



# *Valland Sustainability Report* *Year 2023*

*Towards a Sustainable Future: Innovating for Change.*



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# 1

## **Message from our Managing Director**

Dear Fellow Stakeholders,

the year 2023 has been characterized by extraordinary global challenges. The ongoing geopolitical instability, particularly the war in Ukraine, has had significant consequences on the global energy context, disrupting supply chains and exacerbating the volatility of raw material costs. These have led to a challenging environment, especially for industries in the Oil&Gas sector where stability and reliability are critical.

Despite these pressures, Valland has remained resilient and committed to its mission, not only by continuing to serve its clients with the highest standards of quality and dependability, but also reinforcing its foundations. While we are operating in an increasingly unpredictable global market, we remain firmly anchored in our local communities and in the relationships that drive our daily operations. Our partnerships with local suppliers have been key in ensuring the continuity of our supply chain and in promoting the resilience of our network. By focusing on local sourcing and supporting regional economies, Valland has been able to minimize disruptions, maintain supply stability, and ensure that our clients continue to receive the products and services they rely on.

In the face of these challenges, our commitment to sustainability has never



been more urgent. The impact of the war, coupled with the growing climate crisis, has underscored the need for long-term solutions that prioritize both energy security and environmental responsibility. This year, Valland has accelerated its sustainability efforts, including the expansion of our Additive Manufacturing capabilities.

At the same time, we have placed significant focus on evaluating our own carbon footprint. We are adhering to international standards like ISO 14040/14044 and ISO 14064/14067, ensuring that our operations are aligned with global sustainability goals. These

actions, coupled with our commitment to transparency and continuous improvement, reflect our determination to make a meaningful impact in the fight against climate crisis.

Looking ahead, Valland is more determined than ever to contribute to the energy transition. While global energy markets face unprecedented uncertainty, we are focused on strengthening our role in driving sustainable practices within the Oil&Gas industry.

Thank you for your continued support and partnership as we navigate these challenging times together. Our commitment to a sustainable, secure, and prosperous future remains steadfast.



# 2

## Driving Sustainability: Company Profile, Operations, Governance and Strategy

### 2.1 General Introduction

[GRI 2-1] [GRI 2-2] [GRI 2-3] [GRI 2-4] [GRI 2-5]

Valland SpA has been established in 2006 in Piantedo (Province of Sondrio, Italy), at Via Roccoli No. 252, by experts with over 30 years of experience in the valve industry, and it has engineered state-of-the-art solutions for **offshore environments and subsea applications**. Valland is a privately held, unlisted Company consisting of a single legal entity, and is a manufacturer specializing in **high-quality, custom-made ball, gate, and check valves**, delivered all over the world. For further information, please visit: <http://www.valland.it/>

Since 2021, our Company has been preparing Sustainability Reports annually, and this is the **third Report**, covering the period January 1st –



December 31st, 2023. The reporting period of the Sustainability Report is the same as that of the Financial Statement. The document has been prepared with the technical and methodological support of Eartha Srl and of Studio Roberto





Marini Design for layout and graphics. For further technical information, please contact **Dr. Alex Giorgini, R&D Manager**, ([alex.giorgini@valland.it](mailto:alex.giorgini@valland.it)) and **Dr. Luca Nonini, Sustainability Analyst** ([luca.nonini@valland.it](mailto:luca.nonini@valland.it)).

The Sustainability Report has been prepared by the Company on a **voluntary basis with reference to the Standards of the Global Reporting Initiative (GRI)** (<http://www.globalreporting.org/>), which is an independent and international organization that helps businesses and other organizations, regardless of their type and size, to analyse and report on their most significant impacts on the environment, economy and people – including human rights – in a comparable and credible way, increasing transparency on their contribution to sustainable development. The Sustainability Reporting Guidance for the Oil&Gas industry edited by **IPIECA**<sup>a</sup> in collaboration with **API**<sup>b</sup> and **IOGP**<sup>c</sup> have been also used for reference. Compared to the previous two Reports, this last one has been improved as it concerns the materiality analysis, the analysis of the material areas and the calculation of the greenhouse gas emissions, mainly for Scope 3 categories. For GHG emissions inventory, to improve the accuracy of the

a. International Petroleum Industry Environmental Conservation Association.  
 b. American Petroleum Institute.  
 c. International Association of Oil & Gas Producers.



results, we have used a tool specifically developed by Eartha Srl.

The document has not been subject to external assurance.



## 2.2 Profile and Activities: Driving Sustainability Forward

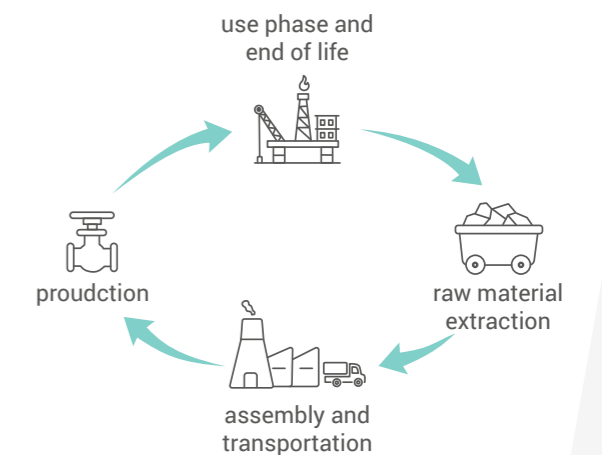
[GRI 2-6] [GRI 2-7] [GRI 2-8]

Our company focuses on the Oil&Gas exploration and production sectors, including subsea and transmission, as well as other specialized services for industrial applications. Nowadays, Valland is renowned for its **client-centric approach**, achieving outstanding performance through continuous improvement and technical expertise. Our primary goal is to provide customers with the best products, incorporating **cutting-edge solutions** and ensuring **timely delivery**. Over the past two decades, we have built a strong network



of partners and local vendors, enabling us to manage each step of the purchasing and manufacturing process effectively.

Further to that, since 2016, Valland has been experimenting with **Additive Manufacturing (AM)** technologies, both **metallic** (e.g., Binder Jetting, Powder Bed Fusion, WAAM) and **polymeric** (FDM of pure and composite materials,

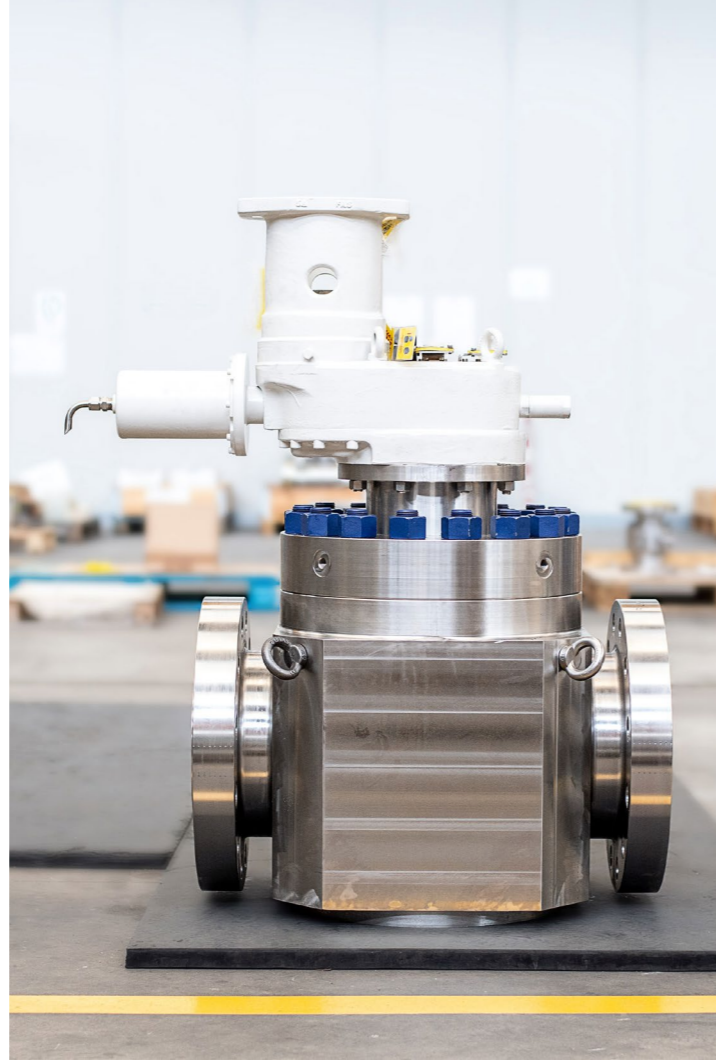




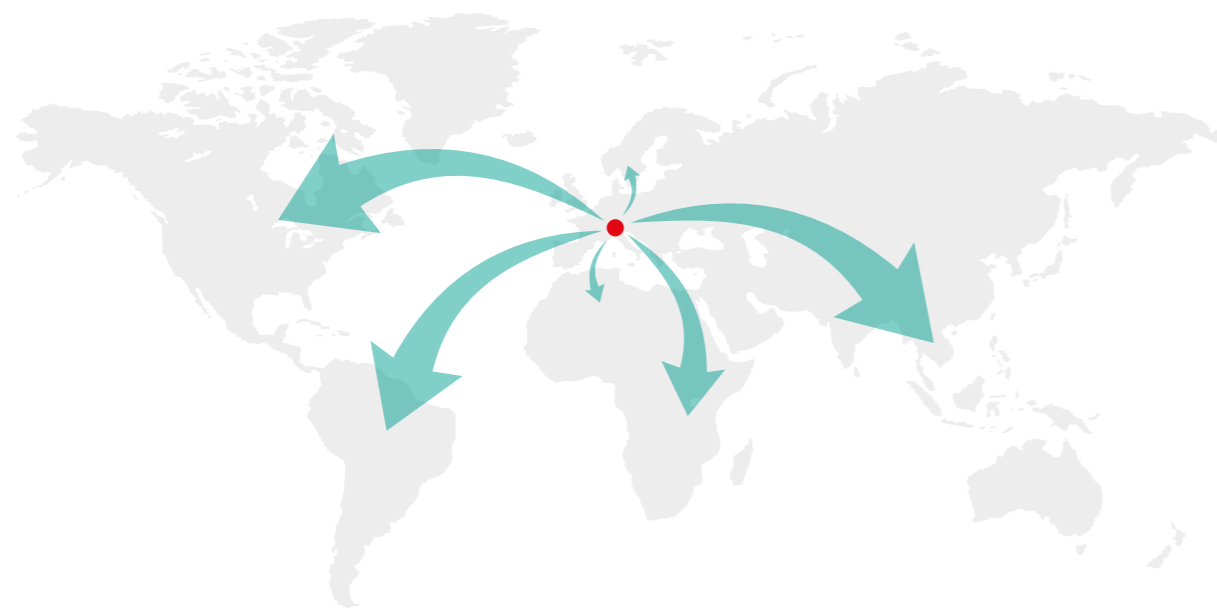
hot-chamber FDM 3D printers for high-performance techno polymers, and photopolymerization of resins). The activities, started with the support of external partners, have opened new opportunities in synergy with our core business to produce components for both Oil&Gas valves, as well as new applications in the broader Energy and Design world.

The R&D process is an ongoing activity at Valland; we work to merge field proven experience together with up-to-date computer aided design programs to perform **Finite Element Analysis (FEA)**. We also elaborate **Safety Integrity Level (SIL)** and **Safety Analysis Report (SAR)**. R&D activity is interactive where we encourage the participation on behalf of the client's technicians and engineers.

We firmly believe that Innovation is the






key enabling in shaping a sustainable future for our planet, society, and economy.



### 2.2.1 Our Core Values



### 2.2.2 Mission

-  To provide solutions that fully realize the client's vision, ensuring the highest levels of quality and reliability through consistent and outstanding results.
-  To develop and sustain a network of trust and respect throughout the supply chain, ensuring stability and continuity for all involved parties.
-  To promote environmental and social value of the territory in which we operate.



### 2.2.3 Vision

- Benchmark for reliable solutions.
- Trustworthy and sustainable cooperation within the supply chain and local communities.
- Advancing the technological edge over competitors through ongoing innovation.WWW
- Value creation for the Stakeholders and society.

We are committed to conducting business in accordance with the highest standards of ethics and integrity. We strongly believe that serving our clients and **taking care of our community** are not only integral to running our business successfully, but it is part of our



individual responsibilities as citizens of the world. It is our belief that we should give back to society and communities which has helped Valland to attain its success, and we continuously do this by

**supporting not-for-profit initiatives** in favour of deprived and needy members of the society worldwide.

point out the following (head count method, applied at the end of the reporting period):

Regarding the employees workers, we

Table 1: Type of employee workers and classification for gender and geographical area.

Type of employee worker	Gender		Geographical area	
	Male (n; %)	Female (n; %)	Sondrio Province (n; %)	Other (n; %)
Total	44 (69.8%)	19 (30.2%)	39 (61.9%)	24 (38.1%)
Permanent	36 (70.6%)	15 (29.4%)	33 (64.7%)	18 (35.3%)
Temporary	8 (66.7%)	4 (33.3%)	6 (50.0%)	6 (50.0%)
Non-guaranteed hours	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)
Full time	43 (70.5%)	18 (29.5%)	37 (60.7%)	24 (39.3%)
Part time	1 (50.0%)	1 (50.0%)	2 (100.0%)	0 (0.0%)

There is no information to report regarding non-employee workers.

During the reporting period and between reporting periods there have been no significant changes in the number of employees.





## 2.3 Sustainability through Collaboration: Business Relationships and Value Chain

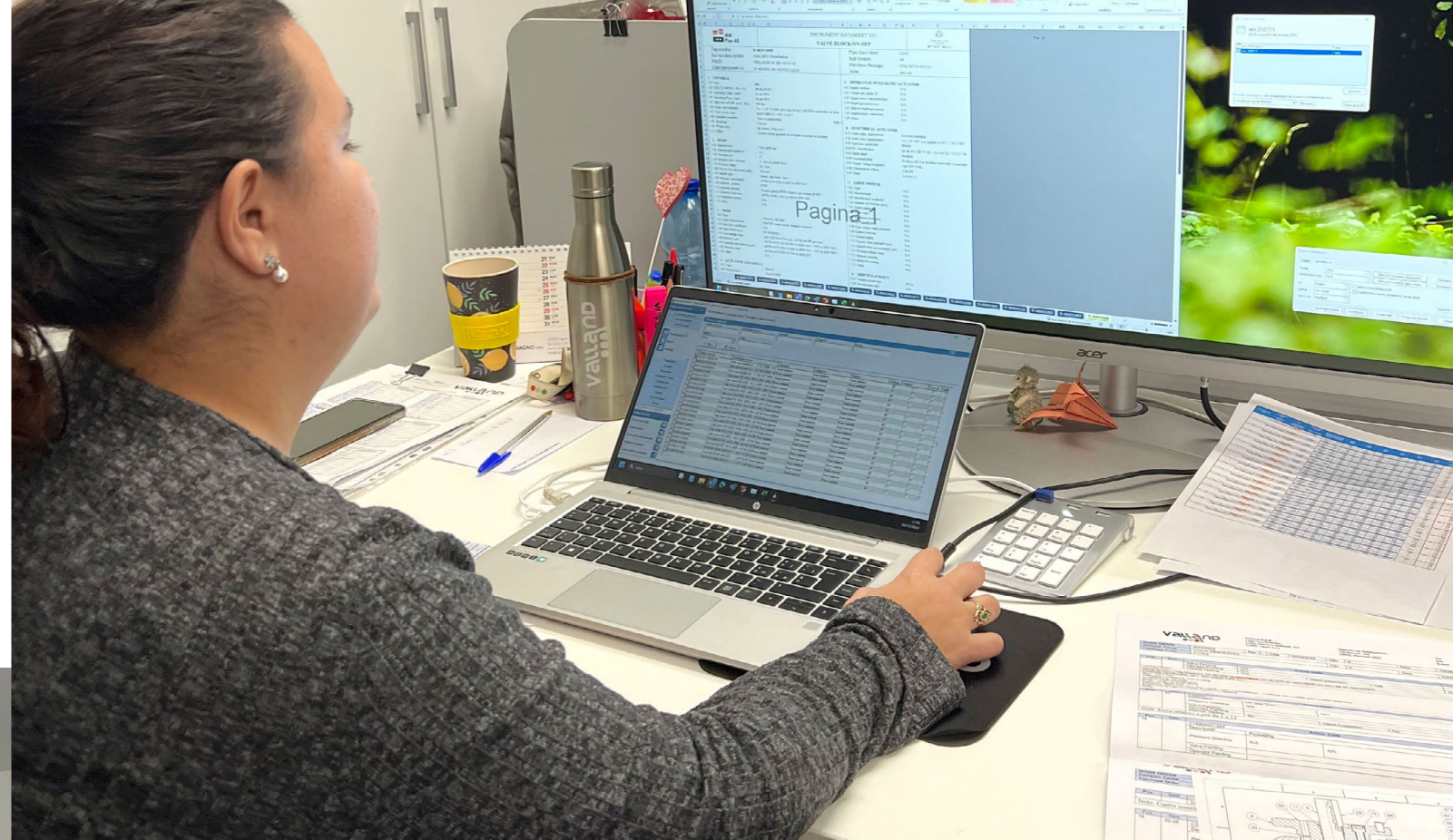
[GRI 2-6]

Valland maintains a wide network of business relationships with partners, suppliers, and companies throughout its value chain all over the world. These relationships are generally based on long-term contracts and focus on different types of collaborations, covering multiple aspects of production, technical support, and material supply and final products use. These business relationships include:

- **Suppliers**, providing raw materials, mechanical components, and AM technologies.
- **Partners** (private and public companies), to collaborate in Projects focused on AM technology and advanced materials production.
- **Distributors**, to ensure the global delivery of finished products.
- **Clients** of sold products.
- **Certification bodies and consultancy providers**, to ensure compliance with safety standards, including the preparation of SIL and SAR.



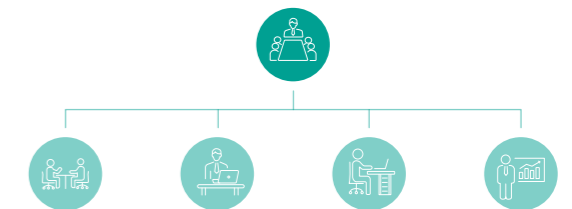
Compared to the previous reporting period, there have been no substantial changes.



## 2.4 Shaping Responsible Leadership and Decision-Making

[GRI 2-9] [GRI 2-10] [GRI 2-11] [GRI 2-12] [GRI 2-13] [GRI 2-14] [GRI 2-15] [GRI 2-16] [GRI 2-17] [GRI 2-18]

The **governance** of the Company consists of the Shareholders and the Board of Directors (BoD). The Shareholders is the decision-making body that approves the Financial Statements, nominates the corporate bodies, amends the bylaws, ensuring the Company's strategic control. The BoD is the governing body that guides and approves the direction, vision, mission, and values of



the Company, defining strategies and investment and development plans. Giacomo Andrea Mondora and Joseph Rosso are the CEO and President, and



the advisor of the BoD, respectively. The advisor also owns a personal service company. Both of them have fifty years of experience in the Oil&Gas sector.

The BoD is nominated by the Shareholders. The Chair of the BoD, also acting as a senior manager, bridges strategic oversight and operational execution. As **strategic role**, the chair leads BoD the in setting long-term goals, while as **operational role**, he oversee key functions and ensure alignment between strategy and execution. In this way we have a direct coordination between governance and implementation. To address potential conflicts of interest, the responsibilities are clearly separated between governance and management.

Valland's BoD and senior management are responsible for defining and updating the Company's purpose, values, and sustainability strategies. They set objectives, approve policies, and ensure alignment with the Company's mission. The BoD and senior management oversee the **due diligence** processes to identify and manage economic, environmental, and social impacts by:

- **Engaging Stakeholders:** gathering input from employees, suppliers, and communities to address risks and opportunities.
- **Using results:** incorporating findings into strategic decisions and refining



sustainability initiatives.

The BoD and senior management review the effectiveness of sustainability processes annually, ensuring continuous improvement by monitoring KPIs and updating policies as needed.

In some cases, the BoD implement specific formal delegations for managing the impacts on the economy, environment, and people, such as the Health Safety Environment (HSE) manager.

The BoD and senior management also hold the responsibility to review and formally approve all the information included in this Sustainability Report to ensure that the material areas and all the related information are truthful and align with the Company's strategies and goals. The review and approval procedure involves a thorough evaluation by the BoD to ensure that all the information is complete, and accurate and transparent.

Through its **Code Of Ethics And Conduct** approved by the top management, the BoD oversees the processes to verify that any conflict of interest is effectively prevented and mitigated, ensuring transparency and ethical governance. Any conflict of interest is reported to the Stakeholders in relation to:

- **Board membership:** any dual memberships in boards that may lead to conflicts of interest.
- **Cross-shareholdings:** any cross-shareholdings with suppliers or other stakeholders that could influence decision-making.
- **Controlling Shareholders:** information about any controlling shareholders with significant influence over the Company.
- **Related parties:** disclosures regarding their relationships, transactions, and

outstanding balances.

All the Stakeholders are aware of and can access publicly disclosed information related to the abovementioned aspects. For further information, please visit: <http://www.valland.it/assets/Uploads/Code-of-Ethics-and-Conduct.pdf>.

Our Company ensures that any critical issue/risk which could affect operations and relationships with Stakeholders are communicated to the BoD in a structured and transparent manner through regular meetings, management reports, and internal audits. During the reporting period, no issues have been communicated to the BoD and senior management.

The BoD and senior management enhance their expertise in sustainable development mainly through people with different backgrounds and regularly assessing global sustainability trends and practices, also taking parts in sustainability and ESG issues trainings.

The performance of the BoD are evaluated through the **"Management review"**, which is a formal process where top management evaluates the overall performance of the Company, assesses progress towards business objectives, and ensures strategies and policies are effective. The key aspects of our Management review are:





- Performance analysis: review of the **Key Performance Indicators (KPI)** and financial data to evaluate how well the Company is achieving its objectives.
- **Resource assessment**, to ensure that the resources (human, financial, technological) are used effectively and are aligned with the Company's needs.
- Identifying **issues and opportunities** for improvement and innovation.
- **Corrective actions**, if issues or non-

conformities are found.

This process is carried out carried out least once a year (preferably twice). Actions taken to respond to the evaluations, including changes in the composition of the BoD and Company's practices can be classified as:

- **Direct procedure** (specific person).
- **System procedure**: non-conformity procedures, preventive and improvement actions which impact on the activity and management.

## 2.5 Our Strategy, policy and procedure for a sustainable and inclusive growth

[GRI 2-22] [GRI 2-23] [GRI 2-26] [GRI 2-27] [GRI 2-28] [GRI 2-29] [GRI 2-30]

Valland's strategy for environmental sustainability focuses on managing our economic, environmental, and social impacts, including human rights, in the **short, medium, and long-term objectives** through the following key elements:

- Technology-led innovation: we invest in advanced competitive technologies that drive sustainability, prioritizing R&D to promote energy transition

and manufacturing processes. We leverage AM principles to enhance material innovation and use efficiency.

- Rationalization of natural resources exploitation: we optimize resource use to limit environmental impact, promote energy efficiency, and use renewable energy sources across our operations.

- Circular economy practices: we reduce waste and increase material recycling and reuse through sustainable product eco-design and lifecycle management approaches.
- People-centric approach: we place people at the centre of our innovation processes, integrating technology with expertise, knowledge, and skills. We also promote continuous learning and development among our employees.
- Partnerships and collaboration: we build strong partnerships with customers, suppliers, and industry Stakeholders, collaborating on initiatives that drive sustainability and innovation. We actively participate in industry forums and contribute to sustainable practices development.



Our Sustainability Strategy is aligned with the United Nations' Sustainable Development Goals (SDGs) and the European Union's revolutionary Green Deal Plan. We can positively contribute to the following SDGs:



- Goal 3: Ensure healthy lives and promote well-being for all at all ages:
  - Health & Safety education and awareness actions.
  - Promoting team building events.
  - Focus on maintaining a proper life-work balance.
  - Screening medical tests for disease prevention.



- Goal 7: Ensure access to affordable, reliable, sustainable and modern energy:
  - Maximize the renewable sources contribution to overall energy consumptions (e.g., photovoltaic plant installation).



- Goal 9: Build resilient infrastructure, promote sustainable industrialization



and foster innovation:

- R&D Department establishment.
- AM facility implementation.
- Investing on cutting-edge technologies (e.g., laser powder bed fusion, hydrogen related solutions, etc.).



• Goal 12: Ensure sustainable consumption and production patterns:

- Waste reduction through prevention, reduction, recycle and reuse.
- Optimize internal and supply chain natural resource management and use for business operation.



• Goal 13: Take urgent action to mitigate climate change and impacts:

- Reduce CO2 emissions for both the Company and supply chain.
- Contribute to disseminate

sustainability competences and awareness.

In assessing and managing economic, environmental, and social risks, including human rights, Valland has integrated into its Code of Ethics and Conduct the principles to prevent such risks. The document has been approved by the BoD, it is applied to all the Company's activities, and is freely available to all the Stakeholders. For further information, please visit: <http://www.valland.it/assets/Uploads/Code-of-Ethics-and-Conduct.pdf>.

For all the employees, a specific e-mail inbox is available to seeking advice and raising concerns, accessible only by an authorized third party.

During the reporting period we had one significant case of non-compliance resulting in monetary sanctions for irregular discharge of potentially dangerous chemicals into a surface water body which took place in a period before that of the reporting.

Valland actively participates in the following industry/category associations: VALVEcampus Association (<https://www.valvecampus.com/>), Confindustria Lecco e Sondrio (<https://www.confindustrialecco Sondrio.it/>), Fabbrica Intelligente Lombardia (AFIL, <https://afil.it/>), and Lombardy Energy



Cleantech Cluster (LE2C, <https://www.energycluster.it/it>).

Engagement with stakeholders, both internal (i.e., BoD, employees, Shareholders) and external (i.e., Trade and Industrial associations, Lombardy Technology Clusters, banks, clients, local community and territory, suppliers and universities and research centres) is integrated into the Company's policies. Valland involves these groups in regular consultations to better understand their expectations, incorporating the feedback received into subsequent strategies and actions. This approach ensures

that business actions are aligned with stakeholder expectations and can adapt to the changing economic, social, and environmental context. For further details on Stakeholder engagement please see Chapter 3 "materiality Analysis and Materiality Issues".

100% of employees are covered by National Collective Labor Agreement (CCNL).



# 3

## Unlocking Impacts: Key Materiality Issues and Insights

[GRI 2-29] [GRI 3-1] [GRI 3-2]



The **materiality analysis** is essential to identify the most important issues that should be considered by the Company within its sustainability strategy. Compared to the previous Reports, the materiality analysis has been significantly improved with the aim of **continuous improvement** to identify and **prioritize material issues**, including those on human rights. The following steps have been carried out:

- Definition of potentially relevant areas
- Evaluation of areas significance
- Areas prioritization

### 3.1 Exploring Key Areas of Relevance for Sustainability

This involves the identification of areas (issues) which are **most closely related to the Company business** and value chain. These areas have been identified involving the BoD and Shareholders, and considering the Company value chain, business relationships and sustainability strategy, sector international trends and studies, as well as the GRI Sector Standard 11: Oil and Gas Sector (2021).

Each area has been described in relation to the Company's value chain, and the

associated **impacts** have been classified according to:

- **Type** (positive, to be interpreted as an opportunity to contribute to sustainable development, or negative, to be interpreted as a risk).
- **State** (actual vs potential).
- Period of occurrence (short vs long term).
- **Intentionality** (intentional vs not intentional).



- **Reversibility** (reversible vs not reversible).

Potentially relevant areas and impacts type are shown in the table below.

Table 2: Potentially relevant areas and impact used as basis for the materiality analysis.

Potentially relevant area			Impact									
N°	Name	Description	P	N	A	PT	S	L	IN	NI	R	NR
<b>Environment category</b>												
1	Greenhouse gases emissions	Greenhouse gases (GHG) emissions related to both the Company's activities as well as upstream and downstream activities significantly contribute to the climate crisis. Most GHGs emissions are associated to the purchase of goods and services, transport and storage. Valland is committed to avoid unnecessary transportation of goods, keeping track of travelled distance by the Company vehicles and estimating the travelled distance along the supply chain.		•	•		•	•		•		•
2	Waste management	If inadequately managed, waste can have negative impacts on the environment and human health, which can extend beyond the locations where waste is generated and discarded. Some of these impacts are related to habitat contamination and biodiversity loss, as well as GHGs emissions associated to the waste treatment processes. Valland carefully classifies its waste to optimize the recycling processes, using recycled paper and plastic for disposable uses, eco-friendly packaging for products, and keeping track of the paper prints made with the aim of minimize their number.		•	•		•	•		•		•
3	Energy efficiency and renewable energy	Energy consumption is responsible for the majority of GHGs emissions, resulting from energy production, transportation and storage, which heavily contribute to air pollution and climate change. Valland has installed air-to-water heat pumps. Moreover, the Company is independent from natural gas supply, as a fraction of the electricity is self-produced thanks to a 223 kWp photovoltaic system installed on the buildings roofs. The remaining fraction of electricity to cover the consumption is purchased from the grid with Guarantee of Origin (GO).	•		•		•	•	•		•	
4	Product, process and service innovation	Innovation can lead to increased efficiency, reduced costs, improved customer satisfaction and competitive advantage while improving sustainability by optimizing resources and enhancing the Company's adaptability to market changes. Valland aims for a technological advantage over the competitors by focusing on continuous innovation. Our Company is active in AM processes using recycled metal materials and polymers, thus contributing to the circular economy and limiting the waste of resources.	•		•		•	•	•		•	

<b>Social category</b>												
5	Occupational health and safety	Healthy and safe working conditions are recognized as a human right. Occupational health and safety involve the prevention of physical and mental harm to employees and the safeguard of their health. Impacts associated with this issue can be both positive (i.e., reduction of injuries and occupational diseases, increase of working productivity and efficiency, long-term cost savings due to reduced healthcare expenses and injury compensation) and negative (potential injuries, particularly where heavy and complex machinery are used).	•		•		•	•	•		•	
6	Employment practices	This refers to the Company's approach to job creation, benefits and adequate remuneration for employees. The positive impacts are mainly related to the increase of skilled employees that stimulates innovation and economic growth, whereas the negative impacts can be related to the high turnover rate due to negative working conditions or because the economic remuneration is not adequate.	•	•	•		•		•		•	
7	Non-discrimination and equal opportunity	Diversity and inclusivity are key factors for the long-term success of the Company and are associated to several positive impacts, such as attracting and retaining qualified talent, increasing diversity and inclusivity in the workplace, which enhances creativity, problem-solving abilities, employee satisfaction and sense of belonging to the Company. Since its foundation, Valland Spa strived to establish a working environment where all employees are treated with dignity and respect, both by colleagues and the Company itself. Negative impacts may arise from potential risks of discrimination in selection or internal growth processes, if not properly monitored.	•		•		•	•	•		•	
8	Local communities engagement	This is related to the engagement of local associations involved in local volunteer work, supporting community growth, and improve the health conditions of citizens. Valland has a natural attitude to contribute in supporting initiatives in favour of deprived and needy members of the society, for example by raising funds to support research against cystic fibrosis.	•		•		•	•	•		•	
9	Freedom of association and collective bargaining	These are human rights and fundamental rights at work, and include the rights of employees to form, join, and run their own organizations without prior authorization or interference, and to collectively negotiate working conditions and terms of employment. This issue is related to positive impacts, such as the improvement of the workplace morale and corporate social responsibility, reflecting the Company commitment to ethical practices.	•		•		•	•	•		•	
<b>Governance category</b>												
10	Anti-competitive behaviour	This refers to actions that can result in collusion with potential competitors, abuse of dominant market position or exclusion of potential competitors. This limits the effects of market competition, e.g., through fix prices, market or output restrictions, customers and supplier allocation. Valland is committed to conducting business in accordance with the highest standards of ethics and integrity; the Company has developed core principles guiding the business practices and ethical behaviour.	•	•			•	•	•		•	•
11	Anti-corruption	This refers to how the Company manages the potential of being involved with corruption (facilitation payments, fraud, extortion, collusion, money laundering, or the offer or receipt of an inducement to do something dishonest or illegal). Valland is dedicated to carry out its business activities with the utmost ethical standards and integrity. The company has established fundamental principles that steer its business practices and ethical conduct.	•	•			•	•	•		•	•



12	Shared value and economically sustainable business	Sharing knowledge has a positive impact on society as a whole, as it can increase social and environmental awareness, stimulate social and technological innovation, promote human rights and diversity.	•	•	•	•	•	•	•
13	Responsible and sustainable supply chain	The sustainable supply chain represents a responsible and sustainable approach to goods and services production and distribution, and has different positive impacts on environmental, society and economy. At the environmental level, this promotes the use of renewable energy, the recycling of materials as well as the adoption of low environmental impact production processes. At a social level, the sustainable supply chain promotes collaboration and development with local suppliers, creating job opportunities and economic growth. At the economic level, the transparency and responsibility of the Company are increased, improving its reputation for the Stakeholders.	•	•	•	•	•	•	•
14	Data protection	Privacy is a crucial aspect for data driven companies like Valland, and it has both positive and negative impacts. The positive impacts concern the protection of personal data, increased trust in the technology (encouraging people to adopt new digital tools and services) and strengthening individual freedom (enabling people to maintain control over their personal information). The negative impacts concern unauthorized use of personal information, decision manipulation and security risk (making people vulnerable to cyber-attacks or scams).	•	•	•	•	•	•	•

P: Positive; N: Negative; A: Actual; PT: Potential; S: Short term; L: Long term; IN: Intentional; NI: Not intentional; R: Reversible; NR: Not reversible.

### 3.2 Beyond Valland: Stakeholders Engagement and Impacts Significance

This has been evaluated through a process of Stakeholder engagement. We establish and maintain a constant, transparent and constructive dialogue with all Stakeholders, which is a strategic lever for creating value in the medium-long term.

Starting from all the Company's Stakeholders categories, we have identified the **key Stakeholders**



**categories** (i.e., Stakeholders crucial for achieving strategic goals, maintain operational sustainability and that are most critical to the Company value chain) and we have classified each of them according to their **level of interest** (low, medium, high) and **influence** (low, medium high) on the Company business.

The internal Stakeholders are:

- BoD
- Employees
- Shareholders

The external Stakeholders are:

- Associations (e.g.: Trade Associations, Industrial, Lombardy Technology Clusters)
- Banks

- Clients
- Local Community and Territory
- Suppliers
- Universities and Research Centres

The following table shows the list of the Stakeholders and, for each of them, reason and method of engagement.








Table 3: Stakeholder's type, name, description and engagement methods.

Stakeholder		Description	Engagement method
Type	Category name		
Internal	BoD	It oversees high-level strategic decisions and Company performance and is crucial for setting and reviewing the strategic direction.	In-person/on-line meetings
	Employees	They are essential for daily operations and long-term success. Engaging with them helps ensure alignment, motivation, and effective communication within the Company.	Internal newsletters/ communications
	Shareholders	They invest in the Company and are interested in financial returns and growth strategies. Keeping them informed is vital for maintaining trust and transparency.	In-person/on-line meetings; e-mail communications; annual reports.
External	Associations	They provide networking and collaboration opportunities, and updates on industry trends. Engaging with them helps stay current and build valuable connections.	In-person/on-line meetings; Conferences; e-mail newsletters/ communications; phone calls
	Banks	They manage financial transactions and credit. Regular communication is essential for maintaining a smooth financial relationship and addressing any financial issues.	Financial reports; e-mail communications; phone calls
	Clients	They are central to the Company activities, and maintaining strong relationships is key for satisfaction and continued business.	E-mail communications; phone calls
	Local Community and Territory	Engaging with the local community helps build a positive Company image, supports local initiatives and development	Local events; in-person meetings; social media; e-mail newsletters
	Suppliers	They are crucial for the supply chain, and effective engagement ensures timely delivery and smooth operations.	E-mail communications; phone calls
	Universities and Research Centres	Collaboration with Universities and Research centres supports innovation and experimentation. This helps in advancing technologies and fostering academic partnerships.	In-person/on-line meetings; Conferences; e-mail newsletters/ communications




The level of interest reflects the Stakeholder's "gain":

-  **High:** the Company contributes significantly (i.e., if the Company were to fail, the gain is severely compromised);
-  **Medium:** the Company contributes but not significantly

(i.e., if the Company were to fail, the gain is partially compromised);

-  **Low:** the Company contributes marginally (i.e., if the Company were to fail, the gain is compromised marginally/not at all).

The level of influence expresses the "power" the Stakeholders can have on define the Company business and functioning:

-  **High:** the Stakeholder can affect the Company's business and decisions significantly, through hierarchy, technical competence, rules and laws, and opinion;
-  **Medium:** the stakeholder can influence business and decisions, but this does not necessarily influence the result;
-  **Low:** the Stakeholder can influence the Company's business and decisions in a limited or non-existent way.

We have classified each key Stakeholder category through a score ranging from 1 (low interest and low influence) to 9 (high interest and high influence). The scores are shown in the Figure below.

Then, the score of each category has been **normalized** compared to the score max, to express the corresponding weight (i.e., relative importance of each category).

To evaluate the **significance** of each potentially relevant area, we have submitted to each key Stakeholder an **on-online Questionnaire**, to capture its opinion, understand its key concerns

and expectations from the Company. The questionnaire has been sent via e-mail, with follow-up in view of the deadline.

For each area we have asked the Stakeholders to assign – regardless of the current level of commitment of the Company – a score ranging from 1 (thematic area considered of no importance by the Stakeholder, and for which the Company should neither prioritize, nor allocate resources) to 10 (thematic area considered extremely important by the Stakeholder, and for which the Company should pay the maximum attention, urgently investing resources). A copy of the Questionnaire is reported in the Chapter 7 "Stakeholder Questionnaire for Materiality Analysis".



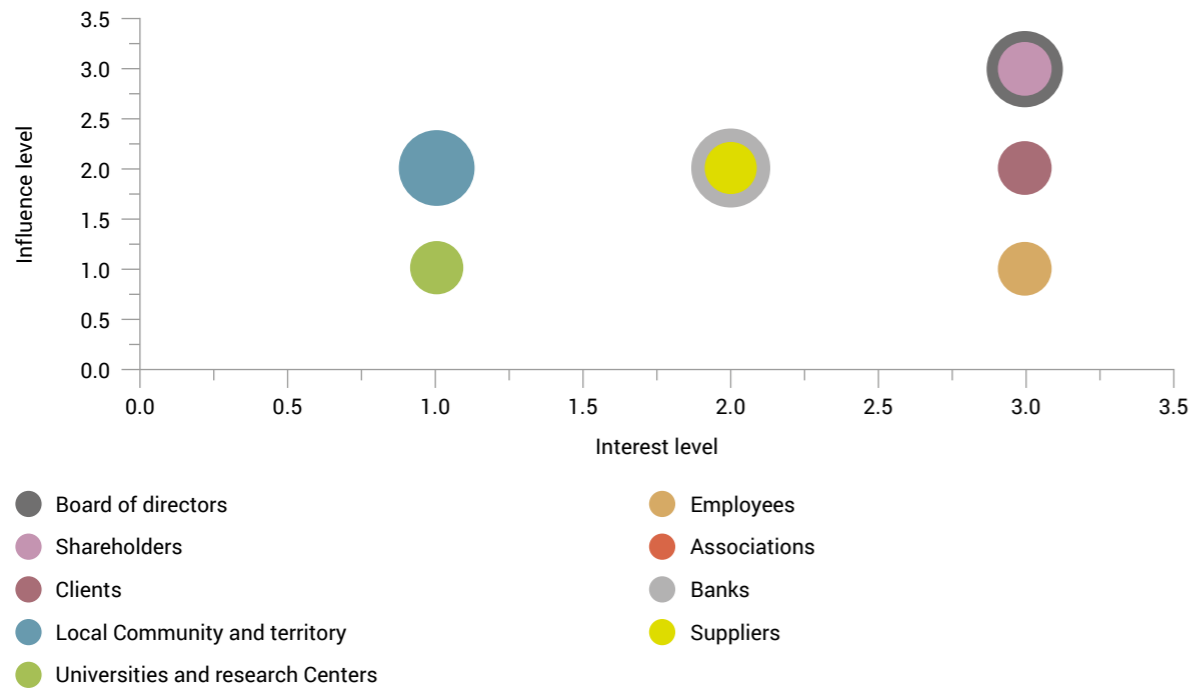


Figure 1: Stakeholder's interest and influence level.

For each potentially relevant area, we have firstly computed an average score related to each Stakeholder category. Then, for each category and area, we have multiplied the score for the “normalized

weight” previously computed. The obtained results have been summed up to obtain an overall **“average normalized score” for each area.**

### 3.3 Our priorities

We have defined a **“materiality threshold”** based on both the score and the areas considered **strategic** by the BoD, and for which there is interest in investing efforts and resources. The following

table shows the list of areas and the corresponding average normalized score. We have decided to consider as “material” the areas with score at least equal to 90% plus the following:

- Responsible and sustainable supply chain
- Product, process and service Innovation
- Greenhouse gases emissions
- Energy efficiency and renewable energy.

Although these areas are characterized by a score lower than the materiality



threshold, they have been included as they remain **strategically relevant** and the Company may have interest in investing in the medium or long term. These areas reflect a **proactive and forward-thinking approach** to sustainability, strengthening the Company's ability to differentiation and meet the growing needs of the Stakeholders.

Table 4: Impact areas and corresponding score.

Impact area	Score
Occupational health and safety	100.0%
Non-discrimination and equal opportunity	96.4%
Employment practices	94.4%
Data protection	90.7%
Freedom of association and collective bargaining	89.3%
Local communities engagement	85.9%
Responsible and sustainable supply chain	83.4%
Product, process and service innovation	82.2%
Waste management	81.6%
Greenhouse gases emissions	80.4%
Anti-corruption	79.9%
Energy efficiency and renewable energy	79.8%
Shared value and economically sustainable business	79.6%
Anti-competitive behaviour	76.6%

materiality threshold





### 3.4 Measuring Success: Targets and Key Performance Indicators

KPI are measurable values that demonstrate how effectively the Company is achieving (or not) its key business objectives (target). To **analyse the trend and identify possible areas**

**for improvement**, the following table presents the results/KPIs for 2022 along with the KPIs originally defined for 2023 and the actual achieved results.

Table 5: Results/KPIs for 2022, KPIs originally defined for 2023 and actual achieved results.

Focus area		2022	2023	
SDG	Area	Actual results/KPI	KPI	Actual results
3	Health and well-being	a) LTIFR <sup>a</sup> = 0 and TRCFR <sup>b</sup> = 0. b) Attrition rate = 6%. c) Revenue donated to charity < 0.1%.	a) LTIFR = 0 and TRCFR = 0. b) Attrition rate = 20%. c) Revenue donated to charity = 0.2%.	a) 0 and 0. b) 5%. c) 0.06% (KPI not achieved) <sup>c</sup>
9	Innovation and sustainable industrialization	a) Investments for AM facility set-up. b) Approach to clean energy niche markets	) Orders for AM parts = 10. b) Total revenues from clean energy sector markets = 5%.	a) 23. b) We have decided not to report the actual results as we have changed the target and the corresponding KPI (see next Table).
12	Sustainable consumption and production	a) Quantity of municipal waste: 10.0 t. b) Hazardous wastes over special waste < 10%.	a) Quantity of municipal waste < 10 t. b) Hazardous wastes over special waste < 10%.	a) 9.3 t. b) 0.2%.
7, 13	Energy efficiency and climate change mitigation	a) GHG emissions: • Scope 1: 21.8 t CO2eq. • Scope 2: 132.2 t CO2eq. • Scope 3: 16249.2 t CO2eq	a) Scope 1 and Scope 2 GHG emissions: - 20%. b) Fine tuning of calculation tools for Scope 3 emissions assessment. c) Total electric energy consumption covered by the photovoltaic plant: ≥ 20%.	a) Scope 1: 33.8 t CO2eq; Scope 2: 0 t CO2eq; Scope 3: 2376.8 t CO2eq. b) Innovative, more accurate and user- friendly calculation tool for GHG emissions assessment for all the Scopes. c) No results as the plant has been installed at the end of 2023. The first results will be available for 2024 (for further information see § Powering the Future: Energy Efficiency and Renewable Solutions).

a. Lost Time Injury Frequency Rate;  
b. Total Recordable Case Frequency Rate.  
c. For 2024, we will try to increase the revenue donated to charity. We believe that, as our business grows, so does our responsibility to give back to the communities that support us. This decision reflects our dedication to making a positive impact on the local society and contributing to activities aligned with our values.

The significant variation in Scope 1 and Scope 3 emissions is because we have developed a **tool to improve the estimates**, using the most up-to-date emission factors available in the literature and, where possible, implementing **innovative calculation methodologies**. Scope 2 emissions have been equal to 0 t CO2eq as the

electricity is taken from the grid under the **“market-based” mechanism** (for further information see § Powering the Future: Energy Efficiency and Renewable Solutions). The following table shows the actual results for 2023, as well as target and KPIs for 2024.

Table 6: Actual results for 2023 and target and KPIs for 2024.

Focus area		2023	2024	
SDG	Area	Actual results	Target	KPI
3	Health and well-being	a) 0 and 0. b) 5%. c) 0.06% (KPI not achieved).	a) Maintain the results. b) Maintain/reduce the results. c) Increase the revenue donated to charity.	a) 0 and 0. b) ≤ 5%. c) 30000 €.
9	Innovation and sustainable industrialization	a) 23. b) We have decided not to report the actual results as we have changed the target and the corresponding KPI.	a) Increase orders involving AM. b) Guarantee a constant growth in R&D expenditures for innovation.	a) ≥ 20 <sup>a</sup> . b) 1.2 Mln €.
12	Sustainable consumption and production	a) 9.3 t b) < 0.2%.	a) Maintain/reduce the quantity. b) Maintain/reduce the quantity.	a) ≤ 9.5 t. b) < 2%.
7, 13	Energy efficiency and climate change mitigation	a) Scope 1: 33.8 t CO2eq; Scope 2: 0 t CO2eq; Scope 3: 2376.8 t CO2eq. b) Innovative, more accurate and user- friendly calculation tool for GHG emissions assessment for all the Scopes. c) No results as the plant has been installed at the end of 2023. The first results will be available for 2024 (for further information see § Powering the Future: Energy Efficiency and Renewable Solutions).	a) GHG emissions intensity (tCO2eq/€) unchanged. b) Increase energy efficiency. c) Increase total electric energy consumption covered by the photovoltaic plant.	a) GHG emissions intensity: 2.5 · 10-4 tCO2eq/€. b) Energy efficiency: + 5%. c) Total electric energy consumption covered by the photovoltaic plant: ≥ 40% <sup>b</sup> .

a. b. As the 2023 Sustainability Report has been published at the end of 2024, we can already confirm that the KPIs set for 2024 have been achieved (Actual results for 2024: Orders involving AM = 21; Total electric energy consumption covered by the photovoltaic plant = 43%).



# 4

## Performance at a Glance: Driving Impacts and Excellence



### 4.1 Environment

#### 4.1.1 Driving Innovation: Transforming Products, Processes, and Services

[GRI 3-3]

Product, process and service innovation leads to improvements in terms of **efficiency**, sustainability and competitiveness. Valland's new technological developments can reduce **energy consumption** and emissions associated with final products. At the same time, potential negative risks could arise from investing in insufficiently tested technologies, which could generate operational inefficiencies or

increase development costs. Because of this, Valland may be involved in indirect negative impacts if suppliers or technology partners do not comply with environmental or quality standards. So, it is crucial to ensure that innovation partners are aligned with the same company values.

We have a **Company policy** with **5 years** of validity which is firmly anchored on sustainability and technological advancement, and on which mission, vision, objectives and environmental commitment are clearly stated. Recognizing the critical environmental challenges facing our industry, we prioritize sustainable practices in all our operations, particularly through the **integration of AM technologies and principles of the circular economy**.

The Company is committed to allocating a considerable fraction of its **budget to**





**R&D.** Moreover, to mitigate any negative impact, innovation is not limited to internal processes; we are engaged with different Stakeholders (i.e., end users, research centres, and universities) to foster a culture of collaboration and shared knowledge, and to ensure that new developments are scientifically supported and verified. Thanks to this direct engagement, we can understand market needs and steer innovation towards solutions that are truly applicable.

Since 2016, Valland has actively experimented with various AM technologies through the “**Valland 3D Laboratory**” where we can test:

- **Metallic AM:** we employ techniques such as Binder Jetting, Powder Bed Fusion, and Wire Arc Additive Manufacturing (WAAM) to create complex valve components with minimal waste, using third-parties



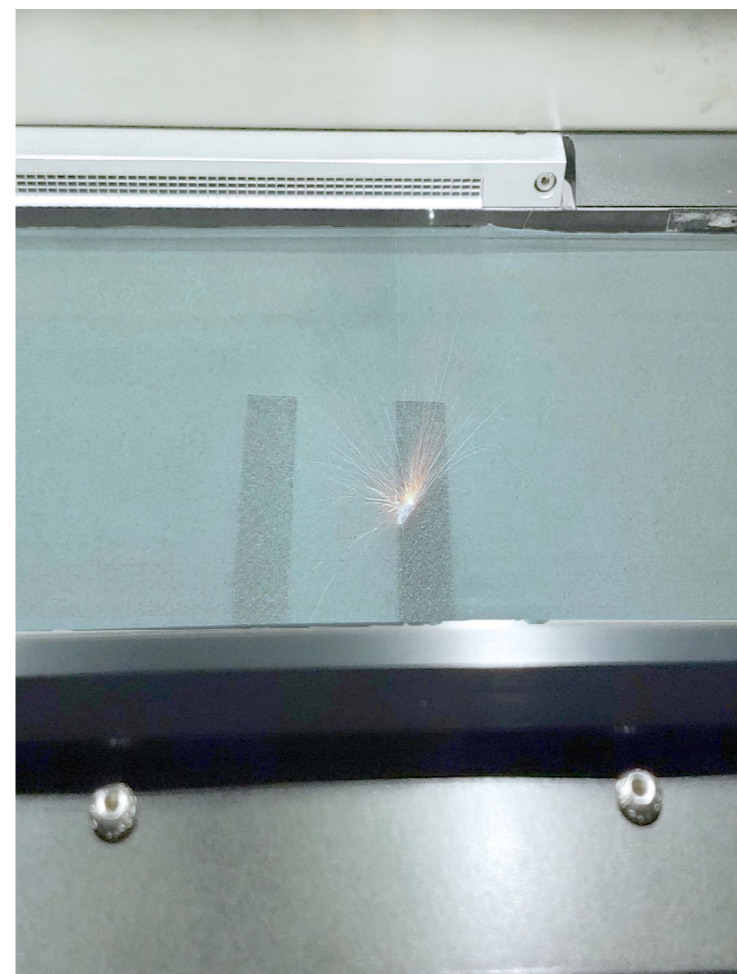
certified powder produced from metal scraps. These methods allow the production of non-standard products tailored to specific client needs while maintaining high levels of precision and mechanical characteristics.

- **Polymeric AM:** our use of Fused Deposition Modeling (FDM) for pure and composite materials, hot-chamber FDM for high-performance technopolymers and photopolymerization of resins enables us to develop prototypes and final products that meet stringent industry standards.

By investing in new technologies and methodologies, we aim to stay at the forefront of the industry, ensuring that our offerings not only meet but exceed the expectations of our customers while addressing critical sustainability challenges.

The Company's experience is incorporated into operational policies and procedures through the Document “**Measurement, Control, Improvement**” updated annually, which addresses the Company's continuous improvement activities:

- **Management of events** (e.g., non-conforming results from inspections or tests, complaints, incidents impacting product quality and delivery, business efficiency, employees health and safety, etc.) through Contingency Planning and non-conformity procedures, corrective, preventive and improvement actions, and management of change.



- **Internal audits** scheduled so that all management system processes are verified at least once every 12 months.
- **Data Analysis** through the Company improvement plan, emails or reference letters from customers.

The effectiveness of innovation actions is monitored by evaluating on a quarterly basis, the **percentage of turnover** that includes new technologies, so that we can verify how we are increasing the quantity of innovative output compared to the previous years. The Company also measures the success of innovation initiatives by introducing **patents and new products** to the market.



## 4.1.2 Measuring Our Carbon Footprint: Greenhouse Gases Emissions Inventory

[GRI 3-3] [GRI 302-1] [GRI 302-3] [GRI 305-1] [GRI 305-2] [GRI 305-3] [GRI 305-4]

Valland's operations, particularly manufacturing and logistics, result in high GHG emissions. Potential negative impacts arise from fossil energy consumption for production processes. Moreover, the Company is indirectly involved in negative impacts mainly through the operational activities (energy consumption) and through the supply chain, in particular transport and materials. Suppliers who do not adopt

contribute to the fight against climate crisis, encouraging business partners to do the same.

We have defined an environmental policy that includes the **reduction of GHG emissions**, with the aim of improving energy efficiency and increasing the use of renewable energy in our operations. A **renewable energy system** (photovoltaic) has been implemented which contributes to reducing Scope 2 emissions. Moreover, we try to mitigate any negative impact of the upstream transport choosing **suppliers from local area** (Sondrio Province, Lombardy Region).

Emissions monitoring occurs through the collection and analysis of data on

sustainability practices can enhance the environmental impact. Monitoring our GHG emissions is key to our commitment to sustainability, helping us reduce our carbon footprint, meet environmental standards and regulations, and



**Scope 1, 2 and 3.** KPIs include tonnes of CO<sub>2</sub>eq per production unit. We periodically check progress against emissions reduction objectives.

We engage its clients and suppliers for emission reduction actions, adapting strategies based on Stakeholders requests and opportunities for energy cost reduction.

The **total energy consumption within the organization** has been **8205595 MJ (2279332 kWh)** and has derived from the purchase of electricity (1002845 MJ; 278568 kWh), LPG for AM warehouse heating (7017775.2 MJ; 292700 dm<sup>3</sup>), as well as gasoline (27588 MJ; 930 dm<sup>3</sup>) and diesel fuel (157387 MJ; 4245 dm<sup>3</sup>)<sup>a</sup> for the Company vehicles. Purchased electricity is all generated through renewable energy sources. Valland measures its energy efficiency through the **energy intensity value**, computed as the ratio between the total amount of energy consumed, expressed as tons of oil equivalent (toe), and the total expenditure (€) for the purchase of goods and services and capital goods<sup>b</sup>, and has been **2.1 · 10<sup>-5</sup>toe/€**.

GHG emissions have been computed

a. MJ has been computed starting from the volume expressed as dm<sup>3</sup> and applying the values of lower heating value of fuels (literature).  
 b. These are the most important (in terms of GHG emissions) categories of the GHG emissions inventory.



according to the Guidelines of the "Greenhouse Gas Protocol – A Corporate Accounting and Reporting Standard – Revised Edition" (2004). The GHG Protocol (<https://ghgprotocol.org>) is a globally acknowledged Protocol setting standardized framework and guidelines for measuring, managing and reporting GHGs emissions related to both private and public sector operations, value chains and mitigation actions. We have used **GWP values** (100 years) defined by DEFRA and emission factors made available by DEFRA, GHG Protocol, EPA and IEA<sup>c</sup>. Our inventory includes CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O.

**Direct (Scope 1) and indirect (Scope 3)** GHG emissions have been equal to 2898 t CO<sub>2</sub>eq (16.2% Scope 1, 83.8% Scope 3). Indirect Scope 2 emissions from electricity consumption has been equal

c. Department for Environment, Food & Rural Affairs (<https://www.gov.uk/government/organisations/department-for-environment-food-rural-affairs>); U.S. Environmental Protection Agency (<https://www.epa.gov/>), International Energy Agency (<https://www.iea.org/>).



to 0 tCO<sub>2</sub>eq under the assumption that electricity generation from renewable sources (biomass excluded) is “**climate neutral**”. Scope 1 includes emissions from fuel (LPG) in stationary devices and fuels (gasoline, diesel) used for the Company vehicles. Our Scope 3 emissions derive from the following upstream categories:

- Purchase of good and services.
- Purchase of capital goods.
- Processes for energy carriers generation&distribution.
- Transportation and distribution

of good and services and capital goods (Upstream transportation and distribution).

- Waste generated from the Company activities.
- Business travel.
- Employee commuting.

We have not considered downstream categories. The following figures show the aggregated emissions for Scope 1, Scope 2 and Scope 3, and the emissions for each Scope 3 category.

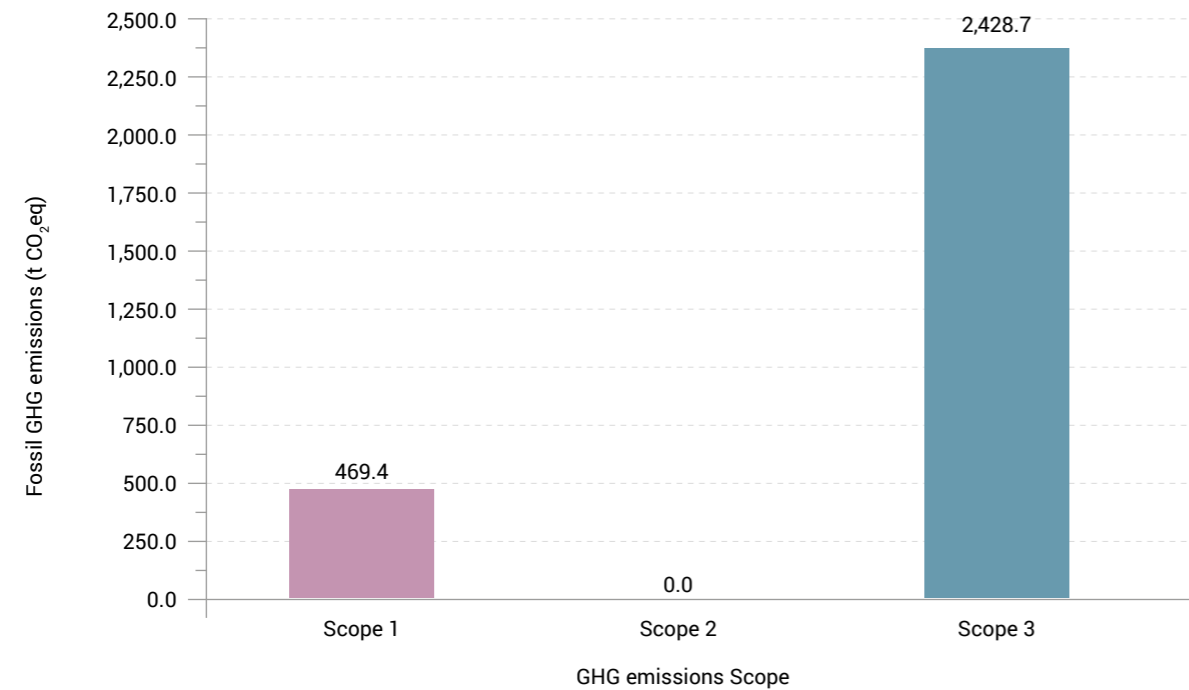


Figure 2: GHG emissions related to each Scope.

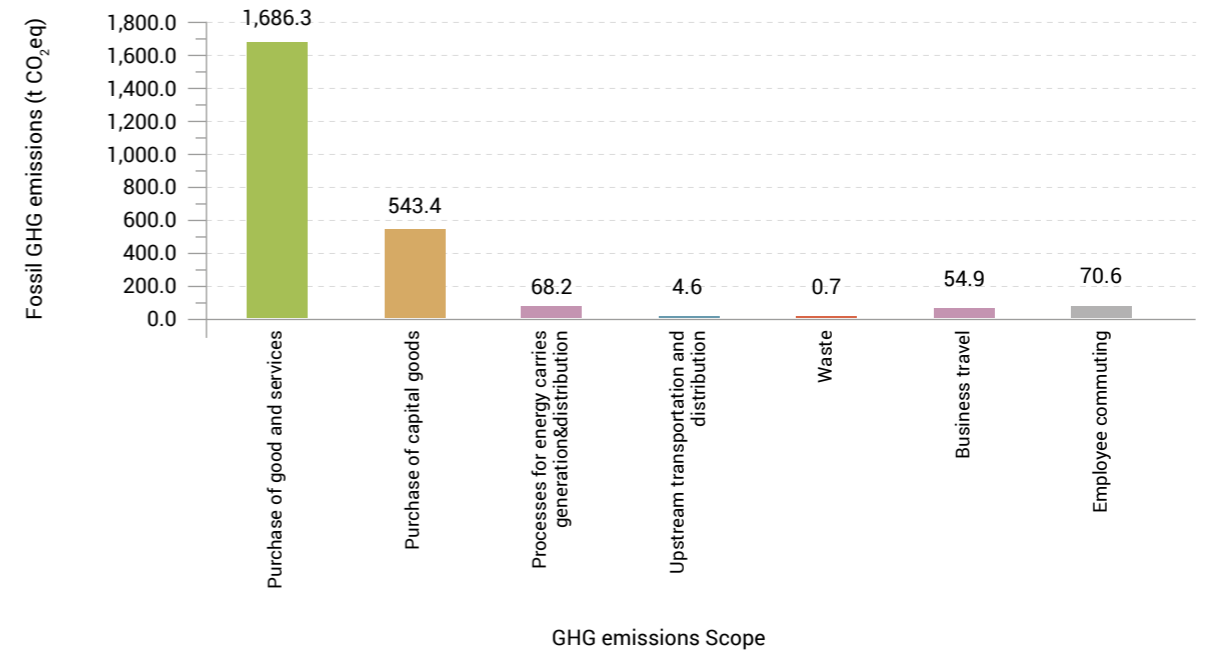


Figure 3: Emissions related to each Scope 3 category.

The following tables show the fraction (%) of expenditures and GHG emissions related to each category of purchased good and services and capital goods.

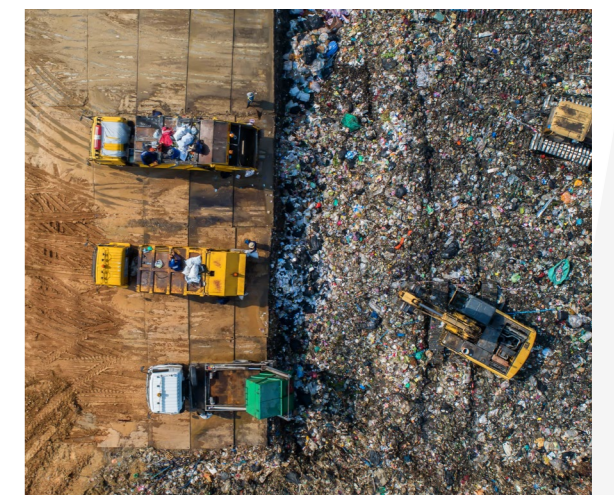




Table 7: Actual results for 2023 and target and KPIs for 2024.

Good and services sub-category	%	
	Expenditures	Emissions
Support services for construction activities	29.4%	30.3%
Clothing and leather goods	0.1%	0.0%
Electricity, natural gas, drinking water, and wastewater treatment	0.0%	0.0%
Office supplies	0.1%	0.1%
Media, literature, and software	0.1%	0.0%
Metallic minerals, dimensional stones, non-metallic minerals	0.4%	1.5%
Agricultural, pharmaceutical, industrial, and commercial chemical products	0.5%	0.7%
Paper products and paper production plants	0.0%	0.1%
Primary iron, steel, and ferroalloy products	0.3%	1.3%
Various fabricated metal products	40.1%	48.1%
Plastic and rubber products	1.6%	1.8%
Wood products	2.0%	1.6%
Radio, TV, telecommunications	0.0%	0.0%
Plumbing fixtures, faucets, valves, and other metal fittings	22.7%	13.0%
Legal services	0.0%	0.0%
Professional and technical-scientific services	2.5%	1.3%
Manufactured pipes and fittings	0.1%	0.1%

Table 8: Actual results for 2023 and target and KPIs for 2024.

Capital good sub-category	%	
	Expenditures	Emissions
Devices and equipment for cutting tools and machine tool and rolling mills	0.2%	0.3%
Material handling equipment	0.3%	0.5%
Computers and related parts, conductors, measurement, and communication devices	0.7%	0.2%
Capacitors, resistors, coils, transformers, connectors, and other	25.5%	21.6%
Lights and chandeliers, electrical panels, transformers, and household appliances	0.1%	0.1%
Machinery, excluding computers	73.2%	77.4%
Structural metal products	0.0%	0.0%

Like for energy, we have computed the **emissions intensity** as the ratio between the total (Scope 1 + Scope 2 + Scope 3) GHG emissions and the

total expenditure (€) for the purchase of goods and services and capital goods. Our emission intensity has been equal to  $3.1 \cdot 10^{-4} \text{ tCO}_2\text{eq/€}$ .

### 4.1.3 Powering the Future: Energy Efficiency and Renewable Solutions

[GRI 3-3] [GRI 302-4]

Valland’s commitment to energy efficiency and the adoption of renewable energy sources contributes to the

reduction of its GHG emissions. By reducing energy consumption and embracing clean energy, we minimize our GHG emissions, cut costs, and actively support the transition to a more sustainable and resilient future.



In 2023, we have replaced our geothermal heat pumps with **air-to-water heat pumps**. While geothermal pumps are generally more efficient as they use a more stable heat source (i.e., the ground) compared to air, they have been replaced due to **lower maintenance requirements** and because of the potential release of hazardous substances into the discharge channel, which can pollute the surface water.

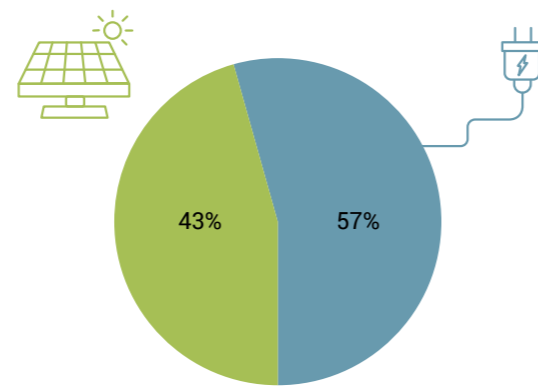
At the same time, we have offset the increase in the grid electricity consumption by installing, at the end of



the year, a **223 kWp photovoltaic system on our warehouse roofs** (524 modules, each of them with power of 425 Wp). The system operates under the partial transfer of electricity (i.e., the electricity produced by the plant which is not self-consumed is transferred into the national grid) and will use the collection service dedicated for the transfer of non-self-consumed energy provided by the Italian Energy Services Manager (Gestore Servizi Energetici, GSE). For 2024, as a first approximation, we have estimated that 43% of the total consumption (i.e., 116 MWh) can be covered by the system, while the remaining 57% need to be taken from the grid under the “market-based” mechanism (i.e., the electricity is generated from Italian renewable energy sources plants like wind, solar, hydroelectric and is certified through the Guarantee of Origin, GO), eliminating Scope 2 emissions.

All these aspects, combined with the fact that Valland has **never purchased natural gas**, reinforces our commitment to sustainable production and inspires us to continue to be a leader in environmental stewardship.

Valland monitors energy consumption related to its operations by collecting data on energy use. KPIs such as energy consumption per unit of production and CO2 emissions are tracked to measure progress against energy



efficiency and emissions reduction targets. Moreover, we actively engages with our Stakeholders – mainly clients and suppliers – on energy efficiency and renewable energy initiatives. We continuously explore opportunities to reduce energy costs while increasing renewable energy use, and we encourage our partners to adopt similar sustainable practices.



## 4.2 Social

### 4.2.1 Ensuring Safety: Prioritizing Occupational Health and Well-being

[GRI 3-3] [GRI 403-1] [GRI 403-2] [GRI 403-3] [GRI 403-5] [GRI 403-6] [GRI 403-7] [GRI 403-8] [GRI 403-9] [GRI 403-10]



Occupational health and safety (OHS) is a vital component of Valland’s commitment to sustainability, ensuring

both the well-being of employees and the company’s long-term operational efficiency. By providing a **safe working environment**, we reduce workplace accidents, enhances employee morale, and fosters loyalty. Positive impacts are achieved using automation systems, personal protective equipment (PPE), and doing regular training sessions, and frequent safety audits, which collectively create a proactive safety culture. However, potential negative impacts, such as workplace injuries or occupational illnesses, remain a concern, particularly in areas involving heavy or complex machinery.

Recognizing the risks associated with external suppliers, we select our supplier after checking that a satisfactory level of safety, as well as good history and reputation are achieved.



Monitoring the effectiveness of these measures is essential, and Valland uses KPIs such as incident rates, near misses, and injury frequency to track progress. Annual evaluations are conducted to assess performance against safety targets, ensuring ongoing improvement. The **Workers' Safety Representative (RLS) and external RSPP** are actively involved in reviewing and enhancing safety protocols. Feedback from employees is integrated into **training and procedural updates**, ensuring that Valland's approach to health and safety remains responsive, effective, and aligned with best practices.

The OHS management system is implemented in compliance with Legislative Decree 81/2008, which regulates the protection of the health and safety of all our employees workers. The activities are carried out in three different warehouses and are all connected to the production cycle, but they differ in relation to the specific building, intended use, and used machinery:

- **Warehouse 1:** this location manages a wide range of tasks, from warehouse operations to the cutting of tubular materials to produce the pieces required for assembly, with the goal of obtaining the final products (valves), which are then tested. It also handles packaging, shipping, and transportation.



- **Warehouse 2:** this facility performs quality control tasks on incoming and outgoing materials/products, as well as laser marking on finished products. Office and warehouse management activities are also carried out here.
- **Warehouse 3:** This facility focuses on the newest production activity: 3D printing of raw materials like aluminium, steel, and polymers using advanced equipment and machinery.

Each building is organized according to its intended use, but generally we have:

- **Offices and meeting rooms:** located mainly in Warehouses 1 and 2, these are for managing and supervising production activities.
- **Locker rooms:** for employee use.
- **Production departments:** dedicated to the specific tasks required for the

production process.

- **Warehouses:** to store incoming and outgoing goods.
- **External areas:** used for parking and loading/unloading goods.
- **Technical rooms:** Housing boilers and other technical equipment.
- **LPG Tank Area:** A dedicated outdoor area for the exclusive use of the heating system.

The Company has a risk assessment document which is regularly updated not only to comply with the Legislative Decree 81/2008 but also as a primary tool for establishing the procedures that ensure the maintenance of an acceptable safety level over time. The OHS team ensures the quality of health and safety management system. Each activity is subdivided into phases, and for each of them the following information are associated:

- Machines and equipment.
- Chemical substances and preparations.
- Workers involved.
- Personal Protective Equipment (PPE).

For each phase, the risk can be caused by:

- The presence of the operator in the



workplace.

- The presence of external factors in the work environment.
- The use of machines and equipment.
- The use of hazardous substances/materials.

The probability of occurrence of each risk is evaluated (not probable, possible, probable, very probable), and its intensity (low, medium, high, very high). The risk score is the combination of these two factors, classified as:

- Very low: score 1-2
- Low: score 3-4
- Medium: score 6-8
- High: score 9-16

We assign the **probability** and the **intensity of risks** based on:

- Observation of the work environment.
- Identification of tasks performed.



- Examination of how tasks are carried out.
- Assessment of external factors that may affect the workplace.
- Review of work organization.
- Consideration of psychological, social, and physical factors that may cause stress.

Valland provides **comprehensive occupational health services**, which are designed to ensure fitness for work, early



Training needs are regularly evaluated through risk assessments, safety audits, and discussions with employees and safety representatives. This allows the Company to identify any gaps in knowledge or areas of concern and to tailor the training programs accordingly. The training sessions include:

- General health and safety.
- Job-Specific Hazard.

Each session is carefully designed to address specific hazards or areas of risk, providing workers with the knowledge and skills necessary to prevent accidents and maintain a safe working environment.

The training is conducted by **qualified trainers**, including internal HSE experts and external professionals like the RSPP. Health and safety training is provided on a regular basis, with refresher courses held annually or more frequently for high-risk areas. Additional sessions are organized whenever new processes, equipment, or regulations are introduced. The training sessions are conducted during paid working hours, ensuring that employees are not required to take time off or work unpaid hours to attend.

The effectiveness of the training is assessed mainly through the participants feedback, the number of safety incidents or near-misses reported, and the results

of follow-up audits and inspections. Any deficiencies or areas for improvement identified during these evaluations are used to refine and improve future training sessions.

To safeguard the health of its employees, Valland is affiliated with the supplementary healthcare fund "Metasalute", provided under the National Collective Labor Agreement. Our Company takes stringent measures to ensure the confidentiality of employees' health data. All health records are securely stored in compliance with GDPR. Access to this information is limited to authorized healthcare professionals, ensuring that sensitive data is not disclosed without proper consent. Any use of health data

checks to assess their fitness for work, including vision health assessment, hearing tests and lung function tests.

- **On-site voluntary mammography screenings** as an added benefit to female employees who wish to participate.
- **Voluntary skin cancer screening** generally every 2-3 years.

To prevent accidents, we conduct **regular training sessions** and safety audits with the HSE team collaborating closely with an external Responsible for the Prevention and Protection Service (RSPP). The company provides both general and specific training related to workplace hazards, job activities, and dangerous situations.

detection of potential health issues and preventive care. We offer:

- **Annual health checks:** All employees of all tasks undergo annual health





requires prior informed consent from employees, ensuring they have control over how their information is handled and shared. Moreover, health data or participation in healthcare programs is not considered in employment decisions, such as promotions, assignments, or performance evaluations.

In its supply chain, Valland adopts a systematic approach to ensure that suppliers comply with occupational health and safety standards. External risks related to suppliers and business partners can have serious indirect impacts on workers' health and safety, so they are closely monitored. The company maintains continuous dialogue with suppliers to share best practices, ensuring a safe working environment for all involved.

Regarding accidents at work, we point out the following:

**For all the employees:**

- Number and rate of deaths due to work-related injuries: 0 (0%).
- Number and rate of high-consequence work-related injuries (excluding deaths): 0 (0%).
- Number of recordable work-related injuries: 0 (0%).
- Number of worked hours (i.e., hours of absence): 0

Regarding occupational diseases, we point out the following:

**For all the employees:**

- Number of deaths due to occupational diseases: 0
- Number of recordable cases of occupational diseases: 0

## 4.2.2 Promoting Equality: Non-Discrimination and Equal Opportunity for All

[GRI 3-3] [GRI 202-2] [GRI 401-3] [GRI 404-1] [GRI 405-1] [GRI 405-2]

Promoting an inclusive and equitable corporate culture fosters an

**opportunity policy** aligned with national laws and international regulations. This

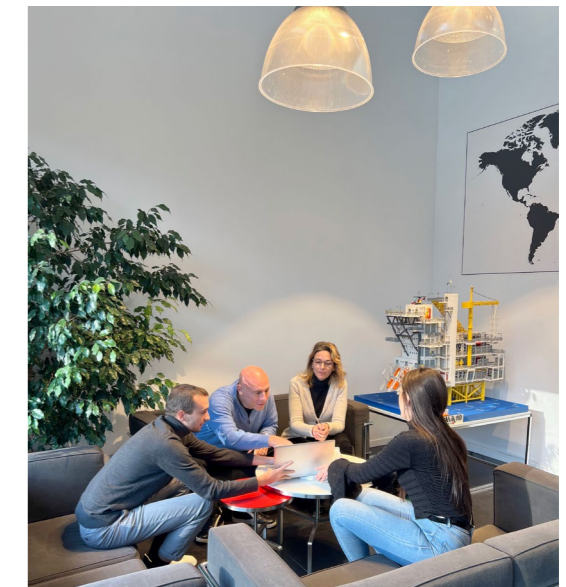
environment where all employees have **equal opportunities for growth and career advancement**. This approach enhances workplace satisfaction, boosts innovation, and strengthens the Company's reputation as a socially responsible employer. Negative impacts may arise from potential risks of discrimination in selection or internal growth processes, if not properly monitored. Our Company is not directly involved in negative impacts across its supply chain, but we acknowledge the potential risks arising from actions of suppliers or partners who do not respect the same principles of equality and non-discrimination.

We have implemented a **comprehensive non-discrimination and equal**



policy ensures that all employees are treated with respect and dignity, fostering a safe and equitable workplace. More in detail, we prevent potential negative

impacts by applying competency-based recruitment practices to minimize biases in hiring decisions and we provide targeted training for managers to identify and prevent discriminatory practices. These programs also promote **open and effective communication** across all organizational levels, cultivating a more inclusive work environment. Further



information can be found in our Code Of Ethics And Conduct (<http://www.valland.it/assets/Uploads/Code-of-Ethics-and-Conduct.pdf>) and Hiring policy (<http://www.valland.it/assets/Policies/Hiring-policy.pdf>).

To identify and address potential areas of concern, we use KPIs to monitor and evaluate employee turnover rates,



benchmarking these against industry standards. Regarding parental leave, we point out the following:

- Total number of employees that were entitled to parental leave, by gender: 0.
- Total number of employees that took parental leave, by gender: 0.
- Total number of employees that returned to work in the reporting period after parental leave ended, by gender: 0.
- Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work, by gender: 0.

- Return to work and retention rates of employees that took parental leave, by gender: Not detected.

**Employee training** are crucial for enhancing skills, ensuring continuous professional development, and fostering innovation within the organization. Investing in training empowers employees to perform effectively and adapt to evolving industry demands, contributing to overall Company's success. Male and female employees received the same amount of training hours (i.e., 68, 60 as internal and 8 as external training). Regarding the employees, we point out the following (Table 9 and Table 10):

Table 9: BoD members subdivided by gender and age.

Gender		Age (years)		
Male (n; %)	Female (n; %)	< 30	30 – 50	> 50
2 (100.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	2 (100.0%)

Table 10: Employees categories subdivided by gender and age.

Type of employee worker	Gender		Age (years)		
	Male (n; %)	Female (n; %)	< 30	30 – 50	> 50
Laborer	18 (100.0%)	0 (0.0%)	19 (30.2%)	35 (55.6%)	9 (14.3%)
Office staff	26 (57.8%)	19 (42.2%)			

### 4.2.3 The Employment Practices

[GRI 3-3] [GRI 401-1] [GRI 402-1] [GRI 404-2] [GRI 414-1] [GRI 414-2]

Employment practices are a critical component of the Company's sustainability strategy, as they directly impact employee well-being, organizational culture, and overall productivity. By prioritizing **fair and supportive working conditions**, we create a positive environment that not only attracts and retains talent but also enhances employee engagement and job satisfaction. We promote employees well-being through **flexible work policies** and programs that support mental health and **work-private life balance**, resulting in job satisfaction and turnover reduction. Such initiatives enhance our reputation as an employer of choice and contribute to a healthier and more productive workforce. Potential negative effects may include work-related stress or dissatisfaction due to high workloads or poor management of human resources. Moreover, we could be indirectly involved in negative impacts through partners or suppliers who fail to uphold workers' rights.

We are committed to reduce our potential negative impacts by implementing **employees development and well-being policies**, including continuous training programs. We regularly carry out surveys

to assess work-related stress and ensure the health and well-being of all the employees. Under request, we organize regular appointments for managers and employees with an external coach specialized in conflict management. Additionally, we have introduced flexible work policies and we regularly review the workloads. To monitor the **work-related stress assessment**, we carry out analysis supported by external RSP and the occupational health doctor. We regularly collect employees' feedback to improve our policies. An email address is available for employees to report concerns (whistleblowing policy).

Regarding the new employees hires and employees turnover, we point out the following (Table 11 and Table 12):



Table 11: New employees subdivided by gender, age and geographical area.

Gender		Age (years)			Geographical area	
Male (n; %)	Female (n; %)	< 30	30 – 50	> 50	Sondrio Province (n; %)	Other (n; %)
5 (62.5%)	3 (37.5%)	7 (87.5%)	1 (12.5%)	0 (0.0%)	6 (75.0%)	2 (25.0%)

**New employees rate**, i.e., ratio between new employees and total employees of 2023: 12.7%.

Table 12: Employees turnover subdivided by gender, age and geographical area.

Gender		Age (years)			Geographical area	
Male (n; %)	Female (n; %)	< 30	30 – 50	> 50	Sondrio Province (n; %)	Other (n; %)
2 (50.0%)	2 (50.0%)	1 (25.0%)	2 (50.0%)	1 (25.0%)	1 (25.0%)	3 (75.0%)

**Turnover rate**, i.e., ratio between employees that have left voluntarily or involuntarily (dismissal, retirement, or death) the Company and total employees of 2023: 6.3%.

To upgrade employees' skills for a particular role, or broader skills deemed

important by the top management, we generally carry out training courses based on funding opportunities or internally promoted.

Between 2022 and 2023 there has been an **increase of 184 suppliers** (i.e., from 2420 to 2604, +7.6%; 7.1% compared to the total number related to 2023). Of these, 12 (6.5% of the new suppliers) have been **selected according to social criteria** (i.e., supply from the local area, indirectly contributing to job creation and strengthening the well-being of the territory) and come from the Sondrio Province. These suppliers are equal to 7.6% of the total suppliers of 2023 coming from the Sondrio Province.



## 4.3 Governance

### 4.3.1 Safeguarding Your Privacy and Security

[GRI 3-3] [GRI 418-1]

Stakeholders privacy is crucial as it ensures the protection of sensitive information, fosters trust, and safeguards intellectual property, business strategies, and personal data. Stakeholders privacy encompasses the secure handling, storage, and use of data. Negative impacts could arise from the potential risk of privacy violations or data breaches, with consequent reputational damage. Moreover, our Company could be indirectly involved in data breaches by suppliers handling sensitive information.

We manage privacy through a comprehensive and proactive approach, which includes:

- **Data Protection Policies:** we have implemented robust data protection system that govern how Stakeholders data are collected, processed, and stored. We have a register of treatments, privacy policies, and managers of the service. These

policies ensure that all the information is handled securely and only accessed by authorized personnel. Regular updates are made to these policies to align with the General Data Protection Regulation (GDPR).

- **Cybersecurity Practices:**

- The internal network is protected from external threats through firewalls with traffic control.
- Internal Wi-Fi networks are secured with safe protocols (WPA2).
- Guest users connecting to Valland's network (via Wi-Fi) are isolated in a VLAN separate from the one used by employees.
- External connections (for remote access during travel or smart-working) are made through a secure VPN.
- Access to Valland's internal resources is managed via Microsoft





Active Directory.

- Basic security policies are implemented for internal resources (e.g., complex passwords that should be changed periodically, file server resources mapped and accessible based on user-specific criteria).
- Devices within Valland's network are protected by antivirus software (integrated Microsoft Defender solution) and configured for automatic updates.
- Email accounts are managed through Microsoft 365, with multi-factor authentication automatically enabled.
- Communication with external parties is only allowed through Valland's official and certified channels (i.e., e-mail, Teams, corporate phone numbers).
- **Incident Response:** In the rare case of a data breach or privacy incident, we have a well-defined incident response plan in place. This ensures that any breaches are immediately identified, addressed, and reported in a transparent manner. We take all necessary steps to minimize any potential harm and implement corrective measures to prevent future incidents.

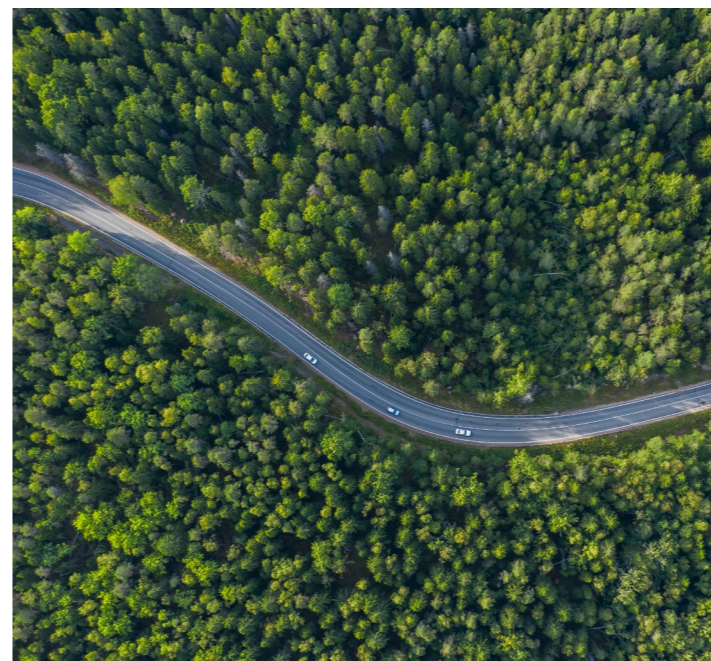
Valland uses periodic audits and vulnerability tests to monitor the effectiveness of protection measures. KPIs monitored include the number of security incidents and incident response time. Customers are informed about data protection measures and are involved in reviewing security policies to ensure transparency and trust. To prevent security breaches, we apply constant review of protection measures. If an event of a security breach occurs, we carry out swift resolution actions. This demonstrates our dedication to transparency, accountability, and trustworthiness in every aspect of our

operations.

For 2023 we have registered:

- Total number of substantiated complaints received concerning breaches of customer privacy:
  - complaints received from outside parties and substantiated by the organization: 0.
  - complaints from regulatory bodies: 0.
- Total number of identified leaks, thefts, or losses of customer data: 0.

### 4.3.2 **Responsible and Sustainable Supply Chain: Fostering Local Impact and Global Responsibility**



[GRI 3-3] [GRI 204-1]

The responsible and sustainable supply chain emphasizes our Company's commitment to ethical practices, environmental protection, and social responsibility, with a particular focus on **promoting local suppliers and a shorter**



**supply chain.** We have analysed our supply chain by classifying the suppliers both qualitatively and quantitatively based on:

- **Geographic origin.**
- **Distance between supplier's and the place of Valland's significant activities** (operational headquarters where all production activities are carried out):

**$d \leq 70$  km;  $70 < d \leq 140$  km;  $> 140$  km.**

The following table shows the subdivision of suppliers according to their geographical origin and the corresponding expenditure for the purchase of goods and services and capital goods (%).

Table 13: Subdivision of suppliers according to the geographic origin and corresponding expenditure (%).

Geographic origin	Suppliers (%)	Expenditure for good and services and capital goods (%)
Sondrio Province	16.3	10.7
Lombardy Region <sup>a</sup>	59.3	39.6
Italy <sup>b</sup>	16.3	31.8
Foreign Countries	8.1 <sup>c</sup>	17.9

- a. It means Outside Sondrio Province and within Lombardy Region.
- b. It means Outside Lombardy Region and within Italy.
- c. Germany: 23.5%; United Kingdom: 17.6%; Netherlands: 11.8%; the remaining 47.1% includes: Belgium, Port Talbot – Glamorgan, Norway, Switzerland, France, China, Austria and Singapore).

The analysis of our supply chain shows that **75.6% of the suppliers are located within the Lombardy Region** (16.3% inside and 59.3% outside the Province of Sondrio). These suppliers account

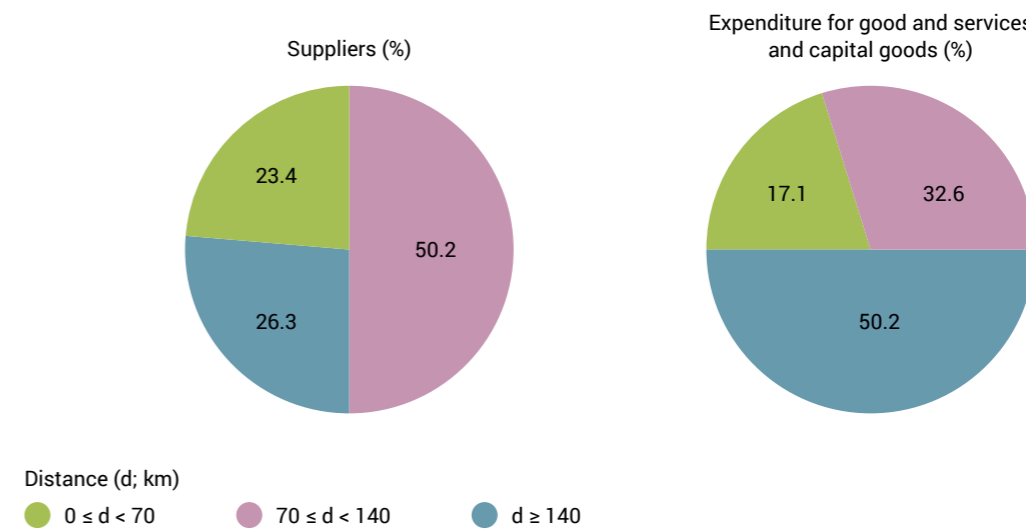
for approximately **50% of our total expenditure** for purchase goods and services, and capital goods.

The suppliers located within the distance

of 70 km (i.e., the short/local supply chain) account for **23.4% of the total**, and the corresponding expenditure for

the purchase of goods and services and capital goods has been equal to **17.1%** (Figure 4).

Figure 4: Subdivision of suppliers according to the geographic origin and corresponding expenditure (%).



Relying on nearby suppliers reduces transportation distances, which leads to lower fuel consumption, emissions, and minimized environmental impact. Lombardy, as one of the most industrialized and economically dynamic Regions of Italy, offers a robust network of skilled suppliers and industries. The Region is renowned for its innovation, craftsmanship, and quality standards, which align closely with the values of our Company. By sourcing from local suppliers, we actively contribute to the **preservation of local traditions**,

stimulate employment, and promote economic resilience. The largest share of expenditure, however, is associated to suppliers located more than 140 km from our Company.

We aim to enhance the **sybiotic relationship between our operations and the local community**, driving both sustainable development and long-term regional prosperity.

However, our emphasis on local sourcing goes beyond economic and





# 5

## GRI Standard Content Index

environmental benefits. It fosters **stronger relationships with our suppliers**, enabling better collaboration and shared growth. At the same time, we remain vigilant against potential risks, such as unethical practices or inadequate working conditions, ensuring that our supply chain adheres to the highest standards of ethical, environmental, and social responsibility. The Company could be indirectly involved in negative impacts in the case of unethical practices, inadequate working conditions, or data security breaches by local suppliers.

Further to that, to ensure active and constructive engagement, we collaborate with local **associations, clusters, and local initiatives** to promote sustainable

economic growth and integrate local communities into our supply network.





## 5.1 Content Index

### General disclosures

GRI Standard	Disclosure	Location with the Report	Omissions		
			Requirements omitted	Reason	Explanation
GRI 2: General Disclosures 2021	2-1 Organizational details	§ General Introduction			
	2-2 Entities included in the organization's sustainability reporting	§ General Introduction	b	Not applicable	The Company's activities and processes are not among those defined in the disclosure.
	2-3 Reporting period, frequency and contact point	§ General Introduction			
	2-4 Restatements of information	§ General Introduction			
	2-5 External assurance	§ General Introduction			
	2-6 Activities, value chain and other business relationships	§ Profile and Activities: Driving Sustainability Forward; § Sustainability through Collaboration: Business Relationships and Value Chain			
	2-7 Employees	§ Profile and Activities: Driving Sustainability Forward			
	2-8 Workers who are not employees	§ Profile and Activities: Driving Sustainability Forward			

2-9 Governance structure and composition	§ Shaping Responsible Leadership and Decision-Making	c-i, ii, iii, vi, viii	Not relevant	-
2-10 Nomination and selection of the highest governance body	§ Shaping Responsible Leadership and Decision-Making	b	Not relevant	-
2-11 Chair of the highest governance body	§ Shaping Responsible Leadership and Decision-Making			
2-12 Role of the highest governance body in overseeing the management of impacts	§ Shaping Responsible Leadership and Decision-Making			
2-13 Delegation of responsibility for managing impacts	§ Shaping Responsible Leadership and Decision-Making	b	Information not available	-
2-14 Role of the highest governance body in sustainability reporting	§ Shaping Responsible Leadership and Decision-Making			
2-15 Conflicts of interest	§ Shaping Responsible Leadership and Decision-Making			
2-16 Communication of critical concerns	§ Shaping Responsible Leadership and Decision-Making			
2-17 Collective knowledge of the highest governance body	§ Shaping Responsible Leadership and Decision-Making			
2-18 Evaluation of the performance of the highest governance body	§ Shaping Responsible Leadership and Decision-Making	b	Information not available	-



2-19 Remuneration policies	-	All	Confidentiality constraints	Confidential information
2-20 Process to determine remuneration	-	All	Confidentiality constraints	Confidential information
2-21 Annual total compensation ratio	-	All	Confidentiality constraints	Confidential information
2-22 Statement on sustainable development strategy	§ Our Strategy, policy and procedure for a sustainable and inclusive growth			
2-23 Policy commitments	§ Our Strategy, policy and procedure for a sustainable and inclusive growth			
2-24 Embedding policy commitments	§ Our Strategy, policy and procedure for a sustainable and inclusive growth	All	Not applicable	The Company's activities and processes are not among those defined in the disclosure.
2-25 Processes to remediate negative impacts	§ Our Strategy, policy and procedure for a sustainable and inclusive growth	All	Not applicable	The Company's activities and processes are not among those defined in the disclosure.
2-26 Mechanisms for seeking advice and raising concerns	§ Our Strategy, policy and procedure for a sustainable and inclusive growth			
2-27 Compliance with laws and regulations	§ Our Strategy, policy and procedure for a sustainable and inclusive growth	b	Information not available	-

	2-28 Membership associations	§ Our Strategy, policy and procedure for a sustainable and inclusive growth			
	2-29 Approach to stakeholder engagement	§ Our Strategy, policy and procedure for a sustainable and inclusive growth; § Unlocking Impacts: Key Materiality Issues and Insights			
	2-30 Collective bargaining agreements	§ Our Strategy, policy and procedure for a sustainable and inclusive growth			
	GRI 3: Material Topics 2021	3-1 Process to determine material topics	§ Unlocking Impacts: Key Materiality Issues and Insights		
	3-2 List of material topics	§ Unlocking Impacts: Key Materiality Issues and Insights	b	Information not available	

General disclosures



GRI Standard	Disclosure	Location with the Report	Omissions		
			Requirements omitted	Reason	Explanation
<b>Material area</b>					
<b>Product, process and service innovation</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	§ Driving Innovation: Transforming Products, Processes, and Services			
<b>Greenhouse gases emissions</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	§ Measuring Our Footprint: Greenhouse Gases Emissions Inventory			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	§ Measuring Our Carbon Footprint: Greenhouse Gases Emissions Inventory	b, c-iii, iv, d	Not applicable	The Company's activities and processes are not among those defined in the disclosure.
	302-2 Energy consumption outside the organization	-	All	Information not available	-
	302-3 Energy intensity	§ Measuring Our Carbon Footprint: Greenhouse Gases Emissions Inventory			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	§ Measuring Our Carbon Footprint: Greenhouse Gases Emissions Inventory	c, d	Not applicable	The Company's activities and processes are not among those defined in the disclosure.

	305-2 Energy indirect (Scope 2) GHG emissions	§ Measuring Our Carbon Footprint: Greenhouse Gases Emissions Inventory		a, d	Not applicable	The Company's activities and processes are not among those defined in the disclosure.
	305-3 Other indirect (Scope 3) GHG emissions	§ Measuring Our Carbon Footprint: Greenhouse Gases Emissions Inventory		c, e	Not applicable	The Company's activities and processes are not among those defined in the disclosure.
	305-4 GHG emissions intensity	§ Measuring Our Carbon Footprint: Greenhouse Gases Emissions Inventory				
	305-5 Reduction of GHG emissions	-		All	Not applicable	The Company's activities and processes are not among those defined in the disclosure.
	305-6 Emissions of ozone-depleting substances (ODS)	-		All	Not applicable	The Company's activities and processes are not among those defined in the disclosure.
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	-		All	Not applicable	The Company's activities and processes are not among those defined in the disclosure.



Energy efficiency and renewable energy					
GRI 3: Material Topics 2021	3-3 Management of material topics	§ Powering the Future: Energy Efficiency and Renewable Solutions			
GRI 302: Energy 2016	302-4 Reduction of energy consumption	§ Powering the Future: Energy Efficiency and Renewable Solutions	d	Not applicable	The Company's activities and processes are not among those defined in the disclosure.
	302-5 Reductions in energy requirements of products and services	-	All	Not applicable	The Company's activities and processes are not among those defined in the disclosure.
Occupation health and safety					
GRI 3: Material Topics 2021	3-3 Management of material topics	§ Ensuring Safety: Prioritizing Occupational Health and Well-being			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	§ Ensuring Safety: Prioritizing Occupational Health and Well-being			
	403-2 Hazard identification, risk assessment, and incident investigation	§ Ensuring Safety: Prioritizing Occupational Health and Well-being	b, c	Not applicable	The Company's activities and processes are not among those defined in the disclosure.
	403-3 Occupational health services	§ Ensuring Safety: Prioritizing Occupational Health and Well-being			

	403-4 Worker participation, consultation, and communication on occupational health and safety	-	All	Not applicable	The Company's activities and processes are not among those defined in the disclosure.
	403-5 Worker training on occupational health and safety	§ Ensuring Safety: Prioritizing Occupational Health and Well-being			
	403-6 Promotion of worker health	§ Ensuring Safety: Prioritizing Occupational Health and Well-being			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	§ Ensuring Safety: Prioritizing Occupational Health and Well-being			
	403-8 Workers covered by an occupational health and safety management system	§ Ensuring Safety: Prioritizing Occupational Health and Well-being			
	403-9 Work-related injuries	§ Ensuring Safety: Prioritizing Occupational Health and Well-being	c, d, e, f, g	Not applicable	The Company's activities and processes are not among those defined in the disclosure.
	403-10 Work-related ill health	§ Ensuring Safety: Prioritizing Occupational Health and Well-being	c, d, e	Not applicable	The Company's activities and processes are not among those defined in the disclosure.



Non-discrimination and equal opportunity					
GRI 3: Material Topics 2021	3-3 Management of material topics	§ Promoting Equality: Non-Discrimination and Equal Opportunity for All			
GRI 202: Market Presence 2016	202-2 Proportion of senior management hired from the local community	-	All	Information not available	-
GRI 401: Employment 2016	401-3 Parental leave	§ Promoting Equality: Non-Discrimination and Equal Opportunity for All			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	§ Promoting Equality: Non-Discrimination and Equal Opportunity for All	a-ii	Information not available	-
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	§ Promoting Equality: Non-Discrimination and Equal Opportunity for All	a-iii, b-iii	Not relevant	
	405-2 Ratio of basic salary and remuneration of women to men	-	All	Confidentiality constraints	Confidential information
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	-	All	Not applicable	The Company's activities and processes are not among those defined in the disclosure.
Employment practices					
GRI 3: Material Topics 2021	3-3 Management of material topics	§ The Employment Practices			

GRI 401: Employment 2016	401-1 New employee hires and employee turnover	§ The Employment Practices			
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	-	All	Confidentiality constraints	Confidential information
	401-3 Parental leave	§ Promoting Equality: Non-Discrimination and Equal Opportunity for All			
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	-	All	Not applicable	The Company's activities and processes are not among those defined in the disclosure.
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	§ Promoting Equality: Non-Discrimination and Equal Opportunity for All	a-ii	Information not available	-
	404-2 Programs for upgrading employee skills and transition assistance programs	§ The Employment Practices	b	Not applicable	The Company's activities and processes are not among those defined in the disclosure.
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	§ The Employment Practices			



	414-2 Negative social impacts in the supply chain and actions taken	-	All	Not applicable	The Company's activities and processes are not among those defined in the disclosure.
<b>Data protection</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	§ Safeguarding Your Privacy and Security			
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	§ Safeguarding Your Privacy and Security			
<b>Responsible and sustainable supply chain</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	§ Responsible and Sustainable Supply Chain: Fostering Local Impact and Global Responsibility			
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	§ Responsible and Sustainable Supply Chain: Fostering Local Impact and Global Responsibility			

## 5.2 Statement of Use

Valland SpA has reported the information cited in this GRI Standard content index for the period January 1st – December 31st, 2023, with reference to the GRI Standards.

## 5.3 GRI 1 Used

GRI 1: Foundation 2021.

## 5.4 Applicable GRI Sector Standard

GRI Sector Standard 11: Oil and Gas Sector (2021).

## 5.5 Notification to the GRI

An e-mail has been sent to the GRI to notify that the present Sustainability Report has been produced with reference to the GRI standards.



# 6

## Stakeholders Questionnaire for Materiality Analysis



Valland Spa - Stakeholders Questionnaire for Materiality Analysis Year 2023.

This Questionnaire consists of 14 questions, each of them related to a specific thematic area of Environmental, Social and Governance (ESG) Performances. 4 questions are related to Environmental Performances (Environment Category), 5 to Social Performances (Social Category) and 5

to Company Governance Performances (Governance Category).

Instructions for completion:

For each question, assign a score ranging from 1 (thematic area considered of no importance, and for which Valland Spa should neither prioritize, nor allocate resources) to 10 (thematic area considered extremely important, and for which Valland Spa should pay the maximum attention, urgently investing resources).

*\* Required*

### 1. Identify the category of Stakeholder to which you belong\*

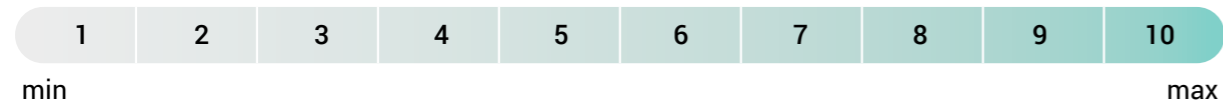
- Associations (e.g.: Trade Associations, Industrial, Lombardy Technology Clusters)
- Shareholders
- Clients
- Local Community and Territory
- BoD
- Employees
- Suppliers
- Banks
- Universities and Research Centers





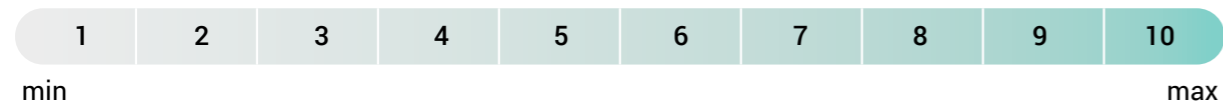
**2. How important do you think it is for Valland to monitor the greenhouse gases emissions into the atmosphere resulting from its activities? \***

Environment Category



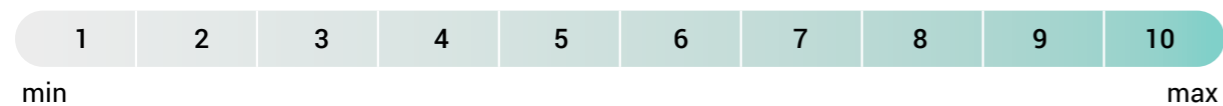
**3. How important do you think it is for Valland to rationally manage waste generated through its production processes? \***

Environment Category



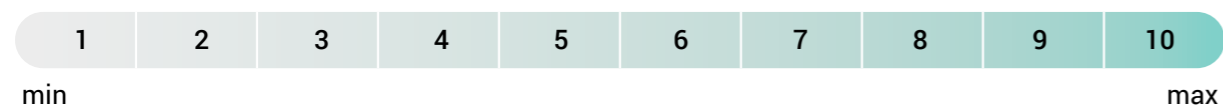
**4. How important do you think it is for Valland to adopt energy-efficient practices, also using renewable sources instead of non-renewable sources? \***

Environment Category



**5. How important do you think it is for Valland to focus on innovative and sustainable production technologies, also including circular economy practices? \***

Environment Category



**6. How important do you think it is for Valland to ensure high standards of physical and mental health for its employees, by providing a safe working environment and preventing injuries and illnesses? \***

Social Category



**7. How important do you think it is for Valland to adopt employment practices that ensure job creation, turnover, benefits and adequate salary for its employees? \***

Social Category



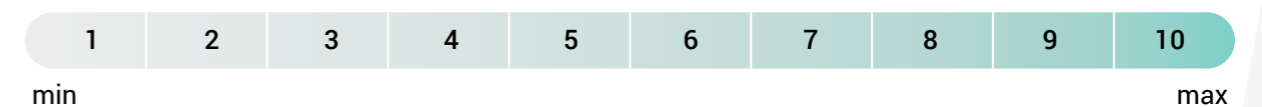
**8. How important do you think it is for Valland to promote equal opportunities for training, career advancement, and inclusive working conditions without discrimination based on personal characteristics? \***

Social Category



**9. How important do you think it is for Valland to maintain a direct relationship with the local Community and the territory? \***

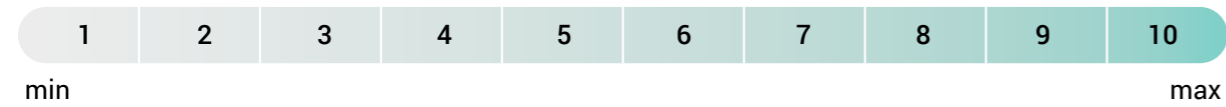
Social Category





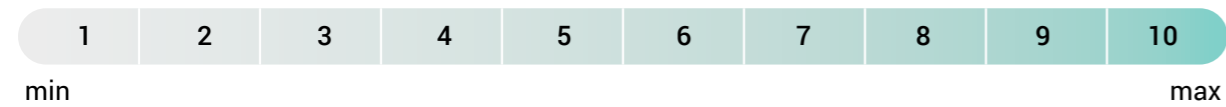
**10. How important do you think it is for Valland to respect its employees' rights to freedom of association and collective bargaining for the representation of their interests? \***

Social Category



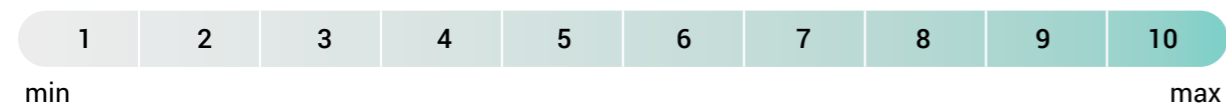
**11. How important do you think it is for Valland to avoid anti-competitive practices and promote fair competition within the sector? \***

Governance Category



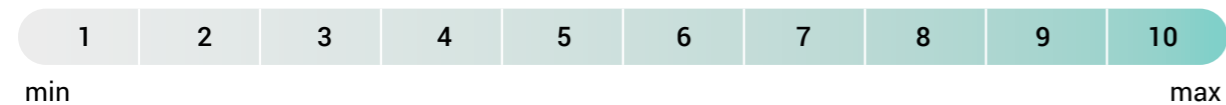
**12. How important do you think it is for Valland to implement effective anti-corruption measures, and ensure ethical and transparent practices across its activities? \***

Governance Category



**13. How important do you think it is for Valland to create shared value for the medium and long term for all the Stakeholders through the operational and financial efficiency, and the economically sustainable management of its business? \***

Governance Category



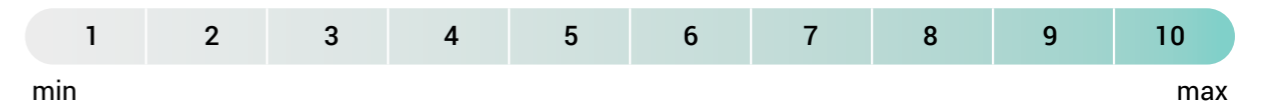
**14. How important do you think it is for Valland to focus on a responsible and sustainable supply chain for purchased goods production? \***

Governance Category



**15. How important do you think it is for Valland to ensure the protection of its employees' personal data? \***

Governance Category








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