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The United Nations Global Compact is the world's leading voluntary corporate citizenship initiative.

Launched in 2000, it is a call to companies everywhere to voluntarily align their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment, and anti-corruption, and to take actions in support of UN goals, including the Millennium Development Goals.

Endorsed by chief executives, the UN Global Compact is a leadership platform for the development, implementation, and disclosure of responsible corporate policies and practices.

Over 18,000 businesses originating from 160 countries throughout the world have participated so far, giving life to a new reality of global collaboration. Nowadays, the United Nations Global Compact is the largest corporate responsibility initiative in the world.

As Eurotech, we have striven to act on our commitment to United Nations’ Sustainable Development Goals since 2009.

This report is our communication on our progress, and we invite you to explore our sustainability achievements and strategy.

This COP document contains:

- An open letter from our CEO focused on Eurotech’s vision about sustainability
- An illustration of Eurotech’s actions to promote Sustainable Development Goals
- Next steps and conclusions.
Dear Stakeholders,

Since joining Eurotech as CEO in April 2021, I have been immensely impressed with the technical excellence established in the first three decades of the company’s life.

This excellence attracted me to the role and will fuel the next chapter of our growth, together with a passion for digital technology to enable a more sustainable world.

My first few months were concentrated on building a focused strategy for the company, so we could better exploit the potential of those technical building blocks that were already in the pipeline to become a relevant player in Edge IoT.

Our purpose is to enable our customers to connect their mission-critical assets to the cloud easily and safely, and to operate AI on the edge. Our ambition is to provide our customers and partners with easy-to-use building blocks that they can use to make their products and services smarter and greener.

We specialize in helping our customers to solve problems in the most challenging and extreme environments, those with demanding high-reliability needs. Extreme temperatures, harsh vibrations, shock, humidity, dust and high security are applications in which our decades of experience enable us to excel.

Last year, we were proud to be included in Gartner’s Magic Quadrant for Industrial IoT Platforms for the third year in a row. It is simplicity, paired with open architectures, that enables our customers to adopt our technology quickly, and with minimal engineering efforts. This sets us apart from many competitors.

Our edge solutions have been globally recognized for their security certifications. 2021 saw Eurotech become one of the few companies in the world to achieve both product and process cybersecurity certifications IEC 62443-4-2 and IEC 62443-4-1 for integrated edge hardware & software.

Looking to the future, Eurotech is poised to be a relevant player in the Edge IoT domain. As we grow our Industrial IoT applications we realize their potential to support a more sustainable world.

We imagine how digital technology can be used to make existing assets smarter, and
infrastructures more efficient, reducing the burden on our planet’s limited resources.

The opportunities are endless: smarter agriculture will help feed our planet more efficiently; efficient transport on railways will be fueled by more intelligent monitoring of the networks and the rolling stock; safer industrial environments will emerge as faster, more secure, and more productive thanks to deployed AI on the edge and improved analytics in the cloud.

We care about our impact employing the high ethical standards of the UN Global Compact when carrying out our business globally.

Our values underpin every aspect of our business, from how we work with our customers and partners, to how our employees operate as One Eurotech. Being listed on the Euronext STAR Milan segment, we are also committed to complying with the most rigorous requirements in terms of transparency and corporate governance.

Of course, an organisation is nothing without its people. For that reason, it is a pleasure to see all our employees in the organisation commit to our values.

Working together as One Eurotech, we will create the enabling building blocks that will propel the next industrial revolution, without sacrificing our environment. I’m optimistic about the road ahead, paired with renewed passion in the team to take our strategy to market.

With the commitment of all stakeholders, we embark together on an exciting journey to creating a more sustainable digital future.

Paul Chawla, CEO
EUROTECH’S ACTIONS TO PROMOTE SUSTAINABLE DEVELOPMENT GOALS

For companies like Eurotech, willing to think broadly about how to advance their sustainability initiatives, **technology can act as a major accelerator.**

We use advanced technologies to enable profitable solutions that also have a positive impact on net zero and other environmental, social, and governance goals, from cradle to grave.

Adopting this mindset is paramount. At Eurotech, we support companies to set a roadmap for **new tech adoption** that will **speed the journey to sustainability** by helping to embed it as a core value.

The key to implementation is **rethinking traditional approaches to technology** - particularly in the areas of digitized operations; **digital product and service design; cloud computing, IoT, and blockchain;** applying AI and advanced analytics; and data sharing and ecosystem building and management.

In **2015, the UN created the 2030 Agenda for Sustainable Development**, a plan of action to shift the world onto a sustainable and resilient path. It provides a shared blueprint for peace and prosperity, for people and the planet. This plan includes **17 Sustainable Development Goals (SDG)** that are at the core of the agenda as they will guide all global, regional and national efforts until 2030.
sustainable development goals

In 2021 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 at 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 revitalize the global partnership for sustainable development.
what we have done

At Eurotech we recognise stress as a major contributing factor to poor health in the modern world. For that reason, we have developed a number of initiatives designed to remove the barriers to a healthy work-life balance. **An agile and flexible work culture is at the heart of what we offer**, with increasing support for smart working and offering the option of home-based working, respecting local cultural backgrounds. In 2021, at Group level we had an **average of 35% home-based working** on total hours worked per employee, no accidents have occurred, and almost **4,000 hours of training courses have been provided**.

We improved **internal communication** to ensure that remote workers still felt part of One Eurotech and we offered **flexibility of working time to accommodate those with caring responsibilities**.

Stress can also come from our obligations over our finances. For that reason, **we supported our employees by offering professional assistance with their annual tax return statements in the working premises, therefore removing the need to take time off and to drive to another location**. In doing all the above mentioned actions, we reduced the burden, the worry, and supported better mental health outcomes.

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 healthy life and a healthy 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 the realization of good health and well-being on a global scale.
what we have done

We have taken our specialism in IoT as the inspiration for our commitment to better support inclusive education. We are a key supporter of Amaro’s Living Lab IoT: this laboratory is included in the Digital Innovation Hub project lead by Friuli-Venezia Giulia region (Industry Platform 4 FVG). This lab, based in Carnia Industrial Park, is part of an industry and academic collaboration. It has been made available to further the exploration and research of technicians, entrepreneurs, professionals, and school students. Crucially, it is based in the mountain region, where employment opportunities are often limited, and many young people feel the need to head for urban areas. By providing these labs in the region, the next generation of engineers can experiment on their doorsteps and gain the crucial skills to succeed in the industry, without sacrificing their way of life.

Eurotech’s expertise is based on the specialist knowledge of highly educated individuals. We recognise that the opportunities some individuals receive are not always equal and, for that reason, we seek to share our knowledge and expertise through engaging with school groups, offering internships, and meeting with students. Furthermore, we are committed to offering not just support for the academic exploits of the next generation of engineers, but also their practical experience. We are in the process of a dramatic overhaul of our internship programmes to ensure that there are more opportunities to work in the laboratories with experts to learn the craft, skill, and art of engineering.

**ITALY**
activated 4 alternance training initiatives for high school students.

**US**
activated 1 university internship for 480 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 the empowerment of women through technology; and adopting, strengthening policies, and enforcing legislation for gender equality.

*Source Fortune Italia April 2022*
SDG 13 is about climate action. The official mission statement of this goal is to "Take urgent action to combat climate change and its impacts".

what we have done

At Eurotech we monitor the consumption of electricity, natural gas, and stationary combustion at 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 3 factors. It is not a real Carbon Footprint analysis and certification but it allows us to stay diligent in respecting Goal 13.

The total emissions for Eurotech Group companies located in Italy in 2021 is equal to 400,000kg CO2eq, a slight increase of 3% with respect to 2019. Most of the emissions (98%) can be attributed to Eurotech S.p.A., the headquarters of the Group. The emissions increase can be explained by the addition of a new electric power provider, necessary to meet the needs of a new server at the location. Excluding the new service in this calculation, to guarantee the comparison with the previous years, Eurotech Group emissions at headquarters in 2021 amounted to 370,147kg CO2eq, a reduction of 5% from 2019.

Particular mention needs to be made for Advanet, the Group company based in Japan, where electricity consumption has steadily declined since 2011. This is thanks to efficient planning and the following actions that were implemented year over year:
- Introduction of air conditioning management rules to control operation, time, and temperature of air conditioning
- Improvements in production planning to reduce machine operation hours, therefore, reducing energy consumption
- Optimization of the workspace to reduce electrical consumption due to lighting and air conditioning.

Total emissions estimated for the Group, including its companies in Italy, the United States, Great Britain, and Japan, considering all related stationary combustion, from electric energy and from mobile sources, amount to 867,000kg di CO2eq which is in line with 2019 data. 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 that is being considered.
Data management is key to creating a more sustainable world. With data management, companies can 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 which 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 found in our work with WaterView to detect early signs of extreme weather events and to quantify natural disasters. Here Eurotech has delivered an integrated hardware and software solution to enable fast deployment of WaterView’s AI at the Edge. This has resulted in the transformation of existing surveillance cameras into remotely managed intelligent sensors, without the need to change the existing infrastructure. The Partnership was signed on December 2021.

These outcomes cannot be achieved alone. Eurotech is committed to working in partnership with our customers to deliver the technology which they need to achieve a more sustainable world.

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

What we have done

As a technology company, Eurotech has great opportunities to work in partnership with our customers to create a more sustainable world. To do this, we champion the efficient use of our limited resources in executing essential services, such as transport, energy, and water supply, as well as supporting the adoption of alternative energy provision.
enabling a sustainable digital future

1. We help to transform existing surveillance cameras into remotely managed intelligent sensors.

2. "Plug & play" system enabling artificial intelligence on existing IP cameras with just a "CliCK" (Climate Camera Kit).

3. Data is processed by an algorithm that identifies critical thresholds and helps to save people's lives and to protect the environment.

In partnership with Eurotech and Waterview:

- We help to face the effects of atmospheric events.
- We help to save the forests.
- We help to decrease the number of road accidents.

2021 UN global compact # 13
our role in research, community involvement & recognitions

Eurotech has always been committed to supporting research. It fully owns and directs the vision and strategic path of its research center, Eth Lab. This sophisticated research center and talent factory focuses on innovation and partners with academics, national and European government agencies, and other leading players in the private sector to develop new concepts and technologies to shape the future.

In 2021 Eurotech engineering teams were involved in several important research projects at European level including:

**Arrowhead Tools**

The Arrowhead Tools project aims for digitalization and automation solutions for the European industry, which will close the gaps that hinder the IT/OT integration by introducing new technologies in an open-source platform for the design and run-time engineering of IoT and System of Systems, positively influencing Europe’s competitiveness in automation and digitalization engineering.

The proposed solutions are expected to impact the overall engineering cost for digitalization and automation solutions. In a society that is seamlessly sharing information, such solutions will impact on many sectors including e.g. production efficiency, energy efficiency, transportation efficiency, environmental footprint. Eurotech is responsible for the study of the engineering process of industrial automation use cases and is involved in the development of IoT solutions, including edge IoT devices and the related cloud-based integration platform.

**CPS4EU**

In recent years, Cyber Physical Systems (CPS) have become a game changer in strategic sectors such as Automotive, Energy and Industry Automation, where Europe is a world leader. CPS are key drivers for the innovation capacity of European industries, generating economic growth and supporting meaningful jobs for citizens. CPS are key infrastructures for our modern society and represent one of the key factors of Industry 4.0, improving European life quality and industry competitiveness. The vision of CPS4EU is to foster innovation that will maintain and strengthen European leadership in key sectors of the economy by creating synergies between SMEs, large companies and large research organizations operating in the CPS sector. The project proposes to develop a new generation of CPS based on
a modular, standardized, and pre-integrated architecture, simplifying the design and development of new devices and reducing the time to market. CPS4EU achievements will be benchmarked and demonstrated through 16 demonstrators covering Automotive, Industry Automation and other key industrial sectors (e.g. Energy). Eurotech has an important role and contribution in the design and development of IoT and cyber-physical solutions for the industrial automation sector.

**InSecTT**

**Artificial Intelligence of Things (AIoT)** 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 airport security.
A radical, digital transformation is going on 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)-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 2021 release, prepared in 2020, consisted in a major update edited by more than 300 international experts, to reflect 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 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 new initiative, that represents the reference point for the ECS research in the next decade, and is chairing the ECS-SRIA 2022 and 2023.
awards & recognitions

We have always been considered as key player in high-end embedded computing products and as visionary innovator in the development of Industrial IoT software platforms.

The long list of awards and recognitions we have received over thirty-year history proves that we not only understand the market of today, but we have played an important role in shaping the future and the direction of technology and its interaction with our lives.

Notwithstanding the standstill imposed by Covid-19 and the impossibility to participate in global events and showcase our products and technologies, we still received awards and recognition by top field experts.

**Eurotech included in the Gartner® Magic Quadrant™ for Industrial IoT Platforms for the third year in a row.**

The report has identified 18 companies based on their Ability to Execute and Completeness of Vision. Industrial IoT platform-based solutions continue to evolve and support IT/OT integration. Applications and software engineering leaders in industrial enterprises must help businesses select IIoT platforms by balancing short-term and long-term capabilities and potential.

We are extremely proud of our Everyware IoT offering, providing the easy Edge management and built-in cybersecurity that the market demands. We believe that this is why **Eurotech has made it to the Magic Quadrant report for the third time in a row.**

We appreciate our inclusion in the Gartner Magic Quadrant for IIoT platforms report, which we believe validates our ability to support customers with a solid IIoT architecture and offering, providing safe and easy-to-use tools to collect, aggregate, manage and integrate asset data at scale.
awards & recognitions

“Open Digital Platforms for Open Source-based Industrial IoT” by PAC (teknowlogy Group)

We were recognized again in the PAC INNOVATION RADAR as one of the leading companies in “Open Digital Platforms for Open Source-based Industrial IoT”.

As the report concludes: “The combination of Eurotech’s strong commitment to open source-based IoT solutions and open collaboration, and its strong capabilities in IoT hardware and embedded solutions makes the company a strong IoT ecosystem player”.[1]

We are strongly committed to developing and delivering a solid foundation for successful IoT and digital transformation solutions based on enterprise-ready open source.

Eurotech’s IoT offering, based on the IoT projects Kura and Kapua, contributed and driven by Eurotech in the context of the Eclipse IoT Working Group, ensures that customers and system integration partners can efficiently develop and deploy IoT solutions, while minimizing risks and avoiding vendor lock-in.

This commitment towards open source-based components, together with our excellent track record in the world of operational technologies, ensures solutions geared towards lowest total cost of ownership with a focus on manageability and solid security of end-to-end IoT applications.

awards

& recognitions

Best Practices Awards – European Rail Vehicle IoT Solutions
Competitive Strategy Leadership Award 2021 by Frost&Sullivan

Based on its analysis of the European rail vehicle IoT solutions market, Frost & Sullivan recognizes Eurotech with the 2021 Europe Competitive Strategy Leadership Award.

"The company has expertly harnessed the opportunities in the industrial market with its advanced IoT solutions delivered through a comprehensive suite of unique platforms, systems, and procedures. Its sound edge computing and gateway platforms have transformed several industries, such as manufacturing, utilities, and transportation."

“Eurotech offers full end-to-end OT solutions enabling seamless IT/OT integration, with modular and highly integrated technologies. This approach gives customers the flexibility to choose just a single product (like a relevant edge computer or IoT device middleware) or a complete stack,” said Guruguhan Nataraj, Research Analyst for Frost & Sullivan.

“Its deep vertical expertise in rolling stock, track record in IoT software building blocks, and rail certified hardware focused on miniaturization, ruggedization, and security, sets Eurotech apart from other competitors in the classic embedded space. Eurotech leverages its extensive industry expertise, strategic model, continuous process improvements, and rigorous compliance standards to ensure consistent quality and best-in-class services" observed Anamika Risal, Best Practices Research Analyst for Frost & Sullivan.

“With almost 30 years of experience, competitive differentiation, and delivery of exceptional experience support, such as its rolling stock hardware and IoT platforms for data acquisition, device management and security, the company has entrenched itself as an industry leader“.
We believe that sustainability is an on-going inclusive process, not a project with a start and an end, therefore we have defined a long-term journey, with a roadmap for the next three years where the first important milestone will be the release of our first non-financial report.

Sustainability is increasingly linked to innovation: it is a strong, necessary, and indissoluble relationship. Building the future means making the world a better place, doing things differently, and embracing digital technologies as the tool to evolve towards circular economy.

The time for a sustainable development of businesses has come, and at Eurotech we are working to do our part in enabling a more sustainable digital future.