1.2%	38
Total	100.0%	1,268

The fluorseals Group has established business relationships with suppliers from various countries. Among these, Italian suppliers account for the largest share (54.1 per cent of total purchase turnover), followed by suppliers from China, Germany, the Netherlands, Turkey and France, which together account for 36.6 per cent of total purchase turnover. There have been no significant changes compared with the figures reported in the previous financial year.

BREAKDOWN OF PURCHASE TURNOVER BY GEOGRAPHICAL AREA		
<i>Country</i>	<i>% of purchase turnover 2025</i>	<i>% of purchase turnover 2024</i>
Italy	54.1%	52.1%
China	21.6%	22.0%
Germany	6.5%	7.3%
Turkey	5.3%	3.4%
France	3.2%	3.4%
Netherlands	3.1%	4.7%
Belgium	1.5%	0.1%
Austria	1.3%	0.3%
India	1.1%	1.6%
Other countries	2.3%	5.1%
Total	100.0%	100.0%

BREAKDOWN OF PURCHASE TURNOVER BY GEOGRAPHICAL AREA AND CATEGORY 2025						
<i>Country</i>	<i>Raw materials and semi-finished products</i>	<i>Consumables</i>	<i>Services and miscellaneous purchases</i>	<i>Machinery, plant and equipment</i>	<i>External processing</i>	<i>Packaging</i>
Italy	24.0%	83.9%	88.1%	97.4%	67.9%	89.0%
China	37.3%	4.3%	5.5%	0.7%	0.0%	1.8%
Germany	11.4%	0.2%	0.1%	1.4%	0.0%	0.0%
Turkey	9.8%	0.0%	0.0%	0.0%	0.0%	0.0%
France	1.5%	5.4%	5.4%	0.3%	29.5%	3.0%
Netherlands	5.6%	0.0%	0.0%	0.0%	0.0%	0.0%
Belgium	2.8%	0.0%	0.0%	0.0%	0.0%	0.0%
Austria	2.4%	0.0%	0.0%	0.0%	0.0%	0.0%
India	1.9%	0.0%	0.0%	0.0%	0.0%	0.0%
Other countries	3.2%	6.3%	0.8%	0.2%	2.6%	6.2%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Taking into account the geographical breakdown of the various categories of suppliers to the fluorseals Group, Italian suppliers play a significant role in the following categories: consumables, miscellaneous services, machinery, plant and equipment, external processing, and packaging, where the value of purchases for each category ranges from 68 per cent to 97 per cent of the total. The raw materials and semi-finished products category, on the other hand, shows greater diversity in the geographical distribution of suppliers, with Italy, China and Germany being the most prominent countries.

Compared with the categories mentioned above, the fluorseals Group analysed those linked to its core business in greater detail. The categories examined are raw materials and semi-finished products, consumables, machinery, plant and equipment, external processing and packaging, thus excluding service providers and miscellaneous purchases.

Around thirty suppliers were selected, for which ESG-related information was gathered, highlighting the key material issues at a social and environmental perspective.

- Employee training
- Health and safety
- Relations with local communities
- People's wellbeing
- Human rights

Working conditions and the issue of child labour are particularly significant among suppliers from China, India and Turkey. With regard to the macro-theme of the environment, the following aspects are central:

- Energy consumption
- Climate change/adaptation
- Resource use and waste management
- Pollution
- Biodiversity

For the raw materials and semi-finished products categories, the use of highly polluting and environmentally hazardous chemicals also emerged as a significant issue. The supply chain analysis enabled the identification of the main material issues, assessing risks, impacts and opportunities. The results show that, in most cases, suppliers have already implemented policies to manage ESG issues, although it would be preferable to continue gathering information and consolidating the mapping exercise. To this end, the fluorseals Group's Supplier Code of Conduct has been drawn up and approved. The document will be sent to the Group's strategic suppliers for them to adhere to and sign during the 2026 financial year.

In 2025, the fluorseals Group adopted its **Supplier Code of Conduct**, a tool that *"serves as an initial means of monitoring, preventing and mitigating negative social, environmental and governance impacts throughout the supply chain"*.

The Code sets out binding minimum requirements and expectations for continuous improvement for strategic suppliers, with the aim of promoting responsible practices aligned with the Group's ESG values.

The document sets out clear commitments regarding:

- Governance and integrity: compliance with the law, anti-corruption, protection of competition, confidentiality and supply chain due diligence.
- Human rights and working conditions: prohibition of forced and child labour, non-discrimination, equal opportunities, health and safety, and fair remuneration.
- Environment: responsible management of energy, emissions, water, waste and hazardous substances, promoting approaches inspired by the circular economy.

The Code also provides for periodic audits, reporting mechanisms and a reward scheme for suppliers who exceed the required standards.

Its introduction reinforces the Group's commitment to a transparent and responsible supply chain, consistent with the sustainability path it has embarked upon.

1.11 Customers

The fluorseals Group recognises that its customers are key stakeholders for sustainable growth and for strengthening the company's competitiveness. As in previous years, no significant complaints were recorded in 2025, a result that confirms the strength of the relationship and the constant focus on service quality.

Customer satisfaction levels are monitored through operational indicators such as the number of quotations issued, orders received and the corresponding conversion rate. These figures provide indirect but reliable feedback on customer perception and the effectiveness of the service.

The relationship with the customer is based on a number of key elements: product quality, on-time deliveries, robust control procedures, prompt handling of non-conformities, and attention to communication and technical support. Where issues are raised, the process involves recording the complaint, conducting a technical analysis, assessing responsibility and implementing the necessary corrective actions, while also ensuring that the customer is kept promptly updated of the outcomes and the measures taken.

During **2025**, the fluorseals Group launched a major initiative to listen to and **engage** with its customers, developing a **questionnaire dedicated to ESG issues**. The aim was twofold: on the one hand, to raise customers' awareness of the principles of sustainability and the path undertaken by the Group; on the other, to gather expectations, priorities and perceptions regarding environmental, social and governance aspects. This tool will enable a more informed dialogue with a strategic stakeholder group, fostering greater mutual understanding and helping to guide the Group's future actions towards a more responsible and collaborative model. The results of the questionnaire will be reported in the following financial year, as no significant findings were available at the time of drafting this document.

BREAKDOWN OF TURNOVER BY CUSTOMER CATEGORY 2025							
<i>Customer category</i>	<i>fluorseals S.p.A.</i>	<i>ciflon S.r.l.</i>	<i>fluorIM S.r.l.</i>	<i>flon Gaskets S.r.l.</i>	<i>fluor One S.a.s.u.</i>	<i>fluorseals Asia Manufacturing Co. Ltd.</i>	<i>fluorseals America Inc.</i>
Distributor	47.6%	85.9 per cent	-	1.0%	16.5%	1.0%	33.2%
Engineering Society	19.1%	12.0%	-	-	22.7%	-	11.7%
Producer	3.1%	-	-	-	24.7%	-	1.1%
OEM	6.1%	0.4%	100.0%	99.0%	29.2%	98.0%	54.0%
Other	24.1%	1.7%	-	-	6.9%	1.0%	-

1.12 Consumers and end users

The fluorseals Group has no direct relationship with consumers and end users; therefore, it only indirectly impacts this category of stakeholders. It is through this indirect relationship that the Group's responsibility lies: to ensure that its products contribute to safe, efficient and long-lasting use by end users. For this reason, over the years the Group has developed a rigorous approach to product quality and safety, incorporating thorough checks at every stage of the production process. Every product manufactured by the Group is designed to ensure high and consistent performance, reducing the risk of breakdowns, malfunctions or accidents in the contexts in which it is installed or used. Quality is not merely a technical requirement: it is a way of protecting those who will use, even from a distance, the products manufactured by fluorseals.

Product certifications also play an important role, providing an additional guarantee for end-users. Through compliance with recognised standards, these certifications strengthen confidence in fluorseals' solutions, reduce the risks associated with their use and offer greater protection should any issues arise.

In this way, even without a direct relationship with consumers, the fluorseals Group helps to generate value and safety throughout the entire value chain, reaffirming its commitment to responsible production geared towards protecting end stakeholders.

1.13 Material Issues

Materiality is a key element in the fluorseals Group's reporting, not only to meet reporting requirements but also to guide strategic choices, budget allocation and decision-making processes. In line with European standards (ESRS), the Group adopts the 'double materiality' approach, which considers two complementary perspectives.

Impact materiality focuses on the effects – positive or negative, actual or potential – that the Group's activities may have on the environment and people, in the short, medium and long term, throughout the value chain, from suppliers to customers. The analysis covers not only direct operations but also interactions with stakeholders and the overall environmental and social impacts.

Financial materiality, on the other hand, assesses the potential economic impact of a sustainability issue on the development of the Group's companies, their financial performance and their ability to access capital. Here too, the analysis extends to commercial relationships outside the scope of consolidation, taking into account current and future risks and opportunities.

In this context, the Group has launched an initial process to identify its material issues, structured in three phases:

- gathering assessments from senior management and department heads;
- a comparative analysis with the main players in the sector;
- alignment with ESRS standards.

The assessment took into account the regulatory framework, sector benchmarks and general trends, leading to the definition of a set of issues relevant to the Group, each associated with specific impacts, risks and opportunities.

It should be noted that the results of the analysis carried out during the 2024 financial year were confirmed for the 2025 financial year and formed the fundamental starting point for defining objectives and actions, taking into account the areas to which the Group has assigned the highest priority and urgency for action.

MAJOR THEME	SUBJECT AREA	AS IS (Status quo as of BS 2024)	IMPLEMENTING... (What we have done in 2025)	TO BE... (objectives set for the next three-year period 2026–27–28)
Environment	<i>Climate Change</i>	- Compliance with applicable regulations: identification and monitoring of applicable environmental laws and regulations - Continuous improvement to enhance the environmental management system - Employee engagement and awareness	Reporting systems and analysis of the Group's key environmental KPIs ✓ - Integration of environmental issues into the Group's strategies ON-GOING	- With regard to the parent company, fluorseals S.p.A., progress towards certification of the environmental management system in accordance with the UNI EN 14001:2015 standard - Improvement of the energy mix Energy efficiency through the introduction of higher-performance machinery
	<i>Pollution</i>			
	<i>Water</i>			
	<i>Biodiversity and ecosystems</i>			
	<i>Waste and the circular economy</i>			
People	<i>Affected communities</i>	- Annual training plans comprising internal and external courses, both compulsory and optional - Annual career review process - Frequent dialogue, engagement and openness towards our own staff	- Inclusion of training courses on sustainability issues ON-GOING - Implementation of systems to monitor Group staff KPIs ✓ - Developing the issue of employee wellbeing from a strategic perspective ON-GOING	- With regard to the parent company, fluorseals S.p.A., launch of the assessment process to obtain ISO 45001 certification Harmonisation of HR procedures and practices across the companies of the fluorseals Group
	<i>Training, professional development</i>			
	<i>Health and safety</i>			
	<i>Working conditions</i>			
	<i>Work-life balance</i>			
Governance	<i>Sustainability governance</i>	Initial establishment of governance systems, with the ad hoc appointment of company representatives from the fluorseals Group for each area	Extension of the Code of Ethics to the entire fluorseals Group ✓ - Formalisation of delegated powers and responsibilities regarding ESG matters at all levels (Board of Directors, management, operational) ✓	Continuous refinement, year on year, of the structure of governance systems (policies/actions/objectives/monitoring) in the ESG sphere

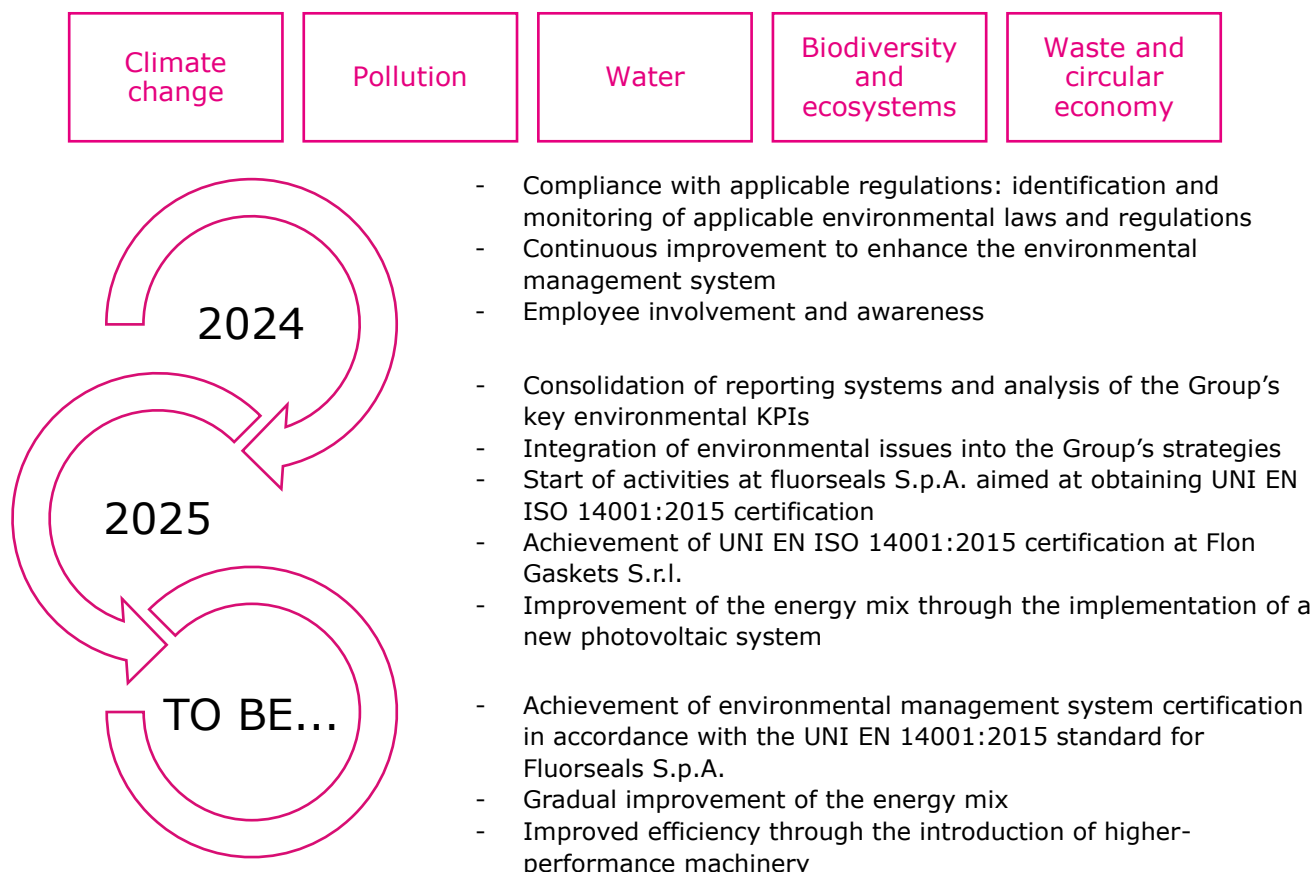
MAJOR THEME	SUBJECT AREA	AS IS (Status quo as of BS 2024)	IMPLEMENTING... (What we have done in 2025)	TO BE... (objectives set for the next three-year period 2026–27–28)
Supply Chain	<i>Management of sustainability issues within the supply chain</i>	- Management of risks and opportunities in the procurement sphere through planned purchasing, stock management and alternative suppliers - Initial comprehensive mapping of all suppliers, categorised according to specific ESG criteria	Drafting and approval of the Supplier Code of Conduct ✓	Dissemination of the Supplier Code of Conduct - Incorporating ESG criteria into supplier selection and retention processes



ENVIRONMENT

2. The environment

2.1 Material issues



The use of PTFE and other fluoropolymers makes the sector in which the fluorseals Group operates a particular focus of attention for the European authorities (ECHA), due to potential environmental impacts. The regulatory framework is evolving and presents complex issues, where industrial needs are balanced against environmental and health concerns.

fluorseals' products are essential in high-tech sectors – Oil & Gas, chemicals, food, pharmaceuticals, medical, aerospace and automotive – thanks to the unique properties of fluoropolymers: chemical resistance, thermal stability, durability and electrical performance. However, the Group is aware of the environmental implications associated with their use and disposal, and is constantly seeking alternatives that are compatible with ESG criteria, without compromising quality, while anticipating regulatory developments wherever possible.

Policies

Environmental protection is a fundamental principle of the Group's Code of Ethics and translates into a concrete commitment to complying with current legislation and continuously improving environmental performance. The Group has continued its process of consolidating and updating its environmental authorisation framework, in line with the evolution of its activities and production assets.

With a view to regulatory compliance, procedures for the renewal and updating of the main authorisations at the relevant sites have been initiated and managed.

Each Group company has a designated contact person responsible for:

- systematically monitoring environmental aspects;
- preventing pollution by promoting the use of sustainable resources and practices;
- ensuring regulatory compliance with applicable European and national provisions.

For the 2025 financial year, as in previous years, no proceedings were initiated nor were any penalties imposed on Group companies for environmental breaches, confirming the effectiveness of the management system and the constant focus on risk prevention.

2.2 Energy

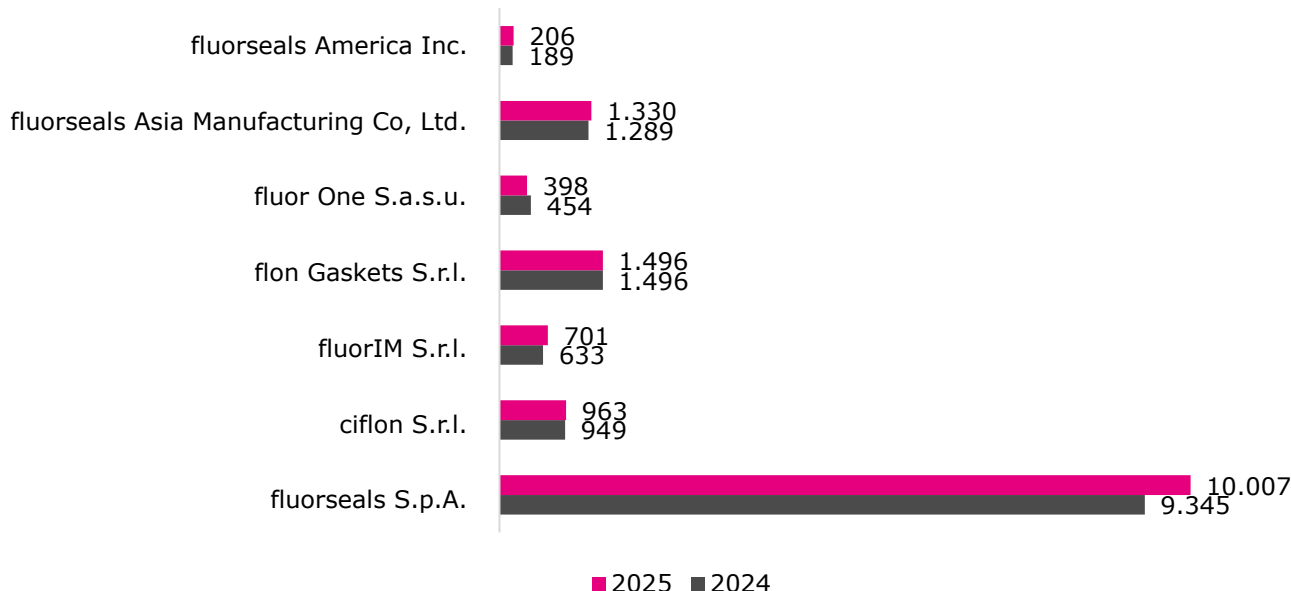
Energy consumption is one of the material environmental issues for the fluorseals Group. Electricity is used by all companies for both domestic purposes (offices and general lighting) and industrial purposes (the operation of production plants and machinery). Natural gas is used primarily for heating. The fluorseals Group also has a company car fleet, consisting mainly of vehicles running on diesel and petrol. The table below shows energy consumption figures for the companies within the fluorseals Group during 2025, compared with the 2024 financial year.

	Year	<i>fluorseals S.p.A.</i>	<i>ciflon S.r.l.</i>	<i>fluorIM S.r.l.</i>	<i>flon Gaskets S.r.l.</i>	<i>fluor One S.a.s.u.</i>	<i>fluorseals Asia Manufacturing Co. Ltd.</i>	<i>fluorseals America Inc.</i>	Totals
Electricity purchased (MWh)	2024	6,811.0	905.6	608.6	1,175.8	291.8	1,289.2	188.9	11,270.9
	2025	6,688.5	915.2	669.4	1,125.4	298.3	1,329.9	205.5	11,232.2
Self-generated and self-consumed electricity – from solar panels (MWh)	2024	21.9	-	-	-	-	-	-	21.9
	2025	430.6	-	-	-	-	-	-	430.6
Thermal energy (MWh)	2024	2,139.5	-	-	228.0	135.5	-	-	2,503.0
	2025	2,522.2	-	-	259.7	69.0	-	-	2,850.9
Company fleet (MWh)	2024	372.2	43.3	24.5	92.2	26.5	-	-	558.7
	2025	365.4	47.8	31.3	110.5	30.4	-	-	585.6
Total energy consumption (MWh)	2024	9,344.6	948.9	633.1	1,496.0	453.8	1,289.2	188.9	14,354.5
	2025	10,006.7	963.0	700.7	1,495.6	397.8	1,329.9	205.5	15,099.3

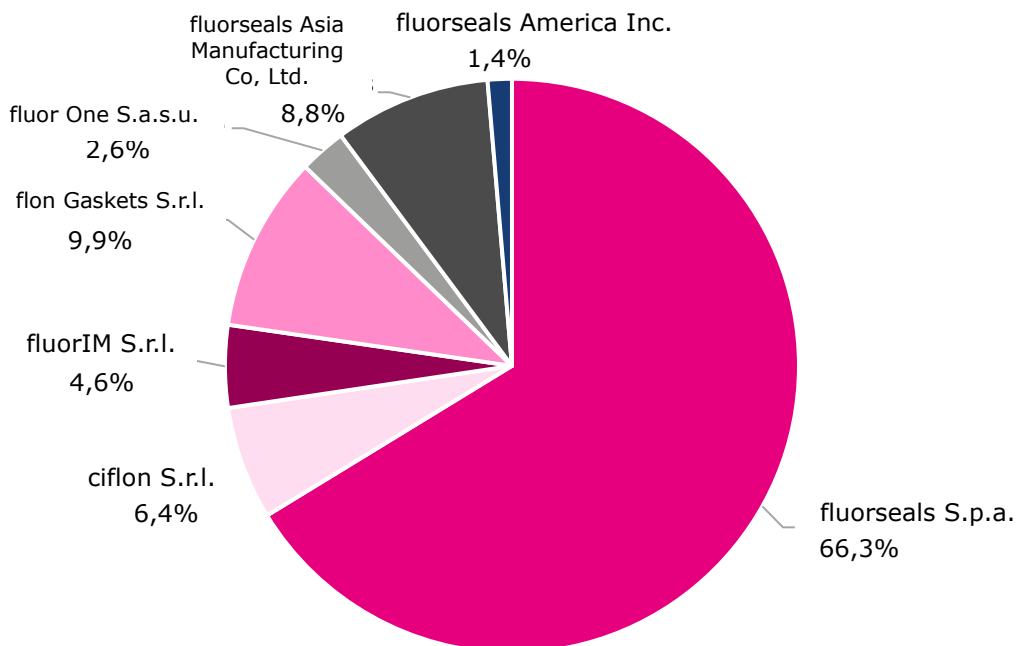
The table shows that the majority of the fluorseals Group's energy consumption came from purchased electricity. As in the previous financial year, the company with the highest energy consumption is the parent company (approximately 66.3 per cent of total energy consumption), where the majority of the Group's production and

operational activities are concentrated. Overall energy consumption remains fairly stable, showing a total increase of 744.8 kWh (+5.2 per cent) compared with the previous financial year.

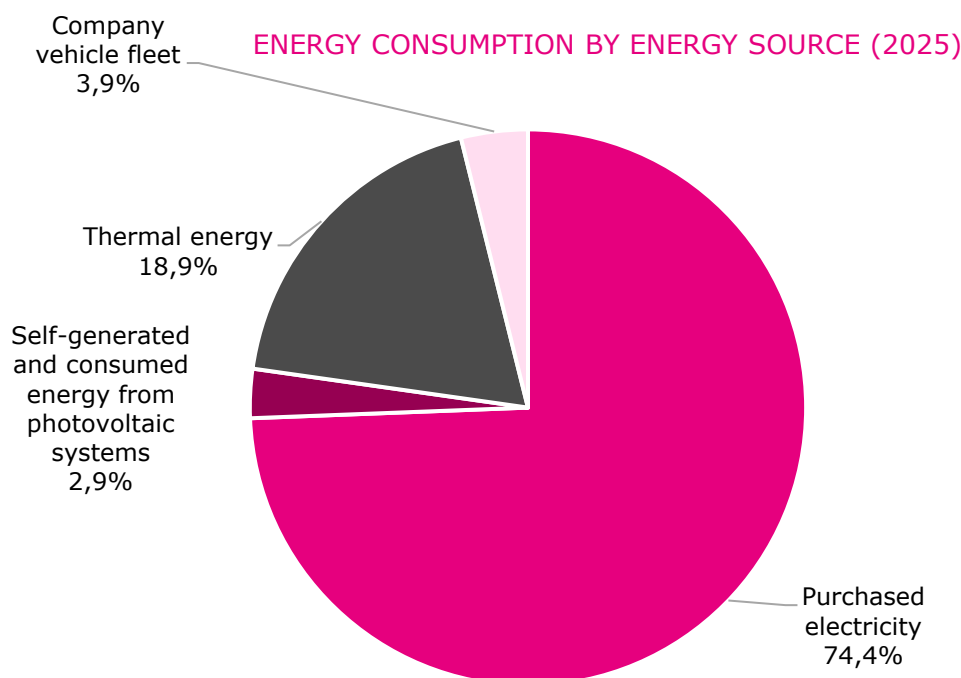
TOTAL ENERGY CONSUMPTION (MWh)



FLUORSEALS GROUP ENERGY CONSUMPTION (2025)



The Group's energy consumption for the year 2025 derives almost entirely from non-renewable energy sources: diesel and petrol for the company fleet, natural gas for heating, and purchased electricity. As announced in the previous financial year, during the 2025 financial year, two company-owned photovoltaic systems were commissioned at the Grumello (BG) and Manerbio (BS) sites.



Energy intensity

The table below shows energy intensity (the ratio of total energy consumed to the value of the fluorseals Group's output).

ENERGY INTENSITY	2025	2024
Total energy consumed (MWh)	15,099.3	14,354.5
Value of production (€ million)	85.7	86.2
Ratio of energy consumed to production value (MWh / million €)	176.2	166.5

2.3 GHG emissions

The Group's activities generate environmental impacts linked to atmospheric emissions, energy consumption and the resulting climate-changing emissions. During the 2025 financial year, the calculation methodology was consolidated; therefore, the figures for the 2025 financial year are presented below, compared with those for the 2024 financial year, broken down by Scope.

Greenhouse gas emissions are classified into three 'scopes' in accordance with the Greenhouse Gas Protocol, in order to distinguish between the different sources of an organisation's environmental impact. Scope 1 comprises direct emissions generated by sources owned or controlled by the company (e.g. the combustion of fuels); Scope 2 includes indirect emissions associated with the production of purchased and consumed energy (such as electricity, steam or heat); finally, Scope 3 covers all other indirect emissions along the value chain, both upstream and downstream (e.g. procurement, transport, product use and end-of-life).

This report covers only Scope 1 and 2 emissions. Within Scope 2, emissions have been calculated using the *location-based* approach, quantifying emissions based on the average emission factor of the energy mix of the electricity grid in the country or geographical area where consumption takes place, thereby providing a representation of the impact associated with the local energy context, regardless of any specific procurement choices made by the company².

Emissions (tonnes CO ₂ eq)	Total 2025	Total 2024
Purchased electricity (SCOPE 2)	3,331.0	3,724.1
Thermal energy – natural gas (SCOPE 1)	610.9	534.0
Company fleet – petrol and diesel (SCOPE 1)	156.3	124.6
F-GAS (SCOPE 1)	442.8	N/A
Total emissions (tonnes CO₂eq)	4,541.0	4,382.7

Emissions (tonnes CO ₂ eq)	Total 2025	Total 2024
SCOPE 1	1,210.0	658.6 ³
SCOPE 2	3,331.0	3,724.1
Total emissions (tonnes CO₂eq)	4,541.0	4,382.7

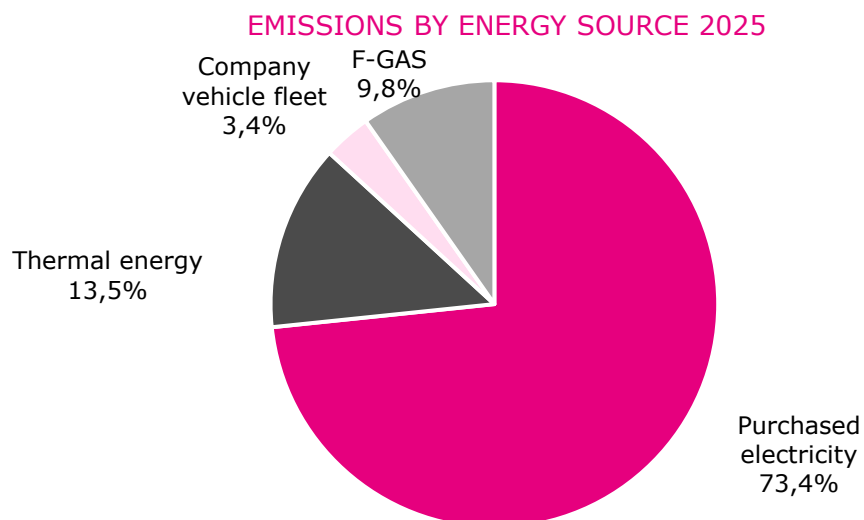
Air-conditioning and refrigeration systems use F-gases, substances that contribute to climate change. GHG emissions associated with these systems have been reported for the first time in this report, following a comprehensive mapping exercise across all Group companies. As this is the first reporting year, the process of collecting and processing the data will be improved and refined in future years.

GHG INTENSITY	2025	2024
Total emissions (tonnes CO ₂ eq)	4,541.0	4,382.7 ⁴
Production value (€ million)	85.7	86.2
Ratio of GHG emissions to production value (tonnes CO ₂ eq / million €)	53.0	50.8

² The emission factors used to calculate emissions were determined on the basis of data and methodological guidelines published by ISPRA, together with information provided by Nowtricity/France, official data from the MEE (Chinese Ministry of Ecology and Environment) and the EPA (Environmental Protection Agency), via the eGRID (Emissions & Generation Resource Integrated Database).

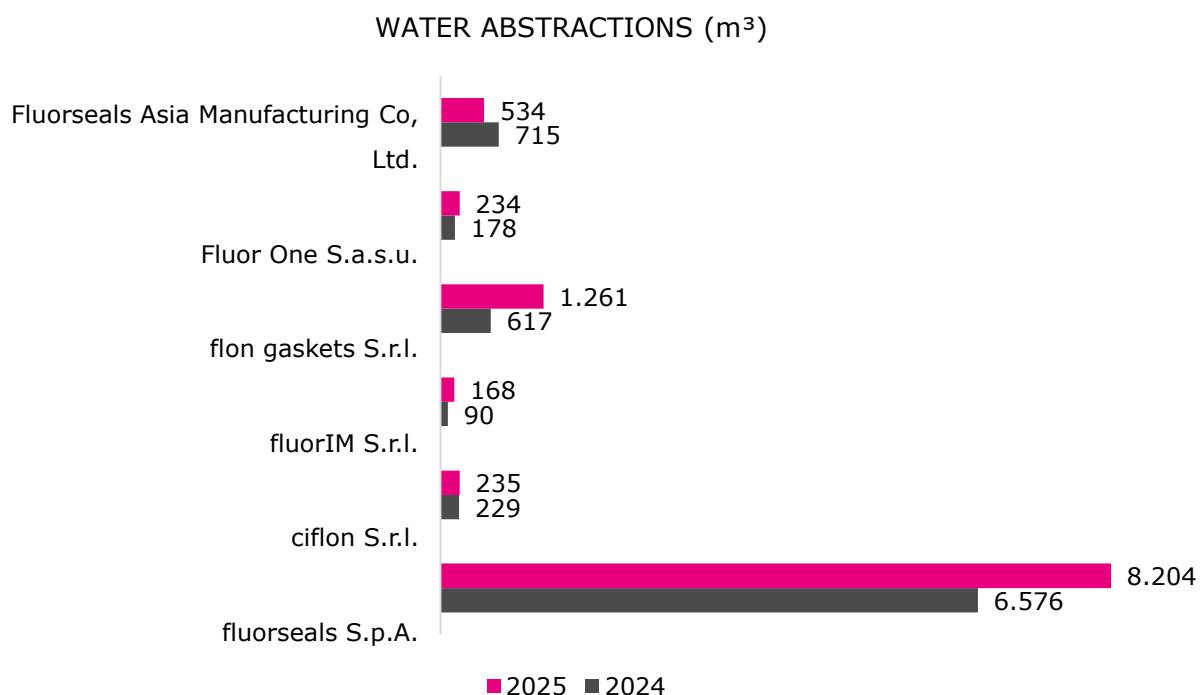
³ It should be noted that reporting on fugitive emissions from air-conditioning and refrigeration systems began in the 2025 financial year; therefore, the figure for SCOPE 1 emissions for the 2024 financial year does not take this into account.

⁴ Please note that the figure excludes fugitive emissions associated with air-conditioning and refrigeration systems.



2.4 Water

The table below summarises the data on water withdrawals for all companies. The Group withdrew a total of 10,636 cubic metres, compared with 8,405 cubic metres withdrawn in the previous year. The increased use of water resources is consistent with the rise in production volumes.



Using the World Resources Institute's (WRI) Water Risk Atlas tool, Aqueduct, it was found that many of the locations where the Group operates are situated in areas of high or extremely high water stress, i.e. where the total percentage of water abstracted is high (40–80 per cent) or extremely high (over 80 per cent). In particular, the table below details the areas where the fluorseals Group operates that are subject to high or extremely high water stress.

Location	Group company	Water stress
Grumello del Monte (BG)	fluorseals S.p.A.	HIGH (40–80%)
Manerbio (BS)	fluorseals S.p.A.	HIGH (40–80%)
Palosco (BG)	fluorseals S.p.A.	HIGH (40–80%)
Sovere (BG)	flon Gaskets S.r.l.	HIGH (40–80%)
Amorosi (BN)	ciflon S.r.l.	EXTREMELY HIGH (>80%)
Wuxi, Jiangsu (China)	fluorseals Asia Manufacturing Co. Ltd.	EXTREMELY HIGH (>80%)
Stafford, Texas, United States of America	fluorseals America Inc.	MEDIUM-HIGH (20–40%)
Vernouillet, France	fluor One S.a.s.u.	LOW (<10%)

Source: <https://www.wri.org/>

Water discharges

The fluorseals Group's water discharges, relating to all its companies, consist solely of domestic discharges. Consequently, as for the 2024 financial year, water consumption for the 2025 financial year has also been calculated exclusively as water withdrawal, and therefore does not include discharges.

2.5 Incoming and outgoing materials

In line with what was previously reported for the 2024 financial year, the main input material in the fluorseals Group's production process is PTFE, a strategic raw material for the manufacture of the company's products. This is supplemented by a smaller proportion of auxiliary materials – including technical lubricants, alcohols, solvents and detergents – used for specific processing and finishing requirements. The use of these substances is constantly monitored, in line with the quality and sustainability standards adopted.

During the 2025 financial year, unlike in previous financial years, data on waste generated by all Group companies was collected. It should be noted, however, that the parent company, fluorseals S.p.A., accounts for the majority of production activities – and therefore of the associated environmental impacts. In 2025, a total of approximately 868 tonnes of waste was produced, 97 per cent of which was non-hazardous waste intended for recovery.

Non-hazardous waste: RECOVERY		Total 2025	Total 2024	2023
Category	CER	kg	kg	kg
Packaging made from mixed materials	150106	364,575	326,470	356,990
Paper and cardboard packaging	150101	124,120	116,980	110,900
Plastic packaging	150102	37,290	47,900	44,597
Iron and steel	170,405	77,440	16,370	24,200
Wooden packaging	150,103	93,600	94,650	29,400
End-of-life equipment other than that covered by headings 160209 to 160213 (PCs, printers, etc.)	160214	39,142	1,420	0
Used printer toner cartridges other than those covered by heading 080317	080318	80	80	0

Non-hazardous waste: RECOVERY		Total 2025	Total 2024	2023
Category	CER	kg	kg	kg
Plastic waste	070213	5,000	11,010	4,000
Waste from electrical and electronic equipment	160200	0	0	6
Plastics filings and shavings	120105	102,206	10,605	2,525
Tool bodies and spent grinding materials, except those included under entry 12 01 20*	120121	18	0	0
Paper and cardboard from the separate collection of municipal and similar waste	200101	1,156	0	0
Sludge from septic tanks	200304	7,000	0	0
Total non-hazardous waste sent for recovery		844,627	625,485	572,618

Other materials not intended for disposal

The Group has implemented sustainable processes that make the most of production waste, transforming it into new resources. Waste generated during processing (wood shavings) is reprocessed as a secondary raw material. This material is then reintroduced into production cycles. In 2025, a total of **450 tonnes of wood shavings** were recorded, managed through **recovery and recycling** activities, compared with **430.4 tonnes⁵** in 2024.

Non-hazardous waste – Destination: DISPOSAL		Total 2025	Total 2024	Total 2023
Category	CER	kg	kg	kg
Plastics filings and shavings	120105	0	0	46
Spent tool bodies and grinding material, other than those referred to in entry 120120	120121	0	9	25
Plastic packaging	150102	0	195	43
Septic tank sludge	200304	7,000	6,000	0
Mixed-material packaging	150106	0	54,900	48,170
End-of-life equipment other than that covered by headings 160209 to 160213 (PCs, printers, etc.)	160214	0	0	290
Aqueous liquid waste	161002	0	2,790	1,390
Paper and cardboard packaging	150101	0	320	0
Mixed metals	170407	0	320	0
Plastic waste	070213	8,000	0	0
Total non-hazardous waste sent for disposal		15,000	64,534	49,964

Overall, in 2025, **97.3 per cent** of waste is **destined for recovery**, while the **remaining 2.7 per cent** is destined for **disposal**.

Hazardous waste		Total 2025	Total 2024	Total 2023
Category	CER	kg	kg	kg
Aqueous cleaning solutions	120301	0	47,640	0
Halogen-free emulsions and solutions for machinery	120109	0	1,170	2,900
Fuel oil and diesel fuels	130701	0	240	0

⁵ The figure relates to fluorseals S.p.A. and Flon Gaskets S.r.l. As these are the first two financial years of reporting, monitoring will be carried out in a more timely and precise manner in future financial years.

Hazardous waste		Total 2025	Total 2024	Total 2023
Category	CER	kg	kg	kg
End-of-life equipment containing hazardous components (monitors)	160213	0	80	20
Aerosol cans containing paints or solvents	105111	0	0	1
Absorbents, filter materials, rags and protective clothing contaminated with hazardous substances	150202	40	195	43
Lead-acid batteries	160601	140	100	0
Other engine, gear and lubricating oils	130208	0	800	1,200
Packaging containing residues of hazardous substances or contaminated by such substances	150110	25	8	5
Spent activated carbon from flue gas treatment	190110	3,056	0	0
Mineral oils for machinery, halogen-free	120107	2,061	0	0
End-of-life equipment containing hazardous components, other than those referred to in entries 16 02 09 and 16 02 12.	160213	3,400	0	0
Total hazardous waste		8,722	50,233	4,169

2.6 Indirect environmental impacts

Indirect environmental impacts represent a significant component of the fluorseals Group's sustainability performance, as they arise from activities not directly controlled by the company but closely linked to its business model. These impacts include both upstream and downstream activities in the supply chain, relating to the use, maintenance and end-of-life of products placed on the market.

The indirect environmental impacts generated along the supply chain are a key consideration for the fluorseals Group, as they relate to procurement, logistics and outsourced services. To strengthen the responsible management of these impacts, the Group has drawn up and approved a Supplier Code of Conduct, a document that sets out the principles, requirements and expected behaviour of all business partners upstream in the value chain.

The Supplier Code of Conduct sets out clear criteria regarding environmental protection, responsible resource management, pollution prevention, compliance with regulations and the adoption of sustainable practices. Its aim is to ensure that the entire supply chain operates in line with the Group's values, contributing to the reduction of indirect environmental impacts and supporting a more sustainable production model.

The document was sent out during the first few months of the 2026 financial year to strategic suppliers, who were asked to formally sign it as a commitment to comply with its provisions. This process represents a first step towards a more structured management of indirect environmental impacts, fostering greater transparency and accountability throughout the supply chain.

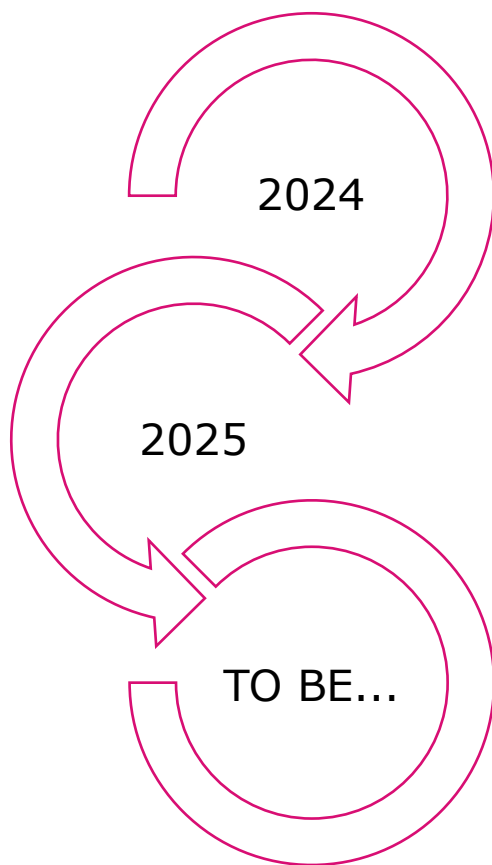


PEOPLE

3. People

3.1 Employees

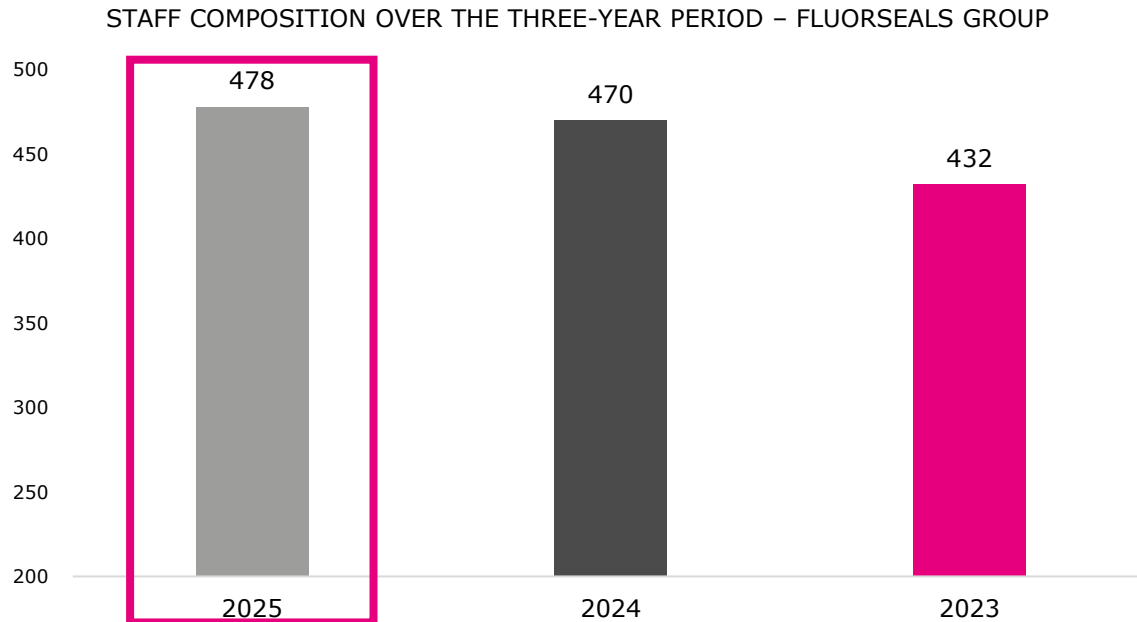
Material issues



- Annual training plans comprising internal and external courses, both compulsory and optional
- Annual career review process
- Frequent dialogue, engagement and openness towards our own staff
- Implementation of monitoring systems, with Group-level KPIs
- Strategic development of the issue of employee wellbeing
- With regard to the parent company, fluorseals S.p.A., procedures and processes have been adapted to ensure compliance with applicable regulations, including in preparation for a potential path towards ISO 45001 certification.
- Launch of flon Gaskets' pathway towards Gender Equality certification in accordance with UNI PdR 125:2022
- With regard to the parent company, fluorseals S.p.A., the launch of an assessment phase to obtain ISO 45001 certification
- Harmonisation of personnel-related procedures and practices across the companies of the fluorseals Group
- Assess the implementation of the Gender Equality Management System for other Group companies
- Defining an HR Policy

Headcount and composition

At the end of 2025, the fluorseals Group's workforce totalled **478 people⁶**, representing an overall increase of 8 employees compared with 2024 and 46 employees compared with 2023. This trend is consistent with the Group's commitment to pursuing a path of growth and expansion.



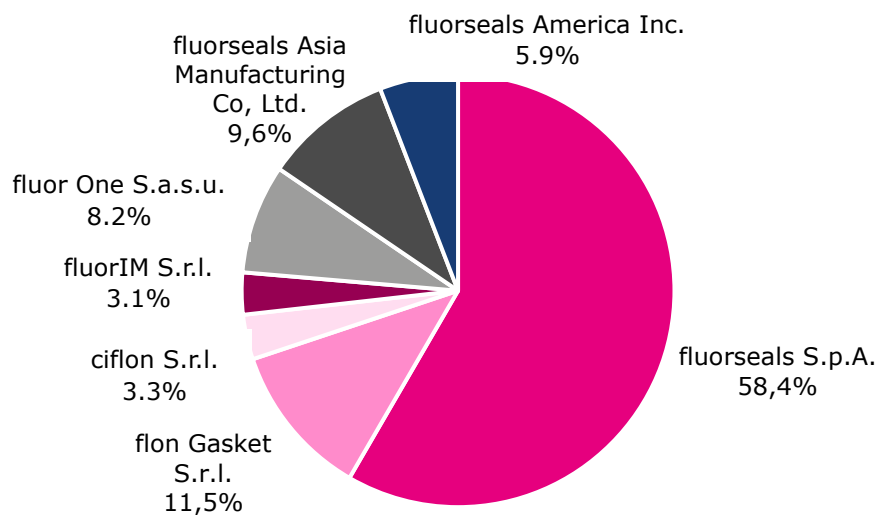
During the year, **10 work placements and internships** were organised, of which 8 were in collaboration with secondary schools and 2 with universities. These initiatives demonstrate the Group's commitment to strengthening dialogue with local institutions and to promoting the entry into the workforce and professional development of young people through training and career guidance programmes.

It should be noted, however, that this figure is lower than in **2024**, when a total of **17 partnerships** were established, 11 of which were with secondary schools and 6 with universities. The decrease recorded during the financial year is mainly attributable to the parent company.

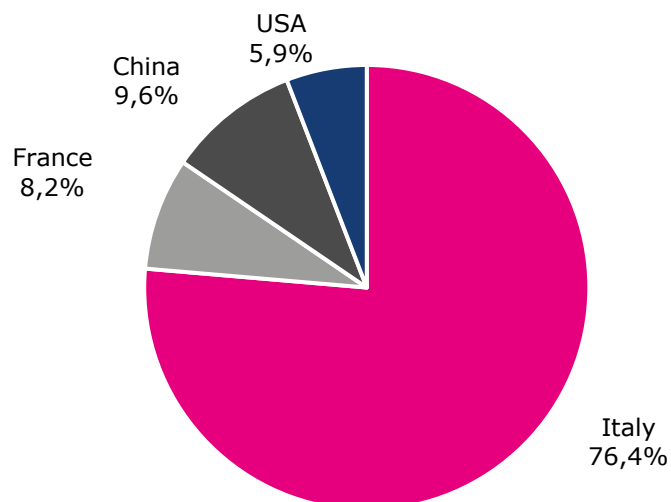
As the implementation of these programmes depends on the company's specific organisational and production needs, as well as on the proposals and availability of local schools, universities and training organisations, these are activities which, by their very nature, are subject to normal annual fluctuations and cannot always be planned on a continuous basis.

⁶ Unless otherwise stated, all figures below refer to the number of employees as at 31 December.

BREAKDOWN OF STAFF AMONG THE GROUP COMPANIES

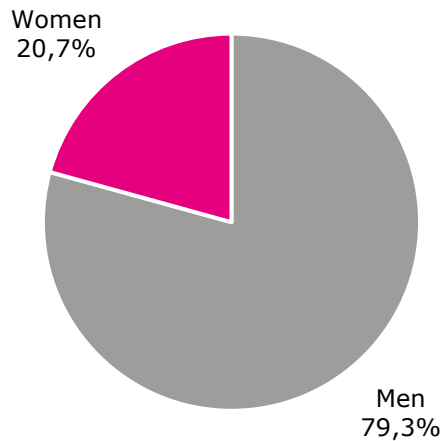


BREAKDOWN BY COUNTRY

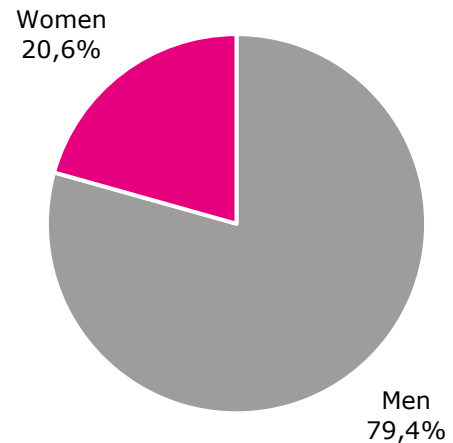


In line with the previous year, male staff account for **79.3 per cent** of the total workforce, while female staff account for **20.7 per cent**. This disparity is mainly due to the nature of certain operational roles, which tend to attract fewer female applicants.

BREED-BY-BREED BREEDING STATISTICS 2025
– GROUP



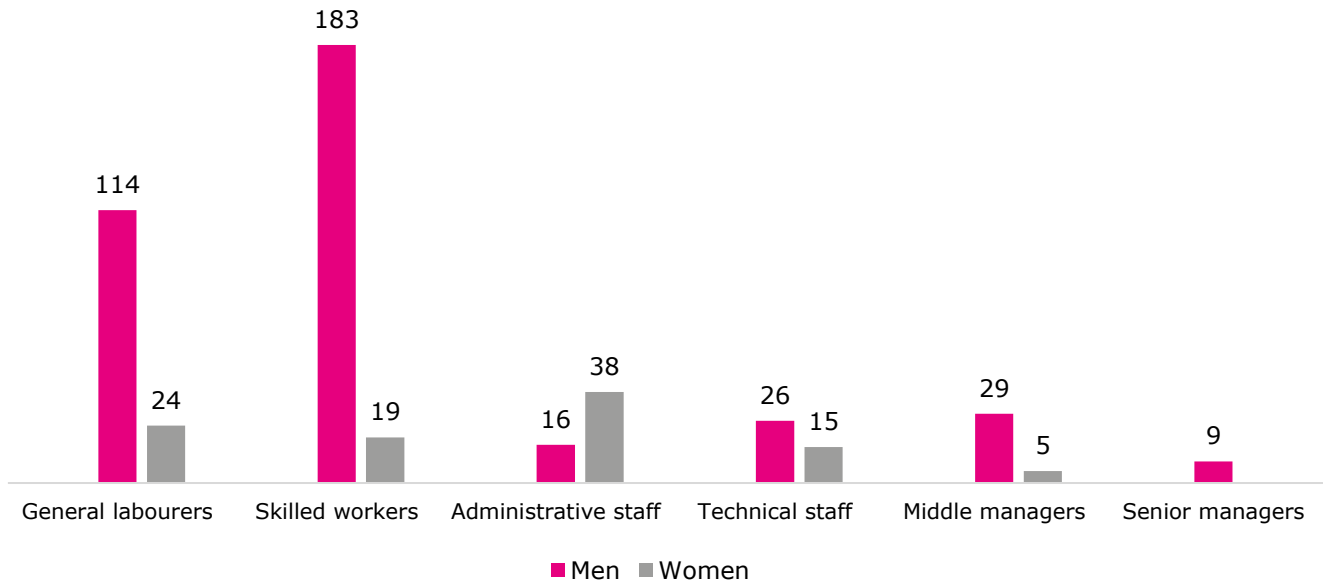
BREED-BY-BREED BREEDING STATISTICS 2024 – GROUP



The analysis carried out in 2025 confirms, as in the previous two-year period, a higher concentration of women in **administrative positions** (38 women compared with 16 men), while there is a significant male predominance in operational roles, both among **general labourers** (114 men and 24 women) and, to an even greater extent, among **skilled labourers** (183 men and 19 women). Among **technical staff**, there are 26 men and 15 women. In senior management positions, there is a male predominance (5 women out of 34 middle managers and no women among senior executives).

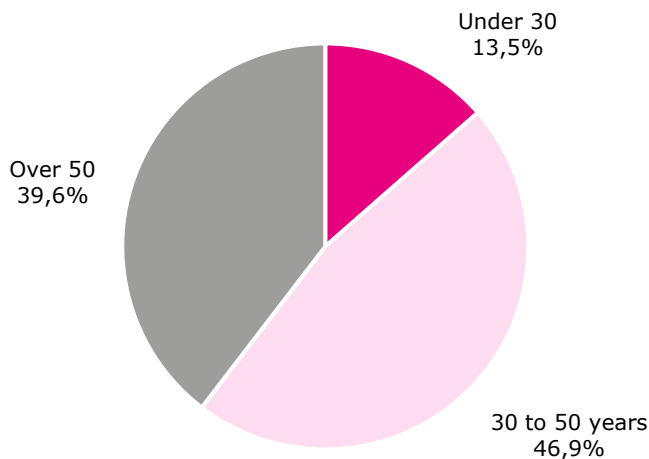
This trend reflects both factors linked to the labour market and the availability of candidates, and structural dynamics that the Group will be able to progressively address through policies aimed at attracting, developing and promoting female talent. In this context, the Group is committed to progressively strengthening policies and initiatives designed to support the growth and professional development of women, while also promoting their access to technical roles and positions of greater responsibility.

BREAKDOWN BY CATEGORY AND GENDER 2025

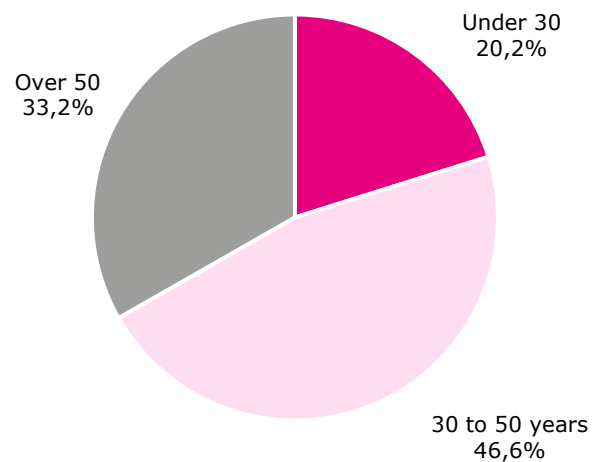


Over the last two years, the demographic structure of the fluorseals Group's workforce has shown a prevalence of the **30–50** age group, for both men and women. Specifically, in 2025 this age group accounted **for 46.6 per cent of men and 46.9 per cent of women**. The distribution by age and gender remained broadly stable over the two-year period.

WOMEN'S SECTION 2025 BY AGE GROUP

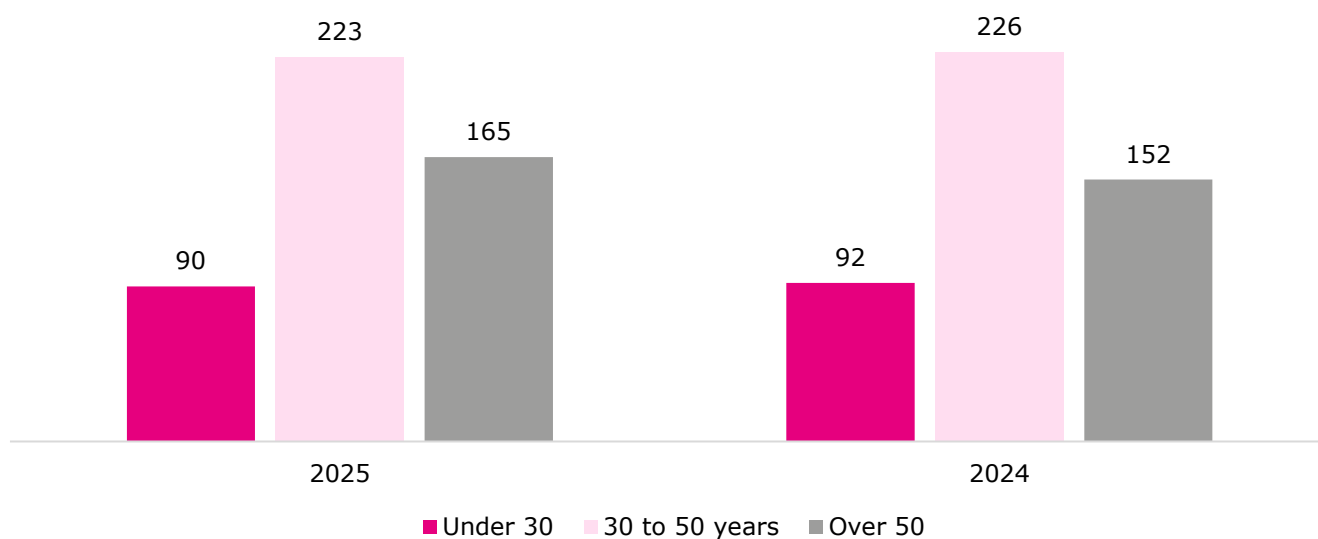


MEN'S COMPETITION 2025 BY AGE GROUP



This figure highlights the presence of **a relatively young workforce** at a pivotal stage in their career paths, characterised by high potential for development and growth. At the same time, the significant proportion of staff under 50 suggests a strong presence of people at stages of life where **the issues of work-life balance** are particularly **relevant**. In this context, one of the Group's objectives is to further capitalise on this demographic composition through targeted policies and tools focused on work-life balance, organisational wellbeing and skills development, with the aim of supporting staff retention, engagement and growth in the medium to long term.

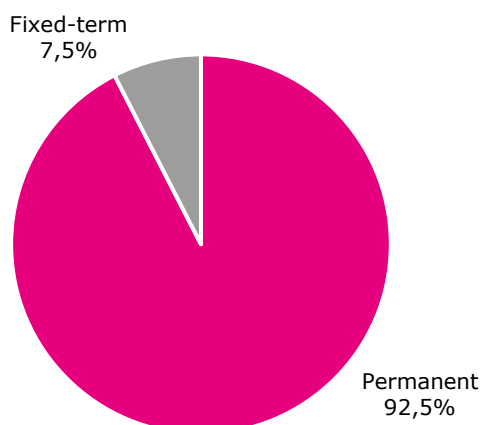
TOTAL BREAKDOWN BY AGE GROUP



Types of contracts

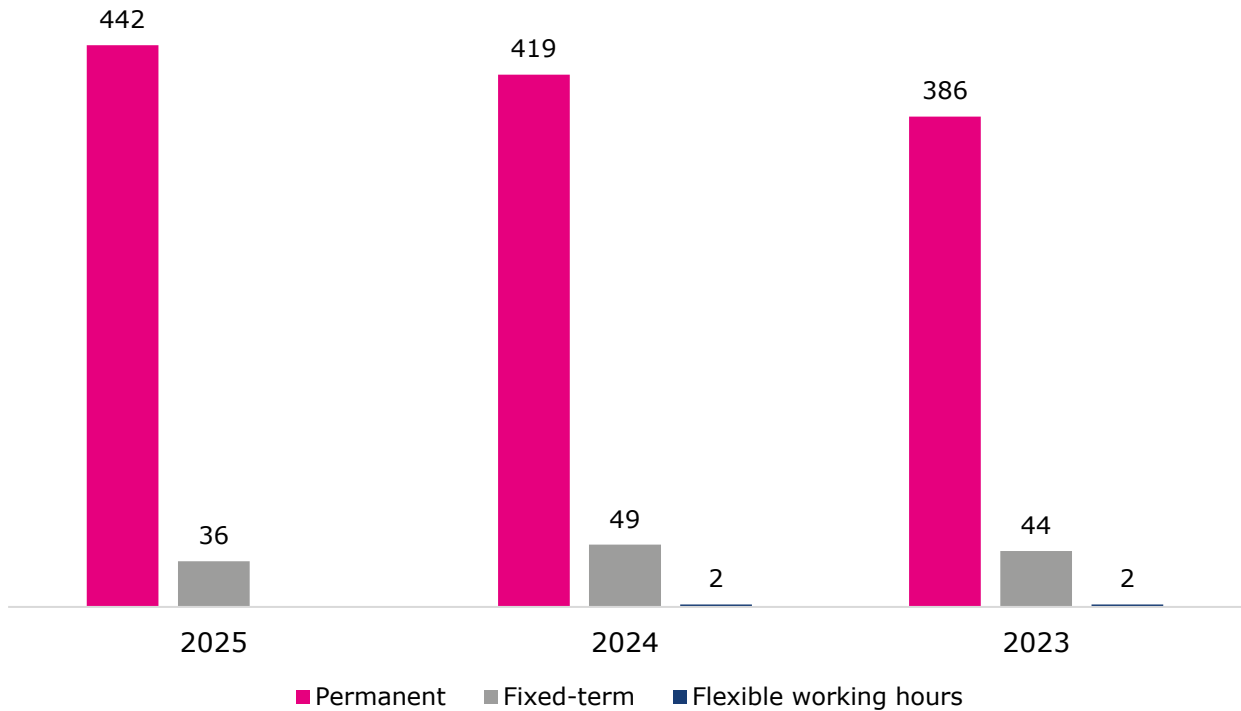
Around **93 per cent** of the fluorseals Group's workforce (**442 employees**) are employed on permanent contracts, a figure that confirms the Group's commitment to prioritising **stable, long-term employment relationships**. The remaining staff (36 employees) are employed on fixed-term contracts, mainly during the induction phase. In this regard, the Group adopts an approach geared towards permanent employment, providing for an initial trial period aimed, where possible, at subsequently converting the employment relationship into a permanent contract.

CONTRACT TYPE 2025 – FLUORSEALS GROUP



Over the three-year period, there has, in fact, been a gradual increase in permanent contracts and a corresponding reduction in fixed-term contracts, as well as the absence, by 2025, of contracts with flexible working hours. This trend highlights a clear corporate strategy aimed at consolidating employment relationships over time, thereby strengthening job security and employees' sense of belonging to the Group.

CONTRACT TYPE OVER THE THREE-YEAR PERIOD - FLUORSEALS GROUP

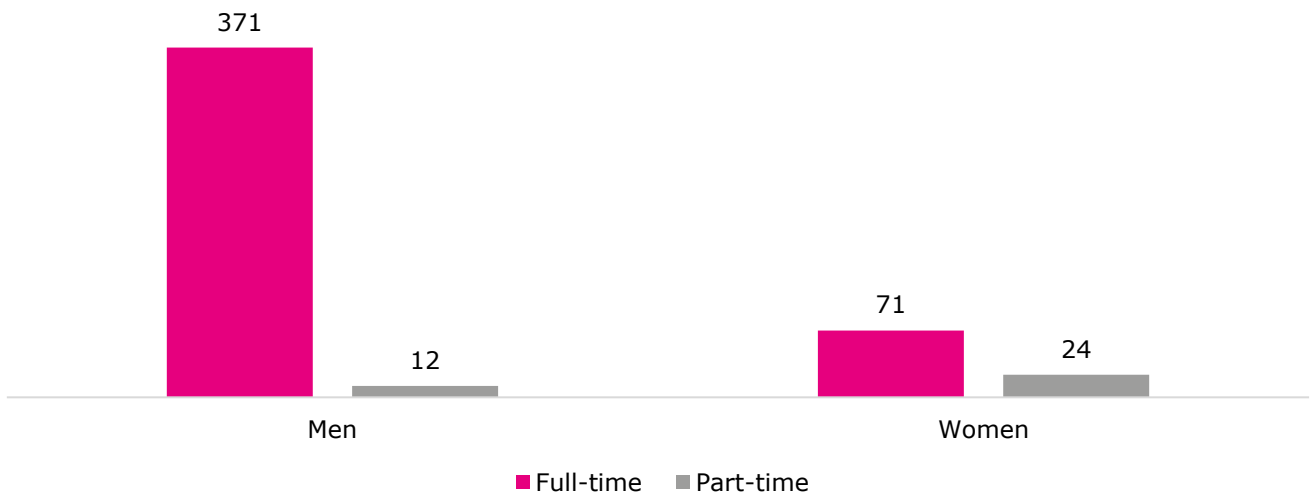


In 2025, the total number of employees on **part-time contracts** was relatively low (36 out of a total of 478). Specifically, part-time work applied to 12 men out of a total of 379 and 24 women out of a total of 99.

The analysis highlights a significant gender difference: while the use of part-time work is marginal among men (around 3 per cent), the proportion is higher among women (around 24 per cent). This figure suggests **greater use of flexible working arrangements by female staff**, likely linked to the need to balance work and personal life.

The fluorseals Group favours full-time employment, in line with organisational and production requirements, but at the same time demonstrates openness towards flexible arrangements, accommodating requests for part-time work where individual needs arise.

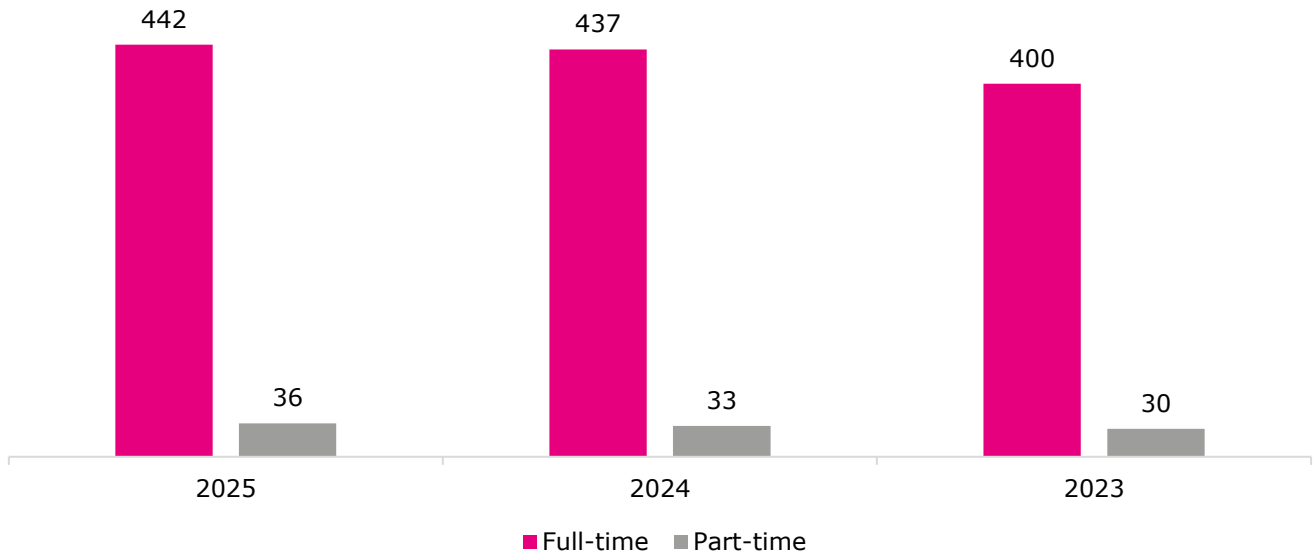
FULL-TIME AND PART-TIME CONTRACTS IN 2025 BY GENDER



Over the three-year period, the trend has remained essentially stable: on the one hand, the central role of the full-time model is confirmed; on the other, the option to work part-time as a means of supporting work-life

balance is guaranteed. In this context, the figure provides an opportunity for reflection for the Group, which may consider further initiatives aimed at promoting a more balanced use of flexible working arrangements between men and women.

FULL-TIME AND PART-TIME CONTRACTS OVER THE THREE-YEAR PERIOD

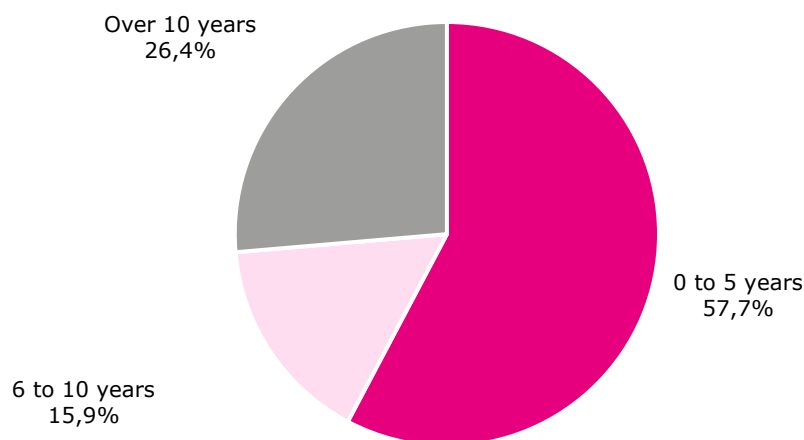


The distribution of length of service highlights a varied composition of the workforce: **57.7 per cent** of employees have been with the company for between **0 and 5 years**, 16 per cent for between 6 and 10 years, and 26.4 per cent for more than 10 years.

This figure reflects, on the one hand, the fluorseals Group's ability to **attract new talent**, in line with the growth trajectory undertaken in recent years, and, on the other hand, the presence of a significant proportion of staff with long service, which helps to ensure continuity, experience and the consolidation of key skills.

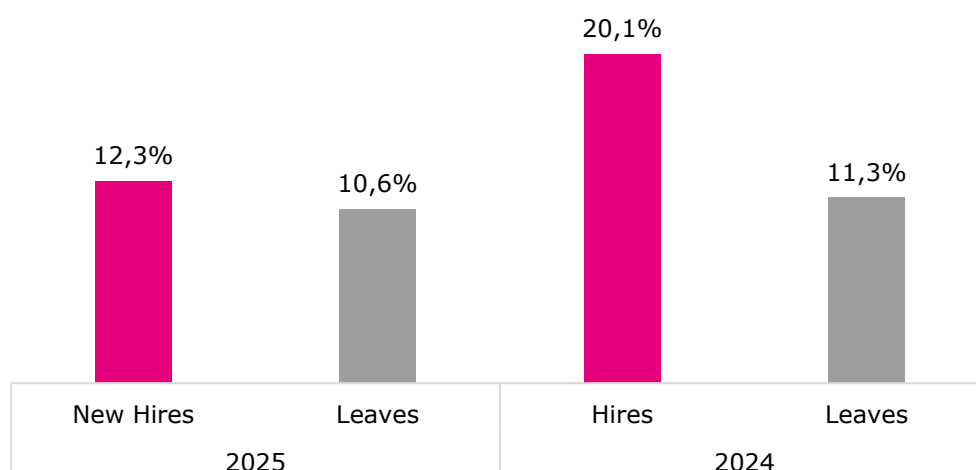
Overall, a balanced structure emerges, combining renewal and stability – fundamental elements for sustaining long-term organisational development.

LENGTH OF SERVICE 2025



Staff turnover

HIRING/LEAVING RATE OVER THE TWO-YEAR PERIOD



During 2025, the fluorseals Group recorded **58 new hires and 50 departures**. The overall balance therefore shows a positive trend, albeit more modest than in 2024, when the recruitment rate stood at 20.1 per cent compared with a departure rate of 11.3 per cent⁷.

A comparison of the two financial years thus reveals a natural **slowdown in the rate of growth in new hires**, which can be interpreted as a sign of gradual organisational stabilisation following a period of more pronounced expansion. At the same time, the staff turnover rate remains essentially stable, confirming the overall stability of the workforce.

At the level of individual companies, significant differences in staff dynamics emerge. fluorIM S.r.l. recorded the highest recruitment rate (30.8 per cent) and a turnover rate of 15.4 per cent, indicating a structure undergoing greater change. flon Gaskets S.r.l. also shows a significant proportion of new hires (25%) compared with 10.4% of staff leaving. fluorseals S.p.A., the Group's parent company, shows a more balanced trend (12.1% new hires and 9.9% staff departures), while fluorseals Asia Manufacturing Co., Ltd. has moderate and normal levels of staff turnover (13.3% and 11.1%). fluor One S.a.s.u. shows a more subdued trend, though with departures slightly exceeding new hires. At ciflon S.r.l. and fluorseals America Inc., there were no new hires.

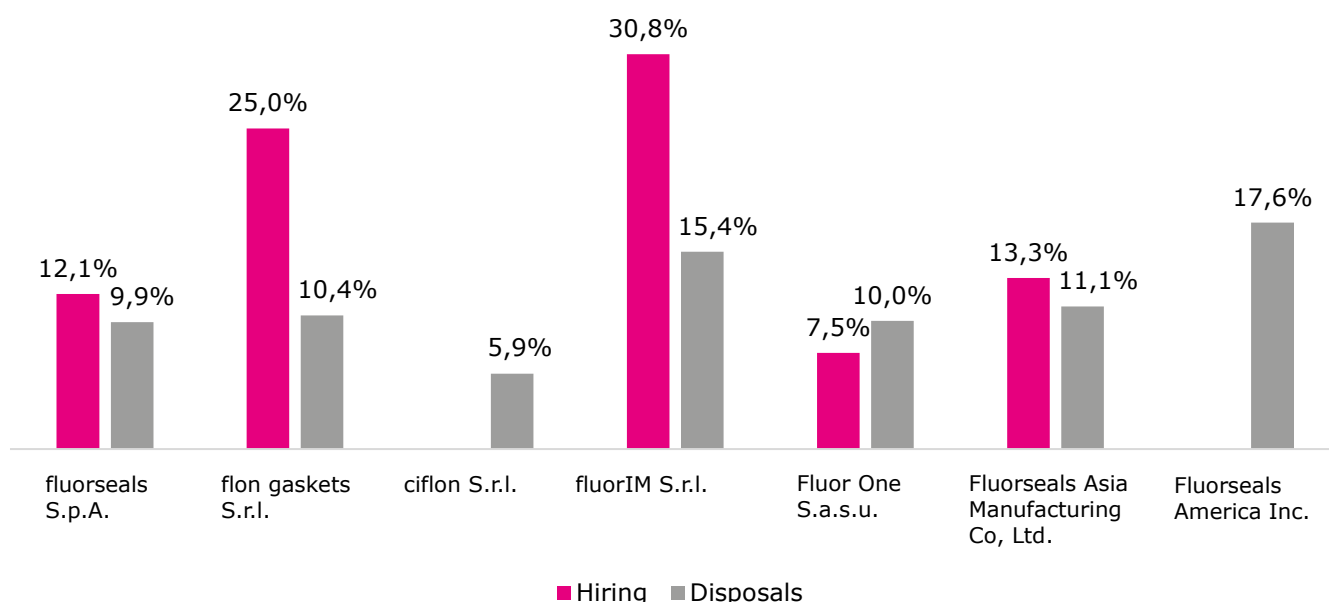
During the financial year, efforts were made to achieve greater **employment stability by converting a number of fixed-term contracts** into more stable employment relationships, in line with the Group's objective of consolidating skills and organisational continuity.

Overall, the figure reveals significant variation across the Group's various companies, with some undergoing consolidation and others characterised by greater dynamism.

⁷ Calculated as the ratio of the number of employees hired in 2025 to the number of employees on the books as at 31 December 2024.

⁷ Calculated as the ratio of the number of employees who left the company in 2025 to the number of employees on the books as at 31 December 2024.

HIRING/REDUNDANCY RATE BY COMPANY 2025



3.2 Non-employees

According to ESRS reporting standards, the company's workforce comprises both employees and non-employees. The latter includes individuals who collaborate with the organisation under contracts for the provision of labour ('self-employed workers') or professionals made available by companies primarily engaged in 'the recruitment, selection and supply of personnel'.

Within the fluorseals Group, **there are no self-employed workers**; the use of temporary staff therefore represents the only form of non-employee employment work. During 2025, the Group employed a total of **39 temporary workers, of whom 26 were men and 13 were women**, to meet specific **production requirements**. This approach allows for operational flexibility, while ensuring the quality of the working environment is maintained, as well as promoting inclusion in fixed-term employment arrangements.

3.3 Staff training and development

Principles and policies

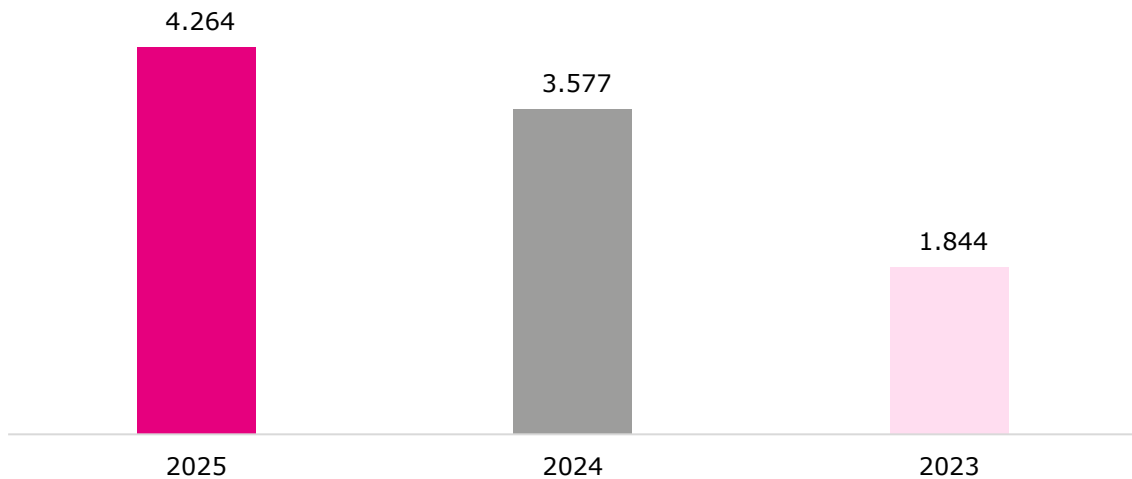
For the fluorseals Group, training represents a fundamental strategic element from two perspectives. On the one hand, it contributes to enriching people's knowledge, skills and competences; on the other hand, it serves **as a tool for personal and professional development**, fostering engagement, **participation and organisational wellbeing** within day-to-day working life.

Training needs are identified through top-down gap analysis processes focusing on skills, validated where necessary through individual interviews, and supplemented by HR assessments relating to the development of new skills linked to specific organisational projects.

Training delivered in

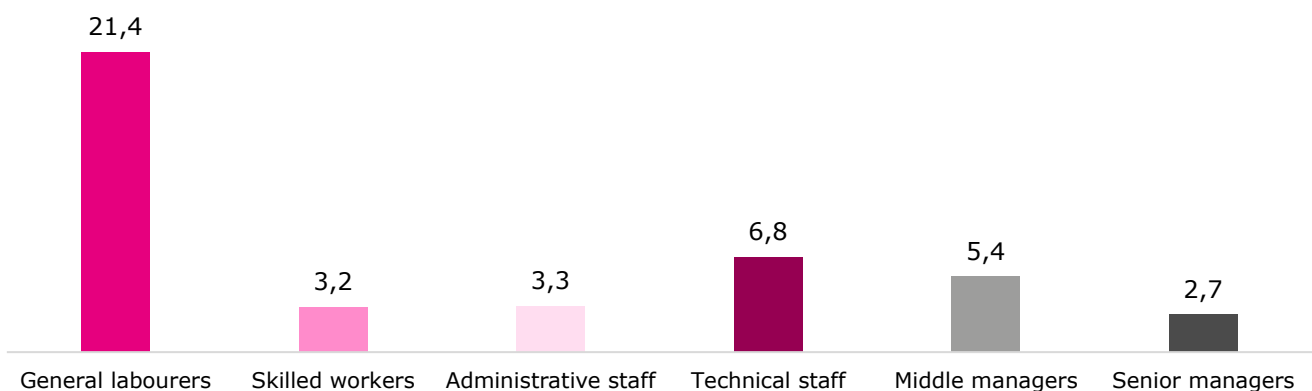
During the 2025 financial year, the total number of hours delivered in training activities amounted to **4,264, compared with 3,577 in 2024 and 1,844 hours recorded in 2023**, highlighting a significant increase in the Group's investment in skills development and a gradual strengthening of training policies over the period in question.

TRAINING HOURS OVER THE THREE-YEAR PERIOD – FLUORSEALS GROUP



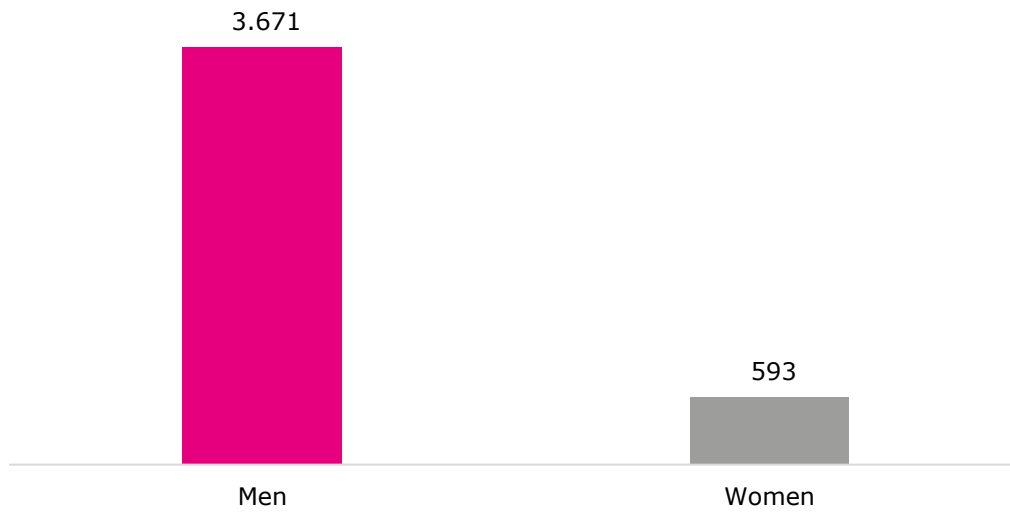
In 2025, training averaged approximately **9 hours per person**, with a breakdown by occupational category as follows: 21.4 hours for general labourers, 3.2 hours for skilled workers, 3.3 hours for administrative staff, 6.8 hours for technical staff, 5.4 hours for middle management, and 2.7 hours for senior management.

AVERAGE NUMBER OF TRAINING HOURS PER EMPLOYEE, BY CATEGORY, 2025



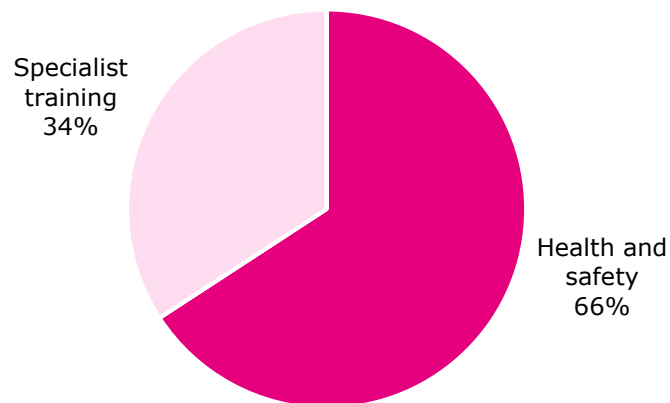
During the reporting period, staff received a total of **4,264 hours of training**, of which **3,671 were provided to men (9.6 hours per person)** and **593 to women (6.2 hours per person)**. The distribution of training hours largely reflects the composition of the workforce.

TOTAL HOURS OF STAFF TRAINING



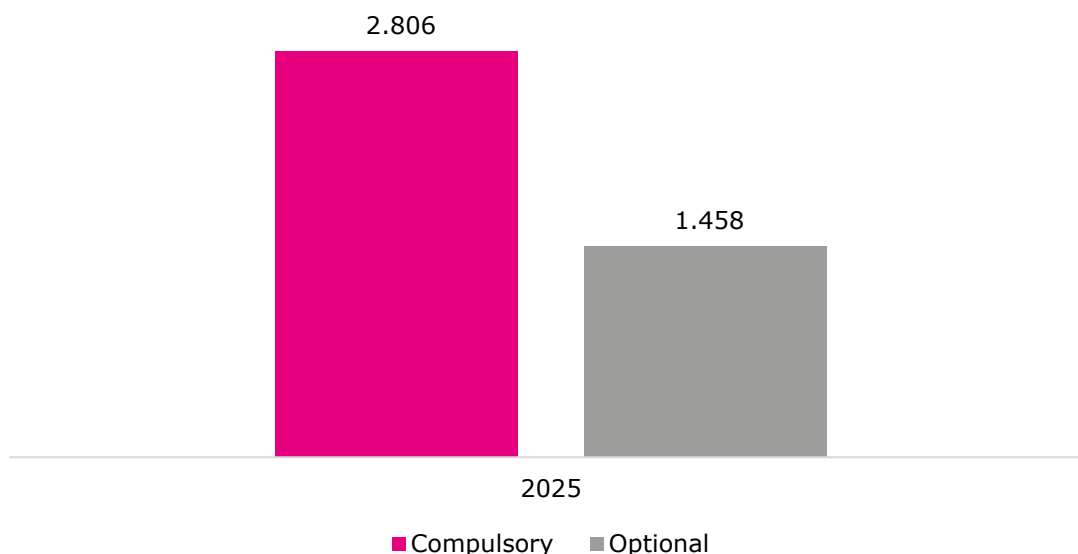
At the same time, the total cost allocated to training rose from **€67,800** to **€91,200**, a figure that clearly reflects the Group's commitment to promoting staff's professional development and strengthening health and safety practices.

BREAKDOWN OF TRAINING HOURS BY AREA – 2025



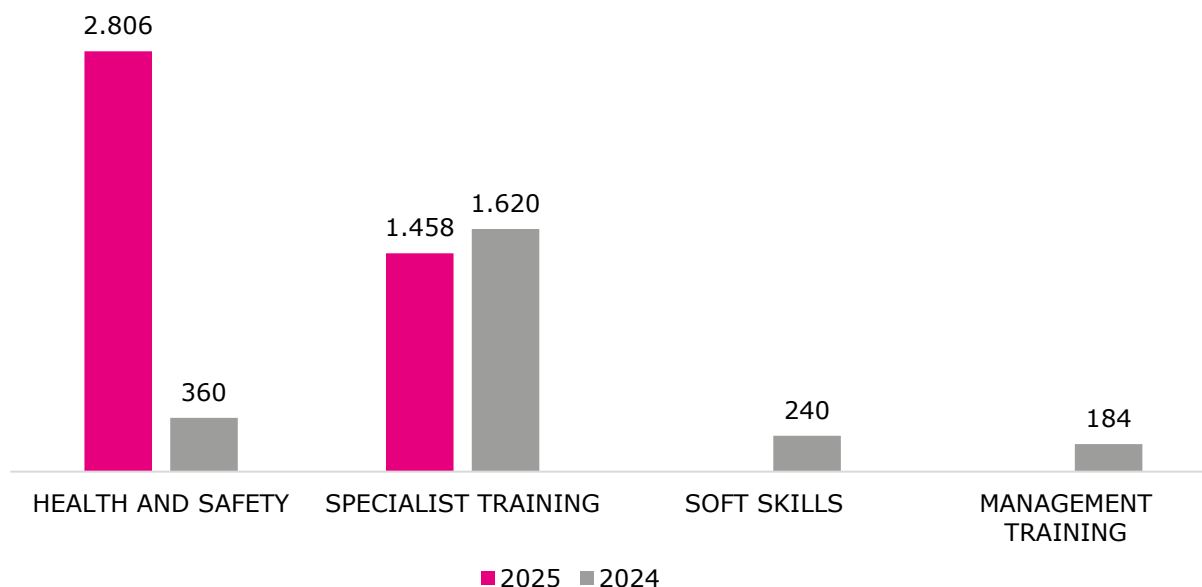
In terms of content, the training delivered in 2025 focused primarily on two areas: **66 per cent** of the hours were devoted to **occupational health and safety issues**, while the remaining **34 per cent** covered **specialist and technical** training.

TOTAL HOURS OF COMPULSORY AND OPTIONAL TRAINING



Compared with 2024, the training programme showed a greater focus on **health and safety and technical-specialist training**, which accounted for all the hours delivered during the financial year. Management training and training dedicated to the development of soft skills, while present in the previous financial year, were not the subject of specific initiatives in 2025. This decision reflects a planning approach prioritising the strengthening of operational, technical and regulatory skills deemed most strategic for the company's needs in the year in question, while confirming the central importance the Group attaches to health and safety in the workplace.

TRAINING HOURS BY SUBJECT AREA OVER THE TWO-YEAR PERIOD

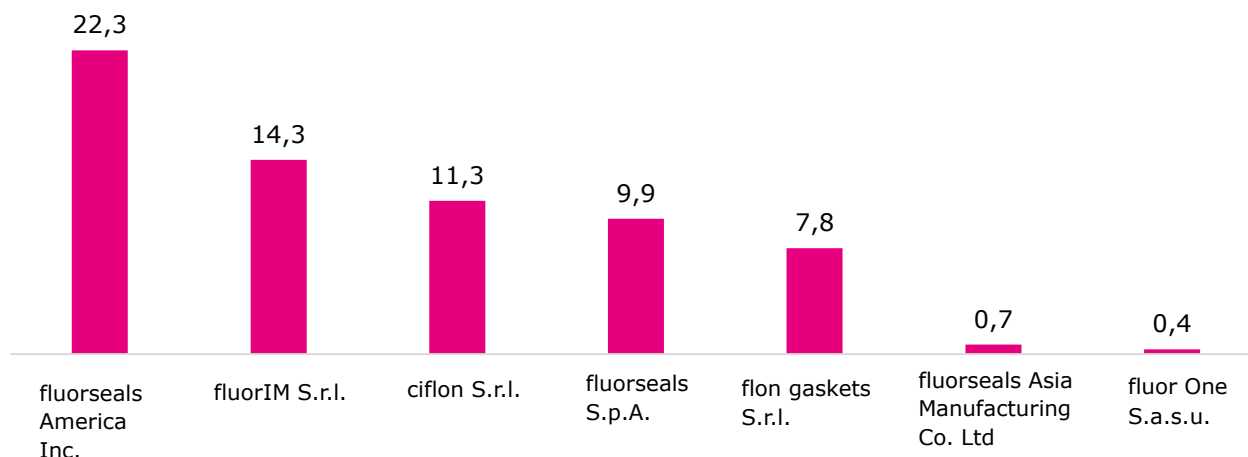


Training hours were allocated across the various Group companies according to their specific operational, organisational and regulatory needs, with particular attention paid to production environments characterised by greater exposure to safety issues and a higher level of technical specialisation.

In terms of average hours per capita, fluorseals America Inc. recorded the highest figure, at 22.28 hours per employee, followed by fluorIM S.r.l. (14.2 hours), ciflon S.r.l. (11.25 hours), fluorseals S.p.A. (9.93 hours) and flon Gaskets S.r.l. (7.78 hours). Lower figures, on the other hand, were recorded at fluorseals Asia Manufacturing Co. Ltd. (0.69 hours) and fluor One S.a.s.u. (0.35 hours).

At fluorseals America Inc., numerous mentoring sessions, on-the-job training and one-to-one training programmes were carried out during the reporting year to meet operational requirements.

TRAINING HOURS PER CAPITA BY COMPANY IN 2025



Internal communication

The Group promotes open and direct communication between employees and management as a means of addressing workplace issues. Employees' right to freedom of association, to be represented and to participate in works councils is guaranteed, in accordance with local regulations. Employees are free to express their opinions on working conditions without fear of reprisals. In line with the principle of valuing people, employees receive regular feedback from their line managers, with the aim of fostering professional development, collaboration and dialogue. For further details, please refer to section 1.9.

3.4 The remuneration system

General aspects and remuneration policies

Within the fluorseals Group, decisions regarding remuneration are guided by the principles of fairness and the recognition of skills, with an approach that takes into account various factors, including level of responsibility, length of service, age, performance and the difficulty in recruiting staff with the required professional profile. The salaries paid are in line with the applicable legal requirements in the respective countries where each of the Group's companies operates.

The fluorseals Group promotes a culture based on **equal opportunities** and **meritocracy**, ensuring fair and transparent conditions for all employees, regardless of gender.

3.5 Non discrimination, diversity and equal opportunities

Principles and policies

Within the fluorseals Group, all processes relating to human resources management – from recruitment and selection through to performance appraisal and career management – adhere to principles of **fairness, inclusion and equal opportunities**, ensuring a respectful and non-discriminatory working environment, in line with the Code of Ethics. To this end, the Group adopts a series of targeted measures to ensure a **transparent** and **meritocratic** working environment, in line with the provisions of the Group's Code of Ethics.

Staff are **assessed fairly**, using criteria based exclusively on merit and competence, applied at every stage of their career.

During 2025, **no cases of discrimination were reported**. The Group's commitment in this area translates into concrete actions involving **monitoring** and **continuous improvement**, with the aim of guaranteeing equal opportunities regardless of origin, gender, age or any other personal characteristic.

Remuneration by gender

The chart illustrates the ratio between the average gross hourly pay for women and that for men across the various Group companies. The analysis was carried out by considering the overall average gross hourly pay of the male and female workforces and therefore represents an aggregate indicator, useful for providing a general overview of pay trends within the Group's companies, but influenced by **the distribution of staff across different organisational roles**, by varying levels of seniority and by the presence of men and women in different professional categories.

In 2025, the situation varied across the Group companies. **fluorseals S.p.A.** recorded a ratio of 86.3 per cent, down from 93.0 per cent in 2024, while **ciflon S.r.l.** maintained a stable figure of 87.7 per cent in both financial years. **flon Gaskets S.r.l.** recorded a ratio of 73.2 per cent compared with 84.9 per cent in 2024, while **fluorIM S.r.l.** fell from 81.1 per cent to 64.6 per cent, highlighting a wider gap between the average pay for women and men.

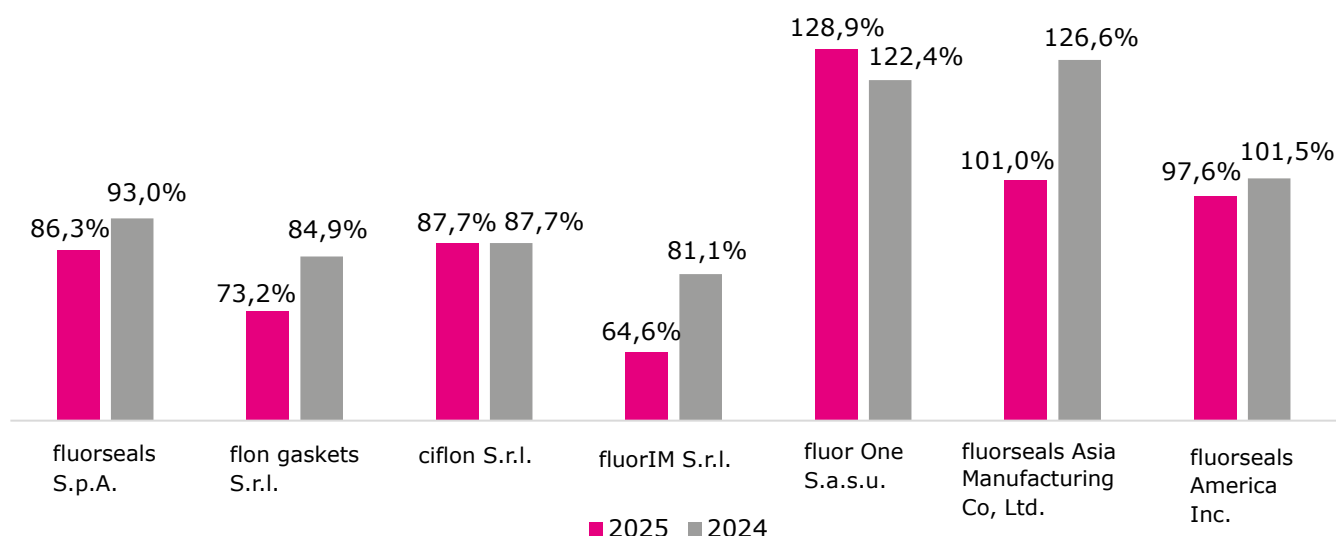
At **fluorseals America Inc.**, the ratio stands at 97.6 per cent. Similarly, **fluorseals Asia Manufacturing Co., Ltd.** maintains a ratio favourable to female employees, at 101 per cent, although this represents a decrease from the previous year's 126.6 per cent.

fluor One S.a.s.u. continues to stand out for having a higher average female remuneration than that of men, with a ratio of 128.9 per cent in 2025 compared with 122.4 per cent in 2024. This result reflects the significant presence of female professionals in specialist or technical roles, or in positions characterised by high levels of responsibility and seniority within the company.

Overall, the differences observed between the various companies are closely linked to the structure of the workforce and the distribution of staff across the different organisational levels. For this reason, the data should not be interpreted solely as an expression of pay differences for the same role, but also as a reflection of the differing representation of men and women in managerial, specialist and highly experienced professional positions.

The Group recognises the importance of promoting an increasingly inclusive balance in gender representation at all levels of the organisation and remains committed to developing career progression pathways based on criteria of competence, merit and equal opportunities, progressively encouraging a greater presence of women even in roles of greater responsibility and, over time, contributing to a more balanced distribution of opportunities for professional development and growth.

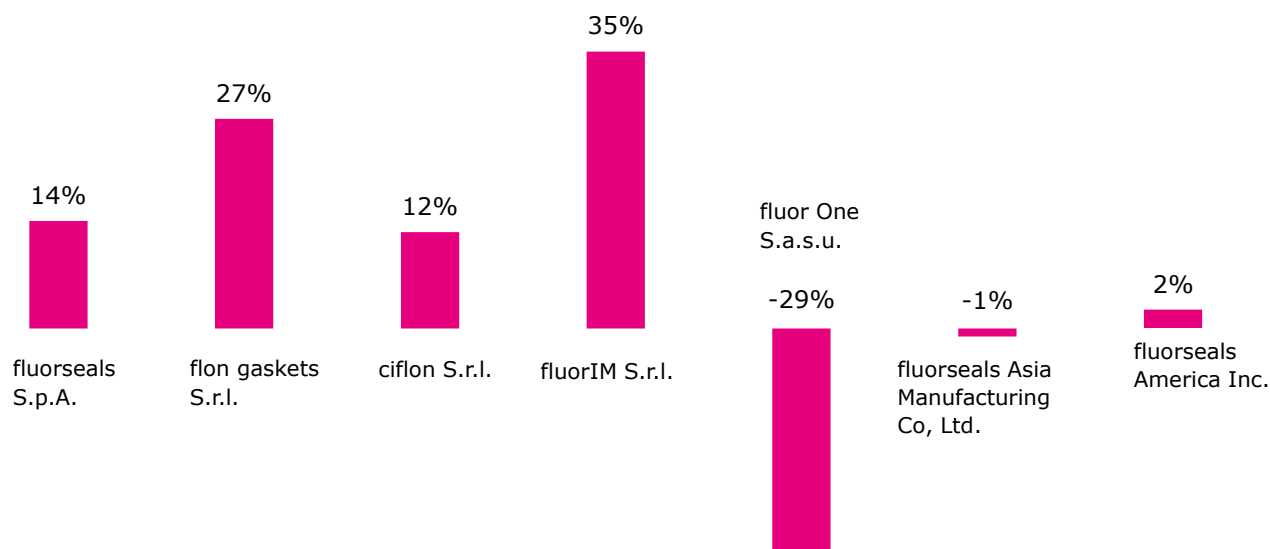
GENDER PAY GAP:
AVERAGE GROSS HOURLY PAY FOR WOMEN / AVERAGE GROSS HOURLY PAY FOR MEN
(GRI* METHODOLOGY)



* The figure is calculated in accordance with the GRI methodology, namely: average hourly pay for women / average hourly pay for men × 100.

For the sake of completeness and transparency, **the calculation of the gender pay gap** based on the **ESRS methodology** is also provided below. This measures the gender pay gap as the percentage difference between the average pay of men and that of women, thereby highlighting the extent of the pay disparity between the two groups.

GENDER PAY GAP (ESRS METHODOLOGY) 2025*



*The figure was calculated using the ESRS methodology, namely $(\text{average hourly pay for men} - \text{average hourly pay for women}) / \text{average pay for men} \times 100$

In order to obtain an **overall picture of the phenomenon at Group level**, the ratio between the average gross hourly pay for women and that for men was also calculated using a weighted average that takes into account each company's share of the Group's total workforce.

The average gender pay gap, calculated as the weighted average of the pay gaps across the individual Group companies, is **approximately 2 per cent in 2024** and **10 per cent in 2025**. This means that, taking into account the varying sizes of the Group companies, the average gross hourly pay for women corresponds overall to 98 per cent of that for men in 2024 and approximately 90 per cent in 2025.

People with disability

The fluorseals Group regards inclusion as a fundamental pillar of its organisational culture, making a concrete commitment to creating fair and accessible working environments. In full compliance with current legislation, the Group promotes the employment of people with disabilities, adopting targeted solutions to ensure their full participation and maximum professional wellbeing within the company.

In 2025, there were **21 employees with disabilities, comprising 15 men and 6 women**. Geographically, the largest number are based at the Italian sites, with **17 people employed** in line with the requirements of Law 68/99.

Reports of harassment and/or discrimination

fluorseals S.p.A. has established a reporting channel, in accordance with Legislative Decree 24/2023, accessible at: The system enables employees to report, in a confidential and protected manner, behaviour contrary to the company's values, including harassment and discrimination. Management of the system is entrusted to a third party to ensure impartiality and confidentiality.

In 2025, **no reports were received** nor did any disputes arise in this regard, confirming a working environment characterised by respect and fairness.

3.6 Work-life balance and corporate welfare

Principles and policies

The fluorseals Group is committed to improving the wellbeing of its employees and ensuring a healthy work-life balance. Each Group company has always been committed to creating a working environment that respects employees' personal needs and promotes a balance between professional and personal responsibilities.

Remote working

Remote working was introduced across the fluorseals Group companies in 2020, in response to the pandemic emergency. Once the emergency phase had ended, in 2023, a strategic review was undertaken, leading to the launch of a pilot phase aimed at fostering a better work-life balance. This approach has gradually become established, taking on a more stable and structured form over the last few years.

Flexible working hours and part-time work

Within the Group's companies, flexible working hours are in place – tailored to the specific roles and organisational structure of each entity – to accommodate any delays and/or employees' needs, within the permitted limits. These arrangements enable employees to achieve a better work-life balance, while respecting the operational and production requirements of the individual companies.

The companies recognise the possibility of requesting part-time work to accommodate family commitments (for relevant data, see paragraph 3.1).

Leave

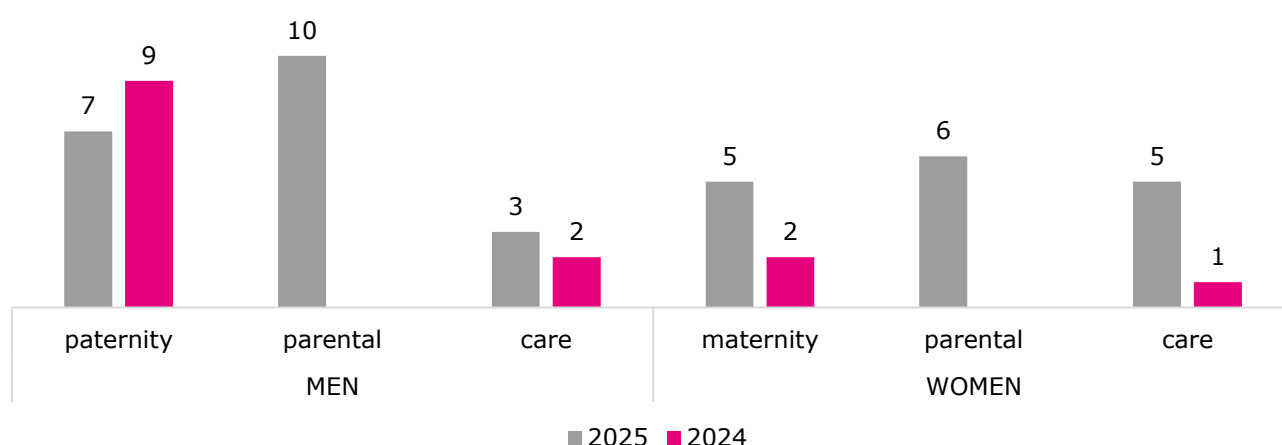
All employees of the fluorseals Group are entitled to various types of leave, including maternity, paternity, parental and carer's leave.

During 2025, there were 36 requests for leave **(+15 requests compared with the previous year)**.

Specifically, 5 women exercised their right to maternity leave, 7 men took paternity leave, 16 people requested parental leave and a further 8 took carer's leave.

The increase in requests for leave during the year can be seen as a positive indicator of the effective availability of support measures for parenthood and family care. An organisational environment that facilitates access to such measures helps to enhance people's well-being, equal opportunities and work-life balance – aspects that are increasingly important in the context of social sustainability.

FLUORSEALS GROUP – LEAVE IN THE TWO-YEAR PERIOD



3.7 Social dialogue and collective bargaining

The majority of fluorseals Group employees (**84.5 per cent; 404 staff**) are covered by applicable **National Collective Labour Agreements (CCNL)**. Specifically, in Italy the National Collective Agreement for the Rubber and Plastics Industry applies, while in France the Collective Agreement for the Plastics Industry applies. At operational sites in China and the United States, no national collective agreements apply: in China, the contractual

framework is based on national legislation regarding minimum wages, while in the United States there is no active form of collective bargaining, and employment relationships are based on individual agreements consistent with local regulations.

The RSU (Unitary Trade Union Representatives) – which may be present at any site, plant, branch, office or autonomous department employing more than 15 staff – are present at flon Gaskets S.r.l. (55 out of 55 staff represented) and at fluorseals S.p.A. (249 out of 279 staff represented).

The figures below show the coverage rate for social dialogue, analysed separately for each of the countries in which the Group operates.

<i>Coverage rate⁸</i>	<i>Social dialogue</i>
	<i>Employees – EEA</i>
83.3%	Country: Italy
0.0%	Country: France
0.0%	Country: China
0.0%	Country: United States

3.8 Health and safety

The Group considers the protection of health and safety at work as a priority and a fundamental aspect of its social responsibility. In this regard, it is committed to organising all its activities in full compliance with the regulations in force in the countries where it operates, allocating adequate financial and organisational resources to the prevention of accidents and the protection of workers' health. This commitment is formalised in **the Group's Code of Ethics** with the aim of fostering a culture of safety, encouraging responsible behaviour and risk awareness among all employees.

In this context, the Group's companies adopt a systematic and structured approach to health and safety management. In particular, the companies undertake to:

- identify the specific roles required under the Italian Legislative Decree 81/2008;
- assess and manage the risks associated with the use of materials and substances and update the Risk Assessment Document whenever necessary, for example following the identification of any new risks or changes to the organisational structure;
- manage training, information and communication on health and safety at work, in line with the risk assessment carried out and in accordance with the worker's role;
- prepare and file the relevant documentation on health and safety at work as required by Italian Legislative Decree 81/2008;
- to manage any non-conformities, and to implement preventive and corrective actions;
- ensure the safety of plant and equipment;
- manage emergencies and first-aid situations;
- manage occupational health surveillance activities in accordance with the provisions of the Italian Legislative Decree 81/2008.

The Group ensures compliance with laws and regulations concerning health and safety in the workplace, in accordance with the applicable legislation.

Furthermore, all workers, whether employees or not, receive adequate information on health and safety risks from the outset of their employment.

100 per cent of the Group's workers, including non-employees, are covered by a health and safety management system that complies with legal requirements and/or recognised standards in all countries where the Group operates.

In Italy, the Group ensures full coverage of employees in accordance with the Italian Legislative Decree 81/2008. The relevant processes relating to health and safety at work are monitored and regulated through organisational and management methodologies and procedures for health and safety in line with Article 30 of the Italian Legislative Decree 81/2008, with the aim of ensuring the effectiveness of the prevention system.

⁸ Percentage of employees represented by employee representatives, for each EEA country in which the company has a significant level of employment (ESRS S1-8).

OCCUPATIONAL HEALTH AND SAFETY PERFORMANCE INDICATORS – EMPLOYEES								
	fluoroseals Group	<i>fluoroseals S.p.A.</i>	<i>flon Gaskets S.r.l.</i>	<i>ciflon S.r.l.</i>	<i>fluorIM S.r.l.</i>	<i>fluor One S.a.s.u.</i>	<i>fluoroseals Asia Manufacturing Co, Ltd.</i>	<i>fluoroseals America Inc.</i>
Number of workplace accidents (excluding commuting accidents)	7	4	1	-		1	1	
<i>of which fatal</i>	-	-	-	-	-	-	-	-
<i>of which with serious consequences</i>	1	1	-					
No. of accidents while travelling to or from work	-	-	-	-	-	-	-	-
No. of hours worked	1,108,290	547,823	89,258	27,486	237,615	57,468	88,320	60,320
<i>Total accident rate / Frequency index (total number of accidents/hours worked × 1,000,000)</i>	6.3	7.3	11.2	-	-	17.4	11.3	-
<i>Incident rate for accidents with serious consequences</i>	0.9	1.8	-	-	-	-	-	-
Number of recordable cases of occupational diseases	-	-	-	-	-	-	-	-
<i>Of which fatal</i>	-	-	-	-	-	-	-	-
Number of days of absence due to accidents and occupational illnesses	77	34	8	-	-	35	-	-
<i>Seriousness index (days lost due to accidents/hours worked × 1,000)</i>	0.069	0.062	0.089	-	-	0.609	-	-

* Journeys to and from the workplace, not using company transport and where the person is not employed by the company. The 'commuting' component is not taken into account in the subsequent indicators.

**For the purposes of the calculation, calendar days should be taken into account; consequently, days on which the person concerned is not scheduled to work (e.g. weekends or public holidays) will count as days lost

During the period under review, a limited number of workplace accidents were recorded, concentrated mainly in certain Group companies, with no fatalities. Of the accidents recorded, one was classified as serious. Furthermore, there were no accidents while travelling to or from work nor any recordable cases of occupational diseases.

With regard to non-permanent staff, no accidents were recorded among self-employed workers during the reporting period. For temporary staff, however, two accidents were recorded involving workers at Fluoroseals S.p.A., out of 42,370 hours worked.

The accident rate for temporary staff is 0 in all Group companies, except for Fluoroseals S.p.A., where the two accidents recorded, out of 42,370 hours worked, result in a frequency rate of 47.20. This figure is significantly higher than that recorded for permanent staff. Although this figure relates to a small absolute number of incidents, it is influenced by the low total number of hours worked by temporary staff, which amplifies the statistical impact of accidents on frequency indicators.

The figures confirm an overall low incidence relative to the total number of hours worked, reflecting the organisation's focus on risk prevention, staff training and the implementation of measures aimed at safeguarding health and safety in the workplace.

The Group remains committed to the continuous improvement of its health and safety performance, promoting a corporate culture focused on prevention, risk awareness and the well-being of its people.

3.9 Disputes

During the three-year period 2023–2025:

- there were no ongoing legal disputes nor were any complaints received regarding employment rights;
- no requests were received from data subjects to exercise their rights in relation to the processing of personal data/sensitive personal data of employees (or equivalent persons);
- no health and safety-related penalties were imposed;
- there were no serious problems or incidents relating to human rights involving the Group's staff.

3.10 Communities affected

The fluorseals Group's stakeholders are numerous and diverse. They include, on the one hand, the local communities in the areas where the Group's companies operate and, on the other, the communities involved throughout the entire value chain, both upstream and downstream. Given the complexity and breadth of this scope, the Group focuses its efforts primarily on strengthening positive relationships with local communities, fostering trust, collaboration and harmonious development that generates shared value for both the Group's companies and the local areas in which they operate.

With this in mind, the fluorseals Group supports various initiatives with social, health, cultural and local objectives through **donations and sponsorships**.

Among the main initiatives is the **'ForYou' Project**, a programme entirely dedicated to promoting women's health and raising awareness of the importance of breast cancer prevention. The project provides free breast screening appointments for female employees of participating companies in the Bergamo area, with the Group's support through charitable contributions.

The Group also supported the **charity dinner 'Motori e scienza, a tutta velocità' (Engines and Science, at Full Speed)**, aimed at raising funds for the Mario Negri Institute for Pharmacological Research, to purchase advanced scientific equipment for research projects into kidney diseases – a field in which the Institute is internationally recognised for its scientific excellence.

Further contributions were made to initiatives promoting regional development, including support **for the Sebino Gaskets Manufacturers' Association**, an organisation committed to safeguarding and enhancing the gaskets manufacturing sector. The association promotes research and development activities focused on environmental sustainability, as well as vocational training initiatives and efforts to foster a culture of safety and innovation within the sector.

The Group's companies also maintain structured relationships with the academic world, hosting university students on work placements and collaborating on research and development projects. Through initiatives such as **InnHub, fluorseals** supports students and undergraduates in carrying out dissertations and educational projects, fostering opportunities for networking and professional development. In collaboration with **the University of Milan and the University of Brescia**, students can also develop experimental projects in the field of polymers, supported by technical tutors and advanced equipment.

It is also worth noting the collaboration with **the University of Houston**, under which fluorseals America Inc. actively participates on the Executive Board of the Business School. This involvement includes mentoring activities, contributing to the design of teaching programmes and participating in events and conferences, with the aim of enriching students' educational experience and fostering concrete opportunities for international networking.

Furthermore, through sponsorships and donations, the Group supports various associations and organisations operating in its local areas, including **Lumezzane Football Club**, helping to promote sport and the values associated with it, and the **Parish of Santa Maria ad Nives**, with contributions towards the organisation of the patron saint's festival.

