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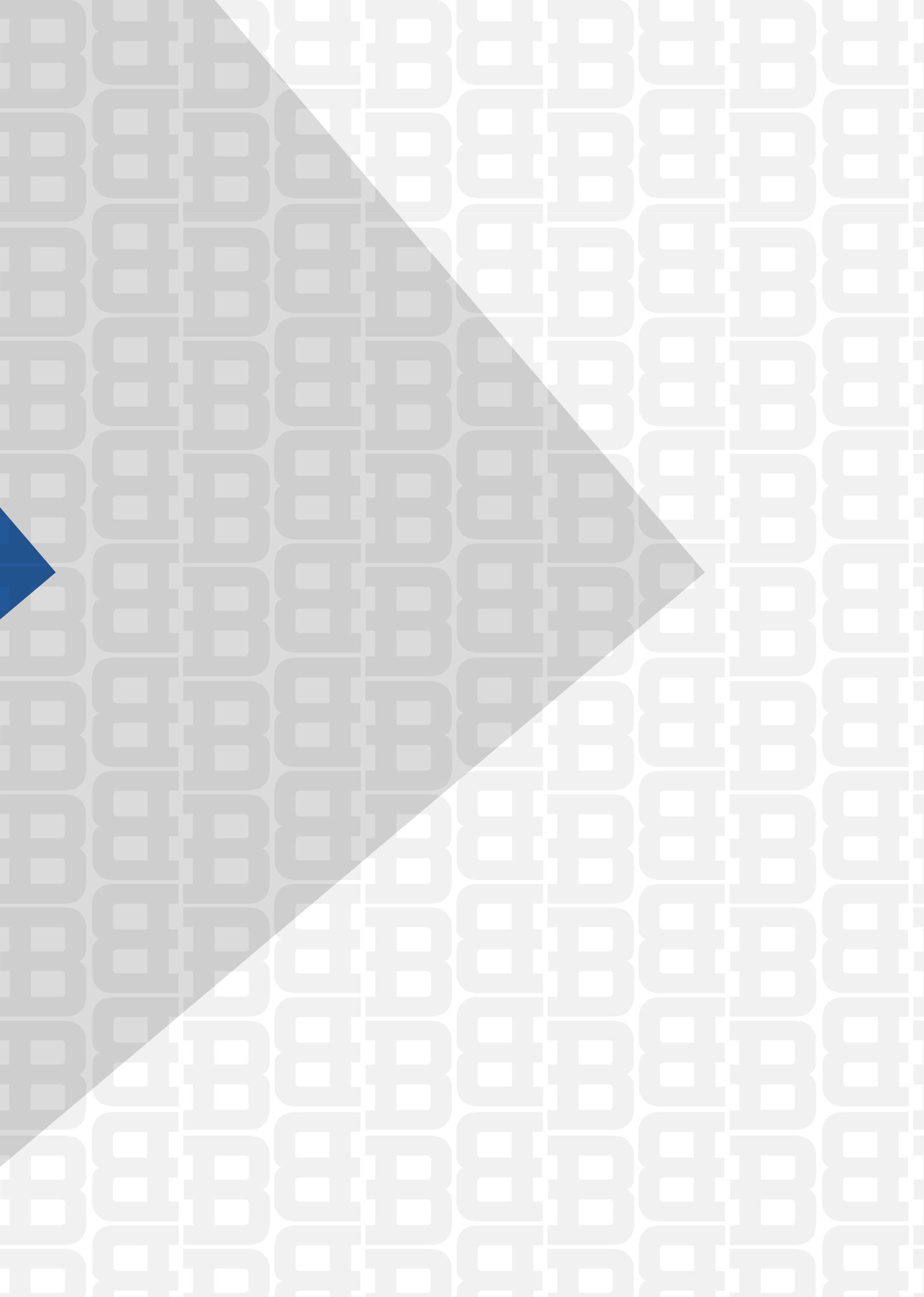
G R O U P

SUSTAINABILITY REPORT

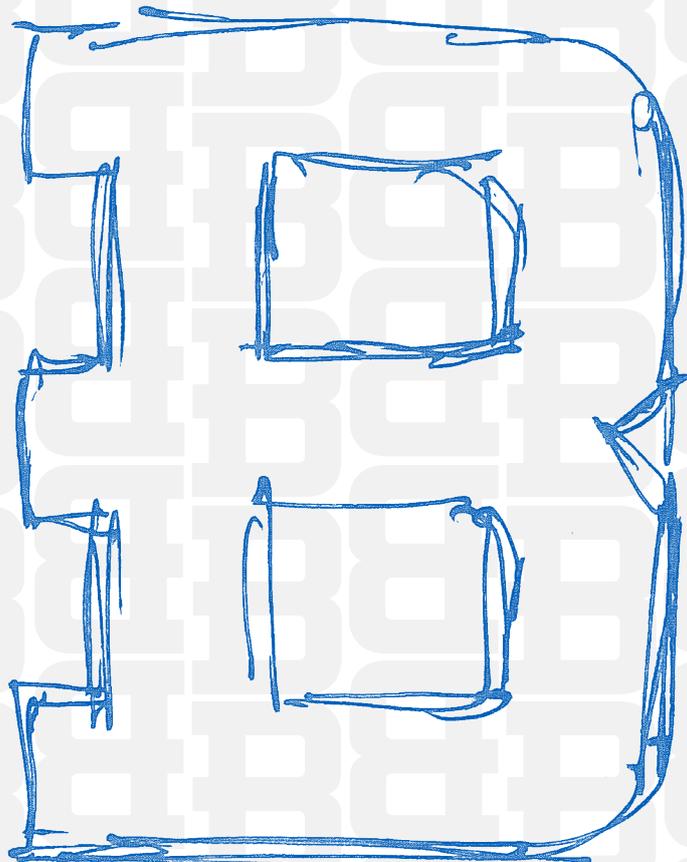
2022



**SUSTAINABILITY
REPORT
2022**



B O N O M I



G R O U P

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Letter to stakeholders

Dear stakeholders,

The publication of Bonomi Group's first sustainability report marks an important milestone for us, namely the production of a single document showcasing the results and activities of our companies to reduce their impact on the environment and create a resilient group made up of people who work with passion in order to grow together.

In an ever-changing world, in which the last few years have seen a host of health, energy and material-related crises, we are aware of the growing importance of sustainability and of the fundamental role it plays in creating long-term value for us and all our stakeholders. We therefore believe it is necessary to embark on a structured path that makes our companies a means of improvement for us, others and the planet. We want to begin with the publication of this document, which is a commitment to all our stakeholders to communicate, every year, our results and performance clearly and transparently.

We do not consider this report to simply be a snapshot of our activities, but an opportunity to understand which issues we need to pay more attention to in the coming years. Sustainability is not a new subject for us however: the certified management systems we have put in place in the areas of health and safety, the environment and energy management, and the installation of photovoltaic panels on the roofs of our factories, bear witness to this.

In materiality analysis we have defined the sustainability issues we will focus on in the future: innovation, climate change, health and safety and training are just some of the subjects that will take centre stage in our efforts in the coming years. We want to implement sustainability in every process, and to involve both our customers and suppliers in the making of choices to reduce the impact of our value chain and create innovative products that enable users to reduce consumption.

With this document we therefore want to communicate to all our stakeholders our group energies, through our achievements and the priorities that will set for our future: a structured pathway to improve our impact on the environment and on people.

Aldo and Carlo Bonomi

Methodological note

This document is the first edition of the Bonomi Group's sustainability report, published in order to share with all readers and stakeholders the results achieved and activities performed during 2022. This document allows us to illustrate the environmental and social performance of our group companies. For this year, the **scope of reporting** is limited to the group companies **Rubinetterie Bresciane Bonomi S.p.A., Valpres S.r.l., Valbia S.r.l., Quam S.r.l., and Tecnovielle S.p.A.**, as we have decided to restrict the scope of reporting to our **most established companies operating in Italy**, as well as those acquired prior to 2022 and more than 70% controlled. The goal for next year will be to expand the reporting scope to companies acquired during 2022 and to foreign subsidiaries. Furthermore, in these financial statements, whenever reference is made to the company *Rubinetterie Bresciane Bonomi*, it also includes the quantitative and qualitative reporting of the company Fra.Bo, acquired by the group in 2019 and merged by incorporation into Rubinetterie Bresciane Bonomi on January 1, 2023.

The report has been drafted voluntarily in accordance with the Global Reporting Initiative Standards (GRI standards), the most internationally recognized and widely used sustainability reporting tool. Reporting has followed the “*with reference to*” approach, in keeping with the latest 2021 edition, published by the Global Reporting Initiative (GRI), in accordance with the principles of balance, comparability, accuracy, timeliness, clarity and reliability. The GRI indicators reported are shown in the reference table “GRI Content Index” in the appendix, which gives the reference paragraph of the indicator.

The content and quality of reporting reflect the materiality principle set forth in the GRI Standards. The topics reported are those that were found to be most relevant and able to reflect the impacts generated by the Bonomi Group's activities (for more details see the section “Our sustainability priorities”).

The sustainability report covers the period from January 1 to December 31, 2022, and provides a comparison with data for the fiscal years 2021 and 2020, including qualitative and quantitative indicators, so as to present a detailed picture of our activities and results. Data obtained through estimates are clearly indicated in the relevant tables and charts.

Further details about objectives, activities, indicators or comments about this document can be requested via e-mail: bonomi@bonomi.it.

Our 2022 sustainability highlights



620
Employees



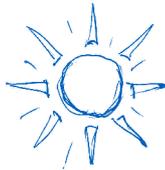
95%
Employees hired
on a permanent basis



40%
Women managers



26%
Employees under 30 years old



12%
Of energy consumption
from renewable sources



-34%
Energy intensity compared to 2021¹



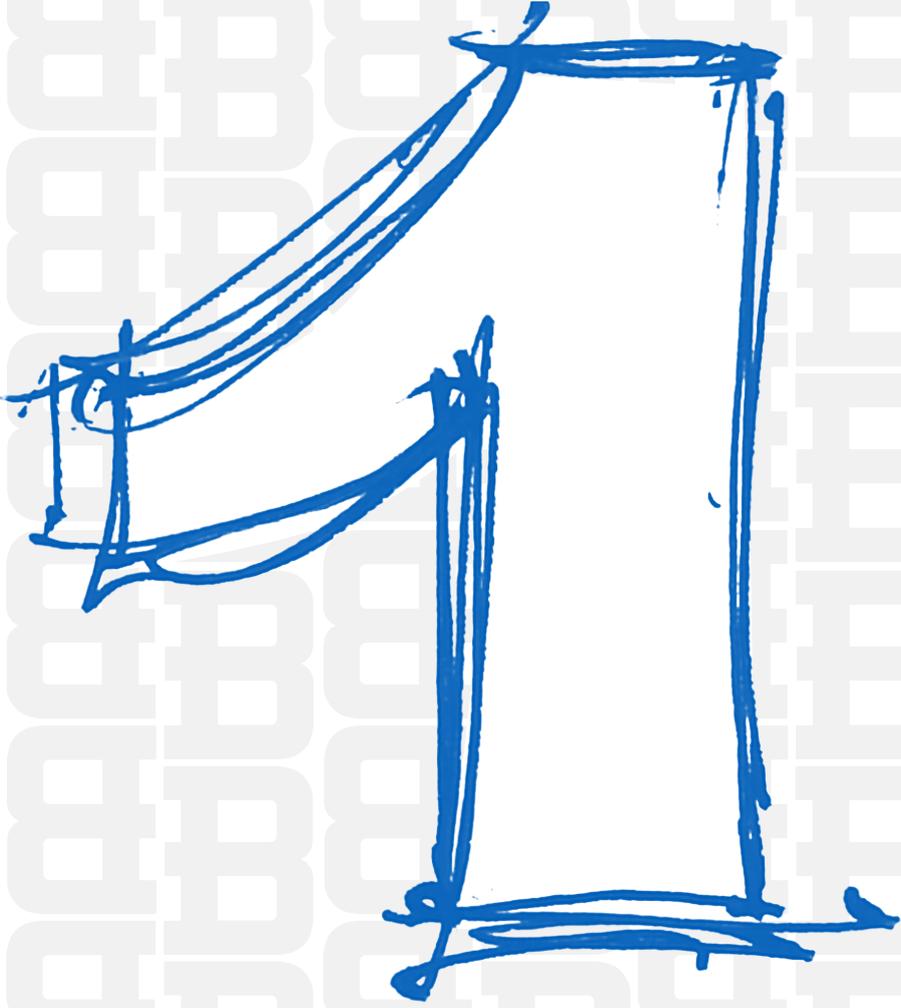
3
Photovoltaic installations

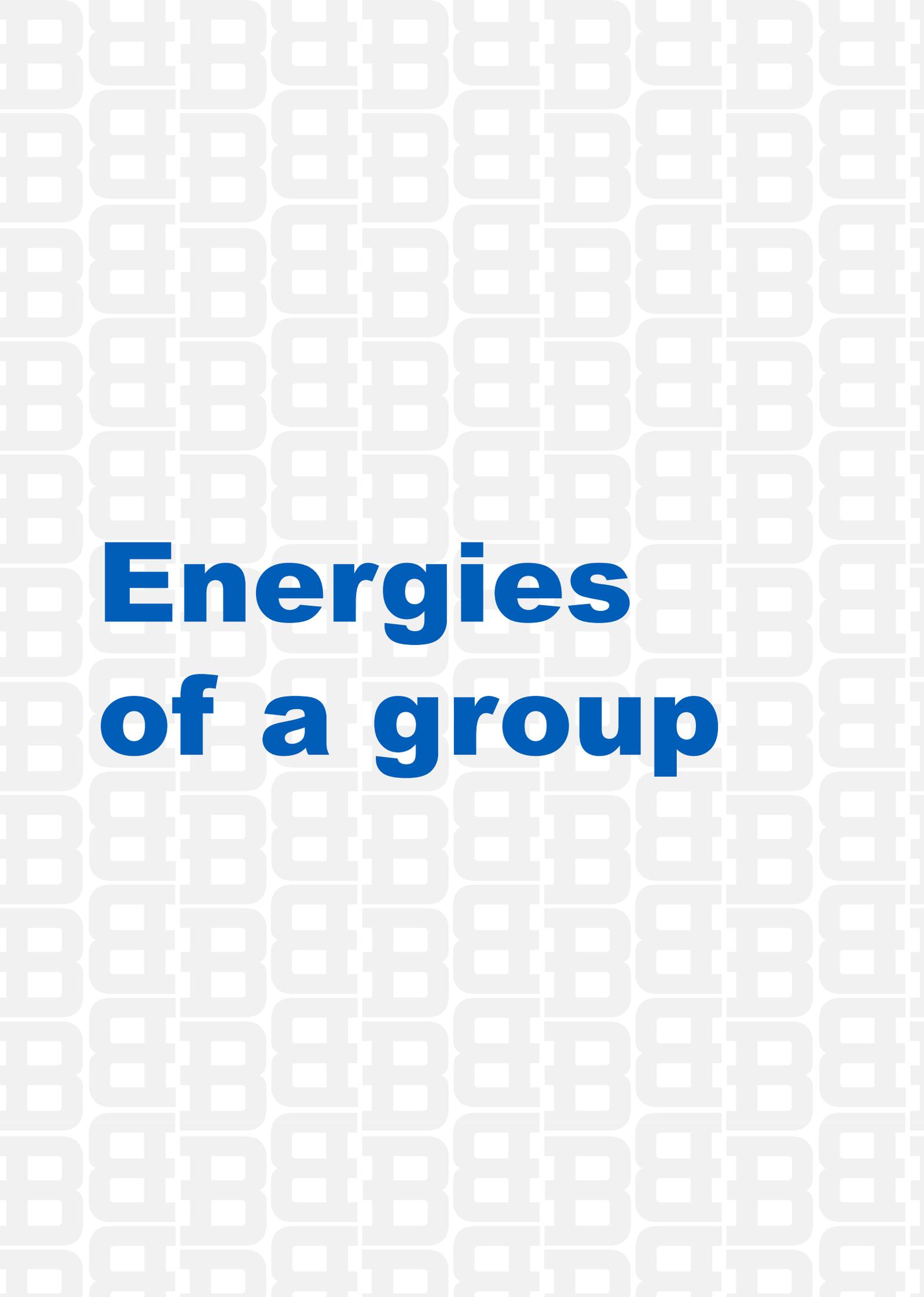


-38%
Intensity of total waste generated
compared to 2021²

¹ Energy intensity was calculated as a ratio of total energy consumption (GJ) to the value of production (€).

² Waste production intensity was calculated as a ratio of the total waste generated (kg) to the total value of production (€).





Energies of a group



Energies of a group

1.1 The history of the Bonomi Group

The group as a whole operates in the areas of industrial plumbing, heating and energy for the **production of ball valves, butterfly valves, fittings, actuators and other components that regulate the passage of liquid and gaseous fluids** destined for the **plumbing, industrial, naval, OEM, Oil&Gas, and multi-utility markets**. The group is deeply rooted in the Brescia area, and has grown over time thanks to our ability to expand our skills, simplify **processes, create innovation and provide customers with answers that are always effective and efficient**.

Figures for the group³



+322 Mln

Turnover 2022



9

Business units around
the world



8

Production units



+100

Countries where we have
established trading relationships



237,000 sq.m

Total surface area
of production sites



52

Main alloys machined



+28,000

Items sold



+100

Trademark and patents



116

Certifications

³ The figures presented in the infographic cover all group companies, while there are five companies reported in this sustainability report: Rubinetterie Bresciane Bonomi S.p.A., Valpres S.r.l., Valbia S.r.l., Quam S.r.l. and Tecnovielle S.p.A.

A story begun looking to the future

Our story begins in **Lumezzane**, a well-known industrial district in the province of Brescia, where **Rubinetterie Bresciane Bonomi** was founded in **1901**. The company started out as a manufacturer of valves, but as the years went by we expanded our product offer, enthusiastically welcoming innovations in the sector. As our technical skills grew, in **1967** we patented a product that is widely used today: the **two-piece ball valve**.



In **1978** we founded **Valpres**, specializing in the production of **steel and cast iron ball valves** designed specifically to meet the needs of the industrial market. **Valbia** was founded in **1995**, making us the first company in Italy to **produce single and double-acting electric and pneumatic actuators**.

In **1980** we acquired **Univers**, a company specializing in the production of **lathe-made special design parts** made from non ferrous alloys. This company was later merged with Rubinetterie Bresciane Bonomi.

In the **1990s** our **overseas expansion began**, with the establishment of several companies in the following decades in various countries around the world, namely Germany, UK, India, United States, Brazil, Russia and China.

In the year **2000** we acquired **Bossini Stampaggio**, which was later merged into Rubinetterie Bresciane Bonomi, vertically integrating production with the **hot forging stage**.

In tandem with this international growth, we decided to further expand our production capacity, inaugurating in **2014** the **Gussago plant of Rubinetterie Bresciane Bonomi**, a new 120,000 sq.m industrial hub **designed and built to ensure energy efficiency and improve the well-being of collaborators**⁴ thanks to the construction of a canteen and gym open to all company workers. With the technologies implemented in the new plant, we were the first company in Lombardy to obtain A+ energy certification.

A few years later, in **2019**, to strengthen the business of Rubinetterie Bresciane Bonomi **we acquired Fra.Bo**, a leading manufacturer of fittings for plumbing installations; in early 2023 this company was merged with Rubinetterie Bresciane Bonomi. In **2020** we expanded our product offer for the Oil&Gas industry with the **acquisition of 70% of Quam and Loclain**, which was subsequently merged with Valpres. In **2021**, thinking along the same lines as for the acquisition of Fra.Bo, **we acquired Tecnovielle**, which specializes in the production of brass valves and fittings for polyethylene piping.

⁴ In this sustainability report the term “collaborator” refers to both employees and non-employees, such as temporary agency workers.

In **2022** several companies joined our group: in may we **acquired Penta**, a company specializing in the production of metal-seated ball valves, and in october the companies **Ghibson Italia** and **Ghibson Co.** were acquired, expanding our range of butterfly and check valves. Finally, **AVS AB** - Automatik Ventiler System - then named **Bonomi Scandinavia**, a swedish trading company supplying industrial equipment, was acquired.

The expansion of our activities over the years has been guided by our ambition *to grow in order to be competitive, and to be competitive in order to grow.*

Areas in which we are present

Over the years we have developed specific skills and diversified our product portfolio in order to serve different **sectors**. Through our business we work in **more than 100 countries** present in 3 continents, with 8 foreign units in **Europe** (Germany, UK, Sweden), **Asia** (China, India, Russia) and **America** (United States and Brazil).

PLUMBING



We specialize in manufacturing **various types of valves**: ball, butterfly and fittings made from materials such as brass, copper, bronze and steel. We also offer a wide range of other components needed to complete **water and gas distribution and supply systems** of different sizes, such as check valves, reducers, balancing valves and dirt separators. Thanks to collaboration between different group companies, we can offer the widest selection of press fittings completely made in Italy, offering a complete and high-quality range.

INDUSTRIAL



We work with the utmost efficiency and pursue high quality standards to offer various **products suitable for industrial applications**, such as process fluid supply systems in the food or automotive industries and gas distribution systems in petrochemical plants.

MARINE



We are dedicated to the design, engineering and development of **specific products** required by the **naval industry**. Our products are specially designed to make fresh water, inert gas, fuel, lubricant, refrigeration, washing, desalination, ballast, bilge and other third-class service circuits aboard ships and pleasure boats.

ENERGY



We specialize in the design and development of **valves and control systems** for the **Oil&Gas industry**. The products in our range are marked by their durability, ease of maintenance and possibility of customization according to users' needs.

WATER&GAS



We collaborate with multiutility companies to offer **specialized solutions** for the construction of distribution networks for the **integrated water service** (water collection, supply and purification) and **gas service**. We develop all products required for pipeline construction, starting from the point of origin of the distribution system to the point of delivery to the user.

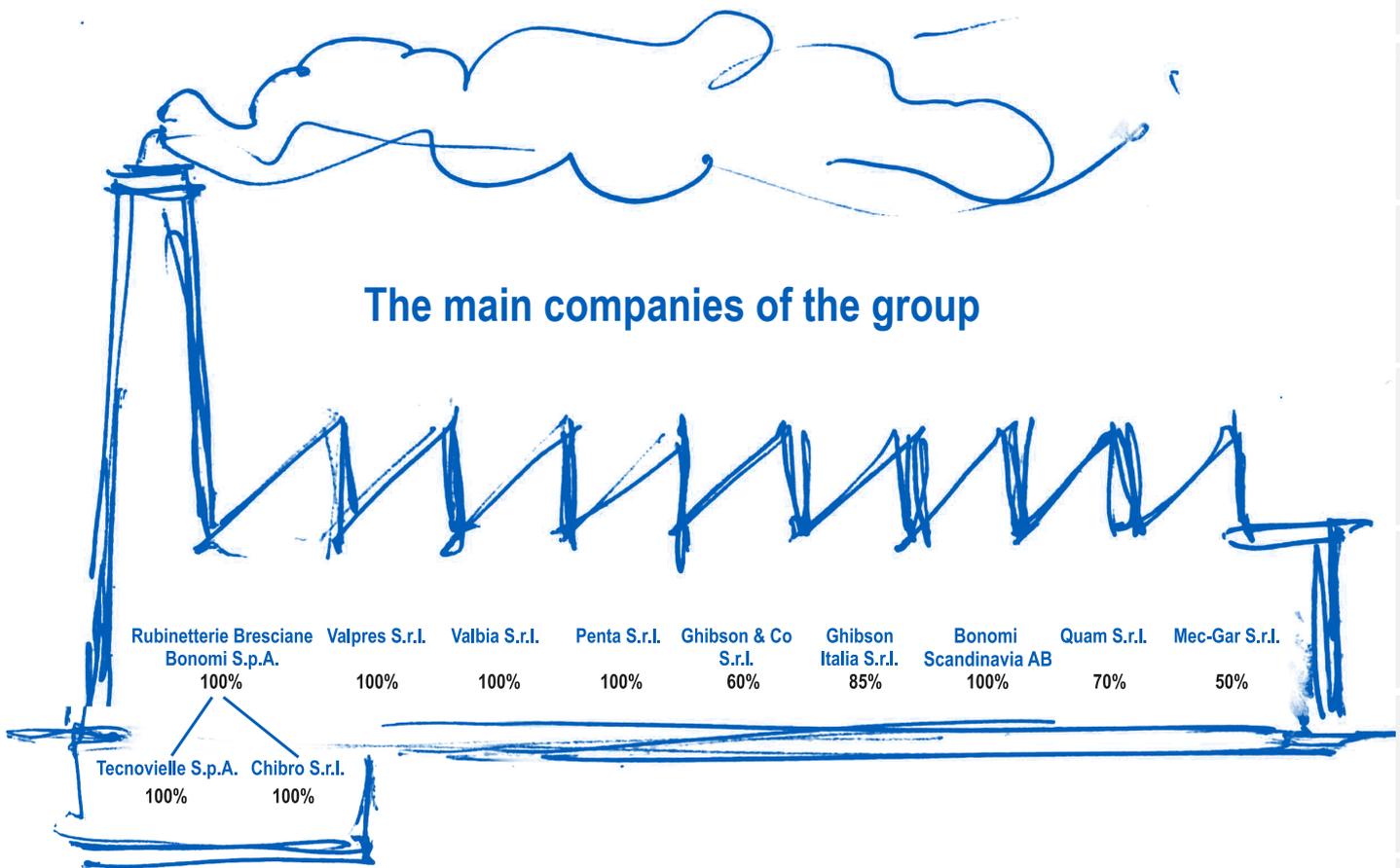
OEM



We undertake the engineering, evaluation, technical feasibility and production of **customized small metal parts, molded or machined components** in a variety of materials, or **ad hoc products developed at the customer's request**. We base our work on the specifications and technical drawings provided, and manufacture products with a variety of different materials according to requirements.

1.1.1 Our companies

Our group consists of **16 subsidiaries** controlled with a **stake greater than 50%** and another 7 companies⁵ in which we have a stake of less than 20%. The subsidiary Rubinetterie Bresciane Bonomi S.p.A., the first company in the group to be established, also controls Tecnovielle S.p.A. and, as of 2023, Chibro S.r.l..



⁵ Cre.lo.ve, E-Novia S.p.A., BLIMP S.r.l., HIRIDE S.r.l., Projecta Engineering, Team Time Real Estate, SB S.r.l..

In addition to the companies reported within this sustainability report and the companies Penta S.r.l., Gibson & Co S.r.l. and Gibson Italia S.r.l., which were acquired during 2022, the group controls **7 companies operating abroad**, which perform both industrial and commercial activities:

- Bonomi Brasil, 100%
- Bonomi Scandinavia, 100%
- Bonomi North America, 100%
- Bonomi GMBH, 100%
- Bonomi Shenzhen, 60%
- Bonomi GPK, 24.9%
- Bonomi UK, 20%

The **Bonomi Group** has an extended corporate set-up, yet the **heart of our production activities is in the Brescia area**, where our longest-established companies still operate. It is from these companies that we decided to **start our sustainability journey**, reporting on their environmental, social and economic performance, with the aim, year after year, of extending the scope to all group companies.

The companies reported in our first sustainability report are:

Rubinetterie Bresciane Bonomi S.p.A.

Founded in 1901, it was the first company to be established in the group. It produces valves and fittings for various sectors, guaranteeing “made in Italy” production.

Valpres S.r.l.

Established in 1978, it has established itself as a leading manufacturer of standard and custom valves for the industrial and energy sectors, made of steel and various special alloys.

Valbia S.r.l.

Specializing since 1995 in the international-scale production and distribution of electric and pneumatic actuators and a wide range of automated valve combinations, suitable for a wide variety of applications.

Quam S.r.l.

Founded in 2001, it designs and supplies special valves and control systems for the Oil&Gas industry, particularly for the upstream side, both onshore and offshore.

Tecnovielle S.p.A.

It has been producing brass ball valves and fittings for polyethylene pipes since 1980, with products designed and built to last and meet market needs.



Production of ball valves, brass, bronze
and steel fittings



REVENUES
2022



EMPLOYEES



PRODUCTION
UNITS



SURFACE
AREA



PRODUCTION
CAPACITY

Divisions and products



Rubinetterie Bresciane Bonomi works in the **plumbing and heating sector**, supplying a wide range of ball and butterfly valves, fittings, pressure reducers, dirt separators and heating accessories.



It engineers and manufactures valves of different types and fittings in different materials for **industrial systems** distributing water, gas, treated water and oils.



It supplies ball valves, butterfly valves and steel and cupronickel fittings ideal for **naval applications**.



It is present in the **Water&Gas** sector with ball valves for water and gas distribution networks, for meter entry/exit. The company has developed and patented several innovative valves, such as the **BUBBLE SFER QB**, a ball valve with guaranteed minimum vital flow.

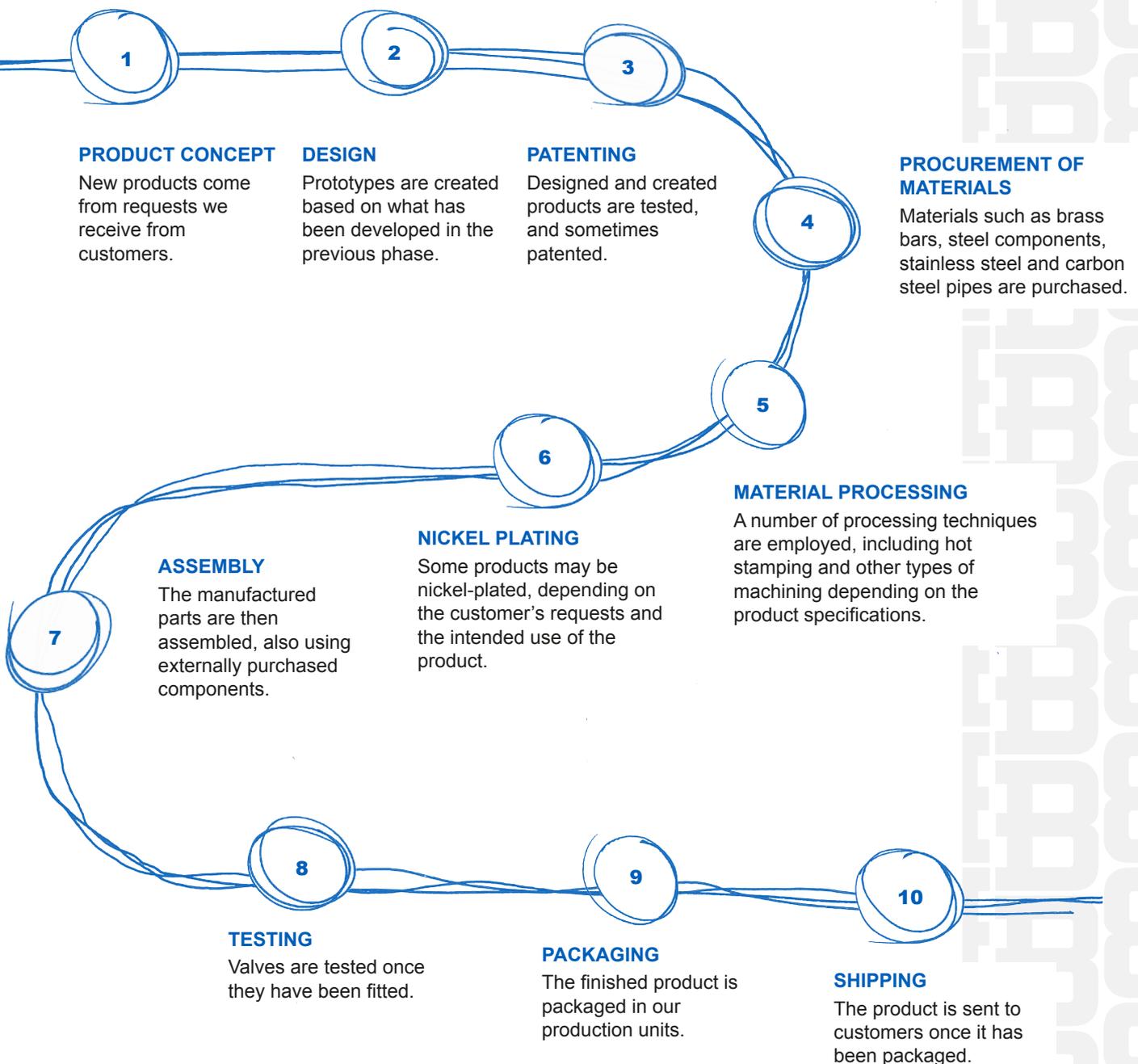


Over time it has structured an **OEM division** internally, which manufactures small machined metal parts and/or molded and machined components in sundry materials at the customer's request.

Certifications

- ✓ ISO 45001
- ✓ ISO 50001
- ✓ ISO 14001
- ✓ ISO 9001
- ✓ AEOF

The production process





Production of ball valves for industrial and energy sector



REVENUES
2022



EMPLOYEES



PRODUCTION
UNITS



SURFACE
AREA



PRODUCTION
CAPACITY

Divisions and products



Valpres manufactures ball and butterfly valves in steel and special alloys for a host of **industrial applications**. From automotive and the textile industry to the chemical sector and water treatment plants, Valpres offers standard and custom solutions to meet all kinds of needs.

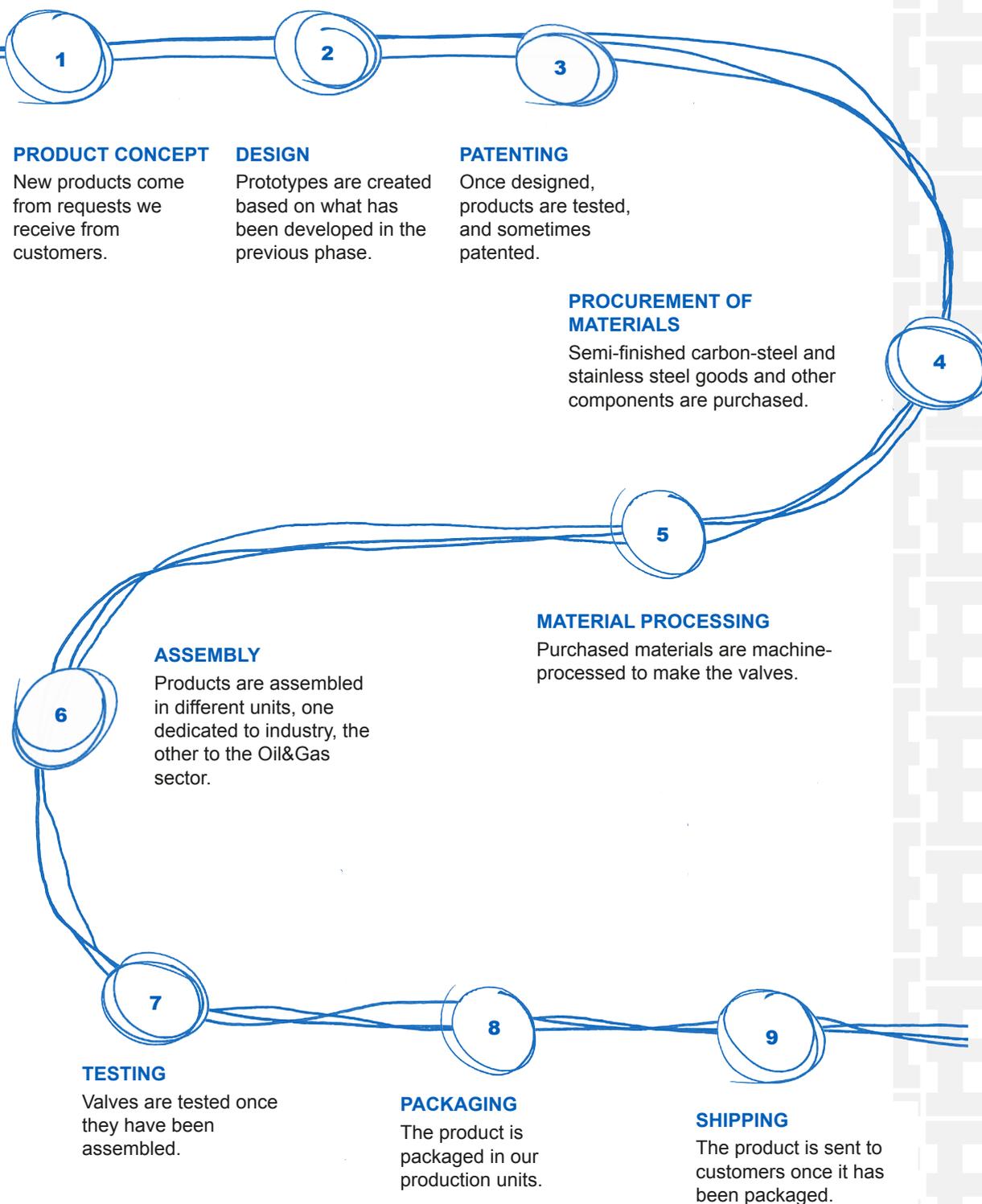


It offers components for the **renewable energy and Oil&Gas sectors**, such as trunnion, cryogenic floating, control and regulating valves. Standing out among several excellent products is the exclusive patented **LOCPOWER** energy recovery valve.

Certifications

- ✓ ISO 45001
- ✓ ISO 50001
- ✓ ISO 14001
- ✓ ISO 9001
- ✓ API 6A
- ✓ API 6D
- ✓ PED

The production process





Production of electric, pneumatic actuators and automated valves



REVENUES
2022



EMPLOYEES



PRODUCTION
UNITS



SURFACE
AREA



PRODUCTION
CAPACITY

Divisions and products



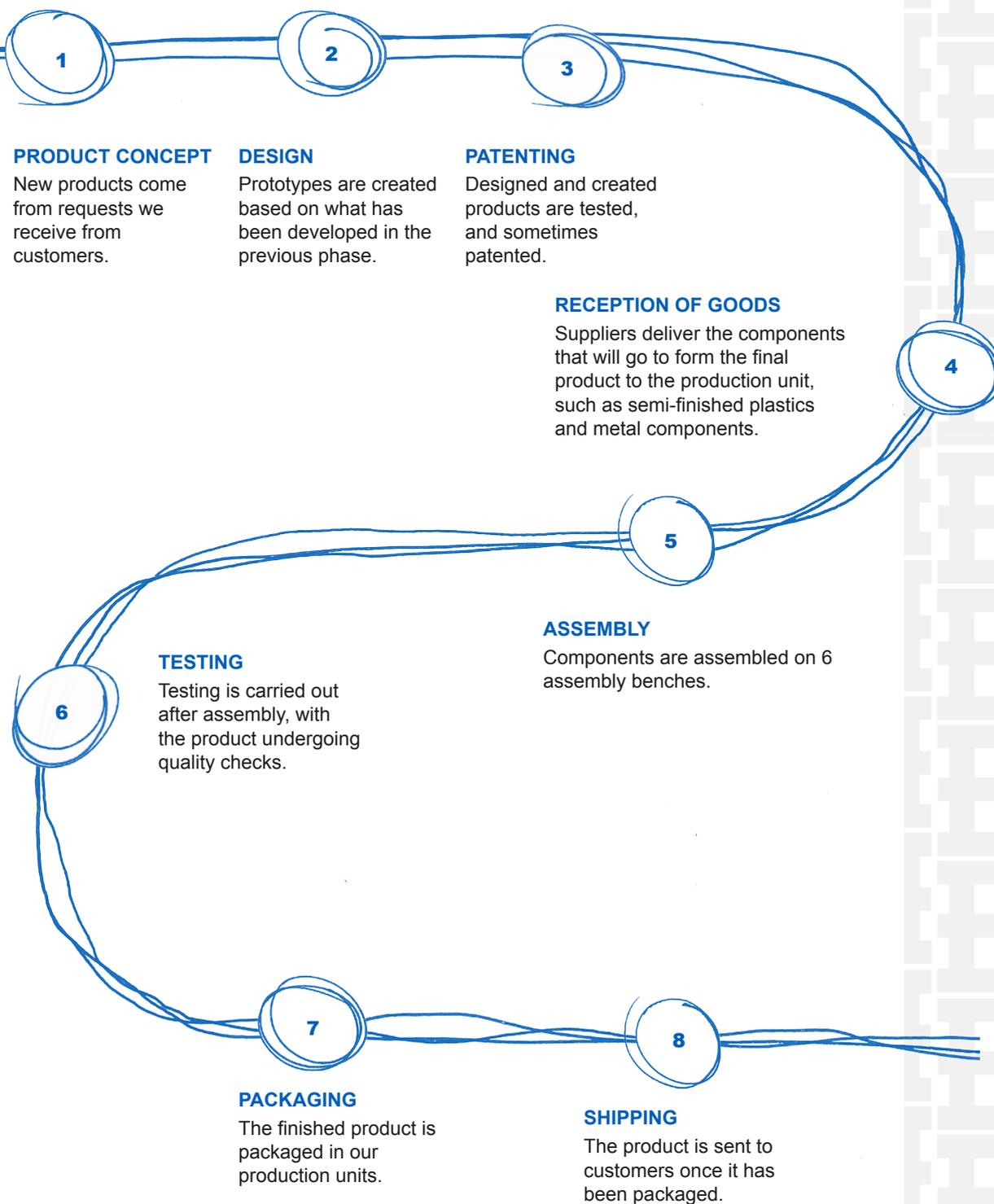
Valbia boasts a line of **industry-specific products** such as electric and pneumatic actuators and automated valves suitable for many types of installations. The range of applications is extensive: industrial, naval, OEM, Oil&Gas and multi-utility.

Among the most innovative products is the **MT multi-turn electric actuator**, patented and designed with innovative solutions such as the AC-Brushless motor.

Certifications

- ✓ ISO 45001
- ✓ ISO 50001
- ✓ ISO 14001
- ✓ ISO 9001

The production process





Production of special valves and control systems for the Oil&Gas industry



**REVENUES
2022**



EMPLOYEES



**PRODUCTION
UNITS**



**SURFACE
AREA**

Divisions and products

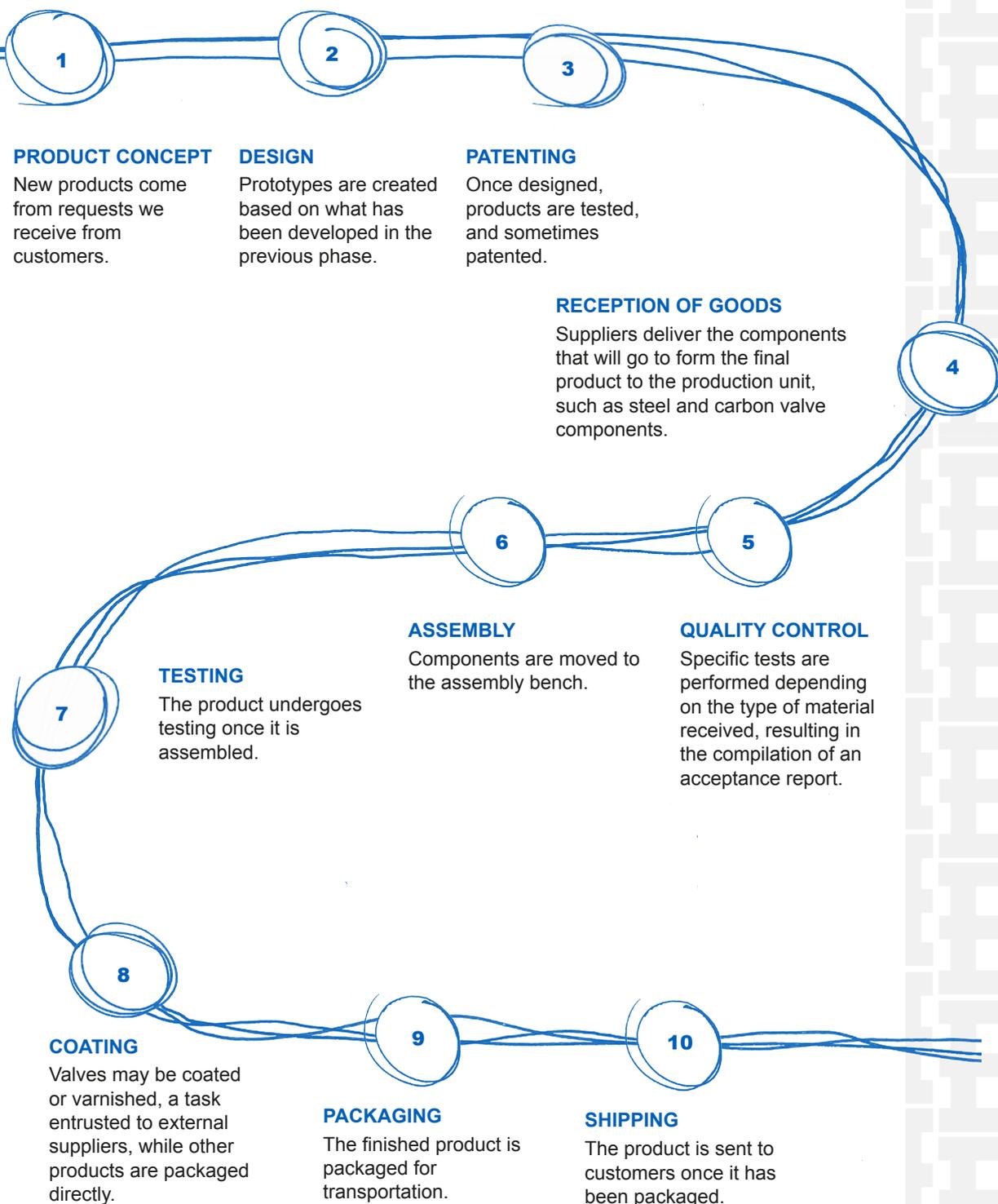


Quam assembles valves for the **Oil&Gas industry**, especially choke valves and gates, as well as HIPPS (High Integrity Pressure Protection System) applications, products and systems, devices consisting of one or more Quam gate valves, and HPU (Hydraulic Power Unit) and WHCP (Wellhead Control Panel) products.

Certifications

- ✓ ISO 45001
- ✓ ISO 14001
- ✓ ISO 9001
- ✓ API 6A
- ✓ API 6D
- ✓ ATEX
- ✓ PED
- ✓ SIL 3

The production process



Production of ball valves and brass fittings



**REVENUES
2022**



EMPLOYEES



**PRODUCTION
UNITS**



**SURFACE
AREA**



**PRODUCTION
CAPACITY**

Divisions and products



Tecnovielle manufactures valves suitable for the construction of small, medium and large **installations for water and gas distribution and conveyance**.

Among the main products is the **SUPERFILTER** ball valve, which uses a filter and magnet to filter out metallic and non-metallic impurities in the system.



The **OEM division** engineers custom-made small parts according to specific customer requirements.



Tecnovielle manufactures **products used in industrial fields** such as ventilation, industrial automation, refrigeration and professional plant engineering.

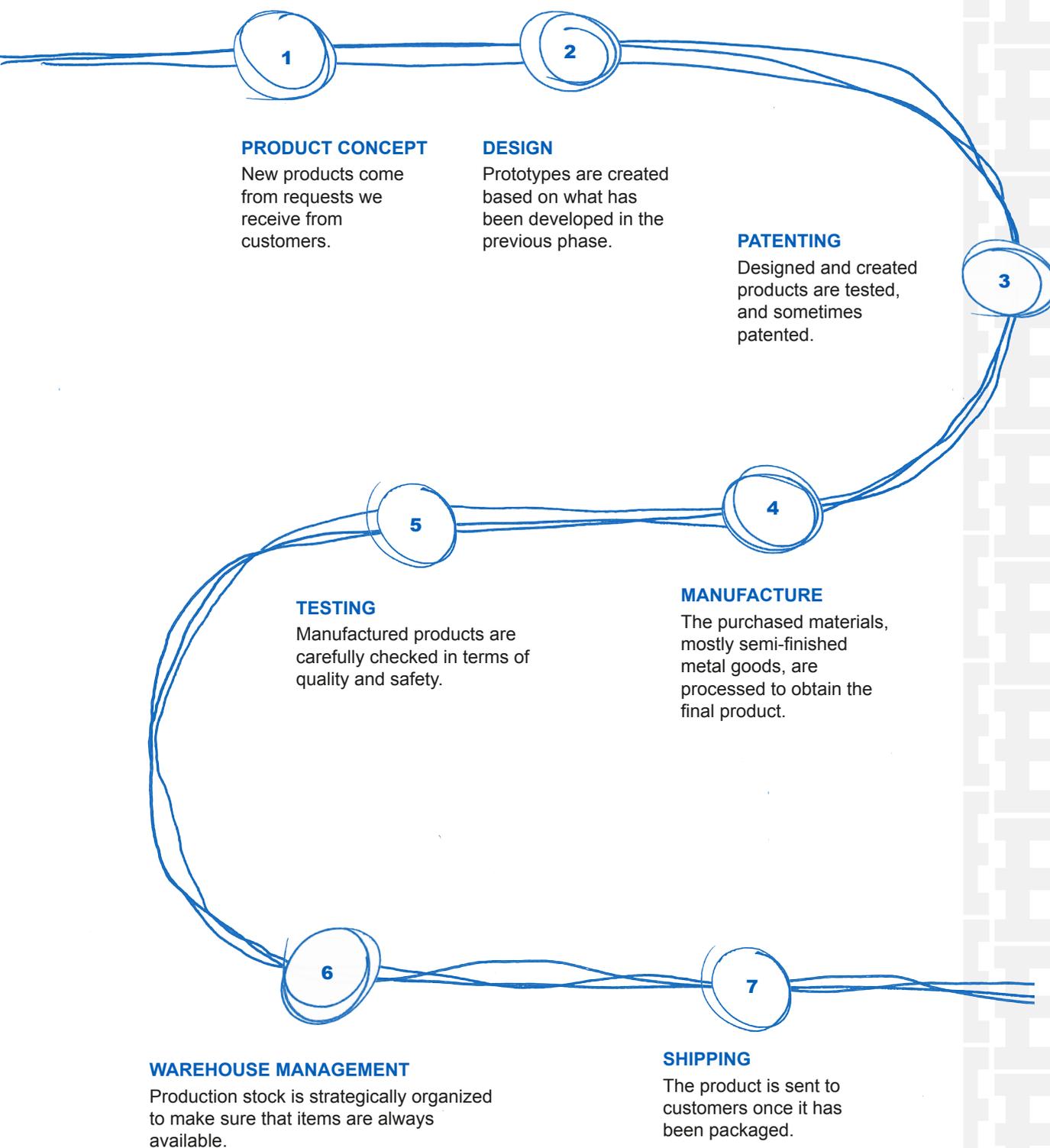


It creates products necessary for the **distribution lines of the integrated water service** (water collection, supply and purification), and natural gas and LPG services.

Certifications

- ✓ ISO 14001
- ✓ ISO 9001

The production process



1.1.2 Group governance

MISSION

We are a leading group made up of **people**, who share **values** and work with **passion** every day to create an Italian product of excellence in the world.

VISION

We want to be the **international reference** in the sector through constant economic, technological and human growth.

Our efforts are shaped by the desire to offer a product of the highest quality that is recognized and appreciated all over the world. Our goal is to take the made in Italy mark outside our country, and to become one of the main **international points of reference**. We want to do this through constant economic and technological growth, constantly developing the skills of the people making up our organization.

The **values** on which these goals are based are tradition, innovation, *know-how*, people, respect, quality and territory:



TRADITION

Our journey is founded on the traditions and industrial knowledge handed down from generation to generation for over a century.



INNOVATION

The quality of our products is underpinned by the spirit of research and innovation that drives the transformation of production processes within the group's companies.



KNOW-HOW

Thanks to our technical expertise and high level of specialization, we can ensure the continuous development of our products in order to fully meet customer requirements.



PEOPLE

Relations with collaborators and efforts to ensure their well-being are based on respect for human rights and the creation of a healthy work environment.



RESPECT

Our relations and dialogue with all our stakeholders are founded on the virtues of honesty and transparency.



TERRITORY

Our relations with the territory are founded on respect for the environment and forging bonds with the communities in which we operate.



QUALITY

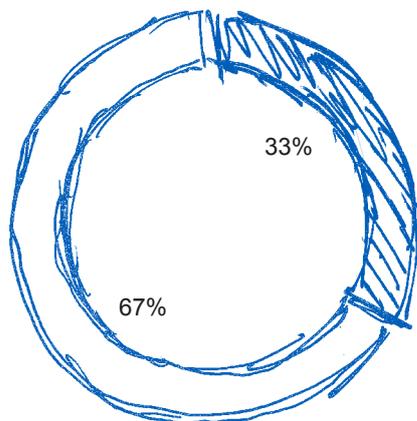
Our day-to-day efforts to pursue ever higher quality are founded on product safety, compliance with regulations and innovation.

We apply these values on a daily basis through our activities, **managing our business in a fair and transparent manner in compliance with national and international laws**. Ethical conduct within the group has been shaped over the years with the adoption of governance bodies and tools, through which we are able demonstrate our commitment to achieving the group's objectives, while at the same time respecting the interests of our internal and external stakeholders and building trusting and lasting relationships with them.

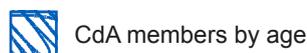
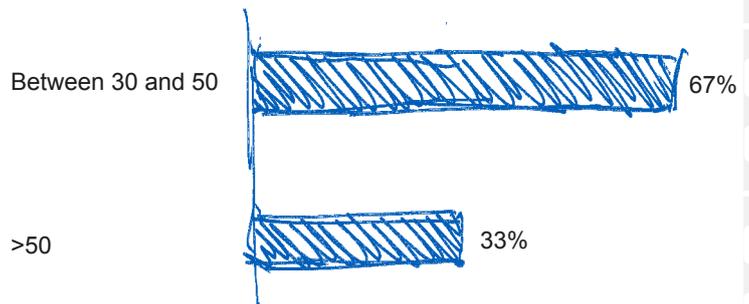
Our governance system is made up of two main bodies: the **board of directors** and **board of statutory auditors**.

The **board of directors** is responsible for **managing and administering the company**. It consists of six members: the chairman and managing director, the company's representatives, and four directors. The chairman is assigned all responsibilities for managing the company, as required by law, including achieving the goals and objectives set by the corporate bodies and setting company policy. The board of directors consists of **2 members over the age of 50** and **4 members aged between 30 and 50**, two of whom are women.

CdA members by gender



CdA members by age



The **board of statutory auditors** is the company's supervisory body entrusted with the task of **ensuring** that the company's activities are **administered in accordance with its bylaws and law provisions**; the supervision of accounting is assigned to an auditing firm. It consists of five members serving three-year terms, one of whom is a woman.

Each company to which this report refers is managed directly by a **general management**, sharing some functions common to all group companies (except Quam S.r.l.): **human resources, administration and information systems management**.

The code of ethics

In 2020, we decided to formalize our commitment to conducting our business in an ethically proper manner by adopting a code of ethics aimed at guiding the company in the pursuit of sound economic management and conducting business in compliance with the social, environmental and legal frameworks it operates in, conducting business in a fair manner and building strong relationships with internal and external stakeholders.

Our code of ethics outlines the following values characterizing Bonomi Group companies:

- **Respect for human rights and workers' rights:** we hold respect for internationally recognized human rights as fundamental and natural, and condemn any form of harassment and harmful behavior, rejecting all forms of exploitation, and asking our suppliers to abide by these same principles.
- **Fairness and impartiality:** we aspire to operate in a fair and impartial manner towards all our stakeholders, respecting the diversity of existing relationships, and rejecting any kind of discrimination in the general management of our collaborators.
- **Honesty and transparency:** we establish relationships with all our stakeholders marked by fairness, consistency, loyalty and mutual respect, making sure that dialogue with them is clear, transparent, accurate and timely.
- **Observance of the law:** we believe it is imperative to act in compliance with national and international laws and regulations. Integrity and transparency are of paramount importance to us, so we adopt a zero-tolerance approach to corruption committed by both employees and third parties acting for or on behalf of our group companies.
- **Respect for the environment:** we are committed to applying the best available technologies in our production processes and developing our activities with a view to enhancing natural resources and preserving the environment for present and future generations.
- **Respect for workers' health and safety:** we ensure that workers' health and safety is guaranteed at all times by requiring collaborators to comply with related requirements, which are integrated in all of the group's processes.
- **Confidentiality:** we ensure the confidentiality of the personal data in our possession, in accordance with applicable national legislation in force.

Thanks to applied control and management methods, in the three-year period 2020-2022 our group companies did not receive socio-economic sanctions, and there were no episodes of corruption.



The organization, management and control model

Our companies **Rubinetterie Bresciane Bonomi S.p.A., Valpres S.r.l. and Valbia S.r.l.**, in addition to acting in accordance with the group's code of ethics, have adopted an organization, management and control model (OMCM) pursuant to Legislative Decree 231/2001. The aim of the OMCM is to **identify activities in the scope of which environmental crimes or breaches of occupational health and safety laws might be committed.**

The model imposes the obligation to establish a **supervisory body (SB)**, tasked with **verifying the effectiveness of the adopted OMCM** with reference to the corporate set-up, periodically checking the adoption and application of protocols, conducting surveys on corporate activities for the updated mapping of sensitive activities and verifying the adequacy of the internal control system in relation to regulations. The SB is also tasked with reporting to the Board of Directors on the checks carried out.

All MOCM infringements must be reported to the supervisory board by e-mail or mail, both channels ensuring the confidentiality of the identity of the person filing the report.

Intensifying cybersecurity

Respecting the **confidentiality of the personal data of all stakeholders** with whom we interact is essential for us in building strong relationships based on trust and respect for individual rights and laws, and applying the values of our code of ethics. In order to ensure data protection, we established a **unit dedicated to the management of information systems at group level**; over the years it has developed a **conduct manual** aimed at formalizing procedures for data protection policies and made accessible to all collaborators. The purpose of the manual is to illustrate which organizational, physical and logical security measures must be applied to avoid risks relating to the management and use of automated information systems and paper-based archives. In order to map the risks to which group companies might be exposed with regard to the setting in which they operate and the activities they perform, **we perform an annual data protection risk assessment**, seeking to identify potential risks, security measures currently in use and proposals for improvements, reviewed on a yearly basis. To date, **the main risks identified relate to information theft and damage to databases**.

Based on the results of this assessment, we develop procedures annually in order to implement the IT system and gradually consolidate processes. Considering the identified risks, two procedures were initiated **in 2022**:

- **Extension of backup systems** - defining the ways in which backups are managed for virtual and physical server machines, with the goal of increasing data security and retention.
- **Multi-factor authentication procedure** - requires more information from users during authentication to access enterprise tools, again ensuring greater security for information held.

Procedures and documents related to IT security are all uploaded to a special platform in order to make them accessible to all collaborators. Users affected by the processed procedures are notified through the same channel, thus ensuring that collaborators are constantly kept up-to-date about processes to be followed.

Continuous monitoring of risks relating to information systems and the annual implementation of procedures to increase data security resulted in no loss of data held by the company in 2022 and in the previous two years, and no breaches of customer privacy.

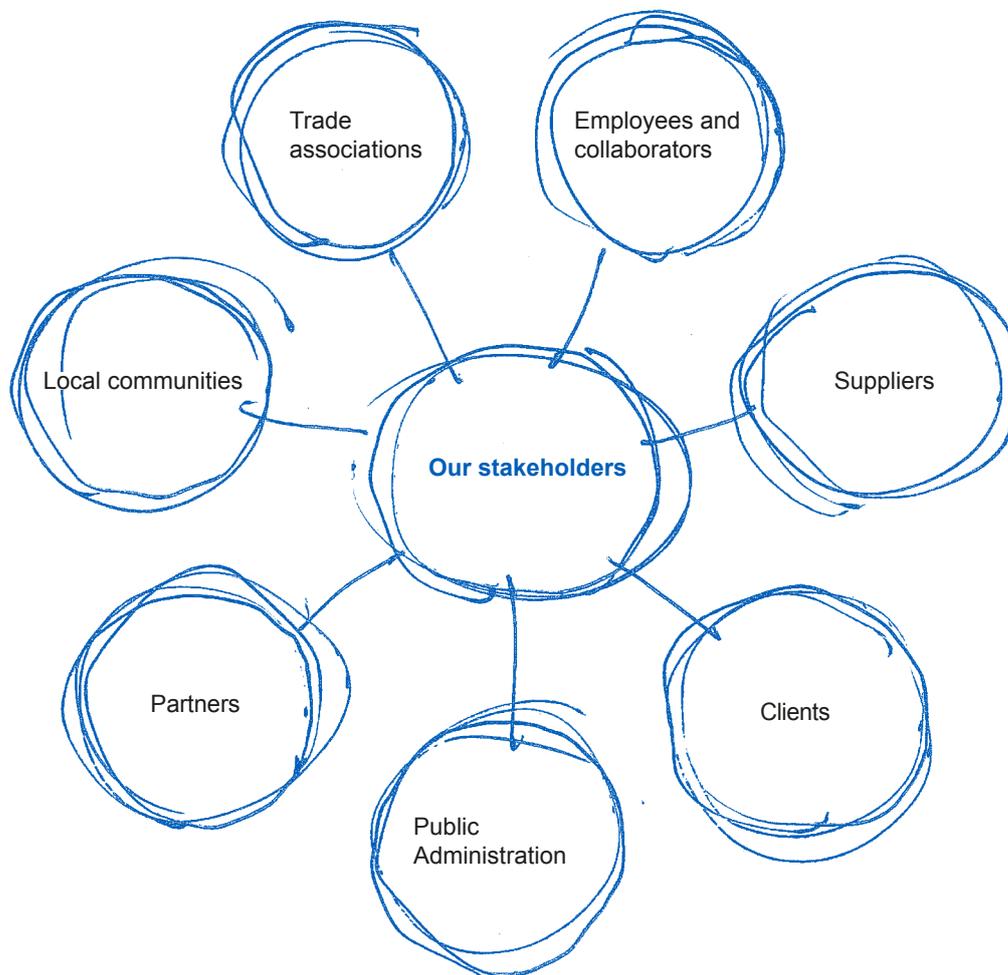
1.2 Our approach to sustainability

We are a group driven by a clear goal: **growth**. To grow not only economically, but also aiming for the **continuous improvement of our environmental and social performance**, developing more efficient products, introducing less impactful solutions for our processes and ensuring the professional growth of our collaborators. This is why we have chosen to embark on a **sustainability path**, guided by **our first sustainability report**, which will report on the environmental, social and economic aspects that are of greatest relevance to the context we are operating in.

The identification of our main stakeholders was the first step in initiating this process, allowing us to identify which actors are indispensable for pursuing the group's sustainable growth and acting **in accordance with their expectations**. By interacting with our stakeholders, and analyzing the context in which we operate, **we have defined the material topics for the Bonomi Group** on which our approach to sustainability is based.

1.2.1 Growing together with our stakeholders

In order to **embark on a constructive sustainability journey**, we have to identify the categories of stakeholders with whom we constantly interface and deal with in order to establish a listening and dialogue relationship for the responsible development of our activities. By building this relationship of trust, we are able to assess the impact of our actions, obtain direct feedback on our actions and **become aware of the needs and expectations of all stakeholders**.



To gather this information and build relationships that can last over time, we have identified several communication channels that are most effective in engaging the various categories of stakeholders. This interaction is the starting point for creating an **effective and constructive engagement process** that can allow us to constantly monitor their views and needs.

Category of stakeholder	Ways of engaging
Employees and collaborators	<ul style="list-style-type: none"> • Internal communications • Corporate documentation • Code of ethics • Physical and digital business communication media • Website • Social media
Suppliers	<ul style="list-style-type: none"> • Audits • Constant dialogue and collaboration through the purchasing unit • Code of ethics • Website • Social media
Customers	<ul style="list-style-type: none"> • Constant dialogue and collaboration through the sales unit • Website • Social media
Public Administration	<ul style="list-style-type: none"> • Institutional communications
Partners	<ul style="list-style-type: none"> • Constant dialogue based on established collaborations • Website • Social media • Code of ethics
Local communities	<ul style="list-style-type: none"> • Cooperation with associations and participation in specific events • Website • Social media
Trade associations	<ul style="list-style-type: none"> • Participation in formal meetings, events and gatherings



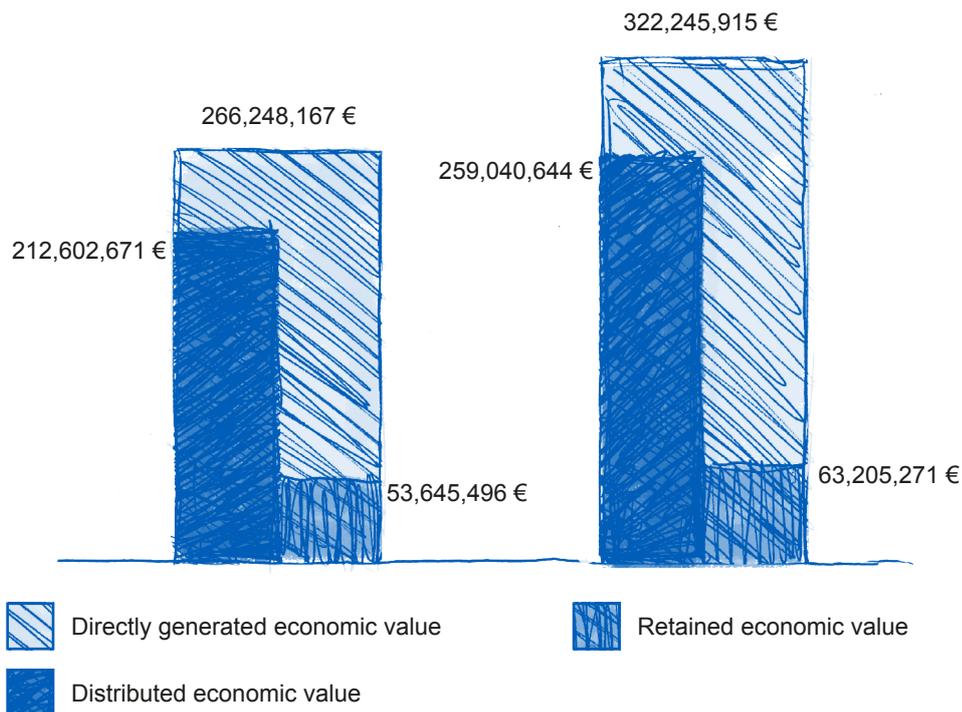
Trade associations and the participation of our companies

Joint Italian Arab Chamber of Commerce	Institutional and economic entity that aims to strengthen relations between Italy and the Arab world.	
Confindustria	Leading association representing Italian manufacturing and service enterprises in Italy, with more than 150 thousand members.	   
Giovani imprenditori	A Confindustria movement having about 13,000 members aimed at creating opportunities for younger generations and developing the country's social welfare through the development of industrial policies.	
Anima	An industrial trade organization of the Confindustria system representing mechanical engineering companies.	  
Angaisa	National association of plumbing, air conditioning, flooring, wall covering and bathroom furnishing operators, aimed at protecting the general interests of the category, growing the industry and promoting relationships within it.	
IBC	Association of consumer goods industries, bringing together consumer goods manufacturing companies active in Italy and abroad, with the aim of promoting efficient and effective relations in this sector.	
Valve campus	Association of manufacturing companies specializing in the production of valves for the entire Oil&Gas supply chain, established to promote <i>know-how</i> and the role Italy plays internationally in this field.	  
Retimpresa	Confindustria agency that promotes business aggregations and networks to strengthen supply chain cooperation and create value over the territory.	
4manager	Association for the general growth of industrial managers and entrepreneurs, planning and rolling out high value-added initiatives to meet emerging needs.	
UNI-ente nazionale italiano di normazione	Private non-profit association that carries out technical standardization activities, developing and publishing standards.	 
C.S.M.T. Gestione SCARL	Hub that develops projects by pooling expertise from academia and research, spin-offs and start-ups, companies, associations and institutions with a focus on innovation aimed at economic, environmental and social sustainability.	
Federmeccanica	Trade union federation of the Italian metalworking industry that handles relations with Italian and European trade unions and institutions.	   

Generated value, distributed to our stakeholders⁶

Once again this year our activities generated positive economic results, testifying to the continuing growth of a company founded more than a hundred years ago, every year having the same aim: to generate value for the territory, its stakeholders and its development. In 2022 we **generated value** totaling **€322,245,915**, 21% more than in the previous year. We retained about 20% of this figure, needed to ensure the company's stability and enable future investments.

Economic value generated, distributed and retained (€)



About 80% of the value generated was distributed to our stakeholders, specifically:

- **€200,494,859 to suppliers**, through the purchase of goods and services.
- **€43,376,001 to employees**, in the form of wages and benefits.
- **€12,495,717 to the public administration**, in the form of taxes.
- **€2,674,067 to capital providers**.

⁶ N.B.: The data represented refer to the Bonomi Group's consolidated financial statements, thus all group companies and not limited to the data of companies reported in this sustainability report.

1.2.2 Our sustainability priorities

In order to understand the main areas in which we want to act to improve our economic, environmental, and social performance, in 2022 we identified our sustainability priorities through a **materiality analysis**, a tool that allowed us to determine the **material topics** on which to place most attention in order to shape a sustainable future for both us and our stakeholders.

The analysis was conducted in line with the reporting principles of the **GRI universal standards 2021**, which defines material topics as those that reflect the most **significant impacts generated by the company on the economy, the environment and people**, also in the sphere of human rights, as a result of the organization's activities or business relationships.

The Bonomi Group's materiality analysis entailed the following steps:

- **Understanding the business context:** careful analysis of key documents published by leading international organizations, examining the context in which we operate and relative *trends*. We then carried out a *benchmarking* analysis to identify the sustainability topics most tackled by companies in the sector. The results that emerged from this research in relation to our business activities, relations and stakeholder expectations, enabled us to identify the sustainability topics most relevant to our group.
- **Identification of positive and negative impacts and related topics:** analysis of public documentation concerning our industry and knowledge of our activities and their effects on the outside world, in order to identify positive and negative, current and potential impacts generated by our company on the economy, the environment and people.
- **Evaluation of the significance of impacts:** for each identified impact we looked at its significance in relation to our activities, this involved the contact persons of different business units and senior management. The former were able to contribute to the assessment of impacts through their specific expertise, while senior management validated the results obtained. Significance was calculated by multiplying the likelihood of the impact occurring and its degree of severity, as assessed by the people involved.
- **Prioritization of the most significant impacts and definition of the list of material topics:** analysis of the values obtained in order to determine which impacts and associated topics are priorities for our group. Finally, we defined a materiality threshold to obtain a **list of 13 material topics**.

We traced each material topic that emerged from the analysis to the three categories on which we wish to act to improve our external impacts: **product, the environment, people**⁷.

⁷ The cybersecurity topic emerged as material for the Bonomi Group, but given the characteristics of the company and the way the topic is handled, this aspect was reported in relation to group governance.

PRODUCT	Responsible supply chain management	To develop a supply chain that is alert to socio-environmental issues through the careful selection of suppliers who conduct their activities with respect for human rights and environmental legislation.
	High-performance, sustainable products	To purchase and use high-quality raw materials and materials with a reduced environmental impact, ensuring the production of sustainable, high-performance products.
	Product and process innovation	To develop innovative products, design new ways to conduct one's business and digitize processes in order to bring innovation to local areas and generate economic benefits locally.
THE ENVIRONMENT	Circularity of processes	To increase the circularity of business processes at all stages by sourcing recycled raw materials and materials, recovering scrap and consequently reducing the amount of waste produced, and increasing the amount of waste treated using recovery methods.
	Energy and emissions	To combat climate change by implementing energy efficiency and energy saving policies, producing and purchasing energy from renewable sources in order to reduce greenhouse gas emissions generated by one's activities.
	Water consumption	To use water resources responsibly, implementing water efficiency activities that lead to a reduction in water withdrawal and consumption, and constructing facilities that promote water reuse.
PEOPLE	Health and safety	To implement policies and tools aimed at ensuring the health and safety of workers in all activities of the organization, spreading a culture of prevention and safety that reduces occupational accidents and injuries and the onset of occupational diseases.
	People training and growth	To empower employees to develop their technical skills by offering training plans based on their training needs, ensuring continuous professional growth that is aligned with business needs.
	People's well-being and involvement	To undertake welfare and home-work balance initiatives aimed at creating a stimulating and rewarding work environment that ensures the well-being of all company employees and an improved quality of life.
	Diversity, equal opportunities and inclusion	To create an inclusive work environment where employees feel satisfied, fulfilled and respected, that spreads a culture of diversity aimed at preventing episodes of discrimination.
	Supporting local communities	To cooperate with associations and bodies active in the local area by offering support for specific initiatives in order to contribute to the social and economic development of local communities.
	Respect for human rights	To conduct its activities in a manner that respects fundamental human rights (e.g. child labor, forced labor, freedom of association, etc.), both within the company and along its value chain.

2





Innovation for products

2. Innovation for products

Innovation is a key element of our business approach. We invest in advanced technical resources and cooperate with external partners to develop cutting-edge solutions that aim for maximum customer satisfaction.

To ensure the design of innovative products, working with our suppliers, whom we call external collaborators, is essential, constantly comparing the characteristics of the materials and semi-finished products we purchase, in order to develop products of the highest quality in compliance with current regulations. Close collaboration at the design stage enables us to create quality products that are efficient and sustainable, using recyclable metal-based materials.

In our companies, innovation starts with people in the engineering department, who work to develop and patent new, higher-performance products that raise the quality and reduce the environmental impact of our product range through greater energy efficiency.



MATERIAL TOPICS



2.1 Responsible supply chain management

Relations with our suppliers are based on four main pillars: **quality, territoriality, continuity and cooperation**. We believe that suppliers should be considered as **complementary partners using their and our skills** to produce the raw materials and semi-finished products that make up our products. To do this, it is important for us to select, when possible, suppliers operating in Italy, and more specifically Lombardy, in order to make cooperation on the development of materials with certain properties easier and more effective. In addition, while we are always looking for new partners with whom to cooperate on the development of new products or improvement of our offer, **we work with suppliers with whom we have built long-lasting relationships**. We have been working with some partners for more than 70 years, testifying to the importance of building valuable relationships from which both parties can benefit.

The geographic distribution of our suppliers varies according to the specific traits and needs of group companies. In general, **most of our suppliers are located in Italy**, more specifically in Lombardy, the region where almost all of our companies are based. For reasons of material availability, diversification and technical quality, in addition to Italy, Bonomi Group companies source from overseas: **Valpres has several suppliers in China and India, Valbia has some suppliers in Europe, Rubinetterie Bresciane Bonomi has suppliers in Germany, Greece and China, while Quam turns to companies in United Kingdom, India and United Arab Emirates**. Bonomi Group divides its suppliers into two main categories: raw material suppliers and machining suppliers, the latter located mainly in Italy.

It is essential for us to ensure the highest quality products for our customers, therefore **all new suppliers undergo a qualification process**, carried out by the purchasing department. Whenever we are looking for a new supplier, a “**supplier information questionnaire**” is sent out for initial evaluation of the firm’s technical and production characteristics. If the information in the questionnaire reflects our purchasing requirements, we **visit the supplier’s production plant to personally verify the information gathered and compliance with the quality, environmental and safety criteria we have requested**. Visits to incumbent suppliers, on the other hand, are carried out only when nonconformities are detected for supplied products. We are currently working to implement auditing activities more systematically. In 2022 for example Tecnovielle conducted auditing on suppliers involved in special processing, such as chrome and nickel plating, considered to be the highest risk suppliers, as their activities involve the handling of polluting materials.

For each Bonomi Group company, there is a **list of qualified suppliers, updated annually based on periodic evaluations** aimed at monitoring their **performance in terms of the quality and safety of supplied products**.



An example of qualification: the QUAM supplier questionnaire



The QUAM qualification process involves the administration manager and the head of the purchasing department, who **carefully evaluate potential suppliers** using a detailed questionnaire that collects the following information:

1. General data: this section requests information from the company regarding its master data, products and services provided.
2. Plant information: this part asks for information about the company's organizational chart, production facilities, such as production capacity and key processes used, and information related to quality, safety and environmental control.
3. Quality information: documents related to the quality management system, related certifications and a brief description of the main related processes, such as the control of purchased products, are requested.
4. Supply chain: a brief description of suppliers related to those activities or products that are of interest to Quam is requested, as well as a description of how they are controlled.

With regard to the section that collects information on production plants, close attention is paid to **health and safety and environmental management aspects**, asking if and what certifications are held by the supplier, if there is a risk assessment document and if so if it is updated regularly. Finally, suppliers are asked to state whether their activities are carried out in compliance with regulations in order to properly manage production aspects that have an impact on the environment.

2.2 High-performance, sustainable products

We in Bonomi Group want to constantly expand our range of products by improving existing products or designing new ones that respond to customer needs and market trends.

To this end, we perform several **analyses during the design phase**, enabling us to gauge the feasibility of developing a new product or improving an existing one. This process begins with the **definition of basic requirements**, an analysis to examine the characteristics that the product will have to possess and the constraints to be taken into account in the stages of its development. Basic requirements analysis is the **first step in the design process**, which is essential in order **to make products that meet the necessary requirements and avoid the development of products that breach regulations or are unsafe for the environment and for people**. Elements to be evaluated using the basic requirements form include:

- Functional and performance requirements.
- Requirements related to laws or regulations.
- Information or solutions applied in similar projects.

The aspects of the product that have a bearing on its impact on the environment are also defined

in each “basic requirements” form, analyzing the intended method of disposal, the risks associated with the use of certain materials or substances, errors in design and improper use of the product, the impact on the environment during use, and the purpose of the packaging that will be used.

If sufficient information is gathered in the design stage and the requirements reflect our production needs and those of our customers, we move on to the **prototyping stage**. At this stage, **we attempt to draw on the use of components already in production whenever possible, in order to limit the creation of new prototypes** and reduce material use. Most products indeed are designed to be disassembled so that their components can be replaced. In this way we apply circular models right from the design stage.

Once the design is approved, we proceed with product production, following rigorous processes in order to ensure high quality standards. We perform product checks at different stages, enabling us to perfect every aspect of our production process.

Products are checked in:

1. **Acceptance stage.**
2. **Production stage.**
3. **Final stage after placement in storage.**

These controls allow us to **identify, in the process, the presence of any nonconformities and to manage them in the most effective way**. If nonconformities arise that are traceable to suppliers, a “nonconformity report” is sent to them, through which a channel of communication is initiated with the supplier aimed at understanding the problem and deciding which corrective actions can be put in place to remedy it in the future.

If **nonconformities occur during production stages**, they are formally **reported to the person in charge of the unit where it was detected**, who will assess the nature of the problem and determine whether the product is waste material, whether it can be reworked, or whether to release the product under waiver or concession after its repair.

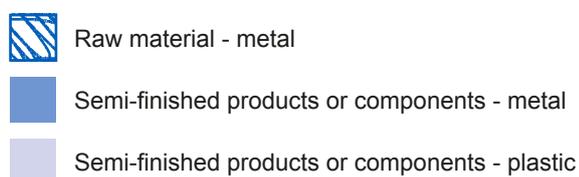
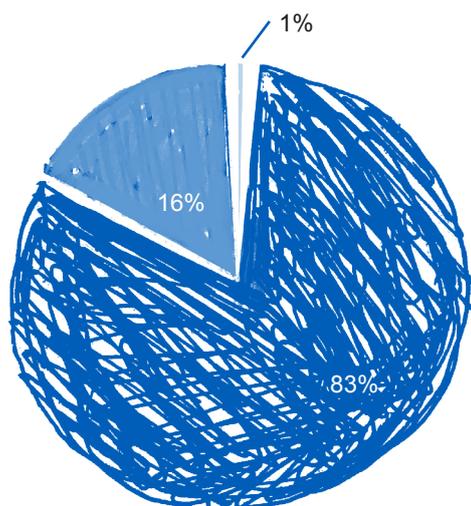
The materials we work with

Our core business is the **production of valves, fittings, and actuators** composed mainly of the processing of brass (also low lead content), bronze, copper bars/rods, stainless steel, carbon steel and cupronickel pipes, and aluminum, stainless steel, and carbon steel components. These materials possess the important quality that they can be completely recycled indefinitely, maintaining the same characteristics in terms of performance.

Our products can then be recycled once their life cycle is over, and **whenever waste is generated during the production process**, it is **recovered and resold** on a consignment basis to suppliers, thus avoiding the generation of waste.

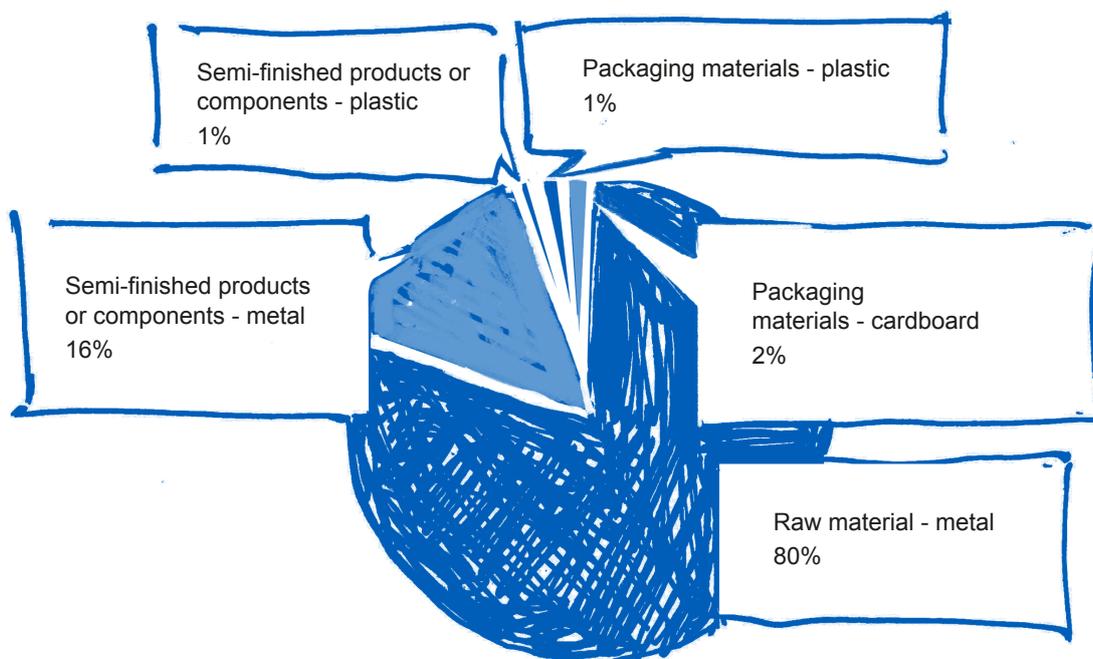
Our products also consist of **semi-finished plastic products**, such as gaskets, o-rings and covers, which are applied to valves, fittings and actuators, and of electronic boards making up the latter.

The main materials used for our products



In addition to semi-finished products and components, we use oils and lubricants as process materials, and purchase plastic and paper packaging and wooden pallets.

Total materials used in the production of our products in 2022



In 2022 we purchased 17,893 tons of materials to produce and package our products, a rise of 2% over 2021, in line with production trends in the various group companies.

2.3 Use of innovative products and processes

All of our companies are engaged in the **design and development of new products**, aiming for **continuous innovation in our product offer through the creation of items that seek to improve our customers' processes**. We have developed several products that have since been patented, thanks to constant research on materials, performance and design of solutions to reduce energy consumption and make facilities safer through their implementation.

Each company in our group, with its own specific traits, **has its own technical or product design office, within which a team carries out research and development activities**. This team presents projects to management, drafting documents that set out the project's objective, context of application, its stages of development and its innovative characteristics. Once the project is approved, the product goes into production.

When creating new products we often work with different stakeholders, as we believe that **engaging with parties outside our organization allows an exchange of expertise that ensures added value in the creation of new solutions**, and reduces development time. Over the years our companies have established relations with suppliers, universities and customers. For more than 10 years, for instance, **Rubinetterie Bresciane Bonomi** has been part of the **RUVARIS (faucet valves research and development) consortium**, a group of companies whose goal is to develop research and innovation projects for the sanitary faucet and valve industry, using materials that completely eliminate the release of heavy metals.

Major projects in 2021 and 2022

Energy recovery with the LOCPOWER valve



The concept of kinetic energy dissipated by control valves has been known for many years.

If we wanted to install a turbine to recover the available energy, we would immediately have to deal with the adjustment capacity of the system and its design.

The first problem we face in sizing turbomachinery is choosing the flow rate at which it will have to work most of the time, so as to maximize energy production.

The turbine itself will not be able to regulate the flow rate from zero to the design point, just as it also will be unable to guarantee a flow rate greater than the predetermined one.

Valpres offers an innovative product that lends itself to raising the efficiency of waterworks, industrial and Oil&Gas systems: the patented LOCPOWER energy recovery valve.

LOCPOWER can be seen as both an innovative valve and a device for raising network efficiency; the innovative step lies precisely in merging two souls into a single object. This valve equipped with an actuator for fluid control, a current generator and a board for interfacing with the power grid, but the most fascinating aspect lies inside: an hydraulic turbine integrated in the valve body.

This device is a real regulating valve which, instead of dissipating the pressure drop, converts it into electrical energy through the use of integrated turbomachinery.

Produced electricity can then be “sold” to “the grid”, be partly or totally self-consumed by users also connected to the grid, and be consumed by users totally off-grid.

The areas of use for LOCPOWER today are: waterworks and district heating (as well as district cooling), the most promising sectors given the thirst for efficiency and broad availability of excess water volumes and pressures; and sectors such as industry, energy and hydrocarbons.

Like all innovative technologies, the installation of an energy recovery valve can also benefit from incentives, which may vary depending on the context and the country where it is used.

In Italy, there is the hyper-amortization benefit related to Industry 4.0 that can be obtained thanks to the remote control and diagnostics part (actuator and panel side): to give a rough idea, 70-80% of the system value can benefit from this incentive.

Then there are energy bonds, or white certificates, rewarding clean energy production (each TOE, ton oil equivalent, entitles the user to one energy bond) used for self-consumption and the dedicated offtake incentive tariff to sell energy to the grid when it cannot be self-consumed.



LOCPOWER energy harvesting valve during a flow test in our Valpres facility

VBall and control ball valves with cage

We have developed several ranges of patented valves used to regulate and control liquids and gases for industrial use, waterworks and Oil&Gas pipelines. These valves are designed to reduce pressure drops compared with conventional control valves.

Since pressure drops are closely bound to energy consumption, reducing them means having more efficient systems, consequently reducing the CO2 emissions associated with it.

Thanks to the high flow capacity of this product, more compact, efficient and sustainable systems can be designed. The broad control range typical of these innovative products very often makes it possible to cover the full range of flow rates with just one valve instead of two. It is also possible to select valves of a smaller size, lighter and more compact, compared to conventional ones.

All performance data for control valves are the result of years of R&D, experience in the field, laboratory testing and fluid dynamic simulations. This has also led to the development of in-house software that easily and intuitively selects the correct valve, allowing the user to immediately see the reduction in size and the possibility of using fewer valves in a system. The software also makes it possible to calculate energy savings, and consequent CO2 emission reduction, achievable from the selection of high-capacity Valpres products, in addition to noise and cavitation prediction for better and healthier working environment.



Separate control board



In 2022 Valbia developed an **electronic board to be used in quarter-turn actuators for marine installations** to respond to a still unresolved need: being able to control the actuator even in the event of a fault or voluntary interruption of the main electrical power line.

The project was born following the request of a customer who needed to operate the actuators, even in the event of a main power failure without having to use battery backups. Since this type of technology was not available to us at the time, we started working on it in order to build an object that presented several advantages for users: originally, to deal with a fault that caused a power outage, a particularly expensive and not always controllable backup system. **With the development of this electronic board**, it is possible to control **the main actuator without using third-party components** such as batteries and supercapacitors, **improving the safety of the system**.

Thanks to this electronic card it is possible to control the actuator via a secondary power supply line, even in the event of a failure of the main power supply line, with consequent economic advantages for users, greater safety and reduction in the creation of waste related to use of buffer batteries and supercapacitors.

All companies in the Bonomi Group have laboratories at their disposal capable of carrying out all the appropriate functional tests and measurements of the condition of components, to ensure the adequacy of all products and pay constant attention to environmental impact.





Commitment to the environment

3. Commitment to the environment

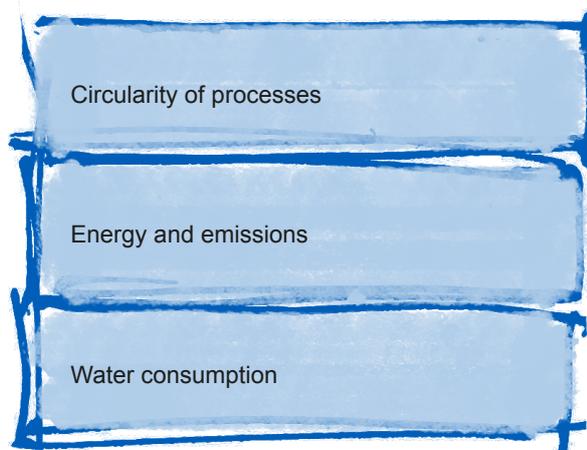
We are aware of the impact our industrial activities can have on the environment, and pay special attention to environmental management in our production facilities.

We have developed a corporate policy with which we are committed to promoting long-term sustainable business development that ensures environmental protection by preventing pollution in water, air, and soil and monitoring air emissions and waste generation. Our group's goal is to minimize environmental impact in our operations while promoting sustainability and innovation in production processes.

With this in mind, all our companies adopt a management system certified according to standard ISO 14001. This has enabled us to manage and monitor the environmental aspects related to our activities, and initiate improvement actions, with the aim of reducing waste and improving our own environmental performance.



MATERIAL TOPICS



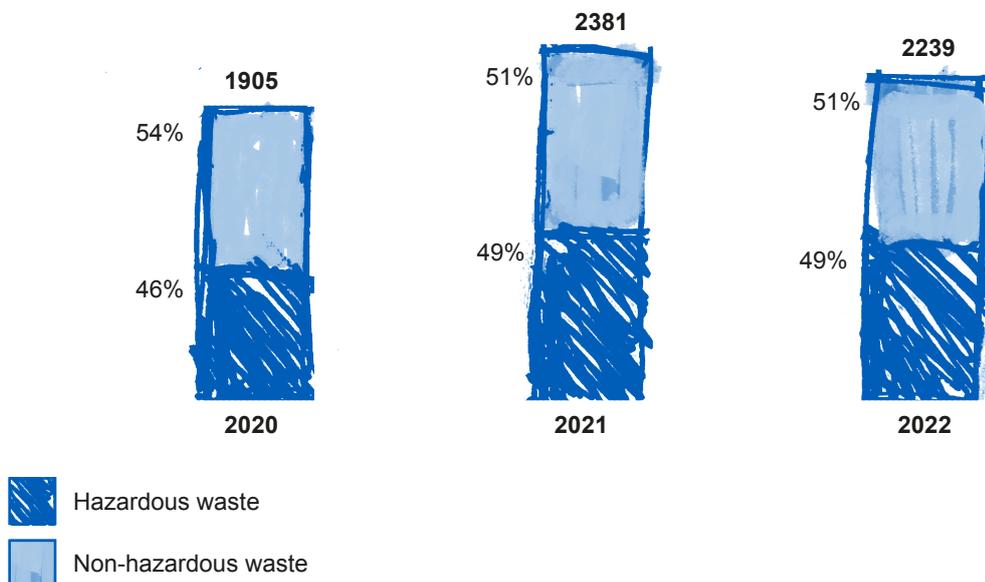
3.1 Promotion of circular processes

Various types of waste are produced in our companies in the purchase, production and assembly stages. In addition to **paper, plastic and wood packaging, we generate waste such as oils, solvents, emulsions and batteries**, as well as **sundry metal waste derived from production processes**. There are storage areas in production facilities to manage and dispose of waste correctly; specifically:

- Liquid waste (oils, spent emulsions, etc.) is stored in special containers/tanks, equipped with containment basins.
- Processing scraps and miscellaneous waste (cardboard, plastic, wood, etc.) in appropriate containers/boxes/silos.
- Gas cylinders in designated fenced boxes.

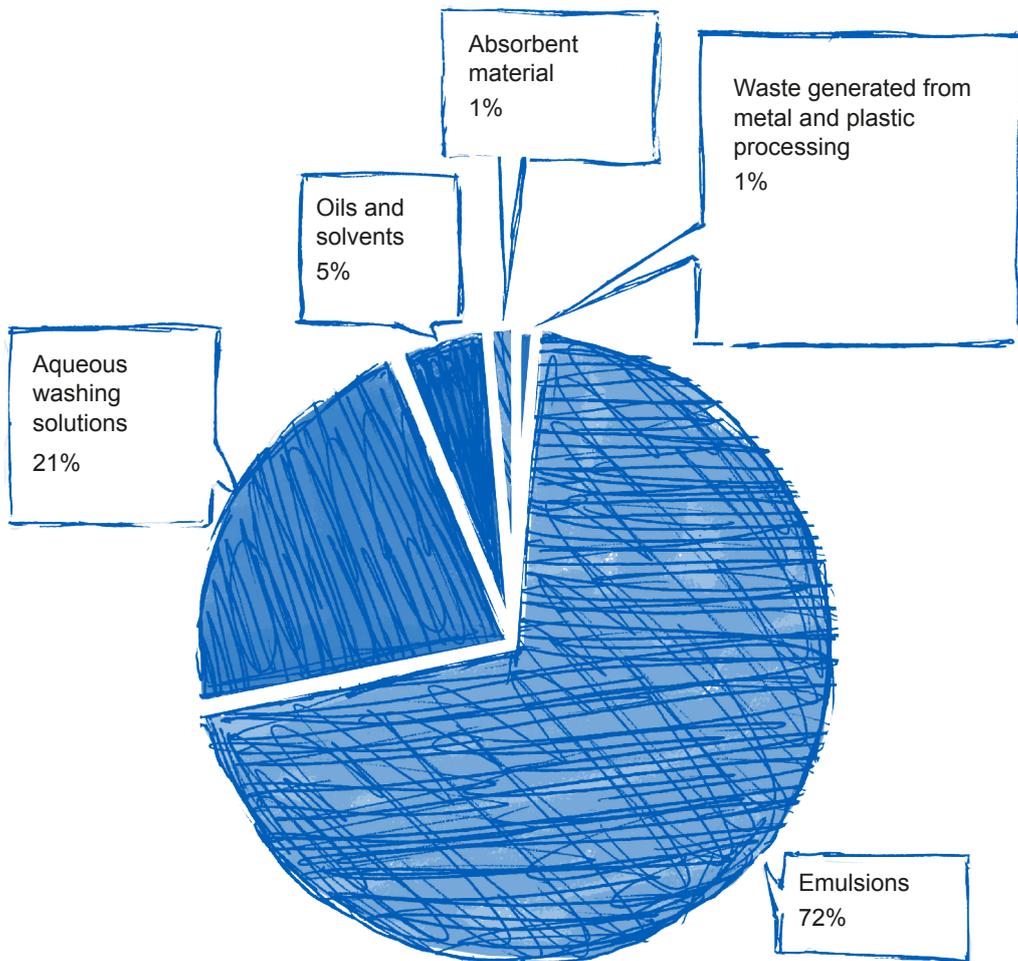
In 2022 we generated about **2,239 tons of waste, 49% hazardous and 51% non-hazardous waste**. Compared with the previous year, **waste generation fell by 6%**, especially 6% for hazardous waste, where the reduction was mainly due to a smaller amount of aqueous washing solutions (-33%).

Waste production over three years (t)



With regard to **hazardous waste** in particular, we generated about **789 tons of emulsion**, produced in machining processes and mechanical treatment of turning. This **type of waste rose by 6% compared to 2021, as the demand for products and consequent processing increased**. However, some improvement actions carried out by our companies helped to reduce the amount of emulsion generated.

Hazardous waste by type in 2022



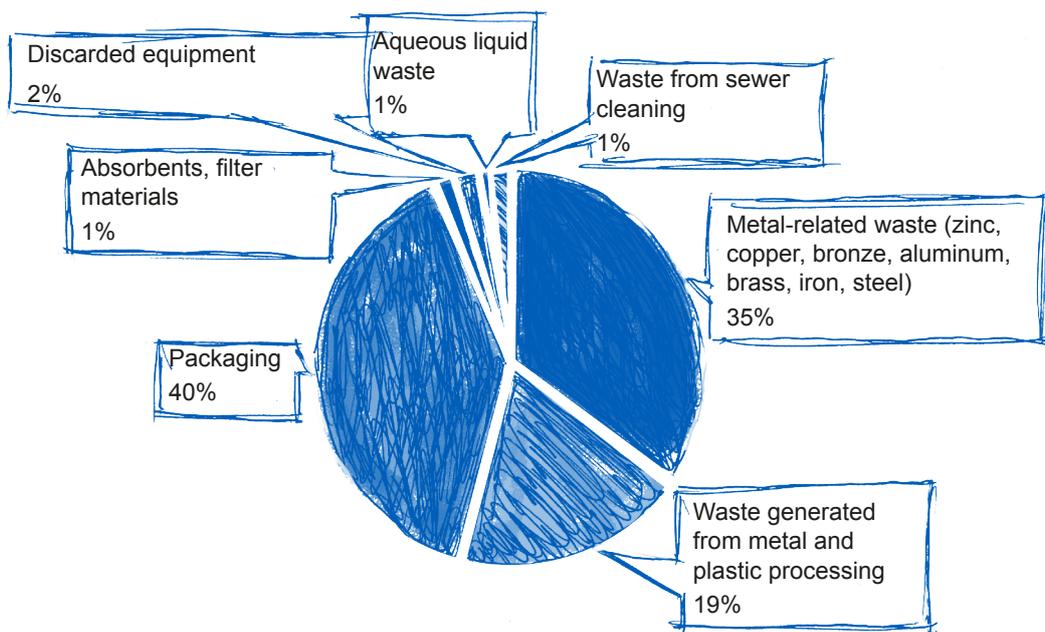
Rubinetterie Bresciane Bonomi: began to look into the possibility of separating oil from water, so that the latter can be cleaned and discharged into the sewage system and only the waste concentrate disposed of, recovering a substantial amount of water and thus reducing the volume of waste.

Valpres: emulsion had previously been stored inside the basin of an uncovered tank, in which rainwater was also collected, which was then disposed of with the rest of the emulsion due to its lack of filtration. A new underground basin was then constructed under a canopy, acting as a cover, preventing rainwater from uniting with the collected emulsion and expanding the volume of waste generated

Thanks to these initiatives, taking the amount of emulsion generated as a ratio of the value of production, the production intensity of this waste (kg/euro produced) has fallen by 30% compared to 2021.

Our **non-hazardous waste** consists of **35% metals** generated by our production, and **40% packaging, used in logistics for receiving materials and components.** The packaging we use consists of different materials: paper and cardboard, plastic and wood, for the correct and safe handling of incoming and outgoing goods.

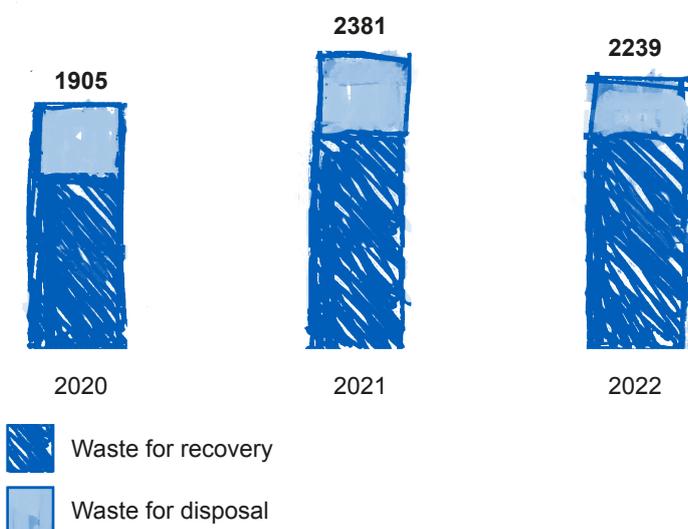
Non-hazardous waste by type in 2022



In 2022, **about 76%** of the waste we generated was **destined for recovery**. Specifically, 53% of hazardous waste was destined for recovery, consisting mainly of oils and solvents used in processing, emulsions, and absorbent materials. With regard to non-hazardous waste, 99% was destined for recovery through preparation for reuse, storage and recycling. All waste from metals and from metal and plastic processing was recovered, as was 99% of the packaging used.

The remainder was destined for disposal, consisting mainly of some of the emulsions generated and aqueous washing solutions.

Total waste produced by destination (t)





The recovery of processing by-products

In our production cycle **there are several stages of metal processing that generate by-products**. In our companies we **recover all the metal waste produced with a view to implementing circular economy models** that allow us to reduce the volume of waste generated and the resulting impact on the environment.

We recover different types of by-products in the form of turnings and chips:

- Copper and copper alloys (brass, bronze, and cupronickel).
- Carbon and stainless steels.
- Aluminum.

These by-products are then sold to companies and refineries for processing, giving them a new lease of life and avoiding the waste of valuable resources.

3.2 Combating climate change

As a manufacturing company, we employ energy to power not only production processes but also general and auxiliary services. We therefore deploy operational and technological resources in order to reduce our impact on the environment related to energy consumption and the resulting generation of emissions.

Our companies use:

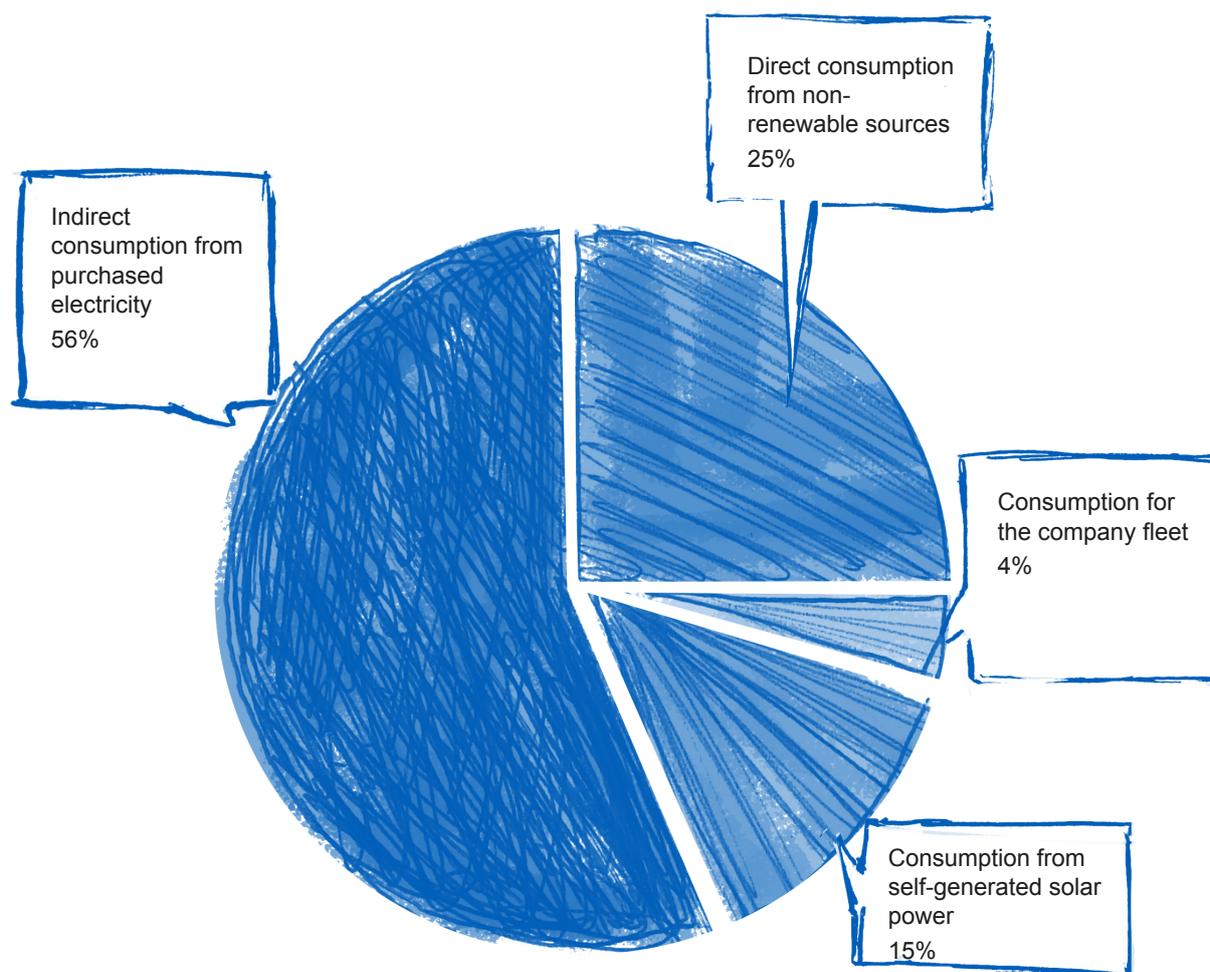
- **Electricity from our photovoltaic systems.**
- **Electricity acquired from non-renewable sources.**
- **Methane, used for heating our spaces and, only at the Rubinetterie Bresciane Bonomi plant in Gussago, for heating parts in the molding process.**

Furthermore:

- Valbia and Valpres use **LPG-fueled cylinders in the shipping department to heat shrink film for packaging** products on pallets.
- **Quam** acquires electricity from 100% renewable sources.

We also have a company fleet consisting of motor cars, vans and trucks, for transporting materials between group companies, or to and from suppliers from whom we purchase semi-finished products, components or services that we have decided to outsource. This **fleet consists of gasoline, diesel and electricity powered vehicles**.

Energy consumption in 2022 by source



Our energy consumption today benefits from the investments undertaken in past years, thanks to a series of activities aimed at improving energy efficiency and consequently reducing emissions and our impact on the environment. **In 2011** we installed our **first photovoltaic system in Rubinetterie Bresciane Bonomi** on the roof of the Gussago plant, which is now fully covered, and **in 2015 in the Bordolano plant**. In Valpres the **photovoltaic system has been in place since 2019**. The latter, like Valbia, has been **replacing light bulbs with more efficient LED bulbs**, an action carried out by Rubinetterie Bresciane Bonomi in 2019/2020. In addition, older compressors **have also been replaced over the years with compressors having a better energy efficiency index**.

Rubinetterie Bresciane Bonomi, Valpres and Valbia all have **energy consumption meters** placed in the electrical boards of units and machinery **that monitors the use of electricity** in order to analyze consumption data and take any corrective measures.

At the **Rubinetterie Bresciane Bonomi Gussago plant**, there is also a **geothermal system** used for heating and cooling the buildings, which means that 85% of the plant does **not use methane for heating**. Also, at Tecnovielle, several old machines have been replaced, such as the transfer processing machine, by new, higher performance machinery.



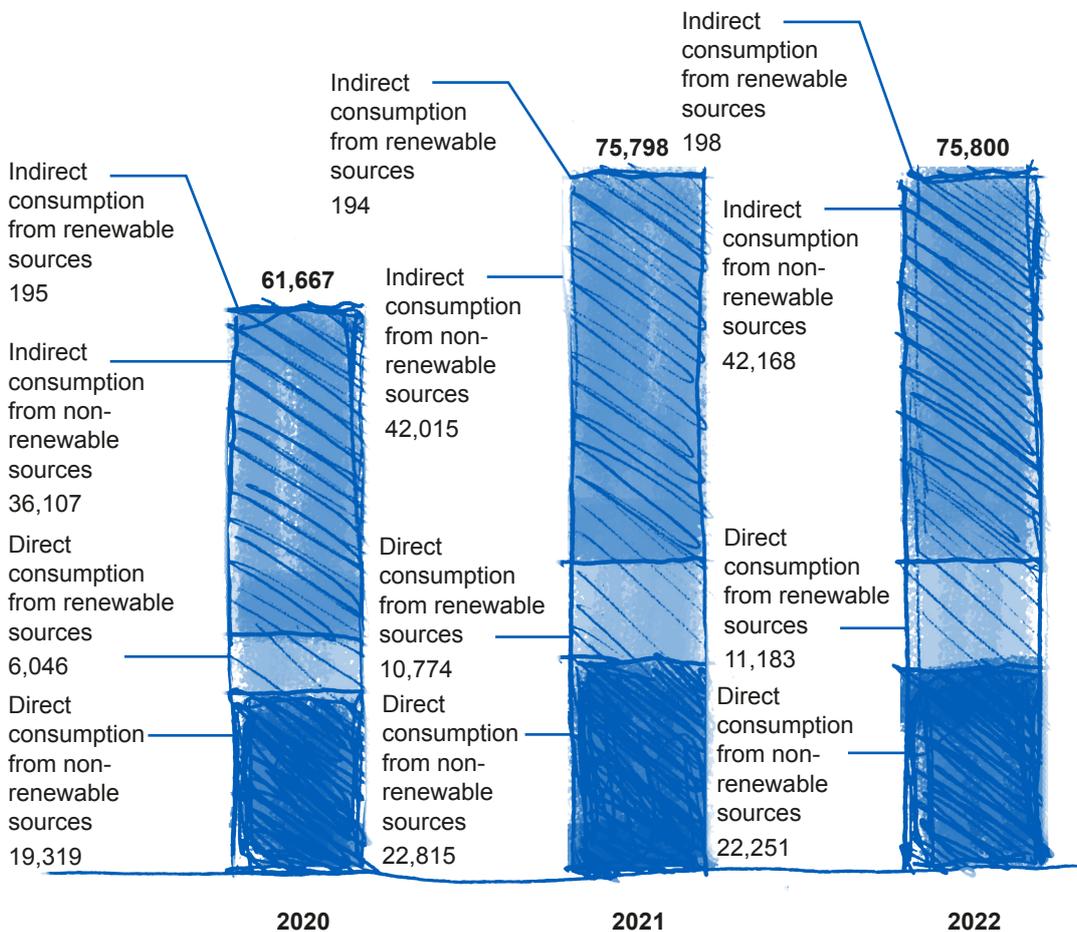
**ISO 50001 certification
for energy management system**



Our companies Rubinetterie Bresciane Bonomi, Valpres and Valbia have energy management systems certified according to ISO 50001, with the goal of raising energy efficiency by measuring and documenting the activities that entail energy consumption in the company. Thanks to this certification, we have been able to further our knowledge about the energy activity of our processes and worked to make them more efficient through continuous monitoring.

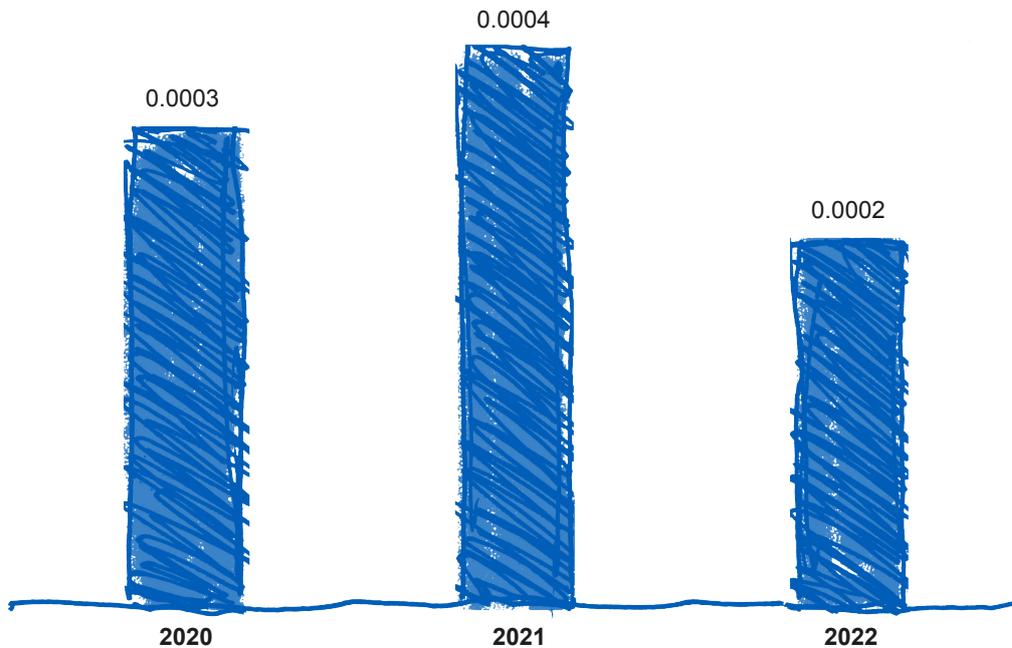
All activities performed in recent years have **resulted in current energy consumption levels**, which have remained steady over the three-year period. In 2022 we **consumed a total of 75,800 GJ**, only 2 GJ more than in 2021. Looking more specifically at the type of sources used, compared to 2021 there has been a slight drop in energy consumption from non-renewable sources for direct use, i.e. for heating, production and the company fleet, with a 4% increase in energy from our photovoltaic panels.

Energy consumption by source (GJ)



Efficiency-raising initiatives implemented in recent years have been key to maintaining linear energy consumption even as production has increased. **Although the value of production rose compared with 2021 (+51%), when compared to energy consumption, energy intensity (GJ/Euro produced) fell by 34%.**

Energy intensity (GJ/€ produced)



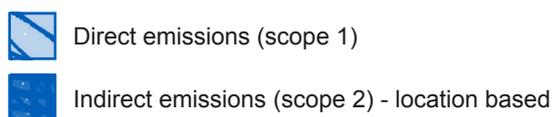
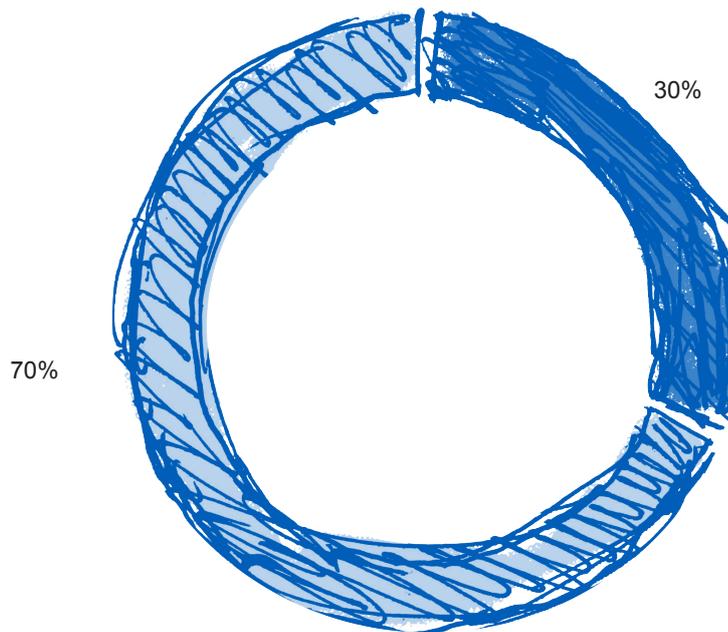
Raising collaborators' awareness of energy efficiency



We believe that in order to raise the efficiency of our energy consumption we must raise awareness among collaborators regarding these issues and involve them in efforts to reduce consumption, both in production and in offices. Awareness is raised in Quam through e-mail communications sent at certain times of the year coinciding with the onset of the hot and cold seasons. At the Gussago plant in Rubinetterie Bresciane Bonomi, graphs are displayed on energy consumption trends, along with other environmental data, through panels put up in production units. The goal is to extend this practice in Valpres as well.

As a result of our energy consumption, our activities generate greenhouse gas emissions, which in 2022 amounted to **4,375 tCO_{2e}**, respectively **1,315 tCO_{2e} of scope 1**, i.e. direct emissions related to activities from our own sources, and **3,060 tCO_{2e} emissions of scope 2**, i.e. indirect emissions generated by the electricity we purchase and consume. The latter make up 70% of our total emissions, due to the fact that 56% of our energy consumption derives from purchased electricity.

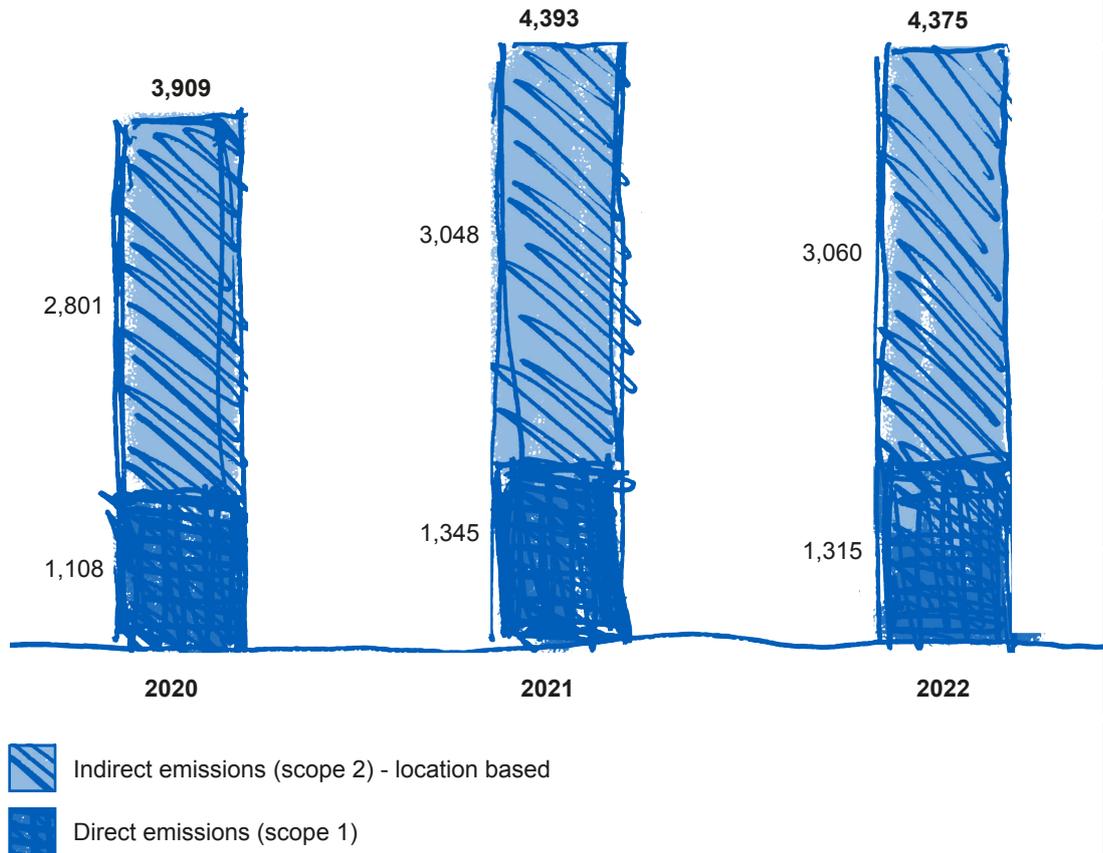
Greenhouse gas emissions generated in 2022 (t)



Scope 1 emissions⁸ fell by 2% compared to 2021 as energy natural gas consumption for heating decreased, while scope 2 emissions remained steady, as purchased electricity did not change in quantity.

⁸ N.B. scope 1 and scope 2 emissions of CO_{2e} have been calculated using ISPRA 2020 emission factors, for 2020 values, ISPRA 2021 for 2021 values and ISPRA 2022 for 2022 values.

Emissions by scope type (tCO2e)



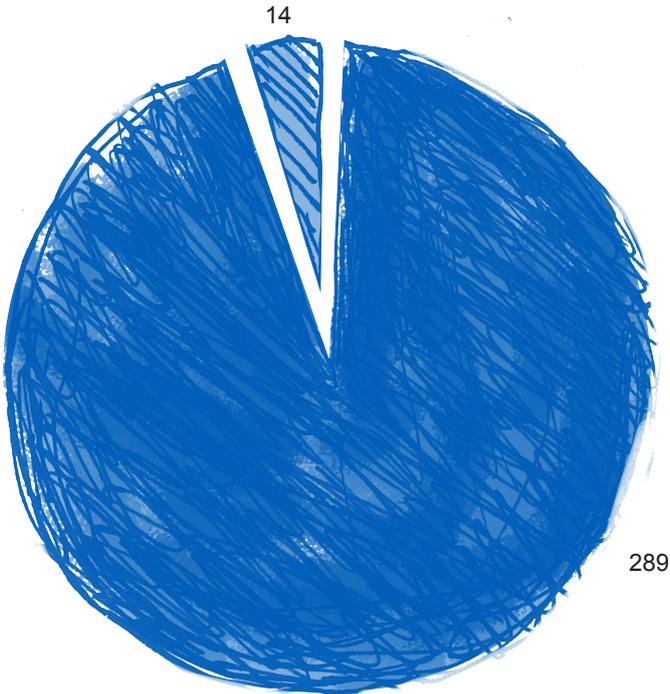
3.3 Water resource management

In our companies **water** is used **both for civilian use**, to supply the heating and cooling systems, and **for industrial use in certain stages of the production process**, particularly in emulsion treatment plants and in product testing stages. The use of water at these stages makes it difficult to apply improvement measures regarding its withdrawal and consumption, as a certain amount is needed to ensure that processes are carried out correctly and that products come up to required technical specifications. Therefore, over the past three years, water withdrawal has remained steady, with a **slight rise of 0.12% over 2021**.

In our companies Rubinetterie Bresciane Bonomi and Valpres water comes from third-party water networks, and is used for civilian use, and from wells, from which water can be taken for industrial uses and, to a lesser extent, for civilian use. Valbia and Quam, on the other hand, withdraw water exclusively from the mains water supply. Overall, **water withdrawn from the mains supply accounts for 5% of water withdrawal, with the remainder taken from wells⁹**.

⁹ Water withdrawal for Tecnovielle activities has not been included here, as data are not available to date.

Water withdrawal in 2022 by source (ML)



- Groundwater
- Third-party water resources

Water withdrawal is therefore closely related to processing stages, and raising efficiency is a complex action that requires several feasibility studies on the various plants. We are however committed to initiating actions to monitor withdrawal and consumption activities and seek possible improvement actions.



**Respect
for people**



Respect for people

Our people are key to the group's success. We make a team with our collaborators, fostering a sense of belonging by building a positive work environment where they can feel appreciated and valued.

We ensure that our collaborators can work safely, adopting practices to prevent injuries, and contribute to their physical and mental well-being, planning programs and initiatives to promote a healthy lifestyle and work-life balance. We strive to ensure that our collaborators feel an integral part of the group and want to grow within it, creating the conditions under which they can acquire new skills, growing personally and professionally. We treat all our collaborators fairly, allowing equal and fair access to professional opportunities, without discrimination. Finally, we also want to have an impact on people beyond the company boundaries, which is why we are committed to supporting communities in the territories where we operate, through charitable actions and economic support to associations.



MATERIAL TOPICS

Diversity, equal opportunity and inclusion	People's well-being and involvement
Health and safety	Supporting local communities
People training and growth	Respect for human rights

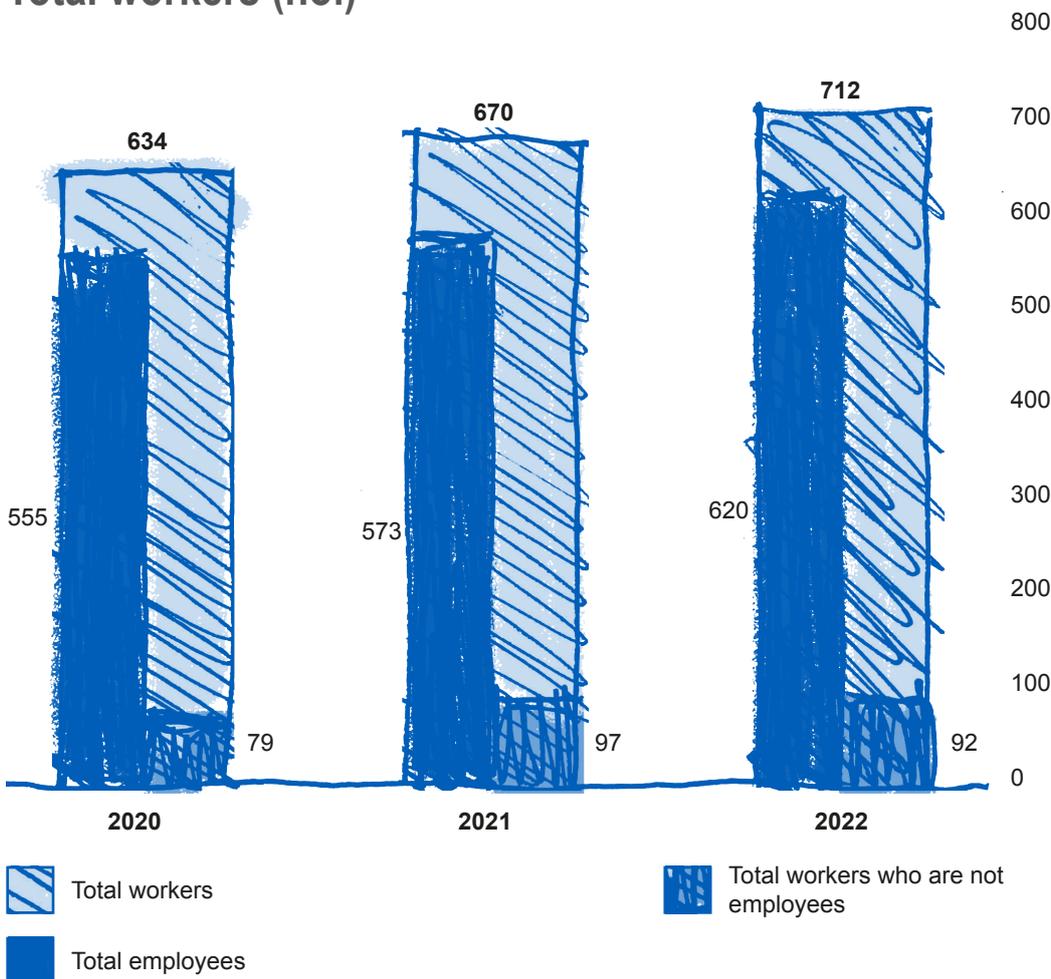
4.1 The people that experience the company first hand

Our group is made up of people who work with passion every day to contribute to the growth of our companies. We invest in people because we believe this is key to creating a resilient enterprise, driven by motivated collaborators who want to help make the company a driver of progress.

Our companies are composed of two main types of collaborators: employees and non-employees, people who are not directly employed by our companies but perform tasks in them. This category is made up almost entirely of temporary and contract workers, who begin their journey within our group's companies. In many cases, it is in this way that we come into contact with people who will later be hired directly by our companies.

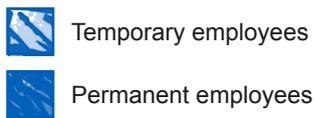
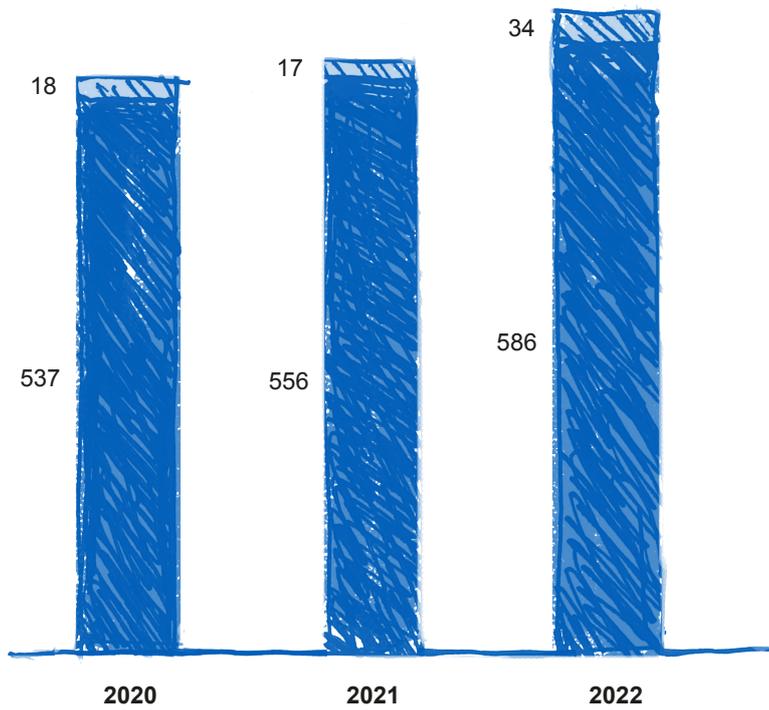
In 2022, non-employee workers made up 13% of our workforce, mainly filling roles in the production units of group companies.

Total workers (no.)

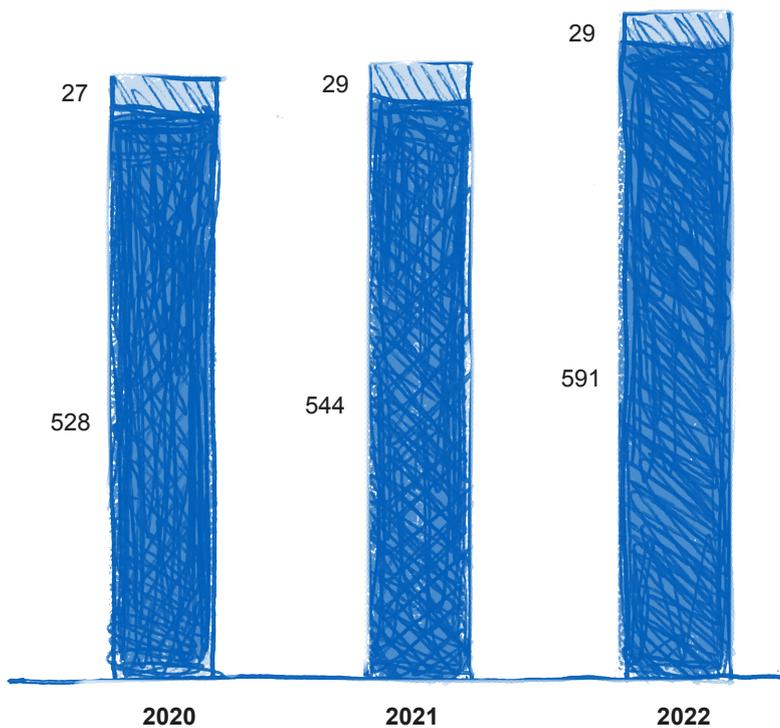


Looking at employees, our companies employed a total of **620 employees** in 2022, **8% more than the previous year**; 95% of personnel are employed with a permanent contract, and again, 95% have a full-time contract.

Personnel by contract type (no.)



Employees by type of employment (no.)



4.1.1 Diversity, equal opportunity and inclusion

We aim to **build an environment that employees feel proud to be a part of**, that is **fair and offers equal opportunities for all**, ensuring that people's rights are fully respected. This commitment is also emphasized in our code of ethics, where, among our values, we state:

- **Respect for human rights and workers' rights**

We view respect for internationally recognized human rights as fundamental and natural, condemning all forms of labor exploitation, both direct and indirect. We condemn all forms of harassment and harmful behavior, respecting the freedom of workers, opposing all forms of modern slavery, such as forced labor and human trafficking, and demand of our employees and suppliers that the same principles be adopted and abided by. We recognize the right of workers to form labor unions and worker representation, and ensure adequate remuneration for all employees by complying with the law on working hours and wages.

- **Fairness and impartiality**

We reject, in policies on hiring, remuneration, benefits, promotions, discipline and retirement, and in the management of human resources in general, any discrimination based on age, gender, sexual orientation, health status, disability, pregnancy, ethnicity, nationality, political opinions and religious beliefs. We aspire to act fairly and impartially towards all our stakeholders and with respect for the diversity of existing relationships.



Equal opportunity policy



Our vision is to create an inclusive and respectful work environment, where every individual can express his or her full potential without fear of discrimination, harassment or persecution. In **2021, Quam developed an equal opportunity policy shared with all collaborators via company email and posted on the company's shared bulletin board.**

The policy is enforced at all levels of the organization, and managers are asked to be spokespeople for these principles, ensuring not only that they engage in behavior that avoids discrimination, but that the collaborators under them are responsible for doing the same, ensuring that any complaints of discrimination and harassment are taken up appropriately and addressed.

This document also helps us to train our employees with clear definitions of what discrimination is, types of discrimination and how it can occur, going on to define in what ways various activities need to be carried out to prevent it from occurring.

We have clear procedures for dealing with cases of discrimination, harassment or persecution, and protect those who report episodes of discrimination. Non-compliance with this policy is dealt with vigorously, and can result in disciplinary consequences up to and including immediate dismissal.

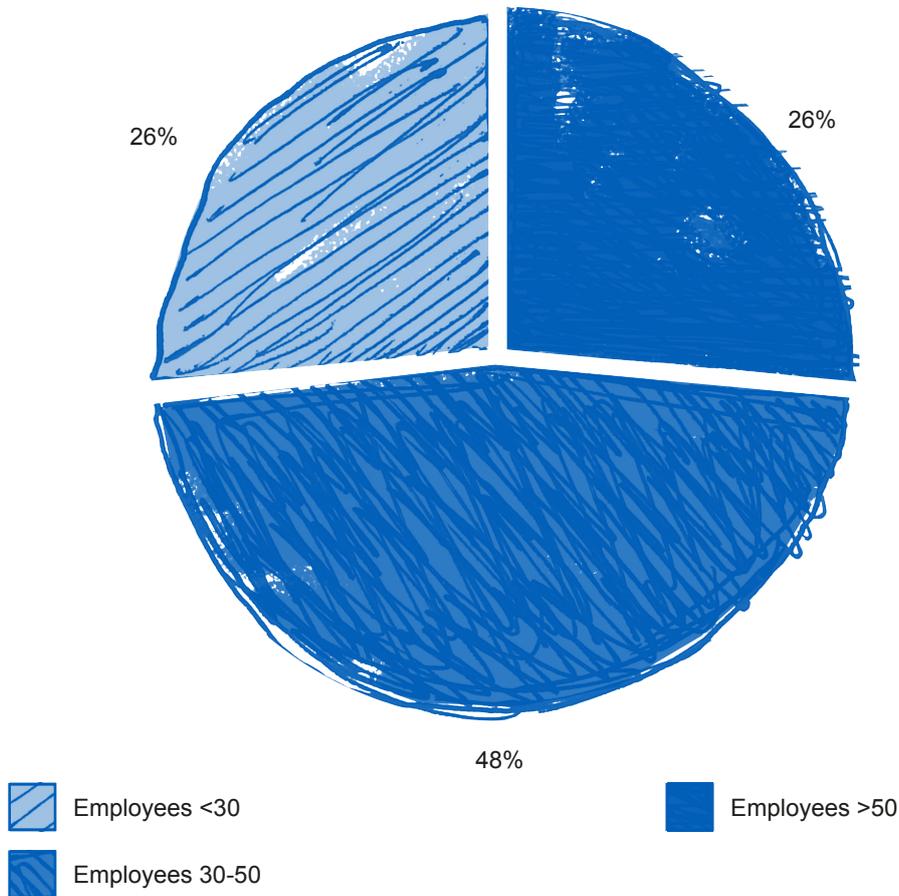
Quam's equal opportunity policy is periodically reviewed to ensure its adaptation to regulatory changes and best practices.

Our company workforce is made up of **19% women**, of whom 14% have blue-collar jobs and 27% perform white-collar roles. In addition, **40% of management positions are held by women**, as we believe that diversity at the management level is an added value for the company's growth and success, thanks to the contribution of diverse experiences and viewpoints, which are then reflected in more company efficient management. Compared to 2021, the number of men in the workforce rose by 8%, while the number of women increased by 7%.

We are a very heterogeneous business in terms of workforce age: the average age among group companies is 39, as we believe strongly in finding young talent and in diversification, in order to drive innovation in companies and continued growth. In 2022 we invested heavily in the search for young talents. This resulted in **an 18% increase in personnel under the age of 30.**

Currently, **26%** of our employees are people with an **average age of less than 30**, while the most common age group - **48% of employees**, is that from **30 to 50 years of age**. The remaining **26%** are employees **over the age of 50**.

Employees by age



Inclusion in our business activities

- ✓ **Zero tolerance:** the company adopts a zero-tolerance policy in regard to discrimination and bullying, taking immediate corrective actions in the event of reports or substantiated cases.
- ✓ **Inclusion and respect:** whenever an employee is hired, human resources arrange a meeting with the department head to discuss the new hire's introduction. This includes issues related to his or her inclusion within the company, creating a space to discuss and address issues related to coexistence and integration in the group.
- ✓ **Placement of people with disabilities:** the company employs 29 people with disabilities belonging to protected categories. Their placement is carefully monitored in concert with the competent company physician, who helps the company to identify the limitations of each individual in order to assign them tasks that may be appropriate and allow them to fully express their skills.

4.2 The health and safety of collaborators

As a group operating in the mechanical engineering sector with more than five production sites, **we place the utmost attention on the management of health and safety in the workplace**, recognizing the importance of analyzing the risks present in the company and the application of preventive activities to safeguard the workforce and **promote a work environment where our collaborators**, especially the workers on production sites, **can work in safety**.

We have adopted the **occupational health and safety management system** for our processes, certified in accordance with standard **ISO 45001**¹⁰ by an external body.

After identifying activities and operations that might impact the health and safety of our collaborators, documented operating procedures or practices have been developed for each kind of activity that might pose risks in order to manage and monitor the identified risks. These are drafted by competent personnel according to the identified activities and approved by the head of the management system.

In order to reduce risks and prevent possible hazards, we prepare a risk assessment document (DVR), followed by the following improvement activities:

- **Elimination of hazards** insofar as possible.
- **Redefinition of processes and replacement of hazard-generating equipment** or materials with less risky alternatives.
- **Implementation of technical and organizational measures to minimize remaining hazards** and reduce risk exposure.
- **Oblige workers to use collective protective equipment** to isolate people exposed to hazards that cannot be completely eliminated.
- **Provision of personal protective equipment** for workers exposed to residual risks.
- **Drafting of specific operating instructions** to help workers deal with residual risks.

In addition, risks can be prevented and reduced through the continuous maintenance of machinery, plants and equipment, and the preparation of conformity documentation.

The management of safety in our companies entails the involvement of our collaborators, whom we require to promptly **report potential hazards**, interfacing with **supervisors** and consulting the **workers' safety representative (RLS)**. At the Gussago plant of Rubinetterie Bresciane Bonomi, we also monitor near misses occurring in the previous month through an email that is sent every month to all department heads, while at the Bordolano plant, an ad hoc document needs to be filled out. In Valbia and Valpres, on the other hand, the supervisor collects information on injuries, near misses and improper conduct in a table that is shared with all collaborators working in the plants. In Quam we have also established a health and safety committee, made up of the RLS, the employer and two external figures, the competent physician and the RSPP. The committee meets twice a year to analyze any risks to people's safety, possible improvements, and the handling of emergencies.

¹⁰ All group companies have an ISO 45001 certified management system with the exception of Tecnovielle, which nevertheless applies the same procedures as the companies considered in this sustainability report.



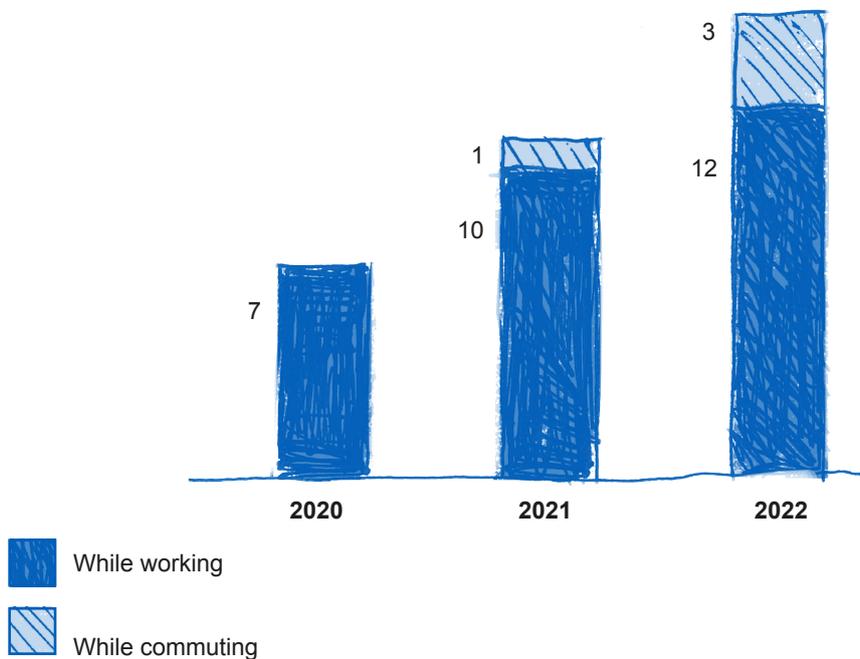
Visible meetings to analyze injuries and near misses



Monthly meetings are held at Rubinetterie Bresciane Bonomi for addressing issues related to health and safety and environmental topics. In these meetings the health and safety team meets with department heads to discuss any problems and potential hazards present in plants, as well as accidents/injuries that occurred in the previous month. These meetings are very important as they are an opportunity **to reflect on potential improvements that can be implemented to prevent any hazards, thus reducing near misses and injuries.**

The main hazards present in our plants have been appropriately assessed in the risk assessment document, and based on the highest risks operating instructions on safety have been issued, setting out the training that needs to be given to personnel and delivery of the PPE necessary to perform activities safely.

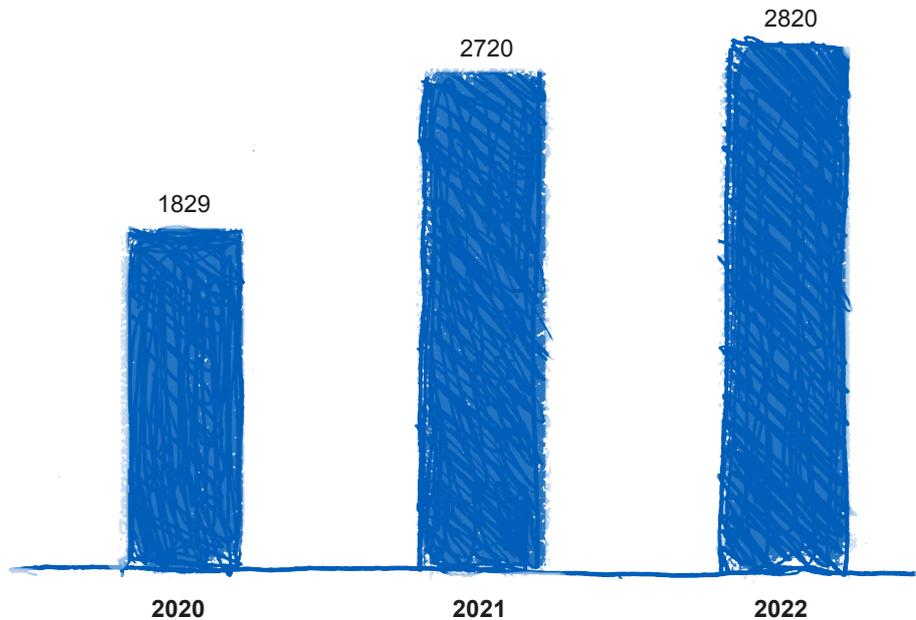
No. of injuries in last 3 years (employees)



Over the past three years, the **number of accidents has remained stable**, growing slightly for both accidents occurring at work and those to and from work. There was also an **increase in the accident frequency index from 9.2 in 2021 to 10.6 in 2022**¹¹. This increase is also due to an improvement in accident monitoring, **as more attention was paid to reporting less serious accident events during 2022**. None of our companies recorded accidents with serious consequences¹² or occupational diseases in the three-year period under review.

Health and safety management also refers to the training of our employees. **In 2022 2,820 hours of training on health and safety issues were given**, making up **38% of total training hours provided during the year**. Compared to 2021, this marked an increase of 4%, due in particular to the increase in hours of training given by Valbia (+69%) and Rubinetterie Bresciane Bonomi (+29%). In group companies, a training plan is drawn up at the beginning of the year, in which training courses are arranged. The health and safety team is also in charge of training new hires, equipping itself with a checklist to explain to new hires the risks associated with his or her job.

Health and safety training hours



In **2022 Rubinetterie Bresciane Bonomi** sought to enhance the way in which operating instructions are delivered for the safe performance of activities and use of machinery. So whenever new operating instructions are issued, **members of the health and safety team analyze them together with the workers concerned** to ensure that they **fully understand and absorb the instructions**, thus helping to reduce the risks associated with the activities to be carried out in plants by applying the instructions provided.

¹¹ The “recordable work-related injury rate” is calculated on the basis of 1,000,000 hours worked, according to the following formula: (total recordable work-related injuries/hours worked) * 1,000,000.

¹² The “recordable work-related injury rate” is calculated on the basis of 1,000,000 hours worked, according to the following formula: (total recordable work-related injuries/hours worked) * 1,000,000.

Supporting the well-being of employees

It is crucial for us to enable our employees to be able to work in safety by protecting their health in the workplace, but we believe it is also important to help them take care of their health outside the boundaries of their professional activity. This is why we provide employees **with easy access to healthcare and medical services, through internal initiatives and support from external bodies**. In keeping with this vision, each company in our group offers its employees a range of healthcare benefits thanks to the “metasalute” fund, as per the national metalworkers’ contract, allowing them to benefit from supplementary healthcare services not offered by the National Health Service, meeting the needs of employees. In the last two years we have also offered employees facilitated access to some vaccinations: all employees have for example been offered free flu jabs for more than 15 years.



Preventing cancer with the support of the ANT foundation

In 2022 we began **working with the ANT foundation**, a **non-profit organization that provides specialized care**, on cancer prevention projects. Prevention is essential for reducing risks and possibly finding the disease in time, but it is not always carried out regularly. **Our desire was to facilitate this action by giving employees the opportunity to perform free screenings, on a voluntary basis, during working hours and on the premises of group companies**. We thus wanted to help employees take care of their health by facilitating access to this type of screening. The project has met with great success, and we aim to make it an initiative to be offered annually.

4.3 Know-how and skill development

Our success is driven by the people who participate with passion in the life of the company every day, thanks to the professional skills they put into practice. We therefore believe it is crucial to support the growth of our people with **training that enables them to grow professionally and personally**.

To understand the training needs of our employees and cross-reference them with the needs of the company, we have constructed **skill matrices, updated twice a year**. The goal for coming years is to develop the tool for all offices and all departments. Skills are broken down into macro-categories (technical, departmental, language and IT knowledge), each of which is made up of specific skills that are assessed on six levels:

Expertise not required	Basic skill The employee knows how to perform the task under standard conditions
Skill to be acquired through training	Acquired skill The employee knows how to perform the activity under non-standard conditions
No expertise	In-depth skill The employee is able to teach the activity/task performed

Each skill is then evaluated together with the manager, who will also contribute to the definition of the person’s training goals, identifying targets for each skill considered relevant to improving the employee’s performance and growth. **The training needs emerging from the matrices are collected in order to define which courses need to be given during the year.** Training is provided by external bodies as well as internally by the heads of the various departments or by employees with many years’ experience in the company, and is carried out both online and in-person.

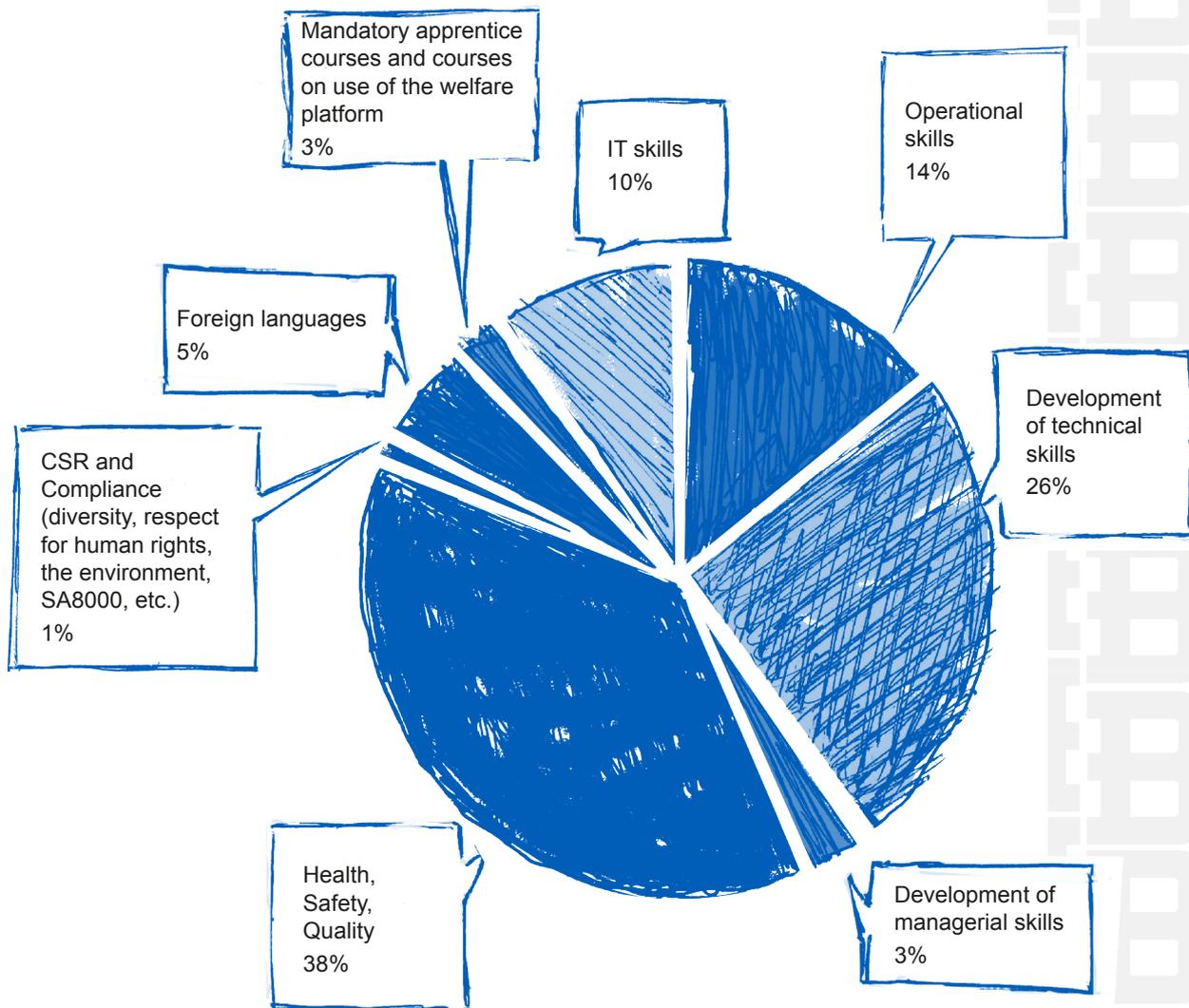
If moreover employees have special training needs that require specialization, **we give them the opportunity to enroll in master’s programs for which we reimburse tuition fees in part or in full** and put aside work days for their participation. We give employees this opportunity, which is an investment for us, as we believe it is necessary to promote their professional development and provide them with the opportunity to acquire new skills and knowledge relevant to their roles in the company. In the 2021-2022 period 3 employees took part in professionalizing master’s courses.

More than **7,300 hours** of training was given **during 2022**, 20% less than in 2021, as there were fewer training gaps than in the previous year, leading to a reduction in the number of training courses offered. In Valbia and Valpres the increase in production volumes meant a greater operational demand, resulting in a reduction in the hours that could be devoted to more general training, instead focusing on technical training.

Based on the training needs emerging from skill matrices, mandatory training and business needs, training courses were conducted in a number of areas:

- **Operational skills**, such as courses on the use of equipment and operation of departments/units.
- **Technical skills**, i.e. courses related to managing one’s work activities.
- **Managerial skills**, for the development of soft skills such as leadership and communication.
- **Foreign languages**, to improve language skills.
- **Health, safety and quality**, with both mandatory and non-mandatory training.
- **IT skills**, for the use of software and management systems.
- Mandatory courses for employees with an apprenticeship contract.
- Courses on using the welfare platform.
- **CSR and compliance**, such as GDPR data protection courses or “Form 231” courses.

Training hours in 2022 by type

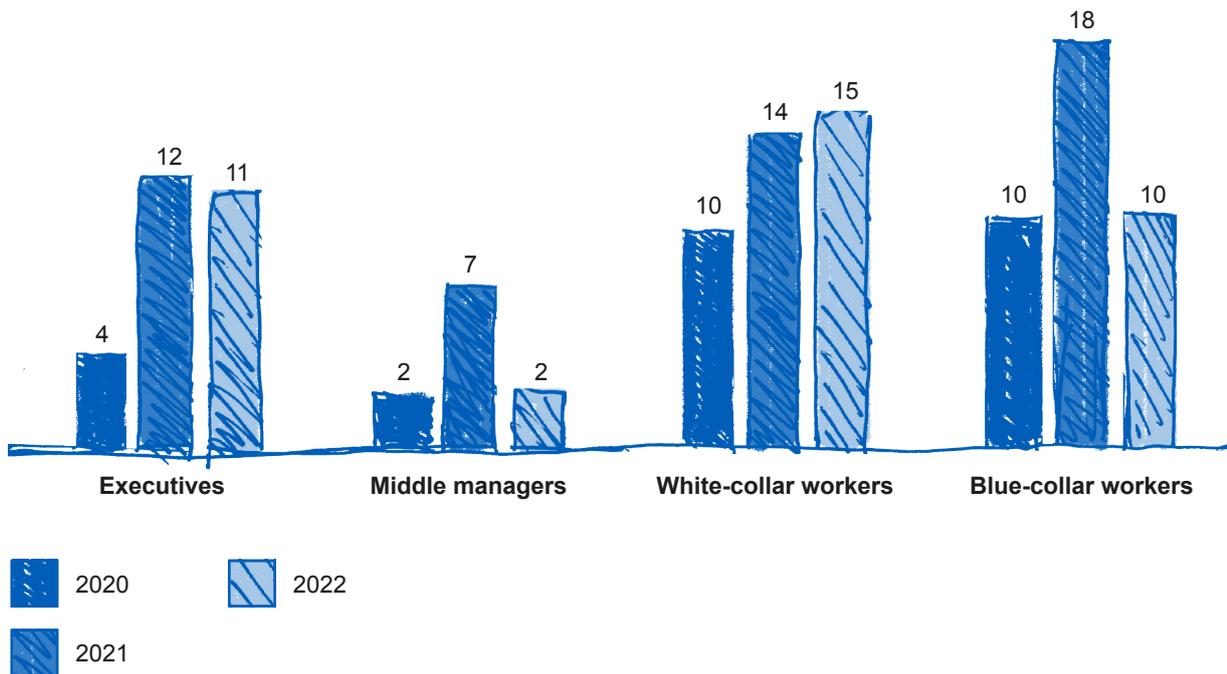


In 2022 training gaps were found with respect to language skills, so we increased training in this area, resulting in a significant increase in this type of course (+138%).

In 2022, blue-collar and white-collar categories had **10 and 15 hours of training per capita, respectively**. We place great emphasis on the training of these employees, as they are largely made up of young employees with a need to develop more skills in order to grow professionally.

Managers also took an active part in training, since being in management we believe it is crucial for them to keep their knowledge up-to-date in order to be able to help their team perform their tasks in an optimal manner.

Average training hours by employee category (h)



We are working to structure training paths in an increasingly systematic way, with the development of a real training plan that includes medium-term goals and a clear vision of the career possibilities within our organization.



The story of the Bonomi Group Academy

Seeking to **attract new talent**, we established the **Bonomi Group Academy** in 2019. This **highly professionalizing training course, designed ad hoc and given by teachers from inside and outside our companies**, has the aim of gradually bringing into our group young people that may lack experience who, by learning different notions, are better prepared for the start of this new professional adventure.

The Academy is aimed at young graduates from all disciplines, involving participants in a **four-week training course**. The courses are conducted by external teachers and by our employees, who can thus contribute by directly transferring their know-how and company philosophy. The courses are designed to develop **technical and operational knowledge**, such as design, mechanical drawing, our products' characteristics, quality, and the use of company systems. At the end of the course, both a group assessment and individual assessment are carried out, after which participants are placed in the most suitable departments and given the opportunity to experience the company in a variety of roles. **Once the rotation is completed, a suitable role for final placement is determined, based on feedback received from managers.**

2,026
Training hours
delivered in 2021
with the Bonomi
Group Academy

In the perspective of a continuous improvement, after collecting the expectations of the participants, we thus **chose to revolutionize the Academy**, having as our target **not only young graduates but also in-house personnel**, with the goal of providing them with all the skills and competencies they need to perform their roles effectively, to meet their growth expectations and reduce the likelihood of them leaving us.

From the first edition to today we have trained 80 people in this way.

We assess our employees' performance

For our companies, the **performance review system plays a critical role in supporting the growth and progress of our employees**. It enables them to have a clear understanding of their accomplishments and opportunities for improvement, and makes a significant contribution to our ongoing efforts for continuous improvement and company growth.

In our companies **RubINETTERIE Bresciane Bonomi, Valbia and Valpres** we have implemented an employee performance evaluation system to assess their individual performance and contribution. This evaluation is carried out annually based on objective and subjective criteria.

Objective aspects	Subjective aspects
<ul style="list-style-type: none"> Employee seniority Position within the organization 	<ul style="list-style-type: none"> Employee's professionalism Flexibility

The **evaluation is carried out by the employee's supervisor/manager**, and forms the basis for the allocation of company bonuses.

We are working on a new appraisal system that not only assesses these aspects but also considers conformity to company values and various soft skills that are essential in performing activities. The most fundamental new element will be the **customization of appraisal items according to the employee's role**, in order to consider all the aspects that are essential for holding a given position. To begin bringing in the new assessment methodology, in 2023 a pilot project will be launched in Valpres which, if successful, will be implemented in other group companies.

**RUBINETTERIE
BRESCIANE**

97%
Of employees
were assessed
in 2022

In 2022, 45% of our companies' employees were assessed, as Quam and Tecnovielle do not apply a review system. Executives and middle managers are the categories that have benefited most from the appraisal system. With the new review system we will seek to extend this process to all employees.

4.4 Promoting the well-being of collaborators

Promoting the well-being of collaborators is a key element of our business strategies, with the aim of building a healthy and fulfilling work environment that recognizes the value and importance of the people that contribute to the company's success and growth. We feel it is essential to create the conditions that will enable them to work in a stimulating and rewarding environment, ensuring an adequate work-life balance to improve their quality of life. To this end, we have undertaken a number of initiatives over the years aimed at achieving this goal.



GYM

Rubinetterie Bresciane has its own gym, which is open to all employees of Group companies located in the vicinity, to promote a healthy and active lifestyle.



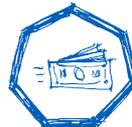
CANTEEN

All companies have a canteen, with the exception of Quam, offering well-balanced meals and choices that cater to everybody's nutritional requirements.



FLEXIBLE WORKING HOURS

We give all employees who do not work shifts the opportunity to start their working day at different times in order to cater to their needs and achieve a better work-home balance.



WELFARE PLATFORM

Each employee is granted a spendable sum using a platform where a number of welfare services are available. In 2022 we gave out an extra €400 to 586 employees to raise their spending power.



NURSERY

We have agreements with 3 local nurseries to facilitate employees who have small children. In order to improve this initiative and allow as many people as possible to gain access to this service, we are drafting a questionnaire to understand which facilities are most easily accessible to them in order to start working with new and more convenient ones.

Our employees also receive a performance bonus at the end of the year, commensurate with their performance. These benefits are given out to all employees, both part-time and full-time, who have permanent employment contracts. We believe these benefits are key to improving the quality of life for our employees and making life in the company more stimulating.



The WELSTEP Network

Created by the president of Bonomi Group and 13 other local companies, the WELSTEP Network is **a network of companies that seeks to spread wellness plans designed for the employees of participating companies**, creating synergies in the local area. The benefits of this initiative are twofold: employees can **obtain benefits aimed at improving their quality of life**, while **companies can improve the climate in the company and employee loyalty**.

Companies that are part of the network meet at least twice a year and, coordinated by our human resources managers, discuss benefits and initiatives that have been successful among collaborators. An example is our agreement with daycare centers, which we initiated and was then taken up by other companies in the network. Companies are thus able to benefit from this continuous dialogue and undertake welfare initiatives that are truly appreciated and effectively implemented.

4.5 Supporting local communities

We want to be not only an economic player, but also a positive and constructive contributor to the areas in which we operate, supporting local communities and generating a positive social impact. We cooperate with associations and nonprofit organizations chosen on the basis of specific time periods, events and community needs.

In 2022 we assisted the community and the local area by supporting associations and nonprofit organizations in the following areas:

Donations	Support for public services	Donations to local bodies such as parishes, nursery schools, civil defense and fire-fighting departments in order to help develop public services that can meet the needs of local communities.
	Charity and medical research	Donations to foundations or organizations operating in the spheres of medical care or scientific research to combat specific diseases and improve people's health and well-being.
	Emergency situations	Donations intended to provide immediate aid and support to associations involved in helping people in emergency situations.
	Social foundations and organizations	Donations to nonprofit entities engaged in social, welfare, cultural and educational activities that benefit the community. These organizations work to improve the quality of life of people who are disadvantaged, vulnerable or in need of help.
	Art and culture	Donations to cultural and artistic institutions, organizations or projects, such as museums, theaters, festivals, fine arts institutes, promoters of literature, music, dance and other art forms. These donations help preserve and promote the cultural and artistic heritage of communities.

Sponsorships in favor of entities/companies are another way of showing our commitment to supporting the community and contributing to the social and economic progress of the local areas in which we operate. We sponsor a number of associations, with the goal of investing in the construction of a stronger and more resilient community and being part of meaningful initiatives that bring tangible benefits to the communities in which we operate.

Sponsorships	Support for culture and education	We have allocated funds to support cultural associations and educational centers for promoting artistic, historical and musical activities. We have also invested in projects to offer educational programs aimed at fostering personal growth and skill acquisition.
	Enhancement of sports and wellness	We believe that sports play a crucial role in promoting the physical and mental well-being of the community. We have therefore sponsored local sports groups and associations to encourage active sport and an active lifestyle.

Tables of indicators

GRI 201-1 direct economic value directly generated and distributed		
Economic value (euro)	2021	2022
Directly generated economic value	€266,248,167	€322,245,915
Operating costs	€164,249,799	€200,494,859
Salaries and employee benefits	€39,203,746	€43,376,001
Payments to capital providers	€1,432,718	€2,674,067
Payments to the public administration	€7,716,408	€12,495,717
Economic value distributed	€212,602,671	€259,040,644
Economic value retained	€53,645,496	€63,205,271

N.B. The data represented refer to the Bonomi Group's consolidated financial statements, thus including all group companies and not limited to the data of the companies reported in this sustainability report.

GRI 301-1 materials used by weight or volume			
Materials used (t)	2020	2021	2022
Non-renewable materials used	14,175	17,140	17,490
Raw material - metal	10,951	14,466	14,273
Semi-finished products or components - metal	2,898	2,428	2,844
Semi-finished products or components - electronic boards	3	2	2
Semi-finished products or components - plastic	108	113	133
Associated process materials - oils and lubricants	44	58	63
Packaging materials - plastic packaging	171	74	174
Renewable materials used	372	402	403
Packaging materials - wood	122	96	86
Packaging material - cardboard	250	306	317
Total	14,547	17,542	17,893

GRI 301-2 recycled input materials used			
Recycled input materials (t)	2020	2021	2022
Total inputs used	14,547	17,542	17,893
Total input materials recovered	274	344	356
Percentage of recycled input materials (%)	2%	2%	2%

GRI 302-1 energy consumption within the organization			
Energy consumption (GJ)	2020	2021	2022
Direct energy consumption	25,365	33,588	33,434
From non-renewable sources	18,292	19,996	19,197
Natural gas	18,274	19,977	19,172
LPG	18	19	25
Fuel consumption for the company fleet	1,028	2,819	3,055
Gasoline	31	25	23
Diesel	997	2,794	3,032
Self-generated solar energy	6,046	10,774	11,183
of which self-consumed	4,558	8,577	8,666
of which sold in/to grid	1,488	2,197	2,517
Indirect energy consumption	36,302	42,209	42,365
Electricity purchased	36,302	42,209	42,365
From non-renewable sources	36,107	42,015	42,168
From renewable sources	195	194	198
Total energy consumption	61,667	75,798	75,800

GRI 305-1 direct GHG emissions (scope 1); 305-2 indirect GHG emissions (scope 2)			
Emissions of CO₂e direct and indirect (t CO₂e)	2020	2021	2022
Direct emissions (scope 1)	1,108	1,345	1,315
From non-renewable sources	1,031	1,132	1,087
Natural gas	1,029	1,131	1,085
LPG	1	1	2
From corporate vehicles	78	212	228
Gasoline	2	2	2
Diesel	75	211	226
Indirect emissions (scope 2) - location based	2,801	3,048	3,060
Total indirect energy consumption	2,801	3,048	3,060
Electricity purchased	2,801	3,048	3,060
Total emissions (scope 1 + scope 2)	3,909	4,393	4,375

N.B. Scope 1 and Scope 2 emissions of CO₂e were calculated using ISPRA 2020 emission factors for 2020 values, ISPRA 2021 for 2021 values and ISPRA 2022 for 2022 values.

GRI 303-3 water withdrawal						
Water withdrawal, by source and type (ML)	2020		2021		2022	
	Total	of which from water-stressed areas	Total	of which from water-stressed areas	Total	of which from water-stressed areas
Groundwater	288	283	289	284	289	284
Freshwater	288	288	289	289	289	289
Third-party water resources	13	0	13	0	14	0
Freshwater	13	0	13	0	14	0
Total water withdrawal	301	283	302	284	302	284

N.B.
Water withdrawal for Tecnovielle activities has not been not included here, as data are not available to date.

GRI 306-3 waste generated (t)			
Waste generated by type	2020	2021	2022
Hazardous waste	877.0	1,178.1	1,101.6
Waste generated from metal and plastic processing	8.0	8.9	5.9
Oils and solvents	52.7	54.6	51.2
Emulsions	624.1	744.2	788.7
Packaging	1.3	1.9	1.7
Discontinued equipment	1.2	1.8	2.0
Chemicals and laboratory materials	0.0	0.1	0.0
Aqueous washing solutions	177.1	351.4	236.7
Gas in pressure vessels	0.0	0.0	0.1
Absorbent material	12.7	15.3	14.9
Aqueous liquid wastes	0.0	0.0	0.3
Mercury-containing waste	0.0	0.0	0.1
Non-hazardous waste	1,028.1	1,203.0	1,137.0
Waste from metals (zinc. copper. bronze. aluminum. brass)	428.2	491.3	399.2
Waste generated from metal and plastic processing	170.4	218.7	218.0
Packaging	327.2	446.0	453.4
Absorbents. filter materials	0.0	0.0	14.5
Discontinued equipment	79.5	45.5	26.6
Aqueous liquid wastes	10.9	0.3	5.5
Plastic	9.9	0.0	0.0
Construction and demolition waste	0.0	1.2	2.7
Waste from sewer cleaning	0.0	0.0	16.7
Mercury-containing waste	0.1	0.0	0.0
Glass	2.0	0.0	0.5
Total waste produced	1,905.1	2,381.1	2,238.6

GRI 306-4 waste diverted from disposal (t)			
Waste diverted from disposal by composition	2020	2021	2022
Hazardous waste	389.7	531.2	583.0
Oils and solvents	47.8	46.2	44.2
Packaging	1.3	1.9	1.7
Absorbent material	12.6	15.2	14.9
Waste generated from metal and plastic processing	8.0	8.9	5.9
Discontinued equipment	1.1	1.8	2.0
Aqueous washing solutions	0.0	0.0	0.9
Mercury-containing waste	0.0	0.0	0.1
Emulsions	319.0	457.2	513.3
Gas in pressure vessels	0.0	0.0	0.1
Non-hazardous waste	1,027,9	1,202,6	1,128,4
Waste from metals	428.2	491.3	399.2
Aqueous liquid wastes	10.9	0.0	0.0
Packaging	327.0	445.9	450.3
Waste generated from metal and plastic processing	170.4	218.7	218.0
Glass	2.0	0.0	0.5
Discontinued equipment	79.5	45.5	26.6
Plastic	9.9	0.0	0.0
Mercury-containing waste	0.1	0.0	0.0
Absorbents. filter materials	0.0	0.0	14.5
Construction and demolition waste	0.0	1.2	2.7
Waste from sewer cleaning	0.0	0.0	16.7
Total waste	1,417,6	1,733,8	1,711,4

GRI 306-4 waste diverted from disposal (t)			
Waste not landfilled by recovery mode	2020	2021	2022
Hazardous waste	389.7	531.2	583.0
Preparation for reuse	38.7	40.0	46.1
Storage of waste	351.0	491.2	536.9
Non-hazardous waste	1,027.9	1,202.6	1,128.4
Preparation for reuse	537.4	577.6	489.1
Recycling	239.4	289.2	290.2
Storage of waste	251.1	335.8	349.1
Total waste	1,417.6	1,733.8	1,711.4

GRI 306-5 waste directed to disposal (t)			
Waste directed to disposal landfills by composition	2020	2021	2022
Hazardous waste	487.3	646.9	518.5
Oils and solvents	4.9	8.3	7.0
Absorbent material	0.1	0.1	0.1
Aqueous washing solutions	177.1	351.4	235.8
Packaging	0.1	0.0	0.0
Emulsions	305.1	287.0	275.3
Laboratory chemicals	0.0	0.1	0.0
Discontinued equipment	0.1	0.0	0.0
Aqueous liquid wastes	0.0	0.0	0.3
Non-hazardous waste	0.3	0.5	8.6
Packaging	0.3	0.1	3.1
Batteries and accumulators	0.0	0.04	0.0
Aqueous liquid wastes	0.0	0.3	5.5
Total waste	487.6	647.4	527.2

GRI 306-5 waste directed to disposal (t)			
Waste directed to disposal, by disposal operation	2020	2021	2022
Hazardous waste	487.3	646.9	518.5
Landfilling	0.5	0.5	0.4
Other disposal operations	486.8	646.4	518.1
Non-hazardous waste	0.3	0.5	8.6
Landfilling	0.3	0.5	8.6
Total waste	487.6	647.4	527.2

GRI 2-7 employees									
Employees by type of employment	2020			2021			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Total	447	108	555	462	111	573	501	119	620
Full-time	434	94	528	449	95	544	489	102	591
Part-time	13	14	27	13	16	29	12	17	29

GRI 2-7 employees									
Employees by contract type	2020			2021			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Total	447	108	555	462	111	573	501	119	620
Permanent employees	432	105	537	448	108	556	472	114	586
Temporary employees	15	3	18	14	3	17	29	5	34

N.B. There are no employees on “non-guaranteed hours” contracts in our companies.

GRI 2-7 employees									
Employees with disabilities	2020			2021			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Total	27	4	31	24	5	29	25	5	30
Employees with disabilities	26	4	30	23	5	28	24	5	29
Other protected categories/members of other minority groups	1	0	1	1	0	1	1	0	1

GRI 2-8 workers who are not employees									
Workers who are not employees	2020			2021			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Total employees	447	108	555	462	111	573	501	119	620
Total non-employee workers	63	16	79	82	15	97	83	9	92
Temporary workers	32	0	32	46	0	46	44	0	44
Contract workers	28	15	43	34	14	48	34	7	41
Contractors	3	1	4	2	1	3	4	2	6
Apprentices	-	-	-	-	-	-	1	-	-
Total workers	510	124	634	544	126	670	584	128	712

GRI 2-30 collective bargaining agreements									
Employees covered by collective bargaining agreements	2020			2021			2022		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Employees covered by collective bargaining agreements	447	108	555	462	111	573	501	119	620
Total employees	447	108	555	462	111	573	501	119	620
Percentage of employees covered by collective bargaining agreements	100%								

GRI 401-1 new employee hires and turnover									
Total new hires and terminations by contract type and gender	2020			2021			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Total Hires	63	11	74	62	11	73	81	20	101
Permanent employees	39	9	48	37	8	45	50	15	65
Temporary employees	24	2	26	25	3	28	31	5	36
Total Terminations	25	10	35	47	8	55	42	12	54
Permanent employees	20	10	30	37	8	45	34	12	46
Temporary employees	5	0	5	10	0	10	8	0	8
Employee hire rate	-	-	-	13%	10%	13%	16%	17%	16%
Employee turnover	-	-	-	11%	7%	10%	9%	11%	9%

N.B. There are no employees on “non-guaranteed hours” contracts.

The employee hire rate is calculated as the ratio of personnel hired in the reference year to personnel employed in the previous year.

Employee turnover is calculated as the ratio of personnel leaving the group in the reference year to personnel employed in the previous year.

The hire rate and employee turnover data are not available for 2020, since data on all employees are not available for 2019.

GRI 401-1 new employee hires and turnover												
Total new hires and terminations by contract type and age	2020				2021				2022			
	<30	30-50	> 50	Total	<30	30-50	> 50	Total	<30	30-50	> 50	Total
Total hires	44	27	3	74	45	24	4	73	56	32	13	101
Permanent employees	29	17	2	48	29	13	3	45	42	15	8	65
Temporary employees	15	10	1	26	16	11	1	28	14	17	5	36
Total terminations	3	20	12	35	19	19	16	54	24	20	10	54
Permanent employees	0	18	12	30	12	15	16	43	21	17	8	46
Temporary employees	3	2	0	5	7	4	0	11	3	3	2	8
Employee hire rate	-	-	-	-	33%	8%	3%	13%	35%	11%	8%	16%
Employee turnover	-	-	-	-	16%	6%	12%	10%	18%	7%	7%	9%

N.B. There are no employees on “non-guaranteed hours” contracts.
The employee hire rate is calculated as the ratio of personnel hired in the reference year to personnel employed in the previous year.
Employee turnover is calculated as the ratio of personnel leaving the group in the reference year to personnel employed in the previous year.
The hire rate and employee turnover data are not available for 2020, since data on all employees are not available for 2019.

GRI 403-9 work-related Injuries									
Recordable work-related injuries (n) - employees	2020			2021			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
While working	7	0	7	10	0	10	11	1	12
While commuting	0	0	0	0	1	1	2	1	3
Total	7	0	7	10	1	11	13	2	15
Hours worked (h)	752,831	150,875,65	937,534	868,967	173,786	1,087,211	904,231	178,766	1,136,397
Work-related injury rate	9.30%	0.00%	7.47%	11.51%	0.00%	9.20%	12.17%	5.59%	10.56%
Recordable work-related injuries (n) - workers who are not employees	2020			2021			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
While working	1	1	2	4	1	5	4	1	5
While commuting	0	0	0	1	0	1	1	0	1
Total	1	1	2	5	1	6	5	1	6
Hours worked (h)	64,949	28,271	93,220	126,952	25,045	151,997	143,720	20,626	164,346
Work-related injury rate	15.40%	35.37%	21.45%	31.51%	39.93%	32.90%	27.83%	48.48%	30.42%

N.B. there were no work-related fatalities or injuries with serious consequences; these rates are thus 0%.
The "Recordable work-related injury rate" is calculated on the basis of 1,000,000 hours worked, according to the following formula: (total recordable work-related injuries/hours worked) * 1,000,000.

GRI 404-1 average hours of annual training per employee									
Average hours of training, by gender and category	2020			2021			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Total	11	4	10	18	6	16	13	7	12
Executives	6	1	4	10	14	12	8	16	11
Middle managers	2	-	2	7	-	7	2	-	2
White-collar workers	11	7	10	17	6	14	17	10	15
Blue-collar workers	12	0	10	20	5	18	11	4	10

GRI 404-3 percentage of employees receiving regular performance and career development reviews

Percentage of employees receiving regular performance and career development reviews, by gender and category	2020			2021			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Executives	40%	20%	30%	40%	20%	30%	67%	50%	60%
Middle managers	83%	-	83%	88%	-	88%	89%	-	89%
White-collar workers	54%	35%	49%	53%	37%	49%	51%	44%	49%
Blue-collar workers	51%	13%	46%	49%	13%	44%	45%	12%	40%
Total	53%	25%	47%	51%	26%	46%	48%	30%	45%

GRI 405-1 diversity of governance bodies and employees

Employees by category and gender	2020			2021			2022		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Executives	5	5	10	5	5	10	3	2	5
Middle managers	6	0	6	8	0	8	9	0	9
White-collar workers	169	57	226	172	60	232	182	66	248
Blue-collar workers	267	46	313	277	46	323	307	51	358
Total (no.)	447	108	555	462	111	573	501	119	620

GRI 405-1 diversity of governance bodies and employees

Employees by category and age	2020				2021				2022			
	<30	30-50	> 50	Total	<30	30-50	> 50	Total	<30	30-50	> 50	Total
Executives	0	5	5	10	0	6	4	10	0	1	4	5
Middle managers	0	3	3	6	0	3	5	8	0	3	6	9
White-collar workers	49	129	48	226	51	135	46	232	57	134	57	248
Blue-collar workers	69	166	78	313	85	156	82	323	104	158	96	358
Total (no.)	118	303	134	555	136	300	137	573	161	296	163	620

GRI 405-1 diversity of governance bodies and employees

Members of governance bodies by gender and age	2021			2022		
	Male	Female	Total	Male	Female	Total
<30	-	-	-	-	-	-
from 30 to 50	2	2	4	2	2	4
> 50	2	-	2	2	-	2
Total	4	2	6	4	2	6

GRI Content Index

Statement of Use	Bonomi Group has reported the information cited in this GRI content index for the period 01/01/2022 to 12/31/2022 “with reference to” the GRI Standards
GRI 1 used	GRI 1: core principles 2021
GRI Sector applicable standards	N/A - awaiting publication of the industry-specific standard

GRI Standard	Disclosure	Reference paragraph and notes
GRI 2: General disclosures 2021	2-1 Organizational details	Methodological note
	2-2 Entities included in the organization's sustainability reporting	Methodological note
	2-3 Reporting period, frequency and point of contact	Methodological note
	2-4 Review of information	Methodological note
	2-5 External assurance	<i>These financial statements are not subject to auditing</i>
	2-7 Employees	The people that experience the company first hand; Diversity, equal opportunity and inclusion; GRI indicator tables
	2-8 Workers who are not employees	The people that experience the company first hand; GRI indicator tables
	2-9 Governance structure and composition	Group governance
	2-14 Role of the highest governance body in sustainability reporting	Methodological note
	2-27 Compliance with laws and regulations	Group governance
	2-28 Membership of Associations	Growing together with our stakeholders
	2-29 Approach to stakeholder engagement	Growing together with our stakeholders
2-30 Collective bargaining agreements	GRI indicator tables	
Material topics		
GRI 3: material topics 2021	3-1 Process for determining material topics	Our sustainability priorities
	3-2 List of material topics	Our sustainability priorities

Energy and emissions		
GRI 3: material topics 2021	3-3 Management of material topics	Combating climate change
GRI 302: energy 2016	302-1 Energy consumed within the organization.	Combating climate change; GRI indicator tables
	302-3 Energy intensity	Combating climate change; GRI indicator tables
GRI 305: emissions 2016	305-1 Direct GHG emissions (scope 1)	Combating climate change; GRI indicator tables
	305-2 Indirect GHG emissions (scope 2)	Combating climate change; GRI indicator tables
Water consumption		
GRI 3: material topics 2021	3-3 Management of material topics	Water resource management
GRI 303: water and effluents 2018	303-3 Water Withdrawal	Water resource management; GRI indicator tables
Circularity of processes		
GRI 3: material topics 202	3-3 Management of material topics	Promotion of circular processes
GRI 306: waste 2020	306-1 Waste generation and significant waste-related impacts.	Promotion of circular processes
	306-2 Management of significant waste-related impacts.	Promotion of circular processes
	306-3 Waste generated	Promotion of circular processes; GRI indicator tables
	306-4 Waste diverted from disposal	Promotion of circular processes; GRI indicator tables
	306-5 Waste directed to disposal.	Promotion of circular processes; GRI indicator tables

Health and safety		
GRI 3: material topics 2021	3-3 Management of material topics	The health and safety of collaborators
GRI 403: occupational health and safety 2018	403-1 Occupational health and safety management system	The health and safety of collaborators
	403-2 Identification of hazards, risk assessment and accident investigation	The health and safety of collaborators
	403-4 Worker participation and consultation and communication on occupational health and safety	The health and safety of collaborators
	403-5 Training of workers in the sphere of occupational health and safety	The health and safety of collaborators
	403-6 Workers' health promotion	The health and safety of collaborators
	403-7 Prevention and mitigation of occupational health and safety impacts in trading relationships	The health and safety of collaborators
	403-8 Workers covered by an occupational health and safety management system.	The health and safety of collaborators
	403-9 Work-related injuries.	The health and safety of collaborators; GRI indicator tables
	403-10 Occupational diseases.	The health and safety of collaborators; GRI indicator tables
People's well-being and involvement		
GRI 3: material topics 2021	3-3 Management of material topics	Know-how and skill development
GRI 404: training 2016	401-1 New employee hires and turnover	Know-how and skill development; GRI indicator tables
	404-3 Percentage of employees receiving periodic performance and career development reviews	Know-how and skill development; GRI indicator tables
People's well-being and involvement		
GRI 3: material topics 2021	3-3 Management of material topics	Promoting the well-being of collaborators
GRI 401: employment 2016	401-1 New employee hires and turnover	Promoting the well-being of collaborators; GRI indicator tables
	401-2 Benefits for full-time employees that are not available for temporary or part-time employees	Promoting the well-being of collaborators

Supporting local communities		
GRI 3: material topics 2021	3-3 Management of material topics	Supporting local communities
GRI 201: economic performance 2016	201-1 Directly generated and distributed economic value	Our approach to sustainability, growing together with our stakeholders; GRI indicator tables
Diversity, equal opportunities and inclusion		
GRI 3: material topics 2021	3-3 Management of material topics	Diversity, equal opportunities and inclusion
GRI 405: diversity and inclusion 2016	405-1 Diversity of governance bodies and employees	Diversity, equal opportunity and inclusion; GRI indicator tables
GRI 406: non-discrimination 2016	406-1 Cases of discrimination and corrective measures taken	No episodes of discrimination were reported in the three-year period.
High-performance, sustainable products		
GRI 3: material topics 2021	3-3 Management of material topics	High-performance, sustainable products
GRI 301: materials 2016	301-1 Materials used by weight or volume	High-performance, sustainable products; GRI indicator tables
	GRI 301-2 Recycled input materials used	GRI indicator tables
GRI 416: customer health and safety 2016	416-2 Episodes of non-compliance regarding health and safety impacts of products and services	No cases of non-compliance were reported during the reporting period.
Product and process innovation		
GRI 3: material topics 2021	3-3 Management of material topics	Use of innovative products and processes
Responsible supply chain management		
GRI 3: material topics 2021	3-3 Management of material topics	Responsible supply chain management
Cybersecurity		
GRI 3: material topics 2021	3-3 Management of material topics	Group governance, intensifying cybersecurity
GRI 418: customer privacy 2016	418-1 Proven complaints regarding customer privacy breaches and data loss	Group governance, intensifying cybersecurity
Prerequisite - ethical conduct		
GRI 205: anti-corruption 2016	205-3 Established episodes of corruption and actions taken	Group governance

