



VALLAND SPA SUSTAINABILITY REPORT YEAR 2025

**INNOVATING FOR IMPACT:
REDEFINING OUR PROGRESS THROUGH SUSTAINABILITY**

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CHAPTER

01

NAVIGATING CHANGE,
BUILDING WHAT LASTS:
A MESSAGE FROM
LEADERSHIP



1.1

Grounded in Purpose, Focused on the Future

Dear stakeholders,

In December 2024 my father, Giacomo Andrea Mondora, transferred to me his 51% shareholding in Valland. It was a considered decision, taken at a moment of his own choosing, and its purpose was continuity: to ensure that the company he co-founded in 2006 passed into the hands of a second generation while he was still here to hand it over. He remains a Board Member and Managing Director. I write to you this year, for the first time, as Valland's majority shareholder.

I have been General Manager since 2015, so the work itself is familiar to me. What has changed is the horizon. As a manager I was accountable for the year ahead; as majority shareholder I am accountable for a good deal longer than that. In 2026, the year in which we publish this Report, Valland turns twenty. That is long enough to have proven the business works, and short enough that most of us still remember why it was started.

My father built Valland on a few simple principles, and those are what I intend to carry forward. The quality of the product comes first, and it is not negotiable. A commitment made to a client is a commitment kept. And the people who design and build our valves are what make both of those things possible, which is why they belong at the center of how the Company is run. These are the standards I would ask you to hold us to when you read this Report.

The environment in which we work has not grown simpler. Trade tensions have intensified, with sweeping protectionist measures reshaping the rules of international commerce in ways that few anticipated. The wars in Ukraine and the Middle East grind on, keeping energy security at the top of every agenda and reminding us how fragile the systems we depend on can be. And climate change, which is no longer a distant risk, continues to make itself felt in ways we now have to plan for.

Against that backdrop, 2025 was for Valland a year of consolidation. We used it to strengthen the foundations that let us work with consistency and integrity whatever the external environment brings. We refined our processes, sharpened our sustainability commitments, and invested in the relationships with our people, our suppliers and our clients that make everything else possible. For a company in the middle of a generational transition, that is time well spent.

Our people have been at the heart of it. We have continued to build a workplace where technical excellence and personal growth go hand in hand, where accountability is shared, and where the long-term health of the organization is understood as inseparable from the well-being of the individuals who make it up. A family business that plans to last has to take this seriously, because the expertise we rely on is passed from person to person, and when people go it goes with them.

On the sustainability front, we have continued to

advance our understanding of our environmental footprint, embedding more rigorous thinking into how we design and produce. Our work in Additive Manufacturing has matured further. How we make things matters as much as what we make, and that thinking now runs through more of our design decisions than it did a year ago.

What gives me confidence looking ahead is that Valland knows what it stands for and now has a clear line of responsibility for keeping it that way. The energy sector is going through a profound and necessary transformation, and we intend to help shape it by taking what we already do well and doing it better, more responsibly, and with a longer view.

To our clients, partners, suppliers and colleagues, and to everyone who follows what we do: thank you. Your engagement with our work, and your willingness to hold us to a high standard, is something I do not take for granted. It is what keeps us moving.



Luisa Elena Mondora

General Manager and Shareholder, Valland SpA

[Report publication date: October, 2026]

CHAPTER

02

**BUILDING RESILIENCE
THROUGH
GOVERNANCE,
INNOVATION, AND
RESPONSIBLE GROWTH**

2.1

Valland in Context: Identity, Scope, and Reporting Approach

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

Valland SpA has been founded in 2006 in Piantedo, in the Province of Sondrio, Italy, by a team of professionals with more than three decades of hands-on experience in the valve industry. Headquartered at Via Roccoli 252, the company operates as a single privately held legal entity and is not listed on any stock exchange.

Valland's core business consists of **designing and manufacturing high-quality, custom-engineered ball, gate, and check valves, primarily intended for offshore and subsea applications and supplied to clients worldwide**. Further information on our products and activities is available on our website: www.valland.it.

This is our **fifth annual Sustainability Report**. It covers the period from 1 January to 31 December 2025, consistently with the scope of the Company's Financial Statements. Since 2021, Valland has published its Sustainability Report on a voluntary basis, confirming its commitment to transparency, accountability, and responsible business conduct.

The Report has been prepared with the technical and methodological support of Eartha Srl¹. For technical enquiries, please contact: Dr. Alex

1. Dr. Luca Nonini, Sustainability Consultant (luca.nonini@eartha.it); Dr. Rebecca Sansi, Sustainability Analyst (rebecca.sansi@eartha.it).

Giorgini, R&D Manager (alex.giorgini@valland.it).

This Report has once again been prepared in accordance with the Global Reporting Initiative (GRI) Standards, reflecting Valland's continued commitment to structured, transparent, and rigorous sustainability disclosure. The GRI Standards provide a globally recognized framework for reporting an organization's environmental, economic, and social impacts, including impacts related to human rights. They are widely used by organizations of different sizes and sectors to communicate their contribution to sustainable development in a consistent and comparable manner. Further information is available at www.globalreporting.org.

As an additional sector-specific reference, we have drawn on the **Sustainability Reporting Guidance for the Oil&Gas Industry**, developed jointly by the **International Petroleum Industry Environmental Conservation Association (IPIECA)**, the **American Petroleum Institute (API)**, and the **International Association of Oil&Gas Producers (IOGP)**.

ipieca



American
Petroleum
Institute



International
Association
of Oil & Gas
Producers

Building on the transition made in the previous reporting cycle, this edition further consolidates Valland’s reporting approach under the “in accordance with” option. A detailed review has been carried out to ensure alignment with the nine requirements of **GRI 1: Foundation 2021, thereby strengthening the accuracy, completeness, and consistency of the disclosures presented** across the Company’s material topics.



Accessibility and readability have also been considered during the preparation of this Report. The content has been structured to support clear navigation and is complemented by internal references, graphics, and tables designed to improve clarity and understanding. The Report is written in English to reach an international audience and is made available online at: [insert direct link to the PDF].

Compared with the previous Report, there have been no changes concerning the duration of the reporting period, the nature of the Company’s activities, business relationships, supply chain characteristics, methodologies used to assess environmental, social, and governance impacts, divestitures, mergers or acquisitions, or any errors requiring restatement of previously reported information.

To support meaningful year-on-year comparison, methodological approaches, data presentation formats, and underlying assumptions have been **kept consistent** with the previous reporting cycle. Where calculations are presented, including those relating to greenhouse gas emissions, the methodology has been described in sufficient detail to allow interested readers to understand and replicate the results.

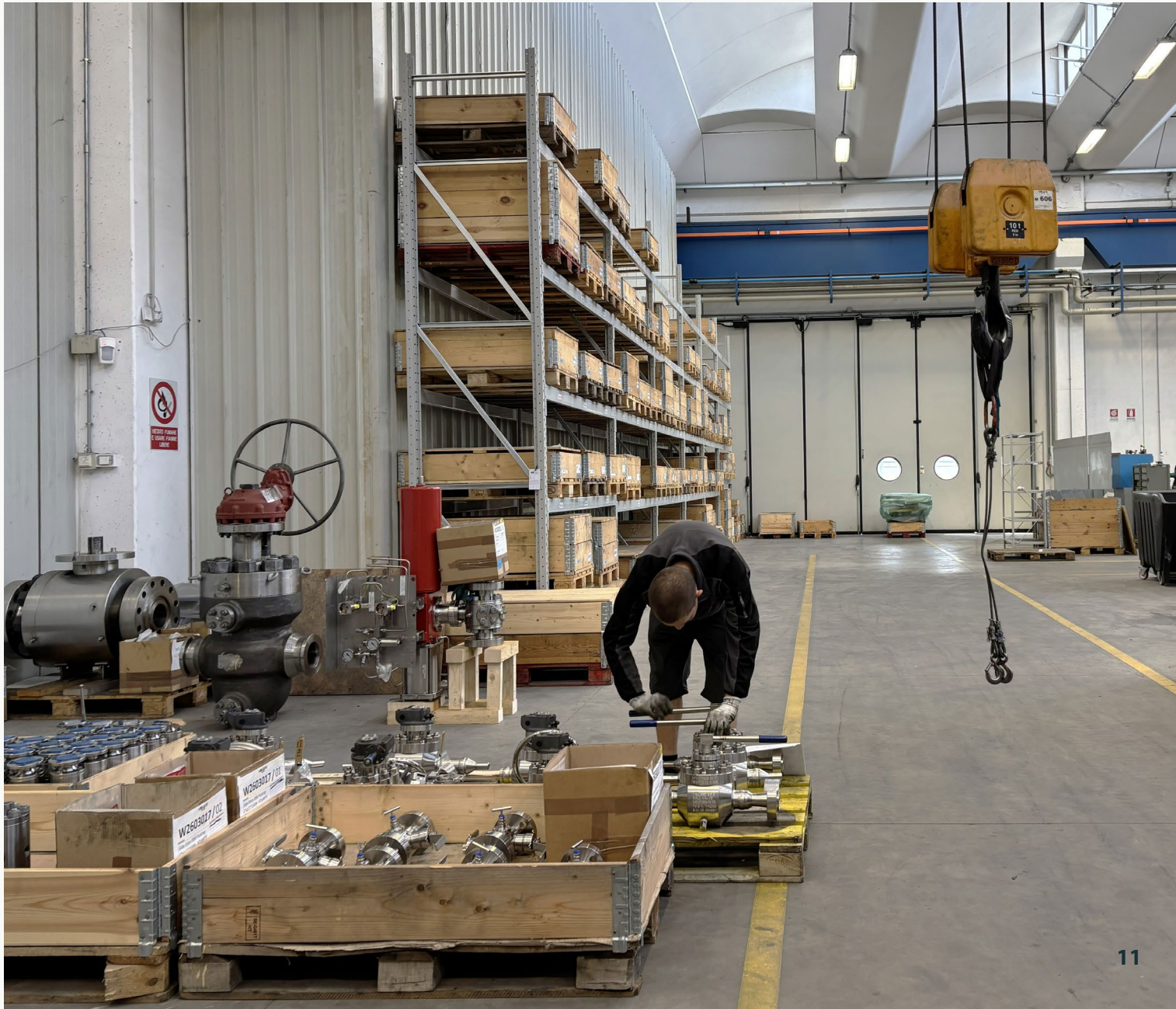
Where possible, this Report compares **current data with previous reporting years** in order to provide a clearer view of Valland’s progress over time. Full comparability is ensured with the 2024 Report, which has been also prepared in accordance with the GRI Standards. Where data from the 2023 Report are referenced, they should be read as directional information, as that Report has been prepared under the “with reference to” option. Any relevant methodological differences are duly noted.

No material information necessary to understand Valland’s impacts has been omitted. The data and content included in this Report are based on **internal sources and external references** which, to the best of our knowledge, are reliable and verifiable. This approach supports evidence-based disclosure and reinforces the transparency and accountability of the reporting process.

Certain waste generation processes and greenhouse gas (GHG) emissions may result from activities that are limited in duration or scale. Nevertheless, Valland recognizes that such activities may contribute to cumulative environmental impacts over time, particularly in relation to long-lived climate pollutants and the improper management of non-biodegradable or hazardous waste.

This Report has not been subject to external assurance. Valland nevertheless recognizes the value that independent verification can bring in strengthening the credibility of disclosures and reinforcing stakeholder trust. At this stage, **internal validation** has been carried out by members of the senior management team, who reviewed and confirmed the accuracy and consistency of the information presented.

Looking ahead, Valland is working to enhance its internal systems in order to support a **future transition toward external assurance**. This includes progressively aligning reporting practices with recognized standards and strengthening the processes needed to ensure greater transparency, accuracy, and traceability of data. Both management and the Board of Directors (BoD) will continue to play an active role in overseeing this process, ensuring that sustainability remains integrated into Valland’s strategic and governance frameworks. This Report is published at: <https://www.valland.it/company/corporate-social-responsibility/>.



2.2

Engineering Value: Operations, Markets, and Strategic Partnerships

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

Under the **Global Industry Classification Standard** (GICS), Valland operates within the “**Energy**” sector and is classified under Sub-Industry 10101020, Oil&Gas Equipment & Services. This classification reflects the Company’s role in engineering and manufacturing precision valve solutions for demanding applications within the global energy industry.

Valland’s business profile remained stable during the reporting period. No material changes occurred in relation to activities, products, services, markets, or supply chain structure. This continuity reflects the strength of a focused business model, progressively refined over more than two decades of industrial experience.

Throughout 2025, Valland continued to operate as a **reliable and technically specialized partner** in the energy sector. Its solutions support a wide range of applications, from exploration and production to subsea systems, transmission networks, and specialized industrial services. Each project, from engineering to final delivery, is guided by technical excellence, responsiveness to client needs, and a strong focus on quality.

This ability to deliver consistently is supported by a **well-established network of local suppliers and strategic partners**. These relationships have been built over time and are based on the capacity to meet the high technical, quality, and compliance standards required by Valland’s clients, including in complex and time-sensitive projects.

The **North Sea**, primarily including Norway and



the United Kingdom, remains Valland’s principal market. This region is characterized by **advanced technical expertise**, a strong safety culture, and industrial infrastructure designed for some of the harshest offshore environments worldwide. Operating in this context requires compliance with **stringent regulatory frameworks**, the capacity to withstand demanding physical conditions, and a level of product reliability appropriate for safety-critical applications.

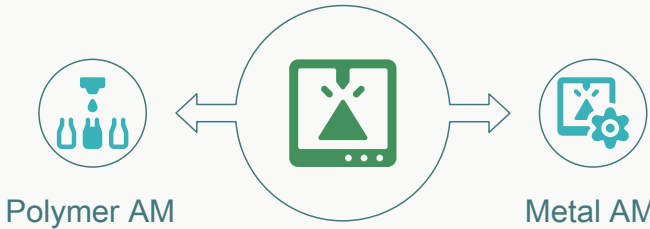
Valland’s valves are designed to operate under **high pressure, corrosive media, and wide temperature fluctuations**. They are used across extraction facilities, injection systems, and subsea pipelines, where component reliability is essential and the margin for error is extremely limited.

Environmental stewardship is a baseline expectation in this market. Regulators, industry associations, clients, and other stakeholders closely monitor the safety and environmental impact of materials and technologies used throughout the supply chain. None of Valland’s products are currently subject to restrictions in its operating markets. However, the Company recognizes that certain component categories may be subject to heightened scrutiny, especially where potentially hazardous materials are involved.

Valland therefore approaches compliance not only as a legal requirement, but also as a basis for continuous improvement. The Company regularly reviews the environmental profile of its products and processes in line with evolving standards, market expectations, and its own sustainability commitments.

Innovation has long been a defining feature of Valland’s operating model, and in 2025 there has been no exception. The Company’s work in **Additive Manufacturing (AM)**, which began in **2016**,

has continued to evolve from initial exploratory collaborations with specialized partners into a structured area of technical development. Today, Valland’s AM capabilities include a broad range of **metal and polymer-based techniques, such as Binder Jetting, Powder Bed Fusion, WAAM, FDM for composite and high-performance materials, and resin photopolymerization**.



These technologies support the production of valve components for Oil&Gas applications and open opportunities in adjacent sectors linked to energy and industrial design.

The **Research & Development (R&D)** function plays a central role in this progress. It combines long-standing engineering experience with advanced analytical tools, including Finite Element Analysis (FEA). R&D activities also extend to safety-critical applications, including the development of Safety Integrity Level (SIL) assessments and Safety Analysis Reports (SAR). These activities are carried out in close collaboration with clients and technical stakeholders, helping to ensure that developed solutions are both technically sound and practically applicable.

For Valland, innovation and sustainability are closely connected. Innovation supports not only technical performance, but also the long-term resilience of the Company’s operations and of the wider industry it serves.

Collaboration is an essential part of Valland’s value creation model. Every product delivered by the Company depends on a broader network of relationships with suppliers, partners, distributors, clients, certification bodies and consultants. These are not merely transactional relationships, but long-term partnerships based on shared standards, technical reliability, and mutual accountability. The Company’s network includes:

- **Suppliers**, who provide essential raw materials, mechanical components, and AM technologies supporting Valland’s innovation activities.
- **Project partners**, including private companies and public organizations such as universities and research centres, research and consulting companies, trade and industrial associations, and Lombardy Technology Clusters, who collaborate with Valland on advanced materials and AM-based solutions.
- **Distributors**, who support the timely and reliable delivery of finished products worldwide, under appropriate conditions.
- **Clients**, who rely on Valland’s products and often become long-term collaborators in ongoing projects across international markets.
- **Certification bodies and consultants**, who support compliance with safety standards and regulatory requirements, including the preparation of Safety Integrity Level (SIL) assessments and Safety Analysis Reports (SAR).

The structure of Valland’s supply chain reflects the precision and complexity of its products. Several characteristics are particularly relevant:

- **Skilled, labour-intensive processes:** many core operations, including manual and robotic welding of complex geometries, surface treatment, coating, assembly, final inspection, non-destructive testing (NDT), and quality verification, require certified technicians and cannot be fully automated without compromising quality.
- **Certified and traceable materials:** Valland sources high-grade raw materials, including stainless steels, duplex alloys, Inconel, and carbon steels, from trusted suppliers able to guarantee full certification and traceability. These materials are typically supplied as forgings or bars and must comply with strict metallurgical and dimensional specifications.
- **Specialization and compliance:** given the critical environments in which Valland’s valves operate, including offshore, cryogenic, and high-pressure applications, suppliers are required to work within certified quality management systems, including ISO 9001, PED, and API Q1.
- **Regional diversification and risk management:** the supply chain is structured to balance domestic and international sourcing, reducing exposure to geopolitical disruption and supporting continuity of supply. Lead times and logistics are carefully managed, particularly for long-lead items such as cast or forged components.

Compared with the previous reporting period, Valland’s network has remained stable, with no significant changes in the structure or nature of its key relationships. This

stability confirms the strength of the Company’s collaborative approach and its commitment to transparent and reliable partnerships.

A further milestone is the **joint venture with CTA Group**, named **Vision2H**, formally established in 2024 and now entering a new phase of development. The partnership has been implemented to accelerate the transition toward **green hydrogen** by combining Valland’s expertise in industrial valve manufacturing and AM technologies with CTA Group’s global distribution network across the chemical, petrochemical, refining, and energy sectors.

In 2025, Vision2H continued to advance its core technology: a **100-kW single-stack Anion Exchange Membrane (AEM) electrolyser**. This technology represents a relevant step toward

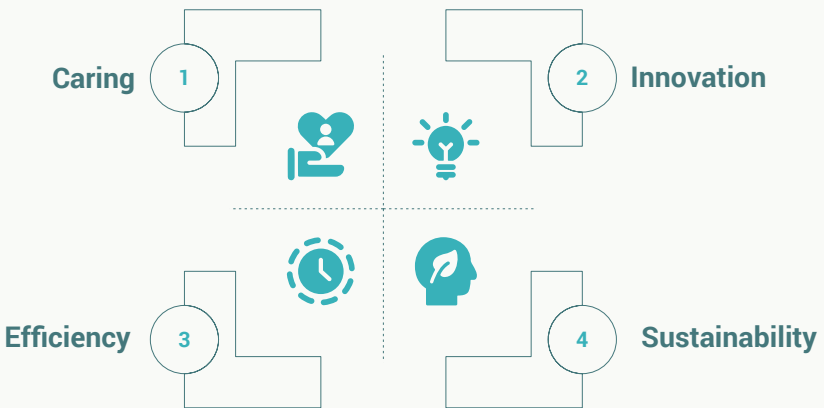
more accessible and lower-impact hydrogen production. AEM technology operates using pure water or very low-concentration alkaline solutions, thereby significantly reducing reliance on critical and environmentally sensitive materials such as platinum group metals (PGMs) and PFAS compounds.

Looking ahead, the joint venture aims to scale these solutions to **MW-level turnkey systems by 2027**. This trajectory reflects Valland’s broader commitment to contributing to global decarbonization, not only as a supplier of industrial components, but also as a participant in the development of future energy systems.



2.2.1 The Values That Guide Our Decisions

Caring, Efficiency, Innovation, Sustainability.



Valland supply chain characteristics



2.2.2

Our Mission: Technical Excellence with Lasting Value

At Valland, technical excellence is the foundation of the Company’s work, but it is not the only objective. Valland aims to create lasting value through the way it designs, produces, collaborates, and engages with clients, partners, and local communities.

The Company’s mission is guided by **three main commitments**:

- Understanding and anticipating clients’ needs by delivering solutions that combine precision engineering, proven reliability, and long-term customer focus.
- Building strong and transparent relationships

across the value chain, promoting collaboration and partnerships based on mutual trust and shared objectives.

- Recognizing the responsibility connected with operating in local communities and environments, including support for initiatives that contribute to social well-being and environmental stewardship.

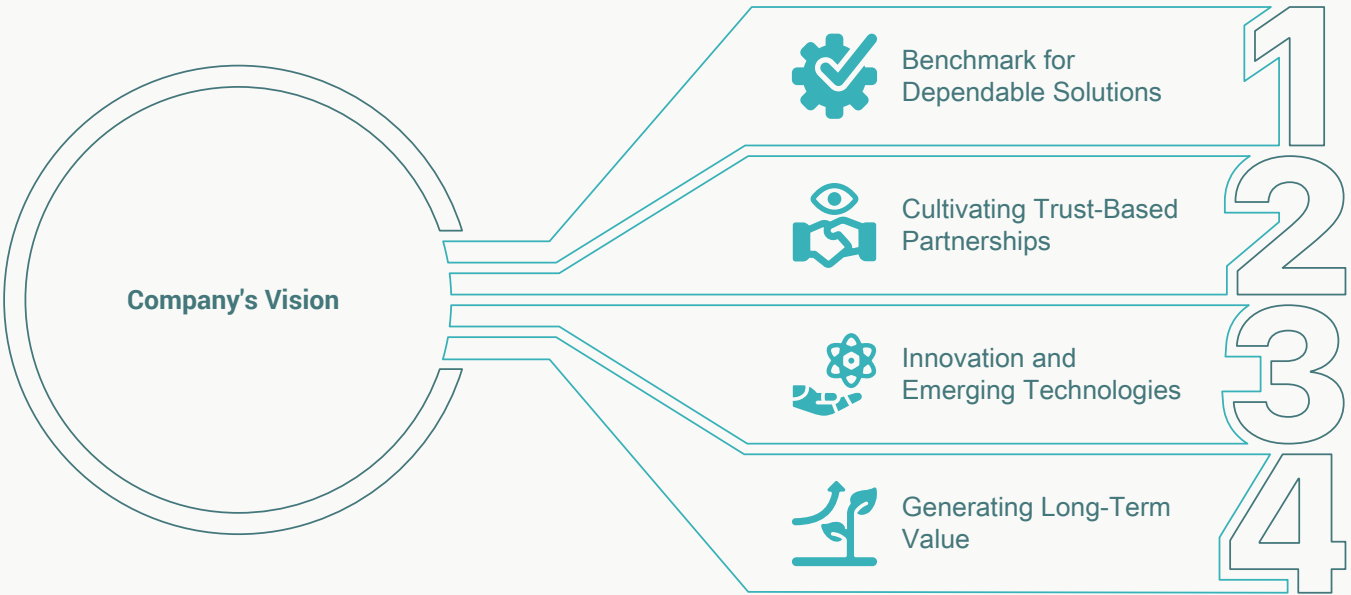
These principles are not abstract aspirations. They represent practical reference points that guide Valland’s decisions and support a business approach that is both technically grounded and forward-looking.

through continued investment in innovation and emerging technologies.

- To generate long-term value for stakeholders, employees, and society.

Ethical conduct and integrity are integral to this vision. Valland does not view ethics as a mere

compliance requirement, but as a fundamental element of how business should be conducted. Responsibility toward clients and communities is therefore treated as part of sustainable growth, not as an additional activity. This is also reflected in Valland’s support for non-profit initiatives aimed at improving the lives of vulnerable individuals and



2.2.3

The Vision

Valland’s vision is to be a Company that others can rely on: quality of its products, integrity of its relationships and the seriousness with which it approaches its responsibilities. This vision is anchored in **four principles**:

- To set a benchmark for dependable, high-

performance solutions in the markets served.

- To cultivate long-term, trust-based partnerships across the supply chain and within the communities where the Company operates.
- To remain at the forefront of the industry

communities.

People are central to the Company’s ability to deliver on this vision. The following table provides an **overview of workforce composition**, based on headcount recorded at the close of the reporting period. Valland classifies its personnel as employees and non-employees. Employees are further broken down by gender and geographical area (**Table 1**).

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

Year 2025				
Type of employee worker	Gender		Geographical area	
	Male (n; %)	Female (n; %)	Sondrio Province (n; %)	Other (n; %)
Total*	42 (64.0%)	23 (36.0%)	38 (59.0%)	27 (41.0%)
Permanent	39 (70.0%)	17 (30.0%)	34 (61.0%)	22 (39.0%)
Temporary	2 (33.0%)	4 (67.0%)	2 (33.0%)	4 (67.0%)
Non-guaranteed hours	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)
Full time	40 (70.0%)	17 (30.0%)	33 (58.0%)	24 (42.0%)
Part time	1 (20.0%)	4 (80.0%)	3 (60.0%)	2 (40.0%)
Year 2024				
Total*	49 (70.0%)	21 (30.0%)	49 (70.0%)	21 (30.0%)
Permanent	40 (74.0%)	14 (26.0%)	41 (76.0%)	13 (24.0%)
Temporary	5 (45.0%)	6 (55.0%)	7 (64.0%)	4 (36.0%)
Non-guaranteed hours	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)
Full time	46 (71.0%)	19 (29.0%)	45 (69.0%)	20 (31.0%)
Part time	3 (60.0%)	2 (40.0%)	4 (80.0%)	1 (20.0%)
Year 2023				
Total*	44 (70.0%)	19 (30.0%)	39 (62.0%)	24 (38.0%)
Permanent	36 (71.0%)	15 (29.0%)	33 (65.0%)	18 (35.0%)
Temporary	8 (67.0%)	4 (33.0%)	6 (50.0%)	6 (50.0%)
Non-guaranteed hours	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)
Full time	43 (71.0%)	18 (29.0%)	37 (61.0%)	24 (39.0%)
Part time	1 (50.0%)	1 (50.0%)	2 (100.0%)	0 (0.0%)

* Apprenticeship contracts have been considered in the total number but not when classifying employees as permanent/temporary or full time/part time.

The workforce remained broadly stable during the reporting period, with no significant changes in either the number or profile of employees compared with the previous years.

The figures presented are based on **actual headcount at the end of the reporting period**. They therefore provide a precise snapshot of Valland’s workforce at that point in time. No full-



time equivalent (FTE) conversions or averaging methodologies have been applied.

2.2.4 Governance in Action: Accountability, Ethics, and Oversight

[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]

Valland’s governance structure is designed to support both strategic clarity and operational effectiveness. It is based on clearly defined roles and complementary responsibilities.

The **Shareholders’ Assembly** is the highest decision-making body. It approves the financial statements, appoints corporate bodies, and oversees amendments to the Company’s bylaws.

These functions support long-term accountability and strategic direction.

The **BoD**, appointed by the Shareholders, translates this direction into concrete objectives. It approves development plans and investment strategies in line with Valland’s mission and values. The Board is chaired by the Company’s majority shareholder, who also serves as General Manager,

creating a direct link between **governance and day-to-day operations**, while a clear separation of responsibilities is maintained to prevent conflicts of interest. As of May 2024, and until 31 December 2026, the BoD is composed of four members:

- Luisa Elena Mondora (female): Chairperson of the Board and Shareholder.
- Giacomo Andrea Mondora (male): Board Member and Managing Director.
- Laurent Rosso (male): Board Member.
- Joseph Rosso (male): Board Member and Shareholder.

As a privately held, unlisted Company of small to medium size, Valland **does not apply formal nomination procedures for Board appointments**. Instead, selection is guided by **three core criteria**:

- The perspectives and expectations of Shareholders and relevant stakeholders.
- Diversity in terms of gender and cultural background.
- The relevant sector expertise brought by each candidate.

No further disclosures are required regarding the independence, external commitments, or stakeholder representation of individual Board members beyond what is stated here.

Valland was co-founded in 2006 by Giacomo Andrea Mondora and Joseph Rosso. In December 2024, Giacomo Andrea Mondora transferred his 51% shareholding to his daughter, Luisa Elena Mondora, in a planned generational transition intended to ensure continuity of ownership within the founding family. Luisa Elena Mondora, who has served as General Manager since 2015, is now the Company's majority shareholder and Chair, bringing together **ownership, governance and**

operational leadership.

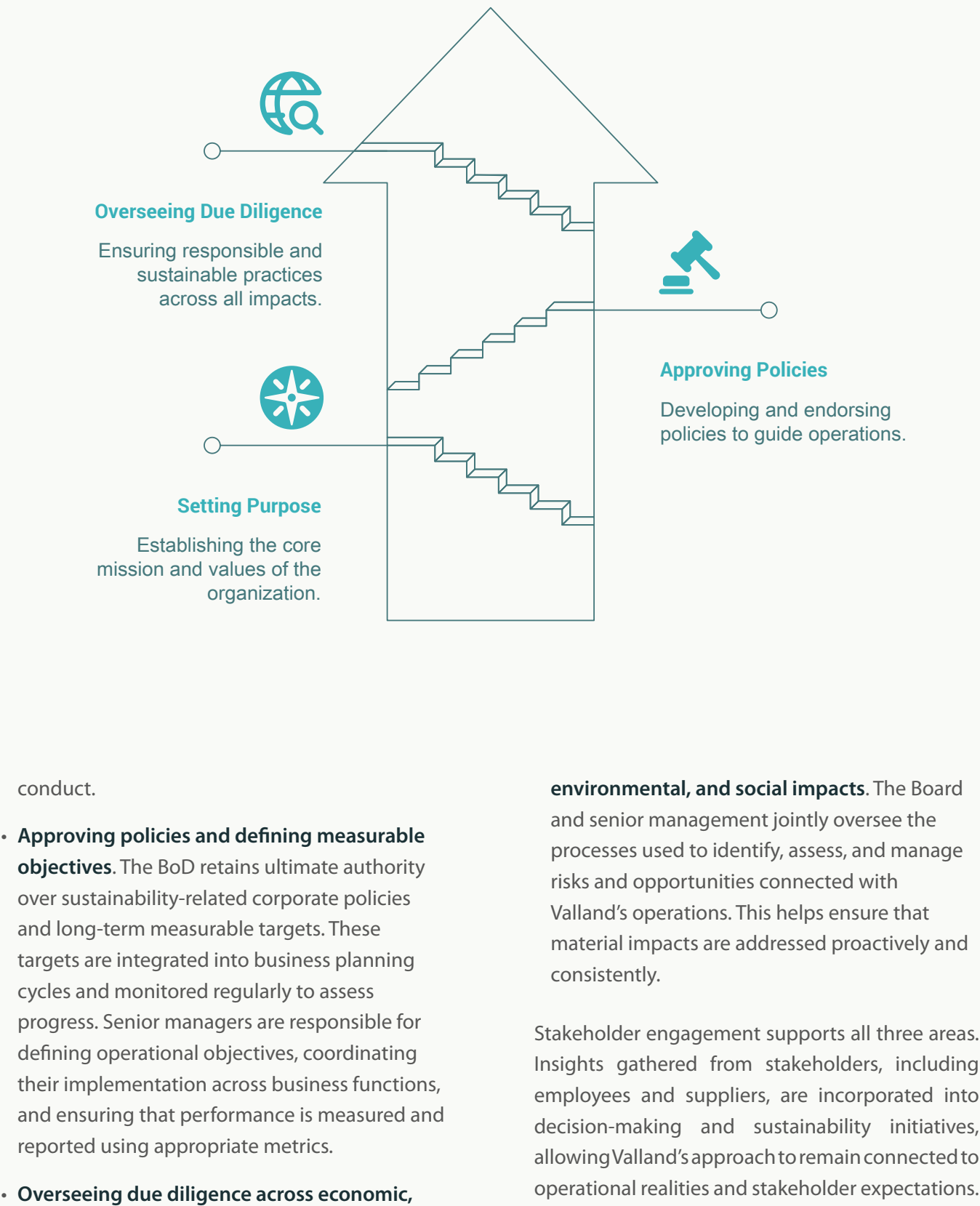
Joseph Rosso serves as Board Member and Shareholder, contributing an advisory perspective informed by decades of industry experience, including through active collaboration via a personal service Company. Together, the two founders have more than fifty years of combined experience in the Oil&Gas sector. This sector knowledge continues to inform Valland's strategic vision, technical positioning, and long-term resilience.

This governance structure is the result of a carefully planned and managed transition. It ensures direct coordination between strategic intent and operational execution, while maintaining clearly defined boundaries that preserve the integrity of both governance and management functions.

Sustainability at Valland is embedded at the highest level of governance. The BoD and senior management share responsibility for defining and implementing the Company's sustainability direction, working across **three main areas**:

- **Setting purpose, values, and strategy.** The Board is responsible for establishing and periodically reviewing Valland's mission and sustainability commitments, ensuring alignment with international environmental standards and emerging regulatory expectations. This includes the Company's commitment to supporting the transition toward cleaner energy, reducing carbon emissions, and integrating responsible practices across operations. Senior management, under the Board's strategic guidance, translates these commitments into operational practice by updating policies, addressing economic, environmental, and social challenges, and ensuring that the values of integrity, innovation, and community responsibility are reflected in daily business

Achieving Stakeholder Alignment



Each year, the Board reviews the effectiveness of these processes by evaluating **Key Performance Indicators** (KPI) and adjusting policies where necessary to support continuous improvement. Certain responsibilities are formally delegated to designated roles within the organization.

In particular, the **Health, Safety & Environment (HSE) Team** oversees specific impact areas. This includes collecting data, analysing performance metrics, and preparing structured reports on how the Company manages its economic, environmental, and social impacts. Beyond KPI reporting, the HSE Team also prepares an annual assessment of **potential risks and emerging challenges**, including environmental incidents and social impacts, together with recommendations for policy adjustments or new strategic initiatives.

The preparation and approval of the Sustainability Report follow a **structured, multi-stage process designed** to ensure accuracy, consistency, and alignment with Valland's values and strategic direction.

- **Data collection** is carried out across all relevant departments, including HSE, Quality, Production, and Purchasing. Each department contributes quantitative data and narrative information on the ESG aspects within its area of responsibility. This information is consolidated into a draft Report by the Sustainability Team, in collaboration with the external consultant.
- The **draft** is reviewed by the senior managers responsible for the topics covered, to ensure that material issues are accurately represented and that the content reflects actual practices and performance.
- The **senior management** team then conducts a **detailed evaluation**, verifying consistency with the Company's operations and strategic direction and making any necessary

adjustments to language, data accuracy, or depth of coverage.

- The final draft is submitted to the BoD for **formal review and approval**. At this stage, the Board assesses whether the Report reflects Valland's mission, values, and objectives and confirms that no material aspects have been omitted. Board approval concludes the internal process and authorizes publication.

Valland's **Code of Ethics and Conduct**, approved by the BoD, provides the framework for identifying



and managing potential conflicts of interest, including dual board memberships, and cross-shareholding arrangements that could affect impartiality. These matters are publicly disclosed and accessible to stakeholders. Further details are available at: <http://www.valland.it/assets/Uploads/Code-of-Ethics-and-Conduct.pdf>.

Any risks or issues with potential implications for operations or stakeholder relationships are brought to the attention of the BoD through regular reporting cycles, audits, and management updates. This ensures that governance bodies remain informed and able to respond promptly. In 2025, no critical issues have been identified or reported.

The Board's engagement with sustainability is not static. The BoD continues to strengthen its understanding of ESG developments through **exposure to diverse perspectives, targeted training, and regular monitoring of emerging global trends**.

Board and senior management performance

is assessed through a **formal Management Review process**. In this process, top management evaluates overall Company performance, monitors progress against business objectives and verifies the continued effectiveness of existing strategies and policies.

The review covers **four main dimensions**:

- Performance against KPI and financial data.
- Allocation and effective use of human, financial, and technological resources.
- Identification of opportunities for innovation and improvement.
- Implementation of corrective or preventive actions, if required.

The process is performed independently, free from undue influence by individuals directly responsible for the activities under review, and is carried out at least once a year, preferably twice. This impartiality is essential to the credibility of the review and helps identify both real issues and meaningful opportunities for improvement.

The review may result in updates to governance practices, adjustments to internal procedures, or changes in Board composition. Where action is required, it may be assigned directly to a specific individual or managed through systemic procedures, including non-conformity processes and preventive or improvement actions affecting broader operational and management practices.



2.2.5 Sustainability as Strategy: Priorities, Policies, and Long-Term Direction

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

Sustainability at Valland is not a separate track running alongside the business. It is integrated into how the Company operates, plans, and makes decisions. The approach is designed to manage economic, environmental, and social impacts proactively, including those related to human rights, across short-, medium-, and long-term horizons.

OUR TIME HORIZON

In the **near term (1–2 years)**, our focus is on concrete, measurable progress. Priorities include reducing direct CO₂ emissions, improving energy efficiency, expanding the use of renewable sources

such as photovoltaic systems, strengthening internal sustainability education, investing in employee well-being, and deepening engagement within regional and national industrial clusters.

Over the **medium term (3–5 years)**, the Company's priorities move toward more structural change. These include scaling Additive Manufacturing capabilities to reduce material waste, advancing R&D in support of the energy transition, including hydrogen-related solutions, expanding lifecycle product design and circular economy practices, enhancing supply chain transparency, promoting diversity and inclusion within the workforce, and progressively aligning operations with frameworks such as the UN Sustainable Development Goals and the European Green Deal.

Looking further ahead, **beyond five years**, Valland aims to become a reference point for sustainable industrial innovation, to contribute to shaping policy and industry standards through active participation in sustainability forums, and to maintain a Company culture that balances technological excellence with social responsibility.

OUR FIVE PILLARS

Valland's sustainability approach is organized around five interconnected pillars:

- **Innovation through technology:** the Company invests in technologies that improve competitiveness while reducing the environmental footprint of products and processes. This includes expanded Additive Manufacturing capabilities, Laser Powder Bed Fusion, and hydrogen-related solutions.
- **Stewardship of natural resources:** Valland seeks to reduce resource consumption and rethink how resources are used, through operational optimization and a growing reliance on renewable energy, including solar energy.
- **Designing for longevity:** lifecycle thinking is applied from the earliest stages of product development, with attention to durability, opportunities for reuse and recycling, and responsible management of products at the end of their useful life.
- **Investing in people:** the workforce is the foundation of Valland's ability to innovate and grow. The Company is committed to creating an environment where learning is continuous, skills are developed, and individuals feel safe, valued, and included.
- **Building lasting partnerships:** sustainability

progress is rarely achieved in isolation. Through long-term relationships with clients, suppliers, and industry partners, as well as active participation in cluster initiatives, Valland promotes co-creation, knowledge exchange, and shared progress toward common objectives.

ALIGNMENT WITH THE INTERNATIONAL FRAMEWORKS

Our strategy is anchored in the UN Sustainable Development Goals and the European Green Deal, with a focus on the areas where Valland can make the most meaningful contribution:



SDG 3 – Good Health and Well-being: workplace health and safety education, team well-being initiatives, promotion of a balanced work-life culture, and preventive health screenings for employees.



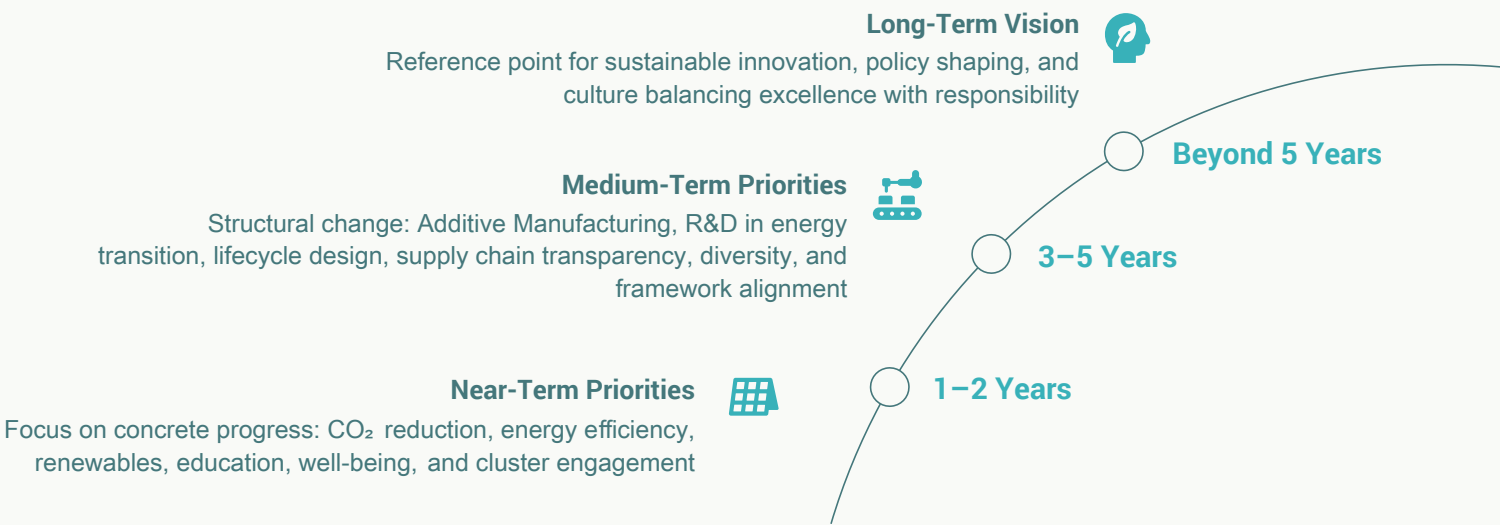
SDG 7 – Affordable and Clean Energy: increasing the share of renewables in Valland's energy mix, including through photovoltaic installations.



SDG 9 – Industry, Innovation and Infrastructure: strengthening the R&D function, expanding in-house AM capabilities, and investing in advanced technologies, including Laser Powder Bed Fusion and hydrogen solutions.



SDG 12 – Responsible Consumption and Production: reducing waste through prevention, recycling, and reuse, and improving resource efficiency across operations and the supply chain.





SDG 13 – Climate Action: reducing CO₂ emissions across operations and the supply chain and promoting sustainability awareness internally and externally.

The strategy is also informed by the **OECD Guidelines for Multinational Enterprises** and the **UN Guiding Principles on Business and Human Rights**. By integrating human rights considerations, focusing on supply chain transparency, and promoting employee well-being, Valland aligns its approach with the principles of due diligence and stakeholder engagement emphasized by these international standards.

POLICIES, ETHICS AND LEGAL STANDING

Valland has formalized its commitment to responsible business through internal policies covering environmental protection, human rights, and anti-corruption. These policies are reviewed and approved regularly by top management to ensure alignment with international standards, including the UN Global Compact.

The Company's values and commitments are set out in the Code of Ethics and Conduct, formally approved by the BoD and publicly available at: <http://www.valland.it/assets/Uploads/Code-of-Ethics-and-Conduct.pdf>. The Code defines Valland's approach to preventing and addressing environmental, economic, and social risks, including those with human rights implications.

Valland is also evaluating the adoption of an **Organization, Management and Control Model** pursuant to Italian Legislative Decree No. 231/2001. This voluntary framework is designed to prevent the commission of certain offences within the organization and, where effectively

implemented, may limit the administrative liability of the Company. The adoption of this Model would further strengthen Valland's system of internal controls and reinforce the principles already set out in the Code of Ethics and Conduct.

In 2025, Valland retained its **Rating di Legalità of "2 stelle"**, awarded by the Autorità Garante della Concorrenza e del Mercato (AGCM). **This voluntary, merit-based rating** recognizes companies that meet legal compliance requirements and adopt additional measures supporting ethical conduct, transparency, and responsible governance.

The rating confirms Valland's **adherence to legal requirements** in areas such as competition, labor, environmental, tax, and anti-corruption matters, together with the implementation of further measures including traceability of financial flows, whistleblowing channels, documented corporate social responsibility policies, and audited governance procedures. In practical terms, the rating strengthens the Company's standing with stakeholders and may support access to public tenders and state-backed financing.

All employees have the right to seek clarification on the application of responsible business policies and to raise concerns through a dedicated confidential email channel managed by an authorized third party, as part of Valland's whistleblowing system. No significant cases of non-compliance with laws or regulations have been recorded during the reporting period.

INDUSTRY ENGAGEMENT

Valland actively participates in **associations and industry clusters** that contribute to the advancement of sustainable practices and technological innovation. These include:

- **VALVEcampus Association,**
- **Confindustria Lecco e Sondrio,**
- **Fabbrica Intelligente Lombardia (AFIL),**
- **Lombardy Energy Cleantech Cluster (LE2C).**

These affiliations keep Valland connected to emerging sustainability trends and provide **platforms for knowledge-sharing**, technical dialogue, and collective progress beyond the Company's own operations.

Finally, Valland's approach to strategy and governance is closely connected with stakeholder engagement. Through ongoing dialogue with internal and external stakeholders, the Company gathers insights that support decision-making and help refine sustainability priorities.

All Valland employees are covered by the National



Collective Labor Agreement (CCNL), ensuring consistent protections and benefits across the workforce. This forms the basis of the Company's commitment to a workplace that is fair, inclusive, and oriented toward both professional growth and personal well-being.

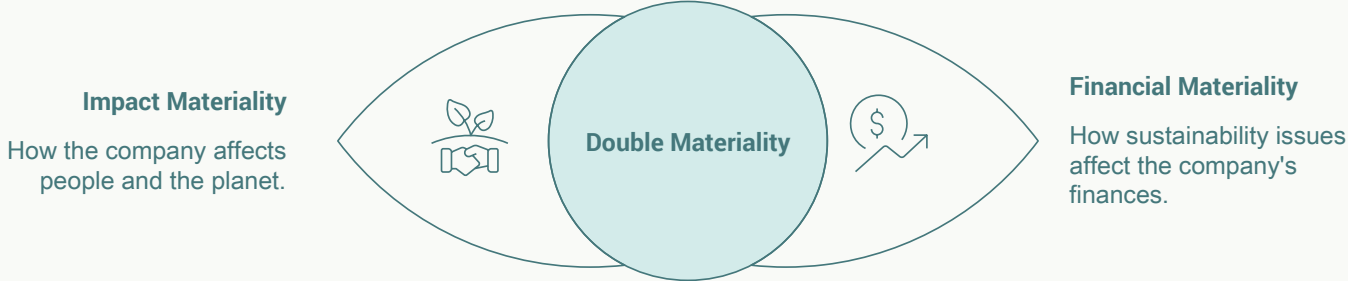
2.2.6 Defining What Matters: Material Topics, Stakeholder Perspectives, and Strategic Priorities

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

Understanding where Valland generates, or may generate, its most significant impacts is essential to shaping a sustainability strategy that is both credible and actionable. For this reason, the materiality analysis has been designed to identify the environmental, social, governance, and

human rights topics that are most relevant to the Company, its value chain, and its stakeholders.

This year, Valland took a further step forward by adopting a double materiality approach, building on the impact materiality analysis conducted in



previous reporting cycles. The process has been developed through three main steps:

- **Identification of potentially relevant sustainability topics.**
- **Double materiality assessment of the topics (impact materiality plus financial materiality).**
- **Prioritization and classification of material topics.**

This dual perspective made it possible to distinguish between **non-applicable topics, applicable and material topics** – those with high relevance from both an external and an internal standpoint, and **applicable but non-material topics**, which are relevant in principle but currently show limited

impact and financial significance; while not treated as strategic priorities, these topics will continue to be monitored should the operating context or stakeholder expectations evolve.

This approach ensures a consistent and transparent process: starting from everything relevant to its business, Valland has clearly defined where to concentrate its efforts to generate the greatest shared value, while safeguarding its financial soundness and competitiveness. For Valland, double materiality is not merely a reporting tool, but a governance and planning instrument that also guides day-to-day decision-making.

2.3

Understanding Our Impacts Across the Value Chain

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

To identify the economic, environmental, social, governance, and human rights topics most

relevant to Valland's business model and value chain, we applied a **structured and multi-source**

approach. The 2025 analysis has been aligned with GRI 2, GRI 3, and GRI 11: Oil and Gas Sector 2021, while also building on the experience gained through previous reporting cycles.

The starting point has been a detailed **review of Valland's activities and value chain.** This included design and engineering, procurement, production, quality control, delivery, after-sales activities, R&D, and the continued development of AM capabilities. Particular attention has been given to the technical and operational characteristics of the markets served by Valland, including offshore and subsea applications, where product reliability, safety, traceability, and environmental performance are especially relevant.

The identification of potential impacts has been based on **two complementary perspectives.** The first is based on an **internal perspective**, focused on the Company's operations, governance, technologies, workforce, supply chain and strategic priorities. The second is related to an **external perspective**, based on stakeholder expectations, sector guidance, sustainability trends, and the regulatory and market context in which Valland operates.

The analysis has been performed on the following inputs:

- **Internal assessments** of operational processes, procurement dynamics, product lifecycle considerations, and supply chain characteristics.
- **Review of environmental aspects** such as greenhouse gas emissions, energy use, resource efficiency, waste generation, and circularity.
- **Review of social and labor-related aspects**, including occupational health and safety, employment practices, equal opportunity, collective bargaining, and community engagement.

- **Review of governance-related aspects**, including business ethics, anti-corruption, fair competition, data protection, cybersecurity, transparency, and stakeholder dialogue.

- **Consideration of potential human rights implications** connected with employment practices, supply chain relationships, and responsible business conduct.
- sector-specific references, including GRI 11: Oil and Gas Sector 2021, industry guidance, regulatory developments, and benchmarking information.

Each potentially relevant topic has been assessed according to **five dimensions**:

- **Type of impact**, distinguishing between positive impacts, where Valland can contribute to sustainable development, and negative impacts, where the Company may cause, contribute to, or be linked to adverse effects.
- **State of impact**, distinguishing between actual impacts, which are already occurring, and potential impacts, which may arise in the future.
- **Time horizon**, distinguishing between short-term impacts and medium- to long-term impacts.
- **Intentionality**, distinguishing between impacts resulting from deliberate Company actions and impacts arising as unintended consequences.
- **Reversibility**, distinguishing between impacts that can be mitigated or remedied through corrective action and impacts that may be difficult or impossible to reverse.

The analysis has been performed with a broad and forward-looking scope. At the same time, some methodological boundaries remain. Data availability along the value chain is not yet

uniform, and some suppliers could not be assessed with the same level of detail as internal operations. Downstream impacts, including those potentially connected with the use of Valland’s valves in oilfield operations, have been considered qualitatively but have not yet been quantified through a full lifecycle impact assessment. In addition, the analysis focused primarily on Valland’s established core business areas, while emerging activities will be progressively integrated in greater detail as data collection systems mature.

With regard to GRI 11: Oil and Gas Sector 2021, some sector topics have been identified as not directly material to Valland’s specific business model, size, role in the value chain and operational context. Where topics have been excluded, the

rationale is provided in the GRI Content Index.

The outcome of this first step is the list of potentially relevant topics presented in **Table 2**.

Table 2: Potentially relevant topics and impacts for materiality assessment.

Topic			Impact									
N.	Name	Description	P	N	A	PT	S	L	IN	NI	R	NR
Environment Aspect												
1	Greenhouse gas emissions	Greenhouse gas (GHG) emissions from Valland’s own operations and from upstream and downstream value chain activities represent a relevant environmental impact because of their contribution to climate change. A significant share of these emissions may be linked to the procurement of goods and services, transport, logistics, and energy-related activities. Valland aims to reduce unnecessary transport where possible, monitor the distance covered by its fleet, and estimate the carbon footprint associated with relevant value chain activities.		•	•		•	•		•		•
2	Waste management	Waste generation can affect ecosystems, natural resources, and human health, depending on the type of waste produced and the way it is handled, transported, treated, or disposed of. Potential impacts include habitat contamination, biodiversity loss, and GHG emissions from waste treatment processes. Valland categorizes and manages its waste with the aim of supporting recycling, reducing unnecessary waste generation, limiting paper consumption, and improving the environmental performance of disposable items and packaging materials.		•	•		•	•		•		•

3	Energy efficiency and renewable energy	Energy consumption is closely connected with GHG emissions, air pollution, and climate-related impacts, particularly when energy is produced from fossil sources. Valland has taken steps to improve its energy performance, including the installation of air-to-water heat pumps and a 223 kWp photovoltaic system. The electricity not covered by self-generation is sourced from renewable energy, supporting the Company’s transition toward a lower-carbon energy mix.	•		•		•	•	•		•	
4	Product, process and service innovation	Innovation supports Valland’s ability to improve efficiency, optimize resource use, increase technical performance, respond to changing market expectations, and strengthen competitiveness. Product, process, and service innovation also contribute to sustainability by enabling more efficient production methods, reducing waste, improving design performance, and supporting the development of solutions aligned with the energy transition.	•		•		•	•	•		•	
5	Circular economy and resources valorization	Circular economy principles are relevant to Valland’s product design, material use, production processes, and end-of-life considerations. The Company seeks to improve recycling and reuse practices, reduce unnecessary waste, optimize resource use, and consider opportunities for material valorisation across the lifecycle of its products. These practices contribute to a more resource-efficient business model and may reduce environmental impacts across the value chain.	•		•			•	•		•	

Social Aspect

6	Occupational health and safety	A safe and healthy workplace is both a legal obligation and a core element of responsible business conduct. Valland’s operations may involve activities connected with heavy machinery, complex equipment, welding, testing, and other technical processes. For this reason, occupational health and safety management is essential to preventing injuries, reducing work-related risks, protecting physical and mental well-being, and strengthening a culture of prevention, responsibility, and care.	•	•	•		•	•	•		•	
7	Employment practices	Employment practices influence workforce stability, motivation, productivity, and long-term value creation. Valland considers quality employment, fair treatment, appropriate compensation, and meaningful benefits as key factors in maintaining a strong and committed workforce. Poor working conditions, inadequate development opportunities, or high turnover could negatively affect organizational cohesion and operational performance. For this reason, Valland continues to invest in listening to employees and supporting their professional growth.	•	•	•		•	•	•		•	
8	Non-discrimination and equal opportunity	Diversity, inclusion, and equal opportunity are relevant to Valland’s ability to attract, develop, and retain talent. A respectful and inclusive workplace supports collaboration, innovation, employee satisfaction, and a sense of belonging. At the same time, the absence of adequate oversight may create risks of unconscious bias, unequal opportunities, or unfair treatment in recruitment, career development, or daily working relationships.	•	•	•		•	•	•		•	

9	Local communities engagement	Valland recognizes that its activities take place within a local social and territorial context. Engagement with local communities and associations contributes to social well-being, community development, and shared value creation. The Company supports initiatives connected with volunteer work, health, research, and assistance to vulnerable groups, including fundraising and partnerships with organizations active in social support.	•	•	•	•	•	•	
10	Freedom of association and collective bargaining	Freedom of association and collective bargaining are fundamental rights and important elements of a fair working environment. Valland respects the right of employees to collectively negotiate employment terms and working conditions. Supporting open dialogue and collective representation helps strengthen trust, employee engagement, and ethical business conduct.	•	•	•	•	•	•	
Governance Aspect									
11	Anti-competitive behavior	Anti-competitive behavior, such as collusion, abuse of dominant position, price-fixing, market restrictions, or unfair allocation of customers and suppliers, can undermine fair markets and damage stakeholder trust. Valland's approach is based on transparency, fairness, and respect for competition rules, ensuring that business practices are aligned with legal requirements and ethical standards.	•	•	•	•	•	•	•
12	Anti-corruption	Corruption risks may include facilitation payments, fraud, extortion, collusion, money laundering, or the offer or receipt of improper inducements. Valland recognizes the importance of preventing any involvement in unethical or illegal conduct. The Company's governance framework is based on honesty, transparency, fairness, and respect for applicable laws.	•	•	•	•	•	•	•
13	Shared value and economically sustainable business	Economic sustainability and shared value creation are essential to Valland's long-term resilience. By generating knowledge, supporting innovation, maintaining stable relationships, and contributing to local and sectoral development, the Company can create benefits that extend beyond its own operations. Shared value also includes the ability to promote awareness of environmental and social issues, support technical progress, and contribute to a more informed and sustainable industrial context.	•	•	•	•	•	•	
14	Responsible and sustainable supply chain	A responsible supply chain supports environmental, social, and economic sustainability across procurement, production, and distribution. This includes promoting traceability, supplier collaboration, responsible sourcing, efficient use of resources, compliance with ethical and environmental standards, and long-term partnerships. For Valland, supplier relationships are particularly relevant because of the technical complexity and quality requirements of its products.	•	•	•	•	•	•	
15	Data protection and cybersecurity	Data protection and cybersecurity are essential to maintaining trust with employees, clients, suppliers, and partners. Potential risks include unauthorized access, data breaches, manipulation of information, and disruption of business systems. Valland adopts security measures to protect personal data and business information and to reduce exposure to privacy and cybersecurity risks.	•	•	•	•	•	•	•

16	Engagement and transparency toward stakeholders	Transparent communication and stakeholder engagement support accountability, trust, and long-term relationship-building. By sharing objectives, performance, challenges, and progress, Valland strengthens dialogue with stakeholders and gathers input that can improve decision-making. This topic is also relevant to the Company's credibility and to its ability to respond effectively to expectations from internal and external audiences.	•	•	•	•	•	•	
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P: Positive; N: Negative; A: Actual; PT: Potential; S: Short term; L: Long term; IN: Intentional; NI: Not intentional; R: Reversible; NR: Not reversible.

2.3.1

Bringing Stakeholder Voices into Our Strategic Decisions: Impact materiality

Stakeholder engagement is a central element of Valland's materiality process. It allows the Company to compare its internal view of sustainability priorities with the **expectations, concerns, and perspectives of those who influence, or are influenced by, its activities**.

For the purposes of the materiality analysis, Valland identified the **stakeholder categories most relevant** to its strategic objectives, operational continuity, sustainability performance, and value chain relationships. The internal and external stakeholder categories considered in the analysis are the following:

Internal stakeholders:

- BoD.
- Employees.

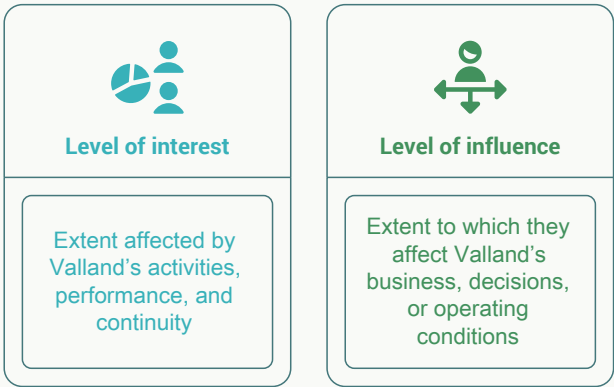
- Shareholders.

External stakeholders:

- associations, including trade associations, industrial networks, and Lombardy Technology Clusters.
- Banks.
- Clients.
- Local community and surrounding area.
- Suppliers.
- Universities and research centers.
- Research and consulting companies.
- Industrial partners.

These categories have been classified according to

two criteria: level of interest and level of influence.



The **level of interest** reflects the extent to which each stakeholder category may be affected by Valland’s activities, performance, and continuity:

- High interest: Valland’s performance, continuity, or decisions may significantly affect the stakeholder category.
- Medium interest: Valland’s performance, continuity, or decisions may affect the stakeholder category to a moderate extent.
- Low interest: Valland’s performance, continuity, or decisions may have only limited effects on the stakeholder category.

The **level of influence** reflects the extent to which each stakeholder category may affect Valland’s business, decisions, or operating conditions:

- High influence: the stakeholder category can significantly affect Valland’s activities, decisions, or strategic direction, for example through governance roles, technical expertise, contractual relationships, regulatory requirements, or market expectations.
- Medium influence: the stakeholder category can influence Valland’s activities or decisions, although this influence does not necessarily determine the final outcome.
- Low influence: the stakeholder category

has limited or indirect influence on Valland’s activities or decisions.

Dialogue with the Stakeholder is not limited to formal consultation. It is part of the way Valland maintains awareness of its operating context and verifies whether its priorities remain aligned with expectations from the market, workforce, local territory, and wider value chain.

Through the stakeholders engagement, Valland aims to understand which topics are considered most urgent, which impacts require greater attention, and where the Company can strengthen its sustainability approach. The process also supports transparency and accountability by creating opportunities for stakeholders to express their views and by ensuring that these views are considered in strategic planning.

Table 3 summarizes the stakeholder categories involved, the rationale for their inclusion, and the engagement methods used.

Table 3: Stakeholder type, category, description and engagement methods.

Stakeholder		Reason of engagement	Method of engagement
Type	Category name		
Internal	BoD	The BoD provides strategic oversight and ensures that sustainability priorities are consistent with Valland’s long-term objectives, governance framework, and business direction.	In-person and online meetings.
	Employees	Employees are directly involved in Valland’s operations and provide essential insight into working conditions, internal processes, safety, skills development, and the practical implementation of sustainability commitments	Internal communications.
	Shareholders	Shareholders support long-term business continuity and investment decisions. Engagement with Shareholders helps maintain transparency on financial performance, strategic priorities, and sustainability-related developments	In-person and online meetings; email communications; annual reports.
External	Associations	Trade associations, industrial networks, and clusters help Valland remain informed about sector trends, regulatory developments, innovation opportunities, and collective initiatives linked to sustainability and industrial competitiveness	In-person and online meetings; Conferences; email newsletters and communications; phone calls.
	Banks	Financial partners are relevant to Valland’s access to credit, funding opportunities, and financial stability. Dialogue with banks supports alignment between financial planning and sustainability-related objectives.	Financial reports; email communications; phone calls.
	Clients	Clients influence Valland’s priorities through expectations concerning quality, reliability, technical performance, compliance, and environmental responsibility. Their feedback supports continuous improvement and market responsiveness	Email communications; phone calls.
	Local Community and surrounding area	The local community represents the social and territorial context in which Valland operates. Engagement helps the Company understand local expectations, manage social impacts, and contribute to initiatives that support community well-being	Local events; in-person meetings; social media; email newsletters.
	Suppliers	Suppliers play a key role in product quality, traceability, compliance, and value chain sustainability. Dialogue with suppliers supports responsible sourcing, ethical conduct, environmental awareness, and continuity of supply	Email communications; phone calls.
	Universities and Research Centers	Universities and Research Centers contribute scientific and technical expertise, supporting innovation, emerging technologies, and knowledge-sharing on sustainability-related topics	In-person and online meetings; Conferences; email newsletters/ communications.
	Research and Consulting Companies	Research and consulting companies provide specialized expertise to support assessment, reporting, methodology development, and the improvement of Valland’s sustainability management practices	In-person and online meetings; Conferences.
	Industrial Partners	Industrial partners support collaborative projects, technical development, and the creation of synergies that may lead to more sustainable solutions, shared resources, and innovation opportunities	In-person and online meetings; Conferences.

To assess the significance of the sustainability topics identified, Valland used a structured engagement process designed to collect comparable feedback from different stakeholder categories. The process has been developed to be inclusive, transparent, and respectful of individual rights.

A **score ranging from 1 to 9** has been assigned to each stakeholder category. This score is based on the **combined assessment of interest and influence**, and it reflects the relative relevance

of each category within the materiality process. Categories with higher levels of both interest and influence have been assigned higher scores, whereas categories with more limited involvement have been assigned lower scores (**Figure 1**).

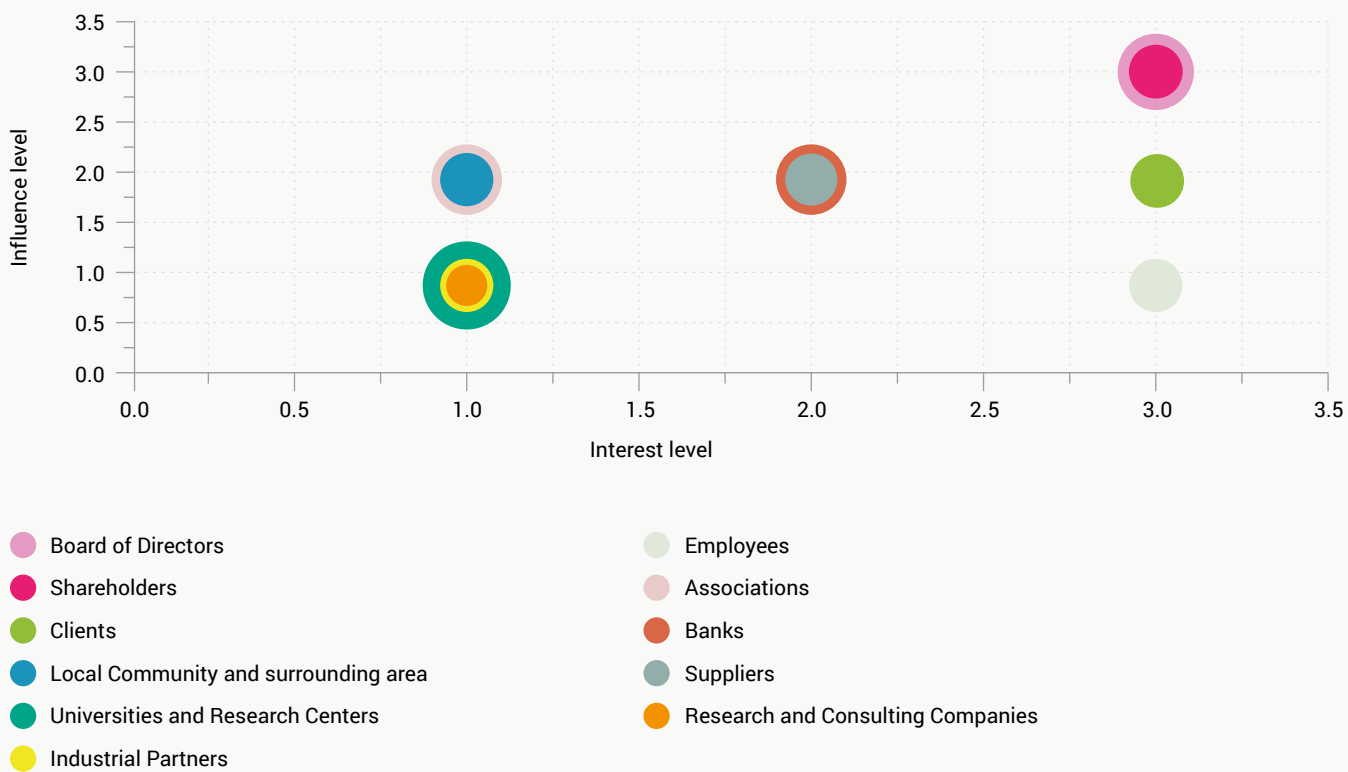


Figure 1: Stakeholder interest and influence levels.

Then, the stakeholder scores have been **normalized against the highest score recorded**. This produced a weighted measure of each stakeholder category's relative importance within the overall assessment.

Stakeholder feedback has been collected through a dedicated **questionnaire** distributed digitally by email. Follow-up reminders have been sent before the response deadline to encourage participation. To support consistent and informed responses, the questionnaire included explanatory notes and practical examples.

The questionnaire asked stakeholders to score each potentially relevant topic on a scale **from 1 to 10, independently of Valland's current level of commitment or performance**. A score

of 1 indicated a topic of negligible importance, requiring no specific prioritization or allocation of resources. A score of 10 indicated a topic of very high importance, requiring immediate and significant attention.

Several measures have been adopted to reduce barriers to participation. Communications have been designed to be clear and accessible, and the questionnaire could be completed across different devices and platforms, including mobile devices. Language support has been made available where needed to address linguistic or cultural differences. Care has also been taken to avoid power imbalances or gender-related distortions in the process and to allow less represented voices to be expressed.

No vulnerable groups directly affected by Valland's operations have been identified at this stage. However, the Company remains committed to adapting engagement methods if future assessments identify stakeholder groups requiring tailored forms of consultation or additional safeguards.

Participation in the questionnaire has been voluntary and anonymous. Personal data have been handled responsibly and securely, in line with the right to privacy. At the same time, the process has been designed to protect freedom of expression by allowing stakeholders to provide honest and independent input.

The results have been processed systematically. For each topic and stakeholder category, the average score has been calculated. Then, this average has been multiplied by the normalized weight assigned to the relevant stakeholder category. The weighted results have been aggregated to obtain an overall average normalized score for each topic, expressed as a percentage of the highest score recorded. This score represents the relative importance of each topic within the materiality assessment.

The engagement process has also reflected the different perspectives brought by each stakeholder group. Research institutions and universities contributed knowledge on emerging trends and technical developments. Clients and suppliers provided insight into market expectations and value chain priorities. Associations contributed sector-specific and regulatory perspectives. Employees offered direct operational insight. Local communities helped connect the assessment with the social and territorial context in which Valland operates.

By combining these perspectives, the materiality analysis balances internal priorities with external expectations. The resulting list of material topics therefore reflects not only what is relevant for Valland's long-term success, but also what stakeholders consider important in relation to the Company's impacts, responsibilities, and contribution to sustainable development.

No conflicts of interest emerged during this stage of the process.

2.3.2

Assessing Financial Materiality

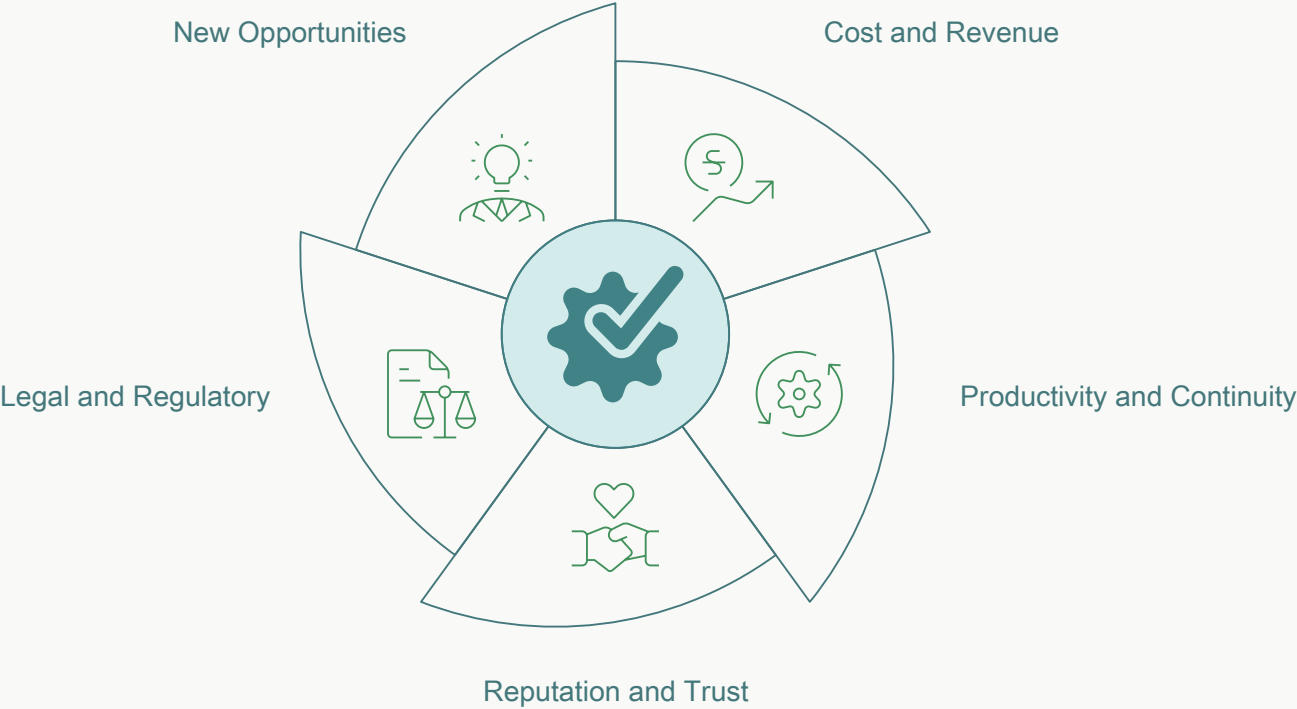
This phase is aimed at identifying and assessing the sustainability-related topics that may **directly or indirectly affect Valland’s economic and financial performance**, as well as its capacity to create value over the short, medium, and long term. This perspective reflects an **“outside-in” approach**, focused on how the external and internal sustainability-related factors may influence the Company’s business model, financial stability, competitiveness, operational continuity and reputation. The process has been structured as follows:

- 1. **Identification of economic and financial implications**, to understand how and to what extent each topic could affect Valland’s

operating results and economic value, financial soundness and long-term resilience.

- 1. **Assessment of the financial relevance of each topic**, based on a relevance score and a probability of occurrence.

For each potentially material topic previously identified, we have assessed how it could affect economic results, financial stability, competitiveness and reputation. This assessment has been based on direct experience, analysis of internal Company documents and the review of the current regulatory framework and market context related to sustainability matters. In particular, the following dimensions have been considered:



- **Direct impact on costs or revenues**, such as additional investment needs, savings from energy efficiency or new business opportunities.
- **Effects on productivity and operational continuity**, including employee absences, service or production disruptions and ability to attract and retain qualified professionals/ collaborators.
- **Impact on reputation and stakeholder trust**, which, in turn, can influence the acquisition and retention of clients, supplier relationships, access to finance and broader market positioning.
- **Legal and regulatory consequences**, such as potential sanctions, litigation, compliance obligations and additional administrative requirements.
- **Opportunities to develop new services, products or markets** arising from a stronger sustainable positioning.

Each topic has been assigned to a **financial relevance score ranging from 1 to 10**, reflecting the potential severity of the impact. A score of “1” indicates a negligible impact, with no significant effect on economic performance, whereas a score of “10” indicates a very high potential impact, able to affect operational continuity, financial soundness or corporate reputation.

This first assessment has been complemented by an **evaluation of the probability of occurrence**, which represents the likelihood that a given sustainability-related event – assessed either as a risk or an opportunity – may materialize. The probability has been classified into three levels, each expressed through a quantitative coefficient, and has been estimated according to internal historical data, direct business knowledge and the judgment of the BoD:

- 1. **Low** (coefficient: 0.25): the event is unlikely in the short to medium term or would require exceptional circumstances to occur.
- 1. **Medium** (coefficient: 0.50): the event is plausible, with a probability shaped by internal and external factors.
- 1. **High** (coefficient: 0.75): the event is highly likely or is already observable within Valland’s operations, value chain, market context or stakeholder relationships.

Probability assessment makes it possible to distinguish between risks and opportunities that are mainly theoretical and those that are genuinely plausible: therefore, for the same relevance score, a topic with a higher probability of occurrence is assigned a higher priority in strategic management, and vice versa.

Finally, for each potentially material topic, **a weighted score has been computed as the product of the relevance score and the probability coefficient**. This final score provides a more realistic and decision-useful overall assessment. Each weighted score has been normalized by dividing it by the highest weighted score obtained across all topics. This normalization allows the financial relevance of each topic to be expressed in relative terms, on a common scale, making it easier to compare and prioritize topics within the overall assessment. The results of the financial materiality analysis are shown in **Table 4**.

Table 4: Financial materiality results.

Potentially material topic	Economic-financial implications	Relevance score	Rationale for relevance score	Probability of occurrence	Rationale for probability of occurrence	Probability coefficient	Weighted score	Normalized weighted score (%)
Greenhouse Gases Emissions	Increased costs for monitoring, measurement, efficiency, purchase of renewable energy and response to customer demands for carbon footprint, supply chain emissions and environmental performance. For a supplier in the Oil & Gas sector, the theme can affect qualification as a supplier, competitiveness in international orders, reputation and the ability to respond to customers' decarbonisation strategies.	7	The theme can impact energy costs, investments in measuring and reducing emissions, customer ESG requirements, reputation and qualification as a supplier. For a company in the Oil & Gas supply chain, even if it is not an extractive operator, customer pressure on the decarbonisation of the supply chain can become relevant.	High	The topic is already observable in the industrial context: customers, markets, voluntary standards, and stakeholders are increasingly demanding data on emissions and environmental performance. It is not a theoretical risk, but a dynamic already underway.	0.75	5.25	70.0%
Waste management	Costs of collection, separation, transport, treatment and disposal of waste generated by production activities, including metal waste, consumables, packaging and waste from industrial processing. Inadequate management can lead to sanctions, inefficiencies, operational disruptions, and reputational damage; efficient management can instead promote material recovery, cost reduction, and improved environmental performance.	7	The topic generates direct management, transportation, disposal, and traceability costs, but, in the absence of specific critical issues, does not appear to have the same financial weight as energy, supply chain, innovation, or security. The topic remains relevant for compliance, efficiency and reputation.	Medium	Industrial production normally generates waste, scrap, packaging and consumables. However, barring non-compliance, particularly critical waste or relevant increases in disposal costs, the significant financial impact is not to be considered automatic.	0.50	3.50	46.7%

Energy efficiency and renewable energy	Direct impact on energy costs and margin stability, especially in contexts of price volatility. Investments in efficiency, self-production, and renewable sources can reduce operating costs, increase resilience, and improve competitive and reputational positioning.	7	Energy affects operating costs and margin stability. Energy efficiency, photovoltaics, and renewable sources can reduce exposure to energy price volatility, improve resilience, and strengthen the environmental profile of customers and financial stakeholders.	High	The topic is already concretely present in corporate management: the report highlights the increase in the share of renewables and photovoltaics among the areas contributing to sustainability. Furthermore, energy price volatility is a plausible factor in the short to medium term.	0.75	5.25	70.0%
Product, process and service innovation	It influences differentiation capacity, the development of new markets, increased revenues, improved margins and competitive strengthening. Innovation can improve efficiency, reduce waste, and support positioning in high-value-added areas, such as Additive Manufacturing, solutions for offshore/subsea environments, and technologies related to the energy transition.	8	Innovation is directly linked to competitiveness, differentiation, access to new markets, responsiveness to technical customer demands, and the development of solutions linked to the energy transition. For Valland, R & D, Additive Manufacturing, advanced technologies and hydrogen production are strategic elements, not accessories.	High	The theme is already part of the company's industrial and strategic model. The report explicitly calls for strengthening the R&D function, expanding AM capabilities, Laser Powder Bed Fusion, and hydrogen-related solutions.	0.75	6.00	80.0%
Circular economy and resource valorization	Reduction of costs related to materials, waste, waste and resource consumption, with possible improvement of operational efficiency. For a manufacturer of metal components with high technical specifications, waste valorization, material use optimization, and design oriented towards durability, repairability, and recovery can generate economic, commercial, and reputational benefits.	9	Resource optimization can reduce material, waste, and waste costs, improving efficiency and reputation. For metal components with high technical specifications, the efficient use of raw materials and the valorization of waste can have a concrete economic effect.	Medium	The theme is consistent with the industry, but depends on technical feasibility, available data, customer requirements and collaboration with suppliers. Not all circular opportunities are immediately applicable to safety-critical or highly customized products.	0.50	4.50	60.0%

Occupational health and safety	High impact on insurance costs, absenteeism, productivity, business continuity and legal responsibilities. Injuries or shortcomings in prevention can generate penalties, disruptions, indirect costs, and reputational damage; effective management supports productivity and retention.	10	An injury or deficiency in prevention can generate direct and indirect costs: absences, production slowdowns, penalties, legal liability, lost productivity, and reputational damage. In a context with machinery, technical processing, welding, testing, controls and complex production activities, the topic is financially relevant.	High	Health and safety risk is intrinsic to industrial production activities. The exposure is concrete and permanent.	0.75	7.50	100.0%
Employment practices	Influence staff stability, turnover, productivity, business climate and ability to retain specialist technical skills. In an industry characterized by complex manufacturing, high quality standards, and certification requirements, adequate employment practices support business continuity and competitiveness; weak practices can lead to lost know-how, production delays, replacement costs, and reduced organizational efficiency.	7	The theme affects turnover, productivity, motivation, business continuity and skills retention. In a technical company, losing skilled personnel can generate delays, replacement costs and loss of know-how.	High	The topic is already structurally linked to business: Valland depends on technical skills, staff stability, and internal growth capabilities. Workforce is key to driving innovation and growth.	0.75	5.25	70.0%
Non-discrimination and equal opportunity	It affects reputation, ability to attract talent, internal climate and quality of collaboration. Incidents of discrimination can lead to litigation, reputational damage, and organizational inefficiencies; an inclusive environment fosters innovation, motivation, and human capital stability.	5	The topic may impact business climate, reputation, talent attraction, and litigation risk, but the direct financial effect appears more indirect than security, supply chain, energy, or innovation.	Medium	In any organization, there may be risks of disparity, bias, or perceptions of unfair treatment. However, no specific criticalities emerge that would justify high probability.	0.50	2.50	33.3%

Local communities engagement	The economic and financial impact is predominantly indirect, through reputation, territorial consensus, attractiveness, and the quality of relationships with the local context. A good relationship with the local community can foster trust and social legitimacy; any critical issues can negatively impact the company's image.	5	The topic affects reputation, territorial consensus, local attractiveness, and the quality of relations with the local area, but the economic and financial impact is predominantly indirect. It doesn't seem like a primary cost or revenue driver for Valland.	Low	There are no local conflicts, critical authorization dependencies, or territorial impacts that would make a significant financial effect likely in the short to medium term. The topic, however, remains relevant on a reputational and social level.	0.25	1.25	16.7%
Freedom of association and collective bargaining	Relevant to stability of industrial relations, conflict prevention, protection of workers' rights and regulatory compliance. Critical issues on this issue could generate labor tensions, productivity declines, litigation, and reputational damage.	5	The topic is important for compliance, industrial relations, worker trust, and conflict prevention. However, the financial impact is limited because the company complies with the CCNL and does not present any critical issues.	Low	All employees are covered by the CCNL, which reduces the residual risk of significant critical issues on this issue.	0.25	1.25	16.7%
Anti-competitive behaviour	Any violations can cause sanctions, litigation, exclusion from business opportunities, reputational damage, and loss of market confidence. The probability appears more subdued than in other operational themes, but the potential severity remains high.	8	Any antitrust violations can result in sanctions, litigation, exclusion from business opportunities, reputational damage, and loss of trust. Although the event is unlikely, the potential severity is significant.	Low	No specific elements of risk, proceedings or critical issues emerge. Furthermore, the business approach is based on transparency, fairness and compliance with competition rules.	0.25	2.00	26.7%
Anti-corruption	Strong potential impact on reputation, business continuity, business relationships, access to finance and regulatory compliance. In complex international markets and industrial chains, corrupt or fraudulent incidents can result in sanctions, litigation, interdictions, exclusion from orders, and loss of credibility with customers, banks, and institutional stakeholders.	9	Corruption, fraud or unlawful conduct may cause sanctions, exclusion from orders, interdictions, loss of customers, reputational damage and difficulties in dealing with banks or partners. The potential severity is high, especially in international supply chains and complex markets.	Low	The probability is low if the residual risk is assessed, because there are internal policies on anti-corruption, Code of Ethics, Legality Rating, whistleblowing and no significant cases of non-compliance in the period.	0.25	2.25	30.0%

Shared value and economically sustainable business	It directly impacts the company's ability to generate long-term profitability, invest in innovation, maintain stable market relationships, and strengthen its resilience. Strategic theme for business continuity, financial soundness, reputation and growth potential.	9	The topic directly concerns resilience, profitability, business continuity, investment capacity, innovation, and stable relationships with stakeholders. It is a cross-cutting theme that affects the solidity of the business model.	High	The theme does not represent a remote event, but a structural condition of the business. Economic sustainability is directly linked to long-term resilience, innovation, stable relationships, and local and sectoral development.	0.75	6.75	90.0%
Responsible and sustainable supply chain	A highly relevant topic for costs, quality, delivery times, compliance, production continuity, and customer satisfaction. Supply chain issues can cause delays, increased costs, inefficiencies, lost orders, and reputational damage; a robust supply chain strengthens competitiveness and reliability.	8	The supply chain directly impacts quality, traceability, certified materials, delivery times, production continuity, compliance, and customer satisfaction. For Valland, suppliers are particularly relevant to the technical complexity and quality requirements of the products.	High	The theme is already intrinsic to the operating model. Suppliers play a key role in quality, traceability, compliance, and continuity of supply; supply relationships are particularly relevant to the technical complexity of products.	0.75	6.00	80.0%
Data protection and cybersecurity	It affects business continuity, systems integrity, business information protection, personal data, technical documentation, customer specifications, drawings, project data and quality documents. Cyber incidents or data breaches can lead to operational disruptions, delivery delays, recovery costs, penalties, loss of know-how, and reduced trust from customers and partners.	9	Computer accidents can compromise business continuity, technical data, drawings, quality documentation, customer information, personal data and management systems. The impact may include operational shutdowns, restoration costs, sanctions, loss of know-how and reputational damage.	High	Cyber risk is now plausible for industrial companies that depend on digital systems, technical data, and information exchanges with customers and suppliers. There are risks of unauthorized access, data breaches, information manipulation, and system disruption.	0.75	6.75	90.0%

Engagement and transparency towards Stakeholder	Transparency and dialogue with internal and external stakeholders affect reputation, trust, the quality of trade and financial relations, and the ability to anticipate expectations and risks. Effective communication can strengthen credibility, access to opportunities and strategic support.	7	The theme affects trust, reputation, quality of relationships with customers, suppliers, banks, employees and industrial partners. However, the financial effect is more indirect than supply chain, innovation or security.	Medium	Dialogue with stakeholders is already part of the business process, but a significant financial impact depends on the intensity of ESG requests from customers, banks, or partners. Stakeholder engagement and transparency support decision-making, accountability, and long-term relationships.	0.50	3.50	46.7%
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2.3.3

Governance in Action: Accountability, Ethics, and Oversight

As a final step, the results of the impact materiality analysis have been integrated with the results of the financial materiality analysis to develop a **double materiality perspective**.

The integration of these two perspectives provides a more complete understanding of the relevance of each topic. It allows Valland to move **beyond a single-dimensional assessment** and to identify those matters that are significant both in terms of external impacts and in terms of business implications. This strengthens the connection between sustainability reporting, risk

management, strategic planning and resource allocation.

The **double materiality matrix**, shown in **Figure 2**, provides a visual representation of this integrated assessment. The horizontal axis shows the impact materiality scores, while the vertical axis shows the financial materiality scores. By positioning each topic within the matrix, we can better understand the relative importance of sustainability matters and use this information to support more informed decisions.

Although the preparation of a double materiality analysis is **not explicitly required under the GRI Standards**, its integration represents a **useful methodological development**. It enables the company to enhance the robustness of its

materiality process, anticipate emerging risks and opportunities, strengthen the strategic value of sustainability reporting.

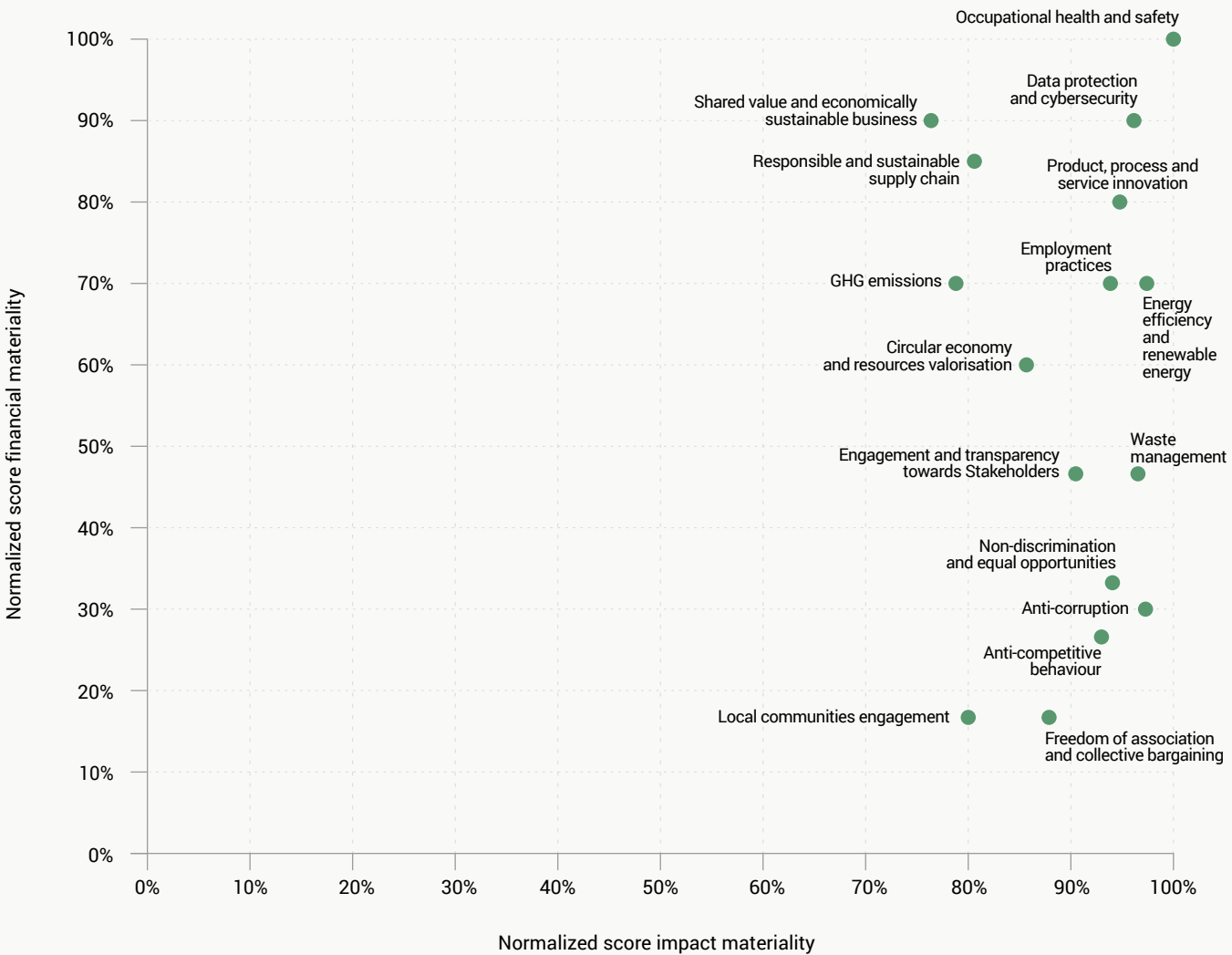
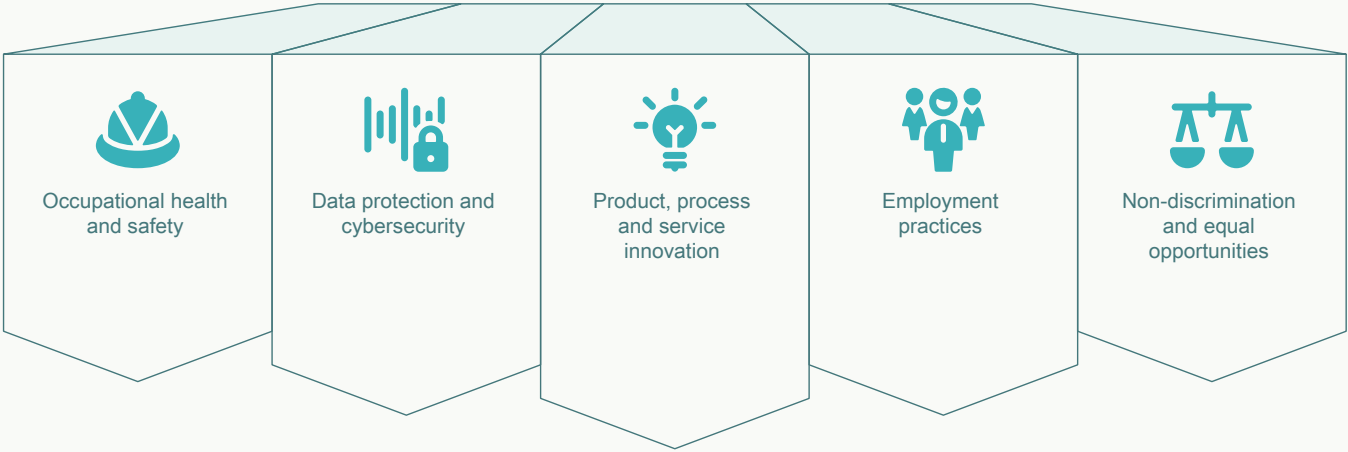


Figure 2: Double materiality matrix.

Following an assessment carried out with top management, the following material topics have been selected:

- Occupational health and safety.
- Data protection and cybersecurity.
- Product, process and service innovation.
- Employment practices.
- Non-discrimination and equal opportunities.

Material topics



This selection reflects the Company's intention to give **greater emphasis, compared with previous years, to the social and business management dimensions of sustainability**. While environmental topics remain an essential part of our sustainability pathway, the present Report aims to provide a broader and more balanced view of corporate sustainability, focusing more closely on the way the Company protects people, manages skills and employment relationships, safeguards information, strengthens operational resilience and supports innovation as a driver of long-term value creation.

In this perspective, sustainability is not presented only as the reduction of environmental impacts, but also as the ability to build a solid, responsible and well-managed organization. The selected topics therefore highlight the connection between social responsibility, governance practices, business continuity and competitiveness, showing how we can integrate sustainability considerations into our daily operations, strategic decisions and relationships with employees, clients, suppliers and industrial partners.

Occupational health and safety is an essential

priority, particularly in an industrial context involving technical operations, machinery, control activities, welding, testing and complex production processes.

Effective prevention management not only protects people's physical integrity, but also supports production continuity, reduces absenteeism, strengthens organizational stability and helps safeguard the Company's reputation.

Product, process and service innovation is another strategic area. For us, innovation means strengthening the ability to respond to complex technical requirements, to develop high-value-added solutions and progressively improve process efficiency. In this regard, applied research, advanced technologies and AM solutions represent key drivers of competitiveness, quality and future development.

Data protection and cybersecurity are increasingly relevant due to the growing digitalization of industrial and management processes. Protecting personal data, technical documentation, project specifications, drawings, client information and management systems is essential to preserve

operational continuity, prevent unauthorized access, and maintain the trust of clients, suppliers and partners.

Employment practices and non-discrimination also contribute significantly to the Company's long-term strength. The ability to attract, retain, and develop specialized technical skills is directly connected to product quality, the continuity of internal know-how and the capacity to innovate. At the same time, a fair, inclusive, and respectful working environment supports collaboration, motivation and human capital stability.

Alongside these priority topics, we recognize the cross-cutting relevance of creating shared value with society, understood as the ability to generate sustainable economic development, stable stakeholder relationship, and a positive contribution to the local area and the wider value

chain. This perspective connects business growth with the quality of the Company's relationships with the context in which we operate, strengthening the social and reputational dimension of sustainability.

Environmental topics also remain relevant, particularly with regard to the circular economy, reuse and recycling of materials, GHG emissions and waste management. The Company's production model, managed in accordance with an **ISO 14001**-certified Environmental Management System, is grounded in resource efficiency and the systematic reduction of waste generation. Metallic residues from machining and assembly activities are not treated merely as waste, but as secondary resources that can be redirected into new production cycles, including through collaborations aimed at transforming metallic residues into powders for AM. This approach extends the lifecycle of materials, reduces the need for virgin raw materials, and recovers value from industrial by-products.

Overall, the materiality analysis confirms an integrated understanding of corporate sustainability. Environmental matters remain an essential part of our improvement pathway, but they are complemented by greater attention to social, organizational, and governance aspects. This approach provides a more complete representation of our contribution to sustainability: not limited to the reduction of environmental impacts, but extended to the protection of people, process safety, responsible information management, innovation and the generation of shared value over the long term.



CHAPTER

03

ENABLING
SUSTAINABLE CHANGE



3.1

Our Environmental Performance

3.1.1

Driving Sustainable Innovation, Product by Product.

[GRI 3-3]

For our Company, innovation in products, processes and services represents a core strategic driver, generating **benefits across three dimensions**: operational efficiency, environmental performance and competitive positioning in the market. In particular, advances in AM allow us to lower energy use and related emissions in finished products, supporting decarbonization efforts and a more efficient use of resources.

At the same time, we are aware that pursuing **innovation is not without risk**. The adoption of technologies that have not been sufficiently validated could result in operational inefficiencies, higher costs or compromised levels of safety and product quality. There is, also, an indirect dimension to consider: through our network of suppliers and technology partners, the Company could be exposed to impacts arising from third parties that fall short of environmental, social or quality requirements, including those concerning human rights, labour conditions or workplace safety.

To steer this process responsibly, we follow a **five-year Strategy Policy** that translates our mission into concrete guidance, ensuring that innovation remains grounded in scientific rigor and purpose. Given the environmental pressures facing our sector, the Policy gives particular emphasis to **circular economy principles** and to **advanced technologies**.

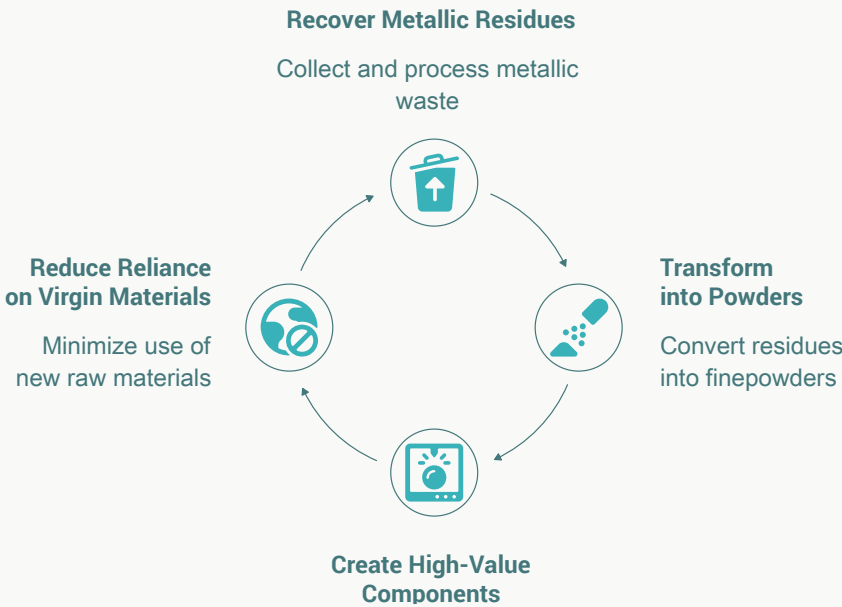
Since 2016, the Company has progressively built a comprehensive AM platform, integrating research, industrial development and production capabilities within the dedicated **Valland 3D department**. Over time, this has become a strategic competence supporting product innovation, process optimization and circular manufacturing solutions. Today, Valland 3D operates a portfolio of complementary AM technologies that enable both rapid product development and industrial-scale manufacturing:

- **Metallic AM technologies** – Including Binder Jetting, Powder Bed Fusion and Wire Arc Additive Manufacturing (WAAM) – which allow

the production of complex valve components with high dimensional accuracy, while minimizing material waste using certified metal powders, including those recovered from industrial scrap.

- **Polymeric AM technologies** – Including Fused Deposition Modelling (FDM) for engineering thermoplastics and resin photopolymerisation – which support rapid prototyping, as well as the production of functional components meeting demanding mechanical and safety requirements.

By using **recycled metal powders** as feedstock, the Company transforms recovered metallic residues into high-value components, reducing reliance on virgin raw materials. In 2025, the Company internally produced **528 kg of recycled powder from recovered metallic residues**, 305 of which have been reintegrated into the processes during



the year. A further 250 kg of recycled powder have been sourced externally, bringing the **total volume of recycled material inputs to 778 kg**.

Beyond expanding production capabilities, R&D investments continue to strengthen our technological leadership. In 2025, these investments have translated into significant technological milestones. Valland has successfully achieved **process qualification under the DNV-ST-B203¹ standard** for two metallic materials entirely developed in-house: **UNS S31254 (F44 / 6 Moly)** and **UNS S32760 (F55 Super Duplex)**.

What makes this achievement particularly significant is the fully circular development pathway adopted. Starting from metallic scrap generated by the Oil&Gas industry, Valland has developed certified metal powders and has successfully qualified the complete production route according to one of the most demanding international standards for metal AM. The programme also includes extensive corrosion characterization to verify the suitability of the materials for highly demanding applications.

Following successful qualifications, both materials have entered commercial production, demonstrating the Company's ability to **transform research activities into market-ready solutions**. Based on our knowledge, this represents the **first industrial qualification of its kind under the DNV-ST-B203 standard**.

Apart from internal R&D, the Company actively contributes to **collaborative innovation** initiatives at both European and regional level. In 2025, we have completed the **three-year To Zero** (Towards Zero Waste In Aluminium

1. DNV-ST-B203 is an international standard developed by DNV that provides requirements for the additive manufacturing (3D printing) of metal and polymer components.

Body-In-White Manufacturing) **project**, an initiative focused on demonstrating circular approaches for AM through the **recovery and reuse of secondary aluminum feedstocks**. The project has confirmed the technical feasibility of producing high-performance AM components from recycled materials, while significantly reducing their environmental footprint.



The Company also continued its participation in **DIAMETER**, a **Horizon Europe project** focused on Circular-by-Design AM. Within this project, Valland is leading the development of one of the industrial pilot cases, manufacturing a super duplex stainless-steel valve through Laser Directed Energy Deposition (L-DED). The activity includes comprehensive material and mechanical characterization to validate the performance of the component, while assessing how AM can reduce raw material consumption, extend product life through repair and remanufacturing and improve the overall circularity of industrial products. More broadly, the project aims to establish methodologies for selecting manufacturing routes based not only on technical performance, but also on environmental impacts throughout the entire product life cycle.



At the regional level, Valland has secured funding under the **Collabora&Innova** programme through the **MKe project**, strengthening collaboration with research organisations and industrial partners, with the aim of accelerating the transfer of manufacturing technologies into industrial applications.

Valland's ongoing collaboration with **f3nice**, a company specialized in AM-grade metal feedstock production from secondary metallic feedstocks, continues to generate concrete innovation outcomes within a shared circular economy framework. The partnership combines f3nice's expertise in sustainable alloy design and powder production with Valland's operational and industrial printing infrastructure, generating opportunities to jointly test, validate and develop new materials and technologies for AM. This close **cooperation** has already resulted in several notable projects, like:



DIAMOND
Digital Intelligent Assistant for Manufacturing

DIAMOND project: an initiative developed with f3nice and two other partners that combines artificial intelligence with AM to support real-time production and quality decisions during metal 3D printing operations. The project develops a Digital Intelligent Assistant (DIA), which uses in-process camera monitoring and a neural network model to detect and classify defects layer-by-layer during printing, achieving validation accuracy above 95%, and alerts operators in real time through a voice-based interface.

HydroAdd project: production and validation of materials for compatibility with hydrogen environments. This work responds to a critical technical challenge in the energy transition: identifying and qualifying metal alloys capable of maintaining mechanical integrity and resistance to hydrogen embrittlement under high-pressure conditions.

Environmental performance assessment has become an **integral component** of our innovation

process. **Product Carbon Footprint** and **Life Cycle Assessment (LCA)** methodologies are **applied** to quantify the environmental impacts of new manufacturing solutions, supporting **eco-design** and investment decisions. These environmental performance assessments are carried out in collaboration with **Eartha**.

Within this framework, we regularly compare AM and conventional manufacturing routes to evaluate differences in environmental performance across the product life cycle. These assessments provide an evidence-based understanding of the **environmental benefits associated with AM technologies** and guide the continuous optimization of production processes.

Examples of this approach include two comparative LCA studies completed in 2025. The first has focused on a **Modular Needle Valve**, whereas the second on a **PVT Valve**. In both cases, AM technology has been compared with conventional (traditional)

manufacturing, confirming that **AM achieves lower environmental impacts than conventional production**.

Building on these analyses, the Company is progressively extending LCA to additional products, with the objective of establishing a robust, company-wide framework for measuring product environmental performance. To this end, the Company plans to adopt a **dedicated tool** enabling the **systematic and scalable application of LCA across its product portfolio**.

During 2025, the Company has also launched a **project** dedicated to the **Digital Product Passport (DPP)**, in collaboration with Eartha and Ecolybra. The initiative has started with the development of a DPP for a ball valve, subsequently completed in 2026, with three further DPP currently in progress.

Several measures are in place to **prevent or limit potential negative impacts**, including structured technology validation pathways, as well as



contingency planning and non-conformity procedures embedded in our management systems, complete with preventive and corrective actions. **Should an actual negative impact occur**, our response follows a defined path: root-cause analysis, consultation with relevant Stakeholders



and corrective action. Lessons learned are then fed back into Company policies and procedures via the annually updated "**Measurement, Control, Improvement**" document – a key component of the Company's **ISO 9001-certified Quality Management System** –, which governs:

- The handling of **relevant events** (non-conforming inspection or test results, complaints, incidents affecting product quality, delivery, business efficiency, or employee health and safety) through contingency planning, non-conformity procedures, corrective/preventive/improvement actions, and change management.
- A schedule of **internal audits** ensuring every management system process is reviewed at least once every 12 months.
- Ongoing data analysis drawing on the Company's improvement plan as well as customer correspondence and feedback.

To maximize **positive impacts**, we continue to:

- Design products with longer lifespans,

lower environmental footprints, and greater adaptability.

- Promote the use of recycled and recyclable materials.
- Contribute to knowledge transfer and workforce development through our R&D partnerships and collaborations.

The **effectiveness** of these efforts is tracked through a set of dedicated KPI covering energy efficiency gains, reduced production times and lower per-unit environmental impact. On a quarterly basis, we also monitor the share of turnover linked to products and processes that incorporate new technologies, alongside the number

of patents filed, new products launched and customer satisfaction with innovative solutions. Internal audits complete the picture, verifying that all management system processes remain aligned with our innovation objectives.

Experience has taught us that rigorous validation combined with transparent communication is essential for innovation to translate into long-term, responsible growth. The resulting feedback loop allows lessons learned to be incorporated into updated policies, procedures and strategic planning, reinforcing both organizational resilience and our broader commitment to sustainable progress.

Finally, **Stakeholder engagement** plays a central role, not only in guiding technology selection and validation, but also in shaping our sustainability priorities and the metrics used to track progress. This dialogue keeps our innovation strategy closely aligned with both market needs and wider societal expectations, helping us generate shared value across the entire value chain.

3.2

The Human Side of Our Business

3.2.1

Occupational Health & Safety: Our Commitment to a Secure Workplace

[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 at the core of Valland's sustainability agenda. Providing a safe and healthy working environment is not only a legal obligation, but a fundamental expression of our responsibility toward the people. A robust OHS framework generates measurable benefits across the organization: it reduces absenteeism, supports workforce productivity and fosters long-term employee engagement – all of which contribute directly to operational excellence.

Our approach to risk prevention combines technological solutions – including automation systems and **personal protective equipment (PPE)** – with structured training programs and periodic safety audits. Together, these measures establish a proactive safety culture embedded in daily operations. We acknowledge that residual risks persist in areas involving heavy or complex machinery, where the potential for accidents or occupational illness requires continuous vigilance.

While Valland does not generate direct negative OHS-related impacts, we are aware that our supply chain may present indirect risks to workers' health and safety. We therefore apply a **rigorous supplier evaluation process, assessing safety performance, compliance history, and overall reputation** as integral criteria in our procurement decisions.

Our **OHS Management System** is built on internationally recognized standards, including **ISO 45001**, and is subject to continuous improvement. To translate policy into practice, we have developed a set of concrete initiatives: **regular safety training for all employees, periodic in-plant audits conducted with the support of internal HSE staff** and an **external Health and Safety Officer (RSPP)**, and a **structured risk reporting system** that enables prompt identification and resolution of safety concerns. If risks are identified, corrective actions are implemented without delay. On the preventive side, ongoing investments in automation and

workplace ergonomics progressively reduce employees' exposure to physical hazards.

The effectiveness of OHS measures is tracked through a **set of KPI**, including incident rate, near-miss occurrences and injury frequency. Safety goals are reviewed on an annual basis, with progress assessed against targets aimed at reducing accidents and strengthening overall safety performance. Periodic reviews allow for timely adjustments to safety strategies, reinforcing a long-term commitment to a zero-accident culture.

Insights gained through ongoing safety management activities, incident monitoring, and stakeholder engagement are systematically incorporated into policies and operational procedures. The **Workers' Safety Representative (RLS)** and the RSPP play an active role in reviewing safety measures and implementing new protocols, working in close coordination with internal HSE staff. Feedback gathered through this structured dialogue is essential to develop training programmes and define safety protocols, ensuring that practices evolve in response to the real needs of the workforce.

The OHS Management System operates in full compliance with **Legislative Decree 81/2008**, which governs the protection of workers' health and safety in Italy.

Operations are distributed across three distinct facilities, each integrated into the production cycle and characterized by specific functions, layouts and equipment:

- **Warehouse 1** includes multiple stages of the production process, i.e., material handling, component preparation, assembly, product testing, packaging and shipment.

- **Warehouse 2** is primarily dedicated to quality control of materials and finished products, laser marking and the coordination of office and logistical functions.
- **Warehouse 3** houses the most advanced production activities, centered on 3D printing using materials such as aluminum, steel and polymers.

The facilities include office areas and meeting rooms, locker rooms, dedicated production zones, storage areas for incoming and outgoing goods, external areas for vehicle access and logistics, technical rooms for boilers and infrastructure and a separate outdoor area for the LPG tank used exclusively for heating purposes.

Workplace safety standards are upheld through a continuously updated **Risk Assessment Document (Documento di Valutazione dei Rischi, DVR)**, which serves both as a legal compliance instrument and as the operational foundation for long-term risk control. Each activity is systematically analysed and broken down into operational phases, with the following elements identified:

- Equipment and machinery in use.
- Chemical substances and preparations involved.
- Employees concerned.
- Required personal PPE.

For each phase, the risk can be caused by operator presence in the workspace, external environmental conditions, as well as the use of machinery and hazardous materials.

We evaluate each risk in terms of **probability** (ranging from unlikely to very likely) and **severity** (from low to very high), resulting in a risk level classification:

- Very Low (score 1–2).
- Low (score 3–4).
- Medium (score 6–8).
- High (score 9–16).

For this, we perform a **risk assessment** through:

- Direct observation of work environments.
- Detailed task analysis.
- Examination of task execution methods.
- Consideration of external environmental factors.
- Review of organizational structures and processes.
- Assessment of psychosocial and ergonomic factors contributing to work-related stress.

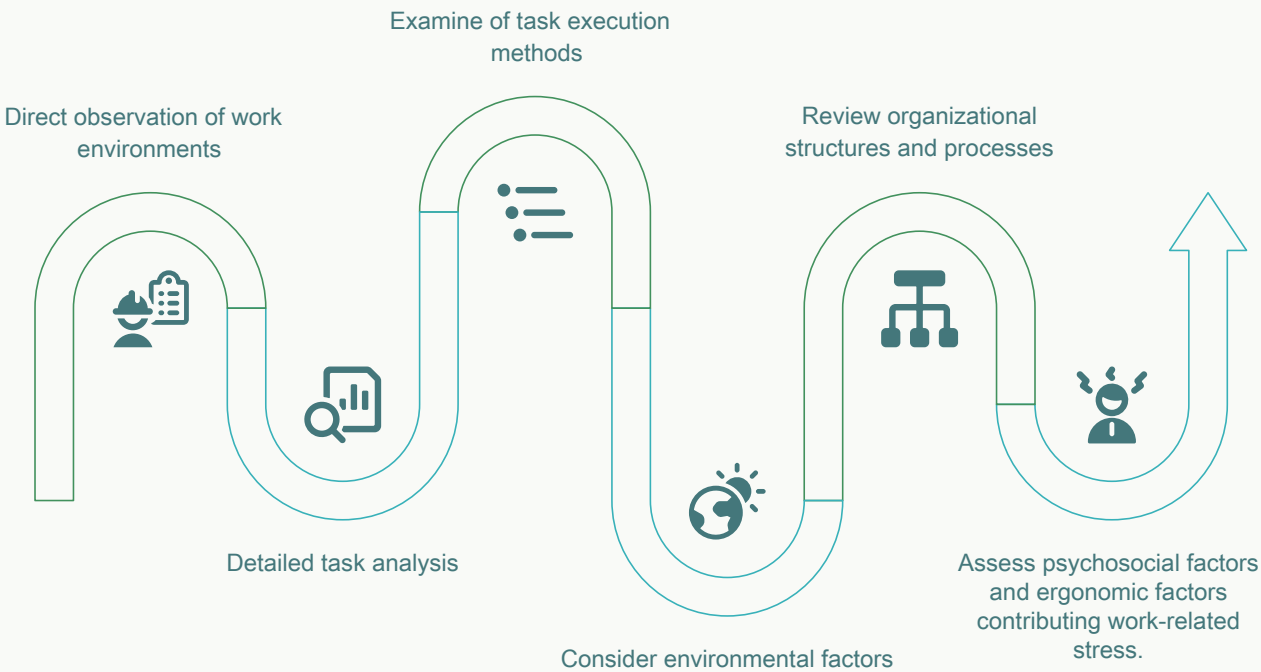
The OHS team bears responsibility for the effectiveness and continuous improvement of the OHS management system, ensuring alignment with evolving operational needs and

broader sustainability objectives. The quality of these processes relies on the competence of the individuals tasked with their execution. Findings from risk assessments and safety audits are systematically analyzed to:

- Identify critical areas and prioritize corrective or preventive actions.
- Monitor KPI.
- Revise and update procedures, incorporating lessons learned into protocols and training programmes.
- Inform strategic decisions regarding safety investments, equipment upgrades and organizational changes.

The OHS Management System extends to 100% of the workforce, including both employees and non-employees. All the individuals undergo annual occupational health screenings conducted by the appointed occupational health physician. These assessments evaluate fitness for the specific

Perform a risk assessment



role performed and include checks on visual acuity, hearing, and respiratory health. Screenings are mandatory under Legislative Decree 81/2008, and are carried out at a frequency determined by the applicable occupational health protocol.

Workers are encouraged to report hazards or unsafe conditions promptly to their designated **Line Supervisors (Preposti)**, who hold responsibility for overseeing safety compliance. Clear policies protect employees from any form of retaliation, ensuring an environment conducive to open and transparent communication.

Employees retain the right to refuse work assignments they reasonably believe may pose a risk to their health or safety. In such cases, the Line Supervisor must be informed immediately and is obligated to halt the activity in question until the issue is resolved. Where a conflict arises between instructions from the Line Supervisor and other management figures, work remains suspended until the matter is formally clarified.

In case of **incidents**, a detailed investigation is conducted to identify hazards and assess associated risks, using the risk assessment documentation as a reference framework. Corrective actions are determined in accordance with the hierarchy of controls – from elimination through to the use of PPE – with the aim of preventing recurrence. All findings, actions taken and resulting improvements are documented, communicated to the workforce and integrated into ongoing training activities to sustain compliance and a culture of continuous improvement. Following the recordable injury registered during the reporting period, which has been associated with the use of specialized machinery, the Company has implemented **targeted corrective actions**, including the replacement of the lathe involved, in order to eliminate the identified hazard at its source and

prevent recurrency.

Training needs are identified through a structured process combining risk assessments, internal safety audits and direct engagement with employees and their safety representatives. This methodology enables the detection of knowledge gaps, emerging risks and areas requiring additional support, forming the basis for targeted and effective training programmes.

Health and safety training covers both general principles and role-specific hazards, ensuring that all the employees are adequately equipped to manage the risks associated with their respective duties. Training modules typically address:

- General occupational health and safety principles.
- Risks specific to individual roles, equipment or work areas.

Courses are delivered by qualified professionals, including **internal HSE staff and external specialists such as the RSPP**. Training is provided on a recurring basis – annually, or more frequently for high-risk roles – and is additionally triggered by the introduction of new machinery, processes or regulatory requirements. All sessions are compulsory, provided free of charge and scheduled within paid working hours, removing any burden on employees' personal time.

The impact of training activities is assessed through multiple channels:

- Participant feedback and satisfaction surveys.
- Monitoring of incident reports and near-miss occurrences.
- Outcomes of follow-up inspections and audits.

Any gaps or shortcomings identified through

these mechanisms are analyzed and used to refine the design and delivery of future programmes. As our initiative, we provide health programs and voluntary screenings such as:

- **Since 2014:** on-site mammography screenings: as an added benefit, we offer mammograms on-site for interested female employees. This initiative promotes early detection of breast cancer and reduces barriers to preventive care.
- **Since 2022:** voluntary mole (nevus) screening: at regular intervals (typically every two to three years, based on funding availability), we provide voluntary dermatological screening sessions focused on skin cancer prevention. These sessions are offered to all employees on a voluntary basis.

Due to the GDPR, information on individual participation is treated as confidential and not publicly disclosed. Access to medical records is restricted to qualified healthcare professionals, and any use of such data requires the employee's explicit and informed consent. Participation in health programmes, or the content of individual medical records, has no bearing on employment-related decisions, including promotions, role assignments or performance evaluations.

Have there been any workplace accidents?

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 (and rate) of recordable work-related injuries: 1 (1.84, i.e., 1.84 injuries per 100 employees per year; calculation performed



based on 200000 worked hours).

- Main type of work-related injuries: related to the use of specialized machines.
- Number of worked hours (i.e., hours of absence): 632.

For all non-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 (and rate) of recordable work-related injuries: 0.
- Number of worked hours (i.e., hours of absence): 0.

Based on the type of work performed and the recorded performance data, there are no hazards that pose a risk of serious injury.

Have there been any occupational diseases?

For all the employees:

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

For all non-employees:

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

Our activities do not involve hazards that, if uncontrolled, could lead to occupational diseases.



3.2.2

Equal opportunities, Shared Responsibility

[GRI 3-3] [GRI 401-3] [GRI 404-1] [GRI 405-1] [GRI 406-1]

At Valland, we are convinced that an **inclusive** and **equitable** corporate culture is a key ingredient of a healthy, productive and innovative workplace. Guaranteeing equal opportunities for growth and career advancement benefits not only individual employees, but also generates **wider positive effects on the economy, society and protection of human rights**. From an economic standpoint, this commitment translates into higher productivity, stronger ability to attract and retain talent and a better Company reputation. On the social and human side, it promotes a greater employee wellbeing and more inclusive working environments.

We are equally aware that, if not properly monitored, recruitment and internal promotion processes **could give rise to unintentional discriminatory practices**. A further risk lies within our value chain, where suppliers or business partners might not share the same standards of equality and non-discrimination, with possible indirect consequences for the Company. To date, Valland has not been directly involved in any discrimination-related negative impact, whether through its own operations or through its business relationships; nonetheless, we recognize a degree of exposure connected to third-party suppliers who may not fully meet our requirements.

We have implemented a **comprehensive non-discrimination and equal opportunity policy**, aligned with national legislation and international

standards on human rights (e.g., Universal Declaration of Human Rights). This policy is outlined 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>), which establish clear principles for ensuring fairness, transparency and respect for diversity in all employment-related decisions.

We prevent or mitigate **potential negative impacts** through the following **actions**:

- Competency-based recruitment practices to reduce biases and ensure fair hiring decisions.
- Targeted training programmes for managers to identify and prevent discriminatory behaviours.
- Internal communication campaigns to foster inclusion and open dialogue.

Beyond risk mitigation, we work proactively to **strengthen the positive effects** of our approach, by ensuring equal access to training and career development opportunities, recognizing the value of diverse skills and experiences, and creating the conditions for every employee to grow and thrive within the organization.

As part of its ongoing commitment to equality, Valland is evaluating the possibility of pursuing **gender equality certification** in accordance with the Italian reference practice **UNI/PdR 125:2022**.

This voluntary framework provides a structured system of indicators against which organizations are assessed by an accredited third party. We expect to advance this process during 2027, marking a further, concrete step in translating its principles into measurable commitments.

The effectiveness of these actions is monitored through regular internal reviews and specific KPI, including turnover rates broken down by gender, age and role, benchmarked against industry standards. In 2025, no discrimination complaints have been reported, and internal indicators confirmed a consistent level of equity in both retention and promotion outcomes. This continuousimprovementprocessisfedbyfeedback gathered through employee surveys and training sessions, which has already led to refinements in our hiring and onboarding procedures; insights emerging from audits and Stakeholder dialogue are likewise incorporated into our policies to keep them effective and up to date.

Stakeholder engagement remains central to shaping our approach: inputs from clients support greater transparency in our HR practices; dialogue with suppliers results in stronger contractual safeguards, and feedback from employees plays a key role in improving our communication tools and training content. We also engage with **external industrial associations** to ensure our internal practices remain aligned with international inclusion standards.

Regarding parental leave, we point out the following:

- Total number of employees that have been entitled to parental leave, by gender: 13 males and 7 females.
- Total number of employees that have taken parental leave, by gender: 0 male and 2 females.

- Total number of employees that have returned to work in the reporting period after parental leave ended, by gender: 0 male and 1 female.
- Total number of employees that have returned to work after parental leave ended that have been employed 12 months after their return to work, by gender: 0 male and 1 female.
- Return to work rate of employees that took parental leave: 50%.

Training plays a key role in strengthening employee competencies, supporting continuous professional growth and driving innovation across the organization. By investing in learning and development, we empower our people to perform at their best and stay aligned with the evolving demands of our industry. In 2025, employees received an average of 20 training hours each (16 hours of external training and 4 hours of internal training). We have detected no incidents of discrimination for this reporting period.

Regarding the BoD and the employees, the data are shown in **Table 5**.

Table 5: BoD members subdivided by gender and age for the year 2025.

Year 2025				
Gender		Age (years)		
Male (n; %)	Female (n; %)	< 30	30 – 50	> 50
3 (75.0%)	1 (15.0%)	0 (0.0%)	2 (50.0%)	2 (50.0%)
1 (15%)				
0 (0.0%)	Female (n; %)	< 30	30 – 50	> 50
2 (50.0%)	1 (15.0%)	0 (0.0%)	2 (50.0%)	2 (50.0%)
2 (50%)				
Male (n; %)	Female (n; %)	< 30	30 – 50	> 50
2 (100.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	2 (100.0%)

The employees categories are reported in Table 6.

Table 6: Employees categories subdivided by gender and age for the year 2025, 2024 and 2023.

Year 2025					
Type of employee worker	Gender		Age (years)		
	Male (n; %)	Female (n; %)	< 30	30 – 50	> 50
Blue-collar worker	19 (100.0%)	0 (0.0%)	13 (20.0%)	41 (63.0%)	11 (17.0%)
Office staff	23 (50.0%)	23 (50.0%)			
Year 2024					
Blue-collar worker	21 (100.0%)	0 (0.0%)	20 (29.0%)	40 (57.0%)	10 (14.0%)
Office staff	27 (55.0%)	22 (45.0%)			
Year 2023					
Blue-collar worker	18 (100.0%)	0 (0.0%)	19 (30.0%)	35 (56.0%)	9 (14.0%)
Office staff	26 (58.0%)	19 (42.0%)			

3.2.3 Fair and Efficient Employment Practices

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

Effective human resource management constitutes a foundational element of our sustainability strategy.

The Company’s approach is grounded in the principle that **fair, flexible and genuinely inclusive working conditions are essential** requirements for attracting and retaining talent, sustaining employee motivation and fostering long-term engagement. The benefits of this approach are already reflected in **measurable outcomes**, including reduced staff turnover, a more positive organizational climate and enhanced productivity. Over the longer term, these practices are also expected to reinforce the Company’s reputation as a responsible employer, support the dissemination of best practices across the value chain and contribute to an improved life quality.

At the same time, the Company recognizes the **risks** inherent to human resource management, including work-related stress, uneven workload distribution and potential shortcomings in HR processes. A further layer of risk relates to the Company’s business relationships: non-compliance by suppliers or partners with applicable labour or human rights standards could expose the Company to reputational or operational consequences by association. To address this risk, **responsible sourcing criteria** are applied, and **periodic compliance assessments** are conducted across business relationships.

These commitments are underpinned by a structured policy framework, formally approved by top management and subject to periodic review to ensure continued alignment with evolving risks and employee expectations. The policy is outlined in our **Code of Ethics and Conduct** (<http://www.valland.it/assets/Uploads/Code-of-Ethics-and-Conduct.pdf>) which is aligned with international standards such as the UN Guiding Principles on Business and Human Rights. Key elements of the policy include:

- Respect for fundamental labour rights: we ensure compliance with laws and international labour standards, including non-discrimination, freedom of association and the prohibition of forced or child labour.
- Employee well-being: we are committed to fostering a workplace culture that prioritizes psychological and physical health, including support for mental well-being and a healthy work-life balance.
- Inclusive and flexible work environment: we promote diversity, equity, and inclusion, and offer flexible work arrangements to accommodate different personal and family needs.
- Continuous development: we believe in lifelong learning and ensure that employees have access to training opportunities to support their personal and professional growth.



- Ethical business relationships: we expect our suppliers and partners to adhere to equivalent labour and human rights standards.

To operationalize our policy, we have put in place specific initiatives that translate our commitments into measurable outcomes. **To prevent and mitigate potential negative impacts**, we:

- Carry out regular stress and well-being assessments with the support of occupational health professionals.
- Offering external coaching sessions for employees and managers to manage interpersonal conflicts and support psychological well-being.

We manage **actual negative impacts** mainly through:

- Implementing flexible work arrangements, including **remote working, when applicable**, and adaptable schedules, to support work-life integration.
- Reviewing workload distribution across departments to prevent burnout and ensure organizational balance.

We adopt a proactive approach to strengthen and maximize the **positive outcomes** generated by our employment practices through actively promoting professional growth and building an inclusive and respectful workplace culture, based on supporting physical and mental well-being and encouraging employee engagement and participation.

In line with this approach, the Company promotes **team-building activities** aimed at reinforcing internal cohesion and a positive organizational climate. These initiatives support cross-functional collaboration and contribute to the sense of shared accountability that underpins the Company's

culture.

In recognition of the record production levels achieved during the year, in 2025 the Company granted employees **an additional salary payment**. This measure reflects Valland's commitment to **sharing the results of collective effort with the people who make them possible**, reinforcing the link between organizational success and individual recognition.

The **effectiveness of the measures** is monitored on an ongoing basis through the assessment of stress-related impacts, with the support of the **RSPP** and the Occupational Physician. Insights derived from past experience, employee feedback and dialogue with external Stakeholders are systematically incorporated into the evolution of Company policies. In addition, a dedicated email channel is available to employees for reporting concerns, in accordance with the Company's **whistleblowing policy**.

In 2025 we have hired 6 employees as follows as shown in **Table 7** (employee rate = 16%, 3% more than the previous year).

Table 7: New employees subdivided by gender, age and geographical area for the year 2025, 2024 and 2023.

Year 2025						
Gender		Age (years)			Geographical area	
Male (n; %)	Female (n; %)	< 30	30 – 50	> 50	Sondrio Province (n; %)	Other (n; %)
4 (67.0%)	2 (33.0%)	2 (33.0%)	3 (50.0%)	1 (17.0%)	2 (33.0%)	4 (67.0%)
Year 2024						
6 (55.0%)	5 (45.0%)	3 (27.0%)	8 (73.0%)	0 (0.0%)	5 (45.0%)	6 (55.0%)
Year 2023						
5 (63.0%)	3 (37.0%)	7 (88.0%)	1 (12.0%)	0 (0.0%)	6 (75.0%)	2 (25.0%)

4 employees have left the Company voluntarily.

The employees turnover is reported in **Table 8**.

Table 8: Employees turnover subdivided by gender, age and geographical area for the year 2025, 2024 and 2023.

Year 2025						
Gender		Age (years)			Geographical area	
Male (n; %)	Female (n; %)	< 30	30 – 50	> 50	Sondrio Province (n; %)	Other (n; %)
4 (100.0%)	0 (0.0%)	1 (25.0%)	3 (75.0%)	0 (0.0%)	3 (75.0%)	1 (25.0%)
Year 2024						
2 (67.0%)	1 (33.0%)	1 (33.0%)	2 (67.0%)	0 (0.0%)	2 (67.0%)	1 (33.0%)
Year 2023						
2 (50.0%)	2 (50.0%)	1 (25.0%)	2 (50.0%)	1 (25.0%)	1 (25.0%)	3 (75.0%)

In case of significant changes in operations (e.g., restructuring, outsourcing, closures, expansions, new openings, acquisitions, sale of all or part of the Company or mergers), there is no minimum notice period; we try to notify employees as soon as possible.

To upgrade employees' skills for a specific role or broader competencies identified as strategic by top management, we generally organize **training courses** based either on available funding opportunities or through internally promoted initiatives. We do not currently offer assistance programmes to support employees approaching retirement or exiting the Company, like, for

example, early retirement plans, professional retraining, severance packages, outplacement services, or support in transitioning to post-employment life.

3.3

Governance For The Ethical Conduct

3.3.1

Data Protection: Privacy, Security, and Responsible Growth

GRI 3-3] [GRI 418-1]

As digital transformation continues to reshape every industry, privacy and cybersecurity have emerged as strategic pillars underpinning sustainable development. Within Valland, the protection of stakeholder data is considered not merely as a regulatory obligation, but as a core value reflecting the company's commitment to human rights, ethical conduct and long-term value creation.

Our approach to data privacy and cybersecurity generates **tangible positive impacts across multiple dimensions**:

- For the **economy**, through the protection of intellectual property, the assurance of business continuity and the reduction of financial risks linked to data breaches.
- For **people**, through the safeguarding of personal data, the upholding of the right to privacy and the fostering of digital trust.
- For **society**, through the promotion of responsible digital behaviours and transparent

practices.

At the same time, **potential negative impacts** are acknowledged – such as privacy violations or cyber incidents – which could compromise sensitive data, harm individuals and damage reputations. Such risks may originate not only from direct operations but also through **business relationships**, particularly with suppliers handling confidential information. **Due diligence and strict oversight** are therefore applied across the value chain.

In 2024, we have been included in the official list of “**critical entities**” by the **Italian National Cybersecurity Agency (ACN)**, acknowledging our relevance in the national digital infrastructure. This designation requires us to comply with the new **EU NIS2 Directive**¹, which we are actively implementing to further enhance our cybersecurity governance, risk management and

1. <https://digital-strategy.ec.europa.eu/en/policies/nis2-directive>

Unveiling the Dimensions of Privacy Management



incident response capabilities.

We manage privacy through a **comprehensive and proactive framework** that is fully aligned with the General Data Protection Regulation (GDPR) and based on continuous improvement. Our framework is based on:

- A **Data Protection Policy** covering all stages of data handling, collection, processing and storage, and enforced by trained and authorized personnel.
- A **register** of processing activities, privacy policies and designated service managers.
- Regular **policy updates** to ensure alignment with evolving legal and technological standards.
- Clear accountability **structures, internal awareness initiatives** and training.

To effectively **prevent, mitigate, and respond to potential and/or actual privacy and security risks** and related **negative impacts**, we translate

our policies and commitments into the following operational **actions**:

- **Cybersecurity:**
 - Internal network protected from external threats through firewalls with traffic control.
 - Internal Wi-Fi networks secured with safe protocols (WPA2).
 - Guest users connecting to Valland’s network (via Wi-Fi) isolated in a VLAN separate from the one used by employees.
 - External connections (for remote access during travel or smart – working) made through a secure VPN.
 - Access to Valland’s internal resources managed via Microsoft Active Directory.
 - Basic security policies 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 protected by antivirus software (integrated Microsoft Defender solution) and configured for automatic updates.
- Email accounts managed through Microsoft 365, with multi-factor authentication automatically enabled.
- Communication with external parties allowed only through Valland’s official and certified channels (i.e., e-mail, Teams, corporate phone numbers).
- Regular data backups performed periodically and stored securely to ensure data availability and business continuity.
- **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.

Potential and actual positive impacts are managed through:

- Regular internal audits and vulnerability testing, aimed at verifying the effectiveness of controls on an ongoing basis.
- Ongoing stakeholder engagement in shaping security policies.
- Continuous training and awareness initiatives, designed to build a data-conscious culture, including specific training on recognizing phishing attempts and other social engineering threats.

Periodic audits and vulnerability tests are employed

to monitor the effectiveness of protection measures and to ensure ongoing compliance with data security standards. These assessments form part of a structured monitoring process, allowing the performance of cybersecurity and privacy measures to be tracked over time.

KPIs monitored include the number of security incidents and incident response time. These indicators support the evaluation of both the effectiveness of existing actions and progress toward defined targets, such as maintaining zero data breaches and achieving full compliance with new regulations, including the NIS2 Directive.

Protection measures are subject to constant review as a means of preventing security breaches; should a breach nonetheless occur, swift resolution actions are undertaken. This reflects a broader commitment to transparency, accountability, and trustworthiness across all areas of operation.

Annual results are benchmarked against defined targets to assess whether performance is improving and to identify areas for further enhancement, with progress documented in the sustainability report and shared with stakeholders to promote transparency.

Over time, lessons drawn from internal audits, incident simulations, and stakeholder feedback have contributed to strengthening internal practices.

For 2025 we have registered:

- **Total number of substantiated complaints received concerning breaches of customer privacy:**
 - Complaints received from third parties and substantiated by the Company: 0.
 - Complaints from regulatory bodies: 0.

- **Total number of identified leaks, thefts, or losses of customer data:** 0.

We maintain ongoing dialogue with our key **stakeholders** as their feedback plays a central role in shaping our data protection strategy. For example:

- Client input has guided the development of more transparent and accessible privacy policies.
- Supplier assessments have led to strengthened contractual safeguards and clearer expectations regarding data handling.

- Employee feedback from training sessions has prompted updates to internal procedures and communication tools.

This collaborative and adaptive approach reinforces our organizational resilience and helps ensure that our cybersecurity strategy remains responsive, effective, and aligned with the Stakeholders expectations.



KEY PERFORMANCE INDICATORS AND TARGET ACHIEVEMENT



The **topics** examined in the previous sections represent the material areas in which Valland has identified its most significant impacts, risks, and opportunities. For each of these topics, the Company has defined **specific strategic objectives** and translated them into **measurable targets**, monitored over time through a set of **KPI**.

Compared to the framework adopted in previous editions of the Report, the KPI table presented below has undergone **significant restructuring**. This reflects both the growing maturity of Valland's sustainability monitoring system and the outcomes of the updated materiality analysis, which has broadened and refined the set of topics

Effective Sustainability Management



Monitoring KPI, evaluating actual performance against established targets and revising objectives, where necessary, are essential to **effective sustainability management**.

This chapter presents a multi-year overview of Valland's target and KPI framework. Rather than limiting the analysis to the current reporting year, the table provides a longitudinal perspective spanning from 2023 to 2026, covering historical results, current performance, and forward-looking targets. This approach serves a dual purpose: it allows the reader to assess whether past objectives have been achieved and what corrective actions may have been taken where targets have been missed, while also providing transparency on the trajectory the Company intends to follow in the years ahead.

considered material to the Company's operations and stakeholders.

The most significant changes are described below:

Two focus areas previously included in the KPI table, i.e., Sustainable consumption and production and Energy efficiency and climate change mitigation, have been removed. This decision stems from the results of the updated materiality analysis, which highlighted a shift in the Company's most significant impacts and stakeholder expectations **toward social and governance dimensions**. Valland's commitment to monitoring environmental performance in these areas remains unchanged and will be reflected in future reporting cycles as the materiality profile evolves. The 2025 GHG Inventory Report has nevertheless been prepared as a parallel activity

and is publicly available, together with the corresponding Reports for 2023 and 2024, at the following link: <https://www.valland.it/company/corporate-social-responsibility/>

Three new focus areas have been introduced, consistent with the outcomes of the updated materiality analysis:

1. Data protection and service innovation (SDG 9.16): reflects the growing strategic relevance of cybersecurity, customer privacy, and responsible data management among Valland's material topics. New indicators introduced in this area include the number of data breaches, total substantiated complaints concerning breaches of customer privacy, the percentage of employees who have attended cybersecurity training and the number of internal cybersecurity audits conducted

2. Employment practices (SDG 8.10): the attrition rate, previously reported under the broader Health and well-being area, has been moved to a dedicated topic to better reflect its strategic significance as a standalone employment indicator.

3. Non-discrimination and equal opportunities (SDG 5.10): this area has been introduced in anticipation of the Company's target to obtain the Gender Equality Certification (UNI/PdR 125) by 2027. Given that this indicator will become applicable only from 2027, no KPI is reported for the years 2023–2026.

Within the Occupational health and safety focus area — previously labelled Health and well-being — the indicator set has been considerably expanded. In addition to LTIFR and TRCFR, which remain central to safety monitoring, three new indicators have been introduced from 2025 onwards:

- Number of reported near misses.
- Mandatory training hours.
- Number of internal health and safety audits.

The revenue donated to charity indicator, previously tracked under the health and well-being area, has been discontinued from 2026 following a strategic review of the Company's community engagement approach; the 2025 result (66,702 €) confirms that the target of € 30,000 was significantly exceeded



in the final year of monitoring. The indicator “R&D expenditures for innovation” has been actively monitored through 2024, when the target of € 1.2 million has been achieved; from 2025 onwards, this metric is no longer tracked within the KPI table.

The following **Table 9** and **Table 10** tables present, respectively, the objectives, targets and KPIs for 2023 and 2024, and the objectives, targets and KPIs for 2025 together with the targets established for 2026.

Table 9: Target and KPI for 2023 and 2024.

Focus area			2023		2024		
SDG	Topics	Indicator	Target	KPI	Objective	Target	KPI
3.8	Occupational health and safety	LTIFR ^a	0	0	Maintain the results	0	5,4
		TRCFR ^b	0	0	Maintain the results	0	1,8
		Revenue donated to charity	0,20%	0,06%	Increase the revenue donated to charity	30.000 €	32.350 €
		Number of reported near misses	Not applicable — indicator introduced in 2025		Not applicable — indicator introduced in 2025		
		Mandatory safety training hours (total)	Not applicable — indicator introduced in 2025		Not applicable — indicator introduced in 2025		
		Number of internal health and safety audits	Not applicable — indicator introduced in 2025		Not applicable — indicator introduced in 2025		
9	Product, process and service innovation	Orders for AM parts	10	23	Increase orders involving AM	≥ 20	21
		Total revenues from clean energy sector markets	0,05	We have decided not to report the actual results as we have changed the target and the corresponding KPI	Guarantee a constant growth in R&D expenditures for innovation	1,2 Mln €	1,2 Mln €
9.16	Data protection and cybersecurity	Number of data breach	Not applicable — indicator introduced in 2025		Not applicable — indicator introduced in 2025		
		Total number of substantiated complaints received concerning breaches of customer privacy	Not applicable — indicator introduced in 2025		Not applicable — indicator introduced in 2025		
		% of employee that have attended cybersecurity training	Not applicable — indicator introduced in 2026		Not applicable — indicator introduced in 2026		
		Internal cybersecurity audits	Not applicable — indicator introduced in 2026		Not applicable — indicator introduced in 2026		
8.10	Employment practices	Attrition rate	20%	5%	Maintain/reduce the results	≤ 5%	5%
5.10	Non-discrimination and equal opportunities	Gender Equality Certification (UNI/PdR 125)	Not applicable — indicator introduced in 2027		Not applicable — indicator introduced in 2027		

Table 10: Target and KPI for 2025 and 2026.

Focus area			2025			2026	
SDG	Topics	Indicator	Objective	Target	KPI	Objective	KPI
3.8	Occupational health and safety	LTIFR ^a	Reduce the results	0	9,1	Reduce the results	0
		TRCFR ^b	Reduce the results	0	9,1	Reduce the results	0
		Revenue donated to charity	Increase the revenue donated to charity	30.000 €	66.702 €	Discontinued from 2026	
		Number of reported near misses	Encourage near-miss reporting	2	1	increase the results	2
		Mandatory safety training hours (total)	Deliver the mandatory number of safety training hours (D. Lgs. 81/2008), covering the entire workforce	375	375	Maintain the result	375
		Number of internal health and safety audits	Twice a year	2	3	Twice a year	2
9	Product, process and service innovation	Orders for AM parts	Increase orders involving AM	≥ 20	13	Increase orders involving AM	≥ 20
		Total revenues from clean energy sector markets	Discontinued from 2025			Discontinued from 2025	
9.16	Data protection and cybersecurity	Number of data breach	None	0	0	None	0
		Total number of substantiated complaints received concerning breaches of customer privacy	None	0	0	None	0
		% of employee that have attended cybersecurity training	Not applicable — indicator introduced in 2026			All employees	100%
		Internal cybersecurity audits	Not applicable — indicator introduced in 2026			Once a year	1
8.10	Employment practices	Attrition rate	Maintain/reduce the results	≤ 13%	12%	Reduce the results	10%
5.10	Non-discrimination and equal opportunities	Gender Equality Certification (UNI/PdR 125)	Not applicable — indicator introduced in 2027			Not applicable — indicator introduced in 2027	

CHAPTER

05

GRI STANDARD
CONTENT INDEX

5.1

The GRI Sector Standard: potentially material topics included, excluded and reasons of exclusion

The **Table 11** below indicates which of the potentially material topics from the GRI Sector Standard 11: Oil and Gas Sector (2021) have been included and excluded and, for those excluded, the reasons.

Table 11: Potentially material topics: Exclusions and reasons for exclusion, where applicable.

Potentially material topic	Inclusion (Yes/No)	Reason of exclusion
Topic 11.1 GHG emissions	NO	GHG emissions were a focal topic in the 2024 report. Their standalone relevance has been rebalanced in 2025 in favor of social and organizational matters; however, the annual GHG emissions inventory has been completed.
Topic 11.2 Climate adaptation, resilience, and transition	NO	Valland's activities are primarily manufacturing-oriented and do not directly involve operational exposure to climate adaptation or transition risks.
Topic 11.3 Air emissions	NO	These kinds of emissions are negligible due to the nature of Valland's industrial processes and the scale of its operation and considering that the Company operates under strict local environmental regulations that limit such emissions.
Topic 11.4 Biodiversity	NO	The Company's manufacturing activities are conducted in an industrial setting with no direct impact on biodiversity or natural habitats.
Topic 11.5 Waste	NO	Waste management was treated as a primary topic in the 2024 report. Its relevance is maintained, but in the 2025 cycle it has been incorporated into the broader environmental narrative rather than addressed as a standalone material topic, in line with the report's increased emphasis on social and organizational matters.
Topic 11.6 Water and effluents	NO	Water consumption and effluent discharge are limited and managed within local regulatory requirements.
Topic 11.7 Closure and rehabilitation	NO	Valland is a manufacturing Company without site closure or decommissioning responsibilities typical of extractive industries.
Topic 11.8 Asset integrity and critical incident management	NO	The Company's assets do not include high-risk installations requiring critical incident management.
Topic 11.9 Occupational health and safety	YES	-
Topic 11.10 Employment practices	YES	-
Topic 11.11 Non-discrimination and equal opportunity	YES	-
Topic 11.12 Forced labour and modern slavery	NO	Valland operates within Italy and the EU, where laws strictly regulate labour conditions, minimizing risks associated with forced labour and modern slavery.
Topic 11.13 Freedom of association and collective bargaining	NO	Fully guaranteed under Italian law and governed by applicable national collective labour agreements (CCNL). Addressed within the Company's broader human rights and employment practices framework; not identified as independently material.
Topic 11.14 Economic impacts	NO	Broader economic impacts beyond those directly related to employment and payments are currently outside the scope of the Company's sustainability reporting.

Topic 11.15 Local communities	NO	Engagement with local stakeholders occurs through established industry associations and territorial networks. The topic was not identified as material given the Company's limited direct community impact; relevant considerations are addressed within adjacent material topics.
Topic 11.16 Land and resource rights	NO	There are no activities involving large-scale land acquisition, land use changes, or extraction of natural resources that might affect land rights.
Topic 11.17 Rights of indigenous peoples	NO	The Company's operations are carried out in the province of Sondrio (Italy), where there are no recognized indigenous populations or communities affected by Valland's activities.
Topic 11.18 Conflict and security	NO	Valland's business activities do not take place in conflict-affected areas nor involve security issues.
Topic 11.19 Anti-competitive behaviour	NO	This topic did not fall within the materiality thresholds.
Topic 11.20 Anti-corruption	NO	This topic did not fall within the materiality thresholds.
Topic 11.21 Payments to governments	NO	Payments to governments are limited to standard taxes and fees, which are not considered material for detailed sustainability reporting.
Topic 11.22 Public policy	NO	Valland does not engage in significant public policy advocacy, lobbying, or political activities as part of its business operations.



5.2

The Reporting Framework

General disclosures

GRI Standard	Disclosure	Location with the Report	Omissions		
			Requirements omitted	Reason	Explanation
GRI 2: General Disclosures 2021	2-1 Organizational details	§ Volland in Context: Identity, Scope, and Reporting Approach § Engineering Value: Operations, Markets, and Strategic Partnerships			
	2-2 Entities included in the organization's sustainability reporting	§ Volland in Context: Identity, Scope, and Reporting Approach	b, c	Not applicable.	No audited financial statements or information of public domain; no separate entities.
	2-3 Reporting period, frequency and contact point	§ Volland in Context: Identity, Scope, and Reporting Approach			
	2-4 Restatements of information	§ Volland in Context: Identity, Scope, and Reporting Approach			
	2-5 External assurance	§ Volland in Context: Identity, Scope, and Reporting Approach	b	Not applicable.	No external assurance.
	2-6 Activities, value chain and other business relationships	§ Engineering Value: Operations, Markets, and Strategic Partnerships			
	2-7 Employees				
	2-8 Workers who are not employees	§The Vision			
	2-9 Governance structure and composition	§ The Vision	c-ii, c-iv, c-vi, c-vii, c-viii	Not applicable.	Nothing to declare.
	2-10 Nomination and selection of the highest governance body	§The Human Side of Our Business	a	Not applicable.	No formal procedures.
	2-11 Chair of the highest governance body	§ Governance in Action: Accountability, Ethics, and Oversight			

2-12 Role of the highest governance body in overseeing the management of impacts	§ Governance in Action: Accountability, Ethics, and Oversight			
2-13 Delegation of responsibility for managing impacts	§ Governance in Action: Accountability, Ethics, and Oversight			
2-14 Role of the highest governance body in sustainability reporting	§ Governance in Action: Accountability, Ethics, and Oversight			
2-15 Conflicts of interest	§ Governance in Action: Accountability, Ethics, and Oversight	b-iii, b-iv	Not applicable.	Nothing to declare.
2-16 Communication of critical concerns	§ Governance in Action: Accountability, Ethics, and Oversight			
2-17 Collective knowledge of the highest governance body	§ Governance in Action: Accountability, Ethics, and Oversight			
2-18 Evaluation of the performance of the highest governance body	§ Governance in Action: Accountability, Ethics, and Oversight			
2-19 Remuneration policies	§ Governance in Action: Accountability, Ethics, and Oversight	a, b	Confidentiality constraints.	This information is sensitive, and its disclosure could violate contractual agreements and internal policies on personal data protection, as well as expose the Company to legal or competitive risks.
2-20 Process to determine remuneration	§ Governance in Action: Accountability, Ethics, and Oversight	a, b	Confidentiality constraints.	This information is sensitive, and its disclosure could violate contractual agreements and internal policies on personal data protection, as well as expose the Company to legal or competitive risks.
2-21 Annual total compensation ratio	-	a, b, c	Confidentiality constraints.	This information is sensitive, and its disclosure could violate contractual agreements and internal policies on personal data protection, as well as expose the Company to legal or competitive risks.
2-22 Statement on sustainable development strategy	-			
2-23 Policy commitments	-	a, b, c, d, e, f	Not applicable	The Company has not yet formalized these policies and processes due to the dimensions and nature of its operations.
2-24 Embedding policy commitments	§ Governance in Action: Accountability, Ethics, and Oversight	a	Not applicable.	The Company has not yet formalized these policies and processes due to the dimensions and nature of its operations.
2-25 Processes to remediate negative impacts	-	a, b, c, d, e	Not applicable.	The Company has not yet formalized these policies and processes due to the dimensions and nature of its operations.
2-26 Mechanisms for seeking advice and raising concerns	-			
2-27 Compliance with laws and regulations	-	b, c, d	Not applicable.	No cases.

	2-28 Membership associations	§ Sustainability as a strategy: Priorities, Policies, and Long-Term Direction			
	2-29 Approach to Stakeholder engagement	§ Sustainability as a strategy: Priorities, Policies, and Long-Term Direction			
	2-30 Collective bargaining agreements	§ Sustainability as a strategy: Priorities, Policies, and Long-Term Direction	b	Not applicable.	No employees not covered by collective bargaining agreements.
	2-30 Collective bargaining agreements	§ Sustainability as a strategy: Priorities, Policies, and Long-Term Direction; § Bringing Stakeholder Voices into Our Strategic Decisions: Impact materiality	b		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	§ Understanding Our Impacts Across the Value Chain			
	3-2 List of material topics	§ Governance in Action: Accountability, Ethics, and Oversight			

Specific Disclosures

GRI Standard	Disclosure	Location with the Report	Omissions		
			Requirements omitted	Reason	Explanation
Material area					
Product, process and service innovation					
GRI 3: Material Topics 2021	3-3 Management of material topics	§ Driving Sustainable Innovation, Product by Product.			
Occupation health and safety					
GRI 3: Material Topics 2021	3-3 Management of material topics	§ Occupational Health & Safety: Our Commitment to a Secure Workplace			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	§ Occupational Health & Safety: Our Commitment to a Secure Workplace	a-ii	Not applicable.	No accredited risk management system and/or management system standards/guidelines.
	403-2 Hazard identification, risk assessment, and incident investigation	§ Occupational Health & Safety: Our Commitment to a Secure Workplace			
	403-3 Occupational health services	§ Occupational Health & Safety: Our Commitment to a Secure Workplace			

	403-4 Worker participation, consultation, and communication on occupational health and safety	§ Occupational Health & Safety: Our Commitment to a Secure Workplace	a, b	Not applicable.	Processes for employees participation and consultation not yet present. Formal joint committees not present.
	403-5 Worker training on occupational health and safety	§ Occupational Health & Safety: Our Commitment to a Secure Workplace			
	403-6 Promotion of worker health	§ Occupational Health & Safety: Our Commitment to a Secure Workplace			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	§ Occupational Health & Safety: Our Commitment to a Secure Workplace			
	403-8 Workers covered by an occupational health and safety management system	§ Occupational Health & Safety: Our Commitment to a Secure Workplace	a-iii, b, c	Not applicable.	No Third Part certification.
	403-9 Work-related injuries	§ Occupational Health & Safety: Our Commitment to a Secure Workplace	f, g	Not applicable.	Nothing to declare other than defined in a, b, c, d, e.
	403-10 Work-related ill health	§ Occupational Health & Safety: Our Commitment to a Secure Workplace	d, e	Not applicable.	Nothing to declare other than defined in a, b, c.
Non-discrimination and equal opportunity					
GRI 3: Material Topics 2021	3-3 Management of material topics	§ Equal opportunities, Shared Responsibility			
GRI 202: Market Presence 2016	202-2 Proportion of senior management hired from the local community	-	a	Confidentiality	This information is sensitive, and its disclosure could violate the protection of individual privacy.
GRI 401: Employment 2016	401-3 Parental leave	§ Equal opportunities, Shared Responsibility		constraints.	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	§ Equal opportunities, Shared Responsibility	a-ii		Data not present in the management system.
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Equal opportunities, Shared Responsibility		Information unavailable.	
	405-2 Ratio of basic salary and remuneration of women to men	-	a, b	Confidentiality constraints.	This information is sensitive, and its disclosure could violate contractual agreements and internal policies on personal data protection, as well as expose the Company to legal or competitive risks.
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	§ Equal opportunities, Shared Responsibility	b	Not applicable.	Nothing to declare other than defined in a.

Employment practices					
GRI 3: Material Topics 202	3-3 Management of material topics	§ Fair and Efficient Employment Practices			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	§ Fair and Efficient Employment Practices			
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	-	a, b	Confidentiality constraints.	This information is sensitive, and its disclosure could violate contractual agreements and internal policies on personal data protection, as well as expose the Company to legal or competitive risks.
	401-3 Parental leave	§ Equal opportunities, Shared Responsibility			
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	§ Fair and Efficient Employment Practices	b	Not applicable.	Nothing to declare other than defined in a.
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	§ Equal opportunities, Shared Responsibility	a-ii	Information unavailable.	Data not present in the management system.
	404-2 Programs for upgrading employee skills and transition assistance programs	§ Fair and Efficient Employment Practices	b	Not applicable.	Programs not implemented by the Company.
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	§ Fair and Efficient Employment Practices			
	414-2 Negative social impacts in the supply chain and actions taken	-	a, b, c, d, e	Not applicable.	The Company does not yet carry out these verification/evaluation procedures.
Data protection and cybersecurity					
GRI 3: Material Topics 2021	3-3 Management of material topics	§ Data Protection: Privacy, Security, and Responsible Growth			
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	§ Data Protection: Privacy, Security, and Responsible Growth			

5.3

Statement of Use

Valland SpA has reported in accordance with the GRI Standards for the period January 1st, 2025 – December 31st, 2025.

5.4

GRI 1 Used

GRI 1: Foundation 2021.

5.5

Applicable GRI Sector Standard

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

This Sector Standard has been used as Valland’s activities can be associated to the classification number “10101020 – Oil&Gas Equipment&Services” of the GICS® classification system, “60101030 – Oil Equipment&Services” of the ICB classification system and “B91 – Support activities for petroleum and natural gas extraction” of the ISIC classification system.

5.6

Notification to the GRI

An e-mail has been sent to the GRI to notify that the current Sustainability Report has been produced in accordance with the GRI standards.



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