

2024 SUSTAINABILITY REPORT

according to the VSME Standard
and the ***Sustainability Dialogue*** between ***SMEs*** and ***Banks***



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With this report we want not only to account for the results achieved, but also to collect feedback and suggestions to build together a more resilient, innovative, and sustainable future.

[Signature]
Chief Executive Officer

LETTER TO STAKEHOLDERS

01

Dear Partners,

With pride, we present our first Sustainability Report, drafted in line with the voluntary ESG framework for European small and medium-sized enterprises, promoted by EFRAG (VSME – Voluntary Small & Medium Enterprises).

This choice represents for us a conscious and tangible step towards a responsible growth model, one that integrates Environmental, Social and Governance (ESG) criteria into our daily business management.

As a manufacturing company specialized in the production of industrial valves, we are an integral part of a supply chain that requires technical rigor, reliability, and increasing attention to the impact of our activities on the territory, the environment, and people.

Our voluntary adoption of this standard reflects our determination to:

- increase transparency with all our stakeholders;

- objectively measure our ESG performance;
 - lay the foundations for a long-term sustainable strategy;
 - prepare for potential future regulatory obligations in reporting.
- During the year we implemented numerous initiatives, including:
- monitoring CO₂ emissions and identifying opportunities for their reduction;
 - introducing ESG criteria in supplier selection;
 - committing to ensure safe and inclusive working conditions;
 - strengthening corporate governance, with particular focus on non-financial risk management.
- We firmly believe that sustainability is a path of continuous improvement, which can only be successfully pursued through dialogue, collaboration, and the sharing of objectives with all of you – clients, suppliers, employees, institutions, and local communities.

02 SCOPE OF THE SUSTAINABILITY REPORT

For **ZAVERO**, sustainability means ensuring business continuity while respecting what surrounds us – the environment and people.

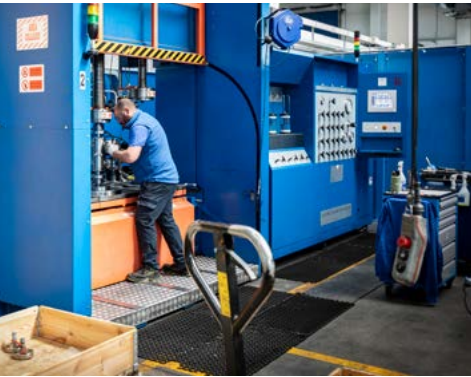
This document represents the 2024 Sustainability Report of Z.A.V.E.R.O. S.r.l. (ZAVERO) and is addressed to stakeholders, mainly identified as clients, suppliers, employees, business partners, banks and financiers, local communities, and public administrations.

The purpose of the Sustainability Report is to highlight the efforts made in recent years and the areas for improvement along the value chain, on which ZAVERO is fully aware and constantly committed.

03 METHODOLOGICAL NOTE

In drafting its first sustainability report, Zavero has followed a process that ensures the relevance, accuracy, reliability, comparability, clarity, and verifiability of the information collected, in accordance with the guidance provided by two reference standards, which are compatible and largely overlapping:

- The European VSME Standard issued by EFRAG in December 2024, both in its Base Module and Comprehensive Module;
- The "Sustainability Dialogue between SMEs and Banks" document issued by the Italian Ministry of Economy and Finance (MEF) in December 2024.



DISCOVERING / DEVELOPING ENERGY RESOURCES RESPONSIBLY

04 THE COMPANY

The reporting period covers the financial year 2024 (from 01/01/2024 to 31/12/2024) and, to allow comparability of the information provided, also includes data from the previous two years where available.

Zavero intends to update its sustainability report annually, in line with the information provided in the economic-financial report for the same period.

This document is not subject to external assurance.

Zavero is a leading company in the production of industrial valves for Oil & Gas applications worldwide, specialized in valves for oil, chemical, petrochemical plants, pipelines, natural gas, and both offshore and onshore facilities.

Founded in 1973, following the passing of its founder in 2017, the new ownership repositioned the company's offering by eliminating "commodity" valves from production and focusing exclusively on special ball valves, with the objective of reaching markets where Italian know-how, expertise, and raw materials are highly recognized.

The new and younger ownership, holding managerial roles within the company and bringing prior experience in multinational corporations, has been introducing into this medium-small Italian company a management model based on clear and structured processes, which are required and appreciated by major clients with whom it operates.

The managerial approach of the company, combined with the expertise in mechanical processing held by employees who have worked for Zavero for many years and hold key positions, enables the production – in very short lead times – of high-quality, customized valves, designed to order, in compliance with client specifications, requirements, and technical targets.

All this while paying close attention to sustainability, understood in particular as valve safety. Accurate testing carried out on 100% of the products – often in the presence of the client – is the company's flagship, aimed at:

- safeguarding the environment thanks to improved valve performance (tightness and interception of potential fugitive emissions) and longer durability, for both manual and automated operations;
- identifying and addressing in advance any safety issues for people, particularly operators.

The investment planned in 2024, for installation in 2025, of a nitrogen generator, moves in the direction of increasingly efficient and effective testing, optimizing lead times.

05

THE PRODUCTS

100% of the outgoing product is subjected to thorough testing

56" / 600

The production facility is equipped with machines, tools, and test benches to manufacture and test valves up to 56" – 600

Zavero manufactures high-quality valves, customized and designed on a job-by-job basis, to meet the client's requirements and technical objectives, ensuring the best performance and maximum durability, both for manual and automated operations. High quality and attention to sustainability mean that 100% of the products leaving the plant undergo rigorous testing, aimed at identifying and resolving in advance any issues primarily related to operator safety, but also to fugitive emissions.

The valves produced by Zavero are suitable for handling the flow of any type of gas, whether derived from fossil fuels or from innovative clean-energy sources (Hydrogen and CO₂-CCS).

ZAVERO manufactures floating and trunnion-mounted ball valves, top-entry ball valves, and double block and bleed ball valves.

The sealing materials are selected according to the valve's service and tightness requirements. Soft seals enable Zero Leakage, while metal-to-metal seals provide higher resistance to scratches and other physical-chemical factors (temperature, pressure, erosion).

ZAVERO designs and manufactures valves for cryogenic and subsea applications.

The production department is equipped with machines, tools, and testing benches to manufacture and test valves up to 56" – 600.

At ZAVERO, every valve produced is the result of years of competence and experience in the Oil & Gas industry.

We export Made in Italy valves all over the world.



We are dedicated to the production of **cutting-edge** valves to provide our clients with safe and innovative solutions, while maintaining **high standards** of quality and reliability.

06

Mission, Vision, and Values

Our mission is to offer flexibility and short delivery times, with customer support both before and after sales. ZAVERO positions itself as the ideal partner in an increasingly VUCA (Volatile, Uncertain, Complex, and Ambiguous) market.

Our vision is to continuously improve our expertise in order to grow in values and professionalism, creating strong collaboration between the internal and external reality.

Our values are **collaboration**, **respect**, and **professionalism**, which translate into consistent behaviors and results.

07

THE PLANT

ZAVERO is strategically located near the main motorway arteries of the Po Valley (A4, A26), ensuring that transport costs are not a limiting factor.



The area owned by ZAVERO, where the Romagnano Sesia plant is located, includes a portion of land currently unused, which may eventually allow for future company expansion.

The assets available within the plant enable ZAVERO to carry out in-house mechanical processing as well as valve assembly and testing.

Five testing benches are available, up to 60" – 150", with the possibility of performing special tests.

ZAVERO performs non-destructive testing (NDT), including RT, MT, UT, PT, PMI, hardness testing, and 3D dimensional checks.

Overhead cranes installed in the plant allow for the handling of loads up to 40 tons.

In line with its attention to climate change issues, since 2015 ZAVERO has been equipped with a rooftop photovoltaic system with a capacity of 170 kWp, with all generated energy fed into the grid.

In 2024, ZAVERO installed a new 56 kW photovoltaic system, used entirely for its own consumption.

40 ton.

Overhead cranes installed in the plant allow for the handling of loads up to 40 tons.

170 kW

Since 2015, ZAVERO has been equipped with a rooftop photovoltaic system with a capacity of 170 kW.

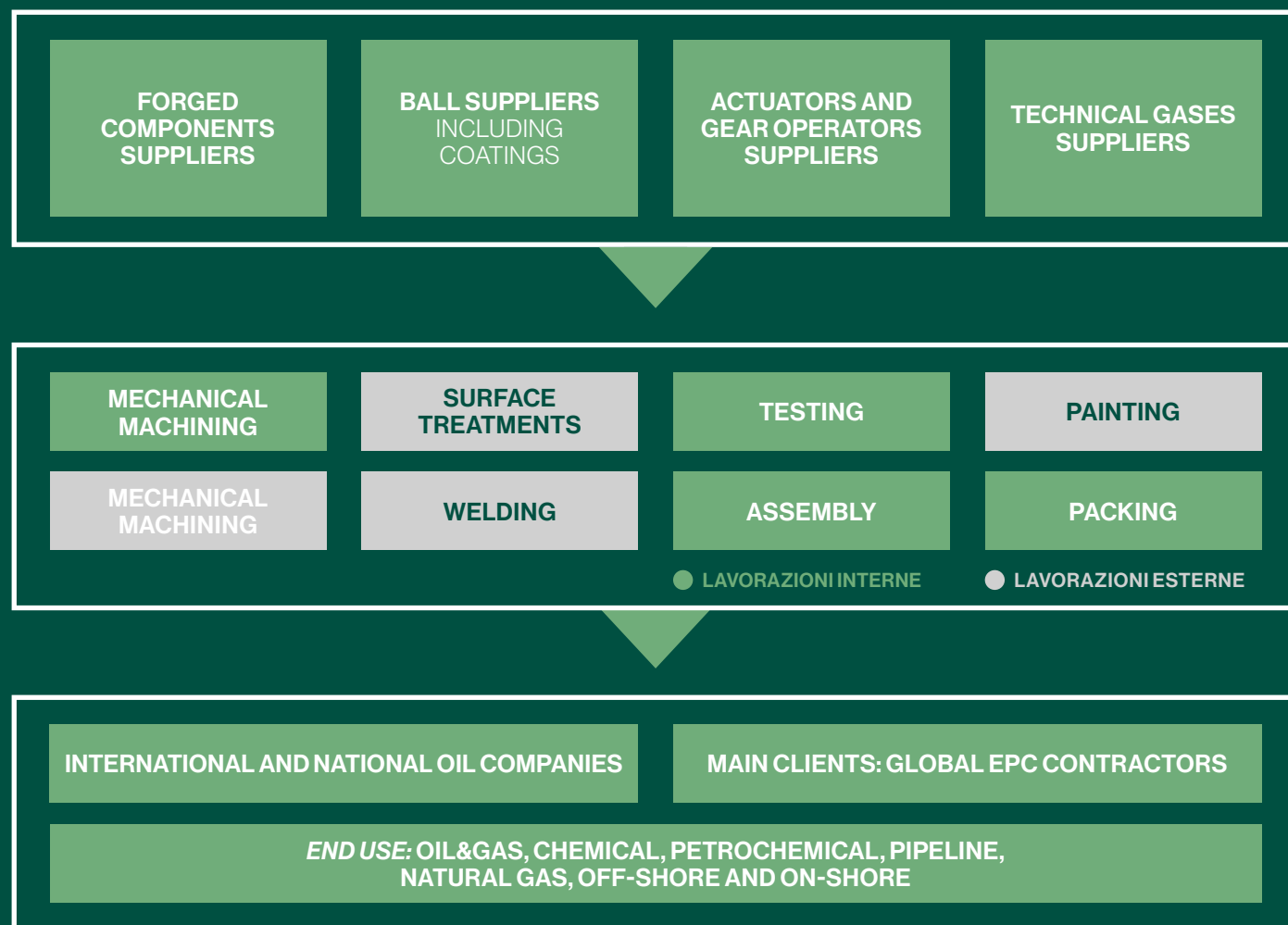
56 kW

In 2024, ZAVERO installed a new 56 kW photovoltaic system, used entirely for its own needs.

08 Business Model

The Value Chain

Zavero's production process is illustrated in the following scheme:



We are aware of the highly impactful activities in terms of pollution and GHG emissions that fall outside the perimeter of our direct operations. For this reason, we have set ourselves the goal of collaborating with the supply chain to identify and implement common improvement solutions.

Our supply chain, by deliberate corporate choice, is almost

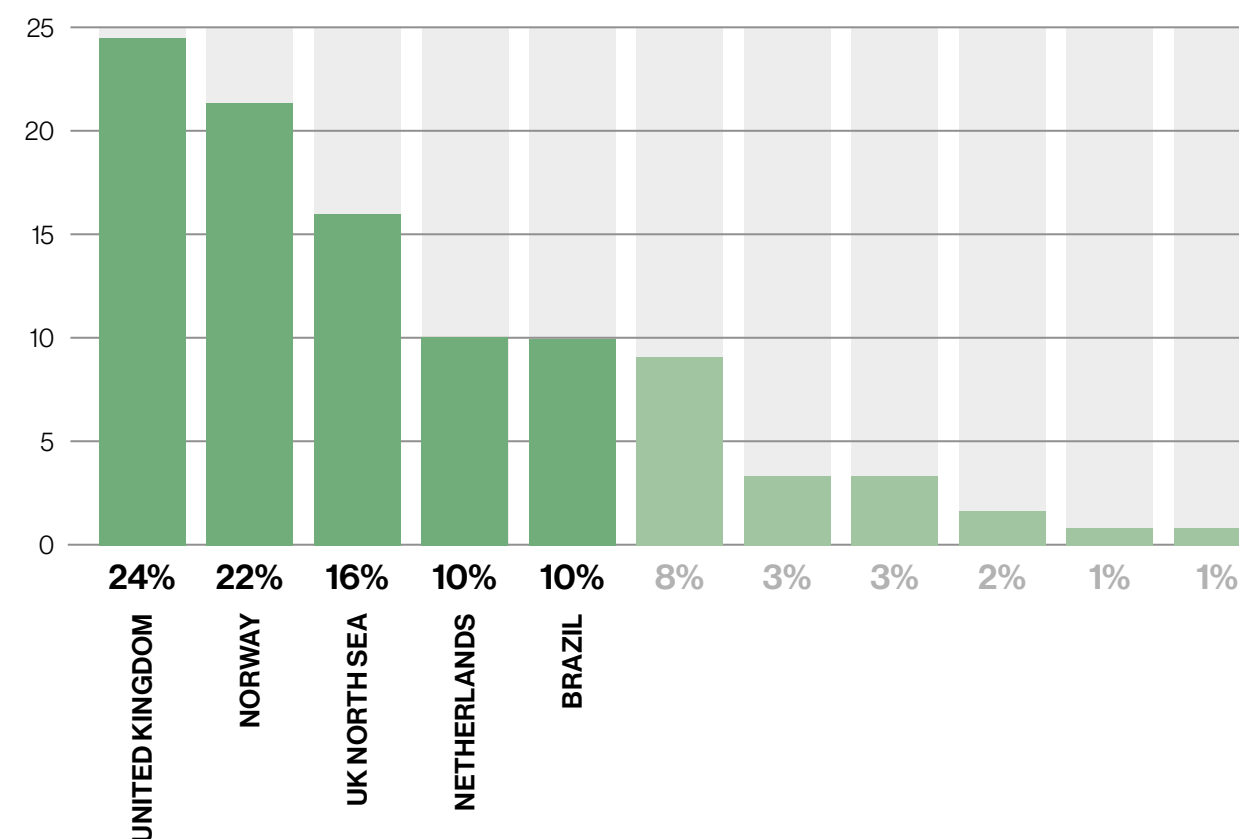
entirely based in Italy (particularly in Northern Italy, just a few hours from our headquarters).

Other components and semi-finished products are sourced from leading European suppliers, such as centrifugal castings from Spain, and supplies of bolts, actuators, or other client-specified products from the United Kingdom.

09 CLIENTS AND MARKETS

ZAVERO's clients include the leading global EPC contractors, building plants worldwide, as well as the main national and international Oil Companies.

The chart below shows the distribution of orders acquired by geographical area:



Analysis shows that the Northern European market remained the most important in 2024, with strong growth compared to previous years. This represents a solid starting point for 2025.

One of the strategic objectives for 2024 – the development of the Norwegian market – was successfully achieved. The UK and Scottish markets are in constant growth.

ZAVERO continuously conducts customer satisfaction evaluations, based on various sources of information, including

order trends, direct client feedback, delivery performance, claims analysis, and perceived quality assessments.

In 2024, six clients accounted for over 66% of revenues. This is a positive result, demonstrating customer diversification.

The number of clients increased compared to the previous year, and the value of orders also grew, demonstrating stronger customer loyalty.

10 CORPORATE GOVERNANCE



ZA.VE.RO. S.r.l. is led by the Board of Directors, composed of three people holding operational management roles within the company. The BoD defines and communicates the strategy, policies, objectives, and operational plans.

The BoD retains responsibility for sustainability matters linked to the business, integrates these issues into the strategy, and promotes monitoring and improvement activities concerning impacts through the aforementioned policies, objectives, and action plans.

The Legality Rating is an indicator awarded by the Italian Competition and Market Authority (AGCM) to companies operating in Italy that meet high standards of legality and transparency.

In particular, the Two Stars+ rating recognizes not only

compliance with basic requirements but also the adoption of effective organizational models and policies oriented toward sustainability and ethics.

The company has also introduced a Management of Change (MOC) procedure to manage transitions and the implementation of new management systems.

**ZAVERO S.r.l. holds
a Legality Rating of
Two Stars+, obtained
on 13/02/2024.**

11 THE STRATEGY



The 2024 corporate strategy, reviewed annually by the Board of Directors (BoD) during the definition of the Budget, can be summarized as follows.

During the year, **Zavero pursued the strengthening of its presence in strategic markets**, consistent with the guidelines of sustainable development and technological innovation.

Entry into the hydrogen market represents a significant step toward product portfolio diversification in the context of energy transition, with solutions designed to address new environmental challenges.

At the same time, the company initiated significant expansion

in the Norwegian market, while also consolidating its position in the North Sea and the United Kingdom – key areas for the offshore energy industry.

This growth process is supported by a constant commitment to maintaining high product quality, with a focus on complex specifications and a high degree of engineering, in line with the company's mission to provide reliable solutions for critical and long-term applications.

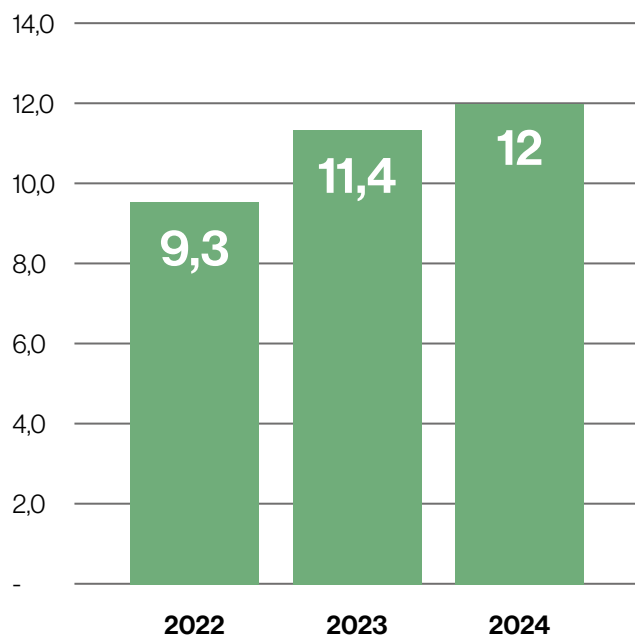
12 ECONOMIC AND GENERAL DATA

ZA.VE.RO. S.r.l. operates in the production of industrial valves and stainless steel fittings and other alloys, with ATECO and NACE code 28.14.

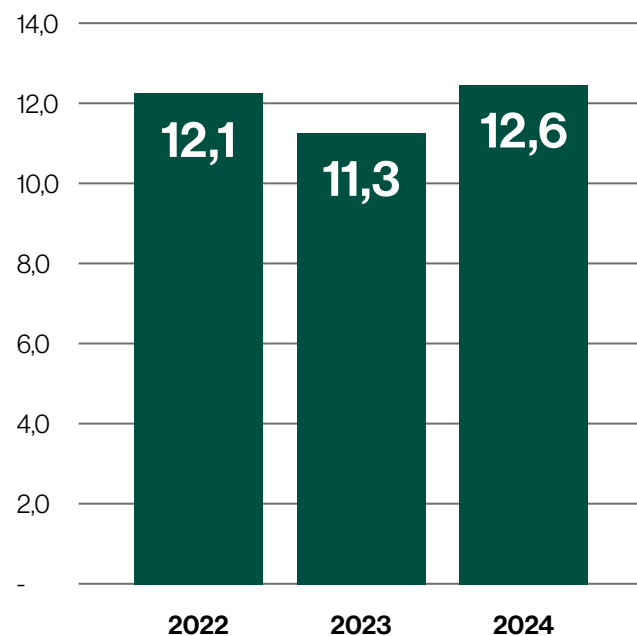
The headquarters and plant are located in Piedmont, Via dei Martiri 121/B, Romagnano Sesia (NO).

Geolocation:
45.6447° N, 8.3909° E

Revenue (M€)



Balance Sheet Assets (M€)



ZAVERO's activity is significantly influenced by global investment trends in the Oil & Gas sector, which are in turn affected by fossil fuel prices.

The following certifications demonstrate the company's commitment to maintaining high standards of quality, safety, and environmental sustainability:

- ISO 9001:2015 – Quality Management System
- API 6A, API 6D, API 6DSS Monogram – Certifications for valves used in the oil and gas industry
- PED 2014/68/EU – Module H – Pressure equipment certification
- ATEX 2014/34/EU – Certification for equipment used in explosive atmospheres
- IEC 61508 SIL3 – Functional safety certification
- ISO 14001 – Environmental Management System
- ISO 45001 – Occupational Health and Safety Management System

13. STAKEHOLDERS

Relevant stakeholders in the company's operating context are identified as: Owners, Clients, Employees, Suppliers, Contractors, Local Residents, Regulators, Trade Unions, Financial Institutions, and Local Authorities.

Stakeholders have been mapped in the "Context/Stakeholder" analysis, but were not directly involved in 2024 in an assessment of the most significant impacts of ZA.VE.RO's activities.

Nevertheless, the high ESG expectations of clients are carefully taken into account by the company, which contributes within the supply chain to continuous improvement and the proposal and testing of best practices.

In particular, we will align with the guidelines of Aker Solutions, which has encouraged its suppliers **to adopt an Energy Management System to achieve**, through improved use, **a reduction in consumption**, costs, and environmental impact.

14. PRACTICES FOR THE TRANSITION TO A MORE SUSTAINABLE ECONOMY

(VSME B2 / C2)

ZAVERO implements specific practices and initiatives to support the transition to a **more sustainable economy**.

Specifically, initiatives have been and will continue to be implemented to reduce energy consumption, control pollution, reduce urban waste, preserve biodiversity and the local ecosystem, and design products with greater circularity.

Details of the initiatives implemented and planned are reported in the section on Environmental Sustainability.

As for supplier involvement, during 2025 Zavero aims to begin engaging its main partners, integrating the existing audit module with aspects focused on ESG topics.

In particular, information will be collected from welders, painters, and transport companies (e.g.: GHG emissions and reduction actions / atmospheric emis-

sions, waste reduction and control / wastewater and treatment).

Regarding business processes, in 2025 Zavero plans to invest in a nitrogen generator, which – in addition to providing greater flexibility and speed – **will reduce the need for transporting purchased cylinders**, thereby lowering CO₂ equivalent emissions.

15

ZAVERO CODE OF ETHICS

ZA.VE.RO.S.r.l. has adopted a Code of Ethics and Conduct, inspired among others by the UK Bribery Act 2010, whose compliance is essential to ensure the proper functioning and reliability of the company.

The Code applies to all Directors, Statutory Auditors, Independent Auditors, Managers, and Employees. The Code of Ethics is available to staff through the internal portal “La mia azienda”.

The Code of Ethics covers, among other topics, corporate conduct, including the prevention of any form of corruption, and environmental protection issues such as commitment to energy savings and proper waste management.

Any information regarding possible violations of the principles contained in this Code, or of its spirit, must be immediately reported to the Board of Directors. ZAVERO prohibits any form of retaliation against anyone who, in good faith, has provided information on possible violations of the Code or applicable laws.

In 2025, extensions of the application of ethical principles are planned:

- Integrating aspects related to human rights, respect and enhancement of diversity, and inclusion;
- Further clarifying the commitment to preventing all forms of corruption;
- Requiring main suppliers to adhere to the Code of Ethics.

Further details on ongoing and future initiatives are provided in the sections on Social Responsibility and Corporate Governance.



16

ENVIRONMENTAL SUSTAINABILITY

16.a. Energy and GHG Emissions

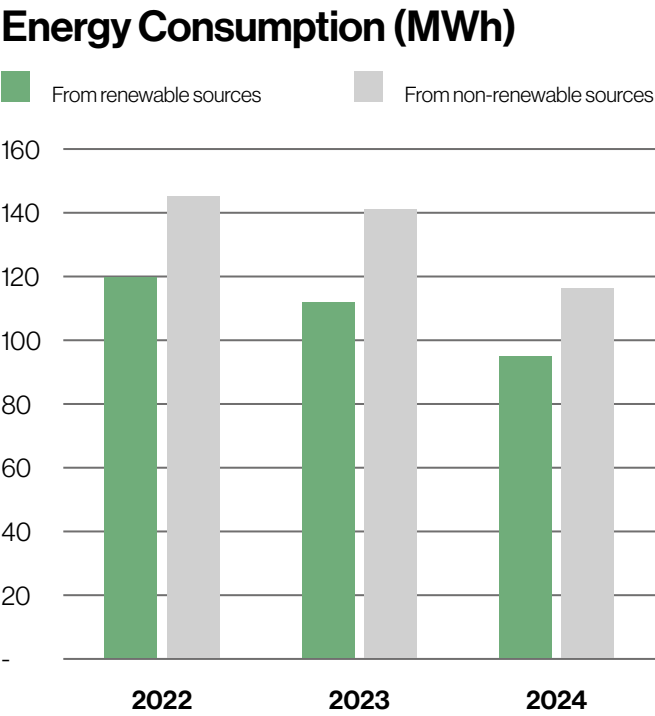
(VSME B3 / C3 – MEF 5-8)

For its energy needs, ZAVERO uses:

- Electricity purchased from the grid for general and process facilities, machinery and production equipment, and for cooling in summer via fancoils. Since September 2024, self-production through a new photovoltaic system has partly replaced grid electricity.
- Natural gas purchased for heating during the cold months.
- Gasoline and diesel for company-owned vehicles used for the transport of people and goods.

The 56 kW photovoltaic system installed in 2024, entirely for self-consumption, complements a 170 kWp plant installed in 2015, which is fully dedicated to feeding electricity into the grid under a supply contract between Zavero and the grid operator, further demonstrating the company's environmental commitment.

Electricity consumption data for the three-year period are represented in the following chart.



Note: The calculation of renewable vs. non-renewable fractions for electricity purchased from the grid is based on the mix declared by the supplier on the energy bill.

Natural gas consumption (smc)

	2022	2023	2024
	25.551	18.499	23.303

Fuel consumption (l)

	2022	2023	2024
Diesel	11.130	12.442	17.688
Gasoline	2.206	1.697	2.596



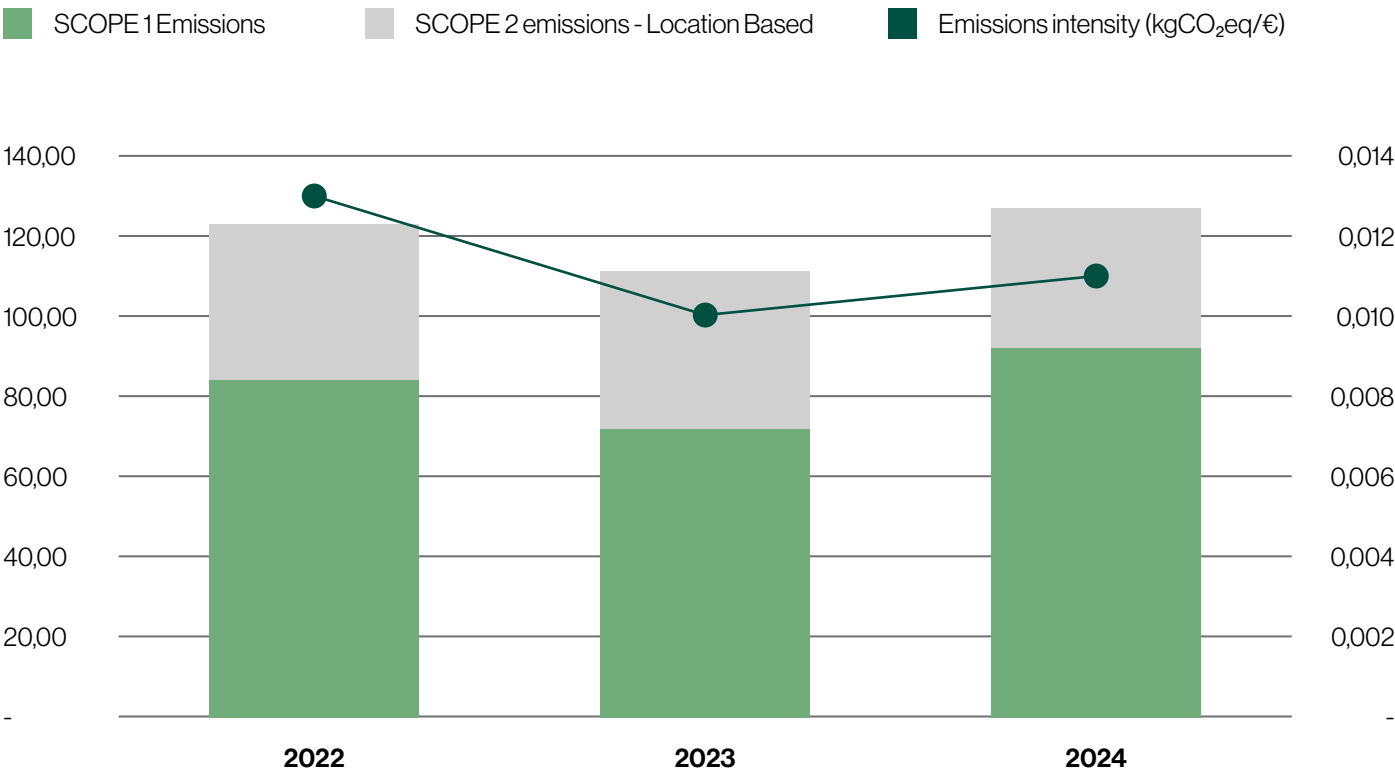
GHG Emissions.

As a result of the above energy and fuel consumption, ZAVERO’s greenhouse gas emissions, measured in tons of CO₂ equivalent, followed this trend over the past three years.:

Emissions have been broken down, in line with the GHG Protocol, into:

- **SCOPE 1** emissions from primary sources used by the company, calculated using conversion factors from national references updated to 2023 or 2024 when available.
- **SCOPE 2** emissions from purchased electricity, calculated using the Location-Based approach, with conversion factors from ISPRA tables.

Gross greenhouse gas emissions (tCO₂eq).



Actions and objectives for the reduction of consumption and emissions

In 2024, the following actions were implemented:

Replacement of lighting fixtures in production and offices with low-consumption LED devices.
Greater subdivision of the production lighting lines, in order to illuminate, in the event of partial operation, only the areas where activities are carried out.

Implementation of a new rooftop photovoltaic system.

These actions resulted in a 17.5% reduction in electricity consumption from the grid in 2024.
For 2025, interventions are planned towards a structured management of energy consumption, starting with the mapping of energy use by consumption area.

16.b. Climate Risks
Transition Hazards and Events related to climate

(VSME C4 – MEF 9-10)

The main effects of climate change at a local level include: reduced water availability for several months of the year and the consequent reduction in crop yields and loss of biodiversity, extreme weather events, forest fires, heat waves.

Although ZAVERO is not directly affected by these issues in its production activities, they increase the risk of environmental disasters and health impacts. The resulting rise in costs is another indirect factor influencing the company.

In 2023, the plant’s roof was renovated to improve insulation and eliminate water infiltration in case of severe weather events. The intervention also included a renovation of the attic to allow for the installation of solar panels.

In the event of heavy rainfall, partial and moderate flooding of production areas may occur due to the limited capacity of the sewer system.

During the summer months, **to counter excessive heat,** production, testing, and warehouse activities are carried out **only during night and morning shifts.**

The company is insured against climate-related events relevant to the area (e.g., hail risk).



16.c. Air, Water and Soil Pollution

(VSME B4 – MEF 13,14)

ZAVERO’s production activities do not release fumes, gases, or particular emissions, nor do they discharge wastewater or solid substances into the soil.

ZAVERO is not required by law or by national regulations to report pollutant emissions to the competent authorities.

16.d. Biodiversity

(VSME B5 – MEF 18-20)

ZAVERO is located in an industrial area near the Monte Fenera Natural Park.
Land use is summarized in the following table.

Land use	hectares
Total land use	2,96
On-site nature-oriented area	0,18
Off-site nature-oriented area	1,61
Sealed surface	1,17

Fruit trees have been planted and a picnic area has been set up where employees can spend their breaks during the summer season.

The company also owns land adjacent to the industrial area, **which is left in its natural state** as a nature-oriented area.

16.e. Water

(VSME B6 – MEF 15-17)

ZAVERO is located in an area classified by the Aqueduct Water Risk Atlas as subject to medium-to-high water stress (20%–40%), depending on the season.

The water used by ZAVERO is drawn from the municipal aqueduct. Most of the water withdrawn is for sanitary use and is returned to the sewer system; it therefore does not constitute real consumption.

Water consumption consists of water used for:

- hydraulic testing of valves (recycled several times, stored in tanks, then disposed of as wastewater); topping up of test tanks amounts to about 2 m³/year,
- irrigation of green areas owned by the company,
- pressure washing.

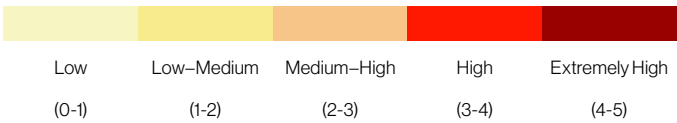
Withdrawals and consumption are summarized in the table.

	2022	2023	2024
Withdrawals (m³)	382	444	564
Consumption (m³)	2	2	2

	2022	2023	2024
Turnover	9.348.609	11.365.981	12.023.196
Water consumption intensity (m³/M€)	0,21394	0,17596	0,16635



Overall Water Risk



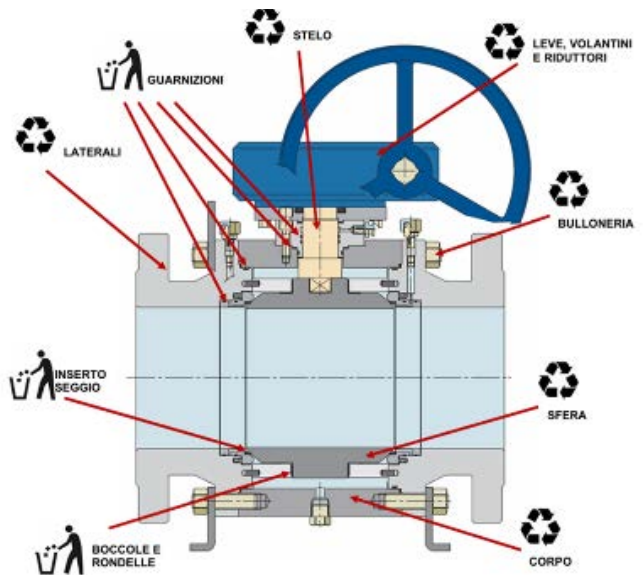
16.f. Resource Use, Circular Economy and Waste Management

The inclusion of more circularity elements in the product is addressed by ZAVERO starting from the design phase.

The valves produced by ZAVERO **comply with industry standards** and client specifications, which in themselves guarantee high durability.

ZAVERO ensures the possibility of extending the useful life of its valves, either through in-situ revamping with support and spare parts, or by repairing the valve at its own facility.

At end of life, the decommissioning of the plant and/or valve replacement is under the responsibility of the end user. Nevertheless, ZAVERO's products are largely recyclable, with recovery of steel and alloy parts. The following diagram illustrates recycling opportunities.



Resource Use. About 90% of the material used by ZAVERO consists of metallic raw materials – mainly steels and nickel superalloys – acquired mostly in Italy in the form of bars, raw forgings, and machined components.

The raw material is mostly composed of recycled materials, reprocessed in electric arc furnaces. ZAVERO primarily uses steel and nickel alloys for the manufacture of its valves.

Data on quantities used are not available at the time of drafting this report. Thanks to the implementation of a new management system in 2025, these data will be collected and reported starting from fiscal year 2026.

For valve testing, technical gases are used: pure nitrogen or nitrogen mixed with helium (in small amounts for hydrogen and fugitive emissions testing).

In 2024, 4,916 m³ of nitrogen were purchased for this purpose.

Internal nitrogen production. ZAVERO has planned for 2025 the investment in a nitrogen generation plant equipped with a pressurization unit, to meet its own internal needs for gas-tightness valve testing.

The generator, which will be powered whenever possible by self-produced energy from the photovoltaic system, will provide several advantages:

- reduction of nitrogen supply costs,
- reduction of GHG and pollutant emissions related to current road transport of cylinder packs,
- reduction of valve pressurization times during testing by about 90%,
- greater flexibility and reduced internal lead time, supporting the maintenance of short delivery times.

ZAVERO will continue to purchase helium-added nitrogen (3%) and liquid nitrogen for cryogenic tests, which represent a minority share of the total testing mix.

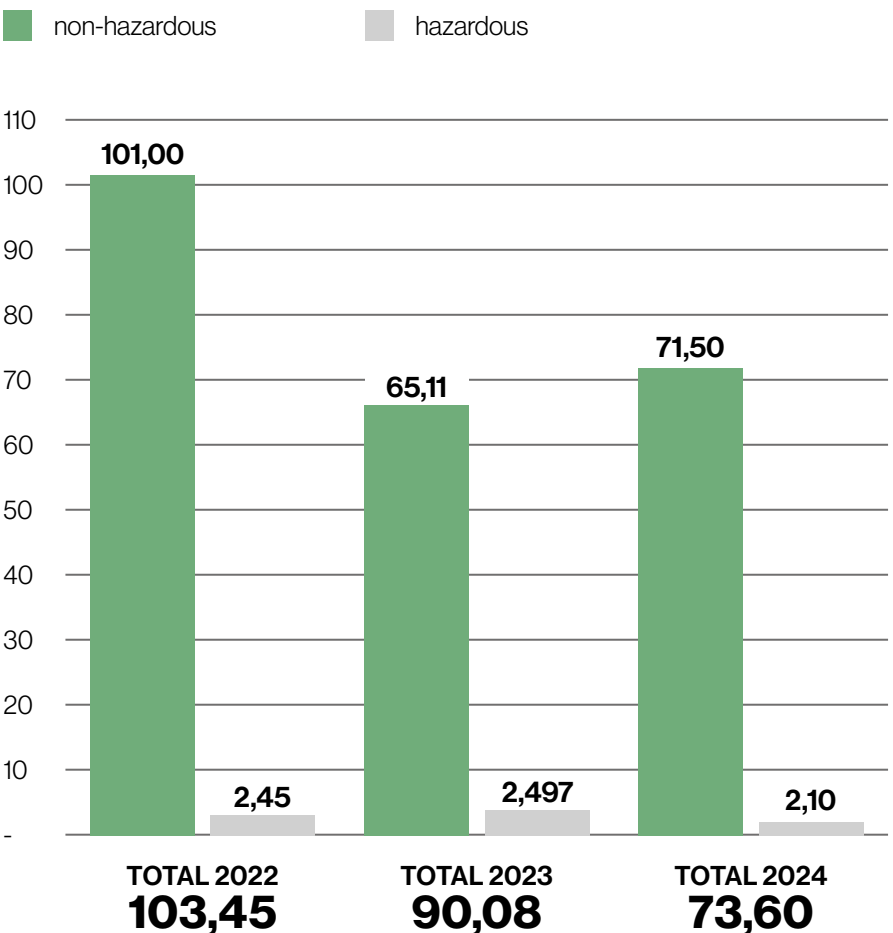
4.916 mc

In 2024, 4,916 m³ of nitrogen were purchased

90%

reduction in valve pressurization times during testing.

Types of waste
(annual quantity in tons)



Packaging. ZAVERO valves are packaged according to customer requirements. The most common packaging consists of custom-made wooden crates, to which a plastic barrier bag may be added upon request. The type of packaging follows customer procedures and specifications, and must guarantee the protection of the valves during transport and storage, whether at intermediate warehouses or at the final site.

At the end of use, the packaging materials remain at the customer's disposal, who may send the wood for recovery.

Waste Management. Waste from ZAVERO's processes mainly consists of metallic scrap, which is fully recycled. Quantities may vary year by year depending on the product mix (valve

size and class) and strategic decisions (make or buy for internal machining). The quantities of hazardous waste are minimal, consisting of used oils, filters, and oil-soaked rags.

Wood waste mainly consists of unusable pallets and packaging received from suppliers, which are also sent for recycling. The chart shows aggregated data on waste produced during the three-year period.

Data on recycling percentages are not available at the time of drafting this document. For 2025, ZAVERO has set the objective, in collaboration with waste disposal companies, to structure data collection so that information on the recycled fraction will be available starting from fiscal year 2026.

ZAVERO has set concrete objectives to reduce waste generated by its processes, carrying out the following actions in 2024:

- **Elimination of plastic** from coffee and beverage vending machines; water dispensers were installed to supply drinking water.
- **To promote waste sorting,** in addition to awareness and information campaigns, bins were removed from offices and production areas and replaced with collection points equipped with containers for separate waste types.



17 **SOCIAL RESPONSIBILITY**



Human resources are an indispensable element for the existence of the Company. The dedication and professionalism of its Directors, Management, Employees, and Collaborators are crucial values and essential conditions for achieving ZAVERO's objectives.

The Company offers all its people the same opportunities for professional growth, committing to ensuring that everyone can benefit from fair treatment based on merit criteria, without any discrimination. ZAVERO is determined to create a working environment in which personal characteristics do not give rise to discrimination.

The Company is committed to developing the skills and abilities of its Management and Employees so that the energy and creativity of each individual can be fully expressed in reaching their potential.

Each ZAVERO employee discusses their annual objectives with their manager; at the end of the year, the

two carry out an evaluation of the achievement of objectives and work performance, defining empowerment actions and future goals.

ZAVERO offers its employees the possibility of benefiting from the services of Metasalute, the health fund for metalworkers.

For all those whose working arrangements allow it – around 20 people – the possibility is offered to work from home (smartworking) one day a week. This simultaneously provides employees with greater flexibility and helps them develop the digital skills necessary to best manage remote customer relationships.

In this regard, given the international nature of ZAVERO's business relations at all levels, internal meetings are held in English in order to develop communication skills in the language. It is also estimated that home-work travel avoided thanks to smartworking results in reduced emissions of between 3 and 4 tons of CO₂ equivalent per year.

20

To all those whose work arrangements allow it, around 20 people, the possibility is offered to work from home (smart working) one day a week.

3/4 ton

It is estimated that commuting trips avoided thanks to smart working result in reduced emissions of between 3 and 4 tons of CO₂ equivalent per year.*

*The approximate calculation is based on the number of employees involved, one average day of smart working per week each, an average home-to-work distance of 18 km, and an average car emission factor of 150 gCO₂eq/km (ISPRA Environmental Indicators Database).

Human resources are an **essential element** for the Company's existence.

17.a. Employees

(own workforce, general)

(VSME B8 / C5 – MEF 26, 35)

The number of employees remained stable over the three-year period; in 2024, a turnover rate of 7% was recorded, which was managed by hiring both experienced and younger staff, including workers of foreign origin.

General data on ZAVERO’s personnel are reported in the table.

Types of contract	2022	2023	2024
Fixed-term	3	1	1
Permanent	40	40	42
Total	43	41	43

Gender	2022	2023	2024
Male	35,8	35,6	34,6
Female	6,7	5,4	7,5
Total	42,4	41,0	42,1

These calculations are based on full-time equivalent units (FTE) or ULA and average presence during the year.

The high specialization of the staff employed does not allow, in practice, the use of agency workers.

ZAVERO applies **non-discriminatory practices**, based on the principles of inclusion, fairness, and enhancement of diversity.

These principles, as well as international practices for the respect of human and labor rights, will be included in the review of ZAVERO’s Code of Ethics, planned for 2025.

All ZAVERO personnel work at the Romagnano Sesia head-quarters and live nearby.

17.b. Health and Safety

(VSME B9, MEF 32-34)

ZAVERO has implemented a Health and Safety Management System, certified as compliant with ISO 45001 by an independent third party since 2018.

The company has invested human and financial resources because it firmly believes that safeguarding the physical and mental health of its employees, and respecting the environment, leads to greater efficiency and, consequently, an improvement in the working environment.

Employees are actively involved in safety management; in particular, they are required to report unsafe situations using a dedicated form, or to provide suggestions for improvement.

Among the KPIs monitored by ZAVERO is the number of Near Miss reports. Each year, a minimum target of reports to be collected is set in order to maximize prevention opportunities.

To reduce the impact of high summer temperatures in the production area, the company adjusts work shifts and provides free water and mineral supplements to employees.

Throughout ZAVERO’s history, **no work-related fatalities** have ever been recorded.

* Rate normalized to 100 average annual employees

Accident statistics	2022	2023	2024
Number of accidents	0	0	1
Number of employees	42	41	42
Accident rate*	0	0	2,38
Number of days lost due to accidents or occupational illness	0	0	5

17.c. Workforce

Remuneration, Collective Bargaining, and Training

(VSME B10 – MEF 28-31, 36)

Training hours	2022	2023	2024
Total training hours	488	1058	1113
Number of employees	42	41	42
Average training hours	11,6	25,8	26,5

The average training hours broken down by gender will be recorded and made available starting from 2025.

All employees are hired under the National Collective Labor Agreement (CCNL) for the Metalworking Industry. The salaries offered to employees comply with contractual levels and minimum wage requirements, and may include additional allowances.

ZAVERO considers it essential to involve all staff in **continuous training activities**.

Total and average training hours are monitored through KPIs that measure the planning and delivery of training.

The three-year data are reported in the table and demonstrate the achievement of the 2024 objectives. General workforce data are also provided.

17.d. Human Rights

(VSME C6-C7; MEF 27)

The Code of Ethics and Conduct of ZAVERO provides for the creation and maintenance of an environment in which **personal characteristics do not result in discrimination.**

The Code of Ethics and Conduct, issued in February 2018, will be revised in 2025 with the intention of including explicit statements on the respect of human rights, diversity, equity, and inclusivity, while also strengthening the commitment to prevent all forms of corruption.

No incidents related to human rights violations have ever been recorded at ZAVERO.

17.e. Community-Oriented Initiatives

(MEF 37)

ZAVERO dedicates **concrete attention to communities**, supporting initiatives that generate a positive impact on people and the local area.

The company is an active participant in the project "Un Villaggio per Amico" (<https://www.unvillaggioperamico.org/>) of the Valsesian Solidarity Association.

ZAVERO also supports the inclusive basketball activities of the Baskin Ciuff association of Borgomanero (www.baskinciuff.it).

ZAVERO fully **respects fundamental human rights and complies** with national laws that prohibit child labor, forced labor or any form of coercion, and human trafficking.



18. Business Conduct

18.a. Anti-Corruption Practices

MEF 38

The ZAVERO Code of Ethics and Conduct (see Chapter 15), inspired among others by the UK Bribery Act 2010, includes elements to prevent all forms of corruption. In particular, it establishes that any information relating to possible violations of the principles contained in the Code or its spirit must be immediately reported to the Board of Directors.

The Code guarantees anonymity of the whistleblower and prohibits any form of retaliation against those who, in good faith, provide information regarding possible violations of the Code or applicable laws.

18.b. Revenues from certain sensitive sectors

(VSME C8)

ZA.VE.RO. operates in the European and extra-European market of components for oil and petrochemical plants. ZA.VE.RO. has implemented a commercial strategy focused on exploring new high value-added markets. To counter the effects of climate change, the sector is transitioning towards energy production powered by hydrogen.

Although operating in a sector with a high environmental impact, ZAVERO aims to constantly reduce this impact through actions such as:

- - Desiging
valves with ultra-low fugitive emissions
- - Supplying
valves for hydrogen-based energy production and for Carbon Capture and Storage (CCS) plants

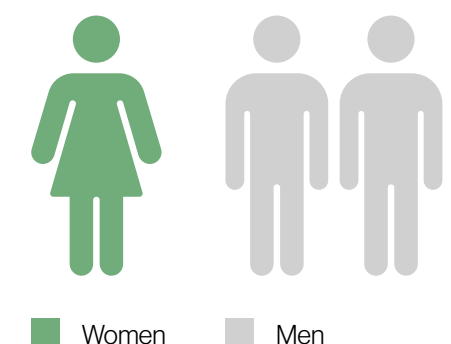
In 2024, revenue from the upstream, refining, and downstream sectors of Oil & Gas accounted for almost all of ZAVERO's turnover.



18.c. Board Diversity

(VSME C9)

The Board of Directors is composed of three members, with a gender **diversity ratio of women to men equal to 50%.**



PAR. NO:	VSME STANDARD	SME-Bank Sustainability Dialogue Requirements n°	PAR.	NOTE
B1	Basis for preparation	1. General information 2. Information on organizational and governance structure	10/12	
C1	Strategy: Business Model and Sustainability		5/8/9/11	
B2/C2	Practices, policies and future initiatives towards a more sustainable economy		14	
	SME-Bank Dialogue	3. Information on ESG assessment systems and environmental, social and corporate conduct certifications	12	
B3	Energy and greenhouse gas emission	5. Total energy consumption from renewable sources 6. Annual Scope 1 emissions 7. Annual Scope 2 emissions	16.a	
C3/GHC	Reduction targets and climate transition	8. Targets to reduce greenhouse gas emissions	16.a	
C4	Climate risk	9. Investments (planned or completed) to reduce exposure to physical and transition risk 10. Insurance coverage against physical risks/natural disasters	16.b	
		11/12. Estimates of % of revenues and % of capital expenditures aligned with EU Taxonomy for environmental objectives: 1. Climate change mitigation. 2. Climate change adaptation, separated by NACE activity		not applicable
		4. Energy efficiency and performance level of mortgaged real estate		not applicable
B4	Pollution of air, water and soil	13. Annual emissions of pollutants	16.c	
		14. Targets for pollutant emission reductions		not applicable
B5	Biodiversity	18. Protected areas and high biodiversity value areas 19. % of impermeable land area	16.d	
		20. Biodiversity protection or restoration targets		not applicable
B6	Water	15. Annual water consumption volume	16.e	
		16. Annual water withdrawals from high water stress areas		not applicable
		17. Targets for water consumption reduction	16.e	

PAR. NO:	VSME STANDARD	SME-Bank Sustainability Dialogue Requirements n°	PAR.	NOTE
B7	Resource use, circular economy and waste management	21. Hazardous and radioactive waste produced 22. Waste disposed and waste recycled 23. Recycled/recovered/by-product content in finished/semi-finished products and packaging, 24. Recyclable content in packaging	16.f	
		25. Circular resource management improvement targets	16.f	
B8	Workforce General characteristics	35. No. of permanent and fixed-term employees, by gender and classification	17.a	
C5	Additional (general) workforce characteristics			not applicable
B9	Workforce Health and safety	32. No. of occupational accidents reported to INAIL during the year 33. No. of lost working days due to accidents or occupational diseases 34. No. of fatalities due to occupational accidents or diseases	17.b	
		39. Procedures for reporting health and safety hazards	17.b	
B10	Workforce Remuneration, collective bargaining and training	28. No. of workers covered by collective bargaining agreements 31. Average training hours per employee	17.c	
		29. No. of employees in protected categories beyond legal requirements 30. Average gender pay gap by classification		not applicable
		36. Initiatives with impacts on the workforce	17	
C6	Human rights policies and processes	26. Policies/procedures to promote and ensure workers' rights	15	
C7	Severe negative human rights incidents	27. No. of human rights violations resulting in final rulings or sanctions		not applicable
		37. Initiatives with impacts on communities and territories	17.e	
		38. Code of Ethics, organizational and control model 231 and/or anti-corruption procedures and whistleblowing systems	15/18.a	
B11	Convictions and fines for corruption and bribery	40. Monetary or disqualifying sanctions for violations of anti-corruption or environmental laws		not applicable
C8	Revenues from certain sector and exclusion from EU reference benchmarks		18.b	
C9	Gender diversity ratio in the governance body		18.c	

Contacts

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