

SUSTAINABILITY REPORT

VSME FRAMEWORK

2025



Driven by Sustainability:
BBM's Strategic Vision for
Business Growth

LETTER TO STAKEHOLDERS

In today's economic, social, and environmental landscape, sustainability is no longer a complementary element of corporate strategy but a fundamental driver of competitiveness, resilience, and the ability to create long-term value.

Officine Meccaniche BBM S.p.A., an Italian industrial company with more than sixty years of experience in the mechanical engineering and railway sectors, views this transformation as a concrete opportunity to evolve its business model by strengthening the connection between economic growth, social responsibility, and environmental stewardship.

This 2025 Sustainability Report marks an important milestone in the Company's journey toward increasingly structured, transparent ESG reporting aligned with European standards.

For the first time, the report has been prepared in accordance with the VSME (Voluntary Sustainability Reporting Standard for non-listed SMEs) framework developed by EFRA, with the following objectives:

- to improve the quality and comparability of ESG information;
- to strengthen dialogue with stakeholders, customers, financial institutions, and business partners;
- to further integrate sustainability principles into the Company's governance framework; and
- to highlight BBM's ongoing commitment to continuous improvement.

The industrial identity of Officine Meccaniche BBM has always been built on a number of core values: quality, reliability, technical expertise, innovation, and a people-centered approach.

Today, these values are further reinforced by the Company's commitment to playing an active role in the transition toward a more sustainable and responsible economy—one that successfully combines industrial development, people's well-being, and environmental protection.

“SUSTAINABILITY AS A DRIVER OF COMPETITIVENESS, RESILIENCE, AND LONG-TERM VALUE”

METHODOLOGICAL NOTE

This Sustainability Report has been prepared with reference to the **VSME** – Voluntary Sustainability Reporting Standard published by **EFRAG**.

The report has been developed in accordance with both the Basic Module and the Comprehensive Module of the VSME Standard.

The reporting period covers 1 January 2025 to 31 December 2025.

The reporting boundary includes all operating sites of Officine Meccaniche BBM S.p.A.:

- Via Mottinello 141 – Rossano Veneto (VI), Italy
- Via Mottinello 145 – Rossano Veneto (VI), Italy
- Via Ca' Vico 70/H – Rossano Veneto (VI), Italy

The Company prepares this report on an individual entity basis.

The quantitative and qualitative information presented in this report is derived from:

- certified management systems;
- internal documentation;
- corporate KPIs;
- ESG assessments;
- Human Resources data;
- environmental monitoring activities; and
- economic and organizational indicators

This Report has been prepared in accordance with the following reporting principles:

- accuracy;
- transparency;
- comparability;
- verifiability;
- relevance; and
- completeness.

- Reporting period start date: 1 January 2025
- Reporting period end date: 31 December 2025
- Publication of the Sustainability Report: June 2026

REPORTING SCOPE

The Sustainability Report is structured according to the information areas provided for by the VSME Standard, with the aim of presenting the Organization's main ESG dimensions in a structured manner.

General Information

Provides an overview of the Company's profile, organizational model, and the practices adopted to progressively integrate sustainability into corporate management.

Environmental Metrics

Reports on the aspects related to the environmental impacts of the Company's activities, including energy, greenhouse gas emissions, water resources, biodiversity, waste, materials, and the circular economy.

Social Metrics

Collects information relating to people and the organization of work, including workforce composition, health and safety, training, remuneration policies, pay equity, and collective bargaining.

Governance Metrics

Describes the measures adopted with regard to corporate governance, ethics, regulatory compliance, anti-corruption, codes of conduct, and the protection of human rights.

GUIDE TO READING

This Sustainability Report is intended to be a clear, accessible, and useful tool for all stakeholders interested in understanding Officine Meccaniche BBM S.p.A.'s commitment to environmental, social, and governance matters.

The sections of the document contain indicators identified by an alphanumeric code.

The letter B indicates that the information belongs to the Basic Module, namely the basic module provided for by the VSME Standard and recommended for all SMEs.

The letter C identifies the additional disclosures provided for by the Comprehensive Module, intended for companies wishing to provide more comprehensive reporting and to meet the information needs of qualified stakeholders.

The number following the letter, for example B3 or C2, corresponds to the specific topic covered. Each code is accompanied by a clear description of the reported topic, in order to facilitate reading and its connection with the relevant ESG areas, such as "B3 – Energy and Greenhouse Gas Emissions."

In each section, the information is presented in narrative form and, where appropriate, supported by quantitative data, tables, charts, or images, with the aim of improving the readability and understanding of the contents.

Unless otherwise indicated, all data presented in this Sustainability Report refer to the Company's financial year.

TABLE OF CONTENTS

	Letter to Stakeholders	3
	Methodological Note	4
GENERAL INFORMATION	Company Profile	10
	B1 – Basis for Preparation • Sustainability Certifications	12
	C1 – Business Model and Sustainability • Integrated Expertise and Tailor-Made Solutions • Markets Served	14
	B2 – Practices, Policies and Future Initiatives • ESG Monitoring System • Sustainability Governance	18
	C2 – Description of Practices, Policies and Future Initiatives • Investments and Continuous Improvement • Stakeholder Engagement	20
ENVIRONMENTAL METRICS	B3 – Energy and Greenhouse Gas Emissions • Energy Strategy	24
	C3 – GHG Emission Reduction Targets and Climate Transition	29
	B4 – Air, Water and Soil Pollution • Environmental Policy	30
	B5 – Biodiversity	32
	B6 – Water • Water Resource Management • Water Stress	34
	B7 – Resource Use, Circular Economy and Waste Management • Circular Economy • Waste Management	38
	C2 – Description of Practices, Policies and Future Initiatives	42
	C4 – Climate Risks	43
SOCIAL METRICS	B8 – General Characteristics of the Workforce • Workforce Characteristics	46
	C5 – Additional General Information on the Workforce • Workforce Organization • Inclusion and Diversity	48
	B9 – Workforce, Health and Safety • Safety Culture • Health and Well-being Promotion Initiatives for Employees	50
	C6 – Additional Information on the Company's Workforce	54
	B10 – Remuneration, Collective Bargaining and Training • Remuneration Policies • Corporate Welfare • Continuous Training • Collaboration with Schools and Universities • Community and Social Inclusion	56
GOVERNANCE METRICS	B11 – Convictions and Fines for Corruption and Bribery	62
	C2 – Description of Practices, Policies and Future Initiatives	62
	C8 – Revenue from Sensitive Sectors and Exclusion from EU Benchmarks	63
	C9 – Gender Diversity in the Governance Body	63

GENERAL INFORMATION

COMPANY PROFILE

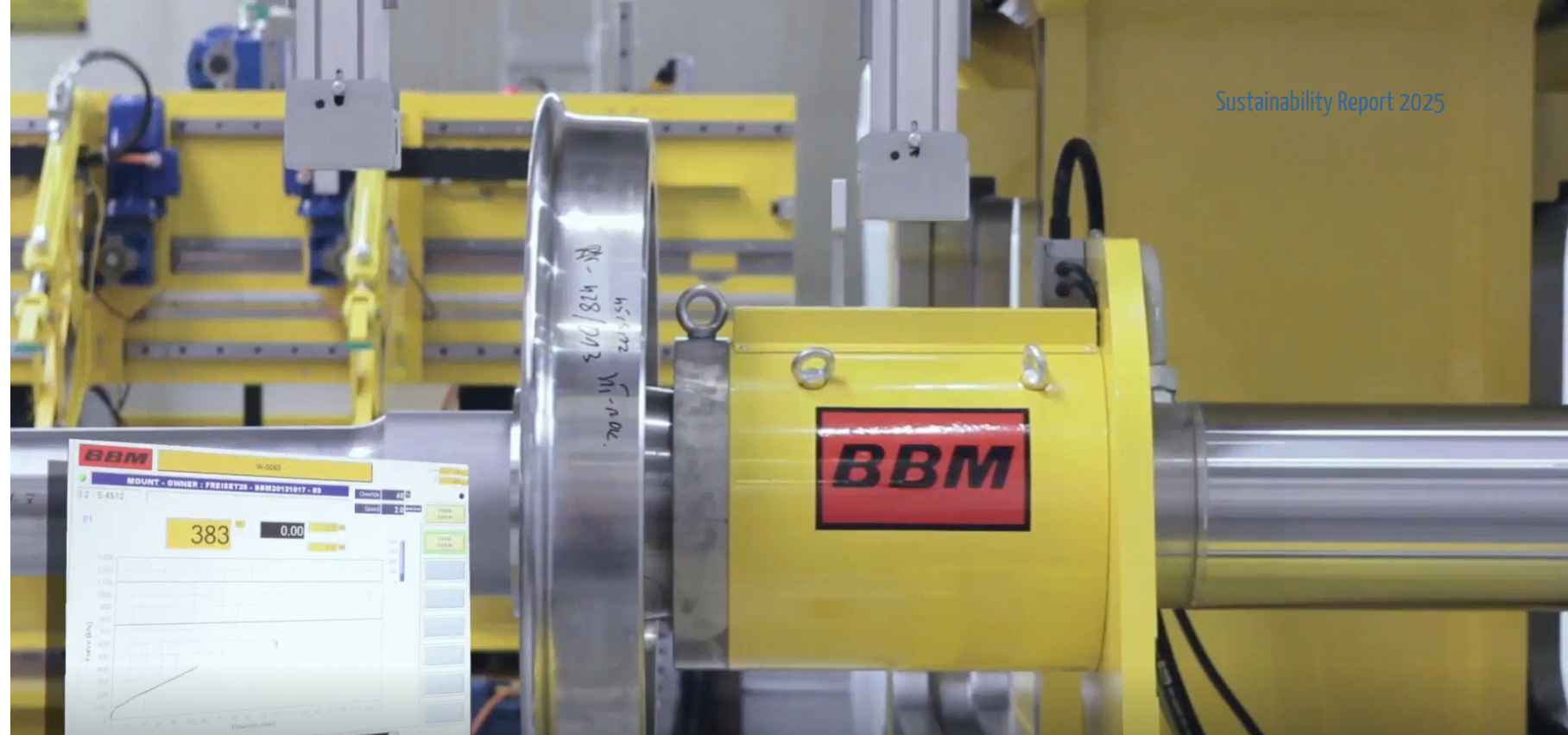
HISTORY AND IDENTITY

Founded in 1965 in Rossano Veneto, Officine Meccaniche BBM S.p.A. is now a leading Italian industrial company in the fields of advanced mechanical engineering and technologies for the railway sector. Established as a company specializing in the manufacture of welded components, machined parts, and complete machines built to customer specifications, BBM has developed its identity over time around the values of technical expertise, reliability, and customization. A key strategic milestone was reached in 1987, when the Company expanded its know-how by entering the railway sector and began designing and manufacturing equipment for the maintenance of rolling stock for international markets. Since then, BBM has built a global reputation as a partner capable of developing tailor-made solutions that comply with the most stringent quality and operational standards of the railway industry.

Today, the Company is organized into two highly integrated business divisions: the Railway Division, dedicated to the design, manufacture, and testing of machines, systems, and equipment for the production and maintenance of rolling stock, and the Mechanical Division, specializing in contract manufacturing, welded steel structures, precision machining, and the assembly of medium-to-large components according to customer drawings. This integration of design capabilities, manufacturing expertise, and engineering know-how enables BBM to manage the entire product life cycle, from design and production to installation and after-sales service.

BBM's identity is also founded on a strong culture of innovation, quality, and industrial responsibility. With a production area of more than 7,600 m², equipped with advanced technologies, and a team of more than 140 highly qualified professionals, the Company is able to ensure high production standards, operational flexibility, and competitive delivery times. All operating sites are located in Rossano Veneto, enabling direct control of processes and integrated management of business activities. Through an approach focused on customer collaboration, the continuous pursuit of the best technical solutions, and the sustainability of its production choices, Officine Meccaniche BBM continues to stand out as an Italian centre of excellence in the industrial mechanical engineering and railway sectors.

“BBM WAS FOUNDED TO DEVELOP HIGHLY ENGINEERED TAILOR-MADE SOLUTIONS.”



1965

THE FOUNDING OF OFFICINE MECCANICHE BBM S.P.A.

1987

BBM ENTERS THE RAILWAY SECTOR

TODAY

AN ITALIAN EXCELLENCE IN THE INDUSTRIAL MECHANICAL ENGINEERING AND RAILWAY SECTORS

B1 – BASIS FOR PREPARATION

GENERAL INFORMATION

Company Name	Officine Meccaniche BBM S.p.A.
Legal Form	Joint Stock Company (S.p.A.)
Business Sector	Industrial Mechanical Engineering & Railway Sector
Primary ATECO Code	28.29.99
Country of Operation	Italy
Employees	over 140
Operating Sites	3 operating sites - construction of the 4th site
2024 Revenue (EUR)	37.166.940 EUR

SUSTAINABILITY CERTIFICATIONS

ISO 14064 – CORPORATE CARBON FOOTPRINT QUANTIFICATION

In 2025, BBM implemented ISO 14064 for the first time, the international standard that defines principles and guidelines for the quantification, monitoring and reporting of greenhouse gas emissions at the organizational level.

The process was verified by an independent third party, confirming the accuracy and transparency of the data produced.

The adoption of the standard enables the Company to structure, in a verifiable manner, the process for monitoring its organizational Carbon Footprint and to support future greenhouse gas emission reduction strategies.

WORK CONDITION ASSESSMENT

The WCA is an independent assessment that evaluates working conditions within the organization, verifying compliance with the main requirements relating to health and safety, workers' rights, workplace conditions, and applicable regulations.

In 2025, BBM successfully completed the renewal of the Workplace Conditions Assessment (WCA) conducted by Intertek, achieving a compliance level of 96%, an improvement compared to the 88% recorded in 2024.

The result achieved confirms the path undertaken by the Company and represents a further element supporting its commitment to the responsible and sustainable management of its activities and working conditions.

“BBM ADOPTS A CERTIFIED MANAGEMENT SYSTEM TO ENSURE QUALITY, CONTROL, AND MEASURABLE SUSTAINABILITY.”

ECOVADIS

In 2025, BBM completed the renewal of its EcoVadis assessment, one of the leading international ESG assessment platforms used to evaluate corporate performance in the areas of environment, ethics, human rights, labour, and supply chain sustainability.

The Company achieved an overall score of 63/100, an improvement compared to the previous assessment score of 59/100. The result confirms the progressive strengthening of the Company's policies and management systems relating to sustainability, health and safety, governance, and business ethics.

BBM considers the EcoVadis assessment a tool for continuous improvement and intends to continue strengthening its ESG performance, with the objective of further improving its rating in the coming years through investments, KPI monitoring, and the development of corporate sustainability initiatives.

LEGALITY RATING

In 2025, BBM renewed its Legality Rating issued by the Italian Competition Authority (AGCM – Autorità Garante della Concorrenza e del Mercato), achieving a rating of ★★++. This recognition acknowledges compliance with applicable legislation in accordance with high ethical and organizational standards. The renewal therefore represents a further confirmation of BBM's commitment to responsible corporate management.

SOA CERTIFICATION

During the reporting year, BBM also renewed its SOA Certification with Esnasoa, the certification that qualifies companies to carry out public works in accordance with the requirements set out by the applicable legislation. The renewal of the certification confirms the Company's organizational, technical, and financial strength, as well as its ability to operate in accordance with high standards of reliability, quality, and regulatory compliance within its sector.

C1 - BUSINESS MODEL AND SUSTAINABILITY

BBM's business model is structured around two main operating divisions, which are synergistic and complementary, enabling the Company to offer complete and highly specialized solutions for the railway and mechanical engineering sectors.



BBM MECHANICAL

The Mechanical Division operates in the field of contract manufacturing and industrial steel fabrication.

Services offered:

- Industrial steel fabrication;
- Precision contract machining;
- Certified welding;
- Industrial assembly;
- Manufacture of complex components;
- Production of medium-to-large structures according to customer drawings.



BBM RAILWAYS

The Railway Division specializes in the design, manufacture, and testing of machines, systems, and equipment for the production and maintenance of rolling stock.

Main product lines:

- Wheelset Presses: available in manual, semi-automatic, and fully automated versions, designed to operate on wheels, brake discs, and axles, ensuring precision and compliance with the main international standards.
- Railway Bogie Portals: modular systems for the assembly, disassembly, and testing of railway bogies, with the capability to measure critical parameters such as track gauge, parallelism, wheelbase, and wheel diameter.
- Lifting and Handling Systems: electromechanical or hydraulic solutions for the handling of axles and bogies, designed to reduce rolling stock downtime and optimize maintenance operations.
- Test Benches: equipment for testing coil springs and leaf springs, available as both dedicated and integrated solutions, as well as ultrasonic systems for detecting cracks below the rolling surface.
- Special Equipment: machines for wheel rim cutting and wheel removal from axles, developed to ensure maximum safety and preserve axle integrity during maintenance operations.

INTEGRATED EXPERTISE AND TAILOR-MADE SOLUTIONS

Thanks to a continuously updated fleet of machinery and specialist expertise developed over time, the Division is able to ensure high levels of precision, reliability, and production flexibility, meeting the needs of different industrial sectors.

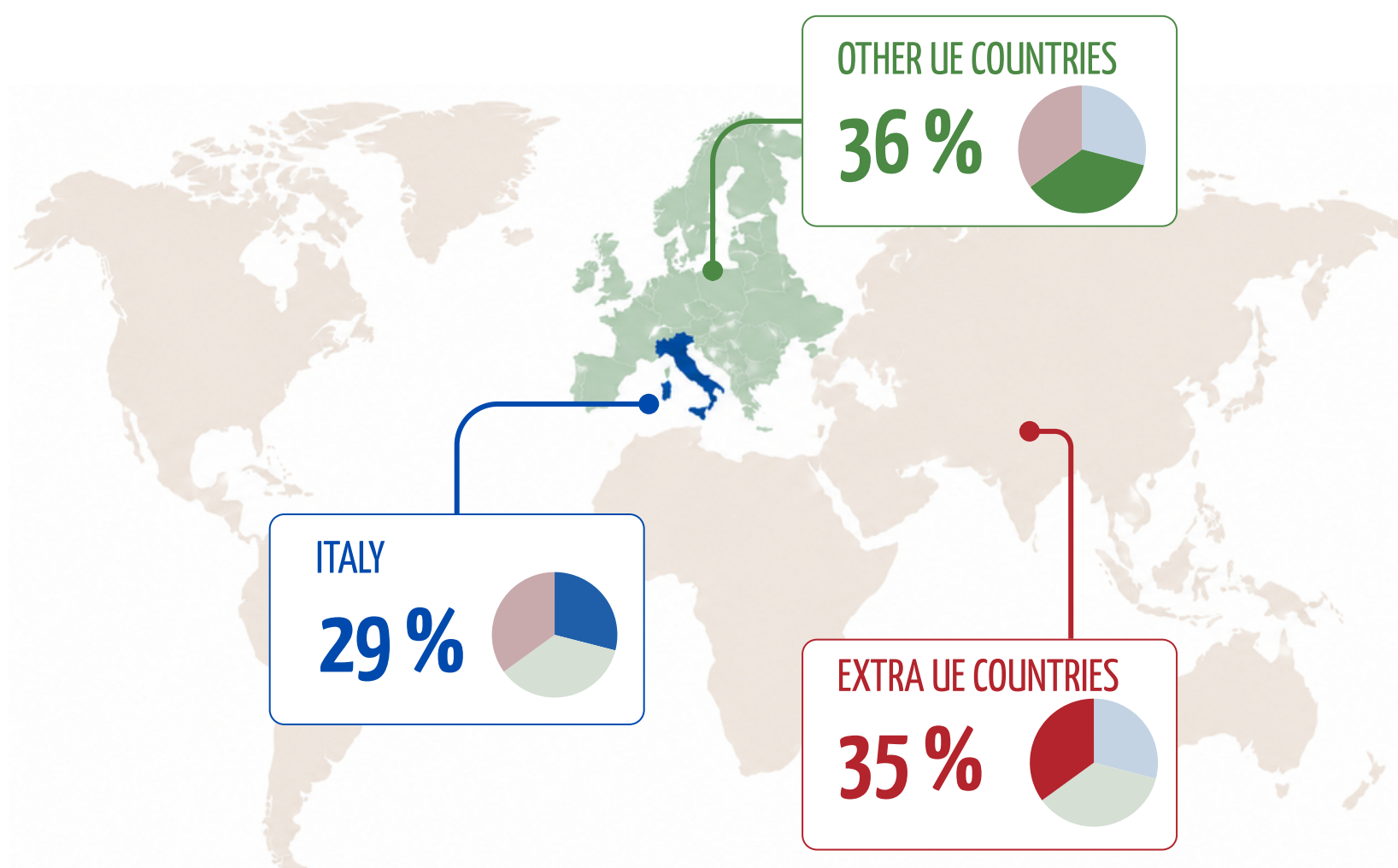
To support its activities, BBM manages the entire production cycle in-house, overseeing every operational phase from design to manufacturing, through to installation and after-sales service. This integrated approach enables the Company to maintain constant control over quality, delivery times, and the reliability of the solutions offered, ensuring high production standards at every stage of the project. This organization is supported by a team of highly qualified professionals, capable of combining technical expertise, manufacturing experience, and operational coordination skills.

BBM carries out its activities according to the principles of responsibility, professional ethics, and technological innovation, with the objective of offering high value-added solutions designed to respond effectively, promptly, and sustainably to the specific needs of its customers. The Company operates with an approach focused on service quality, responsiveness, and the continuous pursuit of the best technical and operational solutions, with the aim of building strong and long-lasting relationships based on reliability, collaboration, and flexibility.

MARKET SERVED

BBM operates in both national and international markets, collaborating with some of the world's leading companies in the railway and industrial sectors.

The presence of operating companies in India and the United States—BBM Heavy Machinery Pvt. Ltd. and BBM Railway Equipment LLC—confirms the Group's commitment to a global growth strategy and the consolidation of business relationships across multiple continents.



*As, at the date of preparation of this Report, the complete consolidated financial statements for the 2025 financial year were not yet available, the assessments presented are based on the 2024 financial data, which are considered representative of the Group's current commercial positioning and international development.

REVENUE DISTRIBUTION

TOTAL REVENUE
€ 37.166.940



ITALY
€ 10.668.758



OTHER UE COUNTRIES
€ 13.547.401



EXTRA UE COUNTRIES
€ 12.950.781

The analysis of the geographical distribution of revenue highlights a balanced commercial structure, with significant diversification across the Company's target markets. In particular, revenue generated outside the Italian market accounts for more than 70% of the total, confirming the Company's strong international orientation and its ability to operate effectively in different economic contexts.

The balanced presence across European and non-European markets also contributes to reducing the risk of commercial concentration, strengthening the resilience of the business against potential localized economic or geopolitical fluctuations. This structure also represents a strategic element from the perspective of economic sustainability, as it enables BBM to maintain greater operational stability and competitiveness over the medium to long term.

PRINCIPAL CLIENT

BBM's key customers include:

- SNCF;
- SBB;
- Alstom;
- Hitachi Rail;
- Etihad Rail;
- Dubai Metro;
- Primetals;
- Nidec ASI;
- GE – General Electric.

B2 - PRACTICES, POLICIES AND FUTURE INITIATIVES

FOR THE TRANSITION TO A MORE SUSTAINABLE ECONOMY

BBM has developed a cross-functional sustainability model that involves all the Company's main business areas, progressively integrating the 17 Sustainable Development Goals (SDGs) of the 2030 Agenda into its decision-making processes and management systems.

Over the past few years, the Company has consolidated several initiatives aimed at reducing environmental impacts, improving working conditions, and strengthening its governance and compliance systems.



ENVIRONMENT INITIATIVE

- Energy efficiency;
- Energy consumption monitoring;
- Emission reduction;
- Improvement of plant efficiency;
- Process digitalization.

In this context, the Company's organizational and product Carbon Footprint assessment has become particularly significant, representing a strategic element for the future development of its sustainability strategy.



SOCIAL INITIATIVE

- Corporate welfare;
- Parental support;
- Flexible working hours;
- Continuous training;
- Inclusion;
- Health and safety;
- Work-life balance.



GOVERNANCE INITIATIVE

- Strengthening of:
- Model 231;
 - Code of Ethics;
 - Whistleblowing system;
 - Cybersecurity;
 - Organizational transparency.

ESG MONITORING SYSTEM

For each ESG objective established, specific progress indicators and KPIs are defined and monitored on a semi-annual basis, enabling the organization to assess the implementation status of the planned actions and the progressive improvement of its performance.

On this basis, a weighted annual KPI is developed, taking into account both completed actions and those still under development, in order to provide an overall measurement of the Company's progress along its ESG journey.

ESG performance is further assessed through the international EcoVadis rating, which is used as a benchmark and continuous improvement tool for environmental, social, and governance practices.

WEIGHTED ANNUAL ESG KPI

2025: 26,36
2024: 25,64

SUSTAINABILITY GOVERNANCE

STRATEGIC VISION

Officine Meccaniche BBM considers sustainability to be an integral part of its industrial and organizational strategy.

The Company's ESG approach is based on the belief that long-term competitiveness must necessarily be developed through:



ENVIRONMENTAL
RESPONSABILITY



HUMAN CAPITAL
DEVELOPMENT



TECHNOLOGICAL
INNOVATION



MANAGEMENT TRANSPARENCY
AND BUSINESS ETHICS

ESG GOVERNANCE SYSTEM

In 2022, the Board of Directors formally established a multidisciplinary ESG Team, with operational and coordination responsibilities for environmental, social, and governance matters.

TEAM ESG



- Management System Manager;
- HR Representative.
- Technical Representative;
- ESG Representative.

In 2025, the organization further strengthened its governance of these matters through the appointment of a dedicated resource and the establishment of a Sustainability Department, with the objective of structuring the Company's sustainability activities in a more systematic and continuous manner.

The composition of the team, with a female majority, reflects the Company's commitment to the principles of inclusion and the enhancement of skills.

The Team meets periodically with the objective of:

- monitoring ESG KPIs;
- defining improvement objectives;
- discussing innovative ideas;
- coordinating management systems;
- overseeing ESG risks;
- updating the Board of Directors.

C2 - DESCRIPTION OF PRACTICES, POLICIES AND FUTURE INITIATIVES

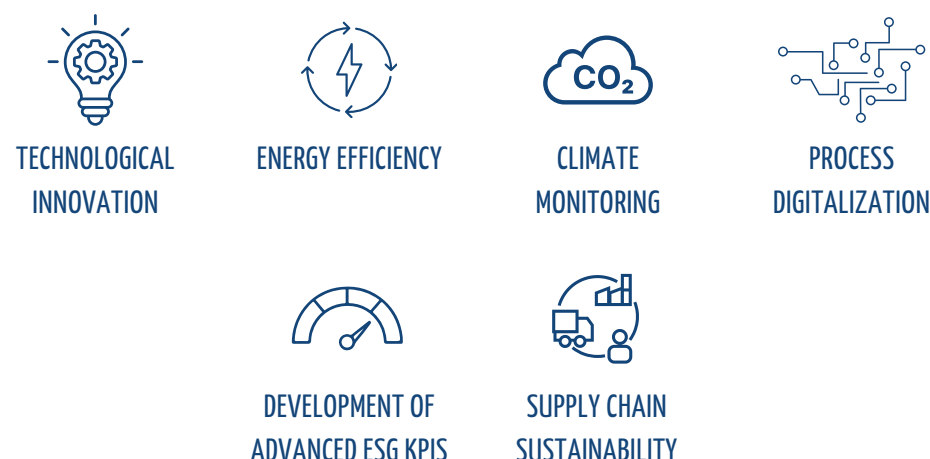
FOR THE TRANSITION TO A MORE SUSTAINABLE ECONOMY

Over the past few years, BBM has progressively developed an ESG management and monitoring system aimed at supporting the continuous improvement of its environmental, social, and governance performance.

The path undertaken is aligned with the management systems, international standards, and ESG frameworks adopted by the Company, with particular attention to energy efficiency, greenhouse gas emissions monitoring, supply chain sustainability, process digitalization, and the development of increasingly structured ESG reporting tools.

INVESTMENTS AND CONTINUOUS IMPROVEMENT

In the medium term, BBM plans to make targeted investments aimed at strengthening its sustainability journey, with particular focus on:



BBM IS EVOLVING TOWARDS AN INCREASINGLY STRUCTURED, MEASURABLE, AND INTEGRATED ESG SYSTEM WITHIN ITS DECISION-MAKING PROCESSES.



STAKEHOLDER ENGAGEMENT

During 2025, the Company launched a number of awareness-raising and information-sharing initiatives aimed at its supply chain and customers through dedicated communications and the publication, within the "Sustainability" section of the Company's website, of information materials presenting the main environmental, social, and governance initiatives undertaken.



In the area of procurement, BBM adopts a management system that has introduced specific energy efficiency criteria into its operating procedures, giving preference, where technical and functional performance is equivalent, to products and equipment characterized by lower energy consumption and recognized environmental certifications.

For certain categories of products and equipment, minimum energy efficiency requirements have been defined and are taken into consideration during the procurement process.



For investments of greater economic or strategic importance, the Company has also introduced energy consumption, efficiency, and the ESG impacts of the proposed solutions among its evaluation criteria.

The Company's procedures also provide for the involvement of the ESG Team in the evaluation of specific investments and procurement decisions, promoting the progressive integration of sustainability principles into the Company's decision-making processes.



ENVIRONMENTAL METRICS

B3 – ENERGY AND GREENHOUSE GAS EMISSIONS

ENERGY STRATEGY

Energy management represents a strategic priority for BBM from both an environmental and an economic-industrial perspective. The Company considers energy efficiency to be an essential element in reducing environmental impacts, increasing competitiveness, improving operational resilience, and containing production costs.

In this context, BBM promotes an approach focused on the continuous improvement of its energy performance through technological investments, energy consumption monitoring, and the progressive integration of environmental criteria into its business and production processes.

ENERGY CONSUMPTION - NON RENEWABLE SOURCES

SITES	CONSUMPTION	2022/2025 COMPARISON
 Via Mottinello 141	815,365 MWh	-5% 
 Via Mottinello 145	47,962 MWh	+34% 
 Via Ca' Vico 70/h	28,167 MWh	+7% 

SELF-GENERATED
ENERGY FROM
RENEWABLE SOURCES

**154,376
MWh**

ENERGY CONSUMPTION – NATURAL GAS

SITES	CONSUMPTION	2022/2025 COMPARISON
 Via Mottinello 141	48.635 smc	- 28% 
 Via Mottinello 145	0	- 
 Via Ca' Vico 70/h	8.145 smc	-51% 

REDUCTION IN NATURAL
GAS CONSUMPTION
-51 %
BETWEEN 2022 AND 2025

The trend in energy consumption reflects the evolution of the Company's operational and organizational activities during the reporting period. In particular, the increases recorded at the Via Mottinello 145 site are mainly related to:

- the increase in the number of employees;
- the introduction of new equipment and workstations in the offices;
- the installation of new heat pumps and technological systems;
- the progressive expansion of production and organizational activities.

At the same time, the Via Mottinello 141 site recorded a 5% reduction in electricity consumption compared to 2022, attributable to the energy efficiency measures implemented in recent years, including the optimization of plant systems and the improvement of energy monitoring systems.

With regard to natural gas consumption, a significant contribution to its reduction resulted from the interventions carried out on the ROBUR heating units used to heat the production departments. During 2025, BBM progressively replaced 7 of the 16 installed units with new, more energy-efficient machines, thereby improving the overall performance of the heating systems at its production facilities.

ISO 50001 SYSTEM

BBM has implemented an Energy Management System in accordance with the international ISO 50001 standard, with the objective of promoting improved energy performance and an increasingly efficient and responsible management of the Company's energy resources.

Through this system, the Company monitors and analyses in a structured manner the main aspects related to energy consumption, including electricity, thermal energy consumption, plant performance, and energy efficiency indicators, continuously identifying opportunities for improvement and optimization measures.

As part of the ISO 50001 management system, BBM periodically carries out energy audits aimed at analysing the energy consumption and energy performance of its production processes and facilities. These activities enable the Company to systematically assess the energy impact of its main business decisions, including the introduction, replacement, or upgrading of machinery, equipment, and production technologies.

To support this approach, BBM has also defined specific energy criteria within its corporate procurement procedures, giving preference, where technical and functional performance is equivalent, to solutions characterized by higher levels of energy efficiency, lower energy consumption, and recognized certifications. This enables the Company to progressively develop investments and operational choices aimed at reducing energy consumption, improving plant efficiency, and limiting environmental impacts over the medium to long term.



PHOTOVOLTAIC PARK

BBM has a photovoltaic system installed at its production site with a total capacity of approximately 200 kW, dedicated to the generation of renewable electricity for the Company's self-consumption.

During the reporting year, significant revamping activities were also initiated on the existing system through the replacement of the photovoltaic modules with new-generation panels featuring higher energy efficiency.

In the medium term, BBM also plans to implement further initiatives to support the energy transition, including the installation of an additional photovoltaic system on the new assembly building currently under construction.



In 2024, BBM introduced the E-Boost system, a platform dedicated to monitoring production processes and energy consumption, with the objective of improving the control of operational performance, identifying energy waste, and supporting the optimization of production processes through more detailed data analysis.

In 2025, the fleet of multimeters was expanded, further increasing the Company's energy monitoring capability.

E-BOOST

E-Boost is an advanced digital energy management platform developed by Veil Energy and adopted by BBM as part of its Energy Management System and corporate energy efficiency programme. The solution enables the continuous, real-time monitoring of energy consumption, supporting the optimization of the organization's operational and environmental performance.

The system integrates IoT technologies, data analysis tools, and Digital Twin functionalities, enabling the monitoring of electricity, natural gas, and water consumption, the analysis of consumption trends, the identification of energy inefficiencies, and the management of potential anomalies through automatic alert systems. Through intuitive dashboards and dedicated reporting, E-Boost enables BBM to gain a detailed overview of the energy performance of its production departments and facilities, supporting more efficient decisions in terms of energy consumption, operational management, and energy planning. The platform also serves as a supporting tool for maintaining the ISO 50001 Energy Management System and for monitoring ESG objectives and greenhouse gas emission reduction targets.

ENERGY EFFICIENCY



BBM promotes an approach focused on the continuous improvement of energy performance through technological investments, energy consumption monitoring, and the progressive integration of environmental criteria into its business and production processes.



HIGH-EFFICIENCY LIGHTING

The progressive replacement of traditional lighting with high-efficiency LED systems

Completed in 2024 at the Company's main sites



OPTIMIZATION OF THE EXTRACTION SYSTEM

The introduction of variable frequency drives (VFDs) to enable more efficient load management

Estimated electricity savings of approximately 200 kWh per month



COOLING SYSTEM FOR THE WELDING DEPARTMENT

Introduction of new high-efficiency cooling units in the welding department

Improving workplace environmental comfort and production efficiency

Taken together, these initiatives strengthen the Company's path towards increasingly efficient energy consumption management and the progressive reduction of the use of traditional energy sources, contributing to the overall improvement of energy and environmental performance and to the achievement of the ESG objectives defined by the organization.

GREENHOUSE GAS (GHG) EMISSIONS

BBM has embarked, since 2023, on an increasingly structured and progressively more advanced pathway for the monitoring and reporting of greenhouse gas (GHG) emissions, developed according to the principles of the international standard ISO 14064-1:2018, with the aim of consolidating a reliable, verifiable climate management system aligned with the growing ESG requirements arising from the international railway and industrial markets.

In 2025, Officine Meccaniche BBM obtained the independent verification of its GHG inventory for the year 2024 by DNV Business Assurance USA Inc., in accordance with the ISO 14064-3:2019 methodology, with a “Limited Assurance” level of assurance.

The climate monitoring process includes:

- analysis of direct Scope 1 emissions;
- analysis of indirect energy-related Scope 2 emissions;
- preliminary assessments of indirect Scope 3 emissions;
- definition of the Company’s emissions baseline;
- identification of the main emission sources across production and logistics processes;
- consolidation of environmental data according to the “operational control” approach.

The reporting boundary includes the main operating sites located in Rossano Veneto.

GHG EMISSION INVENTORY

VERIFIED FOR THE YEAR 2024

CATEGORY	EMISSION (tCO ₂ eq)
Scope 1 – Direct emissions	217
Scope 2 – Indirect energy-related emissions (location-based)	327
Scope 3 – Trasport	576
Scope 3 – Purchased products and services	7.375
Scope 3 – Other indirect emissions	3.345
Biogenic emissions	446

WHERE THE MAIN EMISSIONS ARE CONCENTRATED



SUPPLY CHAIN



PURCHASE OF MATERIALS



INDIRECT ACTIVITIES RELATED
TO INDUSTRIAL PROCESSES

BBM considers the monitoring of climate-changing emissions a key strategic element for its sustainable growth path and for strengthening its competitiveness in international markets.



C3 - GHG EMISSION REDUCTION TARGETS AND CLIMATE TRANSITION



BASELINE
2024



HORIZON
2026 | 2030



AREAS
Scope 1, 2 e 3

SCOPE 1

DIRECT EMISSIONS



Mainly generated by natural gas consumption and internal operational activities

REDUCTION TARGET

-0.6 %
BY 2026

-1.8 %
BY 2030

MAIN LEVERS

- Energy efficiency improvements
- Energy consumption monitoring
- Optimization of production systems

SCOPE 2

INDIRECT EMISSIONS

LOCATION-BASED

REDUCTION TARGETS

-1.8 %
ENTRO IL 2026

-5.4 %
ENTRO IL 2030

MAIN LEVERS

- Energy efficiency improvements
- Consumption optimization
- Enhancement of technological systems and photovoltaic installations

MARKET-BASED



100 %

Purchased electricity covered by Guarantees of Origin (GOs)

Market-based Scope 2 emissions
ZERO

SCOPE 3

INDIRECT VALUE CHAIN EMISSIONS



With particular reference to the most relevant categories

REDUCTION TARGET

-10 %
of emission intensity
BY 2030

METHODOLOGICAL APPROACH

Reduction of emission intensity (rather than absolute emissions) to ensure monitoring is independent from variations in production volumes and business activity levels.

APPROACH TO
CLIMATE
TRANSITION



ENERGY EFFICIENCY
IMPROVEMENT



OPTIMIZATION OF
PRODUCTION PROCESSES



CONSUMPTION
REDUCTION



PROGRESSIVE REDUCTION OF
CLIMATE-CHANGING EMISSIONS



SUPPLY CHAIN
ENGAGEMENT



DEVELOPMENT OF
ENVIRONMENTAL KPIs



INTEGRATION OF CLIMATE SUSTAINABILITY INTO
THE COMPANY'S INDUSTRIAL STRATEGY

B4 – AIR, WATER AND SOIL POLLUTION

ENVIRONMENTAL POLICY

BBM operates according to an Environmental Policy focused on the prevention of environmental impacts, regulatory compliance, and the continuous improvement of its production and organizational processes.

To confirm its commitment to a structured and responsible management of the environmental aspects related to its activities, the Company has implemented an Environmental Management System certified according to the international ISO 14001 standard.

BBM'S COMMITMENTS



Comply with current national and European environmental regulations



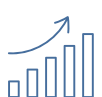
Adopt sustainable and economically viable technologies



Progressively reduce direct and indirect environmental impacts



Promote the continuous improvement of production processes



Control and monitor emissions, waste and energy consumption



Raise awareness among management and employees on environmental issues and sustainable development



Prevent soil, water and workplace environmental contamination



Pursue the principle of "non-pollution" through structured procedures within the company management system.

BBM also considers environmental protection and the proper use of energy sources among its strategic objectives, committing to the development of production and design solutions aimed at reducing energy consumption throughout the life cycle of its machines and equipment.

The company's environmental management is also supported by formalized internal procedures for the classification, temporary storage, traceability and disposal of waste, including records managed through dedicated software and integration with the RENTRI system.



EMISSION MANAGEMENT

Emissions generated by production activities are monitored and managed by BBM in compliance with applicable environmental authorizations and through periodic checks carried out by qualified laboratories.

THE COMPANY ADOPTS SPECIFIC PROCEDURES FOR:

- management of chemical substances;
- control of atmospheric emissions;
- monitoring of airborne chemical agents;
- maintenance and verification of systems;
- prevention of spills and contamination;
- waste management and traceability;
- control of discharges and rainwater;
- noise pollution monitoring.

In 2025, BBM carried out specific environmental assessments of airborne chemical agents in the production departments, with particular reference to welding, grinding and painting activities, in compliance with Legislative Decree 81/2008 and the UNI EN 689:2019 standard.

B5 – BIODIVERSITY

PROTECTION OF THE TERRITORY AND RESPONSIBLE LAND USE

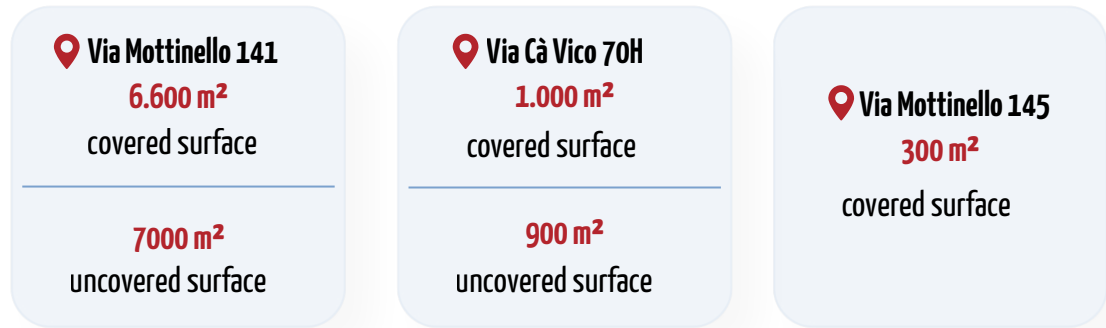
BBM’s production sites are located in industrial areas within the Vicenza area and, based on the assessments carried out through the consultation of regional environmental mapping and the main public environmental protection tools (Natura 2000 Network, SACs and SPAs), they are not located within protected natural areas or sites characterized by high biodiversity sensitivity.

The Company operates mainly in urbanized and industrial contexts and does not carry out activities belonging to sectors with significant direct impacts on natural ecosystems or protected habitats.

Although it does not operate in areas subject to high biodiversity pressure, BBM recognizes the importance of protecting the territory, responsibly managing land use and limiting the consumption of new land.

OPERATIONAL SITE AREAS

The total area used includes covered areas dedicated to production, offices and warehouses, as well as operational yards and logistics handling areas.



At the Via Mottinello 141 site, an unsealed surface area of approximately 900 m² remains, consisting of green areas, flowerbeds, and non-paved surfaces.
BBM currently does not have any nature-related areas located outside its operational sites (off-site).

RESPONSIBLE SOIL MANAGEMENT

BBM monitors the land areas used for its production and organizational activities as part of its environmental management system and the oversight of impacts associated with land use.

During 2025, the Company maintained a substantially unchanged configuration of its main operational areas compared to the previous year, with no significant changes recorded in the sealed surfaces associated with existing sites.

DEVELOPMENT OF THE NEW PRODUCTION FACILITY

At the end of 2025, construction works were also initiated for the development of a new production facility of approximately 2,600 m², intended for assembly activities.

The project is part of the Company’s industrial development plan and has been designed with particular attention to energy efficiency aspects, including the installation of a photovoltaic system to serve the new building.

ADOPTED APPROACH

The approach adopted by the Company is aimed at prioritizing the optimization and redevelopment of existing spaces, limiting, wherever possible, new land consumption and further surface sealing processes.

B6 – WATER

WATER RESOURCE MANAGEMENT

BBM monitors its water consumption as part of its environmental management system and the control of natural resources, with the aim of promoting responsible and conscious use of water resources.

The water used by the Company comes exclusively from the public water supply network and is mainly intended for domestic and sanitary purposes in support of operational activities and personnel.

In fact, BBM’s production activities do not involve industrial processes characterized by high water consumption or direct use of water, resulting in an overall limited impact on water resources.

	Water Withdrawal 2025	1.125 m ³
	Water Withdrawal 2024	1.065 m ³
	Change (2024/2025)	+ 5,6%
	Water Source	public water supply network

WATER IS A MONITORED RESOURCE WITH A LIMITED IMPACT.

Water resources are not a significant input for BBM’s processes. Nevertheless, the Company pays attention to their responsible management, in line with its overall continuous improvement approach.



MONITORING OF CONSUMPTION

- **Dedicated meters**
- **Periodic verification of supply invoices**
- **Monthly collection and review of data through internal environmental monitoring databases**

BBM pays particular attention to the proper management of rainwater and wastewater discharges. The Company does not carry out direct discharges into surface water bodies such as rivers or lakes; rainwater and runoff from external paved areas are managed through dedicated collection networks, including treatment systems and infiltration wells, in compliance with applicable regulations.

PERIODIC WASTEWATER MONITORING

BBM carries out periodic checks on wastewater through sampling activities and chemical analyses of collection wells, with particular attention to key environmental parameters and the presence of any contaminants, including hydrocarbons. The analyses performed during the reporting period showed values compliant with the limits established by applicable regulations, confirming the effectiveness of the environmental management and control measures adopted.

MONITORED PARAMETER	MEASURED VALUE	APPLICABLE REGULATORY LIMIT	RESULTS
COD (Chemical Oxygen Demand)	15 mg/L – 22 mg/L	100 mg/L	Compliant
Total suspended solids	10 mg/L – 12 mg/L	25 mg/L	Compliant
Total Hydrocarbon	< 0,05 mg/L	Applicable Regulatory Limit	Compliant
Chromium	Values below the detection limits	Applicable Regulatory Limit	Compliant
Nickel	Values below the detection limits	Applicable Regulatory Limit	Compliant
Lead	Values below the detection limits	Applicable Regulatory Limit	Compliant
Copper	Values below the detection limits	Applicable Regulatory Limit	Compliant
Zinc	Values below the detection limits	Applicable Regulatory Limit	Compliant
Aromatic and Chlorinated Organic Solvents	Values below the detection limits	Applicable Regulatory Limit	Compliant

WATER STRESS

BBM has carried out a preliminary assessment of the territorial context in which its production sites operate through the consultation of the international database “Aqueduct Water Risk Atlas” developed by the World Resources Institute (WRI), a globally recognized platform for the analysis of risks related to water availability and management.

The water used by the Company comes exclusively from the public water supply network and is primarily intended for civil and sanitary uses in support of operational activities and personnel.

Indeed, BBM’s production activities do not involve industrial processes characterized by high water consumption or direct use of water in production cycles, resulting in an overall limited impact on water resources.

APPROACH AND INITIATIVES

BBM has not defined quantitative targets for the reduction of water consumption; however, the Company promotes initiatives aimed at environmental sustainability and at raising awareness among people regarding the responsible use of resources. BBM provides employees with personal reusable water bottles and free water dispensers, contributing to the reduction of single-use plastic consumption and encouraging more sustainable behaviours.

BBM continues to monitor its water consumption and the environmental aspects related to water management, maintaining an approach focused on prevention, environmental control, and the continuous improvement of its ESG performance.

WATER STRESS RISK ASSESSMENT

NATIONAL CONTEXT



TERRITORIAL FOCUS - ROSSANO VENETO (VI)



WATER RISK / WATER STRESS LEVEL

Basso (<10%)	Basso- medio (10 - 20%)	Medio (20 - 40%)	Alto (40 - 80%)	Estremamente alto (>80%)
-----------------	----------------------------	---------------------	--------------------	-----------------------------



Source: Aqueduct Water Risk Atlas - World Resources Institute (WRI)



BBM’s production sites are located in Rossano Veneto (VI). For these sites, the preliminary assessment of the territorial context indicates a medium level of water stress.



Considering the limited intensity of water consumption and the absence of water-intensive production processes, the direct impact on water resources is considered limited.

B7 – RESOURCE USE, CIRCULAR ECONOMY AND WASTE MANAGEMENT

CIRCULAR ECONOMY

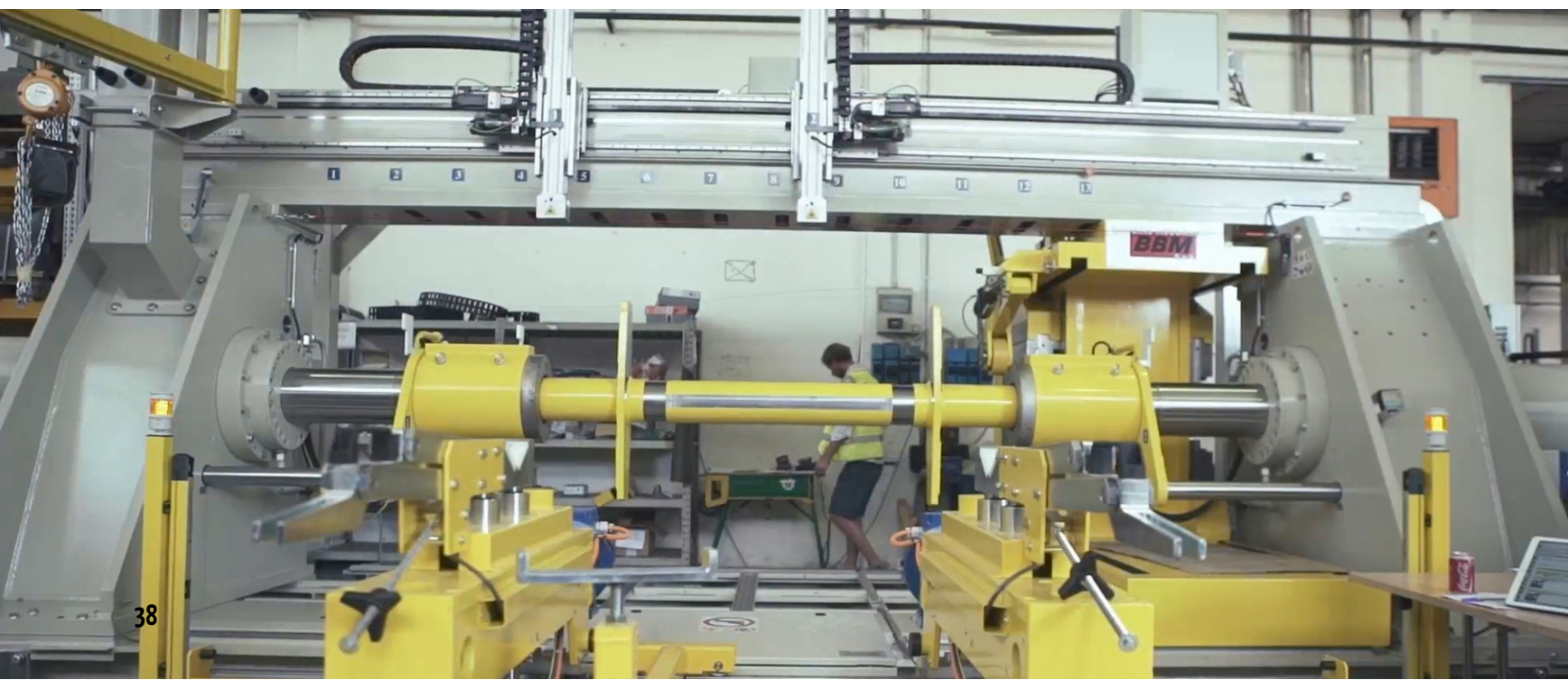
BBM promotes a culture focused on the efficient use of resources and the reduction of waste. This approach is complemented by the recovery and valorisation of production scraps, with the aim of reducing the amount of materials sent for disposal and promoting a more circular management of the resources used.

MACHINERY USEFUL LIFE

Through maintenance, upgrading and revamping activities, BBM aims to reduce the need for the early replacement of equipment, contributing to the limitation of new resource consumption and maintaining the efficiency of production facilities over time.

EFFICIENT DESIGN

Where applicable, design activities are guided by criteria of efficiency, durability and optimisation of the materials used, with the aim of minimising environmental impacts throughout the entire life cycle of products and processes.



WASTE MANAGEMENT

WASTE MANAGEMENT IS AN INTEGRAL ELEMENT OF THE ENVIRONMENTAL MANAGEMENT SYSTEM

The Company operates through formalised procedures governing the entire waste management cycle, from waste identification to its transfer to authorised operators, in compliance with applicable environmental legislation, the provisions of Legislative Decree 152/2006, and in accordance with the Organisation, Management and Control Model pursuant to Legislative Decree 231/2001.

BBM's approach is based on a structured and controlled management of waste streams generated by industrial activities, with particular attention to proper classification, environmental safety and the prevention of potential contamination.

The Company continuously monitors:

- the quantities generated;
- temporary storage periods;
- recovery and disposal rates;
- compliance of waste transfers;
- the authorisations of transporters and destination facilities;
- compliance with the time and volume limits established by environmental regulations.

MAIN WASTE STREAMS

Operational management involves the various Company departments and mainly includes:

- metal chips and scrap;
- emulsions and industrial oils;
- paints and solvents;
- absorbent materials and filter media;
- paper, plastic and wood packaging;
- electrical and electronic waste;
- consumable materials resulting from production and maintenance activities.

Particular attention is dedicated to the management of metal waste and chips generated by machining processes, through dedicated collection systems and the subsequent transfer of the quantities stored in temporary storage areas for disposal.

The Company also monitors the correct use of containers and adopts specific preventive measures to avoid accidental spills of lubricating and cooling fluids and potential soil contamination.

PRODUCT WASTE

TIPOLOGY	QUANTITY	FINAL DESTINATION
Non-hazardous Waste	~338 tonnes	Recovery / Recycling
Hazardous Waste	~ 33 tonnes	Authorised Disposa
Total Waste Managed	~ 371,3 tonnes	

MAIN CATEGORIES OF NON-HAZARDOUS WASTE

CER	DESCRIPTION
12 01 01	Ferrous metal filings and chips
15 01 01	Paper and cardboard packaging
15 01 03	Wooden packaging
15 01 06	Mixed packaging
17 04 05	Iron and steel
15 02 03	Uncontaminated absorbent materials and filter media

MAIN CATEGORIES OF HAZARDOUS WASTE

CER	DESCRIPTION
08 01 11*	Paints and varnishes containing solvents or hazardous substances
12 01 09*	Emulsions and solutions for machinery containing hazardous substances
13 02 05*	Waste mineral oils
14 06 05*	Sludges or substances containing solvents
15 01 10*	Packaging containing residues of hazardous substances
15 01 11*	Contaminated metal packaging
15 02 02*	Contaminated absorbent materials, cloths and PPE



IRON CHIPS RECOVERED AND REINTRODUCED INTO THE MARKET EACH YEAR

over 350 TONNES

During 2025, almost all waste generated by BBM consisted of non-hazardous waste, mainly destined for recovery or recycling, primarily resulting from machining processes, metal scrap and packaging materials. Hazardous waste, on the other hand, represented a residual share of the total and was managed through authorised operators in compliance with applicable regulations and the procedures established by the Company’s environmental management system.

SEPARATE WASTE COLLECTION

Separate waste collection is implemented both in offices, where dedicated containers are available for the main waste categories, and in production departments.

In administrative areas, BBM promotes the correct disposal of materials through internal procedures, dedicated communications and awareness-raising activities aimed at employees. In production departments, waste is instead collected through specifically identified containers and classified according to the relevant European Waste Catalogue (EWC) code, ensuring an organised, compliant and easily traceable management process throughout all storage and disposal phases.

BBM also ensures complete documentary traceability of waste through waste registers, transport documentation, suppliers’ authorisation records and dedicated management software integrated with the RENTRI system introduced in 2025.

C2 - DESCRIPTION OF PRACTICES, POLICIES AND FUTURE INITIATIVES

TOWARDS THE TRANSITION TO A MORE SUSTAINABLE ECONOMY

To support the transition towards a more sustainable model, BBM will adopt operational practices aimed at improving resource efficiency and progressively reducing the environmental impacts associated with the materials used, including product Carbon Footprint (CFP) analyses and investments in product Ecodesign.



TARGET SCOPE 1,2 E 3

BBM continues to implement its emissions reduction plan, aligned with a progressive decarbonisation pathway consistent with the objectives of the 2030 Agenda. The plan is structured as follows:

- Scope 1: reduction of 1.8% by 2030 compared to the 2024 baseline.
- Scope 2 (location-based): reduction of 5.4% by 2030 compared to the 2024 baseline.
- Scope 3: reduction of emissions intensity by 10% by 2030 compared to the 2024 baseline.



RESEARCH AND DEVELOPMENT

BBM considers Ecodesign and sustainability principles also within its product design and development activities. In this context, the Company carries out research and development activities focused on the technological innovation of its industrial solutions. The three R&D projects developed internally have been the subject of patent and utility model applications, also in relation to solutions aligned with energy efficiency objectives.



PRODUCT CARBON FOOTPRINT (PCF) – ISO 14067 IN PROGRESS

In the medium term, BBM intends to consolidate its climate certification pathway through the analysis and assessment of the Product Carbon Footprint in accordance with ISO 14067, further strengthening its ESG approach and environmental transparency towards customers, stakeholders and financial partners. The emissions assessment project was initiated with a preliminary analysis in 2024 and is expected to achieve certification by 2026.

C4 – CLIMATE RISKS

BBM recognises that climate change and the transition towards a lower-emission economy may affect the operational, economic and regulatory context in which it operates.

In this context, the Company has carried out a preliminary assessment, through the analysis of the organisational context (in accordance with ISO 14001 and ISO 45001), of the main climate-related risk factors potentially relevant to its activities, considering both physical risks and transition risks.

MAIN ELEMENTS CONSIDERED:



OCCUPATIONAL HEALTH AND SAFETY



EVOLUTION OF ENVIRONMENTAL REGULATIONS



INCREASE IN ENERGY COSTS



INCREASING CUSTOMER ATTENTION TO ESG ISSUES



RAW MATERIAL PRICE VOLATILITY



POTENTIAL IMPACTS OF EXTREME CLIMATE EVENTS ON OPERATIONAL AND LOGISTICS ACTIVITIES

As of the date of preparation of this document, no significant economic impacts directly attributable to the climate risks described above have been identified.



SOCIAL METRICS

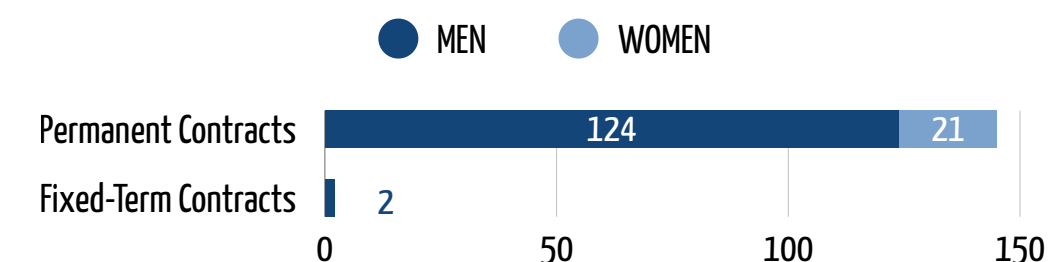
B8 – GENERAL CHARACTERISTICS OF THE WORKFORCE

People represent a central element of BBM's organisational and industrial model. The Company promotes a working environment based on respect for individuals, the enhancement of skills, safety and professional growth, recognising human capital as a strategic factor for competitiveness and long-term sustainable development.

WORKFORCE CHARACTERISTICS



EMPLOYMENT STABILITY



98.6 %

PERMANENT AND
FIXED-TERM CONTRACT

The vast majority of the workforce is employed under permanent contracts, reflecting the Company's commitment to job stability and the long-term retention of professional skills and expertise.

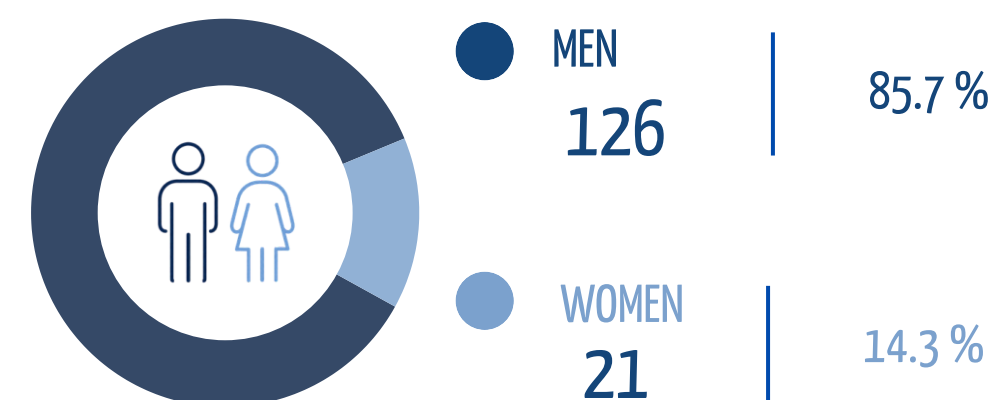


100% OF EMPLOYEES ARE COVERED BY COLLECTIVE BARGAINING AGREEMENTS

BBM applies the National Collective Bargaining Agreement (CCNL) for the Metalworking Industry and ensures remuneration that complies with, or exceeds, the standards established by the applicable regulations

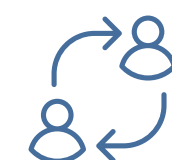
BREAKDOWN BY GENDER AND EMPLOYMENT CONTRACT TYPE

The workforce is predominantly male, reflecting the characteristics of the metalworking industry and the nature of the Company's industrial operations.



MONITORING AND SOCIAL RESPONSIBILITY

The Company monitors a range of workforce management indicators to promote organizational continuity, employee well-being, and the ongoing development of skills and competencies:



TURNOVER



EMPLOYEE
RETENTION RATE



WORKFORCE
DISTRIBUTION



CONDIZIONI
CONTRATTUALI

Through these initiatives, BBM aims to strengthen an organizational model built on social responsibility, the protection and well-being of its people, and the promotion of a safe, inclusive, and continuously improving workplace.

C5 - ADDITIONAL GENERAL INFORMATION ON THE WORKFORCE

BBM values a skilled and multidisciplinary workforce, fostering job continuity, professional development, inclusion, and organizational well-being.

WORKFORCE ORGANIZATION

The Company's workforce comprises highly skilled professionals operating across its production, technical, and administrative functions.



The Company's multidisciplinary expertise enables BBM to manage highly complex technical activities in-house, ensuring high quality standards and a strong ability to deliver tailored solutions that meet its customers' specific needs.

ONBOARDING

4 WEEKS



A structured and progressive onboarding process designed to support new employees through an effective integration journey, ensuring continuity, guidance, and alignment with the Company's operating practices.



DEDICATED MENTOR



REGULAR CHECK-INS



PROGRESS MONITORING

INCLUSION AND DIVERSITY

BBM fosters an organizational culture based on inclusion, respect for individuals, and the appreciation of diversity, recognizing that different backgrounds, skills, and perspectives are key drivers of growth and innovation.

The Company is committed to ensuring:

- Equal opportunities
- Inclusion
- Work-life balance
- Recognition and appreciation of diversity
- A workplace free from discrimination
- Respect for the dignity of every individual

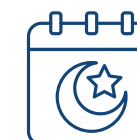


In recent years, the representation of women has steadily increased across technical, organizational, and managerial roles, reflecting the Company's commitment to fostering an increasingly inclusive workplace where talent and expertise are valued regardless of gender.

BBM also promotes initiatives aimed at enhancing employee well-being and work-life balance through flexible working arrangements, corporate welfare programs, and parental support initiatives. These measures are designed to foster a sustainable, motivating, and people-centered work environment that supports long-term professional growth.

RESPECT FOR CULTURAL AND RELIGIOUS DIVERSITY

The Company is attentive to the cultural and religious needs of its employees, fostering a workplace culture based on mutual respect, inclusion, and open dialogue.



For example, during the month of Ramadan, the Company takes into account the needs of employees who observe fasting by, where feasible, adjusting the allocation of physically demanding tasks or activities requiring significant energy expenditure.

BBM also recognizes the importance of personal moments of reflection and worship, providing employees with the opportunity to dedicate time to prayer while balancing individual needs with operational requirements. Through this approach, the Company fosters an inclusive, respectful, and people-centered working environment.

B9 – WORKFORCE, HEALTH AND SAFETY

Health and safety in the workplace are fundamental pillars of BBM's ESG strategy. The Company regards prevention not only as a regulatory obligation, but as a core cultural value deeply embedded in its organizational, operational, and decision-making processes.

SAFETY CULTURE



Participatory Safety Model



Commitment to Accountability



Proactive Risk Prevention

TRAINING, AUDITS, TECHNOLOGICAL INVESTMENTS, AND DIRECT EMPLOYEE ENGAGEMENT HELP FOSTER BBM'S SAFETY CULTURE ON A DAILY BASIS

The Company's Health and Safety Management System is also integrated into its Organizational, Management and Control Model pursuant to Italian Legislative Decree 231/2001, which has been adopted to prevent corporate offences, ensure regulatory compliance, and further strengthen the Company's risk management framework.

The effectiveness of the Model and the adequacy of its control measures are overseen by the Supervisory Body (Organismo di Vigilanza – OdV), which carries out independent monitoring and verifies the proper implementation of the Company's procedures and compliance protocols.

“STOP WORK POLICY”



Every employee is empowered to immediately stop any activity if unsafe operating conditions or high-risk situations are identified. This approach reinforces the Company's strong commitment to prevention and promotes shared responsibility for protecting the health and safety of its people.

ISO 45001 MANAGEMENT SYSTEM

BBM has been certified to ISO 45001 by DNV since 2017, demonstrating its commitment to a structured and well-established Occupational Health and Safety Management System. Over the years, the Company has continuously strengthened its preventive approach by embedding health and safety into its organizational, operational, and decision-making processes while fostering a corporate culture built on responsibility and continuous improvement.

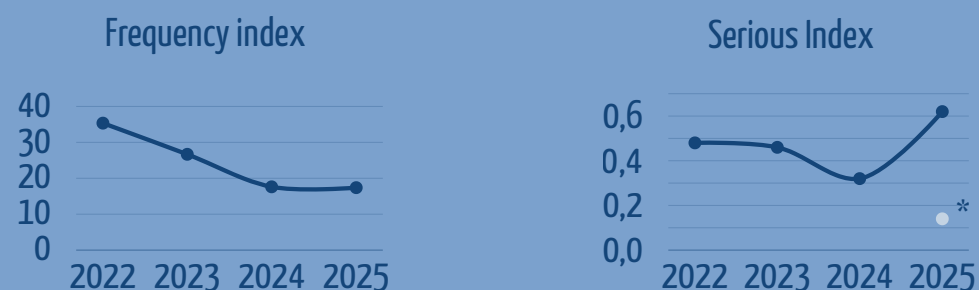
The management system is based on ongoing risk assessments, HSE KPI monitoring, regular audits, occupational health surveillance, and continuous employee training. Particular attention is also given to the analysis of near misses, active employee involvement, and the continuous improvement of working conditions across production departments.

In 2025, BBM further enhanced its HSE framework by strengthening operational control activities, updating emergency procedures, and expanding the monitoring of near misses and key safety performance indicators. At the same time, the Company increased the engagement of both employees and strategic suppliers in prevention initiatives and behavioral safety programs.



SAFETY PERFORMANCE – INJURY FREQUENCY AND SEVERITY RATES

The Company's HSE performance indicators demonstrate the continuous improvement of its occupational health and safety performance and confirm the effectiveness of the measures implemented in recent years.



-51 %

REDUCTION IN INJURY
FREQUENCY (2022-2025)

*In 2025, the severity rate increased due to an incident that was not directly related to production activities but occurred while commuting to or from work. Excluding this event, the severity rate would have been 0.14.

The reduction in the injury frequency rate over the three-year period demonstrates the effectiveness of the Company's investments in prevention, training, ergonomics, maintenance, and the continuous improvement of working environments.

WORKPLACE CONDITIONS ASSESSMENT

BBM's approach to health and safety extends beyond risk prevention to encompass the overall well-being of its people. The Company believes that employee health, workplace quality, and organizational well-being are closely interconnected and essential to ensuring long-term sustainability and business continuity.

BBM embraces the principles of the European Network for Workplace Health Promotion (ENWHP) and promotes initiatives aimed at enhancing employees' physical and mental well-being, supporting work-life balance, fostering parental support, and encouraging healthy lifestyles.



A WELFARE INITIATIVE DESIGNED TO PROVIDE TANGIBLE SUPPORT IN SITUATIONS OF PARTICULAR VULNERABILITY.

HEALTH AND WELL-BEING PROMOTION INITIATIVES FOR EMPLOYEES

In 2025, the Company introduced a voluntary supplementary health screening program alongside the mandatory periodic medical examinations. In addition, all employees are offered a physiotherapy consultation at a partner physiotherapy clinic.

Managed by qualified healthcare professionals, the initiative provides employees with personalized support on various aspects of physical and mental well-being, including nutrition, stress management, sleep quality, and healthy lifestyle habits.

The screening program is an additional service provided alongside the mandatory occupational health surveillance program and does not affect employees' fitness for work. All data collected are processed in full compliance with applicable data protection legislation and are used exclusively in an aggregated and anonymized form to provide insights that support the improvement of overall workplace well-being.

TCM & LTC INSURANCE POLICIES

As part of its commitment to care, responsibility, and attention towards its people, in 2025 BBM introduced additional corporate welfare measures aimed at providing greater peace of mind, protection, and support to employees and their families, including during life's most challenging moments.

To mark its 60th anniversary, the Company chose to offer its employees two additional insurance policies, further demonstrating its commitment to promoting the well-being and security of its people beyond the workplace. The insurance coverage introduced includes:

TCM Insurance Policy (Temporary Death Benefit Insurance)

This insurance policy provides for the payment of a €30,000 benefit to the designated beneficiaries in the event of the insured person's death.

LTC Insurance Policy (Long-Term Care)

This insurance policy provides a lifelong monthly benefit of €1,000 in the event of loss of self-sufficiency, together with an initial one-off payment of €10,000.

"#RIPARTO – PIÙ NEOMAMME IN BBM" - PROJECT

SUPPORT FOR PARENTHOOD AND WORK-LIFE BALANCE

Progetto realizzato con il contributo del
Dipartimento
per le politiche della famiglia
Presidenza del Consiglio dei ministri

During the year, BBM continued its "#RiParto – More New Mothers at BBM" initiative, a corporate welfare program dedicated to supporting parenthood, facilitating employees' return to work after maternity leave, and promoting work-life balance. The initiative includes the following measures:



C6 – ADDITIONAL INFORMATION ON THE COMPANY'S WORKFORCE

HUMAN RIGHTS POLICIES AND PROCESSES

CODE OF ETHICS AND CONDUCT

BBM has adopted a Code of Ethics and Conduct, aligned with its Organizational, Management and Control Model pursuant to Italian Legislative Decree 231/2001, which sets out the Company's fundamental principles relating to business ethics, human rights, and social responsibility.

The principles set out in the Code are binding on employees, collaborators, and business partners, and form an integral part of the Company's governance and compliance framework.

AREAS PROTECTED BY COMPANY POLICIES AND PROCEDURES

- 1 PROHIBITION OF CHILD LABOUR
- 2 PREVENTION OF FORCED LABOUR AND HUMAN TRAFFICKING
- 3 PROMOTION OF NON-DISCRIMINATION AND EQUAL OPPORTUNITIES
- 4 PROTECTION OF OCCUPATIONAL HEALTH AND SAFETY
- 5 RESPECT FOR WORKERS' RIGHTS AND HUMAN DIGNITY
- 6 PREVENTION OF UNETHICAL CONDUCT, HARASSMENT, AND CONFLICTS OF INTEREST



The implementation of the Company's human rights and ethical conduct policies is monitored through internal control systems, audit activities, specific contractual clauses, and dedicated reporting mechanisms.

HUMAN RIGHTS AND SUPPLIER RELATIONSHIPS

To strengthen oversight of human rights and responsible business conduct throughout its value chain, the Company also requires suppliers to accept specific contractual clauses and carries out audit activities at supplier sites. As of the reporting date, however, BBM has not yet formalized a structured human rights due diligence process specifically dedicated to this area.

WHISTLEBLOWING CHANNEL

BBM has implemented an internal whistleblowing system in compliance with Italian Legislative Decree 24/2023, enabling the confidential reporting of violations of Legislative Decree 231/2001, corrupt or fraudulent conduct, irregularities relating to environmental matters, occupational health and safety, data privacy, and procurement, as well as breaches of the Company's Code of Ethics and internal procedures.

BBM guarantees the utmost confidentiality regarding the identity of the reporting person and all individuals involved, in accordance with the applicable legislation and the principles protecting whistleblowers against any form of retaliation.

BBM'S COMMITMENT



NON-DISCRIMINATION
In line with the principles set out in its Code of Ethics and Conduct, BBM promotes an organizational culture based on inclusion, respect for individuals, and the appreciation of diversity.



RESPECT AND DIGNITY
The Company's policies prohibit any form of discrimination based on gender, age, nationality, religion, personal orientation, or individual circumstances, while fostering professional relationships founded on fairness, collaboration, and mutual respect.



WORKERS' RIGHTS
The management system includes periodic training and continuous employee development, the mandatory use of personal protective equipment (PPE) according to the activities performed, incident and near-miss reporting and management systems, regular internal and external audits, risk assessments, and the ongoing review of the Risk Assessment Document (DVR).



OCCUPATIONAL HEALTH AND SAFETY
The Company's approach also includes safe operating procedures and work instructions, HSE performance monitoring, the definition of continuous improvement objectives, periodic occupational health surveillance, and the involvement of the Occupational Physician as an integral part of the Company's prevention system.

B10 – REMUNERATION, COLLECTIVE BARGAINING AND TRAINING

REMUNARATION POLICIES

BBM ensures remuneration that complies with the National Collective Bargaining Agreement (CCNL) and exceeds the living wage levels identified for the local area. The Company considers the economic dignity of its people to be a fundamental principle of its corporate social responsibility.

CORPORATE WELFARE

In 2025, the Company's corporate welfare plan provided an average benefit of €1,520 per employee.



In 2025, BBM continued to provide financial support for summer camps and childcare services during the summer period, reimbursing 50% of the expenses incurred, up to maximum amounts determined according to the number of children.

CONTINUOUS TRAINING

Training is a strategic driver for skills development.

During 2025, BBM implemented a comprehensive training plan aimed at strengthening the technical, organizational, and transversal skills of its people, reaffirming the central role of continuous training within the Company's strategy.

TRAINING HOURS

TIPOLOGY	2024 H	2025 H
Total Training	3064,6	2663,50
Continuous Training	2026,6	1385,00

Compared with the previous year, training volumes changed because, in 2024, the Company was required to provide mandatory refresher training on specific workplace risks for its entire workforce. This resulted in an increase in the total number of occupational health and safety training hours delivered during that year.

TRAINING AREAS



Health and Safety

Overhead crane and MEWP operation, working at height, confined spaces, PES/PAV/PEI electrical work, as well as training for supervisors, first aid, BLSD, fire safety, and the management of specific workplace risks.



Technical and Digital Skills

Training programmes in Business Intelligence, Data Management & Reporting, LabVIEW, SIMATIC, SolidWorks, PolyWorks, and the digitalization of business processes, further strengthening the Company's innovation and digital transformation journey.



ESG, Sustainability, and Management

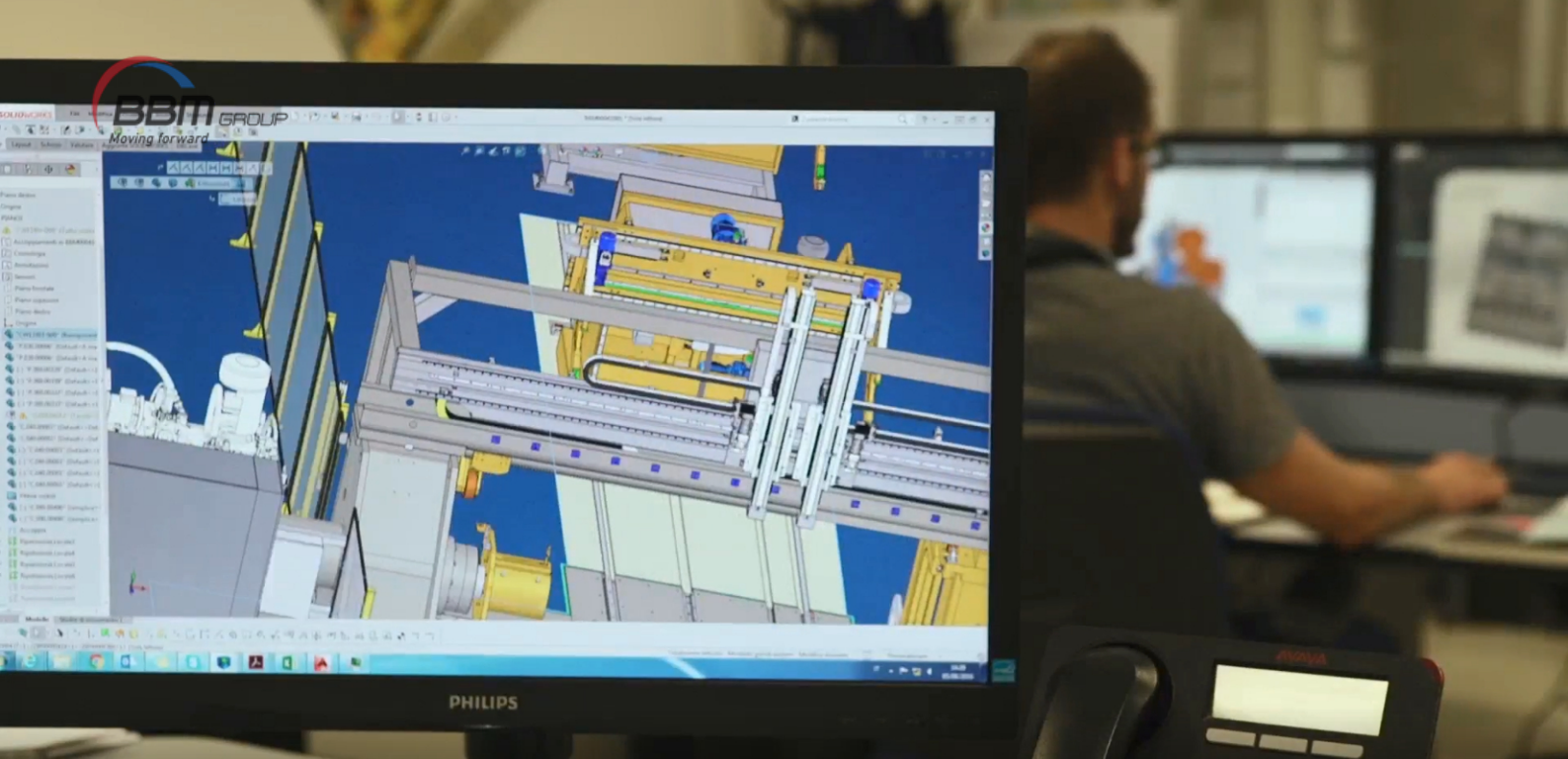
Training activities covering ESG, sustainability, cybersecurity, and management development, addressing topics such as ESG Risk Management, time management, and leadership in the age of artificial intelligence.



Languages and Inclusion

Particular attention was also given to language training and inclusion through courses in English, French, Spanish, and Italian for foreign employees, with the aim of fostering integration, international collaboration, and professional development.

“THE 2025 TRAINING PLAN CONFIRMS BBM'S COMMITMENT TO ENHANCING THE SKILLS OF ITS PEOPLE AND TO FOSTERING AN INCREASINGLY SKILLED, INNOVATIVE, AND CONTINUOUSLY IMPROVING WORKING ENVIRONMENT”



COLLABORATION WITH SCHOOLS AND UNIVERSITIES

BBM maintains an ongoing and collaborative relationship with local schools and educational institutions, believing that a strong dialogue between industry and the education system is essential for the development of technical skills and the growth of the local industrial ecosystem.

PROGRAMS IMPLEMENTED

The Company actively collaborates with technical institutes, secondary schools, and training providers through career guidance programs, internships, company visits, training activities, and initiatives designed to support young people in their transition into the world of work.

OBJECTIVES

The objective is to support the professional development of future generations, enhance technical skills, and contribute to local development through the transfer of know-how and by encouraging young people to pursue careers in the industrial and manufacturing sectors.

OPEN DAY 2025

In this context, in November 2025, BBM organized a Company Open Day, welcoming several classes from the Scotton Institute in Bassano del Grappa. During the visit, students had the opportunity to gain first-hand insight into the Company's manufacturing operations, industrial processes, technologies, and the key professional roles within the organization, fostering direct engagement with the world of work and the skills required in the mechanical engineering and railway sectors.

COMMUNITY AND SOCIAL INCLUSION

During 2025, BBM reaffirmed its commitment to the local community and social inclusion by supporting several non-profit initiatives dedicated to people with disabilities and individuals in situations of social vulnerability.

CROSSabili

On 7 and 8 September, BBM participated in the CROSSabili event held at Villa Rina in Cittadella with its own exhibition stand. The event brought together hundreds of young people with disabilities, along with numerous local associations and businesses, promoting inclusive activities, awareness-raising initiatives, and opportunities centred on sport and social participation.

CROSSabili is a non-profit organization founded in 2019 by Mattia Cattapan. It promotes inclusion, independence, sport, and social participation for people with disabilities through events, sporting activities, and community initiatives across Italy.

Il Colore Viola Onlus

BBM supported Il Colore Viola Onlus, a non-profit association that has been active since 2009 in supporting young people with disabilities and promoting inclusive educational and training pathways.

During the Christmas season, the Company chose to distribute charitable Christmas gift hampers to its employees, donating the proceeds to the association. BBM also involved several of the association's young participants in its Christmas initiatives, creating opportunities for inclusion, shared experiences, and community engagement within the Company.

GrappAbili

Throughout the year, BBM Group also supported the GrappAbili project, an initiative promoted by Rugby Bassano that is dedicated to integrated rugby for young people with Down syndrome and autism spectrum disorders.

Through its support for these organizations, BBM aims to make a tangible contribution to the promotion of inclusion, integration, and social well-being, recognizing sport and community-based initiatives as important drivers of personal development, social interaction, and active participation in community life.



GOVERNANCE METRICS

B11 – CONVICTIONS AND SANCTIONS FOR CORRUPTION AND BRIBERY

BBM has adopted a governance system based on the principles of legality, integrity, transparency, and accountability, aimed at ensuring business management that complies with applicable regulations and is consistent with the Company's values.

During 2025, the Company continued its internal awareness-raising and training activities on compliance, ethics, and corporate responsibility, with the objective of strengthening an organizational culture founded on professional integrity and risk prevention.

BBM believes that a robust and responsible governance framework is essential to ensuring long-term reliability, business continuity, and sustainability, while strengthening relationships of trust with its stakeholders, customers, suppliers, and the local community.

0

REPORTED INCIDENTS OF:

- Corruption
- Significant breaches of the Code of Ethics
- Convictions or significant sanctions imposed on the Company
- Material cases of non-compliance relating to business ethics

C2 - DESCRIPTION OF FUTURE PRACTICES, POLICIES, AND INITIATIVES

SUPPORTING THE TRANSITION TO A MORE SUSTAINABLE ECONOMY

BBM conducts its business in accordance with the principles of legality, fairness, transparency, accountability, and fair competition, promoting a business model based on ethics and regulatory compliance.

KEY GOVERNANCE MEASURES ADOPTED



Code of Ethics

The Code of Ethics represents the Company's core values and sets out the standards of conduct expected in relationships with employees, customers, suppliers, business partners, and all stakeholders.

Anti-Corruption Procedures

The Company's anti-corruption procedures require directors, executives, employees, collaborators, consultants, and suppliers to act with impartiality, fairness, and transparency, avoiding conflicts of interest and any conduct that could give rise to undue advantages.



Organizational Model 231

The Organizational Model defines the principles, controls, and procedures aimed at preventing the offences provided for under the applicable legislation, promoting the traceability of decision-making processes and the proper management of the Company's activities.

Supervisory Body (OdV)

It oversees the effective implementation of the Organizational Model pursuant to Legislative Decree 231/2001 and the Code of Ethics. It is also responsible for monitoring compliance with the Company's procedures and the handling of any reports.



C8 - REVENUE FROM SENSITIVE SECTORS AND EXCLUSION EU BENCHMARKS

BBM does not operate directly in the sectors excluded from the EU benchmarks and does not carry out activities related to the exploration, extraction, production, processing, storage, refining, distribution, transportation, or trading of fossil fuels.

However, the Company has a limited indirect exposure to the oil and gas supply chain, as certain machinery and components may be supplied to customers operating in this sector.

C9 - GENDER DIVERSITY IN THE GOVERNANCE BODY

Following a corporate ownership change at the end of the year, the Company's governance structure was reviewed, resulting in the renewal of the Board of Directors through the appointment of five members. This reorganization reflects the evolution of the Company's ownership structure and the adaptation of its governance model to new strategic requirements, while ensuring continuity in the Company's management and oversight functions.

CONCLUSION

The information contained in this VSME Sustainability Report represents a further step in Officine Meccaniche BBM's journey towards an industrial model that is increasingly efficient, responsible, and focused on creating long-term value.

The development of energy and environmental monitoring systems, the monitoring of greenhouse gas emissions across the main emission categories, investments in energy efficiency and photovoltaic development, together with the strengthening of health and safety measures, corporate welfare initiatives, and skills development, demonstrate a strategy aimed at combining industrial competitiveness, technological innovation, and sustainability.

At the same time, BBM continues to invest in the development of its people, recognizing human capital as an essential driver of the Company's growth, the quality of its processes, and its ability to respond to the changing industrial and market environment.

Sustainability is therefore regarded as an integral part of the Company's development model: not as a set of separate initiatives, but as a management system that encompasses processes, investments, governance, and relationships throughout the entire value chain.

Aware of the continuous evolution of ESG standards and stakeholder expectations, BBM will continue to strengthen its monitoring tools, progressively define more structured objectives, and further integrate sustainability criteria into its decision-making and industrial processes, with the aim of creating lasting value for its customers, people, partners, and the local community.

Officine Meccaniche BBM S.p.A.
Via Mottinello 141, 36028 Rossano Veneto (VI) – Italia
Tel. +39 0424 544400
mail info@bbm.it
www.bbm.it

Graphic Project: Deempact
www.deempact.io

