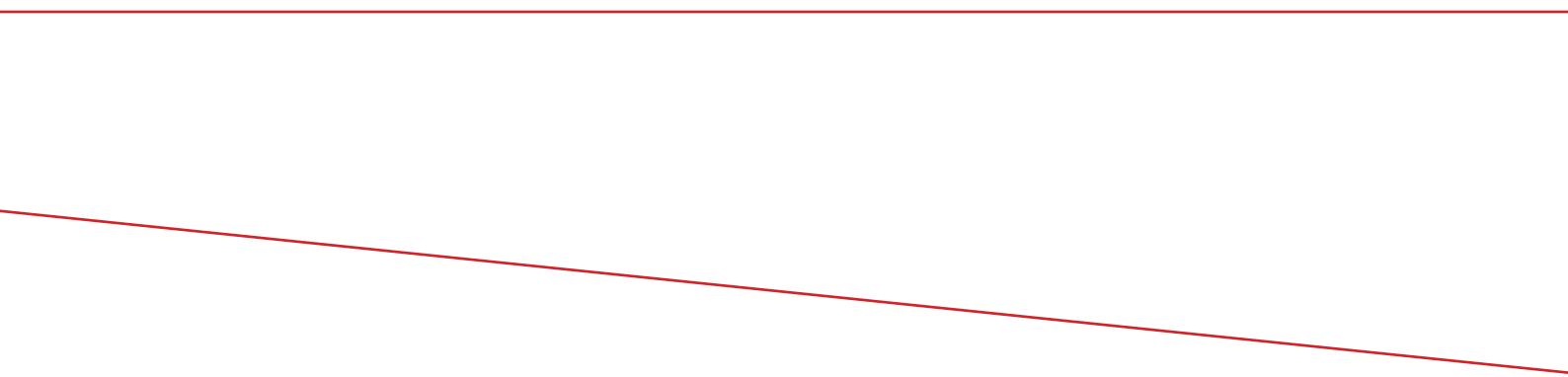


2024

Sustainability Report

BONOMI
INDUSTRIES SRL



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01

Letter to Stakeholders

Dear Stakeholders,

we are proud to present the second edition of the Group Sustainability Report. More than last year, this document is very close to our hearts because it reconfirms that for our company, dealing with sustainability has become essential and is increasingly becoming part of our values.

Today more than ever, despite political choices going in the opposite direction, we are aware of the need to adopt a sustainable approach to doing business: a responsibility that must be shared globally.

Companies that integrate environmentally friendly and responsible practices not only contribute to protecting the environment, but also build a relationship of trust with customers, who are becoming increasingly attentive to sustainability. It is crucial that not only Europe, but also countries with high pollution levels, embrace sustainable development policies because environmental impact is a global problem that requires common solutions. Doing business responsibly means reducing negative impacts on the environment and promoting growth that is fair and respects natural resources, thus creating long-term value. Investing in sustainability is not only an ethical necessity, but also a winning strategy for the future of companies in an increasingly interconnected world.

Therefore, we have to continue along the path traced out a few years ago, which is to focus on sustainability issues: environmental, social and governance.

We are continuing to organise internal awareness-raising events on environmental and social issues, such as Water Day, Occupational Health and Safety Day and, for the first time in 2024, the International Day for the Elimination of Violence against Women, and more.

The challenge is to grow, while giving back what we receive, committing ourselves to daily actions that generate positive change from which everyone can benefit, especially future generations, promoting initiatives and solutions capable of bringing well-being to the society in which we live.

With this in mind, during 2024 we continued the awareness-raising process we had initiated for both our people and the supply chain by including environmental certifications such as ISO 14001 and occupational safety certifications such as ISO 45001 in our suppliers' periodic assessments.

We are continuing to plant trees through the Treedom® project. For a good part of our consumption, we benefit from the energy we produce with our photovoltaic panels.

The company canteen was fully overhauled in 2024. We changed from off-site cooking to on-site cooking to avoid having to package pre-cooked meals, thus eliminating plastic consumption altogether.

We left off last year with the promise of a scholarship named after our founder Silvio Bonomi, intended for the deserving children of our employees, and so it was. The award ceremony was held on 31 October.

It was attended by 11 people and represented a moment of union between the Bonomi family, our employees, their families and the younger generations.

Our attention and commitment to sustainability also continues by developing products that are already highly recyclable. The sustainability



policy has not changed for suppliers; on the contrary, when selecting our suppliers, we continue to take account of aspects such as distance, ISO certification, and other aspects that form a whole with our commitment and values.

As we said last year and as we like to repeat: we cannot change the world alone, but together we can improve it.

So, thank you to those reading our Sustainability Report again this year.

**Giuliano and Sandro Bonomi,
CEOs of Bonomi Industries**

02

Methodological Note

Methodological Approach

The purpose for which the Bonomi Industries Sustainability Report was created is to provide a transparent and structured representation of the company to its internal and external stakeholders, illustrating its mission and vision, values, strategic targets, and the main initiatives and results that the company has achieved from a specifically ESG (Environmental, Social, Governance) perspective.

Last year, in 2023, the company decided to voluntarily commit to this sustainability path by collecting, summarising and structuring the company's non-financial information in a single document, to be issued annually, giving value to the distinctive features of the business and concreteness to its virtuosities. The sustainability report is also a way to make stakeholders aware of the potential and actual long-term positive and negative impacts the business has on people and the environment.

Criteria for the Sustainability Report

This Sustainability Report summarises Bonomi Industries' social, environmental and governance sustainability performance from **1 January 2024 to 31 December 2024**.

The data reporting perimeter corresponds to that of the Bonomi Industries Srl, a member of the Hadron Srl group, and, for the parts that could be reported, to its foreign subsidiaries: RuB, Incorporated (RuB, Inc.), in North America and RuB K.K., in Japan.

As for the previous reporting period, when preparing its 2024 financial statements, the company decided to adopt an approach based on the principles and standards of the Global Reporting Initiative (GRI), the recognised reporting framework that is popular in Europe and around the world for disclosing and reporting non-financial corporate information. Standards that, because of their interoperability, can also be used in future years to respond to the European Corporate Sustainability Reporting Directive (CSRD) 2022/2464 and for which EFRAG has drafted the European Sustainability Reporting Standards (ESRS), which set out the principle of Dual Materiality for disclosing the impact of financial and corporate performance.

The reporting principles set out in GRI 1 have been observed: Inclusiveness, Completeness, Sustainability Context and Materiality.

Materiality is the threshold above which a topic or indicator becomes important enough to be included in the report. Relevant topics and indicators are those that reflect significant economic, environmental and social impacts, or that could substantially influence stakeholder assessments and decisions.

Inclusiveness requires the organisation to identify its stakeholders and explain in the report how it has responded to their reasonable expectations and interests. Usually, companies implement various forms of stakeholder engagement that allow an adequate understanding of the information needs of stakeholders and greater assumption of responsibility in relation to the different categories. The company should document the approach used to define the stakeholders involved, how this involvement influenced the content of the report, and the activities undertaken by the organisation to address sustainability topics.

Completeness concerns the objective, perimeter and timeline, which must be such as to reflect significant economic, environmental and social impacts and allow stakeholders to assess the organisation's performance over the reporting period. The target refers to the topics and indicators covered by the report. The perimeter is the set of parties whose performance is represented in the report, i.e. those parties over which the organisation exercises control and influence.

The **sustainability context** principle states that the report should illustrate the organisation's performance with reference to the broader topic of sustainability. That is, it must analyse the organisation's performance in the context of the constraints and demands on environmental or social resources at a sectoral, local or international level.

For reporting purposes, priority was given to directly identifiable and measurable qualitative and quantitative data and indicators.

Considering that the report is prepared in accordance with the GRI principles, it should be clarified that the GRI Index Table used to prepare the report has been included at the end, with the aim of providing a guide so that readers can orient themselves in the topics covered in the various chapters.

The Sustainability Report is not subject to certification by the statutory auditor, nor to third party endorsement. It is annual and was prepared internally by the team specially appointed to follow the project.



03

Materiality and stakeholder engagement

Materiality analysis and stakeholder engagement

Materiality analysis is the methodological heart of any sustainability report. This is the process that exploits continuous and direct engagement of key stakeholders to identify and assess topics that are priorities for all stakeholders of a business.

Materiality is the threshold above which a topic or indicator is deemed important and must be considered within the corporate strategy. Material topics may be economic and governance, environmental or social.

In order to identify a list of the main material topics (GRI 3), the essential first step is to carry out a detailed analysis of the company, the context and sector in which it operates, and the competition it faces. In order to identify the topics and, therefore, the potential and real direct and indirect impacts, Bonomi Industries referred to the Global Reporting Initiative (GRI) standards, which guarantee a solid and internationally recognised approach. They are, in fact, by far the most widely used sustainability reporting standards in the world.

The company has therefore confirmed the topics that were identified in 2023 as the most relevant to its specific context and aligned with its industrial plan. The table below shows the 10 topics identified as material for the Group, divided into E (environment, in green), S (social, in yellow) and G (governance, in blue) and the corresponding scores assigned by the Bonomi management.

Material topics

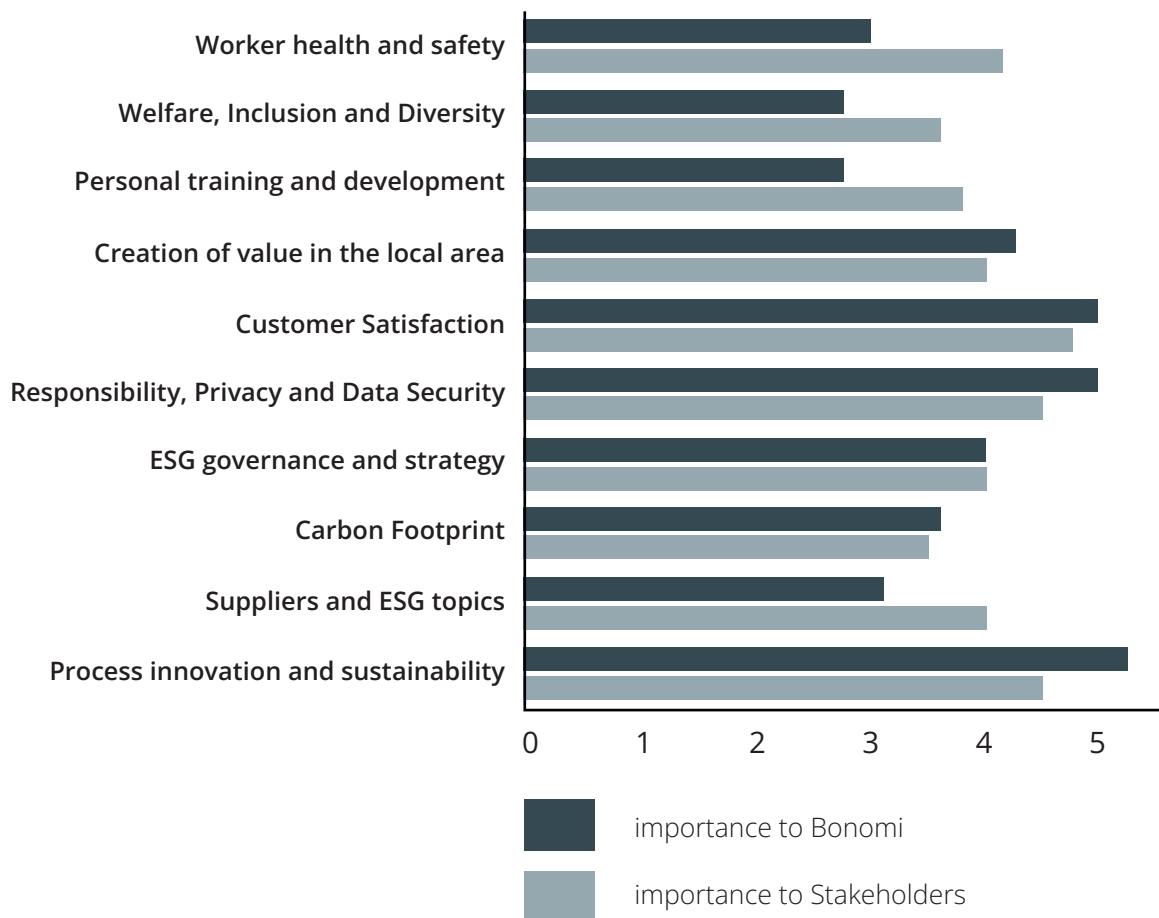
Innovation and sustainability in the production process	Production in the logic of continuous innovation and evolution, while maintaining high quality levels
Suppliers and ESG topics	Identifying and monitoring the ESG performance of suppliers
Carbon Footprint	Identification, monitoring and streamlining of corporate environmental impact, including direct and indirect emissions.
ESG governance and strategy	Management's ability to recognise the company's key role in pursuing sustainability (social and environmental) goals, for its employees and the local area and integrate them into the industrial plan.
Responsibility, Privacy and Data Security	Adoption of anti-corruption policies and policies to protect the privacy of employees and collaborators
Customer Satisfaction	Ability to manufacture products aligned with the needs of customers and that meet market demands
Creation of value in the local area	Ability of the company to generate and distribute economic value within and outside the group
Personal training and development	Programs for the advancement and training of workers, preparatory to their professional and personal growth
Welfare, Inclusion and Diversity	Developing corporate welfare by promoting inclusion and equality with respect for diversity in employees and collaborators
Worker health and safety	Creation and maintenance of a healthy and safe working environment for employees and collaborators

As for 2023, the first year of reporting, Bonomi Industries decided to adopt an **indirect approach to stakeholder engagement**; therefore, after identifying the material topics, it assessed them from its own perspective and also provided the opinions of its stakeholders without, however, involving them directly. In future years, Bonomi's goal will be to gradually involve the various categories of the most important stakeholders in order to define strategic targets that are also based on the concrete needs and expectations of its stakeholders.

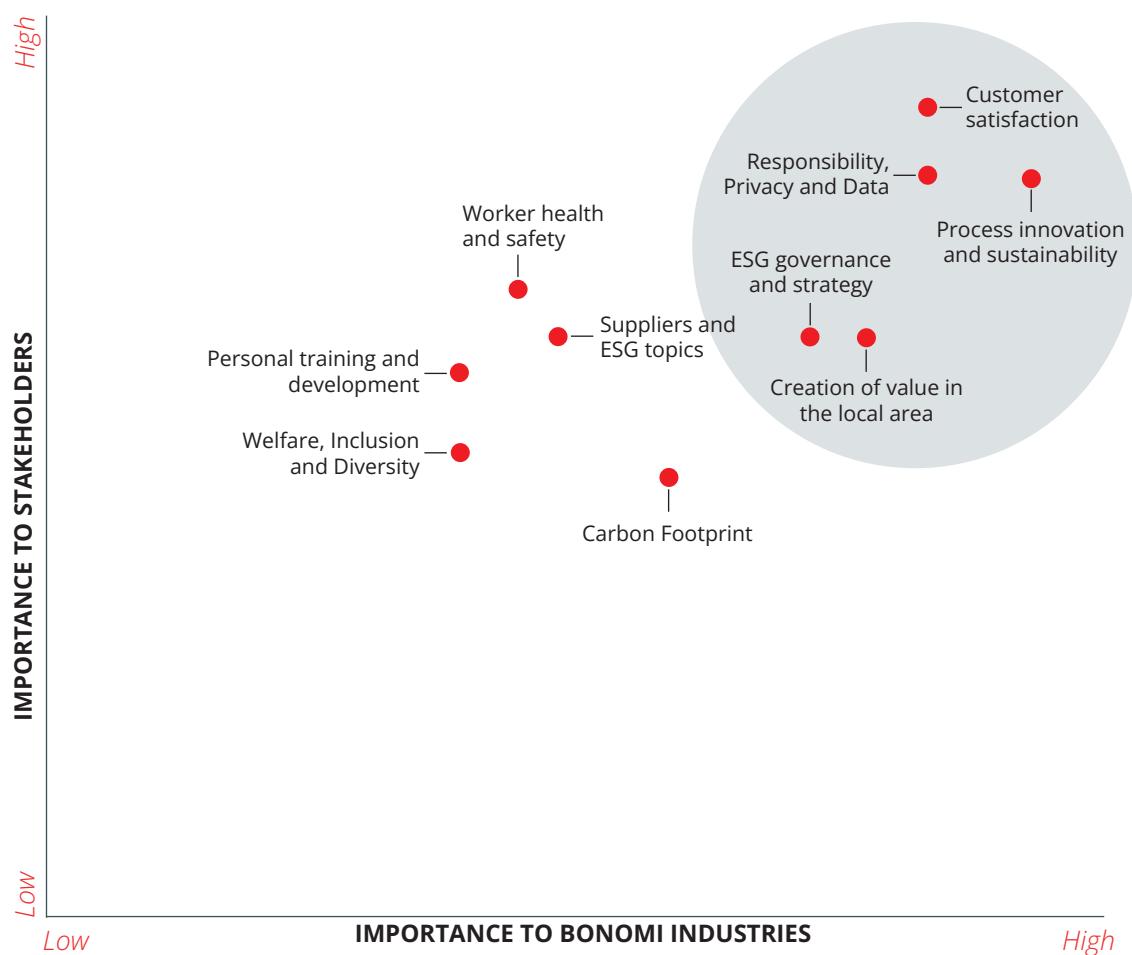
This will give the company a broader and more inclusive view of its context by identifying stakeholders' needs, expectations and perceptions, and guide strategic and innovative processes with a greater chance of success.

Each topic is an area of strategic intervention to which, during analysis, the company and stakeholders attribute a specific importance quantified by a numerical index on a scale from 1 (low priority) to 5 (top priority). As for 2023, the aspects identified in the following Report with a score of 4 or higher were defined as priority material topics. In addition, for each material topic, the company set itself improvement targets by identifying specific quantitative KPIs, such as concrete initiatives to be put in place, policies to be implemented and to be achieved in the coming years.

In the table below, the importance to Bonomi and the Stakeholders can be seen graphically.



The output of the materiality process is the so-called **materiality matrix**, a two-dimensional graph in which materiality topics are positioned according to their importance to stakeholders and the group.



Of the 10 material topics identified, Bonomi Industries has identified a congruent number (5) on which to make a concrete short-term commitment through specific actions, investments and initiatives.

The group decided to combine its goals with the 17 Sustainable Development Goals of the 2030 Agenda (SDGs).

The SDGs are composed of 169 targets that aim to end poverty and inequality, and to develop the social and economic environment by mitigating climate change and building peaceful societies by 2030.

In particular, for the two-year period 2024 - 2025, the group decided to undertake the following commitments:



Production process innovation and sustainability by adopting new machinery and high-precision technologies. In 2023 and 2024, the production departments were expanded with ball machining centres, a transfer machine and a multi-spindle machine that features the ability to work on several axes simultaneously for turning brass rods. These changes have also had a largely positive effect on improving the health and safety conditions of workers, minimising repetitive production moments, reducing loads and enabling people to learn to work with state-of-the-art technological facilities, while remaining attractive in the labour market. In the coming years, the company will continue its process of streamlining the production process with the introduction of new machinery and the necessary training.

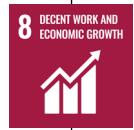


Customer satisfaction, meeting market demands and the needs of customers. This topic is closely linked to the creation of value and growth in the company. Over the years, Bonomi Industries is committed to strengthening relations with its customers worldwide, improving research in the sectors it serves and manufacturing products to high standards and of excellent quality. The company will continue to do so, strengthening the relationship of loyalty and knowledge with customers, even if they reside and operate abroad. In line with the commitments made in 2023, during 2024 Bonomi Industries increased the number and quality of business trips and added a Sales Director and Technical Director. In order to concretely measure the results of its commitment to its customers, Bonomi periodically submits a questionnaire to its main customers to monitor the general level of satisfaction with the service provided, not only with the product itself, but also with other elements that make the partnership with Bonomi a positive experience.

Responsibility, privacy and data security: In 2024, the company adopted an organisational model in accordance with Italian Law 231 in order to ensure transparent and accountable corporate governance, prevent potential offences and improve trust and reputation with our stakeholders.



Creation of value in the local area: Every year, Bonomi undertakes to return part of the value generated to the local area where it operates by distributing part of its revenue to local associations and profit-making organisations in the form of donations. At the same time, the company's management recognises the importance of living in the area and its role as a local player, and is therefore open to welcoming and supporting new projects aimed at local growth and enhancement.



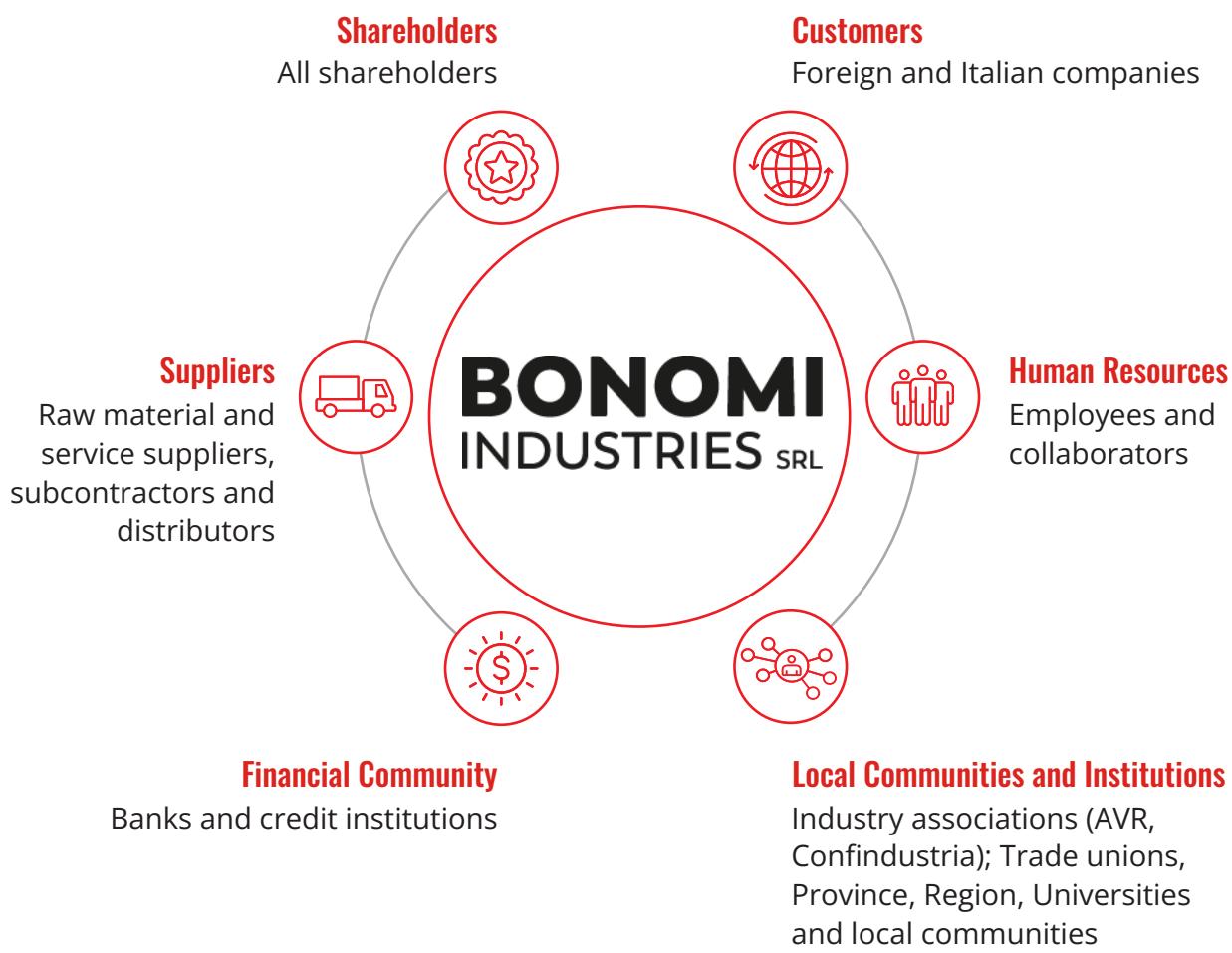
Governance and ESG strategy: the company is committed to integrating principles of environmental and social responsibility with those of corporate and management strategy, ensuring transparency, ethics and long-term sustainability, while strengthening the trust of internal and external stakeholders in the company.



Stakeholders

Although Bonomi Industries is rooted in the local tradition with entirely Italian production, it is aiming towards the global market. This does not prevent it from recognising the value of the local area where it operates and maintaining an open, constructive and supportive dialogue with it. That is why, in addition to generating value for the region, it contributes to the national debate in its sector by actively participating in trade associations and national events, and collaborating with various educational and business entities. This active involvement allows the company to bring its vision of industry, which includes tradition and innovation, to the valve sector, helping to drive the evolution of industry practices towards higher standards of sustainability and responsibility. This commitment reinforces the company's position as a responsible and innovative leader, capable of creating value not only for itself, but also for the community and industry as a whole.

The image below gives an overview of Bonomi Industries' main stakeholders.



In the coming years, Bonomi Industries is committed to strengthening the dialogue with its internal and external stakeholders.



04

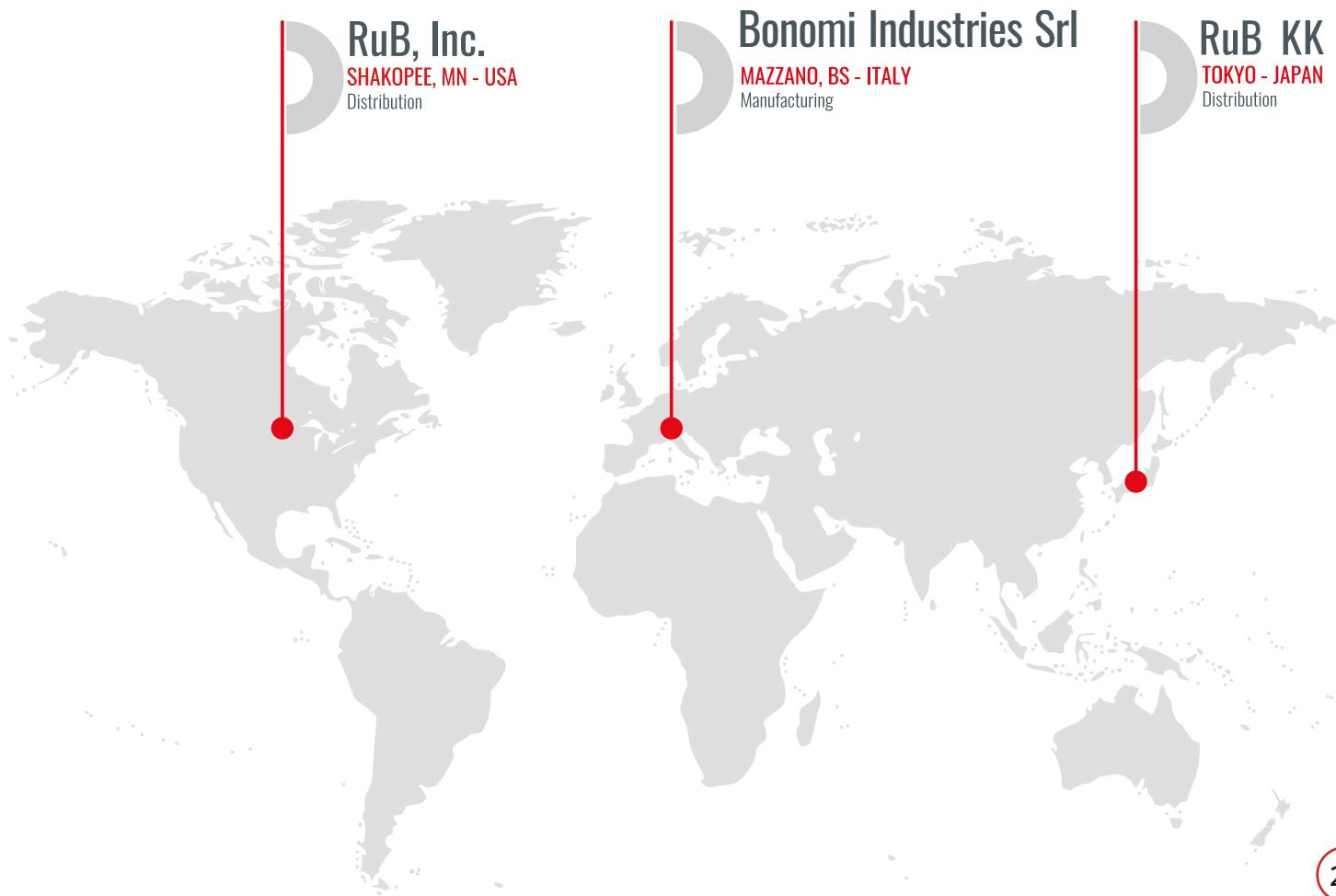
About Us

Our history

Bonomi Industries is a manufacturer of brass valves and electric actuators that has been exporting to five continents for over 40 years. A family business founded in 1954 by brothers Silvio and Oreste Bonomi in Lumezzane (BS), it has expanded its size and geography over time. The company is currently managed by Silvio Bonomi's sons, Giuliano and Sandro, who became equal partners after their father retired in 2017.

The group is led by the **holding Hadron S.r.l.**, the ultimate parent company of the Bonomi family's industrial group, established in 2018 with a view to reorganising the group. Today, the Group has 20,000 m² of production area in Italy where, on average, around 40,000 valves are produced per day, including a significant share of specific products for OEM customers.

Valves and actuators are produced and distributed by the subsidiary Bonomi Industries S.r.l. in Mazzano, in the Brescia province. In addition to the Italian head office itself, finished product sales are entrusted to its foreign subsidiaries: **RuB Incorporated**, located in Shakopee, Minnesota, in North America, which also assembles valves and actuators in a 5,000 m² building of contemporary design, and **RuB KK** in Tokyo, Japan, the distribution hub.



Gruppo Hadron S.r.l also controls **Shedstone S.r.l.**, which manages and exploits the group's real estate assets, directly and also through its US-registered subsidiary, RuB Financials.

A focus on quality Italian raw materials and technological innovation makes Bonomi Industries an international excellence in the low-pressure valve market. In 2019, the company changed its name from "Rubinetterie Utensilerie Bonomi" (RuB) to "Bonomi Industries", intensifying its focus on innovation, quality and reliability to face with low-cost competition. In 2024, continuing the investments started in 2017, it also made significant investments in facilities and machinery, pursuing innovative development in 4.0 technology, which allowed it to become more efficient and further improve both the products and services offered to its customers.



The history of Bonomi Industries

1954

Silvio Bonomi and his brother Oreste found Eredi di Bonomi Silvio

1959

The headquarters is moved from Lumezzane to Sant'Eufemia

1965

Company name is changed to Rubinetterie utensilerie Bonomi (**RuB**)

1973

Start of brass ball valve production and export to Europe

1974

A modern 5,000 m² factory is built, and production is moved to Cilivergne di Mazzano

1978

Specific investments are made in ball valve production

1981

Production of 1,000,000 ball valves per year is reached for the first time

1984

The first investments in IT begin when an IBM System/34 is installed for order, warehouse, procurement and administration management

1991

The factory is expanded to 8,000 m² to improve the internal layout and separate assembly from machining

1994

US subsidiary **RuB, Inc.** is founded with headquarters in Minneapolis, Minnesota and warehouse in Boston, Massachusetts

1995

ISO 9002 Quality System is certified by Lloyd's Register, upgraded to ISO 9001 in 1998

2001

For the first time, 8,000,000 ball valves are produced in one year. An additional factory shed was built with associated loading bays for shipping material

2005

The US warehouse is relocated from Boston to Minneapolis

2006

An additional factory shed is purchased to expand the assembly department with a total indoor area of 12,500 m²

2007

The Japan subsidiary RuB, k.k. is founded in Tokyo

2009

SAP management software and a new MES is used for the first time in Italy

2010

The use of SAP management is extended to the two USA and Japan subsidiaries

2012

The Lean Project is initiated and the company management and teamwork are established.

2014

The first 60 years of **RuB** are celebrated with all employees and their families

2015

A 5,000 m² warehouse with offices is built in Shakopee, Minnesota

2017

The company is restructured by creating an operational holding company "**Hadron srl**" to manage the group's administration finance and control, human resources, information technology, quality system and marketing areas

2018

Shedstone Srl, the group's real-estate management company, is established

2019

Construction of a new 8,000 m² warehouse is started and completed adjacent to the existing ones. Total indoor surface area: 20,000 m². The company name is changed to **"Bonomi Industries"**

2020

Innovative machinery is installed to machine, assemble and handle products with the aim of improving the ergonomics of employees' work and making the production process even more efficient and safe

2021

The Service Building is inaugurated, with spacious changing rooms, canteen and training room for all employees

2021 november

Founder Silvio Bonomi passes away. Old and new employees, as well as many suppliers and acquaintances, embrace in a moving salute

2023

The packaging line with fully automated handling of products, boxes and cartons starts operation. Additional machines are installed to complete the investment plan aimed at optimising the production of STD ball valves, balls, bodies and ball pushers of up to 2". The project to replace all machinery in the multi-spindle department with bar transfer machines is started

2024

Bonomi Industries and RuB, Inc. celebrate their 70th and 30th anniversaries respectively



Our values

Thanks to the direct management of the partners, the group has never changed its original humanitarian spirit and values.

01

Focus on the Future

"We solve today's challenges and innovate to meet tomorrow's needs. We plan business to be sustainable for People and the Planet"

02

Customer Orientation

"We win when our customers win. We bring value through tailored solutions and services. We build long-term relationships based on trust and personal relationship with all stakeholders in the supply chain"

03

Collaboration

"We are a team. We create solutions with the passion and participation of every person in the Group"

04

Respect and Responsibility

"We uphold total and unconditional respect for dignity, safety and human rights wherever our Group operates. We strengthen the bond to our local communities and territories by contributing to their development and upkeep. We take responsibility for our actions"

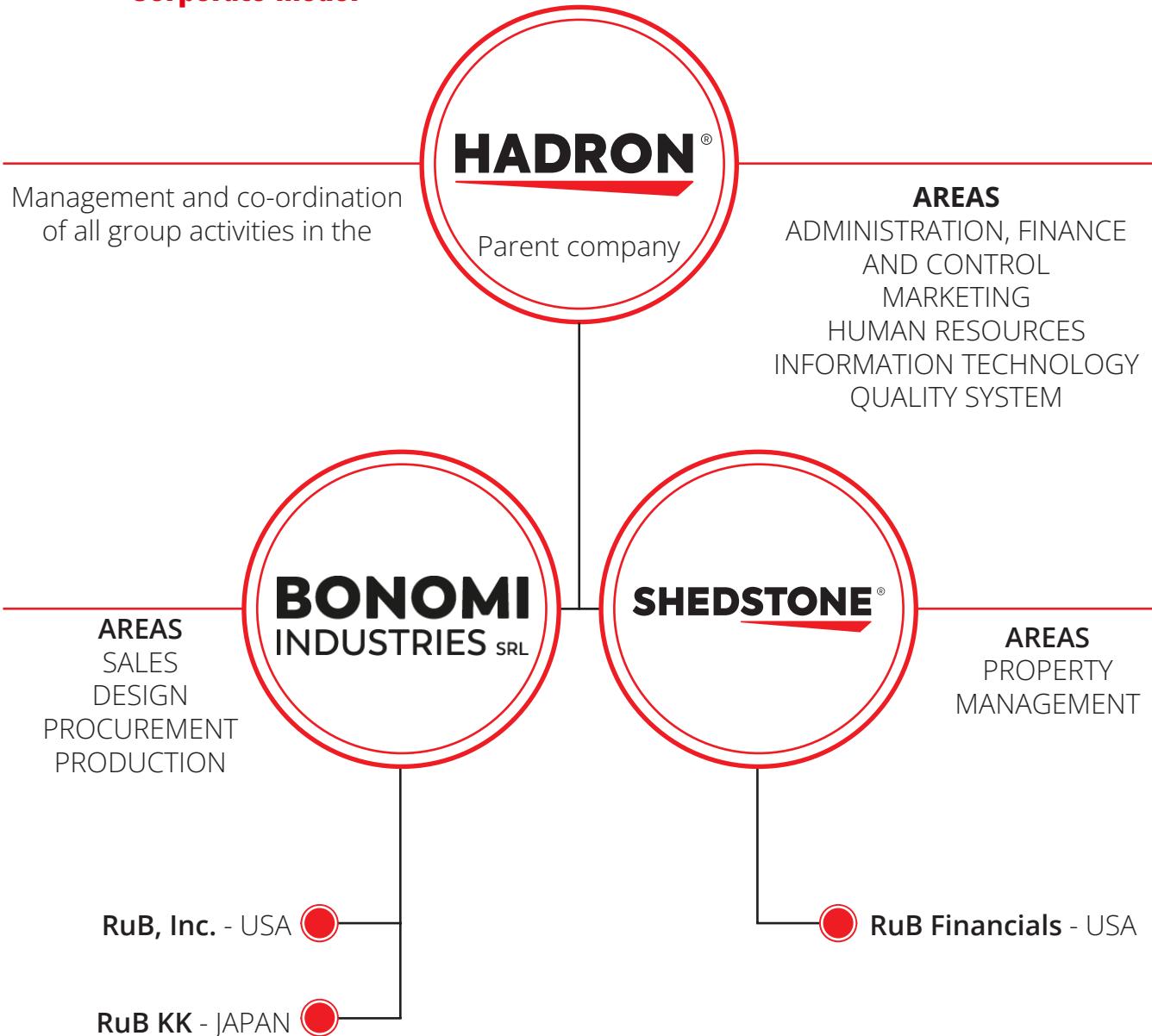
05

Proactivity

"We have a strong and deep-rooted culture of "hands-on doing". We take the initiative to make improvements and create innovation"

For the group, **integrity** is an inspiring value that represents the strongest guarantee of its civil commitment to all stakeholders. The group's activities are conducted to meet customers' needs through constantly improving research, production and supply of high-quality goods. The group rejects any violation of this principle.

Corporate model



The corporate and organisational model adopted by Bonomi Industries pursues the dual goal of ensuring economic sustainability and long-term value creation.

Bonomi Industries is 52% owned by Hadron S.r.l., and the remainder is owned equally by Giuliano and Sandro Bonomi. Both are members of the Board of Directors and hold executive roles. Specifically, Sandro Bonomi is responsible for the commercial and financial side of Bonomi Industries, and Giuliano Bonomi with the operational management side. Every three years, when the Board of Directors is renewed, the office of Chairman also changes, with one of the two partners taking over in rotation.

In 2020, Sandro Bonomi received the important appointment as the new President of AVR, the federated association ANIMA Confindustria, which represents Italian manufacturers of valves, taps, actuators, fittings and hoses; an appointment that was then renewed, first in 2022 and then most recently in 2024.

To confirm the Group's sensitivity to training resources, in 2024, after years of collaboration, Giuliano Bonomi became a board member of the Vantini School in Rezzato, which trains young resources in metalworking and marble processing, and of which the Group was already a partner.

MEMBER	ROLE	AGE RANGE
Giuliano Bonomi	Chairman and Employee Partner	>50
Sandro Bonomi	Employee Partner	>50

Bonomi Industries products and market

Bonomi Industries ball valves and actuators are installed on five continents and are recognised by the market for their high-performance. With almost 100% Italian raw materials (only 4% of raw material suppliers are based outside Europe), they are distinguished from their main competitors by their durability, reliability and lifetime warranty.

The products manufactured by the production company have a range of applications: from hydraulics to pneumatics, from industrial to marine, from the food supply chain to home automation. Both Bonomi Industries (production) and RuB Incorporated (assembly) are ISO 9001:2015 certified and the Italian site has been PED certified (2014/68/EU) for over 20 years. In addition to quality certifications for the company organisation and product certifications for specific applications such as drinking water and gas, Bonomi provides its customers with ISO 45001:2018 certification for occupational health and safety and ISO 14001:2018 certification for the organisation's ability to fulfil its environmental policy and comply with applicable laws to limit pollution and continuously improve its performance.

In 2012, the group introduced the "LEAN" philosophy of continuous improvement in production and management. It is a path aimed at simplifying business processes and achieving maximum efficiency involving every level and role. This shows management's openness and focus, not only on general company efficiency, but also on improving daily work in terms of ergonomics and personal satisfaction.

Production figures in recent years

	Over 3,000 finished products		8 million brass valves produced per year		7,300 pallets filled
	Over 7,000 different components		270.000 components produced per day		Over 60 million components produced per year

Production innovation and quality

Since it was founded, the group featured a strong and growing focus on all aspects directly related to production innovation and quality improvement.

Operating at a global level, with a team of experienced engineers and technicians, **Bonomi Industries invests in ongoing research and development, focusing in particular on developing projects in collaboration with industrial customers** in order to remain competitive in its market and to produce products that suit customers' needs and changes in the sector.

This approach is fully in line with a strongly customer-centric vision that focusses on the customer. Indeed, the company strives to offer a high-quality and reliable service to all those with which it interfaces, from employees to suppliers to the end customer.

Based on this intention, the group makes improvements, advances and changes to production processes in order to stay ahead in a rapidly changing international landscape. It operates from a perspective of **continuous innovation** with the gradual introduction of new methods, products or services.

Quality, therefore, stands as one of the cornerstones of the group's philosophy, since any production process is intended to meet two specific goals: to satisfy the customer and to do so while respecting environmental sustainability, bearing in mind that the durability and water-tightness of Bonomi Industries S.r.l. products contribute significantly to saving water.

That is why it is committed to developing strict quality protocols in view of ensuring that products placed on the global market are able to meet the most stringent requirements of major manufacturers and distributors. With this in mind, the group is committed to maintaining high quality levels through various actions in its **production process**, including:

-  Constant supplier improvement
-  24-72 hour testing for ball valves
-  Incoming goods checks
-  100% visual inspection during packaging
-  Checks during the production process
-  Cybersecurity
-  Double leak test during assembly
-  Automated logistics



Constant supplier improvement: the group is committed to all its suppliers (of raw materials, components or machinery) to help them raise their standards so that they are in line with those developed and adopted in Bonomi.



Incoming goods checks: this takes the form of implementing strict checks (visual, dimensional, physical properties and certificate conformity) for all incoming materials, which are recorded in customised software. This approach allows the team to operate with a view to reducing waste during processing in order to save resources, time and money. All this benefits customers, which get defect-free finished products at an optimum price/quality ratio.



Checks during the production process: a series of physical checks are carried out at the beginning and during each production batch using calibrated and certified precision instruments and statistical software for traceability. This activity is complemented by the constant support of the Quality Control team.



Double test during assembly: while assembling ball valves, the group performs an initial 3-minute leak test with compressed air up to 5 bar, after which the torque and thread are checked with measuring instruments. All data is entered into the statistical software for checking and to ensure that the parts produced are fully traceable.



24-72 hour testing for ball valves: the group performs a second 100% leak test on the valves with compressed air at 5 bar, which is unique in the sector. The EN331 standard is adopted to perform this analysis on gas ball valves, and the same standard is used for all other fluids such as water, oils, etc., because the density of air is lower than that of the other fluids commonly used with brass valves, thus making it possible to detect even micro-leaks that automatically result in rejection of non-compliant products.





100% visual inspection during packaging: all valves that pass the aforementioned tests undergo a final visual inspection during packaging. From a practical perspective, the group's production process is so innovative that it has minimised part handling (and thus internal and external dents) and the number of rejects, which are practically zero at this stage.



Automated logistics: after reinforcing the packaging to ensure that the products reach the end user intact, despite transit, fast shipping and sometimes long periods of storage, the Bonomi Industries logistics system was revolutionised to make the storage process swift and automated.



Cybersecurity: in order to protect data, which technological innovation has made increasingly interconnected and, at the same time, accessible.

Governance documentation

The work carried out by Bonomi Industries to benefit suppliers, customers, people and the planet is recognised and confirmed first by the company's internal policies and then by the certifications and awards received from International Bodies. A summary follows:

- Quality Manual (2003)
- Risk Assessment Document (2014)
- Group Policy (2015)
- Internal Context Analysis (2017)
- Waste Management (2021)
- Code of Ethics (2021)
- Charter of Values (2022)
- Mission and Vision (2022)
- Whistleblowing Procedure (2023)
- 231 Organisational model (2024)

It should be noted that the Group was among the first in its sector to adopt a Quality Manual, as far back as 2003, which is indicative of the fact that Silvio Bonomi and subsequently his sons, Giuliano and Sandro Bonomi, were proponents and in some ways forerunners of behaviour that has become indispensable on today's market.



Certifications

Certifications (downloadable from the website):

- ISO 9001:2015 product and service quality certification (for both Bonomi Industries and RuB Incorporated)
- ISO 14001:2015 environmental management certification
- ISO 45001:2018 health and safety certification
- A.E.O. (Authorised Economic Operator) certificate, a status issued by the Customs and Monopolies Agency of Brescia as economic operators that meet certain quality, reliability and solvency standards
- SCIP (Substances of Concern In articles as such or in complex objects (Products)) notification for placing products containing substances of concern on the European market
- REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals) declaration of conformity
- Directive 2011/65/EC (RoHS)
- Directive 2012/19/EU WEEE ("Waste of Electric and Electronic Equipment")
- PED (2014/68/EU) for pressure equipment in accordance with European laws
- Declaration 111-203 -DODD-FRANK WALL STREET REFORM AND CONSUMER PROTECTION ACT, concerning the absence in products of so-called conflict mineral resources ("conflict minerals"), i.e. from conflict zones.
- EU production type examination certificate (B)
- Certificate of conformity to type based on quality assurance of the production process (Directive 2014/68/EC)
- Declaration of conformity 2012/19/EU - WEEE



Product type approvals

	Deutsche Vereinigung des Gas und Wasserfaches e.V. Technisch-wissenschaftlicher Verein			Система сертификации ГОСТ Р Госстандарт России	
	Deutsche Vereinigung des Gas und Wasserfaches			The Australian Gas Association	
	Deutsche Vereinigung des Gas und Wasserfaches Hygiene			OSHA Compliant	
	Schweizerischer Verein des Gas und Wasserfaches			Factory Mutual Research Corporation	
	Attestation de Conformité Sanitaire			Underwriter Laboratories Inc.	
	ARGB-KV BG			CRN-TSSA	
	Water Regulations Advisory Scheme			CSA International for Drinking Water to NSF/ANSI 61- NSF/ANSI 372	
	British Standards Institution			CSA - Canadian Standards Association	
	Kiwa KUKreg4			KSFD -Kuwait Fire Service Directorate	
	Ri.se. / Boverket			LIA - L.P Gas Instruments Inspections Association	
	Kiwa - Swedcert			General Directorate of Civil Defence	

Compliances

	ROHS			PED 2014/68/UE by ICM (0425)	PED
	Reach declaration			Декларация соответствия	EAC

Customers

The peculiarities and excellence of Bonomi Industries products, as well as the values and ethics with which the company is conducted, make the group one of the major international market players. In fact, over 98% of total production this year was destined for foreign countries.

Bonomi Industries' main customers are Original Equipment Manufacturers (OEMs). In particular, **the company operates in 57 of the world's most industrialised countries, and this is only possible thanks to the quality of Bonomi Industries products.**

The most active sales sectors for Bonomi Industries in 2023 were – in order of total turnover – plumbing and industrial applications, and heating and ventilation (HVAC). The group also serves the fire-protection, gas, pneumatic and drinking water pipe sectors. As a guarantee of quality and transparency, instruction manuals and information sheets can be downloaded in English from the company website for each product, as well as the product catalogue for each application area.



Bonomi Industries periodically sends satisfaction questionnaires to its customers, and again in the last edition, an overall high level of satisfaction emerged for Bonomi Industries products, customer care and product delivery times, which are key elements for the type of business the company focuses on.



05

Economic performance

Value generated and value distributed

Over the course of its history, Bonomi Industries has undergone a significant growth and development process, especially at an international level, which has enabled it to establish itself as a benchmark in the production and design of high-quality brass ball valves and actuators that meet customers' needs through standard and custom innovative solutions.

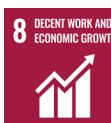
From the beginning, the company made innovative investments to improve the efficiency of its production facilities and ensure high-quality ball valves, which in turn makes its customers' production more efficient.

Based on this, it is clear that creating corporate value is linked to customer satisfaction, which in turn is only made possible through careful management of all design and production stages in an effort to ensure customers get a high level of service in addition to the product. Creating corporate value is strongly correlated to the dynamics typical of the engineering market and, more generally, of national and international macroeconomic trends.

In 2024, the mechanical sector ended the year with a sharper contraction than in 2023, despite stable investment levels and workforce numbers, and notwithstanding an increase in furlough scheme funding.

Geopolitical tensions in commodity exporting and transit countries and the ongoing Russian-Ukrainian conflict have led to an increase in commodity prices. Moreover, the economic fluctuations of recent years have brought overall inflation and uncertainty, as well as erratic market growth. The lack of dynamism in domestic and foreign demand was also reflected in the stagnation in the Eurozone.

On the regulatory front, Europe is imposing restrictions on suitable materials in certain applications, particularly for those in contact with drinking water, which will force substantial changes in the valve manufacturing industry in the coming years, and that are currently a cause for concern as economically viable solutions have not yet been found.



Economic value analysis applied to Bonomi Industries

Generating economic value for a business refers to an organisation's ability to produce final consumer goods (or services) and to reduce the amount of goods in stock between accounting periods. Distributing economic value, on the other hand, is based on the management's ability to decide how to use the wealth created: covering personnel costs, purchasing raw materials from suppliers, investing in new technologies, and so on.

The difference between the economic value generated and the value distributed is therefore a summary figure that represents the company's ability to retain wealth.

Specifically, **the economic value generated by Bonomi Industries in 2024 was EUR 42,193,395**, down 26.62% from the previous year. The same trend was recorded for the economic value distributed (EUR 35,035,283), for which the reduction in 2024 was 27.20%.

The calculation of distributed economic value also takes account of the operating costs, which decreased by 28.72% compared to 2023 according to Bonomi. This upturn is also attributed to the project to improve stock management, and to **the constant process of technological system innovation**. In fact, two multi-spindle machines were installed in 2024, offering the ability to work on several axes simultaneously for turning brass rods. These machines are based on high-precision computer technology and software capable of interconnecting with the company computer systems. This facilitates the use and production control/monitoring by machine operators while guaranteeing a qualitatively superior man-machine relationship, including in terms of safety, with the aim of replacing an entire department of mechanical lathes

“Over the years, the mechanical engineering industry had to contend with inflation, market uncertainty, and not least with increasing geopolitical instability.

Moreover, the valves and taps sector is linked to construction and components, which were affected by the stop on building bonuses.”

Sandro Bonomi
Chairman of AVR Association

The technological innovation programme also continued in 2024, with certification of three new plants worth around EUR 4.6 million.

Determining the economic value directly generated and distributed therefore represents a central element for the group, through which it can express and realise the wealth produced and distributed locally in monetary terms, and thus inform its stakeholders of the value that the company represents not only locally, but also nationally.

The Company uses this indicator to provide a different interpretation of the values expressed in the annual report, embracing a multi-stakeholder perspective as opposed to the traditional single-stakeholder logic.

While creating value is clearly necessary to ensure the company's long-term economic sustainability, distributing this value, determined by the indicator "direct economic value generated and distributed" (201-1) of the GRI standards (2016), represents the economic impact of the activities that benefit the main stakeholder categories (employees, shareholders, community). At the same time, between 2024 and 2023, there was also a reduction in the budget allocated to suppliers and consequently to local suppliers, i.e. from the provinces of Bergamo and Brescia, which still account for the majority of all suppliers.

In conclusion, in the face of a major innovation process, dictated also by the need to make production processes more sustainable, Bonomi Industries implements constant monitoring of its facilities and machinery in order to guarantee the best outcome. This is done by means of technological improvements, compliance with occupational safety and environmental protection regulations, monitored through regular internal audits carried out by the Internal Safety Manager and third parties such as LRQA.

Creating value for the community

The link with the Italy has always been a distinctive and fundamental feature of "doing business" for the Bonomi family and, consequently, for the group in general. Despite being strongly export-oriented, the organisation produces in Italy and pays special attention to selecting its suppliers, especially for raw materials such as brass, polymers and steel. In this way, the company is committed to actively contributing to creating value locally by creating new local opportunities and exploiting local skills, thus contributing to increasing local prestige.

In order to offer its employees and their families **opportunities for dialogue, reflection and inspiration** on relevant topics, the group organises events or dedicated days. For example, in 2024 on the occasion of **World Water Day** on 22 March, Bonomi Industries took part in an awareness-raising event with the aim of consolidating sustainability principles. Moreover, in September, Bonomi Industries' employees have been participating in a charity initiative against

breast cancer for five years now: "**Race for the Cure**", a day of solidarity and sport organised to raise funds for Komen Italia, a voluntary organisation at the forefront of the fight against breast cancer.

The company also organises the annual company party, which strengthens teamwork and relationships between colleagues. In addition, convinced that the person must always be the focus, the company organised three days of discussions among employees from the Italian and North American sites again in 2024.

Among the most important initiatives that demonstrate the Bonomi family's particular sensitivity to certain topics, an event was organised to raise general awareness during International Day for the Elimination of Violence against Women, on 25 November, held by the Casa delle Donne association in Brescia, in which all Group employees took part.





Also in 2024, despite a drop in turnover, Bonomi Industries supported initiatives with social value; among them, the "Mazzano Ambulance Festival", a fundraiser to convey the importance of driving safety; purchase of a robotic island by the Rodolfo Vantini Institute; and donations to neighbouring organisations such as the Ciliverghe Parish, the Benedetto Castelli Technical Institute Foundation, and others.

The company also took part in trade fairs during 2024, such as:

- MCE - Mostra Convegno Expocomfort held in Milan from 12 to 15 March, an international event at which companies in the HVAC+R, renewable energy and water sectors meet new customers and strengthen relationships with those that design, install and build comfort systems and installations in the industrial, residential and commercial sectors.
- Domani lavoro, from 9 to 11 November, held in Brescia, aimed at facilitating meetings between companies and candidates.

To confirm the importance of professionalising human resources and enhancing skills for Bonomi, it is among:

- the founding members of the **Castelli Foundation** (technical college), aimed at creating connections between the worlds of business and education;
- the members of the **Vantini school in Rezzato** (vocational training school), which trains young resources in metalworking as well as marble processing, and in which Giuliano Bonomi has been a member of the Board of Directors since 2024.
- the members of **AQM**, which is a metallurgy workshop;
- the members of the **CSMT** (Multi-Sector Technological Service Centre): a spin-off from the University of Brescia, Faculty of Engineering;
- the members of **UNI**: the Italian standards organisation.

The fact that the group has an effective focus on social dynamics, in addition to having very diverse interlocutors, denotes that the organisation wants to be an active part of the community in terms of generating value for the resources living there and for the local area.

“Unlike many competitors, Bonomi Industries concentrates its presence in the industrial sector, e.g. in compressed air management systems, cooled liquid and lubricant distribution, gases, fire-protection and other applications, including in the automotive sector, where more attention has always been paid to product quality and reliability.

European industry suffered a heavy setback as a consequence of the geopolitical situation, the energy transition that cast doubts over strategic choices in both the automotive and heating sectors.

Our company reacted by broadening the spectrum of applications and especially by offering automation on products typically managed manually in order to give end users more versatility.”

Giuliano and Sandro Bonomi

06

Social Performance

Human resource management and development

Bonomi Industries considers its workers to be its most valuable resource. For this reason, the company cares first and foremost about the occupational health and safety of its employees, while also being convinced that it is important for everyone to feel valued and to have the opportunity to deepen and broaden their professional knowledge and skills in order to find new stimuli that align with their interests. Human resource management is of paramount importance, as it is precisely the people who contribute to the company's success with their skills.

The company has an internal policy that revolves around certain values that are already shared during the resource selection and possible onboarding process: **focus on the future, collaboration, customer orientation, proactivity, respect and responsibility**.

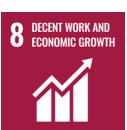
The management is committed to continuing with implementing managerialism in the company. In fact, in 2024, two functions that in recent years had been performed by the management on an interim basis joined the company: the Technical Director and the Sales Director.

One of the goals is certainly to create a climate of mutual respect where sharing and trust are the cornerstone for making the most of talent.

Regarding compliance and conformity, the company has independently and voluntarily adopted a Code of Ethics, which applies – without exception – to all group companies. It is therefore addressed to all stakeholders involved with the group: shareholders, employees, suppliers, business partners, customers and public authorities (including the customs agency, police force and other parties involved in customs and tax control). In all contractual and non-contractual relationships, the group needs to know the ethical principles and content of the Code of Ethics, so that all counterparts undertake to respect it. The Code lists the guiding principles, rules of conduct, communication and training principles, and measures in the event of violation of the Code of Ethics.

The **guiding principles** applied to all roles within Bonomi Industries are:

- Respect for laws and regulations;
- Respect for human and labour rights;
- Health and safety protection;
- Integrity (commitment against corruption);
- Transparency and clarity in communication;
- Confidentiality and security of information and personal data;
- Quality and conformity of the products supplied;
- Fairness in contractual relations.

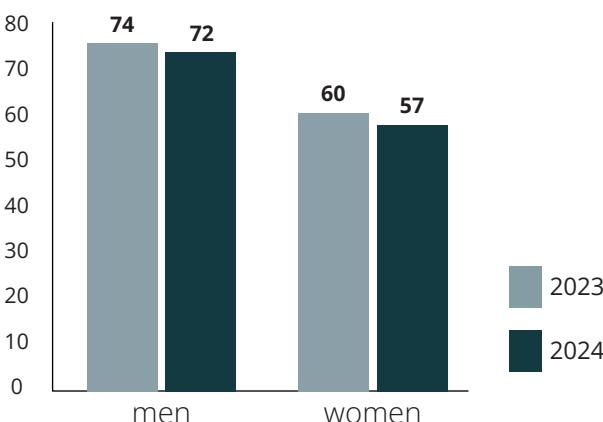


Our workers

As of 31 December 2024, the total number of Bonomi Industries employees in Italy was **129, of which 72 were men and 57 women**. Of these, 6% are under 30 years old, 58% between 30 and 50 years old, and 36% are over 50 years old, excluding temporary personnel. The average age of employees is therefore of 43.5 years.

Number of employees by gender

Bonomi Industries



In 2024, there were a total of 9 recruitments, of which 2 were blue collar workers and 7 white collar workers.

The number of recruitments (9) resulted in 2 women and 7 men joining, 2 of whom were under 30. Finally, the company has 5 employees in a protected category, 4 of which are women and 1 is a man.

White-collar employees*	2023	2024	Variation
Total number	48	46	-4,16%
of which men	31	31	0,0%
of which women	17	15	-12,0%
under 30	6	4	-33,0%
between 30 and 50	26	23	-8,0%
over 50	16	19	19,0%
Protected categories	0	0	0,0

Blue-collar workers	2023	2024	Variation
Total number	86	83	-3,0%
of which men	43	42	-2,0%
of which women	43	41	-5,0%
under 30	10	4	-60,0%
between 30 and 50	51	48	-6,0%
over 50	25	31	24,0%
Protected categories	4	5	25,0%

* in the table above, employees also include the middle manager and executive categories

Employees by professional category, gender, age group

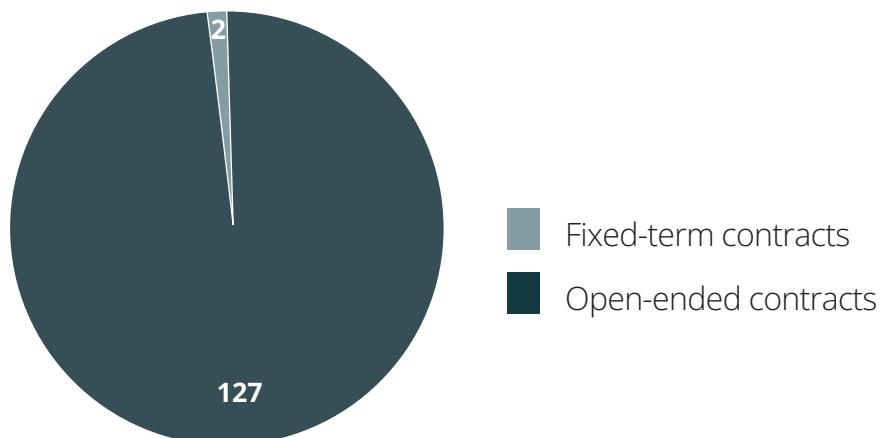
	<30			30-50			>50		
	Man	Woman	TOT	Man	Woman	TOT	Man	Woman	TOT
Top managers	0	0	0	0	0	0	1	0	1
Middle managers	0	0	0	0	0	0	1	0	1
White-collar employees	2	2	4	12	10	22	14	4	18
Blue-collar workers	2	2	4	20	28	48	20	11	31
Total	4	4	8	32	38	70	36	15	51

Of the total number of employees, **124** have **full-time** contracts, of which 52 are women, while there are **5 part-time** workers, all women. Regarding the contract type, 127 employees - 55 of which are women - are hired on an **open-ended** basis and only 2 on a fixed-term basis.

This demonstrates the importance and value Bonomi places on its most important resource, its employees, as well as knowing that open-ended contracts build employee loyalty and bring value to both employees and the company. In support of this vision, the company has started distributing an annual bonus upon achieving certain performances and targets at both departmental and personal level, as well as an additional seniority-related increase over and above those provided for in the collective agreement (up to 5 periodic increases can be accrued every two years). As proof of this, the anniversaries of four female workers who had reached 25 years of service with Bonomi Industries were celebrated during 2024, ensuring that they received well-deserved recognition.

WORKERS BY CONTRACT TYPE

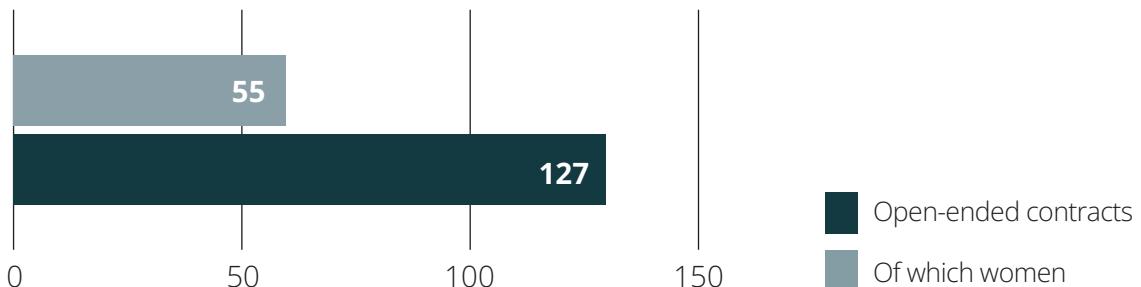
Bonomi Industries



On a contractual level, all employees at the Italian site are covered by the Confapi metalworkers' collective agreement for small and medium enterprises (SME).

OPEN-ENDED CONTRACTS

Bonomi Industries



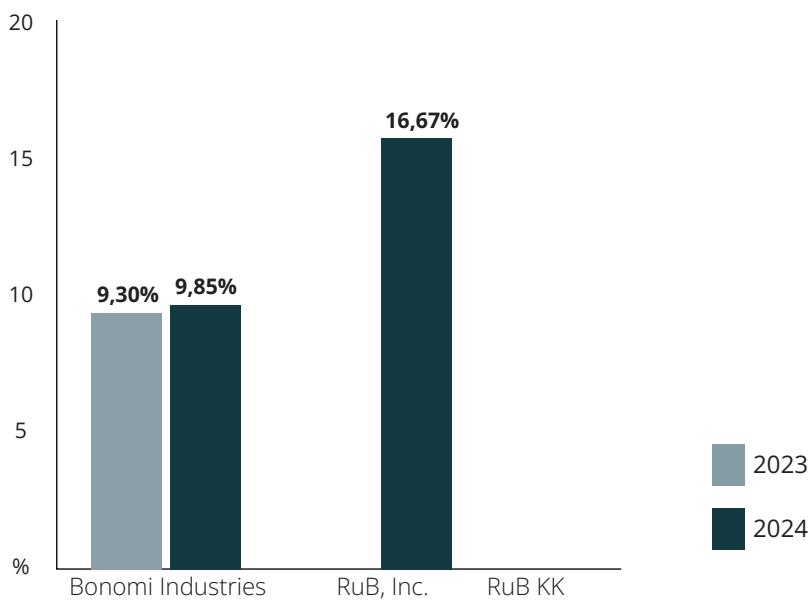
Recruitment rate

Although less than in the previous year due to the crisis in the international market, Bonomi recruited 9 new employees in 2024, of which 2 are under 30, 4 between 30 and 50, and 3 over 50. Of these there is one worker.

Total employees (Bonomi Industries)	< 30	30-50	> 50
	8	70	51
Recruitment 2024	2	4	3
Terminations 2024	3	7	3
<i>Turnover</i>	(1)	(3)	0

Turnover

Bonomi Industries



In North America, RuB Incorporated had a total of 12 employees, of which 4 in manufacturing, 5 office employees and 3 executive employees, with a turnover rate of -16.67. A new recruitment, male was made in 2024, a male between 30 and 50 years old.

Occupational health and safety

Compliance with current occupational health and safety regulations, combined with the decision to integrate the national regulations with the health and safety management system certified according to the ISO 45001 standard by Lloyd's Register, has allowed Bonomi to keep workplace accidents low in terms of frequency and severity.

Specifically, only one non-serious accident occurred at the production site in Italy in 2024.

No incidents were reported at the sites in North America and Japan.

On 15 February 2024, RuB, Inc. was awarded the **MNSTAR certification by the Minnesota Occupational Safety and Health Administration (MNOSHA)**, which is the highest level of recognition awarded to companies that demonstrate excellence in occupational safety and health practices. To obtain MNSTAR certification, RuB Inc. underwent a comprehensive assessment of its health and safety policies and procedures. MNOSHA examined RuB Inc.'s occupational injury and illness rates, safety programme and training programme implementation, and overall commitment to occupational safety and health.

Finally, all data and information on injuries and accidents or other events that could have caused injuries or harm to employees' health is shared with employees at a Group level on a quarterly basis. The aim is to increase their sensitivity and awareness of the risks to which they are exposed, to enable them to avoid hazardous situations in the future, and to take measures to eliminate the risk.

In this regard, on 28 April 2024, on the occasion of the World Day for Health and Safety at Work called by the International Labour Organisation (ILO), Bonomi Industries' employees took part in an internal awareness-raising event during which the importance and attention to the principles of safety at work in every daily activity and especially in production, was shared once again, given also the increase in technological innovations. The company undertakes to offer moments of sharing with employees every year at this world event, using different communication methods.

Risk management

Considering the type of business directly carried out by Bonomi, the issue of risk management and of personal safety and security protection stands out as a crucial and particularly important foundation.

That is why Bonomi Industries has drawn up and constantly updates its own Risk Assessment Document (RAD) as required by the Consolidated Safety Act (art. 17, 18, 29 of Italian Legislative Decree 81/08); a document that indicates and assesses all risks to which workers are, even potentially,



exposed during their work. Moreover, in order to ensure that working conditions, as well as equipment, machinery and facilities, comply with legal requirements, **the Company regularly carries out specific investigations**, such as phonometric, whole-body and hand/arm vibration surveys, and microclimate and industrial work environment analysis, in order to reduce the risks identified previously.

Given these elements, risk assessment is linked both to the type of work phase carried out in the production unit and to situations determined by systems such as the working environment, equipment and facilities used, and the materials and products involved in the processes.

The aspects and impacts considered within Bonomi Industries' RAD are as follows:

- Assessment of specific risks, e.g. chemical, noise, electromagnetic fields, ergonomics, repetitive movements and work-related stress
- Assessing stochastic risks e.g. impacts and compressions, shearing, cuts, inhalation of dust, projection of foreign bodies, falling and slipping, and being hit by moving vehicles

The risk assessment - which is calculated by multiplying the probability of occurrence by the severity of the damage - is followed by risk mitigation actions.

In this regard, Bonomi Industries appointed Mr. Francesco Goglioni as the Protection and Prevention Service Manager (PPSM) in February 2023. In addition to the assessments described above, he carries out internal audits and periodic inspections to identify risk factors and/or situations and any critical factors in the production sites and processes, which are immediately shared with the department managers in periodic meetings with the management, after which risk mitigation actions are decided on to maintain a safe and healthy workplace.

Regarding workplace safety, Bonomi Industries' employees can make and report, either directly to their supervisor in an interview, or in written form, even anonymously, by means of a special form drawn up in accordance with the ISO 45001 standard, to be inserted in the so-called "Sicurbox", in order to facilitate communication even of those personnel members who are less inclined to speak out.

As will be explained better in the corporate welfare section, a listening desk is available on a weekly rotating basis. It is run by an external psychologist-coach, who overtly or anonymously, depending on the employee's indications, gathers any reports and shares them with Human Resources and Management.

Moreover, in order to protect workers who report breaches within the company and ensure they are adequately protected, the organisation has adopted its own whistleblowing procedure with which it implements Italian Legislative Decree No. 24/2023 and Directive (EU) 2019/1937 "on the protection

of persons who report breaches of Union law". Whistleblowing is a powerful mechanism through which anyone in a public or private organisation can report legal violations or misconduct. The whistleblower is the person who, by virtue of his or her employment or professional relationship, has knowledge of such wrongdoing. In fact, by adopting this procedure, the Group strives to guarantee a safe and transparent professional environment on two fronts: on the one hand, with a guarantee of confidentiality during the reporting stage, and on the other with protection aimed at avoiding any form of reper- cussion for employees.

In 2024, the company integrated the Organisational Model pursuant to Italian Legislative Decree 231/2001, i.e. the document that describes how the company organises and controls its activities, especially those most exposed to the risk of wrongdoing. Model 231 serves to prevent the commission of offences and to demonstrate the company's fairness and transparency. Consequently, each company in the Group has appointed a Supervisory Board (hereinafter referred to as "SB") pursuant to Italian Legislative Decree 231/2001, which is a body with autonomous powers of initiative and control, with the task of ensuring that senior figures in the organisation do not engage in fraudulent conduct. All employees, managers, directors or external consultants are required to inform the Supervisory Board of any violations of the regulations and procedures in force, as well as any difficulties in applying the procedures and protocols, or doubts regarding how to apply them correctly. Adopting Model 231 formalises the company's goal of pursuing a corporate policy based on the principles of fairness and legality.

Finally, as part of its corporate welfare services, Bonomi has activated an agreement with the supplementary health insurance company UniSalute so that all employees can access health services under particularly advantageous conditions, even those not related to illnesses encountered in the workplace. There is also a company doctor, who performs pre-employment examinations to issue certificates of suitability for work and absence of health-related contraindications, periodic medical examinations to check workers' state of health, and expresses an opinion on suitability for a specific task (annual, for production workers, and biannual/five-yearly, for office staff). In addition, in the event of a change in an employee's state of health, they may request the company doctor for a re-assessment examination.

Staff training and development

The existing national contractual framework (Unionmeccanica Confapi national collective bargaining agreement) regulates the right to continuous training by assigning the company the task of identifying and planning training courses (**at least 24 hours of continuous training**) for all workers **over a three-year** period.

The number of **training hours provided** to all employees in 2024 amounted to 3,099, equivalent to approximately 24 hours per capita, of which 83% were for blue-collar workers.

In fact, an average of about 31 hours of training was allocated to workers in 2024, of which 27 hours to women and 35 hours to men. The number of training hours is higher for men than for women due to the addition of new industrial machinery, which was assigned to male personnel.

During 2024, the training investment in women workers was still important to allow them to use machinery more independently without the need for toolmakers, while making the production process more efficient, and thus limiting order delays.

Between March and September 2024, thirteen employees took part in the "Awareness and Knowledge" course held by Dr. Stefania Marcozzi.

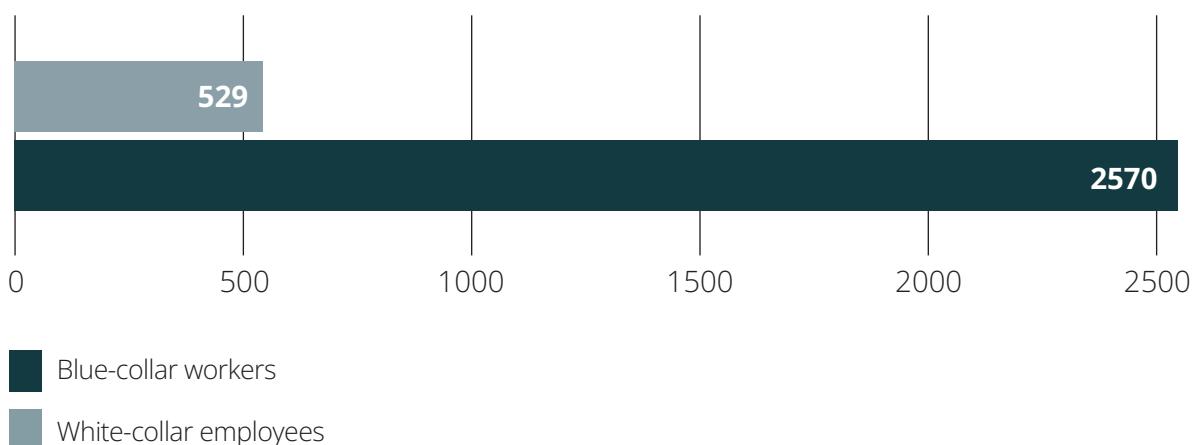
The course provided an important opportunity to strengthen management and communication skill for both department managers and resources who interface with other company functions. During the course, participants were able to reflect on their roles within the company and develop greater awareness of their responsibilities. Key topics such as problem solving, time management, assertiveness, and stress and conflict management were explored. Another key aspect addressed was strengthening communication, which is crucial to improve collaboration and management of working relationships.

Regarding office staff, the average of **14 training hours per resource** was maintained.

With respect to the proactive role of employees on the subject of occupational health and safety, pursuant to Article 35 of Italian Legislative Decree 81/08, employees must undergo specific training depending on their role in the company, both at the time of recruitment and throughout their employment period.

Training hours

Bonomi Industries 2024



The main topics of training courses for Bonomi Industries' workers are:

- Injury risks;
- General mechanics;
- General electrics;
- Machines;
- Tooling;
- Falls from height;
- Explosion risks;
- Chemical risks;
- Mists - Oils - Fumes - Vapours - Dusts;
- Labelling;
- Carcinogenic risks;
- Biological risks;
- Physical risks;
- Noise;
- Vibration;
- Radiation;
- Microclimate and lighting;
- Video terminals;
- PPE and work organisation;
- Working environments;
- Work-related stress;
- Manual load handling;
- Goods handling (lifting equipment, transport equipment);
- Signage;
- Emergencies;
- Safety procedures with reference to a specific risk profile;
- Escape and fire procedures;
- Organisational procedures for first aid;
- Near-miss accidents and injuries
- Communication and role awareness
- PLI
- PLC

In the foreign locations, in North America and Japan, training courses are also provided on a regular basis as required by the respective regulations.

Diversity and Inclusion

For Bonomi, it is essential to respect the diversity and capabilities of each employee. **The portion of women within Bonomi Industries in the reporting period corresponds to 44% of the total (57 employees), which is slightly higher than in 2023.**

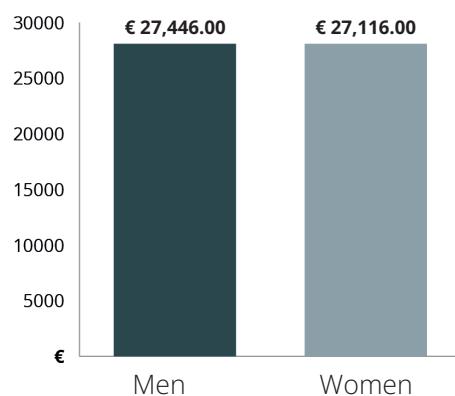
This slight difference between male and female presence is mainly related to the industrial sector in which Bonomi Industries operates. The top management, on the other hand, consists of only two people, both men (Giuliano Bonomi and Sandro Bonomi) and company shareholders who are over 60 years old.

As a confirmation of inclusion and respect for diversity, Bonomi Industries employs a considerable variety of people of different nationalities. In order of presence: Italian (102), Romanian (9), Moroccan (8), Albanian (4), Moldavian (2), Polish (1), Senegalese (1), Burkinabé (1) and Bosnian (1).

At the pay level, an analysis of the workforce shows that 59 out of 83 male and female blue-collar workers with equivalent qualifications (3rd level) have a roughly equal average pay.

Average remuneration of 3rd level workers by gender

Bonomi Industries



Regarding the US subsidiary Rub Inc., the minimum wage received by male employees (11) is approximately \$45,552.00.

Corporate wellbeing

For Bonomi, the loyalty of its employees is relevant. It is therefore in its interest to promote actions that improve working conditions and create an inclusive and rewarding corporate environment, where employees' work and commitment is recognised and valued. In addition to those enumerated so far, these include free support in filling out tax returns for several years, and an almost free canteen service for employees, which started in 2023.

And also activities that have been in place for several years, such as partnerships with a number of businesses, an integrated welfare system and the free listening desk with an occupational psychologist for all employees, a service that contributes to creating a more serene and relaxed working environment. In fact, the psychologist's role is to help employees express



thoughts and states of mind in order to focus on small discomforts that, if not caught in time, could amplify and create uneasy situations. This service is highly appreciated by all employees, who feel listened to and valued.

In recent years, improvements have been made to ensure the workers' wellbeing in the working environment: natural lighting was favoured by means of sheds and LEDs, underfloor heating, the changing rooms were expanded, and the accessories needed for personal care were provided, including a wooden backrest and footboard to be used for specific postural exercises dedicated to prevention. The equipped canteen was created and extended, and a relaxation corner was created in it, with table football to ensure that refreshment is not just physical, but also mental.

In addition to the provisions of the Confapi engineering sector collective bargaining agreement, which requires that welfare tools worth €200 per year are made available to employees, Bonomi Industries decided to increase the amount, offering an additional €500 to its employees.



07

Environmental Performance

Sustainable production

Safeguarding and protecting the environment are core values for the company's operations.

Bonomi Industries works with the utmost respect for safety and the environment, striving, with the active participation of all employees, to limit waste in order to minimise its impact on the planet, in terms of both the production process and the product itself.

In recent years, the company has invested millions of Euros in **technological renewal of its production processes**, in particular in machinery that guarantees a high safety level while improving process ergonomics to safeguard the workplace and workers, and in energy efficiency to **limit environmental impact**.

The warehouses in which Bonomi Industries conducts its production activities feature state-of-the-art and sustainable technologies, such as photovoltaic panels, thermal insulation, state-of-the-art roofing, underfloor heating, etc., investments that have also been followed up in 2024.

Bonomi Industries products are designed with sustainability in mind: **100% of the brass ball valves are made without silicone to ensure maximum recyclability**. The items produced by the company are designed to stand the test of time and, in order to discourage premature and often unnecessary replacement, some come with a lifetime warranty. They also comply with the latest version of the RoHS (Restriction of Hazardous Substances) Directive 2015/863/EU and the REACH (Registration, Evaluation, Authorisation of Chemicals) Regulation 1907/2006/EC.

The following table shows the quantities of raw materials and substances purchased in 2023 and 2024:



Main raw materials purchased¹

Material	MU	2023	2024	var %
Brass	kg	2.366.340	1.635.518	-31%
(PTFE and rubber) Seals	kg	29.500	16.263	-44%
Glues	kg	1.390	737	-40%
(Oils and greases) Lubricants	kg	34.351	14.984	-56%
(PVC-coated steel and aluminium) Levers and butterflies	kg	385.854	182.775	-52%
(Aluminium and steel) Actuators	kg	11.388	10.169	-10%
Plastic packaging	kg	7.303	4.548	-37%
Paper and cardboard for packaging	kg	110.000	73.754	-33%
Total	kg	2.846.090	1.938.748	-32%

In 2024, there was a 32% decrease in the amount of raw materials used compared to 2023, reflecting the market trend in the sector. Brass accounts for 83% by weight of the materials Bonomi Industries uses in the production process. **“Waste” brass is recovered** by the drawing mills that supply Bonomi Industries and reused as a raw material, without any reduction in quality.

Despite the fact that most of the materials used by the company do not come from renewable sources, Bonomi Industries still manages to measure up to other circular economy principles thanks to the **use of a large amount of recycled raw materials**, more than 80% of the total. To further increase environmental sustainability and the quality of the product offered, **Bonomi Industries selects and prefers suppliers that are not only sensitive to ESG topics**, e.g. by mapping the environmental certifications they hold, as well as on the basis of their distance from the production plant. In particular, as many as 34 out of 40 raw material suppliers, accounting for 98% of the company's total purchases, are located within a radius of just 50 km from the Mazzano site, while only 6 suppliers are more than 50 km away, thus significantly limiting greenhouse gas emissions resulting from material transport.

The diligence with which the company strives to make its process and products less impactful on the environment is confirmed by the certifications awarded to Bonomi Industries by international bodies, in particular ISO 14001:2018 and the **“silver” medal in the EcoVadis sustainability assessment, in which the company obtained an increase of 7 percentile points in 2024, taking it from 80 in 2023 to 87 in 2024**.

¹ The data refers to Bonomi Industries alone

² Source of the calculation: GlobAllomeTree

The company's commitment to protecting the planet continues in the form of its partnership with the Italian **“Treedom” platform with the aim of planting 1,000 trees by 2027 to offset CO2 emissions** arising from its production activities, and to support the economic and social development of local communities. By the end of 2024, Bonomi Industries owned two forests, both in Kenya, and planted as many as 600 trees and achieved 170 tonnes of CO2 absorbed².

Energy consumption and atmospheric emissions

Bonomi Industries' energy consumption is needed to power production and general services (electricity) as well as to heat the working environment (thermal energy).

The only fossil fuel used for this latter purpose is natural gas, the fuel with the lowest environmental impact: in fact, using natural gas to produce thermal energy results in lower greenhouse gas emissions than with other fossil fuels. Since thermal energy is used exclusively for heating spaces, its consumption in 2024 only amounts to 10% of the total, with the remaining 90% being accounted for entirely by electricity.

Construction of a heat recovery system for the heat emitted by the main processing machinery and air compressors is planned; this heat will be used for heating water and the new environments (with underfloor heating), while the gas boiler will only be used to supplement it.

The Bonomi Industries plant accounts for most of the energy requirement³, as it is the only location where the production process, the core of the business, takes place.

From 2023 to 2024, both electricity and thermal energy consumption decreased by 16% and 23% respectively. In 2024, 3,063 MWh of electricity was drawn from the grid and 314 MWh of natural gas was used, 23% less than in the previous year.

Aggregate energy consumption - (*) referring to Bonomi Industries alone

Resource	MU	2023	2024	var %
Electricity from the grid	MWh	3.663	3.063	-16%
Thermal energy*	MWh	410	314	-23%
from natural gas ⁴	MWh	410	314	-23%
Total	MWh	4.073	3.377	-17%

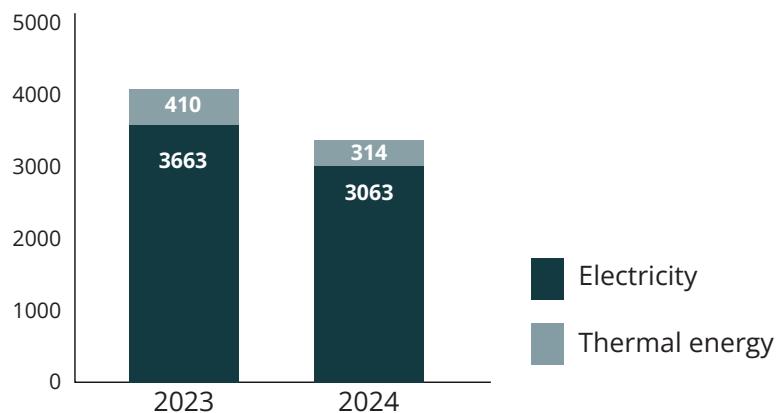
Such an achievement is the result of the company's significant investments in smart and efficient energy technologies. The decrease in natural gas use was mainly due to installing insulation cladding at the Bonomi Industries plant, which reduced the consumption related to heating during the winter.

The entire roof of the Bonomi Industries plant was used to **install solar panels**, which produced 1,613 MWh of clean energy in 2024, 105% more than the previous year since the entire plant with an installed power of 1.7 MWp was activated. Bonomi Industries had an internal self-consumption of 1.079 MWh

³ Details of the consumptions of the two sites are presented in the tables in the Appendix

⁴ Lower Calorific Value: 35.1 MJ/Smc; source: Ecoinvent 3.6

Energy consumption (MWh)



Bonomi Industries and RuB Inc.'s 2024 energy requirements resulted in the release of 1,239 tonnes of CO2 equivalent into the atmosphere, 16% less than in 2023.

This value is given by the sum of Scope 1 emissions, i.e. emissions generated by energy sources managed directly by the company and powered by fossil fuels – only natural gas in this case – and location-based Scope 2 emissions, indirect emissions caused by production of electricity purchased from the grid and calculated with an average emission factor relative to the specific national energy mix.

In contrast, market-based Scope 2 emissions, the last type mapped in this document, are counted on the basis of an emission factor defined in the contract with the electricity supplier; in the absence of specific contractual agreements, as in this case, the emission factor for the national “residual mix” is used.





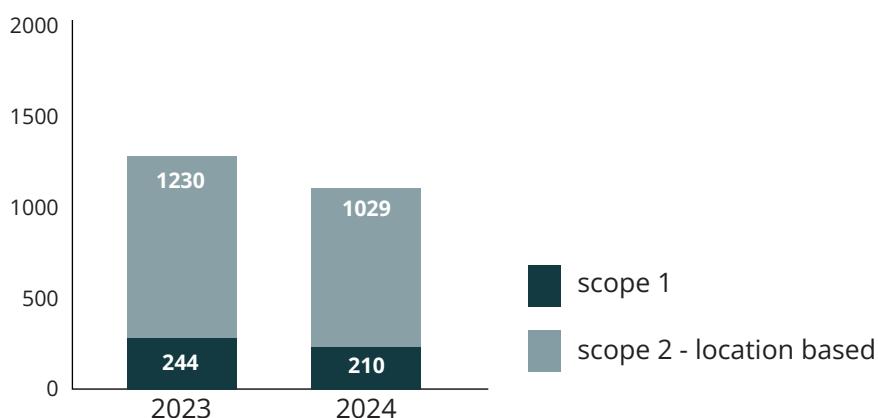
Total emissions

Emissions	MU	2023	2024	var %
Scope 1	tCO₂e	244	210	-14%
from natural gas combustion ⁵	tCO ₂ e	244	210	-14%
Scope 2 – location based⁶	tCO₂e	1.230	1.029	-16%
Scope 2 – market based⁷	tCO₂e	1.706	1.427	-16%
Total (1 + 2 location based)	tCO₂e	1.474	1.239	-16%
Total (1 + 2 market based)	tCO₂e	1.950	1.637	-16%

As electricity consumption is predominant in the total requirement, the related Scope 2 emissions (1,029 tCO₂e location-based and 1,427 tCO₂e market-based) account for 92% of the total.

This amount has decreased by 16% compared to 2023 thanks to the adoption of smart and efficient technologies, and is set to decrease further due to the increasing share of clean electricity consumption generated by Bonomi Industries' own photovoltaic panels. Scope 1 emissions also dropped, in this case by 14% from 244 to 210 tCO₂e, reflecting the company's reduction in natural gas consumption.

Pollutant emissions (tCO₂e)



⁵ Emission factor: CO2 78.7 kg/GJ; NOx 29, g/GJ; SOx 49.8 g/GJ; CO 7.98 g/GJ; PM<2.5 0.53 g/GJ; source: Ecoinvent 3.6

⁶ Emission factor: 336 tCO₂e per GWh; source: "International Comparisons 2018", Terna

⁷ Emission factor: 466tCO₂e per GWh; source: "European Residual Mixes 2020", AIB - Association of Issuing Bodies

Bonomi Industries is also committed to reducing atmospheric emissions related to its production activities: there are three emission points at the plant, which are protected by relevant filtering technology. **A modification to the production cycle in the multi-spindle department is underway, which will allow two of the three emission points in the plant to be eliminated by the end of 2025.**

As another practice undertaken to reduce emissions, in this case related to product transport, which is an outsourced service, Bonomi Industries is committed to ensuring that freight containers always leave full to capacity, in order to optimise fuel consumption and reduce emissions per unit load, especially when it comes to overseas cargo.

Intensity of electricity consumed by Bonomi Industries and emission intensity

	MU	2023	2024	var %
sold by weight ⁸	t	2.603	2.099	-19%
electricity consumed ⁹	MWh	3.543	2.949	-18%
Energy intensity	MWh/t	1,36	1,40	3%
location-based Scope 2 emissions	tCO ₂ e	1.190	990	17%
Emission intensity	tCO₂e/t	0,46	0,47	2%

Considering only the electricity consumed by Bonomi Industries, a source that directly supplies production activities, there is an increase in energy intensity of 3% in relation to the product units sold in tonnes. Furthermore, the company emitted 0.47 tonnes of CO₂ equivalent into the atmosphere to manufacture 1 tonne of its products in 2024, compared to 0.46 tonnes in the previous year.

These slight increases are the result of a reduction in the volume sold, associated with a "fixed" energy share demand related to auxiliary services (compressed air production, centralised machine cooling units and lighting), which are not directly linked to production.

Intensity of total energy consumed by Bonomi Industries and emission intensity

	MU	2023	2024	var %
sold by weight	t	2.603	2.099	-19%
energy consumed (electrical and thermal)	MWh	4.532	3.812	-16%
Energy intensity	MWh/t	1,74	1,81	4%
Scope 1 + location-based Scope 2 emissions	tCO ₂ e	1.475	1.239	-16%
Emission intensity	tCO₂e/t	0,57	0,59	3%

If natural gas consumption is also included in the energy intensity calculation, i.e. an indirect energy source for production activities as it is used exclusively for heating working environments, there is a 4% decrease compared to 2023.

The CO₂e emission per tonne of product sold amounts to 0.59 tonnes compared to 0.57 tonnes in the previous year. This slight increase is due to the company's use of furlough, i.e. the energy used for space heating is still used, even with reduced working hours. (one hour per day)



⁸ For the energy and emission intensity calculation, it was chosen to consider the weight of the goods sold (and not its monetary value) as 2023 was a year characterised by fluctuations in the cost of raw materials, which affected the company's revenue

⁹ The data refers only to Bonomi Industries as the company's only production site



Use of water resources

Bonomi Industries uses water mainly for sanitary purposes, and also for industrial activities at the Italian site. In particular, after an osmosis process to eliminate hardness, the water resource is used to wash the parts produced and to generate the water and oil emulsion needed for machining.

As of November 2023, in order to limit its impact, the company started to draw water from wells instead of using mains drinking water to make the aforementioned emulsion and to irrigate green areas. This source consolidated in the year 2024, accounting for 44% of the total. The overall annual balance shows a 33% decrease in the use of drinking water resources.

The well excavation did not go as far down as the drinking water aquifer, but was limited to water suitable for industrial processes and irrigation.

Use of water resources

Resource	MU	2023	2024
Water drawn from the mains	m ³	13.346	6.638
Water drawn from a well*	m ³	952	2.909
Total	m³	14.298	9.547

* Well water was available from November 2023, which explains the significant difference

100% of cooling and process water is recovered and reused exclusively within the production cycle. For this reason, the company does not require industrial water drainage. Only if the necessary specifications for internal reuse cannot be met, the water is disposed of as waste, which happened for 25 m³ of water in 2024. Bonomi Industries carried out, and carries out whenever necessary, characterisation analyses to ascertain that there are no hazardous substances in the discharge, assimilated to urban waste, from the reverse osmosis treatment.

The analytical results showed that there was no danger to the environment.



Waste management

The waste created by Bonomi Industries is due to production and maintenance activities and, only to a small extent, by the administration offices. The company manages and monitors waste production data through the loading and unloading register, the FIR (Formulario di Identificazione - Identification Form) and the MUD (Modello Unico di Dichiarazione ambientale - Single Environmental Declaration Form) as required by current legislation.

In accordance with the Environmental Management System Bonomi Industries has adopted (ISO 14001), it produces a document defining the operating methods, tasks and responsibilities of the various company roles involved in waste management – from production to transport for consignment to third parties that will take care of its recovery or disposal.

Bonomi Industries classifies waste, i.e. the procedure by which the properties of the waste generated are identified and described, by analysing the process from which the waste originates and, for hazardous waste, also the hazardous components that characterise it. In the event of significant changes in the production process or updates to current regulations, the company subjects the classification process to review.

If, on the other hand, "new waste" is produced, it is identified on the basis of the processing from which it originates and the material safety data sheets (MSDS) for the raw materials upstream of the production process, and therefore of the waste, or on the basis of laboratory analyses, after which it is added to the waste list.

Main waste categories ¹⁰

¹⁰ The data refers to Bonomi Industries alone

1st level EWC code	Description	MU	2023	2024
12	Wastes from shaping and physical and mechanical surface treatment of metals and plastics	t	44	39
13	Oil wastes and wastes of liquid fuels	t	3	0
14	Waste organic solvents, refrigerants and propellants	t	2	0,4
15	Waste packaging; absorbents, wiping cloths, filter materials and protective clothing	t	60	53
16	Wastes not otherwise specified in the list	t	32	15
17	Construction and demolition wastes	t	17	20
20	Municipal wastes	t	0,1	0
Total		t	158	127



In 2024, Bonomi Industries produced approximately 127 tonnes of waste, 20% less than in the previous year, in particular packaging, filter materials, protective clothing and waste from product processing. 98% of the waste produced is recovered, i.e. it is treated in such a way as to acquire materials or energy: this solution makes it possible to reduce the environmental impact linked to waste production, in particular the pollution resulting from specific disposal procedures and the amount of natural resources consumed, and promoting circular economy practices in their place.

Only 2% of the waste produced by Bonomi Industries is disposed of: this is hazardous waste for which it is technically impossible to perform recovery.

The main raw materials used that can lead to significant waste-related impacts are:

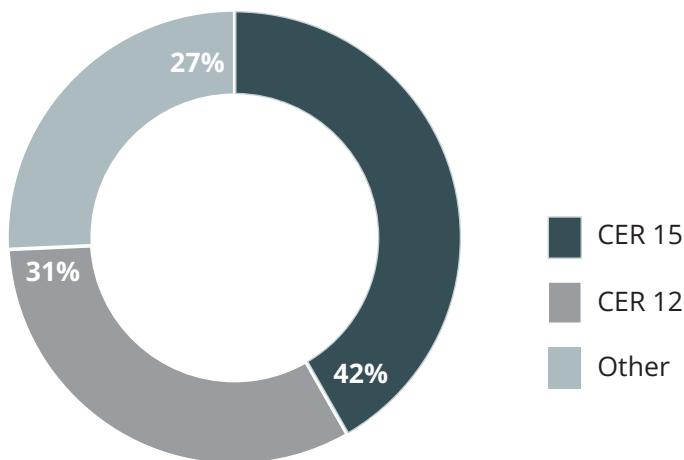
- brass from turning, which is handled as a by-product, and brass in parts that do not meet the company's quality standards;
- paper for packaging finished products;
- solvent used for degreasing valve hardware;
- glues used primarily for closing valves and packaging;
- lubricants that facilitate valve movements;
- mineral oils and emulsifiable oil used in production machines and as a cutting fluid in workpiece machining.

With the exception of glues and solvents, the waste listed above is sent for recovery; for the reasons explained above, the remainder undergoes disposal procedures.

To prevent upstream waste production, Bonomi Industries has standardised its company processes.

This allows efficient use of raw materials, thus limiting overuse. In addition, the change in the production process of the multi-spindle department mentioned above (planned for the end of 2025) will result in eliminating a large part of the solvent used, i.e. that dedicated to washing and degreasing the parts produced by the department.

Main wastes by EWC code (%)



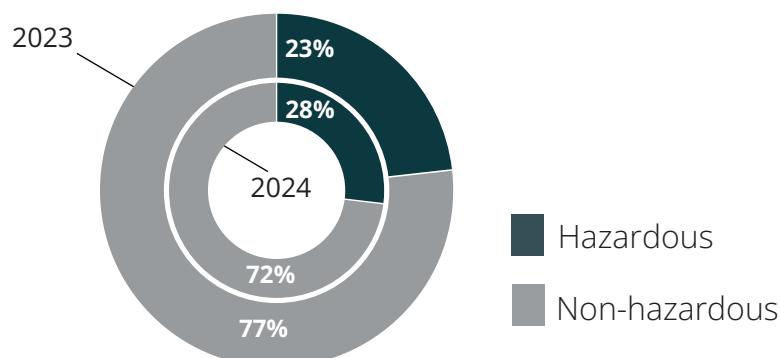
Packaging (EWC 15), in particular paper and cardboard, plastics, wood and mixed materials, as well as packaging containing residues of or contaminated with hazardous substances and absorbents, filter materials, rags and protective clothing contaminated with hazardous substances classified as hazardous waste, account for 42% of the waste generated in 2024. Together with waste produced from processing and physical and mechanical surface treatment of metals and plastics (EWC 12), which account for 31% of the total, these two types account for 73% of the total waste generated by Bonomi Industries.

Waste by type and disposal method ¹¹

Waste type	MU	2023	%2023	2024	%2024
Hazardous	t	36	23%	35	28%
Non-hazardous	t	122	77%	92	72%
Total	t	158	100%	127	100%

In 2024, there was a 20% decrease in the amount of waste generated, with non-hazardous waste accounting for 72% of the total, and hazardous waste for 3%. For hazardous waste, the company complies with the regulations in force for the transport of dangerous goods (ADR) in order to ensure that those responsible for transporting it are informed and adequately trained in case accidents occur.

Waste produced (%)



¹¹ The data refers to Bonomi Industries alone

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Appendix

Energy consumption

Resource	MU	2023	2024	24-23%
Electricity from the grid	MWh	3,663	3,063	-16%
Bonomi Industries	MWh	3,543	2,949	-17%
RuB Inc. USA	MWh	120	114	-5%
RuB KK Japan	MWh	NA	NA	-
Thermal energy ¹²	MWh	869	749	-14%
from natural gas use - Bonomi Industries	MWh	410	314	-23%
from natural gas use - RuB Inc. USA	MWh	459	435	-5%
from natural gas use - RuB KK Japan	MWh	NA	NA	-
Total	MWh	4,532	3,812	-16%

Emissions

Resource	MU	2023	2024	24-23%
Scope 1 ¹³	tCO ₂ e	244	210	-14%
from natural gas use - Bonomi Industries	tCO ₂ e	115	88	-23%
from natural gas use - RuB Inc. USA	tCO ₂ e	129	122	-5%
from natural gas use - RuB KK Japan	tCO ₂ e	NA	NA	-
Scope 2 - location based ¹⁴	tCO ₂ e	1,230	1,029	-16%
Bonomi Industries	tCO ₂ e	1190	991	-17%
RuB Inc. USA	tCO ₂ e	40	38	-5%
RuB KK Japan	tCO ₂ e	NA	NA	-
Scope 2 - market based ¹⁵	tCO ₂ e	1,706	1,427	-16%
Bonomi Industries	tCO ₂ e	1,651	1,374	-17%
RuB Inc. USA	tCO ₂ e	55	53	-4%
RuB KK Japan	tCO ₂ e	NA	NA	-
Total (1 + 2 location-based)	tCO₂e	1,474	1,239	-16%
Total (1 + 2 market based)	tCO₂e	1,950	1,637	-16%

¹² Lower calorific value of natural gas: 35.1 MJ/Smc; source: Ecoinvent 3.6

¹³ Natural gas emission factor: CO₂ 78.7 kg/GJ; NOx 29, g/GJ; SOx 49.8 g/GJ; CO 7.98 g/GJ; PM<2.5 0.53 g/GJ; source: Ecoinvent 3.6

¹⁴ Emission factor: 336 tCO₂e per GWh; source: "International Comparisons 2018", Terna

¹⁵ Emission factor: 466 tCO₂e per GWh; source: "European Residual Mixes 2020", AIB - Association of Issuing Bodies

Water resources

Resource	MU	2023	2024
Water drawn from the mains	m^3	13,346	9,624
Bonomi Industries	m^3	8,788	6,638
RuB Inc. USA	m^3	4,558	2,986
RuB KK	m^3	NA	NA
Water drawn from a well	m^3	952	2,909
Bonomi Industries	m^3	952	2,909
RuB Inc. USA	m^3	NA	NA
RuB KK	m^3	NA	NA
Total	m^3	14,298	12,533

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