

eurotech — our *sustainability pathway*

reporting period:
January / December 2023

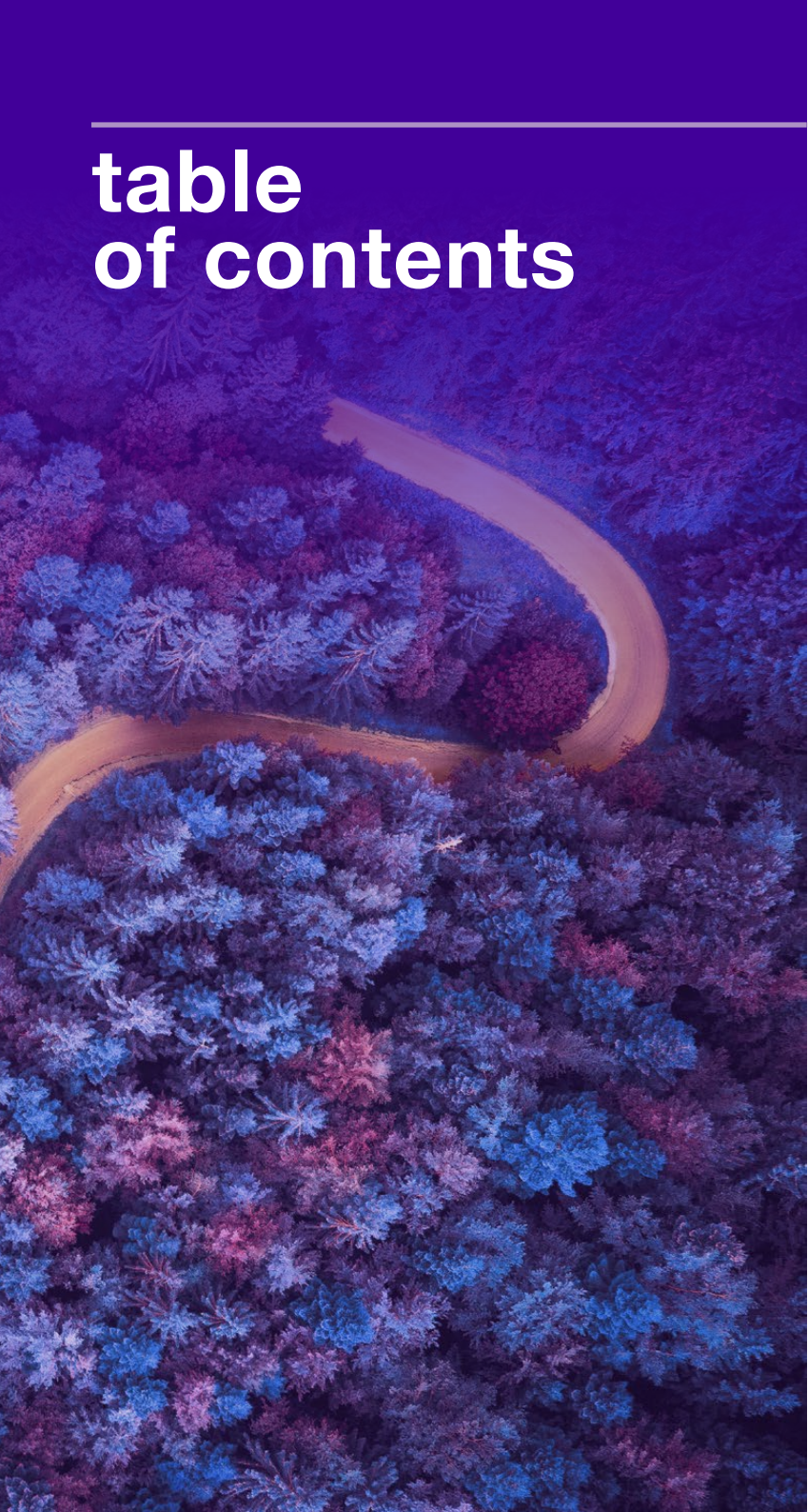


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introduction

The **United Nations Global Compact**, established in 2000, is the premier voluntary initiative for fostering corporate citizenship on a global scale.

It challenges businesses worldwide to adopt ten universally accepted principles that encompass human rights, labor standards, environmental protection, and anti-corruption efforts.

Through this initiative, companies are not only encouraged to align their operations and strategies with these principles but also to take proactive steps that support broader United Nations goals, including the Sustainable Development Goals (SDGs).

Backed by influential business leaders, the UN Global Compact facilitates a culture of ethical business practices and transparency, empowering companies to implement and report on their sustainability efforts.

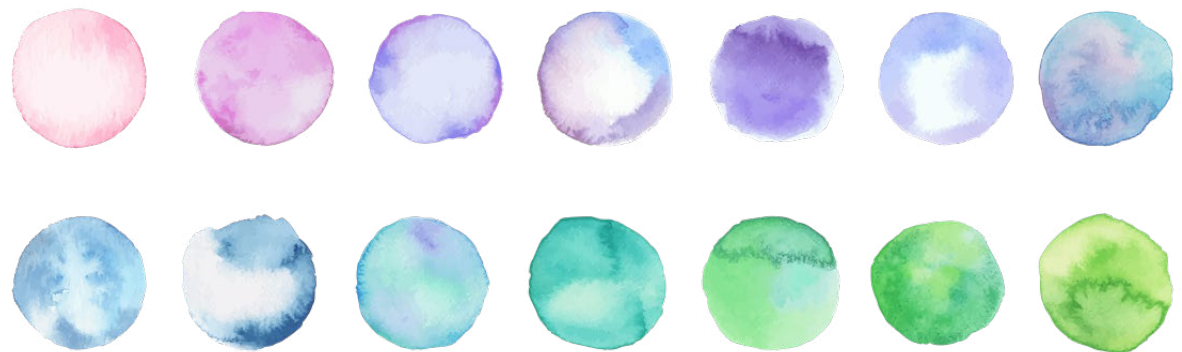
With participation from over 20,000 corporations and 3,000 non-business signatories spanning more than 160 countries, it has grown to become the largest corporate sustainability initiative in the world.

At Eurotech, our commitment has been unwavering since 2009 as we continuously strive to meet and exceed the benchmarks set by the United Nations' SDGs.

This report is a testament to our ongoing initiatives and effort in embedding sustainable practices throughout our operations. We invite you to explore the progress we made in our pursuit of sustainability.

Contained within this document are:

- An open letter from our CEO, articulating Eurotech's vision for sustainability.
- An overview of Eurotech's commitment to the Sustainable Development Goals, showcased through our specific actions and initiatives.
- Insights into our future plans and conclusions.



letter to stakeholders

Dear Stakeholders,

As we advance through the journey, I am excited to highlight the significant strides we are making in **driving Eurotech's transformation towards a leading edge AIoT player** in alignment with our commitment to the United Nations Global Compact principles.

This commitment shapes our actions and strategies, ensuring we not only pursue technological advancement but also uphold our corporate responsibilities towards environmental sustainability and ethical practices.

In the past year, Eurotech has decisively refined its **transformation strategy**, moving progressively away from custom embedded systems to **offering standardized, scalable solutions that enhance operational efficiency across industries**.

The integration of InoNet into our operations has been a pivotal development, significantly

enhancing our capability to deliver smarter and faster configuration management of solutions. Additionally, our efforts to **build and strengthen our ecosystem partnerships** have expanded accessibility to our products that enable more digital sustainable solutions.

Cybersecurity remains a top priority, as the integrity and security of industrial and operational technology systems are critical for maintaining operational continuity. At Eurotech, we recognize that safeguarding these systems goes beyond financial implications—it is essential for protecting human safety and minimizing environmental impact. Our suite of products is rigorously tested and certified against the highest industry standards, including **IEC 62443-4-2 and IEC 62443-4-1**.

These certifications help organizations fortify their defenses against disruptions, safeguard against unauthorized access, and comply with stringent international security regulations.

This is particularly vital in sectors where the consequences of security breaches can be catastrophic, impacting not just financial stability but also human safety and environmental sustainability.

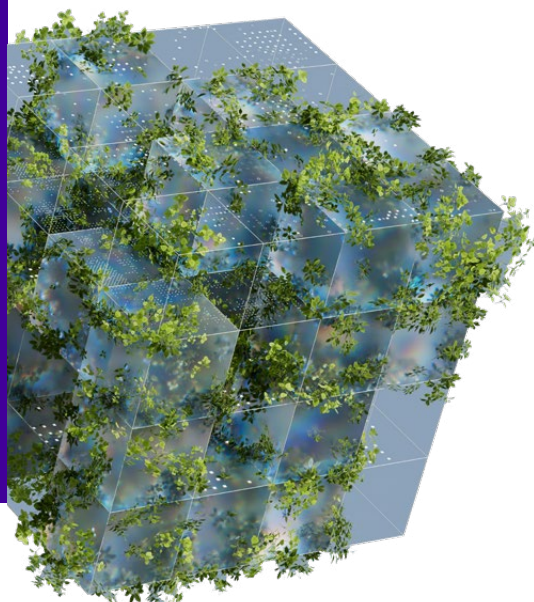
Eurotech is also proud to be certified under **ISO 14001**, underscoring our commitment to effective environmental management systems. This certification ensures that our operations minimize environmental impact, improve resource efficiency, and reduce waste. We adhere rigorously to international environmental and safety standards, ensuring that our products meet stringent criteria for sustainability.

Looking forward, we are excited about the endless possibilities that our AIoT solutions provide.

From enhancing **smart city infrastructures**—reducing congestion through intelligent traffic management and conserving energy with smart lighting systems—to integrating with renewable

energy sources for a cleaner grid, our technologies are paving the way for substantial sustainability contributions.

Our commitment to **high ethical standards and sustainable practices extends across all global operations**. We are devoted to leading by example, championing responsible practices that generate substantial value for all stakeholders and deeply integrating sustainability into our core business operations.



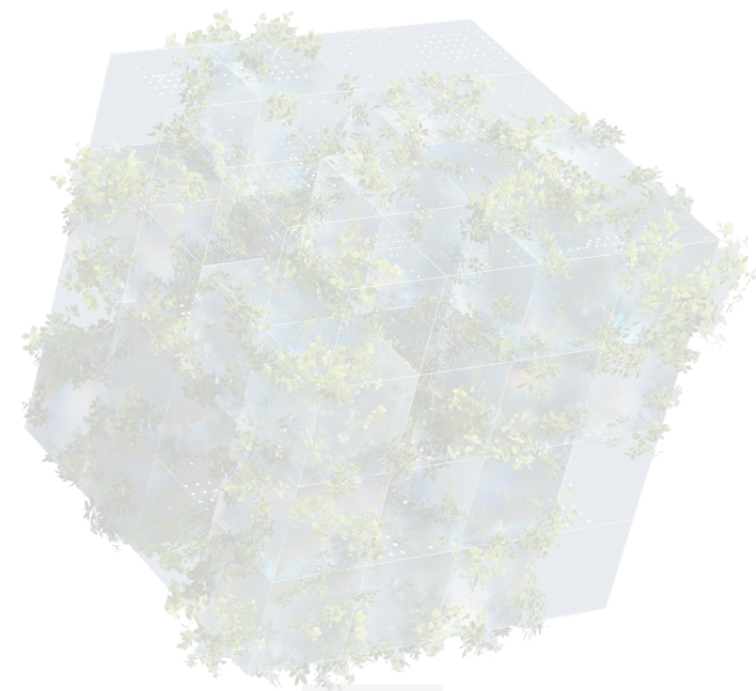
In 2023, Eurotech positively impacted several Sustainable Development Goals, including good health and well-being, quality education, gender equality, and climate action, as well as fostering partnerships.

Moreover, our **inclusive work environment** and support for **STEM education** continue to break barriers. By embracing smart working, we enable employees from diverse Italian regions, and our sister companies, to work effectively without the need to commute, promoting inclusivity and reducing our carbon footprint.

As the global business landscape evolves, sustainable development has emerged as a critical priority. **We recognize the intrinsic link between innovation and sustainability, forming a robust symbiotic relationship.**

In alignment with our commitment to a sustainable future, **we strive to make a positive impact on the world**, embracing alternative approaches and leveraging digital technologies to drive progress towards a circular economy.

Paul Chawla,
CEO



sustainable development goals

EUROTECH'S ACTIONS TO PROMOTE SUSTAINABLE DEVELOPMENT GOALS

Companies like Eurotech, which embrace a holistic approach to advancing sustainability, recognize the transformative power of technology.

We utilize cutting-edge technologies to facilitate economically viable solutions that not only drive profitability but also contribute positively towards achieving net-zero targets and addressing environmental, social, and governance (ESG) objectives across the entire lifecycle of a product or a project.

Embracing this mindset is of utmost importance. **At Eurotech, we support companies in creating roadmaps for adopting new technologies, thereby accelerating their journey towards sustainability by integrating it as a foundational value.**

To successfully implement sustainable practices, it is essential to challenge

conventional approaches to technology, especially in domains such as digitized operations, digital product and service design, cloud computing, Internet of Things (IoT), the use of artificial intelligence (AI) and advanced analytics, as well as data sharing and the establishment and management of ecosystems.

In 2015, the United Nations introduced the 2030 Agenda for Sustainable Development, a comprehensive strategy aimed at transforming the world towards sustainability and resilience. This agenda is a collective framework for promoting peace, prosperity, and the well-being of humanity and the planet.

Central to this agenda are the 17 Sustainable Development Goals (SDGs), which are set to guide global, regional, and national efforts through 2030.



IN 2023 EUROTECH'S PROJECTS AND ACTIVITIES HAD AN IMPACT ON THE FOLLOWING GOALS:

GOAL 3

GOOD HEALTH AND WELL-BEING:

Ensure healthy lives and promote well-being for all ages.

GOAL 4

QUALITY EDUCATION:

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

GOAL 5

GENDER EQUALITY:

Achieve gender equality and empower all women and girls.

GOAL 13

CLIMATE ACTION:

Take urgent action to combat climate change and its impacts.

GOAL 17

PARTNERSHIPS FOR THE GOALS:

Strengthen the means of implementation and revitalization of the global partnership for sustainable development.



3 GOOD HEALTH AND WELL-BEING



SDG3 establish to ensure healthy lives and promote well-being for all at all ages. The targets of SDG 3 cover and focus on various aspects of a healthy life and lifestyle.

Good health is essential to sustainable development and the 2030 Agenda.

Considering the global pandemic of COVID-19, there is a need to give significant attention to realizing good health and well-being worldwide.

WHAT WE HAVE DONE

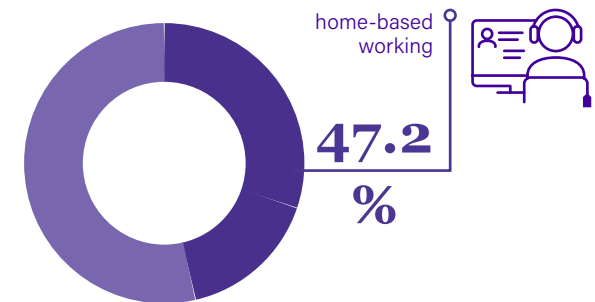
Recognizing stress as a prominent factor affecting well-being in the modern world, we have developed several initiatives to address the barriers to achieving a healthy work-life balance.

Our core focus is fostering an agile and flexible work culture, offering increasing support for smart working and remote work opportunities. We prioritize respecting the diverse cultural backgrounds of our employees while enabling them to maintain a harmonious work-life integration.

To ensure unity within One Eurotech, we enhanced internal communication methods to engage remote workers effectively. We recognized the importance of balancing work with caring responsibilities and provided flexible working time options.

We implemented measures to foster inclusivity, support remote employees, and accommodate their unique circumstances while maintaining a cohesive and collaborative work environment.

In 2023, at the Group level, we had an average of 27% home-based working on total hours worked per employee, and no accidents have occurred.



We strongly believe in life-long learning approach; we decided to provide almost 6,312 hours of training course, including Cybersecurity and Scrum Training.

At Eurotech, we understand that financial obligations can contribute to stress. To support our employees, we provided professional assistance directly with their annual tax return statements at the workplace.



SDG 4 is about quality education and is among the 17 Sustainable Development Goals established by the United Nations in September 2015.

SDG 4 aims to provide children and young people with quality and easy access to education plus other learning opportunities. One of its targets is to achieve universal literacy and numeracy - a significant component in acquiring knowledge and valuable skills in the learning environment.

Hence, there is an urgent need to build more educational facilities and upgrade the present ones to provide safe, inclusive, and effective learning environments for all.

WHAT WE HAVE DONE

We have taken our specialism in IoT as the inspiration for our commitment to better support inclusive education.

Eurotech's expertise is rooted in the specialized knowledge possessed by highly educated individuals. We understand that not all individuals have equal access to opportunities.

As a result, we are committed to sharing our knowledge and expertise by engaging with school groups, offering internships, and interacting with students. We supported the academic pursuits of the next generation of engineers and their practical experience.

We are currently undergoing a significant transformation of our internship programs to ensure a greater number of opportunities for students to work alongside experts in laboratories and learn the skills, craftsmanship, and artistry of Edge AIoT technology creation and continuous innovation.

ITALY

activated 5 alternance training initiatives for high school students for 1,320 hours



GERMANY

activated 3 university internship for 1,104 hours



JAPAN

activated 5 university internship for 1,440 hours





SDG 5 concerns gender equality, recognizing that action in one area will affect outcomes in others and that development must balance social, economic, and environmental sustainability.

SDG 5 has nine targets and 14 indicators. Six of the targets are "outcome-oriented."

The three "means of achieving" targets are: fostering equal rights to economic resources, property ownership, and financial services for women; promoting women's empowerment through technology; and adopting, strengthening policies, and enforcing legislation for gender equality.

WHAT WE HAVE DONE

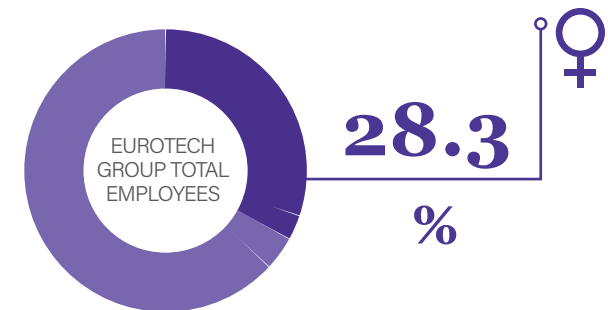
Women in science, technology, engineering, and mathematics (STEM) education and careers still face challenges. Despite efforts to promote diversity, there needs to be more women pursuing STEM fields.

Girls and women may face societal stereotypes and biases that discourage their interest and participation in STEM subjects, resulting in fewer women entering tech-related fields. While the numbers illustrate the existing gender disparities in the tech world, it is crucial to acknowledge the positive changes taking place. Efforts to bridge the gender gap, promote diversity, and create inclusive environments are gaining momentum.

At Eurotech, we are working towards promoting diversity and inclusion in the tech industry.

In 2023, women represent 28.3 % of the total workforce at the Group level within Eurotech. While this is above average for the sector, our goal over the next few years will be to reduce the gender gap by supporting STEM outreach programs.

The underrepresentation of women in STEM education and careers remains a significant barrier to their participation in tech design and governance. And the pervasive threat of online gender-based violence - coupled with a lack of legal recourse - too often forces them out of the digital spaces they do occupy. We can create a more equitable and thriving tech industry for all by working together.





SDG 13 or Global Goal 13 is to limit and adapt to human-caused climate change. It is one of 17 Sustainable Development Goals established by the United Nations General Assembly in 2015.

The official mission statement of this goal is to "Take urgent action to combat climate change and its impacts".

The three "means of achieving" targets are: fostering equal rights to economic resources, property ownership, and financial services for women; promoting women's empowerment through technology; and adopting, strengthening policies, and enforcing legislation for gender equality.

WHAT WE HAVE DONE

At Eurotech, we monitor the consumption of electricity, natural gas, and stationary combustion at the Group level.

We are a low-emission technology company by design, but we have set ourselves the goal of monitoring carbon dioxide emissions due to these three factors. It is not a real Carbon Footprint analysis and certification, but it allows us to respect Goal 13 diligently.

The total emissions for Eurotech Group companies in 2023 are equal to 3344,07 tCO₂eq Total emissions estimated for the Group, including its companies in Italy, Germany, Great Britain, and Japan.

Improving future environmental performance is an important goal; purchasing energy from certified renewable sources, where feasible, is just one of the various strategies and actions we adopted at group level.

In Advanet, the Group company based in Japan, the electricity consumption has steadily declined since 2011, thanks to efficient planning and the following actions implemented year after year.

Introduction of air conditioning management rules to control the operation, time, and temperature of air conditioning Improvements in production planning to reduce machine operation hours, therefore reducing energy consumption.

In addition, due to workspace optimization, we reduce electrical consumption due to lighting and air conditioning.



Eurotech Inc, the subsidiary in US is not included due to business renovation strategy.

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17 PARTNERSHIPS FOR THE GOALS



SDG 17 is about "partnerships for the goals": strengthening the means of implementation and revitalizing the global partnership for sustainable development.

The 2030 Agenda is universal and calls for action by all countries – developed and developing – to ensure no one is left behind. It requires partnerships between governments, the private sector, and civil society.

The Sustainable Development Goals can only be realized with a strong commitment to global partnership and cooperation to ensure no one is left behind in our journey to development.

WHAT WE HAVE DONE

Eurotech, being a technology company, has immense potential to collaborate with our customers in building a more environmentally-friendly planet. Our solutions enable the optimal utilization of our resources when delivering crucial services like transportation, energy, and water supply. We actively support the implementation of alternative energy sources.

Data management is key to creating a more sustainable world: it allows companies to make informed decisions and benchmark against other processes and industries.

This enables clear strategies to drive efficiency. We deliver this through developing systems with our partners that generate data on their operations and by making these systems secure in collating and processing data on the edge.

An example of how effective this partnership strategy can be is in our work with WaterView to detect early signs of extreme weather events and quantify natural disasters. Eurotech has delivered an integrated hardware and software solution to enable fast deployment of WaterView's

AI at the edge. The partnership signed in December 2021 with WaterView continues: CliCK is the edge AI solution that extracts real-time information on extreme weather events and their effects from cameras.

CliCK generates alerts from data that may raise people's awareness, reduce risks and losses, and save lives, thus supporting climate adaptation strategies to increase community resilience.

We cannot achieve these outcomes alone. Eurotech is committed to working in partnership with our customers to deliver the technology that they need to achieve a more digital sustainable world.



research, community involvement & recognitions

RESEARCH ACTIVITIES

Eurotech has always been committed to supporting research. It fully owns and directs the vision and strategic path of its research center, Eth Lab.

The research center and talent factory focuses on innovation in key technology areas for Eurotech and is involved in research projects, funded by national and European agencies, with academic partners and other leading players in the private sector to develop new concepts and technologies to shape the future.

In 2023 Eurotech research and engineering teams were involved in several important research projects at European level including:

Arrowhead AfPVN – The Ambition for Arrowhead fPVN project is doubling of the European industrial productivity by applying transformative, autonomous and evolvable

information interoperability for resilient and adaptive production value networks. Hence, the project will provide autonomous and evolvable interoperability of information through machine-interpretable content for fPVN stakeholders.

The resulting technology is projected to substantially impact manufacturing productivity and flexibility. Autonomous and evolvable interoperability will be achieved through common project technology based on three pillars: microservices paradigm, adoption of major industrially accepted data models, and automatic translation between the data models. The common technology will be validated and verified several use cases covering the production value networks in semiconductor, automotive, aerospace, process industry, and energy production domains.

The results are expected to considerably impact the efficiency of both local and global production value networks thanks to substantial cost and time reduction for

setting up, operating, and managing the interactions within production value network.

Eurotech contributes to these objectives developing enabling technologies in the area of edge computing, to support the AI requirements of the translators, and in the area of IoT integration to ensure the continuum from the edge to the cloud required by the production value networks.

InSecTT - Artificial Intelligence of Things (AloT) is the natural evolution for both Artificial Intelligence (AI) and Internet of Things (IoT): AI increases the value of the IoT through machine learning by transforming data into useful information, while IoT increases the value of AI through connectivity and data exchange. InSecTT, a pan-European effort with 54 key partners from 12 countries (EU and Turkey), will provide intelligent, secure and trustworthy systems for industrial applications to provide comprehensive cost-efficient solutions of intelligent, end-

to-end secure, trustworthy connectivity and interoperability to bring the Internet of Things and Artificial Intelligence together. InSecTT aims at creating trust in AI-based intelligent systems and solutions as a major part of the AIoT, i.e. moving AI to the edge and making AI and ML based systems trustable, explainable and not just a black box. InSecTT fosters cooperation between industry and academia in different domains, with 16 industry-driven use cases, i.e. smart infrastructure, building, manufacturing, automotive, aeronautics, railway, urban public transport, maritime as well as health.

The demonstration of InSecTT solutions will generate significant impact on both high and broad level, going from citizens up to European stakeholders. It will establish the EU as a center of intelligent, secure and trustworthy systems for industrial applications enabled by a strong industry with a strong reputation and an informed society, in order to enable products and services based on AI compliant to European values and “Made in Europe”.

In this project, Eurotech is involved in the design and development of IoT solutions oriented to wireless smart sensing for the domains of public transportation and airports security.

Electronic Component and Systems Strategic Research and Innovation Agenda (ECS-SRIA) - A radical digital transformation is ongoing and strongly influencing how we live and how we work. The innovations that lie at the heart of this transformation are founded on the rapid developments of Electronic Components and Systems (ECS) and on ECS-based applications.

The ECS-SRIA sets the strategic priorities and technical pathways to enable European industry to become stronger and more competitive, and to have a significant and beneficial impact on society and the economy. The 2022 release, prepared in 2021, was edited by more than 300

international experts coordinated by Eurotech and reflects the state of the art and future vision of the digitalization solutions based on ECS. Based on analysis of the major applications fields where Europe must maintain and/or develop its leadership, and of its current and foreseeable technology capabilities, this ECS-SRIA aims to identify the main focus areas for research and innovation in Europe in the domains Electronic Components and Systems and Key Digital Technologies for the next 10–15 years. To achieve these objectives, it must reflect the dynamics of our industry, characterized by continual technological advances and new applications being invented at an ever-increasing pace.

This continuous process will enable all ECS stakeholders to be constantly aware of new emerging technologies, potential game-changers and the evolving long-term vision of the industry. Eurotech is a member of the core team that defines year by year the ECS-SRIA and contributed to many chapters on topics related to embedded and cyber-

physical systems, AI, Edge computing, IoT integration platform and digitalization solutions.

Eurotech is strongly involved in this initiative, that represents the reference point for the ECS research in the next decade: Eurotech is chairing the ECS-SRIA 2022 and 2023. The ECS-SRIA is the reference document for the KDT Joint Undertaking, the largest Public Private Partnership in Europe promoting and funding ECS research and innovation, and for the future Chips Joint Undertaking as part of the European Chips Act.

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awards & recognitions

During the times, we have received many awards and have been recognized by leading Industry analysts as a key player in high-end embedded computing products and an innovator in Industrial IoT (IIoT) platform.

Those recognitions come from a deep understanding of the market and a visionary strategy when it comes to enabling IIoT and - more recently - edge AI applications based on our state-of-the-art integrated hardware and software technologies.

The role played by our company in the edge IIoT partner ecosystem is also worth mentioning. Being an active part - and founding member - of the IoT open-source community and the relationships built with customers, system integrators, and partners over the years allows us to offer a solid foundation for secure, end-to-end applications that are easy to deploy and scale.

Voice of the customer: Eurotech recognized with top ranking in the Professional User Rating 2023 for IoT Platforms conducted by techconsult

Eurotech has been awarded top ranking in the Professional User Rating 2023 for IoT Platforms, conducted by techconsult.

This recognition highlights our innovative product portfolio and exceptional support services. Being named a "Champion" in the survey, which included insights from over 2,500 application experts, underscores our commitment to excellence.

Our focus on IoT, edge computing, and edge AI as critical enablers for Industry 4.0 and digital transformation, combined with our dedication to sustainability, open-source development, and robust professional services, has significantly contributed to our high user satisfaction and market leadership. This achievement reflects our customers' and partners' trust and satisfaction in our ability to support their digital transformation journey.

Eurotech has been recognized as a “Hidden Champion” in the PAC report “Open Digital Platforms for Secure Zero- Touch Industrial IoT Deployments.”

This recognition underscores our commitment to open-source IoT solutions, collaboration, and our strong capabilities in IoT hardware and embedded solutions. With over 30 years of experience, Eurotech leads in delivering innovative hardware, software, and services for next-gen applications in industrial automation, transportation, energy, and utilities.

Our partnerships with AWS, Red Hat, Arm, NVIDIA, Intel, and Microsoft enable us to develop trusted edge AIoT components that support the digital transformation of enterprises with a comprehensive, end-to-end security approach.

Our focus on secure device lifecycle management, integrated hardware and software solutions, and secure device identities ensures a robust security

awards & recognitions

foundation. This has led to the creation of blueprints for secure, zero-touch provisioning of IoT devices at scale, demonstrated with AWS IoT Core and AWS IoT Greengrass.

The PAC RADAR report's evaluation of leading IT providers reaffirms Eurotech's strategic positioning and market leadership in the IoT space.

Eurotech has expanded its “Best in Class” position in the PAC report “Open Digital Platforms for Open Source-based Industrial IoT,”

highlighting its strong commitment to open-source IoT solutions and collaboration. Recognized as a leading vendor for open-source-based industrial IoT for clients in Europe, Eurotech's robust positioning stems from its active participation in the IoT partner ecosystem and its expertise in digitizing various vertical markets. With over 30 years of experience, Eurotech delivers high-quality, cyber-secure hardware, software,

and services for demanding applications in industrial automation, transportation, energy, and utilities.

Eurotech's deep involvement with the Eclipse Foundation, particularly as a founding member and key contributor to the IoT and Edge Native working groups, reinforces its leadership in the open-source IoT community.

The company has significantly contributed to projects like Eclipse Kura and Eclipse Kapua, which are essential for IoT edge middleware and platform security.

This commitment ensures that customers and system integrators can efficiently develop and deploy edge AIoT solutions, minimizing risks and avoiding vendor lock-in while focusing on manageability and security.

Eurotech's approach to sustainability, circular economy, and social responsibility further strengthens its market position.

The company's dedication to open-source principles and intellectual property sharing underscores its long-term vision for IoT and digital transformation. The PAC RADAR report's evaluation of leading IT providers highlights Eurotech's strategic positioning and excellence in delivering enterprise-ready open-source solutions, solidifying its role as a critical player in the industrial IoT landscape.



next steps & conclusions

Eurotech firmly believes sustainability is an ongoing and inclusive process beyond individual projects. As a responsible organization, we have established a long-term sustainability journey and developed a comprehensive roadmap for the next three years. Sustainable development has become a critical priority as the global business landscape evolves.

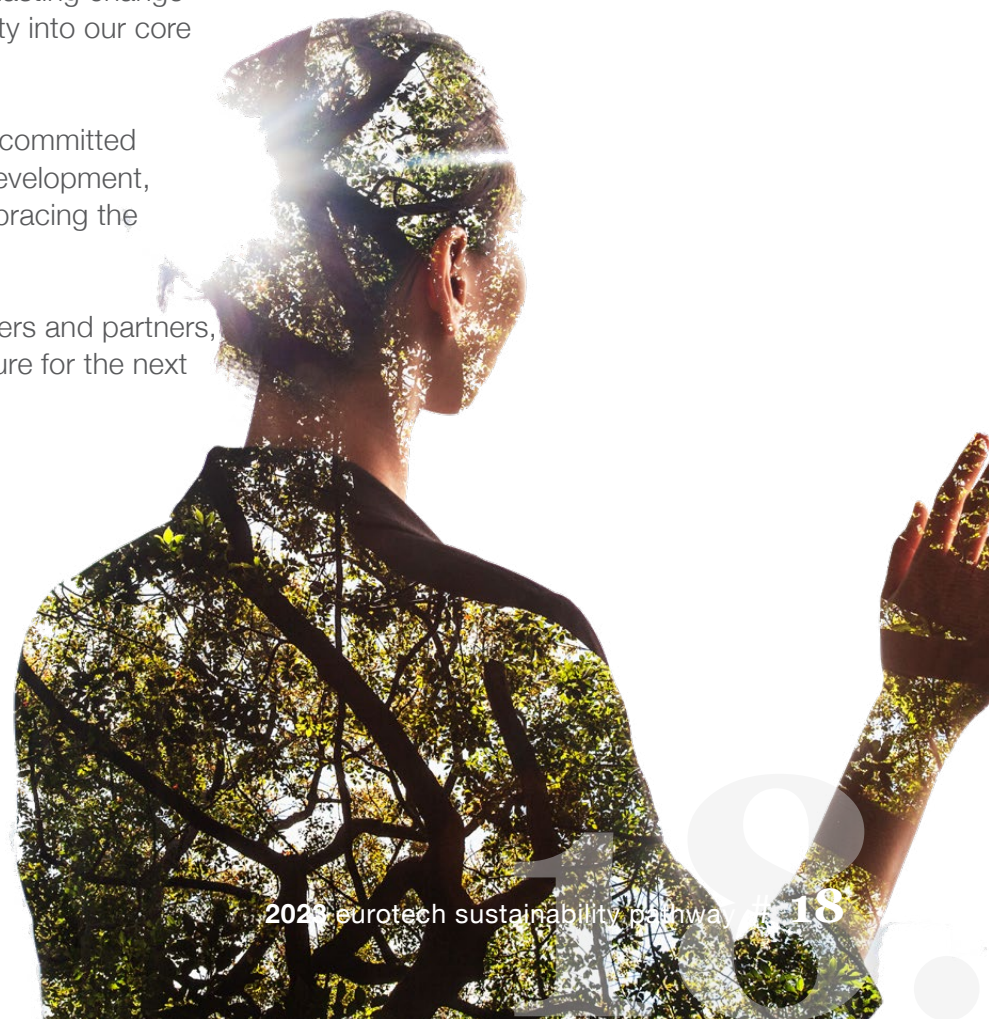
We recognize the intrinsic link between sustainability and innovation, which forms a robust and inseparable relationship. In line with our commitment to a sustainable future, we strive to positively impact the world, embracing alternative approaches and leveraging digital technologies to drive progress toward a circular economy.

Our mission is clear: to facilitate a more sustainable digital future. We understand that our actions today have far-reaching implications, and we are resolute in contributing to a greener and more socially responsible world.

Through our ongoing sustainability initiatives and strategic partnerships, we aim to lead by example, championing responsible practices and creating value for all stakeholders. We are committed to achieving meaningful and lasting change by embedding sustainability into our core business operations.

Eurotech is proud to be a committed promoter of sustainable development, driving innovation and embracing the challenges that lie ahead.

Together, with our customers and partners, we can shape a better future for the next generations.



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