



EMPOWERED PERFORMANCE

# SUSTAINABILITY REPORT

OMAL 2021



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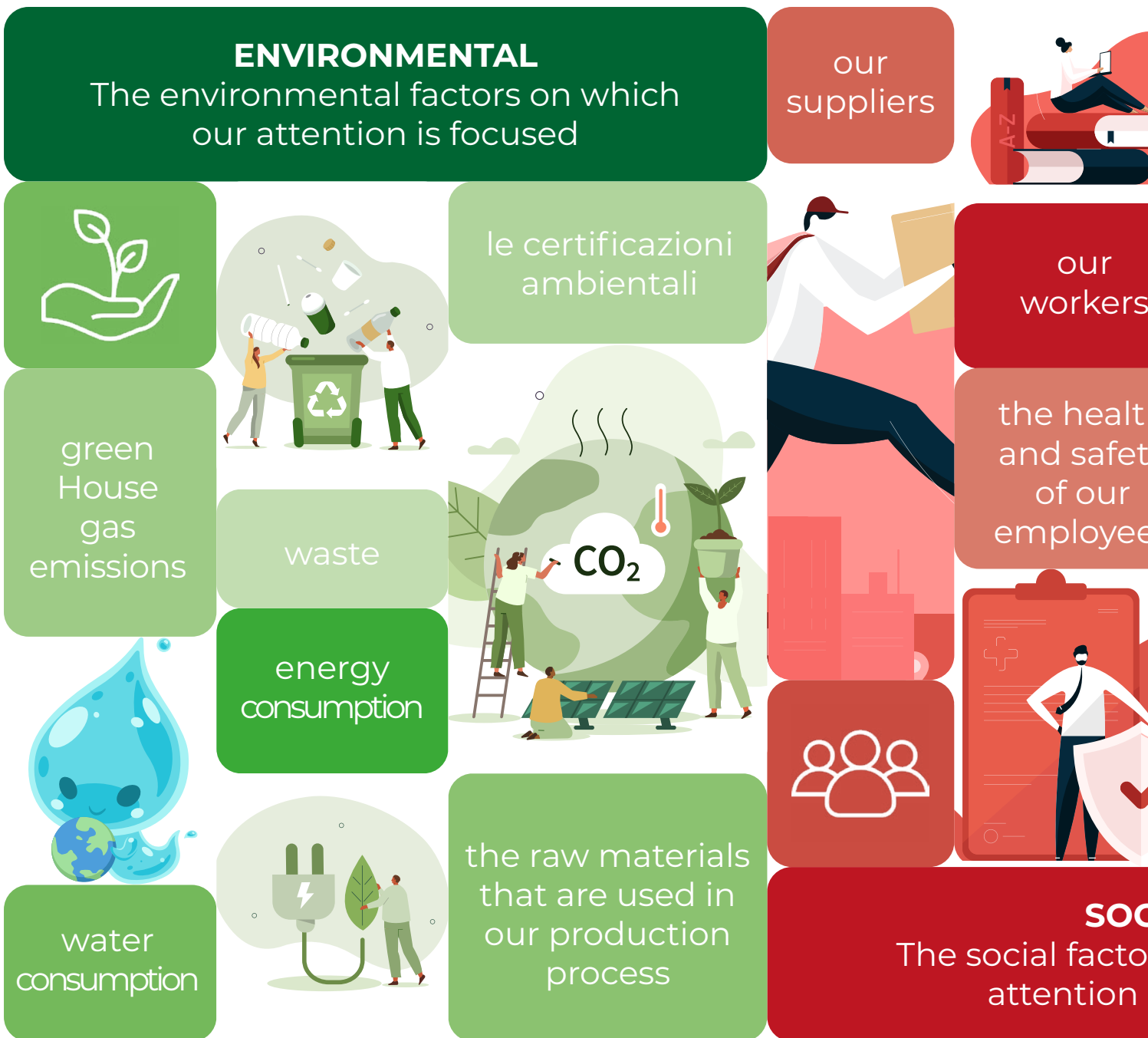


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# OMAL'S 2021 ESG BUDGET

ESG (environmental, social and governance) criteria guide the company's commitments and form the essence of our ethical approach geared towards collective well-being.



The social context in which OMAL is placed is linked to the effectiveness of the performance generated on the environment by the company itself. It is for these reasons that CSR and ESG are protagonists in its business. With its commitment to communicating its sustainable actions, OMAL is focusing on the

need to make environmental issues an integral part of corporate life. The objective of this sixth sustainability report is to bear witness to the commitment and achievements reached for the common benefit as a benefit company, essential elements for responsible and conscious growth.



# LETTER TO STAKEHOLDERS

As in 2020, the year that has just ended saw the company facing an emergency and extraordinary socio-economic situation. This scenario has forced us to develop a responsible attitude, reminding us how **people are our real social capital** and how every action reflects on the world around us.

The realisation that the company cannot be exempt from making its own contribution became firmly established in 2021 on the company's 40th anniversary. We chose to seal the path towards sustainability already taken in 2016 by changing OMAL's articles of association to a **"Società Benefit"**.

The goals included in the statute — the integration of sustainability goals with economic and financial goals — are intended to reflect the importance that we place on people, the local area, the community, the trust of business partners and technological innovation.

The SDGs laid out in the UN 2030 Sustainable Development Agenda have highlighted important and challenging common goals that will guide the world along the road ahead in the coming years. These guidelines will be an integral part of the development that we want to implement, providing room for stakeholder collaboration and input for the identification of coherent actions. This is because we strongly believe that networking and team building are the real and deep meaning of corporate social responsibility.

In our sustainability report, we want to report on what we have achieved in 2021, but, above all, we want to tell you about the concrete goals that we will strive to achieve in 2022, which will impact products, IT infrastructure, health, safety, the environment, training, professional development, engagement and, above all, **employee well-being**.

What we are asking of ourselves is not an easy challenge because the year that lies ahead is part of a scenario that is even more fluid than the two years just gone: the conflict in Europe, the new sanctions against Russia, the scope of stagflation and the decoupling of the US and

China do not make it easy to read the market that we are in or future geopolitical balances. We are certain, however, that this is the direction that we want to take. To steer our course through this stormy sea, we will be helped by the beacons of **passion, respect and a sense of duty** that will once again enable us to steer our ship towards a safe harbour for us and our families.

**Amedeo Bonomi**  
CEO OMAL S.p.A. Società Benefit







# SUSTAINABILITY HIGHLIGHTS 2021

## ENVIRONMENTAL



## SOCIAL



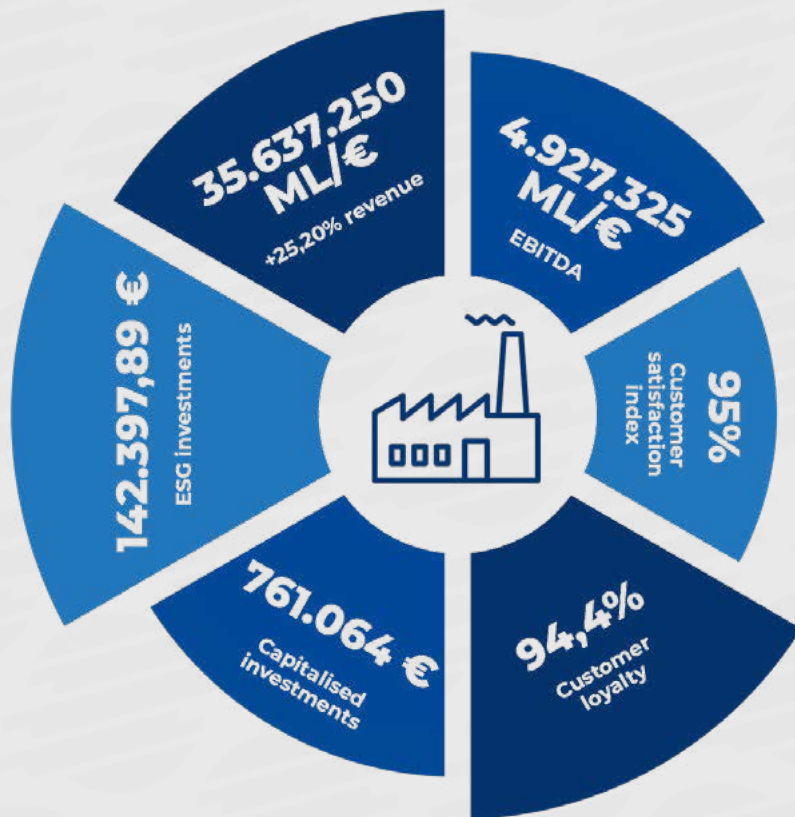
\*The following environmental impacts corresponding to 9% of the CFO were offset/reduced in 2021:

- diesel-petrol consumption = 18.69 (t) tons CO<sub>2</sub>Eq;
- 100% renewable electricity consumption = 487.6 tons CO<sub>2</sub>Eq (REDUCED EMISSIONS COMPARED TO A CONVENTIONAL ENERGY MIX);
- 100% renewable electricity production = 35.8 tons CO<sub>2</sub>Eq (REDUCED EMISSIONS COMPARED TO A CONVENTIONAL ENERGY MIX);
- inbound logistics = 21.536 tons CO<sub>2</sub>Eq;
- CO<sub>2</sub> web offsetting = 0.6 tons CO<sub>2</sub>Eq;

FINANCIAL



GOVERNANCE



# GOVERNANCE: OMAL S.P.A. "SOCIETÀ BENEFIT"



The goals of responsible growth for the common benefit that have guided us for years have been put to the test during a year as complex as 2021, but **our mission for the common good has not waned: it has, in fact, grown even stronger and more concrete.**

The market dynamics that have characterised this period have not caused us to lose our focus on environmental and social sustainability, but led us towards **greater awareness.**

## 2021: 40 YEARS OF OMAL

OMAL was founded in Polaveno in Val Trompia in 1981 by Agostino Bonomi, the son of a dynasty of entrepreneurs specialising in ball valves. The nature of the company has focused on product innovation and customisation from the outset. The team of technicians and engineers formed enabled the company to establish itself quickly in Italy and abroad thanks to the high performance of its services. Design, research, innovation, automation and customisation are the keys to our success.

**In 2021, OMAL celebrated 40 years of activity** characterised by **PASSION** for our work, **RESPECT** for people and laws and our **SENSE OF DUTY**. The solidity of the company allowed colleagues and employees to get through the complex pandemic period with economic peace of mind. A vision that is always focused on innovation has also carved out important spaces in international markets, as evidenced by the opening of our new office in the USA.

## OUR VISION FOR A SUSTAINABLE FUTURE

### VISION

Our balance between humankind and the environment improves the quality of life and ensures a better world for future generations.

### MISSION

Our quest for better performance coincides with our production of sustainable, safe and reliable products.

## THE VALUES THAT GUIDE OMAL

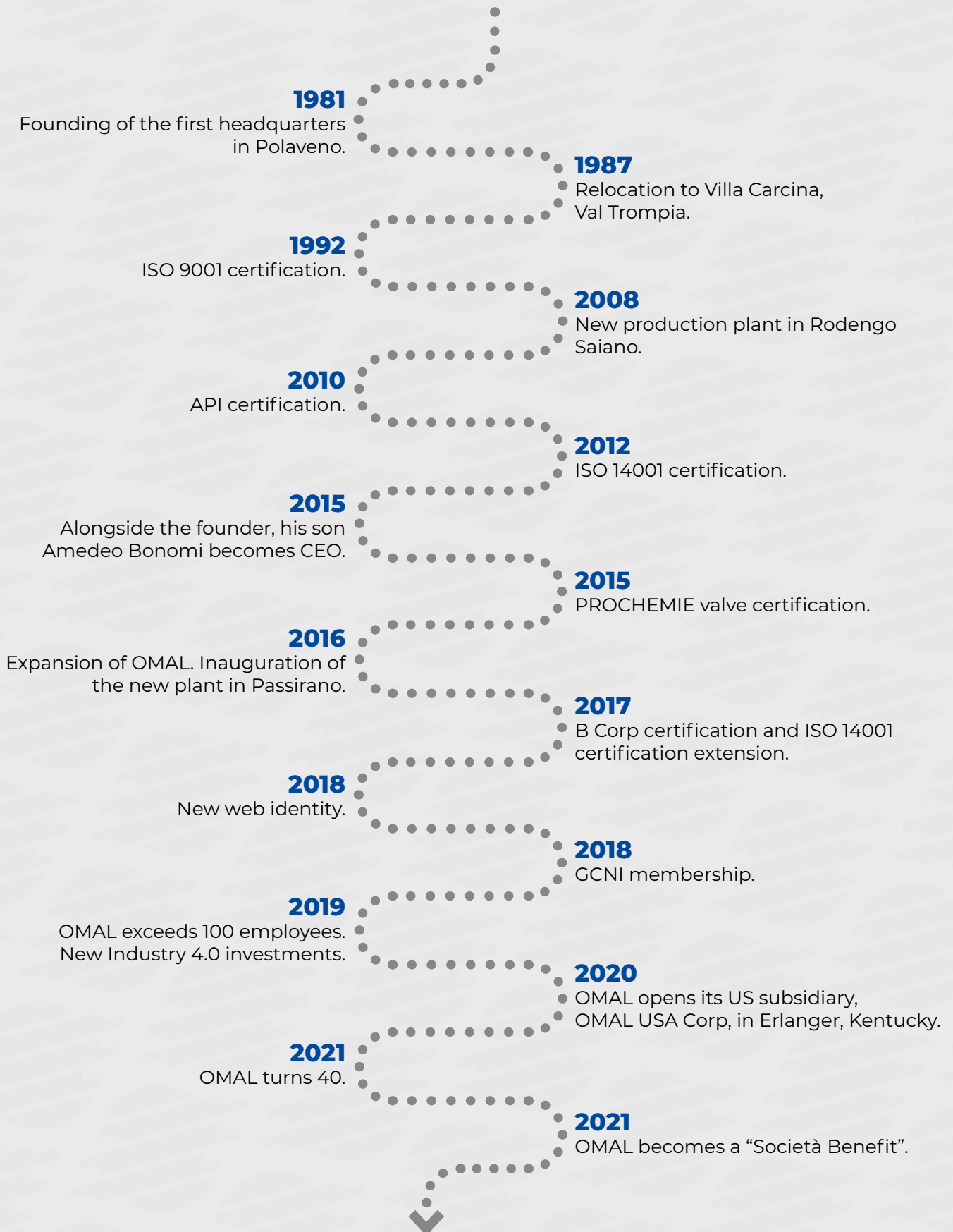
PASSION

RESPECT

SENSE OF DUTY



## OUR HISTORY



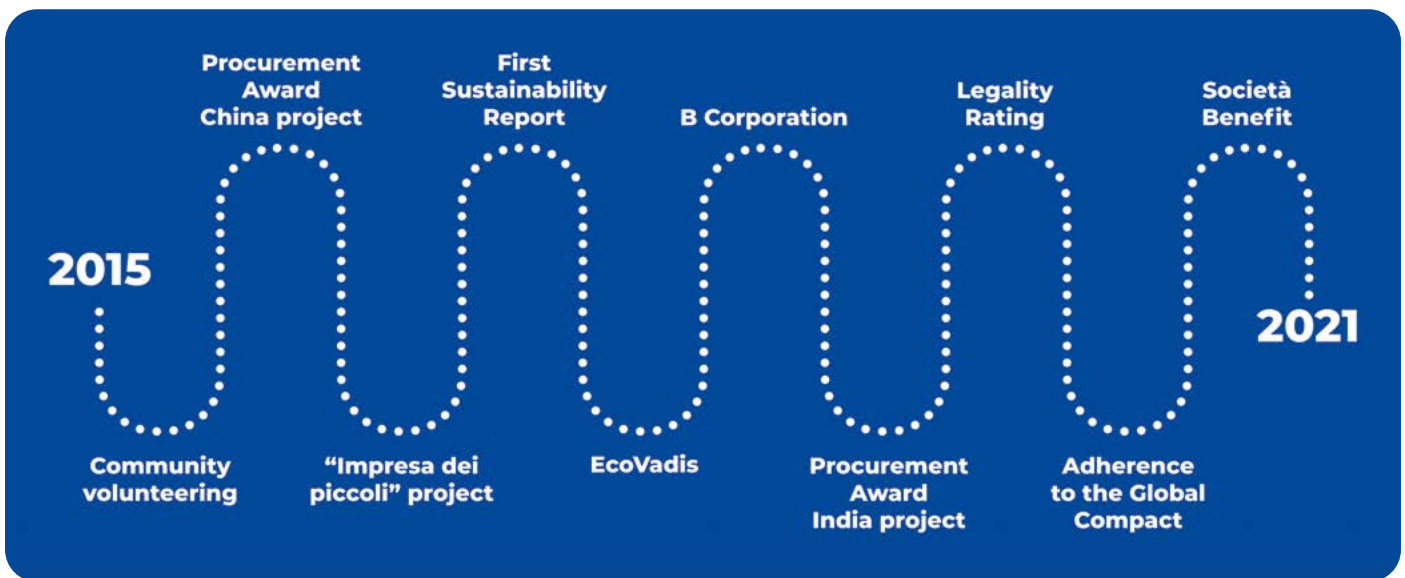


# OMAL: A COMPANY FOR THE COMMON BENEFIT

OMAL decided to adopt the legal benefit company model in 2021 with a view to common well-being in order to integrate the aim of having a positive impact on society and the environment into its corporate purpose in addition its profit objectives.

On 30 June 2021, OMAL adopted the benefit company regulations pursuant to the Law of 28 December 2015 no. 208 clauses 376/384 (2016 Stability Law) into its articles of association before the notary Dr. Luigi Zampaglione, thus becoming a benefit company.

## OMAL'S RESPONSIBLE PATH TO BECOMING A BENEFIT COMPANY



## OMAL S.P.A.'S "SB" COMMON BENEFIT PURPOSES

A number of specific common benefit purposes that OMAL S.p.A. "Società Benefit" has decided to pursue in the exercise of its economic activity were identified in the statutes.

OMAL's specific aims, defined with the objective of producing profitability, creating income and generating well-being for people, the community and the local area in which the company operates are as follows.

OMAL reported on the targets and objectives of each purpose, and the milestones achieved in the first months of its formal commitment in its first 2021 Impact Report.



**PURPOSE I**  
Investing in product and process innovation to ensure the right balance between humankind and the environment and build a better world for future generations.

**PURPOSE II**  
Promoting training and professional fulfilment, encouraging socialisation and discussion within the community by supporting socio-cultural recreational proposals, associative activities and sports practices.

**PURPOSE III**  
Creating an inclusive and purposeful working environment that ensures rights and duties, protects health and safety and supports corporate welfare measures.

## MEASURING IMPACT – OMAL B CORP®

In compliance with the regulations in force as a benefit company, OMAL found it necessary to align itself with the requirements of the B Corp® certification, which it obtained in 2017.



In fact, OMAL has chosen to continue its measurement through the **BIA (Benefit Impact Assessment)**, published by B CORP (the world's leading organisation in the sector) for the measurement of environmental, economic and social impact, the details of which are given below. This measurement tool is recognised by the Law of 28 December 2015, no. 208 clauses 376-384 (2016 Stability Law) as a useful tool for pursuing common benefit.

It is reported that, as a B Corp®-certified company, OMAL carried out the assessment of the impact generated by the pursuit of common benefit purposes through the international external B Impact Assessment (BIA) standard from 2016 to 2021.

OMAL was recognised as one of the B Corp **Best for the World™** in 2022\*. To be Best for the World, a B Corp must achieve a verified score among the top 5% (data from the last verified BIA) in one of the areas of the B Impact Assessment. OMAL was recognised for the positive impact generated in the environment area.

\*based on the results of the BIA in 2021

### WHAT IS BIA - B IMPACT ASSESSMENT?

In measuring their impacts, benefit companies use a measurement technology platform, the B Impact Assessment (BIA), issued by the non-profit organisation B Lab. This assessment tool, available free of charge online, allows a rigorous, comprehensive and transparent measurement of whether a company is regenerative, i.e. whether it creates more value than it destroys, evaluating all-round economic, social and environmental impacts.

Companies that exceed the threshold of 80 out of 200 points in the BIA can apply for certified B Corp® status.



## MEASUREMENT: 2021 BIA (BENEFIT IMPACT ASSESSMENT)\* RESULTS



This management tool, used by more than 50,000 companies worldwide, including over 3000 B Corp-certified companies, helps companies assess their impact on various stakeholders, including their employees, the community, customers and the environment.

**OVERALL SCORE**

**101.7**

**OPERATIONS SCORE**

**69.3**

The questions in the operations section assess the day-to-day impact of the performance of company departments on stakeholders.

The questions in the "IBM – Impact Business Model" section assess a company's ability to apply an organisational model to create a specific positive social and/or environmental impact for its stakeholders. The answers are compared with organisations in the same country and sector and of the same size.

**IBM SCORE**

**31.6**

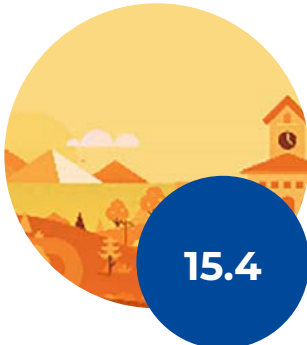
**N/A SCORE**

**0.8**

The N/A section groups the questions that are not applicable to the company, i.e. the questions that assess the impacts deemed not to be relevant in the particular economic, social and environmental context of the organisation.

### AREAS OF IMPACT

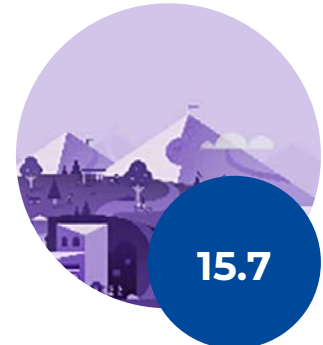
**GOVERNANCE**



**WORKERS**



**COMMUNITY**



**ENVIRONMENT**



**CUSTOMERS**



**TRANSPARENCY QUESTIONNAIRE**



\*It should be noted that the reported 2021 impact area measurement, carried out using the BIA B Impact Assessment, will be subject to subsequent validation by B Lab. Measurement validation is a prerequisite for OMAL to maintain its B Corp® certification.

# INTERNATIONAL COMMITMENTS TO SUSTAINABILITY

A sense of responsibility towards the future and future generations requires OMAL to adhere to the principles of the United Nations Global Compact and the Sustainable Development Goals.

The social and environmental sustainability of new business processes is part of the corporate pillars of the future and this approach has been integrated into all areas of the business.

To better frame and target OMAL's activities in the area of sustainability, it was chosen in 2016 to join the United Nations Global Compact and support the 2030 Agenda Sustainable Development Goals.

In order to complete its commitment in Italy, OMAL became a founder of the Global Compact Network Italia in 2018, which was established in 2013.

The ten principles of the United Nations Global Compact that OMAL pursues as a guide are derived from the Universal Declaration of Human Rights, the International Labour Organisation Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development and the United Nations Convention Against Corruption.



## THE PRINCIPLES OF THE GLOBAL COMPACT PURSUED BY OMAL



### Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights;

Principle 2: make sure that they are not complicit in human rights abuses.

### Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour;

Principle 6: the elimination of discrimination in respect of employment and occupation.

### Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility;

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

### Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

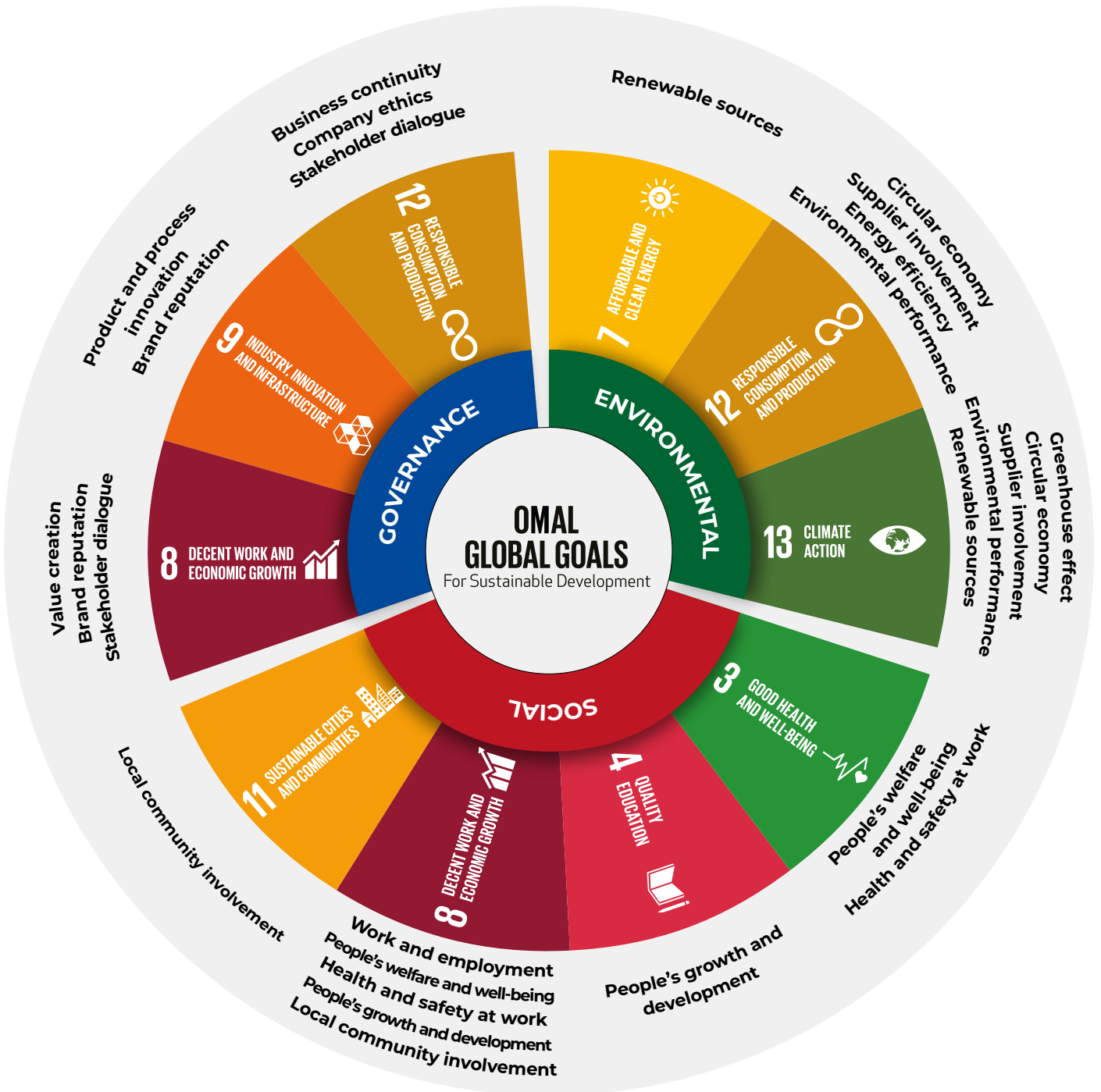
In this sustainability report, our targets with respect to the ten principles listed above are given in specific sections.

The challenges proposed by the UN encouraged the company to involve its partners in a collective, synergetic and enthralling improvement.

The dissemination of the 2030 goals also reached stakeholders, to whose initiatives a specific chapter is dedicated in this report.

169 targets were analysed, from which precise goals applicable to the business model were chosen.

**OF THE 17 OBJECTIVES, NINE WERE CONSIDERED APPLICABLE TO OUR BUSINESS AND MATERIAL THEMES:**



The business targets identified by OMAL, which will enable the pursuit of the 2030 Agenda goals, have been carefully chosen and are set out below in the strategic sustainability plan with correlation to the material themes and areas identified.



## 2021 SUSTAINABILITY PLAN RESULTS

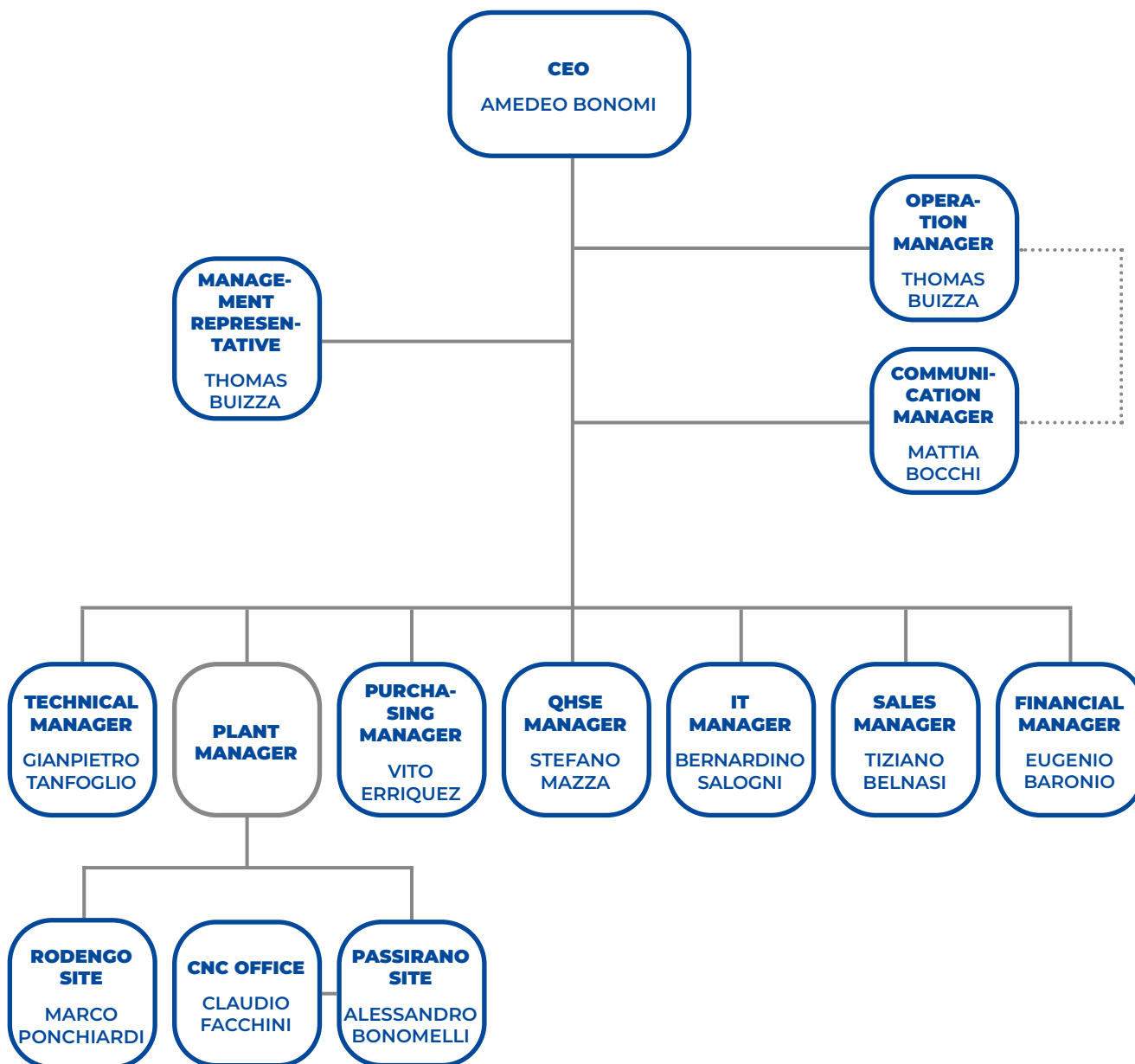
ENVIRONMENTAL		7 AFFORDABLE AND CLEAN ENERGY	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION
Fundamental topic	Actions to be carried out	2021 results		
Greenhouse effect	Apply measures to monitor solutions to reduce atmospheric emissions and environmental impact.	Monitoring and data collection, carbon footprint preparation and increasing CO <sub>2</sub> offsetting from inbound and outbound logistics and the fuel consumption of company vehicles.		
Circular economy	Increase the use of recycled material and reduce the amount of production waste by promoting a circular culture.	The percentage of hazardous waste is below 5%. (it was 2.4% in 2021)		
Supplier involvement	Maintain a clear and transparent relationship with the supply chain by monitoring its sustainability requirements (labour protection and respect for workers' rights, environmental protection, compliance with laws, ethical conduct, etc.).	In addition, the companies involved in supply contracts reaffirmed in 2021 that they shared concern over key issues, including product sustainability.		
Energy efficiency	Adopt the best available technologies to reduce energy use.	Continuous monitoring of consumption data.		
Environmental performance	Contribute to the improvement of environmental performance to ensure the correct balance between work requirements, development and protection of the environment and quality of life.	Introduction of metrics to define and monitor environmental, social and governance performance (see impact report).		
Renewable Sources	Replace non-renewable resources with alternative, sustainable and environmentally-friendly sources.	100% of the energy supply comes from renewable sources.		

SOCIAL		3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	8 DECENT WORK AND ECONOMIC GROWTH	11 SUSTAINABLE CITIES AND COMMUNITIES
Fundamental topic	Actions to be carried out	2021 results			
Health and safety at work	Implement policies and actions to preserve and protect the health and safety of workers.	The indicators were maintained and updated.			
People's growth and development	Create a positive working environment that promotes training and professional fulfilment.	Continuation of training activities and projects developing technical and transferable skills.			
People's welfare and well-being	Implement a set of initiatives aimed at increasing the well-being of workers and their families (e.g. encouraging socialisation and physical and mental well-being by supporting socio-cultural recreational proposals, associative activities and sports).	Continuation of the welfare plans already in place and the EBM Health Fund activities. Search for new staff benefits.			
Work and employment	Make direct investments in the local area to create new jobs.	Guaranteed advancement of activities and pay to workers without recourse to social security cushions.			
Local community involvement	Undertake initiatives to support the local area and its social causes.	Support for the local area took the form of donations to local associations.			

GOVERNANCE		8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Fundamental topic	Actions to be carried out	2021 results		
Product and process innovation	Invest in product research and development and process digitisation.	Maintenance of management systems and product certification. Development and introduction of the product sustainability index.		
Business continuity	Identify and assess the risks of disruption to business continuity and undertake actions for their mitigation and targeted intervention plans.	Update risk assessment and business continuity plans.		
Company ethics	Maintain consistency with legal and regulatory provisions; comply with internal and external ethical codes of conduct.	Continuation of the sustainability report and introduction of the impact report.		
Stakeholder dialogue	Identify the needs, requirements and expectations of stakeholders to improve production and product quality by strengthening collaboration ties.	The sustainability communication plan was implemented so as to allow ongoing dialogue with stakeholders.		
Value creation	Contribute to the continuous growth of the organisation through investments in order to bring benefits to all stakeholders.	Margins were secured and increased despite the drop in turnover caused by the pandemic.		
Brand Reputation	Safeguard brand image through communication strategies that foster the dissemination of corporate know-how and the organisation's benefit purposes in order to increase the sense of belonging and develop new opportunities.	Developed and implemented a sustainability communication plan (internal and external).		

# GOVERNANCE

To ensure that principles, rules and procedures are applied within the organisation and that management processes are effective, OMAL has structured its governance as follows:



Sustainability projects and initiatives are managed through the integrated management system and implemented in collaboration with process managers.

## THE RESPONSIBILITIES OF MANAGEMENT IN THE AREA OF SUSTAINABILITY:

- Production of the Sustainability Report and impact letter.
- Definition and management of the community care programme supporting local communities where the company operates.
- Management of institutional relations, representing OMAL in the various national and international trade associations.
- Assessment of the environmental impact of the organisation and development of offsetting mechanisms.
- Management of relations with suppliers and customers with regard to sustainability issues together with the various company departments.
- Design, management and monitoring of company-funded sustainability projects.

The adopted corporate governance model is a traditional one with a management body, the Board of Directors, and a control body, the Board of Statutory Auditors.

- The Board of Directors is vested with the broadest strategic steering powers for the proper and efficient management of the Group.
- The Board of Statutory Auditors is responsible for supervising compliance with the law and the Articles of Association, compliance with the principles of proper administration and, to the extent of its competence, the adequacy of the internal control system.
- An auditing company ensures the accuracy and truthfulness of financial and asset information, and ensures regulatory compliance.
- The CEO has powers of ordinary and extraordinary administration in matters of safety and hygiene at work, as well as for the protection of the environment inside and outside the company (excluding those reserved to the B.o.D. or

to shareholders by law or by statute).

OMAL's governance is composed solely of male managers. The company, committed to **inclusive growth**, evaluates the appointment of executives and board members in its succession plans on the basis of professional merit, excluding any risk of gender discrimination.

Important activities are carried out within the organisation to support corporate governance:

- Internal audits of the management system to monitor the organisation's compliance with the national and international standards applied and to ensure compliance with the company's operational procedures.
- Management of the risks associated with business activities in order to make the organisation capable of minimising inefficiency and maximising opportunity (risk management).
- Import/export compliance to ensure the safeguarding of OMAL S.p.A.'s business continuity in the event of operations with non-EU countries.

## COMPLIANCE

Business ethics includes the dissemination of a culture of legality as an essential element for the smooth running of business.

## THE CODE OF ETHICS AND ORGANISATION, MANAGEMENT AND CONTROL MODEL

Compliance with the law is the basic principle on which the Group guarantees the conduct of its business, in line with the regulations of the countries in which it operates.

The organisation, management and control model (pursuant to Legislative Decree no. 231/01) has always accompanied OMAL with regard to the administrative liability of legal persons. In the same spirit, a code of ethics was created and the Supervisory Board was established.



The principles on which the company's code of ethics is based are as follows:

- The ethical conduct of the company and its employees;
- The loyalty of employees and collaborators towards the company;
- Fairness, courtesy and respect in dealings between colleagues;

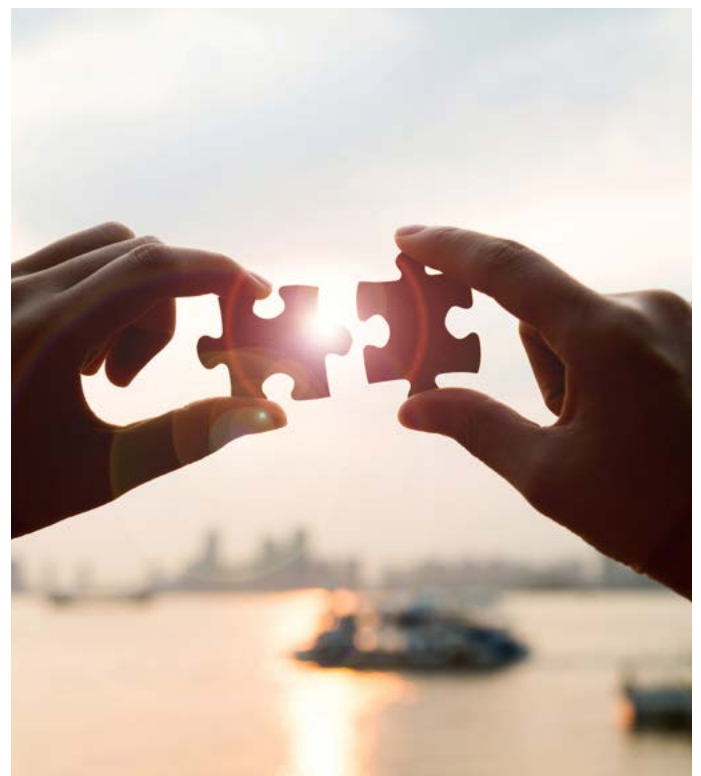
- Professionalism and thoroughness;
- Respect for the environment and employee health.

To disseminate the principles of this code, OMAL undertakes to:

- promote and strengthen corporate culture around common and shared values;
- disseminate the rules, procedures and practices to be followed correctly;
- broaden acceptance of the principles on which the code is based.

The ethical standards of conduct that the company intends to pursue are as follows:

- recognition of the value of human resources;
- diligence, transparency, honesty, confidentiality and impartiality in the conduct of business activities;
- protection of people and the environment.



## ANTI-CORRUPTION APPROACH

Every employee and partner of the company is required to respect and be familiar with the code of ethics. There were no proven cases of corruption or legal action of any kind in 2021. Anti-corruption issues are prescribed by the United Nations Global Impact, to which OMAL adheres and with whose principles it complies with a zero tolerance approach.

Cases of unfair competition, antitrust and monopolistic practices			
Number of breaches	2019	2020	2021
Unfair competition	None	None	None
Antitrust	None	None	None
Monopolistic practices	None	None	None

## RESPECT FOR AND PROTECTION OF PRIVACY

In line with the provisions of the European Union GDPR in force since 25/05/2018 and Legislative Decree 196/2003 Art. 13, the correct procedural course in the collection and processing of data is guaranteed.

The data processed within the group's operations concerns three types of stakeholder:

- Commercial and administrative customer information;
- Commercial and administrative supplier information;
- Personal and sensitive employee information.

No cases of non-compliance with these regulations were recorded during the 2019-2021 three-year period.

## THE PRECAUTIONARY APPROACH GEARED TOWARDS SUSTAINABILITY

Today's market is very competitive and OMAL has chosen to tackle it with a careful pre-emptive assessment of the risks related to its own activities, taking into account all aspects of

corporate sustainability.

This approach integrates and promotes sustainability between quality, environmental and occupational safety management systems.

Prevention is implemented according to the principle of risk-based thinking, whereby the organisation makes decisions and takes actions as a result of an assessment of the possible positive or negative consequences of its choices. In order to eliminate and reduce the negative effects of its actions, the company evaluates, expresses and considers its objectives, conditioning them on a management system that can achieve them with a clear overview of the risks and opportunities. In order to operate at its best, the annual **assessment of company risks and opportunities** takes into account external and internal factors, the needs and expectations of stakeholders, the scope of the integrated management system, the environmental aspects of the organisation, the hazards and risks to workers' health and safety and those to the organisation, always keeping **obligations and compliance** in mind.

With a view to **continuous improvement**, the aim of the analysis is to **increase the desired effects** and to prevent or reduce unintended effects, including those resulting from environmental conditions and the external context that may affect the organisation, as well as potential emergency situations that may generate environmental impacts or health and safety risks.



## ECONOMIC PERFORMANCE

Today, OMAL's role cannot be limited to **profit** maximisation because it must aim to maximise the benefit of its stakeholders, starting with its host community. Never before has the theory of **shared value**, which means addressing the needs and challenges of society through the company itself, been more relevant. The generation of economic value and its distribution provide a basic indication of how we have made this theory our own, **creating wealth for stakeholders**.

2019	2020	2021
31.223.449€	28.452.825€	<b>35.637.250€</b>

The table shows **a growth in the economic value created of +25.20% compared to 2020**, the year of the pandemic.

The significant figure denoting OMAL's constant growth can be seen in the increase in economic value created in 2021 compared to 2019, the year before the COVID pandemic. **OMAL's turnover increased from €31 million in 2019 to €35 million in 2021.**

Indeed, commercial efforts made it possible to recover not only the market shares frozen during the weeks of lockdown, but also to seize the **new business opportunities** that the pandemic offered.

Examples include oxygen and nitrogen generators that also use OMAL's VIP valves for their healthcare functions.

### ECONOMIC SUSTAINABILITY

In OMAL's vision, **shared value** refers to addressing the needs and challenges of society. Following this directive, the company embraces the concept and strives to **create wealth around itself**. This is what is called **added value**, i.e. what is left over after the necessary resources have been allocated for the purchase of raw materials, goods and services.

This wealth serves to **reward the stakeholders** that have maintained financial relationships with OMAL and have contributed resources such as labour, investments, loans, public utili-

ties and social programmes, thus contributing to the company's economic wealth.

The details of the economic value created, distributed and retained, indicating OMAL's responsible growth, and the financial situation where the company's economic sustainability can be seen are as follows.

ADDED VALUE CREATED (Millions of Euros)	2019	2020	2021
Net sales revenue	31,2	27,7	34,7
Miscellaneous revenue and profit	0,7	0,6	0,9
<b>Total added value created</b>	<b>31,9</b>	<b>28,3</b>	<b>35,6</b>

ADDED VALUE DISTRIBUTED (Millions of Euros)	2019	2020	2021
Supplier remuneration	15	13	18,1
Worker remuneration	6,1	6,0	6,5
Remuneration of shareholder capital	1,2	0,4	0,5
Social system remuneration (donations and sponsorships)	0,1	1,1	0,06
Public administration remuneration (taxes and fees)	0,2	0,1	0,1
<b>Total added value distributed</b>	<b>22,9</b>	<b>20,9</b>	<b>25,2</b>

ADDED VALUE RETAINED (Millions of Euros)	2019	2020	2021
Depreciation	1,8	2,1	2,7
Risk provision	0,03	0,03	0,04
Financial income and expenses	0,1	-0,1	0,1
<b>Total added value retained</b>	<b>1,4</b>	<b>2,0</b>	<b>2,7</b>

## OMAL LOOKS TO THE FUTURE: SUSTAINABLE INVESTMENTS

OMAL is **projecting its activities into the future** and already has a clear view of **the next steps to be taken**, but always remains alert to the changes and impulses of the present, maintaining its direction towards the common benefit and allocating financial resources which are useful for the pursuit of its objectives each year.

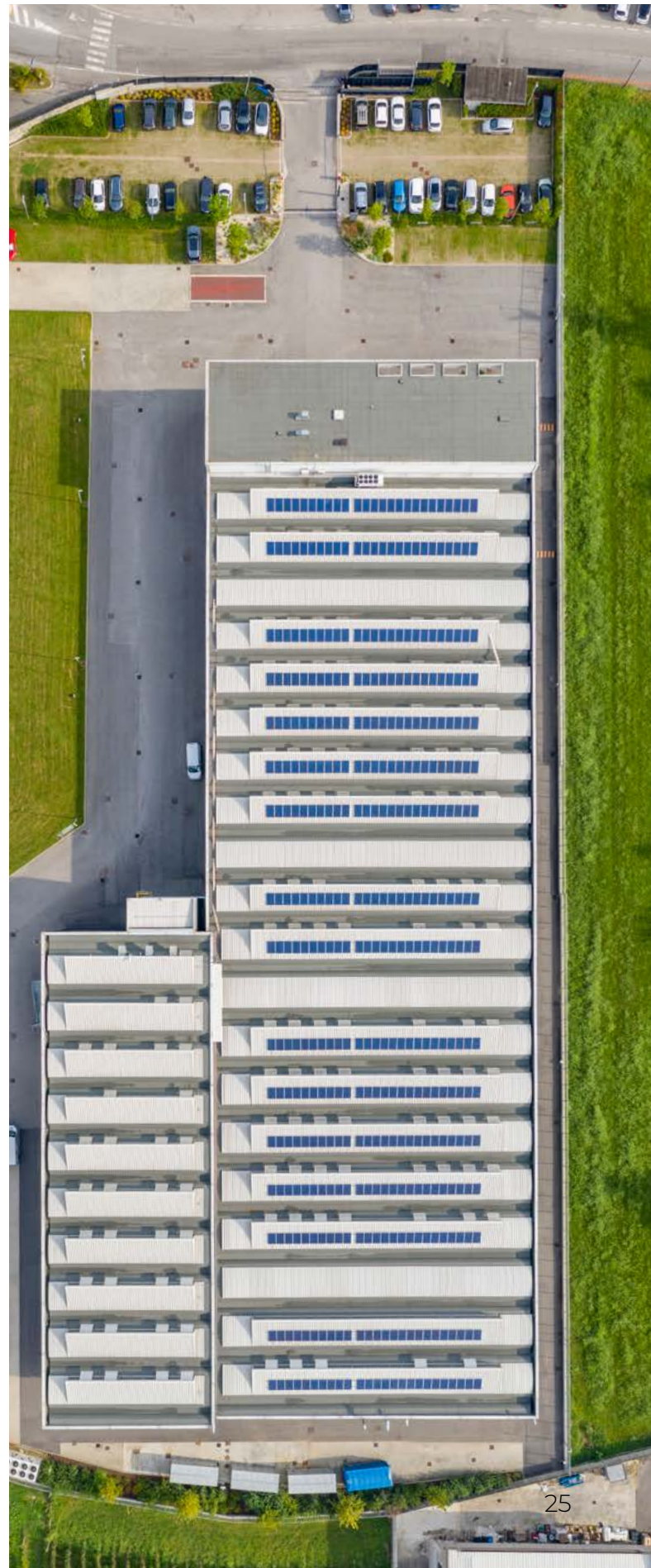
The company has been striving to switch from classic industrial production to green industrial production in the name of innovation for years. Daily efforts to improve sustainability indicators consist of:

- minimising the supply chain by investigating supplier sustainability,
- using functions that reduce energy consumption and ensuring supply from renewable sources,
- re-introducing used materials into the production cycle by encouraging circular economy processes,
- monitoring atmospheric emissions and ensuring proper waste management, striving to reduce the amount of hazardous waste.

Innovation is looking ahead towards a better green future. Innovation is about driving performance towards peaceful coexistence with the planet while bringing benefits to all stakeholders.

### INVESTMENTS YEAR 2021

Capitalised investments	<b>761.064 €</b>
ESG investments	<b>142.398 €</b>
Incidence on EBITDA of resources used in sustainability	<b>5,30%</b>



## RESPONSIBLE MARKET GROWTH

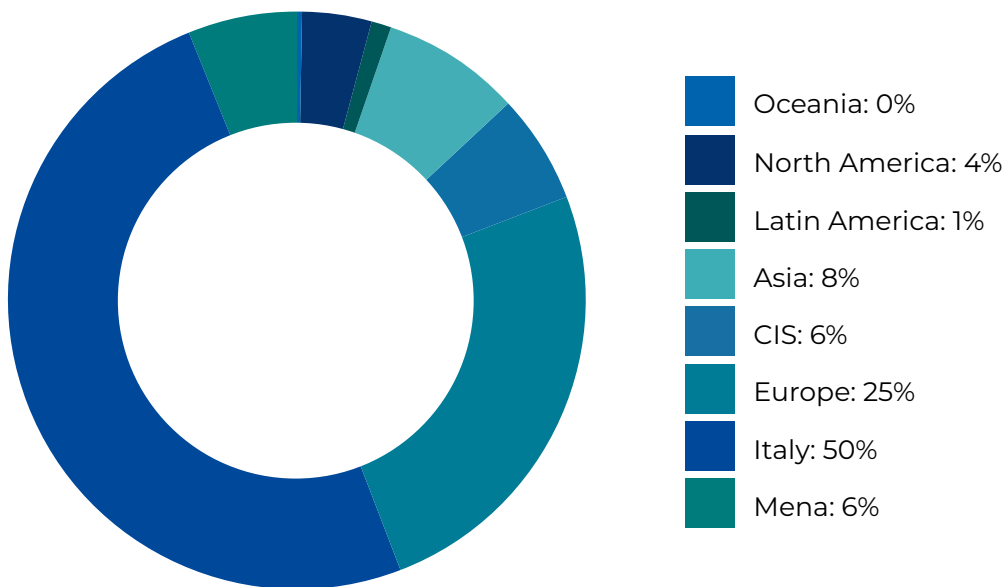
The European market is covered by a commercial fleet of multi-firm agents and sub-agents. The company's intentions are to differentiate its product offering and to enter new markets. The customer care aspect plays an important role because customer relationship is vital for the company.

OMAL's customers are divided according to geographical areas managed by Area Managers. Management customers are managed

directly by the commercial department. Today, **OMAL exports to around 90 countries**, either directly or through distributors and agents serving different industries.

OMAL's American subsidiary is also in operation as of 01/07/2020, and it started sales during 2021 despite limitations due to the international health emergency.

### 2021 SALES



## CUSTOMERS AT THE CENTRE

The effectiveness of our actions is monitored using relative customer satisfaction. The sales department is dedicated to customer care and constantly collects observations and insights.

Specific indicators have been created to precisely measure customer satisfaction:

- Lead time: delivery time expressed in days;
- On-time deliveries: percentage of deliveries arriving on time;
- Days late: average days late.

Trust and transparency are the cornerstones of the relationship that OMAL builds with its customers with the goal of long-term loyalty. In order to ensure better operational transparency, all company premises are open and available to customers for inspection and visit.



Customer service efforts are aimed at making the purchasing experience pleasant, safe and always effective.

We interact and maintain a relationship with customers through:

- Regular meetings;
- Market research and surveys/questionnaires;
- Customer service.

To guarantee customers the best purchasing experience, OMAL has built a structure that can respond promptly in the event of returns or complaints.

### CUSTOMER LOYALTY INDICATOR

YEAR	%
2019	93,9
2020	93,6
2021	94,4

94.4% of customers (with a turnover of more than €10,000) placed orders in both 2020 and 2021. In total, 289 customers placed repeat orders worth more than €10,000 in the two-year period (out of 306 customers with orders of at least €10,000/year); 307 out of 328 did so in 2020, corresponding to 93.6%. **Customer loyalty increased by +0.8%.**

### CUSTOMER SATISFACTION INDEX

**The customer satisfaction index\* evaluated in 2021 was 95%**, up from 90.6% in 2020. OMAL uses the index to calculate customer satisfaction by taking the following parameters into account: customer retention, turnover implementation, complaints and the timeliness of deliveries.



## TRANSPARENCY AND LEGALITY

An important certification path concerns the financial and business operations of the organisation. It is promoted by the Italian Competition and Marketing Authority. Its aim is to ensure maximum transparency for all of OMAL's stakeholders.

### LEGALITY RATING

This indicator synthetically determines the company's level of compliance with legal standards: the score varies from one to three stars. If listed with one star, the company is legal; with two or three stars, the company fulfils further requirements in addition to its legal obligations. In July 2021, OMAL achieved a score of "\*\*+", which places it in the top 25% of the approximately 9000 most virtuous companies with a legality rating today.



### ECONOMIC AND FINANCIAL RELIABILITY: THE CRIBIS RATING

CRIBIS D&B, a leading international company in the business information sector, has recognised OMAL's high economic and financial reliability. The CRIBIS rating is an important standard for assessing the reliability of an organisation and is issued to companies that consistently maintain a high level of financial reliability and are virtuous in their payments to suppliers.

OMAL relies on the expertise of CRIBIS to report to customers and suppliers on the abso-

lute reliability of its corporate business. Obtaining recognition as a prime company confirms solid corporate credibility.



The rating summarises the **consistency** and risk of the company. Financial consistency is calculated on the basis of equity (from the balance sheet or estimated) and on the basis of share capital, while **risk** is derived from the failure score, which expresses the probability that the company will cease operation in the next 12 months. The indicator goes from 1 (lowest risk) to 4 (highest risk). OMAL's company rating for the last 12 months is 1.

### CRIBIS D&B SECTOR RATING COMPARISON



Another important index is the delinquency score, which predicts the likelihood that a company will pay seriously behind schedule in the next 12 months. The score awarded ranges from 1 to 100: 1 is attributed to companies with the highest probability of defaulting on payment, while 100 refers to the lowest probability of defaulting.



FAILURE  
SCORE  
(1 - 100)



trend last  
30 days

DELINQUENCY  
SCORE  
(1 - 100)



trend last  
30 days

PAYDEX CRIBIS  
D&B  
(1 - 100)

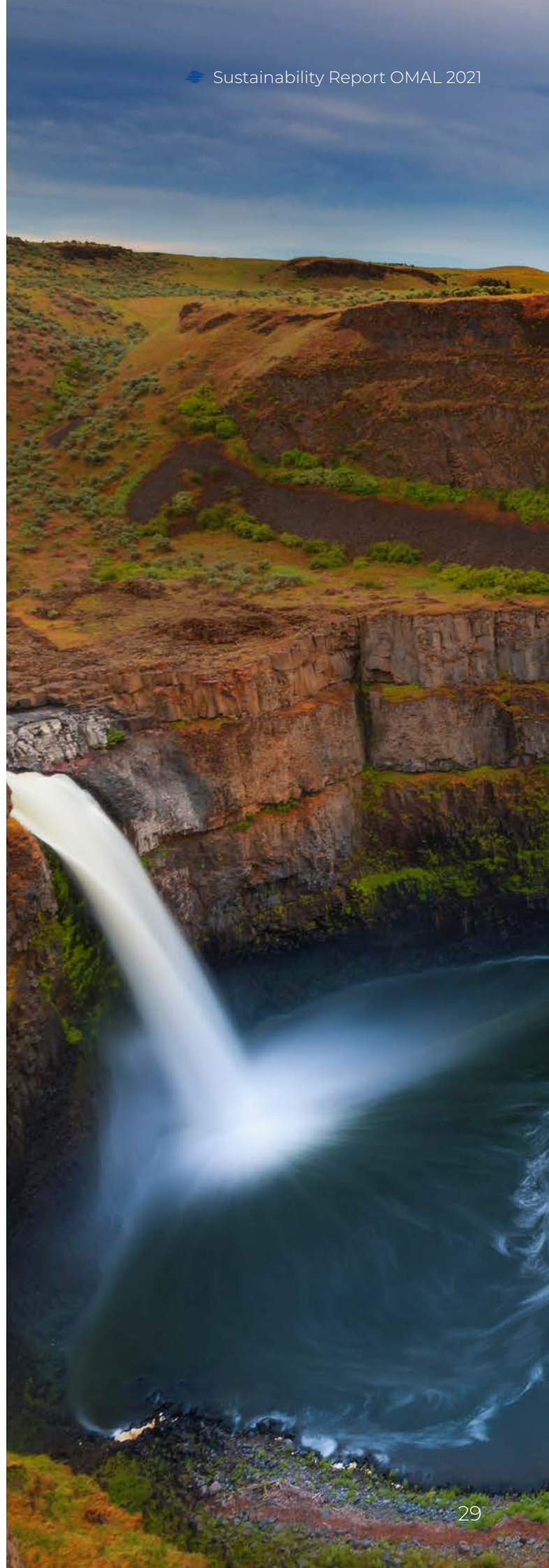


trend last  
30 days

## ECOVADIS

The company is present on one of the most important platforms for company evaluation according to ethical and social responsibility criteria: EcoVadis.

The EcoVadis platform assesses the company's impact on the environment, ethics, responsible sourcing, labour and human rights through 100 indicators: OMAL was awarded a gold medal with a score of 70/100.



## PRODUCT AND SYSTEM CERTIFICATIONS

The acquisition of product certifications is carried out in accordance with international standards and is conducted by the Management System Manager, the Sales Manager, the Design Manager and the General Management in perfect synergy, always guaranteeing maximum safety and transparency for customers.

### AN EXTENSIVE SET OF PRODUCT CERTIFICATIONS GUARANTEEING QUALITY AND SAFETY.

- Certificate of compliance with Directive 2014/68/EU PED;
- Compliance with Directive 2014/34/EU ATEX;
- API6D certificate;
- EAC TR CU 010/2011 certified;
- EAC TR CU 032/2013 certificate;
- EAC Ex TR CU 012/2011 certificate;
- FIRE SAFE API607/ISO10497 certificate;
- FUGITIVE EMISSION EN ISO 15848 certificate;
- TA-LUFT certificate;
- IGR approval;
- AD 2000-Merkblatt HP 0 / A4;
- SIL3 IEC 61508 certificate;
- ADR - EN 14432 approval;
- DIN DVGW per GAS EN 13774 certificate;
- RINA MAC242716CS certificate;



Certification for the UK market.

### SYSTEM CERTIFICATIONS:

System certifications represent the end result of a process aimed at introducing evolved organisational models into the company to improve the ability to meet stakeholder needs. Management and organisational systems are certified by independent third-party bodies to ensure transparency and correctness in the communication of information.

### INTEGRATED QUALITY & ENVIRONMENTAL MANAGEMENT SYSTEM CERTIFICATION









# SOCIAL: PEOPLE AND RELATIONSHIPS FOR THE COMMON BENEFIT



The company's awareness of and sensitivity to social sustainability issues has grown increasingly over the years.

OMAL is committed to ensuring respect for human rights, well-being and people's health and safety in all working environments and along the supply chain.

## PEOPLE AT THE HEART OF CORPORATE LIFE

The focus on the well-being and involvement of OMAL's employees is part of a wide-ranging project of shared well-being because people are the fundamental resource of corporate life. The centrality of people is a strategic component in pursuing the growth and improvement goals for the benefit of all. Growing as a company means growing people and their skills.

OMAL is aware that **teamwork** and **staff enhancement** are a strategic component in the pursuit of excellence.

The staff selection process is carried out by the head of the department in which the resources will be placed. A standardised process is followed for team building and implementation:

1. definition of the profile of interest,
2. evaluation and selection of the identified profile,
3. identification of benchmarks and contractualisation,
4. insertion with coaching through training activities,
5. performance monitoring, collection of training needs and corrective actions.

**8 open Empowered Days** dedicated to all staff were organised **from 2012 to 2021**. The

Empowered Day is a plenary event where ownership and management share business news, future strategies, goals and cross-cutting projects with the corporate population. This is followed by the aim to create integration and team building among employees, incumbents, new recruits, co-workers and managers in a fun and informal setting.

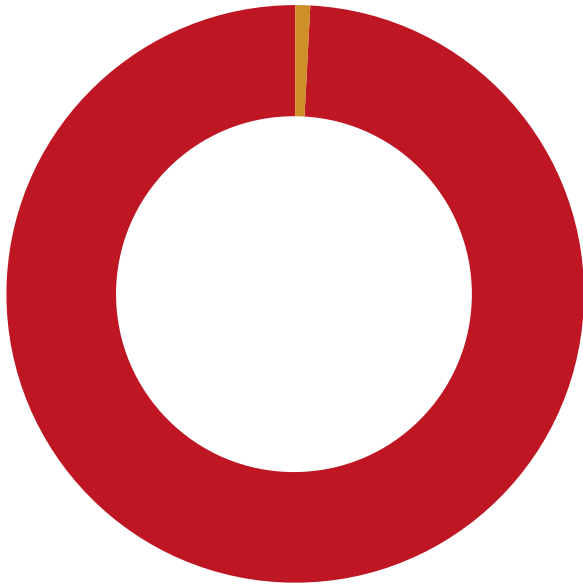
### THE PEOPLE OF OMAL:

Year	No. of employees	Variation
2019	103	+13%
2020	105	+2%
2021	104	-0,96%

### THE CHARACTERISTICS OF OMAL'S STAFF:

- **Male gender prevalence:** men **83%**, women **17%**; the figure for the presence of women remains unchanged from 2020.
- **Prevalence of young people:** about **90%** of people are **under 50** (43% up to 35, 40% from 35 to 50, 16% over 50).

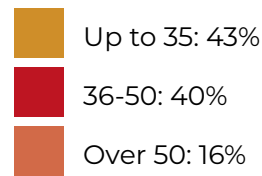
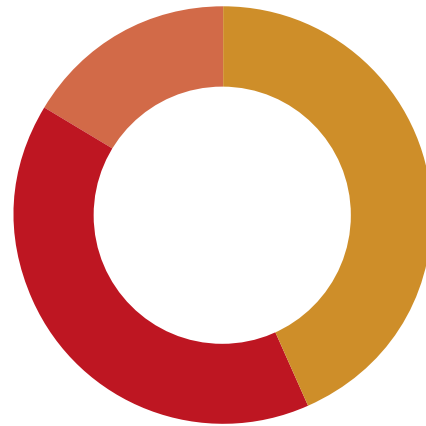
- **Strong ties to the company:** more than **37%** of staff have been with OMAL for **more than 10 years** and **13%** for **more than 20 years**.



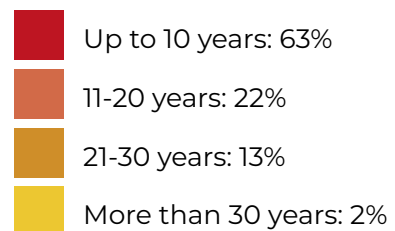
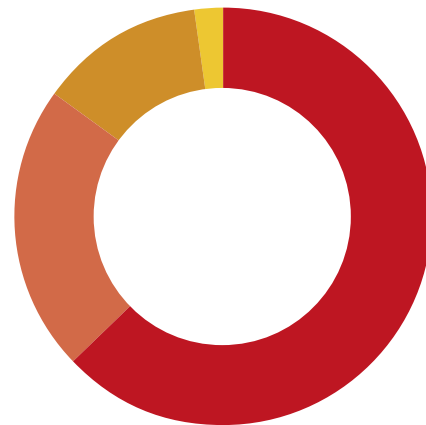
It is reported that 10 workers with supply contracts were included in the company's workforce during 2021.

HOURS WORKED			
Year	Employees	Supply	Total
2019	180.445	15.274	195.719
2020	180.700	8.553	189.253
2021	199.712	13.472	213.184

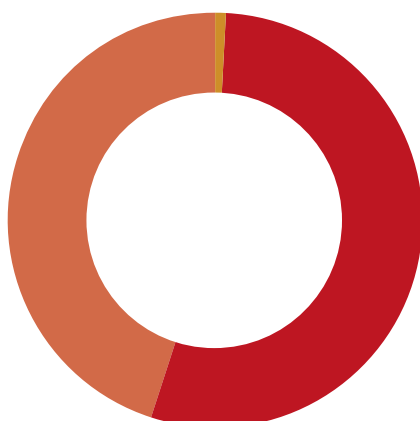
### AGE BANDS



### SENIORITY OF SERVICE



### ROLE



All internal OMAL employees are covered by collective bargaining.



## DIVERSITY AND INCLUSION

The world of metalworking encompasses a wonderful diversity of people of many different origins, cultures and languages. OMAL is committed to avoiding any discrimination and to ensuring equal opportunities for professional growth.

The company promotes the respect and protection of people in their moral, cultural, physical and professional integrity, and persists in the continuous improvement of its professionalism and staff involvement at all levels.

In 2021, the number of employees in force belonging to Protected Categories (Law 68/99) was 4.



Women: 17%  
Men: 83%

### THE IMPORTANCE OF PROTECTING HUMAN RIGHTS

Respect for and protection of people in an integral manner are cornerstones of the code of ethics adopted by the company and contribute to the growth of the professional and human assets of each employee.

The well-being and growth in professional value of each employee helps the company in its

constant race for excellence. Competitiveness of the whole company is linked to these aspects, in which everyone is involved.

With satisfaction, it is reported that no incidents of discrimination were reported at OMAL during 2021.

### ETHICS AND FREEDOM OF ASSOCIATION

The people who work at OMAL with dedication and passion every day represent the company's strategic assets: their knowledge and skills are the foundations of the company's ability to innovate and pursue excellence.

The recognition of individuals and their freedom of association is translated into four approaches:

- commitment to consider workers' requests;
- protection of equal opportunities, maternity and paternity with welfare policies and a fair work-life balance;
- integration of the younger generation into the world of work;
- exchange and sharing of professionalism and experience between colleagues without precluding any initiatives regarding freedom of association within the company;
- internal discussion and communication with all employees.

Work takes up a large part of everyone's life, which is why every effort is made to make it useful for the human, civil and professional growth of each OMAL employee.

# EMPLOYEE DEVELOPMENT AND TRAINING

As the company expands, so does the need to ensure an increasingly solid training path to cope with the need for integration. Its objectives include strengthening the culture of performance appraisal and developing people's potential.

The **enhancement of professionalism** and the growth of skills are a strategic factor in ensuring competitiveness on the market. In addition to compulsory health and safety training, **annual training projects** include programmes on basic skills, technical skills and training for new recruits.

**Ad hoc training projects**, structured around the specific needs of individual employees, are also organised.

The following training hours have been provided over the past three years:

Year	Total hours delivered
2019	1287
2020	531
2021	1205,4

## TYPE OF TRAINING AND MEDIA PROVIDED BY OMAL IN 2021

OMAL 2021 TRAINING	
Hours	Scope
1033	Quality
32	Environment
141	Safety
1205,4	TOTAL
11	Media/dep.

**86% of employees trained in 2021**

## THE HEART OF A FAMILY BUSINESS

OMAL is a constantly growing company, but this does not make it forget its family origins, putting itself at the service of the very families that make it up.

Providing safe and calm working conditions ensures employees' physical and mental well-being, which also has a positive impact on the performance of the company itself. Through dedicated initiatives, the work-life balance fosters these aspects and is in line with the company spirit of supporting the needs of its employees.

To this end, work-life balance is always taken into account through concrete initiatives. In the course of life, anyone can come upon particular situations, for which the company chooses to leave as much freedom as possible, trying to adapt its internal organisation so as not to interrupt the production mechanism.

OMAL is also committed to building a corporate welfare system.

As of 1 March 2018, a flexible benefits plan was implemented for each employee, as provided for in the National Collective Labour Agreement signed by CONFAPI, to which the company is a party. The following initiatives are proposed in order to gather useful elements to involve workers more closely:

### 1) FLEXIBLE BENEFIT

The flexible benefits worth €150.00 made available by companies as of 15 January 2021 to all employees in force on 1 January or subsequently hired by 31 December each year will continue as of 1 January 2021:

1. with open-ended contracts;
2. with fixed-term contracts who have accrued at least three months, even if not consecutive, of seniority each year (1 January - 31 December). Workers on paid or unpaid leave in the reference year are excluded.

## 2) EBM SALUTE - SUPPLEMENTARY HEALTH FUND FOR SME METALWORKERS

EBM Salute is the supplementary healthcare fund for the metalwork sector provided for in the National Collective Labour Agreement of 3 July 2017. Established by an agreement signed on 2 May 2018 between Unionmeccanica Confapi, FimFiom and Uilm, EBM Salute is a non-profit organisation with the aim of guaranteeing its member workers supplementary National

Health System healthcare treatments in accordance with the terms, requirements and conditions laid down in the Regulation.

Everyone is also guaranteed the UniSalute policy and related health plan, which allows them to receive medical treatment in affiliated facilities with costs paid directly by the insurance company, and in non-affiliated facilities with costs advanced by the worker and reimbursed by the insurance company.

## HEALTH AND SAFETY

The company pursues health and safety protection with prevention-oriented strategies. Health and safety objectives are mainly pursued through three factors:

- Investment in new machinery, plants and technology to make work safer and more efficient;
- Ongoing worker training to raise awareness of the importance of their work, their role and their responsibilities in ensuring their own and others' health and safety;
- The identification of hazards, the assessment of risks to workers and the adoption of appropriate prevention and protection measures to prevent accidents and avoid the occurrence of occupational diseases.

In coherence with its occupational health and safety policy, OMAL continued to develop and implement its health management system in accordance with UNI ISO 45001:2018.

OMAL's internal management system makes it possible to define, monitor and improve all processes related to the management of workers' health and safety. In particular, the company carries out periodic audits at its premises and plants and provides its employees with specific training sessions on occupational health and safety. The implementation of an occupational health and safety management system ensures a higher standard of protection and better performance over time for all.

An organisational charter has been drawn up for the health and safety management system, the purpose of which is to:

- promote the continuous improvement of workers' health and safety conditions,
- analyse and assess risks to workers' health and safety,
- take appropriate prevention and protection measures.

As required by the health surveillance activity entrusted to the competent doctor appointed by the company, a health plan has been adopted, which identifies tasks and related risks and defines the type and frequency of examinations to be carried out.

The occupational health and safety management system operates in accordance with the provisions of Legislative Decree no. 81 of 9 April 2008 - Consolidated Occupational Health and Safety Act.

## OSH ACCIDENT INDEX TRENDS

The number of accidents in 2021 remains the same as in 2020, 2019 and 2018, but the OSH index, which represents the percentage

trend of the indices of severity, frequency and duration of accidents during the year compared to the previous three-year period improved from 81.2% in 2020 to 86% in 2021.

INDICATOR	CALCULATION	2018	2019	2020	PREVIOUS THREE-YEAR AVERAGE	2021
<b>A</b>	Accident Severity Index IG = $Kt/L \times 103$	0,3	0,2	0,3	0,3	0,3
<b>B</b>	Accident Frequency Index IF = $d/L \times 106$	17,2	16,6	16,6	16,8	14,1
<b>C</b>	Average Accident Duration Index DM = $d/Kt$	17,0	13,0	15,3	15,1	21,0

No cases of occupational disease were reported.

KEY: L = number of hours worked by employees per year; d = number of accidents  
Kt = number of days of temporary disability related to accidents

## PANDEMIC MANAGEMENT

As the COVID-19 pandemic continued to spread during 2021, OMAL maintained all policies aimed at containing the inevitable negative effects of the situation, limiting movement within sites and access to common areas as much as possible. Furthermore, rules to contain

the spread of the virus were maintained and adhered to in 2021, including social distancing, the use of personal protective equipment such as masks and gloves for employees and outsiders, plexiglass separators between desks and the constant sanitisation of workspaces.

# RESPONSIBLE AND SUSTAINABLE SUPPLY CHAIN

OMAL considers it of paramount importance to develop standards that go even beyond legal requirements in order to guarantee the best for customers, assuring them safe products and thus tracking every component. Working closely with the supply chain and jointly defining the minimum requirements applicable to each product is considered crucial.

OMAL's unified, cross-sectoral approach to sustainability is also reflected in its supply chain management: its supplier policy is geared towards the development of long-lasting relationships based on loyalty, transparency and mutual collaboration.

The company has been committed to raising

the awareness of the entire supply chain on corporate social responsibility (hereinafter CSR) issues since 2016.

## THE TOPICS THAT GUIDE OMAL IN ITS RELATIONS AND COLLABORATION WITH ITS SUPPLIERS ARE:

- ACTIVE RESPONSIBILITY
- PURSUIT OF EXCELLENCE
- INNOVATION
- ETHICS
- COMMERCIAL PRINCIPLES

Suppliers are asked to respect and consider these issues in synergy with the company and be aware that this is a long-term process that involves everyone.

## SUPPLIER SELECTION

A supplier selection protocol is applied at OMAL based on the values that have always distinguished the company, with a particular focus on sustainability criteria. Procurement policies and practices are implemented in accordance with the principles of the Code of Ethics and the Supplier Code of Conduct in particular.

### THE BUSINESS PARTNERS AND ORGANISATIONS THAT ARE SELECTED:

- share the company's values and sensitivity to environmental and social sustainability (sign our supplier code of conduct);
- fulfil their environmental protection and

CSR obligations (subscribe to the legal supply requirements);

- take steps to prevent pollution and preserve the environment;
- have implemented an environmental management system or intend to do so.

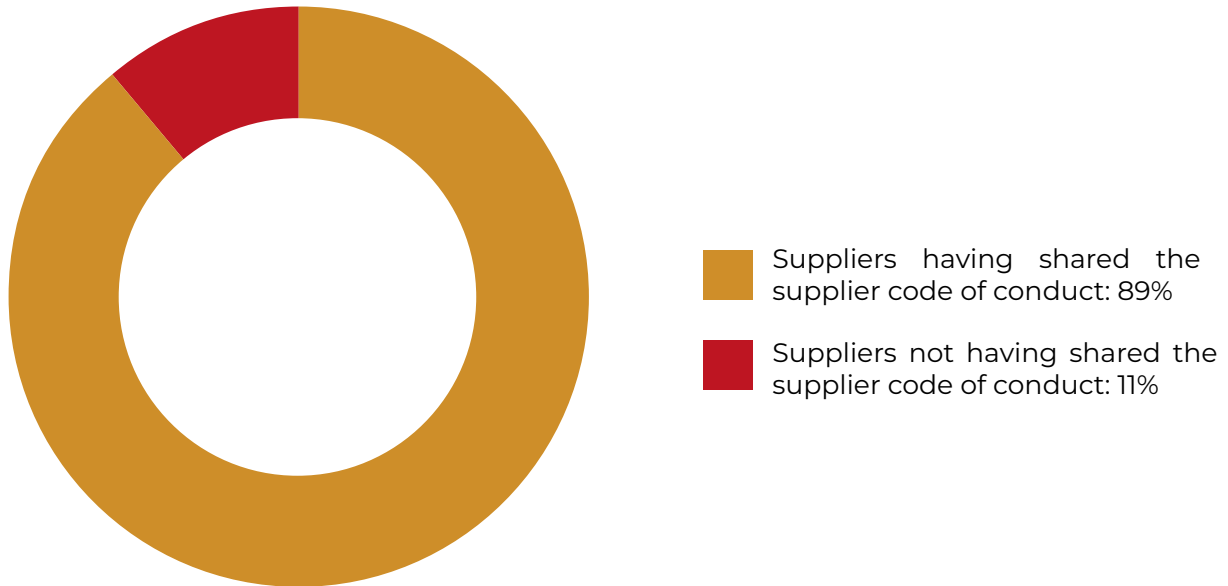
OMAL supports suppliers in implementing good practices to minimise environmental impact throughout the supply chain. This is possible through monitoring the supply chain itself.

### THE MAIN SHARED OBJECTIVES FOR JOINT SUSTAINABILITY WITH SUPPLIERS INCLUDE:





### SHARING THE 2021 SUPPLIER CODE OF CONDUCT

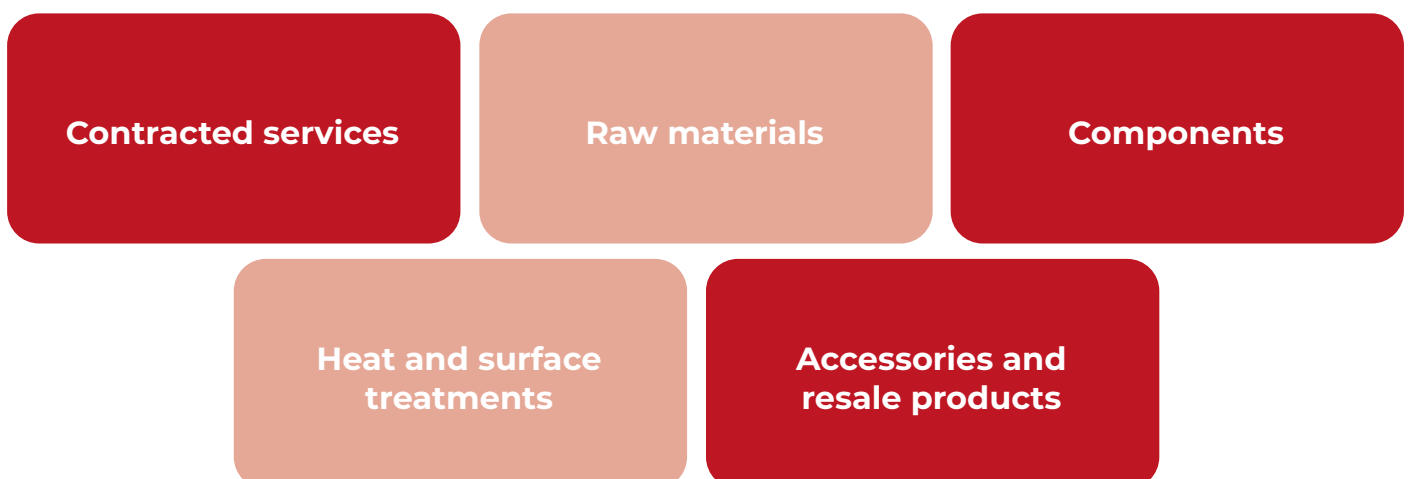


### AUTHORISED SUPPLIERS WHO HAVE SHARED THE SUPPLIER CODE OF CONDUCT:

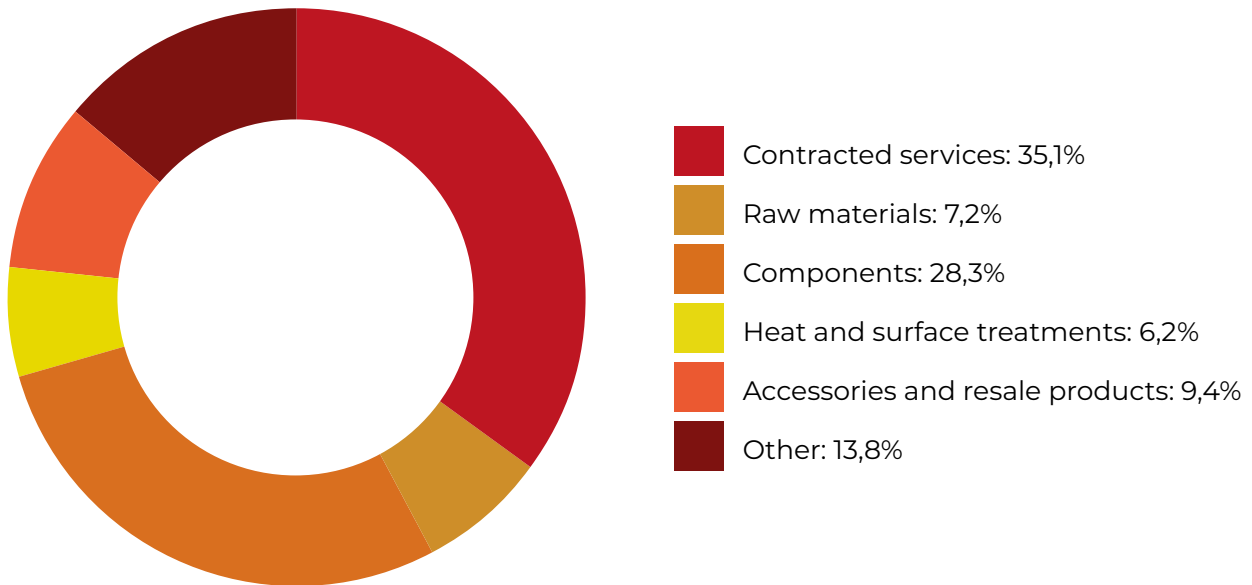
Year	% CDF	No. of authorised suppliers
2019	78,0%	165
2020	86,8%	273
2021	89,5%	276

### DISTRIBUTION TYPE OF SUPPLY

The main supplies consist of the following categories:



**THE 2021 BREAKDOWN IS AS FOLLOWS:**



**OMAL'S RAW MATERIALS**

Raw material suppliers account for 7% of the company's suppliers, and raw material consumption for the last three years (expressed in tons) for each category of supply and material is shown below.

Consumption figures are down compared to 2018 as a result of the reorganisation of production processes and procurement, taking the growth in turnover into account.

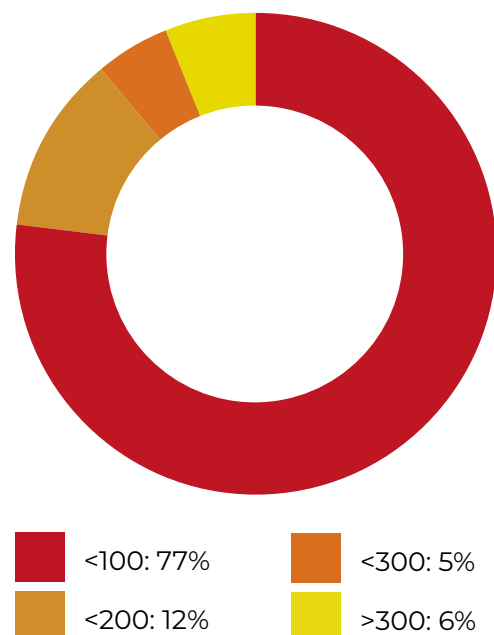
The increase in the use of brass related to the increase in sales of the VIP valve can be seen particularly in 2021 compared to a substantial decrease in the use of aluminium due to a switch of purchases with the other company in the group.

RAW MATERIAL CONSUMPTION IN TONS			
Type of material	2019	2020	2021
Brass	347,5	414,1	644,2
Steel	471,3	421,3	481,3
Aluminium	88,8	32,8	17,1
Bronze	11,6	7,3	16,2
<b>Total (tons)</b>	<b>919,4</b>	<b>875,5</b>	<b>1.158,9</b>

**LOCAL SUPPLIERS**

57% of the value of purchases is concentrated in the province of Brescia, with even more than 75% in Lombardy and 83% in Italy, confirming the existence of a local supply chain.

**NO. OF SUPPLIERS BY DISTANCE FROM OMAL (KM)**



Provenance	2019		2020		2021	
	Millions €	Incidence %	Millions €	Incidence %	Millions €	Incidence %
Brescia	11,26	<b>53,2%</b>	9,15	<b>54,00 %</b>	12,70	<b>56,47%</b>
Lombardy (1)	5,10	<b>24,1%</b>	4,08	<b>24,10 %</b>	4,19	<b>18,6%</b>
Italy (2)	1,4	<b>6,6%</b>	1,32	<b>7,81%</b>	1,81	<b>8,07%</b>
EU (3)	0,25	<b>1,2%</b>	0,13	<b>0,77%</b>	0,14	<b>0,63%</b>
Outside EU	3,14	<b>14,9 %</b>	2,25	<b>13,32%</b>	3,64	<b>16,20%</b>

(1) excluding Brescia; (2) excluding Lombardy; (3) excluding Italy

The 2021 figures were strongly influenced by the change in raw material prices, the uneven increase in gas and electricity costs across countries and differentiated customer

demand. In addition, some purchases were brought forward in 2021 to cope with rising costs and raw material shortages.

## COMMUNITY INVOLVEMENT AND FOCUS

OMAL has always felt part and parcel of its territory.

A strong link has been established with local solidarity organisations through financial support **totalling €60,411** in 2021.

OMAL's Community Care is based on activities aimed at enhancing the local situation in which the company operates. Community Care aims to improve the social, cultural and environmental context of the area. With its transformation into a benefit company, the programme in question sees OMAL's commitment to the continuity of initiatives and the measurement of its social impact.

### INITIATIVES FOLLOW WELL-DEFINED CRITERIA:

Specific recipients — such as local associations, non-governmental organisations, universities and hospitals — are supported and work is done in agreement with the relevant institutional and territorial stakeholders, such as municipalities and districts.

### SOCIO-ECONOMIC SUPPORT FOR THE LOCAL AREA

Type of support	2019	2020	2021	Total Support
Donations	14.729	59.152	6.000	79.881
Sponsorships	54.000	80.328	54.411	188.739

OMAL's programme envisages that support for projects does not end with a donation (monetary or product) or sponsorship, but sees **the company engaged in co-designing activities together with local communities.**



**THE MAIN PROJECTS WE SUPPORTED IN THE LOCAL AREA IN 2021 ARE:**



Fondazione  
I Bambini delle Fate



**I CENTURIONI**

ASD  
I Centurioni rugby



Martesana  
Football Club

**COLLABORATION WITH SCHOOLS FOR YOUNG WORKERS**

The company considers it important to be open to local educational establishments, which have enabled young people to set up a system of collaborations with the aim of offering training and solid work at OMAL

through orientation projects.

With this in mind, we are always open to collaborating with educational institutions and we wanted to continue these initiatives even in 2021 despite the delicate situation.



n. 1 student in the quality  
department

iSchool



n. 1 student in the  
technical department



**UNIVERSITÀ  
CATTOLICA**  
del Sacro Cuore

n. 1 student in the  
commercial department





# ENVIRONMENTAL: THE ENVIRONMENT AT THE HEART OF CORPORATE CHOICES



FOR OMAL, THE ENVIRONMENT IS:



It is therefore important for OMAL to promote actions aimed at climate change mitigation, impact reduction, adaptation and offsetting. This chapter will report on environmental impact indicators related to CO<sub>2</sub> emissions and describe the initiatives in which OMAL is active to promote adaptation to and mitigation of the effects of climate change.

## OMAL'S COMMITMENT IS DAILY AND DEMONSTRATED IN THE FOLLOWING WAYS

- Complying with current regulations,
- Obtaining voluntary environmental certification (ISO 14001 – ISO 14064-1),
- Investing in research and development to ensure greater product innovation and sustainability,
- Ensuring the life cycle approach to support sustainable development.



## THE ENVIRONMENTAL MANAGEMENT SYSTEM

OMAL has an ISO 14001:2015-compliant environmental management system which allows it to monitor and control environmental impacts, correctly assess risks and ensure its legislative compliance.

The scope of the system covers all activities carried out at the Rodengo Saiano and Passirano plants in the province of Brescia. Specific environmental targets and sustainability objectives are defined each year with a view to continuous improvement, which are then transferred to all company units.

The Quality Manager is responsible for the following tasks:

- supervising the correct application of the system,
- collecting the necessary information to update the defined performance indicators,
- verifying regulatory compliance,
- coordinating auditing activities,
- managing relations with the certification body.

## GREEN US – GREEN IN: OPTIMISATION OF RESOURCES AND CONSUMPTION

### ENERGY CONSUMPTION

Energy consumption is attributable to production machinery, space heating, air conditioning and fuel consumption for

corporate mobility.

The trends in energy, methane and gas consumption over the last three years can be summarised as follows:

### SUMMARY OF ELECTRICITY CONSUMPTION

Site	Consumption KWh 2019	Consumption KWh 2020	Consumption KWh 2021	Difference 2020/2021 %	Difference 2019/2021 %
Rodengo Saiano	329.015	333.494	404.553	21%	23%
Passirano	1.415.461	1.403.870	1.647.611	17%	16%
OMAL	1.744.476	1.737.364	2.052.164	18%	18%

The integration of measurement and data collection systems is carried out by setting up control stations within the production departments and quality control areas. They allow for the constant monitoring of product quality parameters and process efficiency via wireless connection or directly from the control stations. The data is available to production staff in real time.

In this respect, we adopted the MOVICON 11 (monitoring vision and control) application, which is able to collect reports, data and alarms from the installations for statistical analysis.

The Movicon Pro-Energy module allows us to detect and manage the energy consumption of each production plant via the **energy dashboard**.



### THE ENERGY DASHBOARD:

The data collected is represented by the Pro-Energy module in real time on a graphical dashboard that represents the indicators and operating statuses in a clear and simple manner. We therefore have the production situation under control at any time and in any place.

The following consumption is recorded:

- 1. Work islands;
- 2. Electric substation;
- 3. Compressor room;
- 4. Lighting system;
- 5. Central heating and air conditioning system;
- 6. Photovoltaic system (recording nearing completion);
- 7. Water and electricity meter readings (nearing completion);



Beginning in 2022, the energy consumption of the Passirano site will be reported for each production plant and for general installations (electrical substations, compressors, etc.) and it will be possible to have real-time readings of energy and water consumption (remote meter readings) to allow OMAL to prevent waste due to malfunction.





## FUEL

### SUMMARY OF METHANE CONSUMPTION

Site	Consumption mc (Nmc) 2019	Smc(*) 2019	Consumption mc (Nmc) 2020	Smc(*) 2020	Consumption mc (Nmc) 2021	Smc(*) 2021	Difference 2020/2021 %	Difference 2019/2021 %
Rodengo Saiano	70.815	74.780,64	64.094	67.683,26	76.639	80.930,78	20%	8%
Passirano	-	-	-	-	-	-	-	-
Total OMAL	70.815	74.781	64.094	67.683	76.639	80.931	20%	8%

(\*) 1Nmc= 1,056 Smc

### SUMMARY OF DIESEL CONSUMPTION

Site	Consumption litres of fuel 2019	MI 2019	Consumption litres of fuel 2020	MI 2020	Consumption litres of fuel 2021	MI 2021	Difference 2020/2021 %	Difference 2019/2021 %
Rodengo Saiano	16.147	0,02	12.915	0,01	12.668	0,01	-2%	-22%
Passirano	-	0,00	0	0,00	83	0,00	-	-
Total OMAL	16.147	0,02	12.915	0,01	12.751	0,01	-1%	-21%

### SUMMARY OF PETROL CONSUMPTION

Site	Consumption litres of fuel 2019	Consumption litres of fuel 2020	Consumption litres of fuel 2021	Difference 2020/2021 %
Rodengo Saiano	-	-	1.248	-
Passirano	-	-	-	-
Total OMAL	-	-	1.248	-



## CFO - OMAL'S CARBON FOOTPRINT

The focus on the GHG emissions of the company's activities, OMAL's main objective, led to the certification of the organisation's carbon footprint in accordance with ISO 14064 back in 2016, a study that was replicated in 2018.

In accordance with the standard and the GHG protocol, OMAL emissions were accounted for according to:

### CATEGORY 1 - DIRECT EMISSIONS:

direct GHG emissions from installations within the organisation's boundaries.

**CATEGORY 2 - INDIRECT EMISSIONS FROM ENERGY CONSUMPTION:** indirect GHG emissions from the generation of electricity, heat and steam imported and consumed by the organisation.

**CATEGORIES 3, 4 AND 5 - OTHER INDIRECT EMISSIONS:** emissions associated with the manufacture of products and the provision of services used by the organisation, such as emissions from the production and transport of raw materials, packaging, auxiliary materials, waste treatment, distribution of finished products, the end-of-life of products and their packaging.

A reduction in the CO<sub>2</sub> emissions equivalent to 9%, due to the offsetting of consumption characterising CATEGORY 1, but also impacted by the drop in production due to the pandemic.

OMAL is aware that it has an impact on the environment and the complete carbon footprint measurement was reconsidered in 2021 in order to offset its emissions, with an annual compensation plan to follow.

The table below shows the comparison between the years 2019-2020, divided into the three categories defined by the reference standard:

GHG Protocol	GHG emissions 2019 [tCO <sub>2</sub> eq]	GHG emissions 2020 [tCO <sub>2</sub> eq]	GHG emissions 2021 [tCO <sub>2</sub> eq]
Category 1 - Direct emissions	184	164	339,05
Category 2 - Indirect emissions from energy consumption	222	216	351,09

### OMAL'S CFO – 2021

GHG Protocol	tCO <sub>2</sub> eq	%
Direct emissions (category 1)	339,05	5,32%
Indirect emissions from energy consumption (category 2)	351,09	5,50%
Transport emissions (category 3)	424,05	6,65%
Indirect emissions from products purchased (category 4)	5.238,33	82,13%
Indirect end-of-life emissions (category 5)	25,39	0,40%
<b>TOTAL</b>	<b>6.377</b>	<b>100%</b>

By analysing the table, it can be seen that the categories with the greatest impact are the purchase of products (82.13%) and transport and fuel production (6.65%).

### COMMITMENT TO SUSTAINABLE LOGISTICS

For OMAL, adopting responsible behaviour to reduce CO<sub>2</sub> emissions during distribution processes is fundamental in order to bequeath a sustainable planet to future generations. In its logistics management, OMAL seeks to pursue a systemic strategy that is embodied in the selection of logistics operators with state-of-the-art, environmentally friendly transport and offsetting.





The tables below show the data on GHG emissions in CATEGORY 3.

Year 2021	TonCO <sub>2</sub> tep.	%
Transport	372,56	87,9%
Fuel production	51,49	12,1%
<b>TOTAL</b>	<b>424,05</b>	<b>100%</b>

As can be seen from the table, the primary incidence in CATEGORY 3 emissions is mainly related to logistics management (87.9%). Fuel production accounts for 12.1% of total emissions.

### GREEN IN - INBOUND LOGISTICS

Year	Total	% Offset
2019	209	90%
2020	123	94%
2021	161 (*)	100%

(\*) The item fuel production related to inbound logistics was also taken into account.

### LOGISTICS DETAILS YEAR 2021

Category 3	tCO <sub>2</sub> eq	%
Transport	372,56	87,9%
Fuel production	51,49	12,1%
<b>TOTAL</b>	<b>424,05</b>	<b>100%</b>

The total tCO<sub>2</sub> produced in 2021 for Category 3 = 424.05 divided as follows:

**GREEN IN** - Inbound logistics = 160,98 tCO<sub>2</sub>

**GREEN OUT** - Outbound logistics = 263,06 tCO<sub>2</sub>



The CO<sub>2</sub> emissions generated by the display of 600,000 pages/year on the company website were offset through Reteclima's CO2web project by planting trees to **neutralise the website's greenhouse gas emissions.**

 A white graphic with green accents providing details about the CO2web project. It includes the logos for CO2web and CO2 emission zero website. The text states: "il sito web www.omal.it è" followed by the CO2web logo. Below that, it says "mediante il progetto di nuova forestazione urbana nazionale realizzato in Milano, con neutralizzazione di: 450 kgCO<sub>2</sub>eq (\*) grazie alla posa di 4 alberi urbani". It also provides the code "1080116S04M" and the expiration date "30/09/2021". At the bottom, it mentions "CO<sub>2</sub>web è un progetto di: rete clima" with the website URL "www.reteclima.it" and "www.co2web.it". A small note at the bottom right says "(\*): valori di assorbimento lungo il ciclo vitale arboreo".


**ZERO PAPER PROJECT - DIGITISATION FOR SUSTAINABILITY**

The Zero Paper project brings together all the activities and projects for digitising business processes and documents that have been undertaken since June 2012.

The following activities were consolidated during 2021:

- product quality control data collection system (measure link),
- OMAL app (digital catalogue),
- company website,
- wastemanagementdocumentmanagement system,
- new eSphere production scheduler.

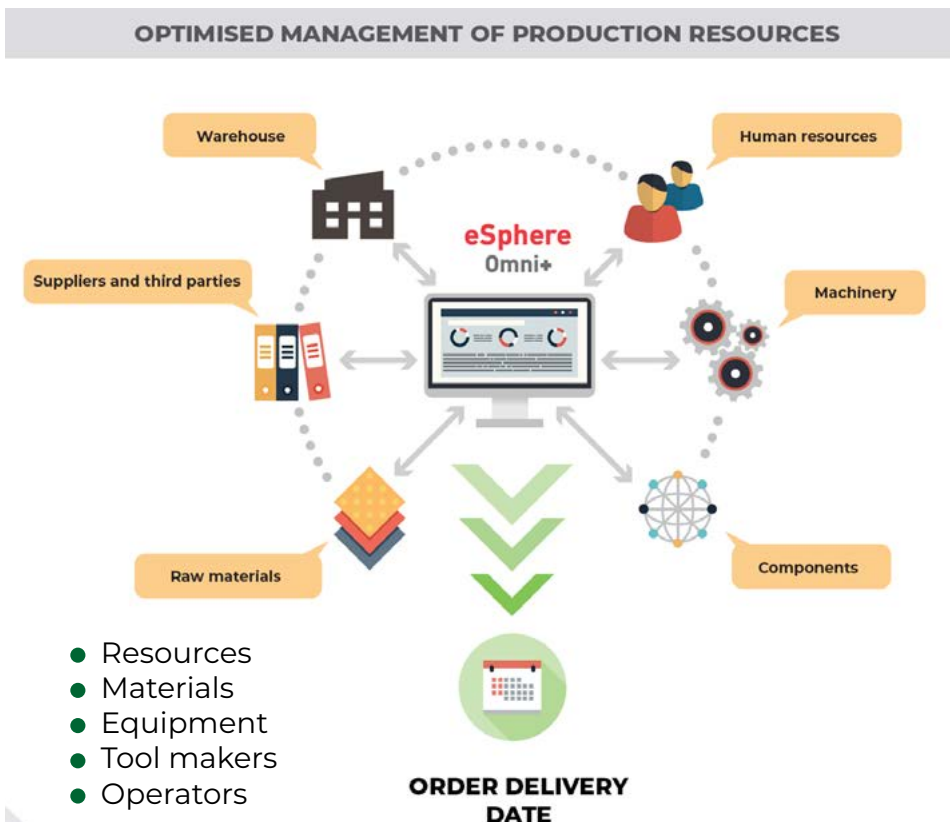
Particular efforts were devoted to the implementation of the following projects:

**1) New scheduler** (paper dematerialisation and innovation of operational procedures)

**2) AI** - (James, Bob, Mia). Use of **artificial intelligence** in decision-making processes.

**1. NEW ESPHERE PRODUCTION SCHEDULER**

The new scheduler (the eSphere product by GP Progetti) for process planning has the ability to distribute production orders and allows the visualisation of the workload allocated to different resources. The virtual distribution of documents takes place according to actual availability through the multi-link and multi-level management of processing orders (precedence and succession) to avoid wasteful printing of documents between offices.



- eSphere finite capacity scheduling with interactive Gantt;
- ePMM connection and machining centre monitoring;
- eDMT tracking of customer orders on production orders;
- eLog control of purchase orders with reminder for critical orders;
- eSimulator to simulate orders within the production plan;
- eSCM for graphic order status display.

## 2. AI - RISK REDUCTION

The project has been developed in collaboration with the company VEDRAI, which specialises in the use of artificial intelligence to support company decision makers.

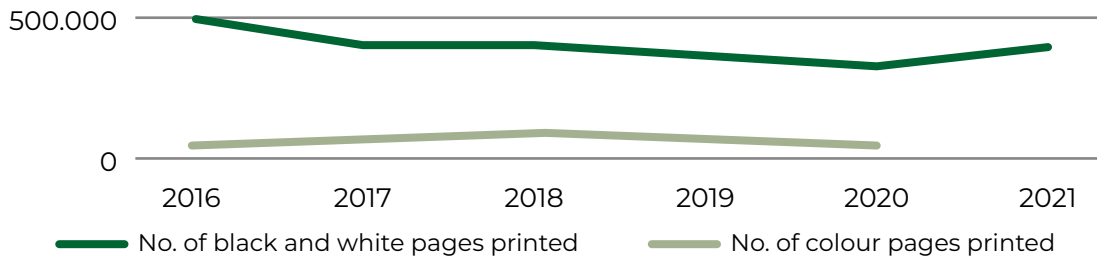
This tool makes it possible to predict the impact of strategic decisions on company performance indicators in finance, production and marketing through virtual agents.

One way of **measuring the positive impact** of these activities within the organisation is to monitor the consumption of printed paper (work orders, lists, documents, communications, etc.).

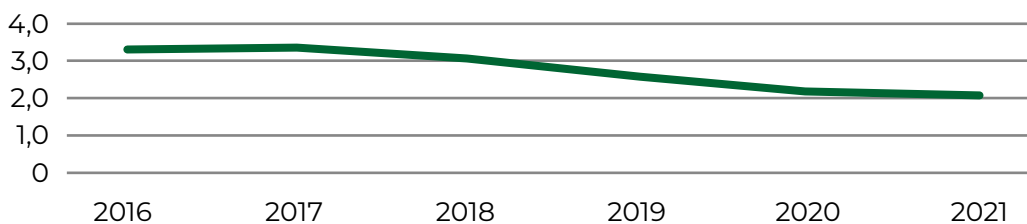
The trend in printed paper consumption (no. of printed copies) over the past year is as follows. The number of pages is inevitably higher than 2020 (albeit below the ceiling of the printer service contract), but decreasing when compared to actual working hours.

Compared to the hours worked, the ratio of printed pages per hour of work decreased from 3.4 pages/hour in 2017 to **2.1 pages/hour** in 2021 (it was 2.3 in 2020).

### TOTAL PAGES PRINTED PER YEAR



### NO. PAGES PRINTED PER HOUR WORKED



## TECHNOLOGIES TO REDUCE CONSUMPTION AND EMISSIONS

### THE PHOTOVOLTAIC SYSTEM

The company uses electricity from renewable sources, saving 58.5% of CO<sub>2</sub> compared to standard supply. In addition, an innovative photovoltaic system has been installed to allow internal energy production with CO<sub>2</sub> savings of up to 81%. The photovoltaic system installed at the new site in Passirano (BS) consists of 400 250W panels arranged in 16 rows of 25 panels and connected to five 20 kW inverters for an installed capacity of 100 kWp. This system became operational on 01/08/2017 and provides a potential contribution of 100,000 kWh/year.

### TCO<sub>2</sub>EQ (NOT EMITTED) SAVED BY PURCHASING ENERGY FROM RENEWABLE SOURCES

PROD. KWH/YEAR 2021	CO <sub>2</sub> EMITTED UNIT	ELECTRICITY PURCHASED FROM RENEWABLE SOURCES	ELECTRICITY FROM CONVENTIONAL SOURCES	DIFFERENCE
2.052.164,00	tCO <sub>2</sub> -eq	335,5	808,2	-58%

Coeff. to be applied to electricity production from national energy mix 0.396.  
 Coeff. to be applied to energy production from 100% renewable sources 0.163.

Energy production in 2021 amounted to **115,926 kWh**, of which **94.8% was used for self-consumption**.

The energy used for operations and produced by the photovoltaic system avoided not only the CO<sub>2</sub>eq emissions associated with the production of this energy, but also the grid losses associated with feeding it into the grid.

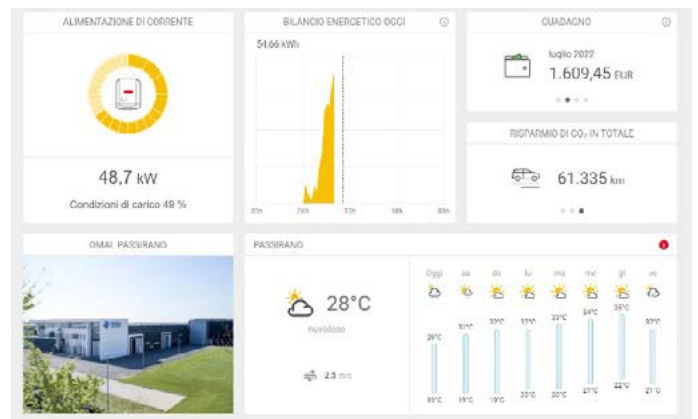
### ELECTRICITY PRODUCED BY THE PHOTOVOLTAIC SYSTEM

Passirano Site	KWh 2019	KWh 2020	KWh 2021	Difference year prec. %
Produced	112.764	99.191	115.926	17%
Consumed	105.172	92.364	109.859	19%
Transferred	7.592	6.827	6.068	-11%
Performance (*)	113%	99%	116%	17%

### ENERGY CONSUMED / ENERGY PRODUCED

KWh 2019	KWh 2020	KWh 2021	KWh 2021/2020	KWh 2019/2020
93,3%	93,1%	94,8%	1,7%	-0,2%

The following report accounting for consumption and savings allows the efficiency of the system to be monitored from 2021 onwards.





## TCO<sub>2</sub>EQ (NOT EMITTED) SAVED WITH PHOTOVOLTAIC SYSTEM

PHOTO-VOLT. SY-STEM PROD. KWH YEAR 2021	UNIT	PHOTO-VOLTAIC ENERGY	ELECTRICITY FROM CONVENTIONAL SOURCES	DIFFERENCE
115.926,25	tCO <sub>2</sub> -eq	8,2	43,2	-81%

Coeff. to be applied to electricity production from national energy mix 0.396.  
 Coeff. to be applied to energy production from photovoltaic system 0.0748.

## THE COMPRESSOR HEAT RECOVERY SYSTEM

The heating of the building is also ensured by recovering the heat produced by the compressors, which are installed for the production of compressed air during their normal operation for 16 hours per day. The recovered kWh are used for heating the Passirano factory or for domestic hot water production. With an average usage of 16 hours/day, the intervention reduces emissions by approximately 1 ton of CO<sub>2</sub>eq.

## THE CONDENSATION WATER RECOVERY SYSTEM AND COMPRESSED AIR CIRCUIT

The OMAL production plant at the Passirano site is equipped with a system that allows for the recovery and reuse of water condensation from the production cycle coming from the compressed air circuit in the treatment system. This system not only separates the water from the oil, but also allows the re-use of up to 30,000 litres of water per year that go into the production process as cooling fluid. The water is then combined with an anti-bacterial fluid and exposed to UV light. At the end of the process, it returns to the production cycle to be mixed with cooling lubricating oil. In this way, we have been able to reduce water extraction from the water network by more than 20%.

- Compressed air circuit water condensation recovery – expected production mc = 30
- Compressed air circuit water condensation recovery – actual production mc = 20.1

## THE PURCHASE OF CLEAN ENERGY

After making the plants efficient, recovering heat, rationalising consumption and self-producing energy, the remaining energy needs are met by a contract for the **purchase of energy from 100% renewable sources**, in particular hydroelectric energy produced in Italy by the energy supplier A2A Energia SPA.

Year	No. of cancelled EECS certificates	Development of renewable sources	Technology
2019	1744	100%	hydroelectric
2020	1.737	100%	hydroelectric
2021	2020	100%	thermal - solar

In detail:

Country of origin	Media type	Technology	Renewable source
Denmark	Production	Thermal	Renewable - solid biomass - biomass from agricultural activities
Italy	Production	Solar	Renewable - solar

EECS (European Energy Certificate System) certification in the size of 1 mWh certifies the use of renewable energy sources as defined by EU Directive 2009/28: wind, solar, aerothermal, geothermal, hydrothermal and ocean energy, hydropower, biomass, landfill gas, sewage treatment plant gas and biogases.



By obtaining this certification and its subsequent cancellation (withdrawal of the certification from the market), even separately from the physical supply of electricity, we demonstrate our commitment to the environment by being willing to pay a positive delta to the price of electricity from conventional sources.

Riepilogo Certificati EECs annullati				
Tipo certificato	Numero certificati	Energia (MWh)	Periodo di produzione (da-a)	Fonte rinnovabile
GO	2019	2019	maggio 2021 - maggio 2021	Rinnovabile-Biomassa solida-Biomassa da rifiuti agricoli
GO	1	1	luglio 2021 - luglio 2021	Rinnovabile-Eolico

### WATER: A RESOURCE RETURNED TO THE ENVIRONMENT

OMAL's production activities do not require any particular water consumption. Its main use comes from civil uses and the irrigation of the green spaces surrounding the two plants. The project to recover and reuse the water condensation generated by the compressed air plant at the Passirano site was completed in 2019. The system separates water condensation from oil condensation and breaks down the bacterial load with specific substances by subjecting it to UV light. The plant allows as much as 30,000 litres of water to be purified and used in the production process annually. In addition to water recovery, this system allows for the purification of wastewater leaving the compressed air system, which may contain varying amounts of oil and particularly polluting impurities.

### WATER CONSUMPTION FOR THE 2019-2021 THREE-YEAR REFERENCE PERIOD IS AS FOLLOWS

Site	Mc consumption 2019	Mc consumption 2020	Mc consumption 2021	Difference 2020/2021 %	Difference 2019/2021 %
Rodengo Saiano	9.975	12.294	12.229	-1%	23%
Passirano	3.660	4.602	1.844	-60%	-50%
OMAL	13.635	16.896	14.073	-17%	3%

### THE PASSIRANO WASTEWATER PHYTOPURIFICATION PLANT

The Passirano plant has adopted a wastewater phytopurification system. Thanks to specific plants capable of absorbing heavy metals such as lead and nickel, we return chemically and bacteriologically purified water to the environment. These plants protect the purification system from low winter temperatures, provide a greater range of activity for the bacterial microfauna and absorb the mineral substances made available during the purification process. The wastewater phytopurification system at the Passirano plant started operation in 2016 and ensures the recovery of water from discharges similar to domestic wastewater.

- Sewage treatment = **100% wastewater treatment**



## RAINWATER TREATMENT PLANT

Rainwater is collected in a system that mechanically filters it, separating the pure part from the oily part which has been added as a result of contact with the soil and associated substances such as petrol, diesel and other surface waste. The water purified of these substances is then returned to nature for field irrigation.

## OPERATION OF THE PURIFICATION SYSTEM

The systems consist of perfectly watertight reinforced concrete monobloc tanks in which the following treatment phases take place:

- rainwater storage,
- mechanical separation of the oily part from the water,
- re-injection of the purified water into the environment.

# A CIRCULAR WASTE MANAGEMENT SYSTEM

OMAL products are designed in order to be completely disassembled by separating the various materials for proper disposal at the end of their life.

They are accompanied by a user manual listing the raw materials used and a product description indicating where they are contained and how to dispose of them.

The product design choices made allow the materials and lubricants used to be disposed of in the category of non-hazardous special waste provided that they have not been polluted by substances on the hazardous substances list during their use.

## OMAL'S SUSTAINABLE WASTE MANAGEMENT OBJECTIVE IS EMBODIED IN THE FOLLOWING ACTIONS

- reducing waste generated and increasing circular economy actions;
- maximising the amount of waste for recovery;
- reducing the proportion of hazardous waste in total waste;

- reducing the percentage of waste destined for landfill.

Despite the already active awareness of its staff, actions were initiated to make everyone aware of the correct separation and sorting of waste.

## WASTE MANAGEMENT AND RECOVERY

The figures show that the efforts of the last three years have been a constant that has enabled good waste management.

Waste	Total 2021 OMAL		Passirano Site		Rodengo Saiano Site	
	kg	%	kg	%	kg	%
Non-hazardous waste (kg)	624.099	97,6%	543.403	98,1%	80.696	95%
Hazardous waste (kg)	15.390	2,4%	10.730	1,9%	4.660	5%
<b>Total Waste (kg)</b>	<b>639.489</b>	<b>100%</b>	<b>554.133</b>	<b>100%</b>	<b>85.356</b>	<b>100%</b>

As can be seen in the table “Waste for disposal/recovery” below, the amount of waste generated has increased in view of the increase in production. As it is committed to the quality of waste recovery, OMAL has made it possible to send only 0.8% of the waste produced to

landfill.

**99.2% of the waste produced was recovered** for the production of new raw materials to be used in the same production processes to make new products.

### WASTE FOR DISPOSAL/RECOVERY

TYPE	2019 Kg	2019 %	2020 Kg	2020 %	2021 Kg	2021 %	Difference 2020-2021 %
Disposal	3.494	0,6%	1.559	0,3%	5.308	0,8%	0,5%
Recovery	578.827	99,4%	518.229	99,7%	634.181	99,2%	-0,5%
<b>Total Waste (kg)</b>	582.321	100%	519.788	100%	639.489	100%	0,0%

### WASTE FOR CIRCULAR RECOVERY

TYPE	2020 Kg	2020 %	2021 Kg	2021 %	Difference 2020-2021 %
Circular recovery	491.985	94,7%	618.409	96,7%	2,0%
Other	27.803	5%	21.080	3,3%	2,0%
<b>Total Waste (kg)</b>	519.788	100%	639.489	100%	0%

### PACKAGING MATERIAL RECOVERY

The company adheres to the separate waste collection system proposed in the area for the recovery of paper and cardboard, plastic, aluminium, glass and wet waste from the canteen service, dining areas and offices.

The recovery of packaging waste from production activities has been ensured through companies specialising in the recovery of waste paper, plastic and wood.

While paper and wood are sent for recovery through their respective supply chains (CONAI and IMALLEGNO), plastic is recovered in the form of energy. Of particular note is the reduction of plastics to be recovered in the form of energy from 2 tons in 2020 to 1 ton (840 kg) in 2021.

### RECOVERED PACKAGING (TONS)

Year	2019	2020	2021
Plastic	5	2	1
Paper	23	21	23
Wood	38	31	49









# STAKEHOLDER INVOLVEMENT FOR A SUSTAINABLE PARTNERSHIP

The indicators in the Sustainability Report comply with the GRI Standards:

- **stakeholder inclusiveness;**
- **sustainability context;**
- **materiality;**
- **completeness.**

Business activities, stakeholder interests and stakeholder expectations were considered. In order to identify the most relevant aspects, the following initiatives were implemented:

- **The benchmark analysis** took into account the product sector they belong to and the main themes that emerged from an in-depth internal investigation. This was followed by

the identification of the priority areas of greatest materiality, which are reported in this sustainability report.

- **Internal and external sharing** of identified themes through online surveys.
- Collection and evaluation of our stakeholders' **expectation and issues of greatest interest** through an **online survey**.
- **Mapping the areas** where the company intends to set environmental, economic and social goals.
- **Updating the materiality analysis** on the most relevant sustainability issues for the company.





# STAKEHOLDERS, PROTAGONISTS OF THE FUTURE WITH OMAL

The centrality of our relationship with our stakeholders is the basis for constructive, direct and effective dialogue to steer the course of this method of doing business. Understanding stakeholder needs helps to outline corporate objectives effectively in the medium and long

term.

OMAL's main stakeholders, selected by the company's top management after a specific context analysis, and the channels of discussion and communication with which OMAL has established dialogue are given below.



The company regularly participates in activities promoted by trade associations and organisations dealing with issues related to regulatory compliance, product innovation and sustainability.

The main associations with which OMAL actively collaborates to promote sustainable business models are listed below:



APINDUSTRIA



CONFAPI



ANIMA-AVR



GLOBAL  
COMPACT  
ITALIA



VALVE CAMPUS

The following stakeholder engagement channels were used in 2021 despite the restrictions in order to obtain opinions and suggestions for improving our work:

- Website
- Social media
- Newsletter
- Sustainability Report
- Policy Paper
- Media
- Organising events online

## COMMUNICATING SUSTAINABILITY

OMAL has set itself the goal of information, cultural dissemination and the development of a new consumption model with sustainability at its core. OMAL is committed to disseminating content in order to encourage people to adopt more sustainable behaviour. A dedicated office maintains relations with external communication channels, ensuring that they remain ethical and transparent.

All communication is carried out in respect of stakeholders and in compliance with the GDPR.

### INTERNAL COMMUNICATION

The objectives of internal communication are:

- to foster team spirit and participation in corporate life,
- inform and share information about events and news, both local and at OMAL,
- raise awareness of specific issues (environment, safety, CSR, innovation).

Internal communication tools are:

- Online newsletter;
- Notice board at each branch displaying **QUALITY, ENVIRONMENT AND SAFETY** issues;
- **QR code: we listen to reports.**

The purpose of these tools is to make internal communication faster and more efficient by providing all employees with quick links to applications and tools, as well as answers to frequently asked questions to help new employees in particular.

### OUTWARD COMMUNICATION

Our external communication objectives are to:

- communicate the OMAL brand at a coordinated level, adhering to corporate values;

- inform customers and suppliers about the OMAL world;
- disseminate best practices in the industry.

Communication takes place via traditional and digital tools in order to reach the widest number of contacts.

OMAL is present on Facebook, LinkedIn and YouTube in order to reach the widest number of contacts. These tools are managed and constantly updated by the communication department in collaboration with the other corporate functions.

### 2021 SOCIAL NUMBERS



### A VIEW OF RELEVANT ISSUES

The stakeholder engagement activities organised in 2020 made it possible to share the company's objectives for the coming years with all stakeholders. The result led to the updating of the materiality matrix.

The material themes guiding the sustainable growth path identified in 2020 were analysed and confirmed during 2021 in relation to the current context of the Group's activities, a sign that denotes a constant commitment to material themes.

# THE MATERIALITY MATRIX



To create its materiality matrix, OMAL carried out an analysis that considered the material issues for stakeholders in terms of sustainability and the issues identified by the company for responsible growth.

In the writing of this report, OMAL analysed the themes that emerged in 2020, contextualised them to 2021 and confirmed them as priorities. This analysis involved the group's main area contacts followed by validation by the company's top management.

The process that led to the identification of environmental, social and economic issues through the requirements of the GRI Sustainability Reporting Standards is as follows.

The analysis took the following steps into account:

### **Search for relevant topics**

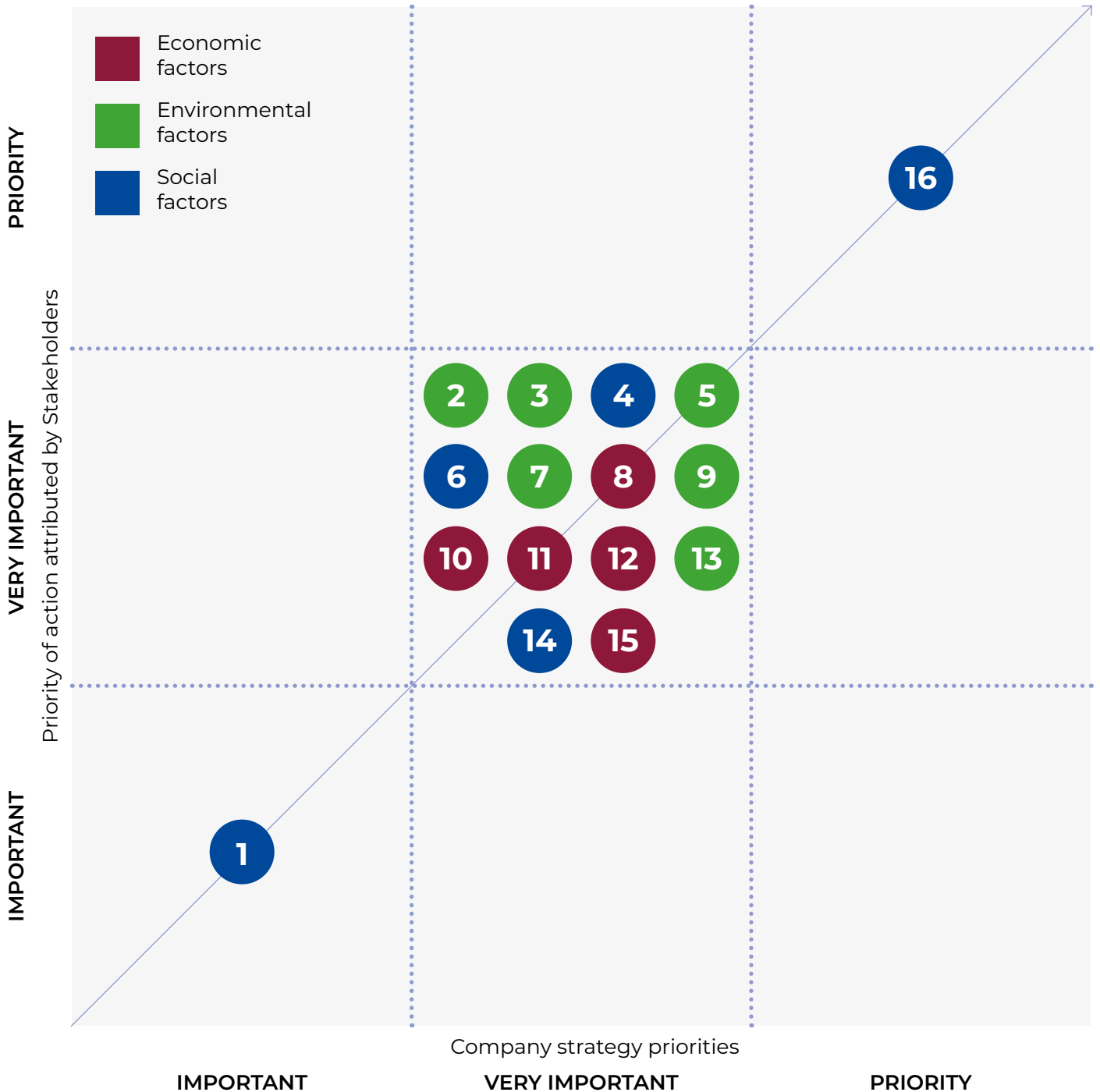
Identification of issues relevant to OMAL and its stakeholders. Identification was achieved through interviews with top management and the analysis of internal and external documentation.

### **Evaluation of relevant issues that emerged**

The evaluation took place through meetings during which the corporate functions discussed with management. The information was cross-referenced with answers to the online sustainability questionnaire received from employees, customers and suppliers.

The current materiality matrix confirms the strong cohesion of interests and priorities between the company and its stakeholders. It is as follows.





- 1 Engaging local communities;
- 2 Environmental performance;
- 3 Greenhouse effect;
- 4 Work and employment;
- 5 Supplier engagement;
- 6 Valuing staff and fostering growth;

- 7 Circular economy;
- 8 Business continuity;
- 9 Energy efficiency;
- 10 Creating economic value;
- 11 Process and product innovation;
- 12 Brand reputation;

- 13 Renewables;
- 14 Welfare and well-being;
- 15 Business ethics / dialogue with stakeholders;
- 16 Health and safety;

The priority issues that emerged have all been considered, evaluated, analysed and included in full transparency in this document, as required by the principles of accountability.

The materiality analysis above enabled OMAL to carry out the following actions in 2021:

**Providing the Board of Directors with a tool for orientation towards responsible growth.**

**To provide information useful for defining corporate and sustainability strategies in the medium and long term.**

**Align the annual report with international standards by incorporating more detailed information.**

**Renew and update the Strategic Sustainability Plan based on shared stakeholder processes and the principle of responsiveness.**



# THE SUSTAINABILITY PLAN FOR THE COMMON BENEFIT

OMAL's report on the actions implemented in 2021 is included below in order to demonstrate its ongoing commitment to the activities and research and development of new product and process solutions for the common benefit. Supervision of the company's activities to achieve sustainability goals reports directly to the board of directors.

## THE IDENTIFICATION PROCESS: APPROVAL AND MONITORING

The structure that OMAL applies for the development of the Sustainability Plan must be implemented in 5 steps.

### 1) Analysis

Corporate Governance identified areas for improvement and related projects on which to base the proposal for a 'Sustainability Plan'.

### 2) Planning

The content of the plan was analysed for feasibility by the function managers involved in the actions.

### 3) Approval

Approval took place at the Board meeting.

### 4) Implementation

Directives are issued by the EHS team and implemented by the actors involved, who have the necessary resources, tools and know-how for implementation.

### 5) Monitoring

The Board of Directors periodically asks the EHS team about the progress of projects to ensure that commitments are met.








By its commitment, OMAL seeks to foresee what the future social, economic and political implications will be, and to maintain its common benefit objectives as a benefit company.

OMAL SUSTAINABILITY ROAD MAPS reinforce the company's willingness to share useful actions and make a concrete contribution to the future needs of people and the planet through its targets.

The targets achieved in 2021 are presented here in relation to the common benefit commitment that OMAL has formalised to fulfil its commitment and to address the material issues raised in the most recent sustainability reports.

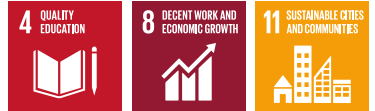


**OBJECTIVES AND TARGETS ACHIEVED 2021**

<p><b>PURPOSE I</b></p>				
<p>Investing in product and process innovation to ensure the right balance between humankind and the environment and build a better world for future generations.</p>				
<p><b>METRIC 1 - 2021 outcome</b></p> <p>A lighter version of the VIP (coaxial pneumatic shut-off valve) was designed in 2021 with the aim of reducing the consumption of raw material and energy used in the production process. OMAL reduced the environmental impact related to raw material consumption by 16% (average reduction across all product sizes) with the lightened VIP project, thus improving its sustainability index from 78.1% to 82.3%.</p>				
<p><b>METRIC 2: Evaluation of the % and reduction of energy consumption in the production process - 2021 outcome</b></p> <p><b>CO<sub>2</sub> offset</b> The following environmental impacts corresponding to <b>564.26 or 9% of the CFO value were offset in 2021:</b></p> <ol style="list-style-type: none"> <li>1. diesel-petrol consumption = 18.69 (t) tons CO<sub>2</sub> Eq;</li> <li>2. 100% renewable electricity consumption = 487.6 tons CO<sub>2</sub> Eq (REDUCED EMISSIONS COMPARED TO A CONVENTIONAL ENERGY MIX);</li> <li>3. 100% renewable electricity production = 35.8 tons CO<sub>2</sub> Eq (REDUCED EMISSIONS COMPARED TO A CONVENTIONAL ENERGY MIX);</li> <li>4. inbound logistics = 21.536 tons CO<sub>2</sub> Eq; 5. CO<sub>2</sub>web = 0.6 ton CO<sub>2</sub> Eq.</li> </ol>				
<p><b>METRIC 3: Investment development for a sustainable smart factory - 2021 outcome</b></p> <p>Incidence on previous year's EBITDA of resources used in digital investments = 1.2%</p>				



## PURPOSE II



Promoting training and professional fulfilment, encouraging socialisation and discussion within the community by supporting socio-cultural recreational proposals, associative activities and sports practices.

### METRIC 1: Increasing the number of training hours for the safety and technical and professional development of staff - 2021 outcome

Over the course of 2021, OMAL gave its employees a total of 1204 hours of training, including:

- **137 hours** of compulsory training
- **1.067 hours** of training for professional and personal development
- **86%** of the company's staff was involved in corporate training programmes.



### METRIC 2: Charitable and cultural donations to support communities - 2021 outcome

In 2021, OMAL decided not to commit to specific charitable projects, but to respond to community demands. It therefore chose to **support the association I bambini delle fate**, a social inclusion association, by donating €6000.



### METRIC 3: Plenary meetings with all employees (Empowered Day and events dedicated to all employees) - 2021 final outcome

Within the constraints of its limitations, OMAL managed to organise four meetings where the company's key management figures had the opportunity to discuss and develop company strategies through team building projects.



**PURPOSE III**



Creating an inclusive and purposeful working environment that ensures rights and duties, protects health and safety, and supports corporate welfare measures.

**METRIC 1: Number of specific reports on health and safety and sustainability, promoting a common awareness of all employees towards an inclusive and safe working environment. 2021 outcome**

OMAL introduced **an anonymous reporting system** in 2021. Through the use of special **QR codes** to guarantee privacy, OMAL intends to involve all employees and make them aware of the use of this new listening channel useful for gathering needs, criticisms and suggestions for improving working conditions.



**METRIC 2: Number of non-compulsory meetings with RLS - 2021 outcome**

- No. of meetings: 4
- No. of people involved: 5
- No. of health and safety reports/suggestions: 6
- No. of activities planned and implemented: 12



**METRIC 3: Specific OMAL sustainability working group meetings - 2021 outcome**

Meetings on the topic of sustainability were organised at OMAL in 2021 to develop specific project requirements.



**METRIC 4: Ensuring a healthy and safe working environment - Implementation of an OSH management system according to UNI ISO 45001:2018 - 2021 outcome**

OMAL has implemented an occupational health and safety management system with the following objectives:

- Ensuring compliance with the legal obligations set out in Legislative Decree 81/2008 et seq. "Consolidated Safety Text";
- Eliminate hazards and minimise the risk of occupational injury or illness;
- Foster greater awareness among workers of the importance of their role in protecting health and safety in the workplace;
- Strive for continuous improvement in the performance of the OSH management system.

The activity covered the following aspects:

- legislative compliance;
- operation and maintenance of production facilities;
- inclusion of new recruits;
- work protection measures and the use of PPE;
- management of contracted works;
- consultation and participation of workers.









# METHODOLOGICAL NOTE

## REPORTING CRITERIA, STANDARDS AND TARGETS

The Sustainability Report is the tool through which we communicate the results of our sustainability journey to our stakeholders on an annual basis.

Details of the contents reported within the scope of the 2021 Sustainability Report are given under the heading “Reporting Scope and Period Analysed”.

OMAL’s human resources & CSR department coordinated the drafting of the Sustainability Report, making use of a group of external consultants and transversally involving various area specialists for the collection of quantitative and qualitative data where necessary.

This report has been prepared in accordance with the **Sustainability Reporting Standards** published in 2016 by the Global Reporting Initiative – GRI (with the **core** application level). It should be noted that all GRI indicators reported refer to the version published in 2016, with the exception of indicator 403, which refers to the 2018 version, and indicator 306, which refers to the 2020 version.

The choice of GRI indicators was made by taking the importance of the different material topics for us into account. The reporting contents were selected on the basis of the results of an initial materiality analysis, which identified the material aspects for the Group and its stakeholders and which is contained within this document under the heading “Materiality Analysis”.

References to GRI Standards are given in the final table of indicators.

Finally, this report is the tool for reporting on the company’s commitment to ESG criteria.

## REPORTING SCOPE AND PERIOD ANALYSED

The data included in this document refers to OMAL as of 31/12/2021 and reports the relevant data in correlation with the previous two-year period of 2019-2020.

For further information and suggestions regarding OMAL’s Sustainability Report, please contact the communication and CSR & HR department at the following email address: [CSR@omal.it](mailto:CSR@omal.it)

This document is also available on OMAL’s website: [www.omal.com](http://www.omal.com)





# GRI INDICATORS

The following table lists the indicators reported in this Sustainability Report. The reference to the chapter or section is given under each GRI indicator or, where the data or information is not contained in the text, the description of the indicator itself is given.

## CONTENT INDEX

GRI Standard	Information	Page number/notes	Omission
<b>GRI 102 – GENERAL INFORMATION (2016)</b>			
<b>ORGANISATIONAL PROFILE</b>			
ORGANISATIONAL PROFILE			
		<b>Pages</b>	<b>Notes/Omissions</b>
102-1	Name of organisation	Copertina	
102-2	Activities, brands, products and services	12-26	
102-3	Location of head office	13	
102-4	Location of activities	13	
102-5	Ownership and legal form	20	
102-6	Markets served	26	
102-7	Size of the organisation	10-11	
102-8	Information on employees and other workers	32-33-34	
102-9	Supply chain	37-38-39-40-41	
102-10	Significant changes to the organisation and its supply chain	No changes have been made to the supply chain	
102-11	Precautionary principle	21-22-23	
102-12	External initiatives	17-41-42	
102-13	Membership with associations	60	
<b>STRATEGY</b>			
102-14	Statement by a senior manager	Letter to stakeholders	
<b>ETHICS AND INTEGRITY</b>			
102-16	Values, principles, standards and norms of conduct	21-22	
<b>GOVERNANCE</b>			
102-18	Governance structure	20	
<b>STAKEHOLDER INVOLVEMENT</b>			
102-40	List of stakeholder groups	58-59	
102-42	Stakeholder identification and selection	58-59	
102-43	Methods of stakeholder involvement	59	
102-44	Key issues and criticisms raised	No criticisms	

GRI Standard	Information	Page number/notes	Omission
<b>REPORTING PRACTICES</b>			
102-45	Persons included in the consolidated financial statements	Methodological note	
102-46	Definition of the report content and topic scope	Methodological note	
102-47	List of material topics	61-62-63	
102-48	Review of information	No revisions have been reported with respect to the 2021 report	
102-49	Changes in reporting	No changes noted	
102-50	Reporting period	Methodological note	
102-51	Date of most recent report	2021 Sustainability Report	
102-52	Reporting frequency	Annual	
102-53	Contact for enquiries about the report	Methodological note	
102-54	Statement on reporting in accordance with GRI standards	Methodological note	
102-55	GRI table of contents	Content Index	
<b>TOPIC-SPECIFIC STANDARDS</b>			
<b>GRI 200 – ECONOMIC SERIES (2016)</b>			
<b>TOPIC: PROCUREMENT PRACTICES</b>			
<b>GRI-103: MANAGEMENT METHODOLOGY (2016)</b>			
103-1	Explanation of the topic of material and its scope	37-38-39-40-41	
103-2	Management methodology and its components	37-38-39-40-41	
103-3	Assessment of management methodologies	37-38-39-40-41	
<b>GRI 204: PROCUREMENT PRACTICES (2016)</b>			
204-1	Proportion of spending on local suppliers	41	
<b>TOPIC: ANTI-CORRUPTION</b>			
<b>GRI-103: MANAGEMENT METHODOLOGY (2016)</b>			
103-1	Explanation of the topic of material and its scope	23	
103-2	Management methodology and its components	23	
103-3	Assessment of management methodologies	23	
<b>GRI 205: ANTI-CORRUPTION (2016)</b>			
205-3	Proven cases of corruption and actions taken	There were no proven cases of corruption in 2021	
<b>TOPIC: ANTI-COMPETITIVE BEHAVIOUR</b>			
<b>GRI-103: MANAGEMENT METHODOLOGY (2016)</b>			
103-1	Explanation of the topic of material and its scope	23	
103-2	Management methodology and its components	23	
103-3	Assessment of management methodologies	23	

GRI Standard	Information	Page number/notes	Omission
<b>GRI 206: ANTI-COMPETITIVE BEHAVIOUR (2016)</b>			
206-1	Legal action for anti-competitive behaviour, antitrust and monopolistic practices	There was no legal action for anti-competitive behaviour, antitrust or monopolistic practices in 2021	
<b>300 – ENVIRONMENTAL SERIES (2016)</b>			
<b>TOPIC: MATERIALS</b>			
<b>GRI-103: MANAGEMENT METHODOLOGY (2016)</b>			
103-1	Explanation of the topic of material and its scope	40	
103-2	Management methodology and its components	40	
103-3	Assessment of management methodologies	40	
<b>GRI 301: MATERIALS (2016)</b>			
301-1	Materials used by weight or volume	40	
<b>TOPIC: ENERGY</b>			
<b>GRI-103: MANAGEMENT METHODOLOGY (2016)</b>			
103-1	Explanation of the topic of material and its scope	45-46-47	
103-2	Management methodology and its components	45-46-47	
103-3	Assessment of management methodologies	45-46-47	
<b>GRI 302: ENERGY (2016)</b>			
302-1	Energy consumed within the organisation	45-53	
<b>TOPIC: WATER</b>			
<b>GRI-103: MANAGEMENT METHODOLOGY (2016)</b>			
103-1	Explanation of the topic of material and its scope	54	
103-2	Management methodology and its components	54	
103-3	Assessment of management methodologies	54	
<b>GRI 303: WATER (2018)</b>			
303-3	Water extraction	54	
<b>TOPIC: EMISSIONS</b>			
<b>GRI-103: MANAGEMENT METHODOLOGY (2016)</b>			
103-1	Explanation of the topic of material and its scope	48-49	
103-2	Management methodology and its components	48-49	
103-3	Assessment of management methodologies	48-49	
<b>GRI 305: EMISSIONS (2016)</b>			
305-1	Direct GHG emissions (Scope 1)	48	
305-2	Indirect GHG emissions from energy consumption (Scope 2)	48	
305-3	Other indirect GHG emissions (Scope 3)	48	
305-5	Reducing GHG emissions	48-53	



GRI Standard	Information	Page number/notes	Omission
<b>TOPIC: WASTE</b>			
<b>GRI-103: MANAGEMENT METHODOLOGY (2016)</b>			
103-1	Explanation of the topic of material and its scope	55-56	
103-2	Management methodology and its components	55-56	
103-3	Assessment of management methodologies	55-56	
<b>GRI 306: WASTE (2020)</b>			
306-3	Waste generated	55-56	
<b>TOPIC: ENVIRONMENTAL COMPLIANCE</b>			
<b>GRI-103: MANAGEMENT METHODOLOGY (2016)</b>			
103-1	Explanation of the topic of material and its scope	44-45	
103-2	Management methodology and its components	44-45	
103-3	Assessment of management methodologies	44-45	
<b>GRI 307: ENVIRONMENTAL COMPLIANCE (2016)</b>			
307-1	Non-compliance with environmental laws and regulations	There were no fines or non-monetary sanctions for non-compliance with environmental laws and regulations in 2021	
<b>TOPIC: ENVIRONMENTAL ASSESSMENT OF SUPPLIERS</b>			
<b>GRI-103: MANAGEMENT METHODOLOGY (2016)</b>			
103-1	Explanation of the topic of material and its scope	38-39	
103-2	Management methodology and its components	38-39	
103-3	Assessment of management methodologies	38-39	
<b>400 – SOCIAL SERIES (2016)</b>			
<b>TOPIC: EMPLOYMENT</b>			
<b>GRI-103: MANAGEMENT METHODOLOGY (2016)</b>			
103-1	Explanation of the topic of material and its scope	32	
103-2	Management methodology and its components	32	
103-3	Assessment of management methodologies	32	
<b>GRI 401: EMPLOYMENT (2016)</b>			
401-1	New recruits and turnover	32	
<b>TOPIC: HEALTH AND SAFETY AT WORK</b>			
<b>GRI-103: MANAGEMENT METHODOLOGY (2016)</b>			
103-1	Explanation of the topic of material and its scope	36-37	
103-2	Management methodology and its components	36-37	
103-3	Assessment of management methodologies	36-37	

GRI Standard	Information	Page number/notes	Omission
<b>GRI 403: HEALTH AND SAFETY AT WORK (2018)</b>			
403-1	Occupational health and safety management system	36-37	
403-2	Hazard identification, risk assessment and accident investigation	36-37	
403-3	Occupational health services	36-37	
403-4	Worker participation, consultation and communication in health and safety at work	36-37	
403-5	Worker occupational health and safety training	35-36-37	
403-6	Worker health promotion	36-37	
403-9	Accidents at work	37	
<b>TOPIC: TRAINING</b>			
<b>GRI-103: MANAGEMENT METHODOLOGY (2016)</b>			
103-1	Explanation of the topic of material and its scope	35	
103-2	Management methodology and its components	35	
103-3	Assessment of management methodologies	35	
<b>GRI 404: TRAINING (2016)</b>			
404-1	Average annual training hours per employee	35	
<b>TOPIC: DIVERSITY AND EQUAL OPPORTUNITIES</b>			
<b>GRI-103: MANAGEMENT METHODOLOGY (2016)</b>			
103-1	Explanation of the topic of material and its scope	34	
103-2	Management methodology and its components	34	
103-3	Assessment of management methodologies	34	
<b>GRI 405: DIVERSITY AND EQUAL OPPORTUNITIES (2016)</b>			
405-1	Diversity in governing bodies and among employees	34	
<b>TOPIC: NON-DISCRIMINATION</b>			
<b>GRI-103: MANAGEMENT METHODOLOGY (2016)</b>			
103-1	Explanation of the topic of material and its scope	34	
103-2	Management methodology and its components	34	
103-3	Assessment of management methodologies	34	
<b>GRI 406: NON-DISCRIMINATION (2016)</b>			
406-1	Cases of discrimination and corrective measures taken	No cases of discrimination were recorded in 2021	
<b>TOPIC: EVALUATION OF RESPECT FOR HUMAN RIGHTS</b>			
<b>GRI-103: MANAGEMENT METHODOLOGY (2016)</b>			
103-1	Explanation of the topic of material and its scope	35	
103-2	Management methodology and its components	35	
103-3	Assessment of management methodologies	35	
<b>GRI 412: FORCED OR COMPULSORY LABOUR (2016)</b>			
412-2	Training employees on human rights policies or procedures	There was no specific training on human rights in 2021	

GRI Standard	Information	Page number/notes	Omission
<b>TOPIC: CUSTOMER HEALTH AND SAFETY</b>			
<b>GRI-103: MANAGEMENT METHODOLOGY (2016)</b>			
103-1	Explanation of the topic of material and its scope	30	
103-2	Management methodology and its components	30	
103-3	Assessment of management methodologies	30	
<b>GRI 416: CUSTOMER HEALTH AND SAFETY (2016)</b>			
416-2	Cases of non-compliance concerning the health and safety impacts of products and services	There were no cases of non-compliance concerning the health and safety impacts of products and services in 2021	
<b>TOPIC: CUSTOMER PRIVACY</b>			
<b>GRI-103: MANAGEMENT METHODOLOGY (2016)</b>			
103-1	Explanation of the topic of material and its scope	23	
103-2	Management methodology and its components	23	
103-3	Assessment of management methodologies	23	
<b>GRI 418: CUSTOMER PRIVACY (2016)</b>			
418-1	Proven complaints regarding customer privacy breaches and loss of customer data	There were no cases of complaints arising from customer privacy breaches in 2021	
<b>TOPIC: SOCIO-ECONOMIC COMPLIANCE</b>			
<b>GRI-103: MANAGEMENT METHODOLOGY</b>			
103-1	Explanation of the topic of material and its scope	21-22-23	
103-2	Management methodology and its components	21-22-23	
103-3	Assessment of management methodologies	21-22-23	
<b>GRI 419: SOCIO-ECONOMIC COMPLIANCE (2016)</b>			
419-1	Proven complaints and sanctions concerning socio-economic compliance breaches	There were no cases of complaints or sanctions in 2021	





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Technical methodological support:





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