



2025 SUSTAINABILITY REPORT

Breathing the Future:

designing for comfort through efficiency and innovation.

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1

Letter to Stakeholders

GRI 2-22

Dear stakeholders,

The year **2025** marked a **consolidation** phase in the sustainability journey undertaken by Galletti S.p.A. in previous years. Sustainability is acquiring an increasingly practical significance in an industrial setting featuring fast-paced regulatory, technological and geopolitical changes. It is not just a matter of announcing principles but of converting them into **processes, responsibilities, monitoring tools, and measurable objectives**.

Drawing on over 100 years of experience, Galletti pursues the implementation of its industrial role whilst paying close attention to the impact it has on the environment, on people, and on the economic system in which it conducts business. Our short, medium, and long-term vision is based on the belief that **efficiency, innovation and responsibility** are closely interwoven and inseparable. Hence, we develop air conditioning and indoor comfort solutions designed to reduce energy consumption, ensure long-term reliability, and gradually minimise environmental impact throughout the product's life cycle.

Throughout the year, we strengthened the link between **corporate strategy and sustainability**, especially addressing environmental transparency, governance, supply chain management, information security, and the development of our people. These areas are now key priorities for tackling a market that is increasingly focused on product quality, robust processes, and corporate responsibility throughout the value chain.

Concerning the environment, we remain committed to developing ever more efficient products, and to objectively measuring their performance. The **Environmental Product Declarations** (EPD) are an essential tool to transparently communicate the environmental impact, and to help customers, designers and stakeholders make informed choices. With this in mind, we shall further strengthen the convergence of design, innovation and life-cycle assessment.

The **supply chain** is another key aspect of our responsibility. Supply chain proximity is a strategic factor in a global context characterised by unstable logistics, geopolitical tensions, and volatile markets. **Italian and European suppliers account for over 80% of our procurement expenditure today.** This confirms the company's deep roots in the national manufacturing sector, and its commitment to building long-term relationships with qualified partners.

At the same time, the increasing digitalisation of processes makes **data security** an issue that is growing in importance. Information security does not only concern the organisation internally, but also involves suppliers and partners. Hence, we plan on gradually extending the culture of information security throughout the supply chain by adopting common guidelines, and organising dedicated training programmes.

Sustainability also depends on **the quality of the work environment**, and on **the organisation's ability to value its people**. Diversity, inclusion and equal opportunities are crucial aspects of a modern, respectful, and growth-oriented corporate culture. We want to raise awareness of these topics within the organisation, thus encouraging implementation of principles such as fairness and respect even in behaviour.

Governance is also playing an increasingly important role in our journey. Sustainable growth requires clear rules, safety provisions, and consistent behaviour. To this end, we shall further

strengthen our prevention, control and integrity measures, also by adopting the **Organisation, Management and Control Model**, pursuant to Italian Legislative Decree No. 231/2001, and by formalising an **Anti-Corruption Policy**.

Our priorities are defined in line with the **UN 2030 Agenda for Sustainable Development**, in particular SDG 5 – Gender equality, SDG 7 – Affordable and clean energy, SDG 8 – Decent work and economic growth, SDG 9 – Industry, innovation and infrastructure, SDG 10 – Reduced inequalities, SDG 12 – Responsible consumption and production, SDG 13 – Climate action, and SDG 16 – Peace, justice and strong institutions. These principles guide our industrial, organisational and interpersonal decisions.

Looking ahead to **2026**, our main objectives will be to:

- complete **Form 231 and draw up an Anti-Corruption Policy**;
- ensure that at least **80% of procurement expenditure** comes from Italian or European suppliers;
- formalise an **external policy for suppliers** on data security management, and implement the relevant training;
- train **100% of staff** on diversity, inclusion and equal opportunities;
- produce an **EPD for every new product launched**.

These commitments mark an important transition from predominantly project-based sustainability to **sustainability** that is increasingly **incorporated into business processes**. Our aim is to build a growth model capable of generating industrial, environmental and social value in a consistent, measurable and sustainable way.

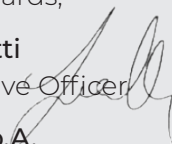
We would like to thank everyone who works with and for Galletti – employees, customers, suppliers, partners and stakeholders – for their daily contribution to our journey. The dialogue with you remains a key driver to continue improving, strengthening our corporate responsibility, and helping to build a future capable of generating value over time.

With kindest regards,

Michele Galletti

Chief Executive Officer

Galletti S.p.A.



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Highlights – 2025



3

Profile and Identity

GRI 2-6

A history spanning 120 years

Galletti, the renowned leading international company in the **manufacturing of hydronic indoor units, chillers, and heat pumps – HVAC (Heating, Ventilation & Air Conditioning)**, takes pride in its history, which dates back to the early 20th century.



An **Italian story to the core**, in which **tradition and innovation are closely interwoven** in a way that is firmly rooted in and consistent with the region of origin. Above all, it is a **story shaped by people**.

Generations of men and women who, through their expertise, dedication and determination, have made a decisive contribution to the company's growth and consolidation over time.

We stand out for **our highly specialised expertise in the field of high comfort air conditioning** for the tertiary, industrial, commercial and residential sectors. We respond to new market demands **by ensuring the highest standards of quality and reliability**, whilst constantly exploring new opportunities for innovation, technology and product design. A network of qualified distributors and service centres guarantees support throughout the product's entire life cycle.

We look to the future through a **process of continuous evolution, focused on adopting a new design approach** in our sector of **Advanced Design**. A model that combines high performance, energy efficiency, and technological innovation, blending sophisticated design solutions with an approach focused on environmental management and ongoing improvement.



1906

Establishment

Ugo Galletti opened a small workshop in the outskirts of Bologna (Castel Maggiore), specialising in ironworking and the repair of agricultural tools.



1920

Cold is in its DNA

The company began its expansion process by specialising in the manufacture of ice moulds.



1930

Growth

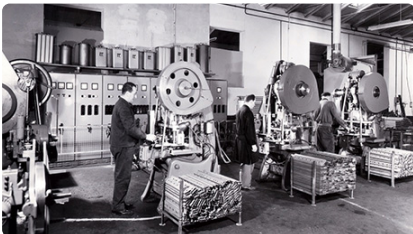
Galletti grew into a company that could count on a workforce of **over 100 employees** specialising in sheet metal fabrication for third parties.



1950

The war and major contracts

It fell to his sons, Fiorenzo and Luigi Galletti, to relaunch the company by entering into **prestigious contracts** with Ferrari, Lamborghini tractors, Ducati, Landini, and Ferrovie dello Stato. Galletti also began manufacturing motorcycle chassis.



1960

The boom years

Galletti stepped down from its role as subcontractor, and entered the heating market with its own brand.



1970

Fresh air

A new range of products for air conditioning. After the heating sector, Galletti made a resounding success in the air-conditioning market with its Polar Warm fan coil unit.



1980

Wind from the Rising Sun

A **partnership** with a leading Japanese air-conditioning company was established. Galletti became the exclusive distributor for Italy of domestic split air conditioners. In 1982, the company moved to its current premises in Bentivoglio.



1994

EUROVENT certification

Galletti's **products were awarded** the **Eurovent certification**, a guarantee of quality and reliability. During these years, Galletti also began to specialise in the production of chillers and heat pumps.



2006

The centennial

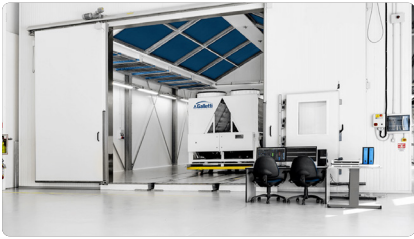
Celebrating the **100-year milestone**, the company continued under the leadership of Chairman Luca Galletti, consolidating its position as a market leader in hydronic indoor units, chillers and heat pumps.



2014

The Group

The Galletti Group brand was officially launched. It counted several companies working in synergy to offer a comprehensive range of products and services in the HVACR sector.



2020

New climatic chamber

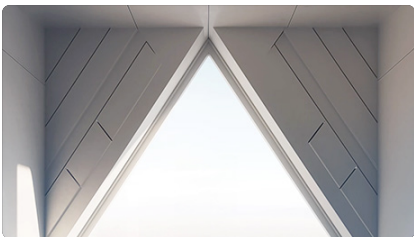
Inauguration of the **new climatic test chamber** for medium and high-capacity chillers and heat pumps. It completed a **Research and Development area** that is amongst the most advanced in the sector, thus confirming the strategic choice to focus on continuous growth in highly complex solutions and systems.



2021

Environmental certification

Galletti was awarded the **Environmental Certification** in accordance with standard **UNI EN ISO 14001: 2015**.



2024

Advanced Design

A new approach to design: analysis of materials and processes; projects co-designed with the client. Technologically advanced, high-performance solutions developed with a focus on energy efficiency, and the management of environmental impacts. **EPD certification:** (Acqvaria, Acqvariai, VLS). Galletti joined the HT Cooling Group, which specialises in process cooling.

2025

Awareness of ESG impacts

Galletti published its **first sustainability report**, and obtained the **certification for gender equality in accordance with standard UNI PdR/125:2022**. The company carried out the **first Organisational Carbon Footprint Assessment** in accordance with standard **ISO 14064-1:2018**.

2026

120 years of history

Galletti celebrates **its 120th anniversary!**

The guiding principles of our progress



Vision

Our goal is to become the benchmark company in the HVAC sector, one that is able to offer Advanced Design solutions studied to achieve the utmost comfort through the complete interaction of people with their living environments.



Mission

We strive daily to redefine standards in the HVAC sector through a new approach based on Open Innovation by working on new materials, shapes and functionalities. The aim is to develop sustainable products and solutions designed to anticipate future scenarios for the residential and service sectors.

The ultimate goal is to offer technology, design, advanced services and high customisation to generate value for our customers today, and for future generations.

Our values

Our values reflect a deep **commitment to integrity and transparency**, principles that guide every activity towards excellence, whilst respecting both people and the environment. Our philosophy stands apart for **its proactive strategy based on listening, and the ability to propose simple solutions to complex problems**. These values underpin our commitment to a thoughtful, inclusive and responsible concept of growth.



Reliability

Building relationships based on transparency, reliability and consistency. Trust underpins the way we operate, both within the organisation and in our relationships with customers, suppliers and partners.



Quality

Striving for excellence in every area, from internal processes to the products and services we offer. We consider quality a common goal and an ongoing commitment, which translates into value for all stakeholders.



3



Tenacity

We are accustomed to rolling up our sleeves. Our history has taught us not to give up. We have overcome periods of crisis, rebuilt the company when it was destroyed in the post-war era, and proactively faced market upheavals.

4



Flexibility

The ongoing search for personalised, tailor-made solutions. Turning individual needs into opportunities for innovation and mutual growth.

5



Transparency and compliance

Operating in accordance with the highest ethical, regulatory and integrity standards. Promoting a culture of lawfulness, transparency, and accountability. Communicating clearly, accessibly, and comprehensively.

6



Technology and responsible innovation

We drive innovation through technology as a strategic lever to improve process efficiency, develop innovative solutions, and help tackle environmental and social challenges through an approach based on measurable objectives.

7



Humanity, health and well-being of people

We focus on people. Nurturing talent, promoting skills, safety, well-being and fairness, ensuring an inclusive environment in which everyone can fulfil their potential with respect and dignity.

8



Environmental and social responsibility

Adopting practices that take social and environmental considerations into account, and contributing to the sector's ecological transition. Creating value for communities by supporting social, cultural and educational initiatives.

Galletti Group: an integrated ecosystem

With over 100 years of history, our company has successfully evolved and diversified, establishing itself as a leading player in its sector. This growth has been achieved through a **network of manufacturing and commercial enterprises that work in synergy to ensure quality, innovation, and a widespread** market presence. The **Galletti Group's** typical feature lies in its ability to converge companies that retain their own identity and specialisation, whilst at the same time harnessing complementary skills within an integrated ecosystem. This approach enables the Group to position itself as a single, qualified partner in the HVACR sector, offering comprehensive expertise and technologies in heating, ventilation and air-conditioning systems.

Today, the Group consists of **four distinct but synergistic entities**:



Galletti, the Group's parent company, has always focused on high-comfort climate control, offering advanced solutions for residential buildings and the services sector, including high-efficiency hydronic indoor units, chillers, and heat pumps that seamlessly merge into the spaces in which they are installed.



This company of the Group specialises in providing technical support. It offers prompt, qualified, and integrated maintenance and after-sales support services.



This company is a benchmark in process cooling. It develops tailor-made solutions for the industrial sector by drawing on over thirty years of experience, and on extensive technical customisation capabilities.



Specialized in air treatment, Galletti designs and manufactures air handling and heat recovery units for climate control in residential and industrial buildings by providing flexible, high-performance solutions.

Our approach and our solutions

Our approach is based on a **future-oriented vision**, which guides the design process by taking into account possible future scenarios for the sector in terms of plant engineering solutions, technologies, products and services. We favour a **systemic perspective** rather than a purely product-based approach by adopting the principle of circularity as a framework for optimising resources, and transforming process waste into new opportunities for the system itself (e.g., through waste heat recovery).

We also promote an **open innovation** model by viewing the project as a space for dialogue and cross-fertilisation between different areas of expertise, both technological and humanistic. Our aim is to generate original solutions, and foster the company's growing openness to external input and contributions. This **approach is strongly focused on sustainability**. The various available energy sources are assessed right from the early stages of product development, along with their integrability and design solutions in order to reduce energy consumption and the environmental impact associated with the system into which the product will be incorporated.

Our factory **handles all stages of the manufacturing process in-house**, including sheet metal cold-forming, and the assembly of finished products, such as hydronic indoor units, refrigeration units, and heat pumps. We have an **automated sheet metal processing centre** equipped with an automated storage system, robots for bending small parts, and punching and bending centres. This **state-of-the-art integrated centre** is a significant example of what the concept of “**vertical integration**” means to Galletti.

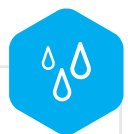
The **production process is completed with the assembly of air heaters, fan coils, refrigeration units, and air-to-water and water-to-water heat pumps** via semi-automated production lines. Each product undergoes rigorous end-of-line tests, precisely functional, safety, robustness and anti-corrosion tests of the materials, as well as laboratory tests under different working load conditions.

With **extensive experience acquired over time**, ongoing **investments in technological innovation**, and a **strong focus on quality**, we are recognised for our ability to offer **high-performance, reliable and efficient solutions**. We design and manufacture air-conditioning systems and components studied to ensure **maximum indoor comfort** by adopting **an integrated approach, which combines energy efficiency, design, and flexible application**.

Our approach can be defined by three key words: **Comfort, Technology and Design**.

Specifically, we provide:

Hydronic indoor units



For air-conditioning systems featuring cutting-edge technology and design to converge maximum efficiency, quiet operation, and seamless integration into any space requiring air conditioning. These systems are the heart of our expertise in climate comfort. The company's strong focus on technical standards, its expertise in development and design, and its ongoing pursuit of innovation have led it to invest in design, giving rise to a new concept in hydronic indoor units. They are no longer an element to be hidden away, but a perfect blend of performance and aesthetics.

Chillers and heat pumps



The **chillers and heat pumps** we manufacture are an example of our internationally recognised quality, and the reliability of 'Made in Italy' products. Over thirty years of experience, combined with ongoing research and innovation, have led to the development of a comprehensive range of HVAC solutions, from 4 kW to 1,200 kW, characterised by high seasonal efficiency and the use of low-GWP refrigerants. Recent years have witnessed a significant increase in **demand for chillers and heat pumps for hire**. This inspired us to further expand our offering by introducing a **dedicated rental service of chillers and heat pumps** to support our customers' operational flexibility, and management efficiency. Our partnership with a leading national provider of rental solutions for the lorry, crane, construction site logistics and earthmoving sectors enables us to **offer rental plant solutions tailored to specific applications**, including hotels and communities, trade fairs and temporary events, the wine industry, manufacturing processes, greenhouses, and large-scale retail. This model effectively meets specific operational requirements, such as maintaining indoor comfort or managing technical issues in temporary applications, where the limited duration of service, the system configuration or the nature of the production activity make purchasing the equipment a less cost-effective option. The ability to replace units quickly, and ensure continuity of service, as well as the need to air-condition spaces for limited periods, are increasingly important factors in the decisions made by users. This approach is now being widely adopted.

Software and Hardware



The sector's product range is further completed by the development of electronic boards and software designed to control hydronic indoor units, chillers, heat pumps, and integrated systems. Technological innovation is also combined with design through advanced solutions such as microprocessor-controlled systems with the EVO-2-TOUCH remote touchscreen interface. It ensures simple and intuitive operation, including via Smartphone, by using a dedicated app developed by Galletti.

The **strategic decision to bring key activities in-house**, such as **Research and Development, Design and Production**, has enabled the company to strengthen its control across the entire supply chain, thus enhancing the added value generated in-house, and sustaining steady growth over time. This approach has led to the **development of highly competitive products** in terms of **quality, performance, and customisation options**.

At the same time, the establishment of a **department dedicated to software and hardware development** has enabled us to expand our product range to include solutions for the control of hydronic indoor units, chillers, heat pumps, and plant supervision systems. Furthermore, **in-house management of the development** of semi-finished products, components and finished products **enables** us to **ensure high quality standards, rapid response times, and greater flexibility** in meeting the demands of both the market and our customers.

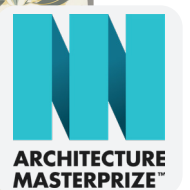
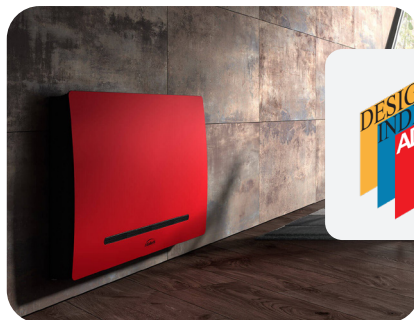
We support this process by adopting an **Advanced Design approach** aimed at promoting continuous innovation in an increasingly complex context characterised by rapid technological change. All this takes shape **through the in-house Advanced Design Unit**, where technological innovation, aesthetic research, attention to materials, and the customer experience come together to create a product that fully meets the end-user's needs.

The **creation of the Design Unit** reflects a decision to adopt an approach based on **building relationships, and on actively involving the client in the creative process**. The process begins with a preliminary consultation and discussion phase, which is essential for developing solutions that converge desirability, technological innovation, business objectives and sustainability, whilst ensuring that the customer experience meets both technical and regulatory requirements.



Awards

Thanks to our approach to industrial design—which combines functionality, innovation and customisation—over the years we have received significant international recognition, such as the International Archiproducts Design Award in 2019. In 2020 we were awarded the Red Dot Award in the Product Design category, the BigSEE Product Design Award, and the Architecture MasterPrize (AMP) Award, right up to the 2021 Good Design Award for ART-U, a product acknowledged as one of the most innovative and cutting-edge industrial, product and graphic design projects created worldwide, further confirming the excellent design value of our solutions.



Research, Development and Design

The market demands products that are increasingly advanced in terms of quality, performance, and energy efficiency. We respond effectively to these needs by relying on a modern **in-house Research and Development (R&D) Department**, which drives technological innovation, and the continuous development of our solutions.

The **R&D Department is a vital part of our company**, which works in close collaboration with the Production Department and the Quality Control Department to ensure that our products are designed and manufactured with meticulous attention to detail, in compliance with our high standards. Research and Development Lab activities are underpinned **by an extensive and technologically advanced testing infrastructure**, designed to support the testing, development and optimisation of units in the catalogue. All the systems and measuring equipment operate in an integrated and coordinated manner, consistently with our high standards of performance, quality and reliability for products intended for the market.

Once the idea has been developed by the R&D Department, it moves on to the implementation phase via the **Technical Department**, which is responsible for the mechanical and electrical design of hydronic indoor units, chillers and heat pumps. In addition to these activities, the company also develops software and hardware solutions designed for the management and control of systems.

Innovation projects and patents are a distinctive and strategic element in our company's competitive positioning. The number of in-house research and development initiatives has gradually increased over the years, counting **nine multi-year research and development projects to date**. The aim is to identify advanced technological solutions capable of meeting the sector's growing demands for efficiency and performance.

The R&D Department also has **a number of specialised facilities and advanced measuring devices** for product testing, analysis and validation under various operating conditions.

- **Climate test chamber for tests up to 1200 kW** – This is the technological heart of the Bentivoglio laboratory, designed to test the performance of chillers and heat pumps under actual operating conditions. The integrated thermo-hygrometric control system guarantees reliable measurements. The facility also serves as a hub for collaboration with the academic world;
- **Climate chamber for testing up to 200 kW** – It enables performance and functional testing on medium-power units, in accordance with standard UNI EN 14511, ensuring stability and accuracy in air/water parameters;
- **Tunnel system for aeraulic testing** – It is used to determine the ventilation curves of units, in accordance with the UNI 5167 and Eurovent standards;
- **Reverberation chamber for acoustic measurements** – Certified facility for measuring the sound power of fan coil units in accordance with UNI EN 9614 standard, including through sound intensity methodology;
- **Calorimetric chamber up to 30 kW** - It allows the evaluation of the thermal performance of fan coil units, chillers and heat pumps, in accordance with the UNI EN 1397, UNI EN 14511, and Eurovent standards.



The integration of these resources enables the laboratory to offer a controlled and technologically advanced environment, which is essential for supporting continuous innovation and ensuring that the highest quality standards in the HVAC industry are met.

Collaboration between the various test systems is a strategic factor. It enables Galletti to rigorously validate the performance of its solutions, in full compliance with the requirements set out by the **Eurovent certification programme**. This programme provides for a final certificate to be issued under a voluntary initiative managed by third parties, which certifies the operational performance of equipment in the fields of air treatment, air conditioning, and refrigeration, in accordance with European and international standards.

Our drivers: Quality, Safety, and the Environment

GRI 2-6 | GRI 2-23 | GRI 403-7

The **integrated certification system** implemented forms the backbone of our operating model. By adopting internationally recognised standards, we ensure quality, safety and accountability in every aspect of our business, whilst promoting an approach focused on the continuous improvement of processes and management systems.

Galletti's certification journey began in 1994 when the **Eurovent certification** for fan coils was added to the programme. It was subsequently extended to include chillers and heat pumps as well. In this context, we actively participate in the **Eurovent Certified Performance (ECP)** programmes for Fan Coil Units (FCUs), Chillers and Heat Pumps (LCP-HP).



Eurovent is the European body that certifies the thermal, aerodynamic and energy performance of products manufactured by companies participating in its programmes. The **system is based on the "Certify All" principle**, which requires the performance of all products falling within the specific certification scheme to be declared, thereby providing a guarantee of reliability, quality and corporate transparency.

All components undergo laboratory testing, which includes material strength tests, corrosion resistance tests, and simulations of operation under varying load conditions.

No unit is released on the market until the final line test has been completed at our premises. During this phase, functional tests are carried out on all components, electrical safety checks are performed, and safety checks are carried out on the refrigeration circuit.

During the design and development phases, a systematic analysis of risks relating to product safety is also carried out, in accordance with the 2006/42/EC Machinery Directive, other applicable European directives, and the relevant technical standards. This process, which is incorporated into the development cycle, ensures compliance with the essential safety requirements. It helps to safeguard the end user, whilst also ascertaining that the manufacturer assumes full responsibility. **Service and technical support activities are carried out in accordance with Italian Legislative Decree 81/2008, and the legislation currently in force on health and safety at work.** For contracted

works, the DUVRI is drawn up in collaboration with the client in order to prevent interference risks, and **ensure safety** even at third-party premises.

The journey towards management systems began in 1999 when the company was awarded the first quality certification. It continues to this day with the current **Quality Management System compliant with UNI EN ISO 9001:2015 standard**.

In 2003, the ongoing improvement of business processes and the development of the quality management system enabled our company to **obtain certification in accordance with 97/23/EC PED Directive**, subsequently updated to **2014/68/EU Directive**. It sets out the safety requirements for designing and manufacturing pressure equipment placed on the European market. Furthermore, where required depending on the target markets, the equipment is provided with **ETL (Electrical Testing Laboratories) certification issued by Intertek**, guaranteeing compliance with the applicable regulatory standards and international requirements for safety and operational reliability.

In 2009, we also launched a **structured programme on health and safety at work**, achieving certification **in accordance with OHSAS 18001:2007 standard** and, subsequently, compliance with **UNI ISO 45001:2018 standard (Occupational Health and Safety Management Systems)**.

At Galletti, we also operate in accordance with **European Regulation 2024/573/EU on fluorinated gases**, which **makes F-GAS certification mandatory** for companies that manufacture stationary refrigeration, air-conditioning, and heat pump equipment containing fluorinated gas refrigerants. This certification guarantees the presence of specialist technical expertise to provide environmental protection, and reduce refrigerant gas emissions into the atmosphere.

Another significant milestone was reached in 2021 when the company was **awarded the environmental certification**, following implementation of the Environmental Management System, in accordance with **UNI EN ISO 14001:2015 standard**. This certification further substantiates our commitment to supporting our corporate values, including the continuous improvement of environmental performance, and attention to sustainability policies.

In 2025, **we continued our path of innovation and ongoing improvement** by implementing a **new Integrated Systems Policy**, and by introducing a **Gender Equality Policy**, thus reaffirming our commitment to promoting an increasingly inclusive, equitable and people-centred workplace environment. **In October 2025, our company was assessed by EcoVadis**, confirming our commitment to integrating sustainability principles into our business processes and management practices, with particular reference to environmental, social, ethical and supply chain aspects.

Finally, in December 2025, the organisation **achieved UNI EN ISO 14064-1:2019 certification (Organisational Carbon Footprint)**, for quantification and reporting of organisational greenhouse gas emissions generated in 2024.

Our certified management systems and environmental product declarations



Quality Management System (UNI EN ISO 9001:2015):

to ensure the consistent quality of products and services, and customer satisfaction.



Occupational Health and Safety Management System (UNI EN ISO 45001:2018):

to prevent accidents and occupational diseases, and promote a safe working environment that complies with current legislation.



Environmental Management System (UNI EN ISO 14001:2015):

to provide a structured framework for the systematic improvement of environmental performance.



Environmental Product Declaration (EPD¹):

obtained by completing a Life Cycle Assessment (LCA) study carried out in accordance with international standards ISO 14040, ISO 14044 and EN 15804, and verified by an independent third-party expert, to assess the environmental impacts associated with the Acqvaria, Acqvariai and VLS product ranges.



UNI EN ISO 14064-1:2019 certification (Organisational carbon footprint):

it sets out the requirements for quantifying and reporting greenhouse gas emissions at organisational level, thus allowing to calculate the Carbon Footprint (CFO).



Gender Equality Management System (UNI PdR/125:2022):

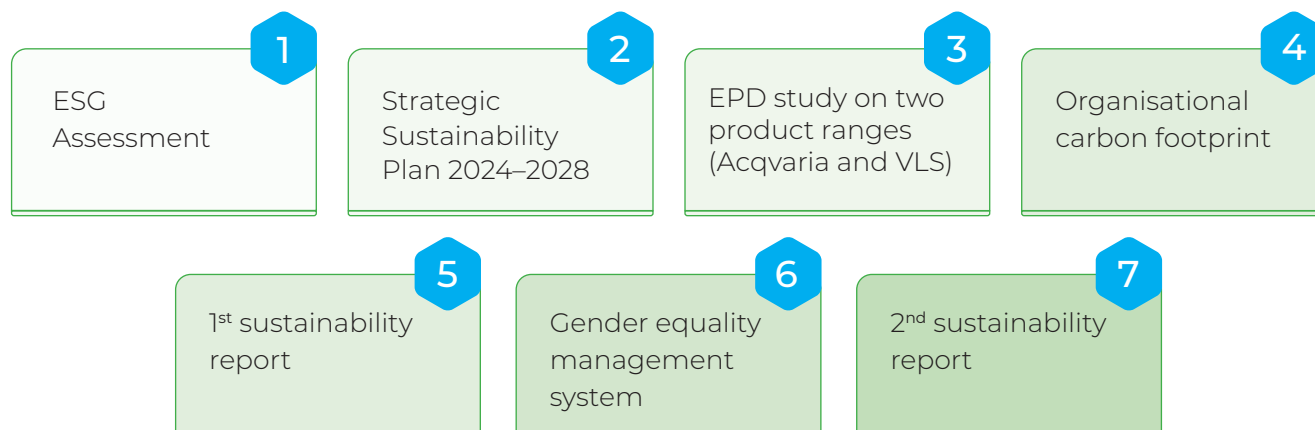
it sets out the guidelines for a gender equality management system, providing for the adoption of specific KPIs (Key Performance Indicators) relating to gender equality policies within organisations.

¹ EPD (Environmental Product Declaration) - An environmental product declaration based on a life cycle assessment (LCA), verified by an independent third party and drawn up in accordance with Product Category Rules (PCR), in compliance with relevant international standards, including the Life Cycle Assessment standard and the ISO 14020 series.

4

Our journey towards sustainability

Towards a business model based on: pillars, actions and objectives



Our journey towards sustainability began in 1999 with the implementation of our first corporate management system. It has gradually evolved over the years thanks to a **growing awareness of the need to address ESG issues² in a strategic and structured manner**. With this in mind, the company has voluntarily embarked on a process of integrating sustainability into its business and decision-making processes. This approach has been undertaken with determination, and following a systemic and holistic approach aimed at managing and reducing the impacts on the environment, resources and ecosystems.

A number of initiatives have been launched through a **participatory process involving the Board and a cross-functional working group**, including a **structured ESG training programme for the Board and the entire workforce** with a view to achieve a deeper understanding of environmental and social impacts. In the initial phase, an **ESG assessment certified in accordance with the GRI Standards®** allowed to establish a baseline for the company's maturity on ESG issues, and to identify the material areas on which to focus future efforts. The findings formed the basis for the development of our **2024–2028 multi-year strategic sustainability plan** focused on concrete objectives and targeted actions to reduce environmental impacts, strengthen the governance system, and generate shared value for people, the local area, and the community.

The range of initiatives launched have been integrated and further structured within our 2024–2028 Strategic Sustainability Plan (which we shall discuss in detail in the following paragraph), thus enabling us **to integrate sustainability comprehensively into our business**, and to monitor the progress of planned initiatives, as well as our progress in addressing emerging challenges and opportunities in the ESG field. Furthermore, with our actions and the defined goals, we are making a concrete and measurable contribution to achieving the **Sustainable Development Goals (SDGs) set out in the United Nations 2030 Agenda**.

The key drivers for environmental improvement have been identified with a view to further consolidating this process. In this context, an EPD (Environmental Product Declaration) study was **carried out using the LCA (Life Cycle Assessment)**, in accordance with **international standards ISO 14040, ISO 14044 and EN 15804**, to assess the environmental impacts associated with two strategic product families, Acqvaria and VLS. The aim is to ensure transparent, comparable and verifiable reporting.

² The acronym ESG stands for "Environment, Social, Governance". It refers to the three key criteria for assessing an organisation's environmental, social and governance impact.

We have been reporting transparently on our ESG performance since 2023. This is **our second sustainability report**. Marking a significant milestone in our reporting journey, it provides evidence of both the progress made, and our future objectives in the ESG field.

Our journey is constantly evolving. **In 2025**, we **achieved significant goals** in the ESG field by analysing the organisation's carbon footprint in accordance with ISO 14064-1:2018 standard, certified by a third-party body to quantify the company's overall emissions. We were also **awarded the Gender Equality certification** for implementation of a structured, effective management system, which complies with the applicable requirements, and provides further evidence of our commitment to a fair and respectful work environment that promotes diversity.

Considered together, these initiatives confirm our **concrete commitment to responsible management geared towards creating sustainable long-term value** by actively contributing towards ecological transition, the mitigation of climate change, and the creation of social value. Whilst at the same time strengthening our role as a proactive player in the HVAC sector by promoting solutions focused on energy efficiency, low consumption, and technological innovation.

The Strategic Sustainability Plan

Our **strategic roadmap for the four-year period 2024–2028 is structured around three pillars.**

These key areas identified by the Board have been broken down into specific topics and actions designed to improve environmental, social and governance performance in the short, medium and long term.

The strategic pillars are key areas identified by the Board, on which we plan to focus our efforts in the medium term.

The plan mirrors our commitment to placing greater emphasis on resources, people and the context in which we operate, besides strengthening our competitiveness within the sector through technological efficiency and an increasingly structured approach to environmental, social and organisational issues.

The implementation of planned measures is monitored on an ongoing basis, assessing the results achieved, as well as updating the approach in line with regulatory and operational developments, and emerging challenges. For each pillar, a summary is provided below of the actions and objectives that have been achieved, are currently in progress, or are planned for the period 2024–2026, broken down by relevant thematic area.



COMPANY - PRODUCT, INNOVATION & SUPPLY CHAIN

Integrating ESG issues into corporate governance means extending the principles of transparency, ethics and legality to decision-making and operational processes. With this in mind, we shall manage environmental, social and governance factors in a structured manner to identify the risks and opportunities associated with our operations more effectively.

Our purpose is to ensure consistency and continuity in the adoption of management practices based on high standards, thereby contributing to the creation of sustainable value in the medium to long term for all our stakeholders.

We view process and product innovation as a strategic driver by promoting the adoption of advanced technologies, including artificial intelligence, and by making the most of the value chain through cooperation with suppliers, customers and partners.

This approach results in the development of strong, synergistic relationships throughout the entire supply chain.





Achieved



In progress



To be started

ISSUE	GOAL	TARGET YEAR	2024 PROGRESS	2025 PROGRESS	STATUS
Privacy and data security	Implement a disaster recovery plan	2024	100% achieved	-	
	By 2025, ensure that 100% of employees have received training on data security and cybersecurity awareness	2025	In progress	100% of employees trained	
	Formalise a policy for data security management	2024	Policy implemented	-	
	Formalise an external policy for suppliers for data security management and related training	2025	-	In progress	
Business transparency and integrity	Publish and annually update the Sustainability Report	Once a year	Publication of the First Sustainability Report 2024	Publication of the second Sustainability Report 2025	
Customer satisfaction	Implement a CRM and a structured customer satisfaction questionnaire	2027	Constant monitoring of customer satisfaction and management of critical issues	1/3 of CRM modules completed	
Fight against corruption	Implement Model 231 and the Anti-Corruption Policy	2024 - 2026	Monitoring the risks of active and passive corruption	In progress	
	Provide training for all the people involved in the 231 topic, and raising their awareness on the issue	2026	-	-	

Responsible governance	Structure sustainability governance	2024 - 2027	Establishment of a working group responsible for ESG issues within the company	Consolidation of the working group responsible for ESG issues within the company	
	Continue Drafting and Monitoring the Sustainability Plan and OKRs		Drafting the Strategic Sustainability Plan 2024-2028	Monitoring the Operational and OKR Roadmap	
Risk and impact management	Implement an analysis process and map our company's sustainability impacts	2025	Internal and external materiality analysis	ESG impacts mapping and analysis	
Supply Chain Management	Supplier mapping and ESG risk analysis across the supply chain	2025	Implementation of a structured and organic supplier management procedure taking into account environmental criteria	Implementation of a structured process for analysing and mapping the supply chain from an ESG perspective	
	Ensure that at least 80% of procurement expenditure comes from Italian and European suppliers	Once a year	83%	84%	
	Develop a sustainable procurement policy, and a code of conduct for suppliers	2026	-	-	
	Assess the ESG performance of 100% of selected suppliers	2027	-	-	
Innovation, research and development	Begin circularity projects	2026	-	-	
	Research Projects with Universities: Open Innovation Project with Prof. Celaschi – Department of Architecture (Advanced Design Unit)	2025	In progress	100% achieved and completed	
	Carry out the open innovation project in partnership with the Department of Engineering and Architecture at the University of Bologna	2026	In progress	In progress	



PEOPLE & COMMUNITY

The People & Community pillar is based on valuing people, and on fostering a responsible corporate culture focused on fair treatment, well-being and professional development. We ensure continuous training, active listening, and the involvement of our staff, whilst promoting a healthy, inclusive, multicultural, safe and secure workplace environment for all employees. The aim is to foster personal and professional development.

We also plan to strengthen our relationship with the local community by actively engaging with it. With this in mind, we foster partnerships with schools and universities, take part in local initiatives, and support cultural and social projects that create shared value.

Overall, these activities help to build an informed, responsible and engaged corporate presence within the community in which we operate.



ISSUE	GOAL	TARGET YEAR	2024 PROGRESS	2025 PROGRESS	STATUS
Talent acquisition and retention	Launch a university internship/placement every two years	2025 2027 2029	Strengthening of relations with leading universities to launch university internships/placements	2 university work placements	✓
Diversity, inclusion and equal opportunities	Achieve and maintain the gender equality certification in accordance with standard UNI/PdR 125:2022	2025 2026 2027	-	UNI/PdR 125:2022 certification achieved	✓
	Provide training for the Board and senior management on the topic of "diversity, inclusion and equal opportunities"	2025	-	100% Board and Top Management attended training courses	✓

	Staff training on “diversity, inclusion and equal opportunities”	2026	-	Self-learning and information for the entire staff	
	Participatory governance on gender equality	2025	-	- Establishment of a Steering Committee on Gender Equality - Establishment of a Workers' Initiative Committee	
Relationship with the Local Communities	Promote/sponsor at least two events per year for cultural, sports, social, and other purposes.	Once a year	Implementation of initiatives in partnership with local entities	4 events promoted/sponsored	
Development of employee skills	Define a skills development plan, and formalise a procedure for managing it	2026 – on-going	Implementation of transversal training, on soft and hard skills	Expansion of ESG training	
	100% staff trained in ESG issues	2026	-	80% of office staff have been trained	
	Design a Galletti Academy	2026	-	-	
Welfare and well-being at work	Implement initiatives that foster a sense of belonging to the company and strengthen teamwork	Ongoing	-	Team-building activities for seven office staff (including two women) on how to deal with differences of opinion	
	Formalise the company's welfare scheme, incentive scheme, and new corporate contract	2026	-	In progress	
	Develop the first survey on organisational well-being	Two-year plan	-	Survey on gender equality and diversity in the workplace, open to all members of staff, completed	
	Adopt the new Internal Company Regulations	2025		New Internal Company Regulations adopted	

Occupational health and safety	Implement and maintain the ISO 45001 health and safety management system at work	Ongoing	Management system implemented	Maintenance of the management system	
	Create an informative video on Occupational Health and Safety	2025	-	In progress	
	Setting up lean manufacturing stations	2025	Fan coil unit section completed	Second department completed	
	Implement a survey on work-related stress	2024 2026 2028	1st survey completed	-	



PLANET

We are committed to improving energy efficiency, and to optimising the use of resources, including through the adoption of advanced technologies and the design of solutions aimed at reducing consumption, with a particular focus on water resources.

We also promote practices relating to the reuse, recycling and circular economy of materials, incorporating emission reduction measures into our operational processes, and developing strategies for monitoring, measuring and progressively reducing our environmental impact.



ISSUE	GOAL	TARGET YEAR	2024 PROGRESS	2025 PROGRESS	STATUS
Energy management	Start the Renewable Electricity Supply Contract with Guarantees of Origin (GO)	2025	-	100% energy from renewable sources, also issuing Guarantees of Origin (GO)	✓
	Optimise the compressed air system	2026	-	-	⏻
	Expand the photovoltaic system	2025	-	100% achieved, an additional 600 kWp commissioned	✓
	Sale of electricity shares to the grid	2026	-	-	➡
	Achieve the ISO 50001 certification, and identify an Energy Manager	2027	-	-	⏻

Water and water scarcity	Establish a procedure to correctly read water consumption	2024	-	Procedure completed, electronic meters have been installed, as well as a water recycling plant	✓
	Install water meters for regular monitoring of the main water consumption points	2024	-	100% achieved	✓
	Install three sludge separators	2027	-	2 out of 3 installed	➡
Atmospheric emissions and climate change	Prepare and certify a report compliant with UNI EN ISO 14064:2019 standard or the GHG Protocol – CFO analysis, Scope 1, 2 and 3	2025	-	Completion and certification of the CFO analysis	✓
Product environmental impact and materials management	Carry out studies for the quantification of product emissions in accordance with UNI EN ISO 14025 standard - EPDs	2024 2026	2 EPDs carried out	-	✓
Waste management	Rag reuse initiatives for waste reduction	2024	100% achieved	-	✓
	Define a waste reduction plan	2026	-	A survey has been carried out to sort municipal and special commercial waste separately	➡
Sustainable mobility	Establish the role of Mobility Manager	2026	-	Appointment of a Mobility Manager	✓
	Update the PSCL (Home-Work Commuting Plan)	2026	-	Issuance of the updated PSCL	✓

Stakeholder engagement

GRI 2-29

We are aware of the importance of an ongoing and structured dialogue with our stakeholders, precisely all those who, in various capacities, either contribute to our company's activities or are affected by them. Our **relationship with stakeholders is a key factor that guides our strategies and actions towards a mindful and responsible future**. Hence, maintaining positive relationships and actively collaborating with stakeholders is pivotal to our commitment to sustainability.

Ensuring an **open, ongoing and transparent dialogue with stakeholders is essential** for the development of the company's activities, and for the creation of sustainable value in the long term. Regular dialogue with internal and external stakeholders offers us a clear understanding of needs, expectations and areas requiring attention. This helps us strengthen the relationship of mutual trust, and effectively manage potential risks associated with operational activities.

Stakeholders are engaged through a variety of methods and tools tailored to the specific activities, projects and issues being addressed. In this context, and acknowledging the importance of **promoting a participatory approach to ESG issues**, as part of the first sustainability report for 2025, a structured process was launched to identify, analyse and map strategic stakeholders, both internal and external. The aim was to engage them on the priority ESG issues to be implemented (for further details on the latter activity, please refer to the following paragraph).

Stakeholder mapping is monitored and updated on a regular basis to ensure that it remains in line with developments in the business, regulatory and market environments. We also plan on gradually introducing new engagement methods and tools to further strengthen stakeholder involvement, fostering an increasingly structured dialogue, and enhancing our ability to take on board feedback and requests relevant to the company's sustainability journey.

Our **stakeholder map and the methods we use to provide information and engage stakeholders are given below**.

Map of Galletti's stakeholders



Main category	Subcategory	Area of interest	Methods of providing information
Financial community	Members and share-holders	Economic and social sustainability over time	- Website - Company financial statements - Board of directors - Dedicated meetings - E-mail address - Ad hoc survey - Survey for the materiality analysis of the 2024 Sustainability Report
	Banking Institutions		

Human resources and trade unions	Employees	• Employment stability • Well-being at work • Responsible governance	• Website • Corporate intranet • Noticeboard • Social Media • One-to-one meetings • Corporate events • Training and awareness-raising activities, opportunities for professional development • Regular meetings • E-mail and Newsletters • Ad hoc surveys (e.g., surveys for materiality analysis)
	Staff		
	Management		
	Trade Unions		
Trade Associations	Trade Associations	• Product quality • Product safety • Innovation	• Website • Discussion meetings • E-mail address • Ad hoc surveys (e.g., surveys for materiality analysis)
	Industry associations		
Suppliers and partners	Suppliers of Goods	• Continuity of employment relationships • Business integrity • Economic and social sustainability	• Website • Contractual documents • Regular meetings • Registration on the suppliers' register • E-mail address • Ad hoc surveys (e.g., surveys for materiality analysis)
	Service Providers		
	Business partners (Subsidiaries)		
Customers	Customers	• Product quality and safety • Customer care • Business integrity	• Customer Service • Social Network • Newsletter • Website
	Export Distributors		

	Resellers		• Press releases • Complaints handling, dispute resolution • Face-to-face meetings and online meetings • Survey for the materiality analysis of the 2024 Sustainability Report
	Installers		
	Designers		
Public administration	Central/national governments	• Responsible governance • Transparent management • Regulatory compliance	• Website • Periodic declarations • Ad hoc surveys (e.g., surveys for materiality analysis)
	Local governments		
	Government agencies		
Local community and entities	Non-Profit Organisations	• Support for local initiatives • Financial support for local entities • Financial support for the local area • School - work placement	• Trade Fairs and Events • Local meetings and events • Social Media • Website • Donations and support for specific projects • Ad hoc surveys (e.g., surveys for materiality analysis)
	Cultural institutions		
	Schools and students		
	Local communities		
The academic world and the scientific community	Universities and Start Ups	• Opportunities for collaboration on training programmes for final-year undergraduates • Opportunities for collaboration • Economic stability • Funding	• Trade Fairs and Events • Career Day • Dedicated meetings on innovation and R&D projects • Survey for the materiality analysis of the 2024 Sustainability Report
	University Professors and Researchers		

Communication protocols	National/ local/ financial newspapers/ websites	• News and innovative developments	• Face-to-face meetings • Social Media • Website • Press releases
	Trade magazines		
	Social media channels		
Certification Bodies	Certification Bodies	• Maintenance of certifications • Future certifications	• Audit Day • Dedicated meetings

Materiality Analysis

GRI 3-1 | GRI 3-2 | GRI 3-3

The purpose of the materiality analysis is to identify and prioritise the issues that define an organisation's approach to sustainability, and which must be reported. In particular, the aim of the materiality analysis is to **understand which issues relating to the dimensions of sustainability are significant** and, therefore, material **to an organisation** through processes of engagement with internal and external stakeholders.

Material issues are aspects that mirror the significant economic, environmental and social impacts generated by an organisation. They substantially influence stakeholders' assessments and decisions.

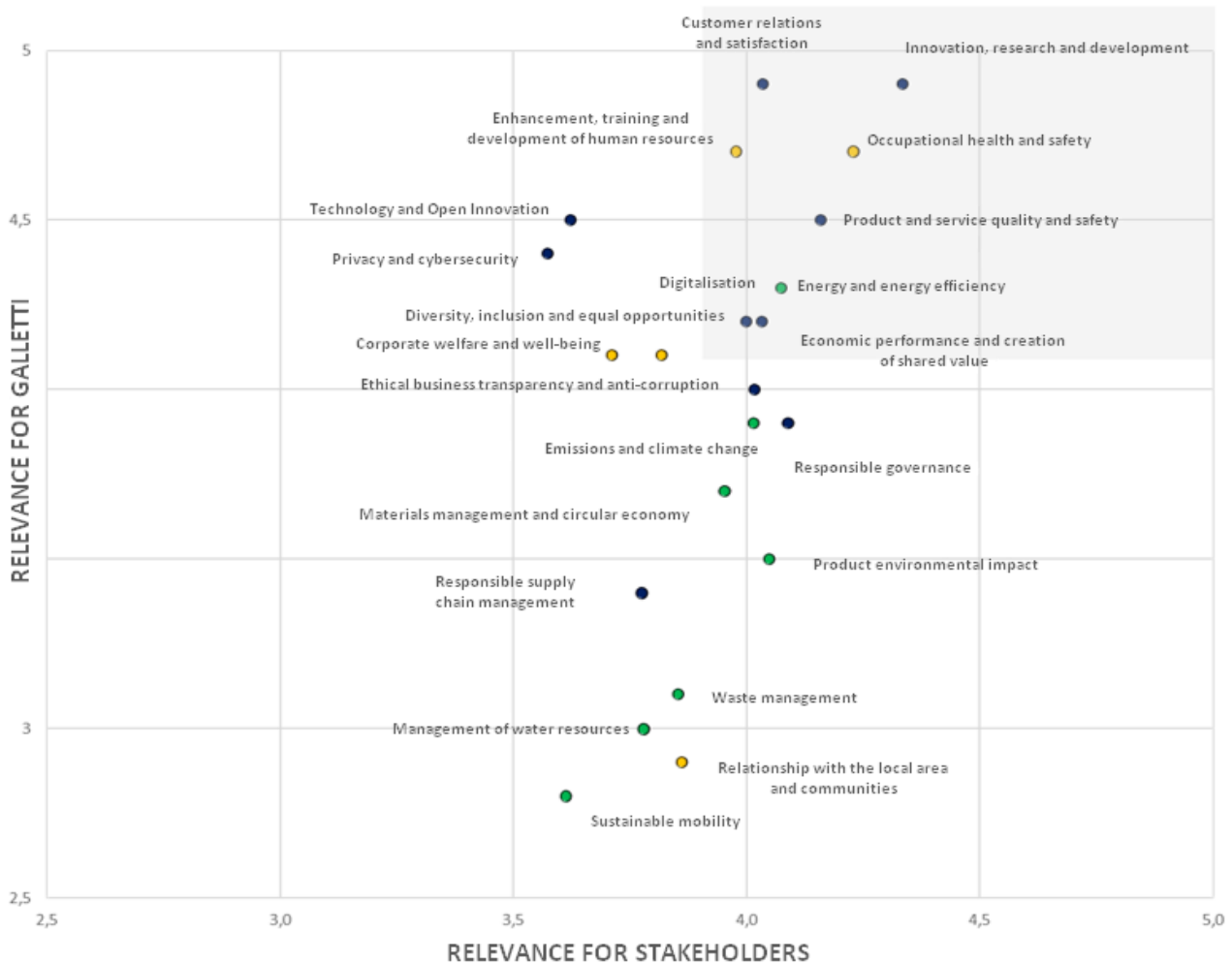
In 2024, for our first year of sustainability reporting, we undertook an initial structured process involving the Board and Senior Management, and many of our stakeholder groups, including our main customers, designers and installers, distributors and retailers, suppliers of goods and services, employees, and the universities and research centres with which we collaborate. The engagement of internal and external stakeholders was crucial to learn about their perspective on the issues, and to strengthen the **alignment between the company's medium and long-term strategy, and external expectations**.

The engagement process carried out last year led to **the development of the materiality matrix**, a tool which visually illustrates the significance attributed to each issue from the two different perspectives, highlighting points of convergence and any areas of misalignment.

The issues positioned at the top of the matrix – known as **material issues**³ – those that have been assessed as exceeding the established thresholds, reflect the areas on which the company will focus its efforts most heavily, guiding its future actions and its reporting framework.

³ Material issues: issues considered material for the company and its stakeholders as they are most representative of the sustainability impacts generated by Galletti, and are, "ideally", already being addressed by the company.

The Galletti materiality matrix



The materiality matrix served as the starting point for the subsequent **process of identifying the sustainability impacts associated with the issues identified**. It was developed as part of the second Sustainability Report.

The identification of the impacts – both positive and negative – generated or potentially generated by our activities, including those along the upstream and downstream value chain, was carried out through an in-depth analysis of the activities and processes that either cause them or could cause them. Once the main impacts on the environment and people had been identified, a **materiality assessment** of these impacts was carried out by the managers of the various internal departments within our company. Hence, the extent of the impacts was analysed by distinguishing between positive and negative impacts, and actual and potential impacts, both for the company's operations, and for the entire value chain. The significance of an actual impact is determined by its severity (negative impacts) and significance (positive impacts), whilst that of a potential impact depends both on its severity or significance, and on the probability of it occurring.

The assessment identified the impacts set out below, categorised as high, medium or low in terms of significance. These material issues and their associated impacts are the key areas on which we shall focus our sustainability initiatives. They have been aligned with the relevant GRI Standards to ensure that the Sustainability Report complies with international standards. In light of the impacts that have emerged, the themes have been partially renamed compared with the previous period.

ESG TOPIC	IMPACTS – INSIDE-OUT PERSPECTIVE	IMPACT CHARACTERISATION	VALUE CHAIN			IMPACT SIGNIFICANCE	ACTIVITIES THAT GENERATE IMPACT AND CONTROLS
			Upstream	Own operations	Downstream		
Energy and climate change	Significant consumption of energy and resources in production processes and company buildings	Negative Actual	•	•	•	•••	Generated by the plants, the company's facilities, the resources used, and the company's vehicles
	Generation of direct and indirect emissions (Scopes 1, 2 and 3) that contribute to climate change	Negative Actual	•	•	•	•••	Emissions from plant, company facilities, company vehicles, and throughout the value chain
	Contribute, through energy-efficient products, to reducing energy consumption in buildings, thus indirectly reducing also greenhouse gas emissions (Scope 3 – product use)	Positive Actual			•	•••	Manufacture of high-efficiency products
	Reduction in climate-changing emissions through the use of energy from the company's own photovoltaic system, and electricity from renewable sources	Positive Actual		•	•	•••	• Installation of photovoltaic systems • Purchasing energy from renewable sources with GO • Electrification of production processes • previously powered by fossil fuels • Installation of electrical substations • Optimisation of the compressed air system previously powered by fossil fuels • Installation of electrical substations • Optimisation of the compressed air system

	Structural reduction in consumption and associated emissions, achieved through energy efficiency measures	Positive Potential		•	•••	• Implementation of energy consumption monitoring systems (energy management systems, smart metering) • Regular energy audits of production facilities • Replacement of obsolete machinery with high-efficiency technologies • Energy-efficiency improvements to lighting (LED) and air conditioning • Optimisation of production cycles to reduce energy waste
	Leakage of refrigerant gases (F-GAS) with a high global warming potential (GWP) during the production, use, maintenance and end-of-life of the product	Negative Potential		•	•••	Potential improper handling of products containing refrigerants that have a significant environmental and safety impact, as is typical in the HVAC sector
Materials management	Depletion of the resources, raw materials and semi-finished products required for the manufacture of final products, and emissions associated with extraction and processing	Negative Actual	•		•••	The manufacture of products and the increase in production capacity and demand for the components required to manufacture the end products
Waste management	Generation of hazardous and non-hazardous waste arising from corporate activities, including the risk of pollutants being released into the air, and from end-of-life product management	Negative Actual		•	•••	Manufacturing generates waste and production by-products
	Reducing waste generation through an efficient management and procurement system and, where possible, by reusing packaging and/or components from returns	Positive Potential		•	•••	Implementation of an efficient system for the procurement and use of incoming materials to reduce production waste and, consequently, the waste generated, and to reuse the materials adopted wherever possible (e.g., packaging)

Water and water scarcity	Use of water in testing and climate control systems	Negative Actual		•		•••	Increase in water consumption in production-related activities
	Reducing the pressure on local water resources by improving water efficiency and reusing water in processes	Positive Actual		•		•••	Implementation of efficient systems that ensure water recovery
Empowerment, training and development of human resources	Enhancement of professional skills and ongoing development of human capital	Positive Actual		•		•••	- Investment in structured training programmes and skills development - Initiatives aimed at internal professional development
Welfare and well-being at work	Improving organisational well-being and the quality of working life through the implementation of welfare initiatives and services, and measures studied to support a healthy work-life balance	Positive Actual		•		•••	- Corporate initiatives focused on the well-being of staff - Investigations into work-related stress
Occupational health and safety	Protecting workers' physical well-being and health by promoting a safe working environment, and effective implementation of an occupational health and safety management system	Positive Actual		•		•••	- Adoption of an ISO 45001:2018-certified management system - A structured approach to safety in production processes
	Strengthening a culture of prevention and awareness of work-related risks through structured training programmes	Positive Actual		•		•••	- Safety training and awareness initiatives - Monitoring of workplace accidents and analysis of indicators
	The possibility of injuries and accidents involving people arising from corporate activities	Negative Potential		•		•••	Carrying out production activities and operational tasks that may expose workers to risks typical of the manufacturing sector

Diversity, Gender Equality and Inclusion	There is a possibility that situations of discrimination or unequal treatment may arise, which are not adequately addressed	Negative Potential		•		• • •	Organisational and cultural dynamics which, if not properly monitored, could lead to discrimination
	Promoting a culture based on the principles of diversity, inclusion and gender equality through the adoption of a gender equality management system within the organisation	Positive Actual		•		• • •	• Adoption of a UNI PDR 125:2022 certified Management System • Policies and procedures for managing staff at every stage of their career • Introduction of reporting mechanisms for discrimination, harassment and abuse in the workplace • Services to support work-life balance and parental rights • Spontaneous initiatives to engage staff
Economic performance and creation of shared value	Generating lasting economic value, ensuring the company's financial stability and resilience	Positive Actual	•	•	•	• • •	• Production and sale of goods or services • Innovation and research and development • Efficient management of business resources: process optimisation, cost control and investments • Strategic collaborations and partnerships • Governance and compliance policies
	Supporting and developing local communities through donations and sponsorship for non-profit organisations	Positive Potential			•	• • •	Organising sponsorships and donations to support local organisations, partnerships with local authorities, and investments in the local area
Responsible sourcing practices	Prevention of environmental and social impacts throughout the supply chain through a supplier assessment system that incorporates environmental and social sustainability criteria	Positive Actual	•	•		• • •	The existence of a comprehensive set of environmental, social and governance criteria for the selection and assessment of suppliers helps to monitor potentially relevant sustainability issues as well as the occurrence of environmental and social impacts throughout the supply chain

Responsible sourcing practices	Adoption of negative practices by suppliers within the value chain	Negative Potential	•			•••	Certain negative practices on the part of suppliers (e.g., late payments, short delivery times) could have a negative impact on the supplier's financial stability, increasing the likelihood of inadequate working conditions for local employees
	Reducing the risk of corruption or fraud by monitoring business processes	Positive Potential	•	•	•	•••	Monitoring the risks of active and passive corruption
Responsible governance and business ethics	Protection of whistleblowers against unlawful acts and/or abuse in the workplace	Positive Potential	•	•	•	•••	Future adoption of a whistleblowing scheme as set out in MOG 231
	Strengthening stakeholder confidence through implementation and sharing of an integrated management system, and preparation of the sustainability report	Positive Actual			•	•••	Promoting and consolidating an organisational culture centred on transparency, integrity and fairness in both internal and external relations, underpinned by the existence and implementation of corporate policies, the integrated management system, and the sustainability report
	Ensure consistent quality and safety of the products sold	Positive Actual		•	•	•••	- Implementation of rigorous controls at every stage of production, from design to distribution, to ensure that every product and service complies with safety regulations, and meets customer expectations - Ongoing monitoring of customer satisfaction, and a prompt response to any complaints - Eurovent certification for in-house manufacture of hydronic indoor units, chillers and heat pumps
Quality and safety of products and services	Health and comfort for end customers thanks to improved indoor air quality and thermal control of the products	Positive Actual			•	•••	Product design aimed at improving indoor air quality and thermal control, with positive effects on customer comfort
	Strengthening ongoing relationships with customers	Positive Potential			•	•••	- Dedicated customer service - Complaints and disputes management

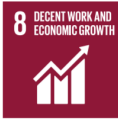
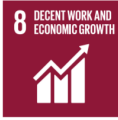
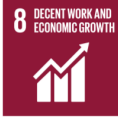
Digitalisation and cyber security	Potential breaches of privacy and cyber security incidents, including data breaches, which may result in a loss of customer trust and reputation damage	Negative Potential		•	•	•••	• Management and storage of customer data on digital platforms and IT systems • Processes for the digitisation of services and the automation of information flows • Partnerships with external digital and cloud service providers • Limited training on cyber security and privacy
	Implementation of a high-performance IT system, fully integrated with all business systems and compliant with current regulations through policies and a disaster recovery plan	Positive Actual		•	•	•••	Implementation of state-of-the-art systems to manage all business aspects
Innovation, research and development	Creating products and services with greater environmental value through ongoing investment in R&D and partnerships with universities	Positive Actual		•	•	•••	In-house and collaborative R&D activities enable the development of innovative solutions that reduce the environmental impact of products, increase process efficiency, and meet customer needs in a more sustainable way
	Knowledge transfer and skills development through strategic partnerships with universities	Positive Actual		•	•	•••	Partnerships with universities and research centres promote dissemination of know-how, development of talent, and strengthening of the scientific and technological ecosystem

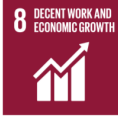
Galletti and the 2030 Agenda

Actively contributing to meeting global sustainability challenges is now a strategic priority for institutions, businesses and organisations. In line with our scope of operations, and the ESG journey we have embarked upon, we have developed **a correlation analysis between the United Nations Sustainable Development Goals (SDGs) and the material topics identified**, with a view to understanding and highlighting our contribution to the objectives of the **2030 Agenda**.

The analysis was carried out by assessing the GRI indicators reported in this document, the objectives associated with the projects and initiatives implemented, and their alignment with the SDGs and their respective targets. This work was carried out with reference to the document *“Framework Linking the SDGs and the GRI Standards”*, updated in May 2022 by the Global Reporting Initiative (GRI), which supports organisations in linking the targets of the 17 Sustainable Development Goals to the disclosures required by the GRI Standards, thereby promoting more integrated, transparent reporting geared towards the creation of sustainable value.



MATERIAL ESG TOPIC	SDGs
Energy and climate change	   
Water and water scarcity	 
Empowerment, training and development of human resources	    
Welfare and well-being at work	 
Occupational health and safety	  
Diversity, Gender Equality and Inclusion	 
Economic performance and creation of shared value	  
Responsible governance and business ethics	 
Quality and safety of products and services	   

Digitalisation and cyber security	  
Innovation, research and development	    



5

Pillar: Company, Products, Innovation and the Supply Chain

Highlights

0 cases of non-compliance with laws or regulations

+7% Value of production (compared with 2024)

61,177,035 economic value distributed (+4% compared with 2024)

Launch of **Customer Relationship Management (CRM)** and the first **supply chain mapping**, analysing **ESG criteria**

84% of expenditure allocated to significant **local suppliers**

0 cases of privacy breaches, loss of personal data, or misuse of information

Corporate governance

GRI 2-9 | GRI 2-10 | GRI 2-11 | GRI 2-14 | GRI 405-1

Our company continues to consolidate its presence in the HVAC sector, building on its expertise in the development of energy-efficient technological solutions for air conditioning, ventilation, and air treatment. In line with the principles of sustainability, innovation, health and safety, all activities are geared towards creating value for customers, employees, and the local communities in which it operates.

The objectives that guide our day-to-day work are:

- **to enhance the technical and professional skills of Galletti's staff** by investing in continuous professional development, in research and development, and in the adoption of innovative technologies to effectively address developments in the sector;
- **to develop increasingly efficient HVAC solutions that meet customer needs**, anticipating market trends and regulatory requirements in the energy and environmental sectors;
- **to guarantee high quality standards throughout the entire value chain**, ensuring the reliability, performance, safety and efficiency of products and services offered.

Our company, a limited liability company with a traditional management structure, is wholly owned by the **Galletti family**. The shareholding structure is divided between Galletti and Galletti Holding S.r.l.

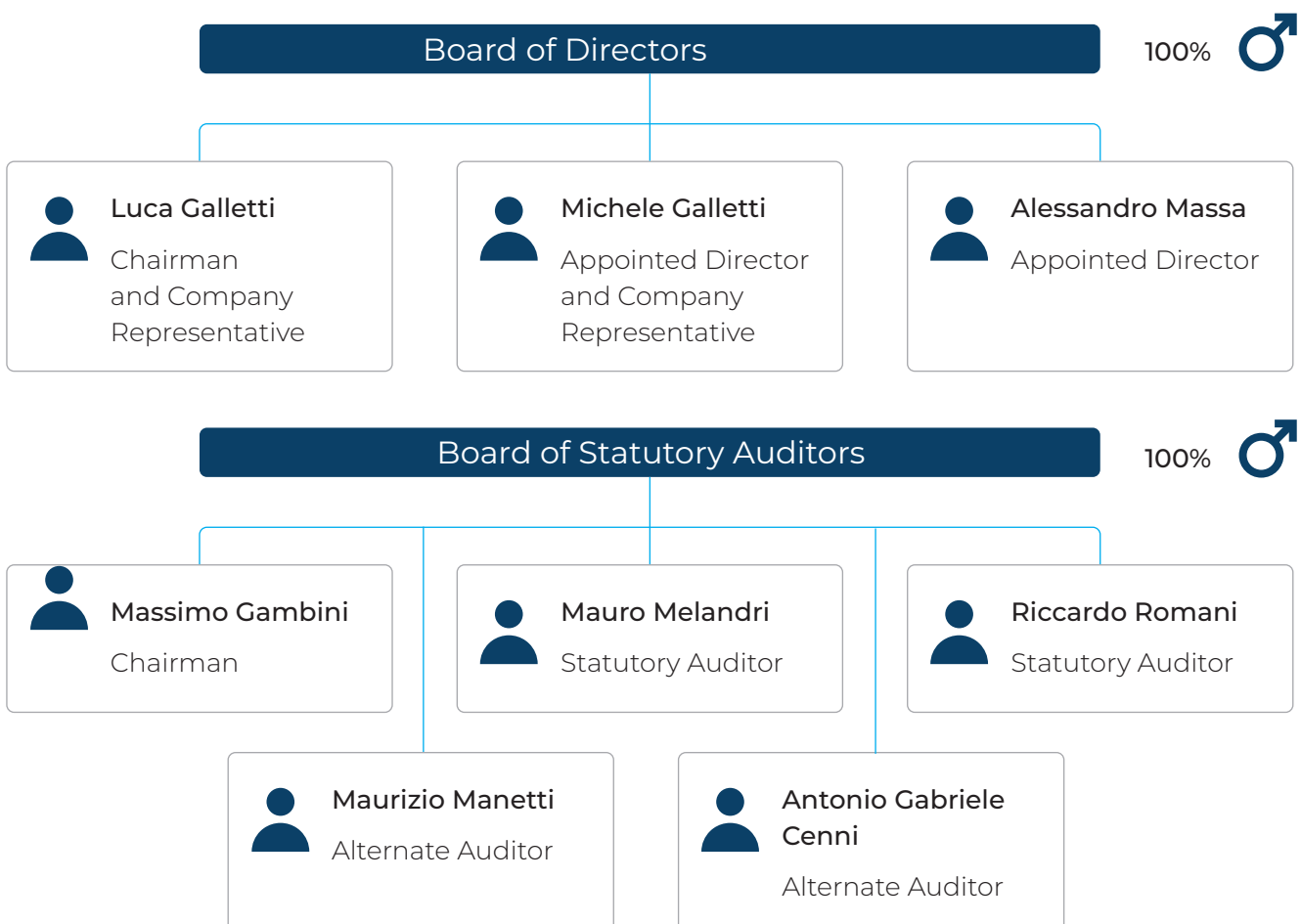
The corporate bodies that make up the governance system are the **Board of Directors**, responsible for day-to-day management of the company, and the **Board of Statutory Auditors**, which monitors the proper conduct of management. Members are appointed by the shareholders' meeting.

The **Shareholders' Meeting** is the body that represents the interests of all shareholders. It is responsible for taking the most significant decisions regarding the company's operations,

appointing the Board of Directors, approving the financial statements, and amending the Articles of Association. The list of shareholders is updated when the financial statements are filed or in the event of extraordinary transactions.

The **Board of Directors** consists of three members. It is responsible for the company's strategic and organisational direction. It is vested with the broadest powers for day-to-day and extraordinary management, with the authority to take all actions it deems appropriate to achieve the company's objects, excluding those reserved by law for the Shareholders' Meeting. The highest managerial responsibilities within our company are assigned to the managing directors. The current members of the Board of Directors are: Luca Galletti (Chairman), Michele Galletti (Appointed Director, Chief Executive Officer and Employer), and Alessandro Massa (Appointed Director and Marketing Director). Both the Chairman and the Chief Executive Officer are authorised to act as legal representatives. Pursuant to Art. 16 of Italian Legislative Decree No. 81/2008, the Employer appoints health and safety managers, and the RSPP (Head of the Prevention and Protection Service).

The **Board of Statutory Auditors**, comprising five members (including two alternates) who serve for three financial years, is responsible for overseeing the activities of the directors, with the primary aim of ensuring that all responsibilities are fulfilled in accordance with applicable laws and the Articles of Association. Appointed by resolution of the shareholders' meeting, the Chairman of the Board of Statutory Auditors is responsible for ensuring that the Board of Statutory Auditors performs its monitoring functions. The current Board of Auditors is composed as follows: Massimo Gambini (Chairman), Mauro Melandri, Riccardo Romani, Maurizio Manetti (alternate auditor), and Antonio Gabriele Cenni (alternate auditor).



The governing bodies also include the **Auditing Firm**, which verifies that the company's accounts are kept in accordance with the rules, and the correct recording of operational events in the accounting records, finally issuing a report expressing an opinion on the annual financial statements. The audit mandate was awarded to DFK Italia S.r.l., renewed in 2025 and valid until the approval of the financial statements as at 31 December 2027.

For details regarding the composition, gender and age range of the governing bodies, please refer to the "Reporting package" section at the end of this document.

It is also confirmed that the highest governing body, the Board of Directors, is responsible for strategic decision-making, and for overseeing the management of the organisation's impact on the economy, the environment, and people. The Board of Directors is supported in this task by **an in-house team comprising the heads** of the company's departments, coordinated by Riccardo Galletti, Mobility Manager and Head of Statistics and Cost Control, in his capacity as **sustainability team leader** for the company, and by the **Gender Equality Committee**, established to strengthen the integration of ESG issues and promote governance geared towards sustainability and inclusion.

The sustainability team and the Gender Equality Committee draw on the expertise of ESG specialists to assess and strengthen their expertise in the field of sustainability.

Responsible governance

GRI 2-16 | GRI 2-26 | GRI 2-27 | GRI 205-1 | GRI 205-2 | GRI 205-3

At Galletti, we adopt a **structured and integrated approach to corporate responsibility**, based on a comprehensive system of policies and governance mechanisms that ensure the ethical, compliant and sustainable conduct of all operational activities throughout the entire value chain.

The framework governing values and conduct is set out in the **Corporate Code of Conduct**, which has been adopted to internal staff, and externally to stakeholders.

At the same time, our commitment to human rights and inclusion is embodied in the **Gender Equality Policy**, which translates the principles of equality and equal opportunities into practical action throughout the entire professional life cycle, from recruitment to career development, incorporating welfare schemes and flexible working arrangements to support a healthy work-life balance. The policy also identifies specific categories of vulnerable stakeholders, and introduces channels for feedback and anonymous reporting, as well as a system for regular monitoring of key inclusion indicators. The aim is to ensure that the measures implemented are both measurable and effective.

Three critical incidents relating to diversity and inclusion issues were identified in 2025, in response to which the Gender Equality Committee promptly initiated the relevant management process to analyse, address and resolve the non-compliance issues that had arisen, with a view to continuously improve the system, and strengthen inclusive practices.

Galletti's accountability system is based on the **ten international principles relating to human rights, labour rights, environmental protection, and the fight against corruption set out in the United Nations Global Compact**, integrating these principles into our operational practices without formally adhering to the initiative. These principles are based on international reference documents such as:

- the Universal Declaration of Human Rights;
- the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work;

- the Rio Declaration on Environment and Development;
- the United Nations Convention against Corruption.

With this in mind, we promote the development of energy-efficient solutions and products to create shared value for our customers and the environment. Hence, we take a proactive approach to managing our environmental impacts across the regions where we conduct business.

To round off our governance framework, we promote a culture of legality and integrity by adopting a **policy of zero tolerance** towards **conduct that does not comply** with the company's ethical principles and applicable regulations. In this context, a **structured whistleblowing system** has been implemented, in accordance with the provisions of **Italian Legislative Decree No. 24 of 10 March 2023**. The system enables reporting of behaviour, acts or omissions that may harm either public interest or the integrity of the Company, whilst guaranteeing **maximum confidentiality and protection for the whistleblower**, the person against whom the report is made, and the content of the report, with an absolute ban on retaliation. Furthermore, staff can report incidents either via the anonymous internal platform or by directly contacting the Head of Human Resources.

In 2025, there were no instances of non-compliance with laws or regulations, nor were there any incidents attributable to corrupt practices or unethical conduct. At present, no communication or training has been provided on anti-corruption policies and procedures. In 2024, a non-compliance issue was identified following publication of the first Sustainability Report, which resulted in the imposition of an administrative fine that was duly paid and settled during the relevant reporting period as part of the company's compliance management and control procedures.

Economic performance and the creation of shared value

GRI 201-1 | GRI 201-4

In 2025, the European HVAC sector found itself undergoing a period of significant transformation, driven by the European Union's decarbonisation targets, changes to the regulatory framework, and technological innovation in the energy sector. In this context, heat pumps continue to be a key technology driving the energy transition in buildings, supported by electrification and the gradual replacement of fossil-fuel-based air-conditioning systems.

Regulatory developments have been a key driver, particularly with the entry into force of EU Regulation 2024/573 on F-GAS, which mandates a phased reduction in refrigerants that have a high environmental impact. This legislation is accelerating the shift in refrigeration systems towards **natural refrigerants and technologies with a lower GWP**, with propane (R290) which is no longer confined to Northern European markets but is also expanding into countries such as Italy. At the same time, directives on the energy efficiency of buildings are driving the electrification of HVAC systems; however, this is creating infrastructure challenges in some countries, such as the limited capacity of electricity grids to cope with the increased demand for heat pumps.

Concerning the market, 2025 is set to see moderate growth in the European sector with around 2.6 million units sold, and an increasing installed base. However, the trend has been less linear than in the previous two years, partly due to a less favourable macroeconomic environment, characterised by rising electricity costs, volatile public incentives, and a climate of general economic uncertainty. Against this backdrop, the hydronic HVAC sector has nevertheless remained largely resilient, supported in part by incentive schemes such as the PNRR, which have helped to sustain investment that would otherwise have been weaker.

The geopolitical context has had a further impact on market dynamics. The ongoing Russia–Ukraine conflict, instability in the Middle East, and global political tensions – including recent decisions by the US administration – have fuelled volatility and uncertainty, with direct implications for the trend in commodity prices, particularly metals. Added to this is a growing demand for copper and aluminium driven by the expansion of data centres and digital infrastructure linked to artificial intelligence, which is contributing to upward pressure on energy and material costs.

Overall, **the sector is undergoing a period of structural transition, in which technological innovation, regulatory constraints and macroeconomic and geopolitical instability are all coming together**, making it necessary to continuously monitor energy scenarios and cost dynamics throughout the supply chain.

Despite a challenging macroeconomic and geopolitical environment, we have demonstrated operational resilience and the ability to capitalise on the sector's transformation, whilst maintaining a positive growth trajectory.

In line with previous years, 2025 was a successful year for our company. We recorded a **production value of € 66,144,326** (+7% vs. 2024), of which 94% – amounting to **€ 61,933,536** – was generated by **revenue from sales and services**. In 2025, 70% of total sales were generated from foreign markets, and 30% by sales in Italy.

As regards the profit for the year, we recorded a **profit of € 3,324,484**, marking an 81% rise compared to 2024.

For carrying out specific activities, **we have received a tax credit of € 1,558,143**, thus benefiting from the measures set out in the **Piano Transizione 5.0**, which are designed to support investments in technological innovation and energy efficiency as part of the broader digital and ecological transformation process.

In 2025, **investments played a significant role**, totalling **around € 5 million**, primarily directed towards enhancing production capacity and technological infrastructure. In particular, funds were allocated to the implementation of a new sheet metal processing centre, the construction of a new climate chamber for testing chillers and heat pumps, and the expansion of the photovoltaic system. The projects have been launched and are largely complete, with some activities still being finalised.

In particular, **the construction of the new Salvagnini machining centre has been completed**, and **the photovoltaic system has been integrated**. Work has also **begun on the new climate chamber**, whilst the refurbishment of the R&D Laboratory area has been completed. During the year, part of the heating plant was also replaced and upgraded with new chillers and heat pumps designed to meet the heating requirements of around half the factory.

The construction and completion of a sludge removal system in the heating plants and testing areas is scheduled for 2026 to recover and partially reuse the water.

In accordance with the GRI Standard, the tables below illustrate the creation and distribution of economic value, based on data taken from the income statement for each financial year covered by the report. The aim is to provide a transparent account of the value generated by our company, and its subsequent redistribution amongst the various stakeholders.

The **Economic value generated and received** refers to revenue from sales generated during the financial year, in addition to changes in contract work in progress and other revenue and income, including income from subsidiaries and grants received from the public sector for training, gas and energy (e.g., the 2025 Conto Termico incentive scheme), and those relating to Industria 4.0 and Transizione 5.0 investments. In 2025, the value generated totalled € 65,345,896 (+6% compared to 2024), and the value received totalled € 575,990 (+81% compared to 2024).

The **Retained economic value**, amounting to € 4,744,851 in 2025 – marking a 41% increase compared with 2024 – refers to the difference between the economic value generated and received, and that distributed. It constitutes the portion of economic resources retained within our company to ensure its own sustainability and long-term viability.

Finally, the **Distributed economic value**, in accordance with the reclassification set out in the GRI standard, represents the wealth generated and distributed to certain categories of stakeholders who, through their various contributions, have helped generate value for our company.

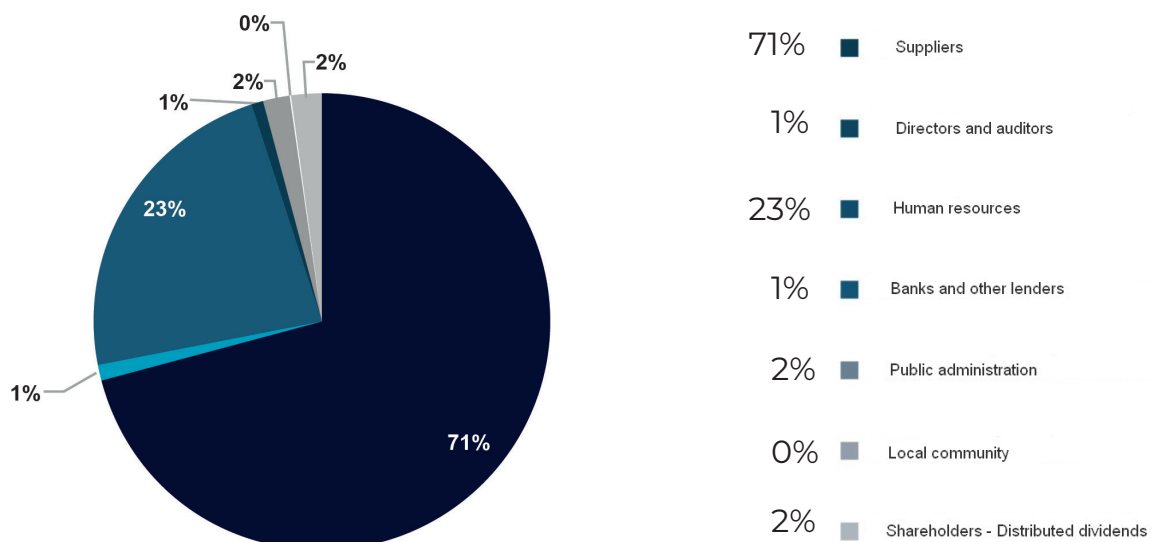
In 2025, this figure stands at € 61,177,035⁴, marking a 4% increase vs. 2024, with the largest share (71%) allocated to supplier payments, followed by the amount allocated to human resources (23%).

All figures, excluding those allocated to banks, lenders and the public sector, have increased compared with 2024.

In particular, there has been a **25% increase in the economic value distributed to directors and statutory auditors**. The **increase in the amount allocated to the local community is even more significant**, with a 20% rise, thus reflecting the Company's constant focus and genuine commitment to supporting, through various forms of action, projects and initiatives that benefit the local area and the organisations operating there.

For further details, please refer to sub-section "Reporting Package" in the Appendix.

Distributed economic value– 2025



⁴ The distributed economic value also includes the amount of dividends. Hence, the figure for 2024 has been updated, as this factor had not been taken into account in the previous calculation, in order to ensure data comparability over time.

Our value chain: customers and suppliers

GRI 2-6 | GRI 204-1 | GRI 308-1 | GRI 414-1

Customers

GRI 416-1 | GRI 416-2

We serve a diverse customer base that includes large industrial and manufacturing companies, HVAC designers and installers, specialised distributors (ITS channel), and international partners. Galletti's solutions are used in a variety of settings across the civil, services and industrial sectors, including offices, healthcare facilities, shopping centres, and residential buildings.

Customer satisfaction is a key factor in the continuous improvement of products and services.

Customer needs are monitored through the analysis of reports received directly from customers, feedback gathered from the sales network, Technical Assistance Centres (CATs) and the company's digital channels, as well as during dedicated events.

The most significant factors affecting perceived quality relate to the **performance and reliability** of products, the **technical and efficiency characteristics, as well as the design and quality of support provided** during the design, installation and after-sales service phases.

In order to strengthen customer relationship management and improve the collection and analysis of commercial information, a project was launched in 2025 to implement a new **Customer Relationship Management** (CRM) system. In particular, the first module dedicated to marketing and marketing automation came into operation in the first quarter of 2026.

The project's development schedule provides for the launch of the second module, centred on commercial activities (Sales), in 2027, with the associated training programme due to be completed in 2028. The third module, which focuses on customer support and after-sales services (Service), is currently at the planning stage, and will be developed in accordance with a timetable to be finalised in the coming financial years.

There are also plans to develop a structured questionnaire by 2026 to measure customer satisfaction, which will complement existing tools, and gather useful information for improving products, services and business processes.

In 2025, the complaints received that had the greatest impact (18) concerned certain non-conformities in finished products that had not been detected during the production stages, but were identified during testing at the customer's premises or during the machines' warranty period. The non-conformities identified did not relate to the health and safety implications of the products manufactured, nor to any regulations.

In particular, with regard to chillers and heat pumps, reports have highlighted gas leaks attributable to welding issues. The issues that came to light were promptly analysed and led to the implementation of targeted corrective measures, including enhanced training for welders through dedicated specialist courses and the introduction of additional, systematic checks on welds, with a view to increasing the reliability of the production process. In 2026, the Integrated Systems division will focus its resources on monitoring and resolving the main internal issues considered as potential causes of service disruptions, with the aim of progressively reducing – until it is eliminated – the risk of delivering defective and/or incomplete machines to customers.

Suppliers

The selection of suppliers plays a key role in product quality, operational continuity, and business performance. We regard our suppliers as strategic partners with a preference for those who can guarantee appropriate standards of quality, technical expertise, value for money, and reliability.

The materials purchased mainly comprise **raw materials** intended for production processes, **electrical, electronic, hydraulic and refrigeration components** incorporated into the equipment manufactured at the plant, as well as **packaging materials** such as cardboard, plastic film, and wooden pallets.

To ensure structured management of the **supply chain**, the company has adopted formalised procedures governing the **qualification, assessment and monitoring of suppliers**. The issue of a purchase order is subject to prior approval of the supplier and the products, materials or services supplied, following verification of the quality, technical and regulatory requirements defined by the organisation.

The documentation required from suppliers includes, amongst other things, supply protocols, declarations of conformity with applicable regulations (**RoHS, REACH and PED**), safety data sheets, and any further certificates necessary to ensure the conformity of the products purchased. As part of the **assessment process, information is also gathered regarding any voluntary certifications held, including ISO 9001, ISO 14001, ISO 45001 and ISO 14064**.

Throughout 2025, progress continued on the **integration of environmental, social and governance (ESG) into procurement processes**. The procedures for **pre-qualification and qualification** of new suppliers have been updated to include, in addition to the existing criteria, the collection of specific information relating to social aspects, such as the Certification of **Gender Equality** in accordance with standard **UNI/PdR 125:2022, of Diversity and Inclusion (standard UNI ISO 30415)**, and of **Social Accountability (SA8000)**, subsequently recorded and taken into account as part of the partner assessment and selection process.

In 2025, all new suppliers were assessed in accordance with the new integrated procedure, and 16% stated that they held at least one of the required social and environmental certifications.

A project has also been launched to **map strategic suppliers**, with a particular focus on qualified direct suppliers. The aim is to progressively acquire a deeper understanding of their **ESG profile**, and gather more detailed information on their sustainability practices. This initiative is a first step towards enhancing the integration of ESG criteria into supply chain management.

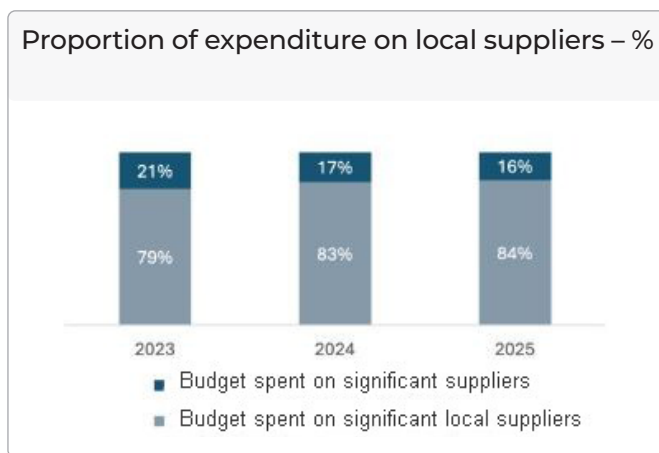
A specific prior assessment procedure designed to ensure regulatory compliance and the protection of workers' health and safety is also in place for the procurement of chemical products. Safety data sheets are reviewed by the Occupational Health Physician and the Head of the Prevention and Protection Service (RSPP). They verify product suitability for the company's specific context before authorising the purchase.

The activities carried out during the reporting period form the basis for strengthening responsible procurement practices, as planned for the coming financial years. In this context, the company will formalise a **Sustainable Procurement Policy** and a **Supplier Code of Conduct** in 2026, with the aim of setting out, in a more structured manner, its expectations of the supply chain regarding the environment, human rights, health and safety, corporate ethics, and responsible business practices.

Origin of Suppliers

We believe that responsible supply chain management requires ongoing dialogue with business partners and proper oversight of the qualification, monitoring and evaluation processes. This approach helps to ensure the quality of the products and services purchased, whilst promoting greater integration of environmental, social and governance considerations throughout the value chain.

Where possible, we give preference to qualified suppliers based in Italy and Europe. Where it is necessary to use suppliers from outside the European Union, we implement specific, more stringent qualification and monitoring processes to ensure compliance with quality standards and the required criteria.



In 2025, expenditure on significant local suppliers – defined as suppliers with an annual purchase value exceeding € 100,000 and based in Italy – amounted to more than **€ 25 million**, representing **84% of total procurement expenditure**. This figure marks a slight increase compared with the 83% recorded in 2024, and the 79% in 2023, thus confirming the ongoing relationship with a network of suppliers based predominantly within the country.

Digitalisation and cyber security

GRI 418-1

Against the backdrop of the increasing digitalisation of business processes, the protection of personal data and information security are key factors in ensuring business continuity, and in maintaining relationships of trust with customers, employees, suppliers and other stakeholders.

From 2022 onwards, all employees, including new recruits, must sign the company's **IT Policy**, which sets out the rules for the management of information and IT tools. This initiative helps to raise awareness of issues relating to cyber security and data protection. In 2023, a **Cyber Security Assessment** was also carried out with the aim of strengthening our company's digital resilience, and of identifying potential areas for improvement in the management of cyber risks.

Data protection is ensured through technical and organisational measures designed to prevent unauthorised access, loss of information or misuse of data, in accordance with **Regulation (EU) 2016/679 (GDPR)** and applicable national legislation.

In 2025, efforts continued to strengthen the company's corporate culture regarding cyber security through awareness-raising activities aimed at new recruits and the ongoing updating of internal procedures. A further expansion of training activities on cyber security issues is also planned for 2026, with the involvement of the Board of Directors.

Particular attention is also paid to the management of information shared with suppliers. **In 2025, specific tools and procedures were introduced to regulate data processing by supply chain**

partners, as part of the process of strengthening security measures, and of gradually aligning with the requirements of the **NIS2 Directive**.

During the three-year period 2023–2025, there were no reported cases of breaches of privacy, loss of personal data or misuse of information relating to customers, employees or other stakeholders. We continue to monitor developments in cyber and regulatory risks, progressively updating our tools, procedures and expertise to support information security.

6

Pillar: People & Community



Highlights

4,349 training hours delivered in 2025 (+38% vs. 2024)

244 employees (+5% vs. 2024)

35 new recruits

The internal **spontaneous committee** of workers has been set up

1,625 hours of safety training (+98% vs. 2024)

0 serious accidents

Our people

GRI 2-7 | GRI 2-8 | GRI 2-20 | GRI 2-21 | GRI 2-30 | GRI 401-1 | GRI 401-2 | GRI 401-3 | GRI 404-1

GRI 405-1 | GRI 406-1

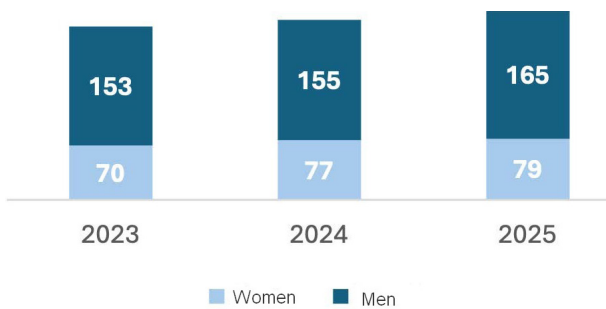
Our people are central to the company's growth and competitiveness. We recognise the value of our employees' professional and personal skills, viewing them as a key factor in driving innovation, adapting to change, and ensuring the organisation's long-term success.

The management of employment policies and working conditions is governed by current national legislation, sector-specific collective agreements (**National Collective Labour Agreement for the Metalworking Industry and National Collective Labour Agreement for Executives**), and a specific supplementary company agreement, which apply to the entire workforce. Within our company, there is a trade union representative body comprising three employees, as well as a workers' safety representative body (RLS), which is likewise made up of three employees.

As at 31 December 2025, the company's total workforce comprised **244 employees** vs. 232 in 2024, and 223 in 2023, marking a **5% increase** on the previous financial year, and a 9% increase over the three-year period in question.

With regard to non-permanent staff, there were no self-employed workers, subcontractors or freelancers in 2025, whilst the company made use of **19 agency workers**, compared with none in 2024. This increase is primarily attributable to the need to support specific operational and production requirements linked to the processes of in-house logistics and industrial transformation initiated during the year. There are also 4 trainees, compared with 1 in 2024.

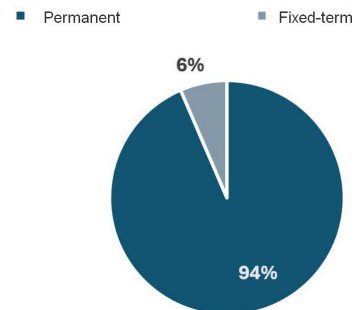
Employees by gender



In terms of gender, **32%** of the workforce are **women**, whilst the remaining **68%** are **men**. Compared with the previous year, the number of female employees rose from 77 to 79 (+3%), whilst the number of male employees increased from 155 to 165 (+6%). Hence, the gender breakdown of the workforce remains broadly stable, compared with previous financial years.

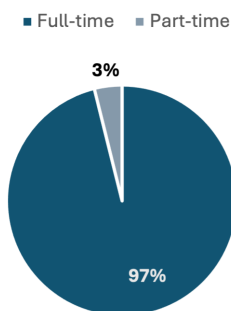
As regards the type of contract, permanent contracts continue to predominate, accounting for 94% of the total workforce in 2025, in line with previous years. The number of employees on permanent contracts is set to rise from 217 in 2023 to 230 in 2025, indicating a 6% increase compared with 2024. Instead, fixed-term contracts stand at 14, compared with 15 in 2024 (-7%), remaining at modest levels compared with the total headcount.

Employees by type of contract - 2025



The increase in the proportion of men on fixed-term contracts is mainly attributable to the recruitment of staff from co-operatives as part of the process of bringing certain operational activities in-house.

Employees by form of employment - 2025



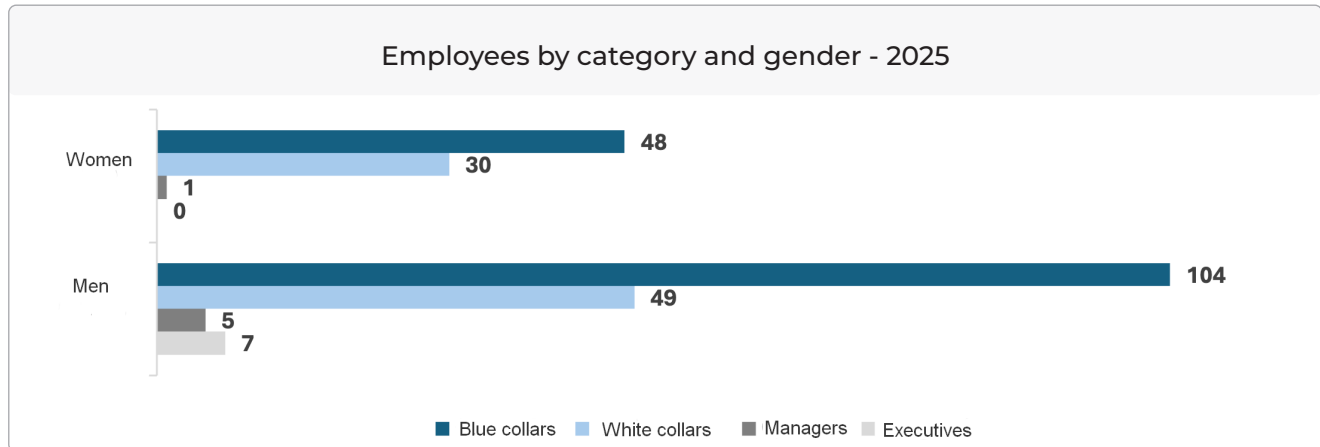
In terms of **employment status**, **full-time** work continues to be the predominant arrangement, accounting for **97%** of the workforce in 2025, in line with previous years. The number of full-time workers has risen from 223 to 236 (+6%), whilst the number of part-time employees has fallen from 9 to 8 (-11%). This change is due both to the return of a female employee to full-time work, and to a request from a male employee, who was previously working part-time, to change his working hours.

The breakdown of staff by job role and gender shows a predominance of blue-collar workers, who in 2025 will be the largest category with 152 workers vs. 143 in 2024, and 137 in 2023. The increase mainly affected male workers, whilst the number of female blue-collar workers has remained broadly stable.

The number of administrative staff also increased over the three-year period, rising from 73 employees in 2023 to 79 in 2025. Compared with 2024, the increase applies to both male and female components,

confirming a more balanced distribution compared with other occupational categories.

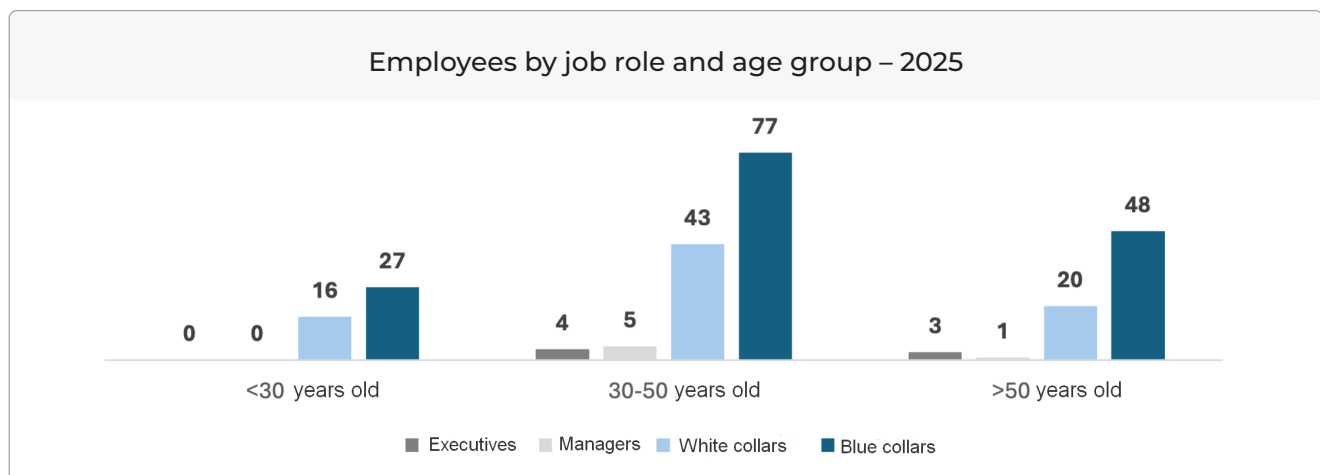
The number of managers increased gradually over the period under review, rising from 4 in 2023 to 6 in 2025, with a higher proportion of women than in previous financial years. The number of executives is, instead, expected to stand at 7 in 2025, indicating a slight decrease compared with the 8 recorded in the former two-year period.



With regard to the **age distribution of staff**, 18% of employees are under 30 years of age, 53% are aged between 30 and 50, whilst the remaining 29% are over 50. The average age of staff remains at 42, whilst the average length of service is 10 years, in line with previous financial years.

An analysis of the distribution by occupational category and age group reveals a higher **concentration of the workforce in the 30–50 age group**, particularly amongst blue-collar and white-collar workers. The **presence of workers under 30** continues to be most prominent in operational roles and in **work placement schemes**, thus contributing to the gradual generational renewal within the organisation. In 2025, apprentices will be reclassified within their respective occupational categories, and will no longer be shown separately.

Instead, the over-50s age group is a well-established workforce with greater experience within the company, particularly in technical and administrative roles, thereby contributing to the continuity of skills and in-house know-how.



The company operates in compliance with the obligations set out in Law 68/1999 regarding the employment of **protected groups** and people with disabilities, in accordance with the quotas established by current legislation. In 2025, there were 13 workers belonging to protected categories, a figure that remained stable compared with 2024, and marked an increase on the 11 workers recorded in 2023.

Training and Skills Development

We recognise continuous professional development as a key tool for skills development, performance improvement, and supporting the career progression of our staff. That is why we promote training programmes designed to enhance technical, managerial and soft skills.

Training programmes are designed to meet the needs of the various business areas. They are primarily aimed at:

- **enhancing employee skills** through technical, managerial and cross-functional training opportunities aimed at professional development and skills enhancement;
- **supporting improvements in individual and team operational performance**, thereby promoting greater organisational effectiveness and the consolidation of business processes;
- **ensuring regulatory compliance and the protection of health and safety at work** through compulsory training programmes that are constantly updated in line with the requirements of current legislation.

In 2025, a total of **4,349 hours of training** were provided to staff vs. **3,156 hours in 2024**, and **3,020 hours in 2023**, marking a **38% increase** compared with the previous financial year. The average number of training hours per employee rose from **14 hours in 2024 to 18 hours in 2025** (+31%). The increase in training activities is mainly attributable to the expansion of programmes for blue-collar and white-collar workers.



In particular, office staff recorded **2,189 hours of training**, recording a **47% increase** compared with 2024, with an average of **28 hours per employee** (+41%). Training for blue-collar workers totalled **1,998 hours**, recording a **34% increase**, corresponding to an average of **13 hours per employee** (+26%).

For further details, please refer to sub-section “**Reporting Package**” in the Appendix.

Our training programmes are designed to support the development of the technical, managerial and soft skills required to underpin both the evolution of the organisation, and the professional roles within the company.

In 2025, training programmes were organised for various departments within the company to strengthen specialist knowledge, organisational skills, and interpersonal skills. The main initiatives

focused on:

- **technical and specialist skills** through courses focusing on air conditioning and air distribution, brazing and soldering, applied acoustics, refrigeration, and production management;
- **language skills**, through English language programmes (level B1 and Business English B2), and Italian language courses for foreign staff;
- **digital skills** with initiatives to raise awareness of cyber security and IT security issues;
- **managerial and organisational skills** through courses in project management, team management, and recruitment techniques;
- **commercial and interpersonal skills** through in-depth sessions focusing on INCOTERMS and presentation techniques;
- **ESG topics** through training activities focusing on standard UNI/PdR 125:2022 and gender equality.

The training programme involves all professional roles within the company. It is designed on the basis of the needs identified by the various departments. In this context, our collaboration with the **Aldini Valeriani Foundation** continues, supporting the organisation and delivery of dedicated training programmes.

The initiatives launched during this period also include a project funded by **Fondirigenti**, aimed at planning the future **Galletti Academy**, which is due to be launched in 2026. The platform will be dedicated to providing training content on product quality, business procedures, technical skills, and service and after-sales activities with a view to gradually extend the training programme to include customers and suppliers as well.

The management of training activities is supported by dedicated digital tools, and forms part of the wider programme of staff development and professional growth promoted by the company.

Attracting young talent

Attracting, nurturing and developing employee skills is a key factor in a company's growth and competitiveness. Hence we promote career paths designed to develop our staff's skills, motivation and personal growth.

The Head of Human Resources determines the organisation's staffing requirements on an annual basis, taking into account organisational needs and the company budget, whilst assessing requests from the various business units for new recruitment and staff expansion. As part of its selection and recruitment processes, the company follows procedures designed to ensure equal treatment and objective assessment criteria. Job descriptions are drafted using gender-neutral language, and the recruitment process is open to both male and female candidates. During recruitment interviews, no questions are asked about family circumstances, marital status or care responsibilities.

Candidates are selected on the basis of their professional skills, technical abilities, and personal qualities required for the role in question.

In 2025, the company also began a process of structuring its **staff onboarding activities** with the aim of formalising, by 2026, a procedure addressing the induction and integration of new staff within the organisation.

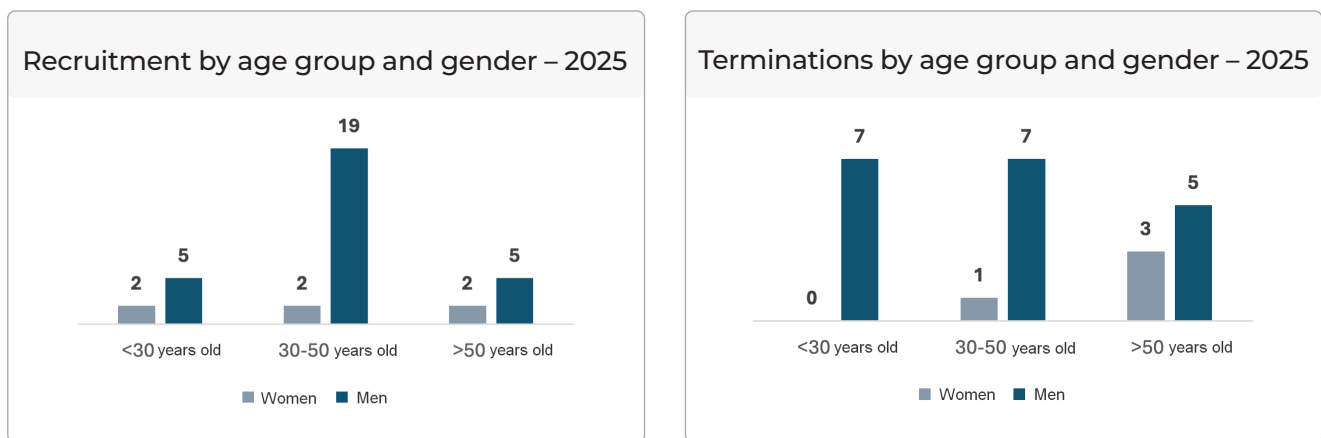
Although formalisation of the documentation is scheduled for 2026, the main operational onboarding activities were already completed by the end of 2025, notably in relation to the organisational review processes and the adjustments required under the NIS2 requirements. The initiative is designed to support a more structured induction process for new staff, promoting the gradual standardisation of

onboarding procedures, initial training, and the sharing of company procedures.

In 2025, the company recorded a **total staff turnover** of **5%**, recording a rise from the +2% in 2024, and in line with the expansion of the workforce initiated during the year.

The **new recruits** in 2025 totalled **35** vs. 27 in 2024, and 24 in 2023. New recruits were predominantly male (29 new hires), whilst the number of female recruits stood at 6. In percentage terms, 14% of new hires were made from the company's total workforce, with a net intake of 18% for men and 8% for women.

Most of the new hires were in the **30–50 age group**, with a total of 21 new recruits, followed by the under-30 and over-50 age groups, both with 7 new recruits. This trend primarily reflects the operational and production requirements that emerged during the year.



Diversity, Gender Equality and Inclusion

We recognise diversity and inclusion as key factors in the smooth running of the organisation, and in making the most of skills within the company. In this context, we promote a working environment characterised by mutual respect, equal treatment, and the empowerment of individuals, regardless of gender, age, background or other personal characteristics.

The company operates in a sector that has traditionally been dominated by men; however, in recent years, initiatives have been launched with the aim of placing greater emphasis on diversity, inclusion and equal opportunities within its organisational and management processes.

In 2024, work began on the adoption of a **Gender Equality Management System** compliant with standard **UNI/PdR 125:2022** to define tools, procedures and monitoring methods that could support the company's policies on equity and inclusion.

With regard to the gender pay gap, in **2025 we reaffirmed our commitment to ensuring equal pay for both men and women**. Indeed, the data show that average pay across the main occupational categories is broadly comparable, with ratios close to or at 100%. The differences observed in total remuneration are mainly attributable to the varying proportions of variable components, and to the small size of certain groups within the organisation (executive level). We continue to monitor these indicators with a view to promoting remuneration policies that are increasingly fair, transparent and inclusive.

In 2025, these activities continued through the integration of issues relating to diversity, inclusion and

equal opportunities into the **Company Regulations** and internal policies, which were subsequently communicated and disseminated to the workforce. Updating the internal documentation is a further step in the process of formalising the organisational procedures already adopted by the company.

To support the development of an organisational culture consistent with these principles, specific **training programmes aimed at management on the topics of diversity, inclusion and equal opportunities were also launched in 2025**. A training programme linked to standard UNI/PdR 125:2022 has also been drawn up with the aim of gradually expanding workforce engagement. Training programmes for blue-collar staff will continue throughout 2026, whilst specific awareness-raising and training initiatives for office staff have already been launched.

In 2025, a **voluntary committee was also set up within the organisation**, comprising company employees. The aim was to encourage discussion and the sharing of proposals and initiatives relating to the workplace and organisational environment.

No incidents of discrimination were reported within the organisation in 2025.

Welfare and well-being at work

The well-being of employees is a key factor for workplace environment quality, and smooth running of the organisation. Welfare initiatives and measures designed to support a healthy work-life balance are intended to progressively meet the needs of the workforce, taking into account the different roles and working practices within the company.

The company provides tools designed for internal communication and the management of key HR activities, including the **UGO portal**, which is used to share company updates, new organisational roles, internal events and operational information for staff.

Under the supplementary company agreement, there is a **welfare scheme** which includes an annual allowance for employees in the form of vouchers that can be used for various purposes, including purchases, fuel and grocery vouchers. The terms of use were agreed with the trade union representatives, and supported by consultations with staff.

The **remote working arrangement for office staff** was introduced in July 2025, governed by specific company regulations and the relevant health and safety guidance. The measure provides for the option to work remotely one day a week. It was introduced with the aim of enhancing organisational flexibility, and supporting a better work-life balance. Given the nature of the production activities carried out, this arrangement currently applies exclusively to office staff.

In 2026, Management will also assess further welfare measures for operational staff as part of the planned discussions regarding renewal of the supplementary company agreement.

With regard to monitoring work-related stress, **the company periodically carries out specific analyses**, supplemented by consultations with dedicated professionals, with the aim of gathering useful information for assessing internal organisational and interpersonal conditions.

There are also benefits associated with the role and operational requirements, such as a company car, a company mobile phone and a laptop. These are allocated on the basis of the duties performed and organisational needs.

In March 2025, a **pay policy** was also formalised to establish more structured criteria and parameters for managing the remuneration and incentive schemes for company staff. The policy was first put into practice between November and December, guiding the proposals drawn up by department

heads, and subsequently approved by Senior Management.

The process of strengthening **the Human Resources Department**, initiated in the previous financial year, continued with particular focus on organisational climate, staff retention, and the development of managerial skills.

In this context, the company plans on introducing a staff appraisal system in 2026 designed to support the development of skills, the identification of training needs and the management of career development pathways.

During the reporting period, the company ensured that employees had access to parental leave in accordance with current legislation. In 2025, 12 employees took parental leave, of whom 7 were men and 5 were women. All employees returning from leave remained in employment for the 12 months following their return, with a return-to-work and retention rate of 100%.

The safety of our employees

GRI 403-1 | GRI 403-2 | GRI 403-3 | GRI 403-4 | GRI 403-5 | GRI 403-6 | GRI 403-7 | GRI 403-8 | GRI 403-9 | GRI 403-10

People's health, safety and well-being are central to the management of business operations. We operate with the aim of ensuring that workplaces are safe and comply with the relevant regulatory requirements, whilst promoting staff involvement in the management of issues relating to accident prevention, and health and safety at work.

To this end, **a Health and Safety Management System has been implemented**, in accordance with **standard ISO 45001:2018** and the relevant national legislation (Italian Legislative Decree (81/2008), which applies to all employees and non-employees working on company premises.

Prevention and protection activities include information and training initiatives for staff, regular meetings with the Workers' Safety Representatives (RLS), updating of company documentation, and the use of digital tools to support the management of safety processes. A supplementary health insurance scheme is also in place to support staff healthcare protection.

The Risk Assessment Document (DVR) identifies the main categories of workers within the company – operational and office staff, contractors and third parties who are occasionally present – and analyses the risks associated with the various tasks and workstations. The assessment takes into account various types of hazards, including general, organisational, process-related, specific and ergonomic risks.

The management of health and safety matters involves the in-house Health and Safety Service, the Occupational Health Physician, and the Workers' Health and Safety Representatives. The Occupational Health Physician carries out the health surveillance activities required by current legislation, whilst also taking part in risk assessment and the formulation of preventive and corrective measures.

The health and safety monitoring system is based on a number of tools, including:

- reporting and analysis of accidents and near-misses;
- periodic risk assessments;
- integrated internal audits relating to quality, the environment, and safety;
- monitoring of applicable regulatory updates;

- periodic reports arising from health surveillance.

We also provide specific tools for reporting potentially dangerous or non-compliant situations. Using the “QualiWare” management system, employees, supervisors and managers can report incidents, near misses, first-aid treatments and hazardous situations, which are then addressed through corrective, preventative or improvement measures. A whistleblowing portal is also available, which allows reports to be submitted, including anonymously.

Safety training and awareness

We place particular emphasis on safeguarding people's health and safety, on promoting training initiatives designed to raise awareness of risks, and on ensuring that work is carried out in accordance with the procedures and preventive measures adopted by our company.

Training is one of the key tools of the workplace prevention system. Training programmes are designed to address the risks associated with different roles and include general training, specific training and related periodic refresher courses, as well as courses for Workers' Safety Representatives (RLS).



A total of **1,625 hours of health and safety training** were delivered in 2025 vs. 822 hours in 2024, and 630 in 2023, marking a **98%** increase on the previous financial year, and a **158%** rise compared with 2023. The increase in training hours is mainly attributable to the expansion of specialist training activities, which rose from 774 hours in 2024 to 1,548 hours in 2025 (+100%).

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General training has also seen an increase compared with the previous year, rising from 48 hours to 76 hours.

The **training activities involved a total of 162 workers** in 2025 vs. 120 in 2024, and 89 in 2023. The increase in the number of participants reflects the gradual expansion of training initiatives, and the updating of staff skills in relation to the risks present in the various operational contexts.

The company continues to regard health and safety training as a key factor in maintaining adequate prevention standards, and in raising staff awareness of the behaviour and procedures to be followed whilst carrying out their work.

Occupational accidents

In the context of the company's production activities, the main hazards associated with the risk of accidents with potentially serious consequences relate to working at heights, electrical hazards, explosive atmospheres (ATEX), pressure vessels, and the handling of suspended loads. These risks are identified and assessed through the risk analysis process set out in the Risk Assessment Document (DVR) drawn up in relation to the specific tasks and workstations within the plant.

7 workplace accidents were recorded in 2025 vs. 6 in 2024, and 3 in 2023. However, there were no work-related accidents resulting in serious injury or fatalities.

The **reportable accident rate** stands at **18.6** vs. 16.6 in 2024, and 8.5 in 2023. The increase recorded is also linked to the rise in hours worked, which rose from 361,388 in 2024 to 376,907 in 2025 (+4%), in line with the growth in the workforce and in the operational activities carried out during the year.

Risk mitigation measures are defined on the basis of the findings of the risk assessment. They are implemented in accordance with criteria of priority and proportionality related to the critical issues identified. The technical, organisational and training measures put in place are monitored using the "QualiWare" business management system, which enables traceability of the corrective, preventive and improvement actions implemented.

Throughout 2025, we continued our efforts to improve operating conditions and workstations, including initiatives concerning *lean manufacturing* processes. In particular, the **planned works relating to the fan coil units** have been completed to improve workstations, and reduce the ergonomic and operational risks associated with production activities.

Work is also continuing on the upgrading and technical improvement of plant and production areas with the aim of mitigating electrical, mechanical and ergonomic risks, as well as those associated with the handling of fluids and technical gases.

With regard to monitoring work-related stress, we plan on updating the relevant assessment in 2026 by incorporating the elements set out in the UNI/PdR 125:2022 framework. The previous evaluation was carried out in 2024.

No cases of occupational diseases or work-related deaths were recorded during the three-year period 2023–2025.

Finally, monitoring and improvement activities relating to health and safety at work are continuing through technical, organisational and training measures aimed at preventing risks and maintaining adequate standards of staff protection.

Our bond with the local community

GRI 2-28 | GRI 413-1

Our relationship with the local community is a key element of our approach to sustainability, as a company's value is also measured by the positive impact it has on the area in which it operates. Through dialogue with local stakeholders and by supporting social, cultural and environmental initiatives, we contribute to developing the communities in which we operate, and to maintaining relationships based on collaboration and shared value.

Partnerships with Universities

We are committed to developing partnerships with the academic and research institutions, with a view to supporting technological innovation, energy efficiency, product development, and *open innovation*. Collaborations are primarily developed in partnership with **the Alma Mater Studiorum University of Bologna** through multi-year agreements, applied research, teaching and joint projects involving researchers, professionals, students and the company's technical staff.

Collaborative activities primarily focus on two areas, namely **technical and engineering research, and design-oriented development**.

As part of the collaboration with the **Department of Industrial Engineering – Technical Physics** at the University of Bologna, activities coordinated with **Prof. Gianluca Morini** and his research group are continuing, focusing on issues relating to energy efficiency, heat pumps, and the optimisation of plant performance.

The main projects underway in 2025 include:

- developing new software algorithms for defrosting air-to-water heat pumps ("SMART DEFROST");
- optimising the layout of air diffusers using CFD simulations applied to real-world scenarios;
- research into low-temperature district heating solutions using air-to-water heat pumps and booster systems;
- participation in international research projects relating to frosting maps and the rationale behind the defrost management of heat pumps;
- research activities related to the 'SACER' project on the integration of innovative storage solutions into renewable energy communities.

These partnerships involve active agreements running until 2026, and form part of the company's strategy for technological development and product innovation. We also continue to be involved in applied research and open innovation initiatives with start-ups and research groups linked to the university ecosystem.

We are also collaborating with the **Department of Architecture and Design** at the University of Bologna, coordinated by **Prof. Flaviano Celaschi**, focusing on **open innovation, product design, organisational development and the integration of technology, and industrial design**.

Activities include:

- supporting the Board of Directors in identifying strategic competencies, working methods and open innovation practices;
- developing terminal unit control platforms based on an integrated approach that converges

technical functionality and design;

- providing detailed project information about sound design and the acoustic integration of terminal units;
- supporting the creation of the 'Galletti Academy';
- organising events to raise awareness and showcase the joint activities between the university and the company.

Throughout 2025, **educational collaboration** with the University of Bologna also continued with lectures, workshops, and the supervision of university projects as part of the undergraduate degree programme in Design. In particular, company staff took part in teaching activities relating to **product design workshops**, and in supervising projects developed as part of the “**Extreme Design**” course.

These partnerships form part of an initiative aimed at strengthening the dialogue between business, research and education, thereby promoting the development of specialist skills, experimental activities, and applied innovation processes.

Membership of trade associations

We are members of trade associations and industry bodies that facilitate discussion on technical, regulatory and development issues within the HVAC sector.

In particular, we are members of **Assoclima**, the sector's leading association within the Anima Confindustria network. We take part in working groups and meetings focused on technological and regulatory developments in the market.

At European level, we are members of **Eurovent**, an organisation that promotes technical development in the HVAC sector, and manages product performance certification schemes. Membership of Eurovent enables us to subject our solutions to internationally recognised certification processes. This helps ensure the transparency and comparability of the declared performance figures.

Since 2023, we have also been members of **Confindustria Emilia**, an association through which we take part in initiatives focused on networking, discussion, and the sharing of experience amongst local businesses. As part of this collaboration, we hosted a factory tour at our premises for our members with the aim of presenting our company's activities and exchanging best industrial practices.

Supporting the Local Communities and Social, Cultural and Environmental Impact Initiatives

We promote active engagement with local communities through **support for social, cultural, educational and environmental initiatives**, helping to bring about projects that generate shared value for people and for the local area in which we operate.

► Scientific research, solidarity and inclusion

We support initiatives dedicated to scientific research and social inclusion through our collaboration with **Ageop Ricerca and Antoniano**, organisations committed, respectively, to supporting children with cancer and their families, and to tackling poverty and social exclusion. During the year, we took part in the awareness campaign “**Sono Cavoli Miei**”, designed to support scientific research in the field of paediatric onco-haematology, as well as in the charitable initiatives promoted by Antoniano in support of accommodation services and the soup kitchen for individuals and families in need.

Support for the primary school in San Pietro in Casale also continues through the multi-year project “**INclusione**”, which aims to promote support and participation programmes for children with disabilities.

► Culture, music and community

For several years we have been collaborating with the **Cineteca di Bologna**, supporting initiatives studied to promote film culture, and showcase the city's historical and artistic heritage. The partnership with **Musica Insieme** also continues. This association is committed to promoting musical culture in the Bologna area, including through the project “**Una Notte al Museo**”, which offers inclusive cultural experiences combining music, art and audience participation within the city's museums.

Galletti then chose to look “beyond the Bologna area” to support young, independent organisations such as the Festival della Musica sull'Acqua in Colico (LC), an event that promotes the dissemination of classical music and dialogue between generations. It offers young musicians from all over the world the opportunity to take part in training activities free of charge, and to perform alongside some of the leading names in the world of classical music. Culture and music are a common asset that should be promoted wherever authentic, deeply-rooted projects emerge.

Finally, this area also includes support for **San Marino in Festa**, an event open to the public that promotes social gatherings, cultural activities, initiatives for children, performances and the involvement of local associations.

Through these initiatives, we aim to contribute to the social, cultural and environmental development of the local area by promoting inclusion, access to culture, the protection of our natural heritage, and community involvement.

Biodiversity and the local area

Attention to environmental heritage translates into support for the ecological enhancement project of the **“Ex Risaia di Bentivoglio – Oasi La Rizza”**, Ecological Rebalancing Area, aimed at conserving and promoting the natural habitats within the protected area. The initiative includes measures designed to monitor local wildlife by defining a system for observing white stork nests, and the creation of a pond for amphibian breeding.

Furthermore, the partnership with the **Consorzio dei Canali di Bologna** for the protection and enhancement of the region's water resources and historical hydraulic heritage continues with public awareness initiatives launched to enhance citizens' understanding of the canal system, and of issues relating to water management.



7

Pillar: Planet

Highlights

100% electricity sourced and consumed from renewable sources with Guarantees of Origin (GO)

7,407 GJ of energy consumed from renewable sources (+137% vs. 2024)

91% of the waste generated is sent for recovery (+23% vs. 2024)

1,600 kWp total capacity of the photovoltaic system

521 tCO₂e Scope 1 and 2 GHG emissions – *Location-based*

Energy and energy efficiency

GRI 302-1 | GRI 302-3

We adopt a **structured approach to energy management**, aimed at reducing consumption, optimising costs, and improving the performance of our production processes. Through specific efficiency-enhancing and monitoring initiatives, we are committed to reducing the environmental impacts of our activities, with particular focus on energy consumption and emissions.

We recognise the crucial role our sector plays in reducing greenhouse gas emissions, and in combatting climate change. Hence, we focus our strategies on innovative, technologically advanced solutions to **increase energy efficiency and improve monitoring and management of the organisation's environmental and energy performance**.

As of 2019, we are among the entities obliged to draw up an energy audit in accordance with the provisions of Italian Leg. Decree 102/2014. Therefore, we prepared our **Energy Audit** (updated in 2022) in accordance with the regulatory requirements for our business category. This tool has proved to be essential for identifying areas for improvement in energy efficiency within our processes. By analysing energy consumption and performance, we have identified several opportunities for intervention, which will allow us to optimise energy management and implement technical solutions geared towards reducing consumption.

In recent years, we have implemented a **structured investment programme designed to improve energy efficiency**, technological innovation, and the sustainability of our production facilities. In line with the initiatives launched in previous financial years, measures aimed at optimising the energy performance of the company's plants and facilities continued in 2025.

Key achievements of the year include **completion of the new Salvagnini steel processing centre**, and **the expansion of the company's photovoltaic system**, which has reached a total installed capacity of 1,000 kWp. Work **has also begun on the construction of the new climate chamber**, whilst **the refurbishment and modernisation of the area dedicated to the Research & Development Laboratory has been completed**.

The **replacement and upgrading of part of the heating plant through the installation of new, energy-efficient chillers and heat pumps**, capable of meeting the heating requirements of approximately

50% of the production plant was completed in 2025.

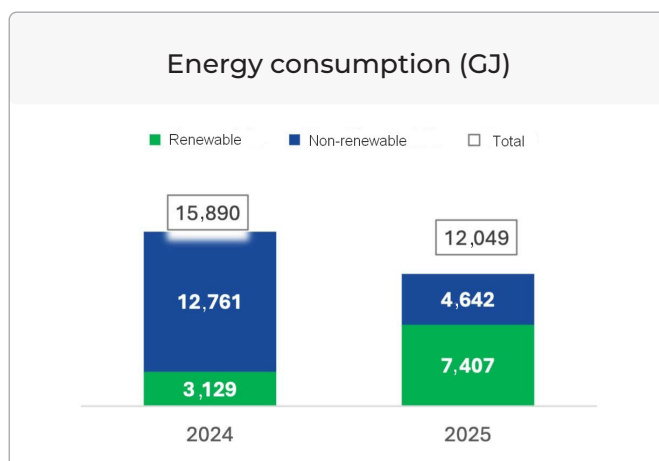
As part of our commitment to ongoing improvement, plans are in place to install a new cooling system in the UGR Area by 2026 with a view to enhancing environmental comfort and people's well-being during high temperature periods. In addition, we plan on initiating the process of optimising the factory's compressed air system to monitor and rectify any leaks, using the services of a specialist external contractor. By the end of 2026, the Home-to-Work Travel Plan is expected to be updated and the organisation's Mobility Manager officially appointed.

Breakdown of energy requirements

Our company's **electricity requirements** are **fully met** through the use of **renewable energy sources**, thanks **to in-house energy generation** via two photovoltaic systems installed on the roof of Plant One, and **to the supply of electricity from the grid accompanied by Guarantees of Origin (GO)**. All the energy generated by our solar panels is entirely used for our own operations, with none sold externally, thereby ensuring that the company's energy consumption is met directly and immediately. A marginal proportion of electricity consumption is attributable to **electric vehicle charging points** installed at the company's premises, and made available to employees, contractors and visitors to encourage the use of electric vehicles.

The portion of our electricity requirements not met by our solar panels is purchased from the grid. By 2025, all electricity drawn from the grid and consumed will be 100% covered by Guarantees of Origin (GO), certificates attesting that it comes from renewable energy sources.

Through these investments, we are reinforcing our commitment to a production model that aims to reduce our reliance on fossil fuels and external energy sources. We are also making a tangible contribution to the green transition.



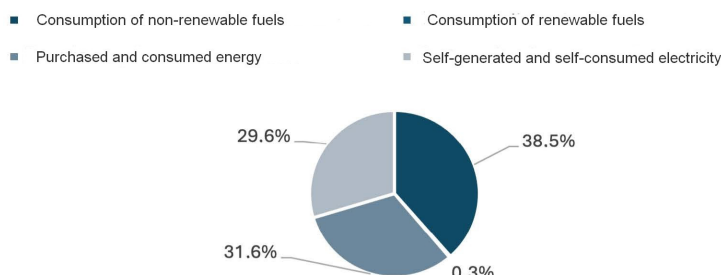
In 2025, **total energy consumption** stood at **12,049 GJ⁵**, marking a 24% reduction compared with 2024, when consumption stood at 15,890 GJ.

Of the total energy consumption recorded in 2025, **61% came from renewable sources**. This figure shows a significant increase compared with 2024, marking a two-fold increase and recording a **137% rise**. The figure reflects the gradual increase in the use of energy from renewable sources within the energy supply sector.

An analysis of the energy mix shows that the largest share of consumption, amounting to 38.5%, is attributable to the use of non-renewable fuels (diesel and petrol). We then have **purchased and consumed electricity**, which accounts for **31.6% of the total**, and **self-generated and self-consumed electricity**, accounting for **29.6%**, which together make up energy from renewable sources.

Finally, a residual proportion of energy consumption stems from the **use of renewable fuels (HVO⁶)**, which in 2025 accounted for approximately **0.3%** of total energy consumption.

Energy consumed within the organisation (GJ) – 2025



Electricity consumption, totalling 7,376 GJ in 2025, is primarily attributable to our core production activities, namely the manufacturing operations and processes that form the heart of our business. These activities, which are closely linked to the structure of the production process, constitute the bulk of our energy requirements.

In 2025, **the total amount of electricity purchased and consumed stood at 3,804 GJ**, recording a 2% increase compared with 2024. In addition to this figure, **there were 3,572 GJ of self-generated electricity that was consumed in full (48% of total electricity consumption)**, marking a 14% increase compared with the previous period as a result of greater use of the company's photovoltaic system.

We use natural gas in our plants via two delivery points, precisely one for the heating plant that heats Plant One, and one for the heating plant that heats Plant Two, to supply energy to the canteen, the steam generator, and the laboratory boiler, which serves as a source of both heating and hot water.

The use of **natural gas** is mainly intended for **heating purposes**, i.e., for room heating, the **production of steam for humidification of climate chambers**, and **company catering activities**. In 2025, **natural gas consumption stood at 2,701 GJ**, marking a 59% decrease vs. 2024, mainly due to the replacement of boilers with heat pumps in the factory's heating system.

In addition to electricity and natural gas, the **energy sources** used in our operations also include **diesel and petrol**, as well as **biofuel (HVO)** adopted by certain vehicles within the company's fleet.

In particular, **diesel consumption**, amounting to **1,504 GJ** and recording an 18% drop vs. 2024, is mainly attributable to the use of a vehicle dedicated to the delivery of finished products within the Emilia-Romagna Region and, to a lesser extent, to the use of a number of company cars.

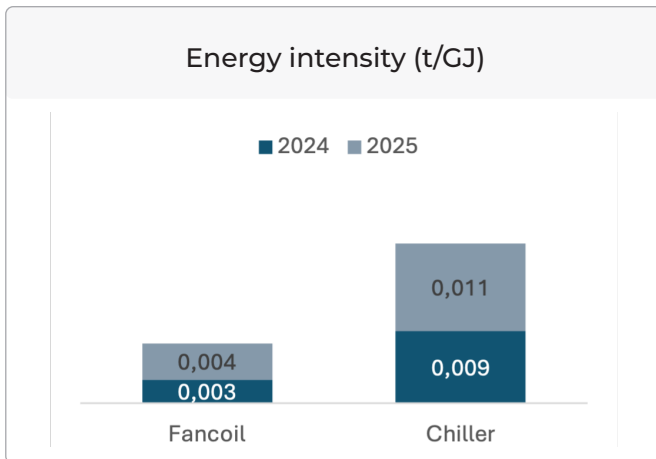
However, petrol consumption, amounting to **438 GJ** and down by 20% vs. 2024, relates exclusively to company vehicles allocated to employees for operational and travel purposes. Finally, **biofuel consumption** for 2025 stood at **31 GJ**.

⁵The conversion factors used are updated to reflect the year in which the consumption occurred, where data is available. Source of the conversion factors used:

- Electricity (non-renewable, renewable and self-consumed from solar panels): International System, for both the 2024 and the 2025 data.

- Natural gas, diesel, petrol and HVO: Table of national standard coefficients 2024 for both 2024 and 2025 (the coefficients for 2025 are not yet available at the time of drafting this document).

⁶HVO (Hydrotreated Vegetable Oil) is a latest-generation biofuel produced from biomass, such as used cooking oil and waste.



Energy intensity is an indicator that measures an organisation's energy efficiency and, in a business context, represents the ratio between energy consumption and an output unit. This parameter is particularly useful for assessing how much energy is used to generate a given production output. We have calculated our energy intensity based on the quantity of products sold, expressed in tonnes, with specific reference to the **chiller** and **fan coil** ranges.

The results show an intensity of **0.004 t/GJ** for

chillers (137 tonnes, down 3% from 2024), representing a 54% increase vs. 2024, and **0.011 t/GJ for fan coils** (57 tonnes, up 23% vs. 2024), marking a 21% increase vs. 2024.

For further details, please refer to sub-section "Reporting Package" in the Appendix.

Emissions and climate change

GRI 305-1 | GRI 305-2 | GRI 305-4 | GRI 305-5 | GRI 305-7

Aware that every production activity can generate emissions, we pay particular attention to monitoring and reducing them, combining production efficiency, technological innovation, and full compliance with regulations.

To underpin this commitment, **we adopt internationally recognised management tools and certifications designed to ensure the transparency, reliability and measurability of our environmental performance.** We also focus our activities on reducing the emissions associated with our processes, as demonstrated by the environmental indicators set out in this Report. In previous years, there were no disruptions to business operations attributable to climate change-related events, such as flooding caused by heavy rainfall, damage to goods caused by extreme weather conditions, or changes in service provision attributable to critical operating conditions, such as high outdoor temperatures.

The Risk Assessment is due to be expanded in 2026 to include the component relating to climate risks.

Our commitment to quantifying and subsequently reducing emissions translates, in practical terms, into the constant monitoring of emissions generated by our organisation, and those associated with our products, including emissions linked to F-GAS (fluorinated gases). In particular, we adopt a structured approach involving sampling and periodic monitoring, designed to ensure the traceability and reliability of environmental data.

With regard to F-GAS, our production focuses on chillers and heat pumps that also use ozone-depleting refrigerants; furthermore, there are air-conditioning units for the offices and production areas that utilise these substances within the factory itself. We carry out the registration and periodic inspection of these machines, which are subject to the F-GAS Regulation.

In addition, we have begun **the technological transition to propane (R290) solutions**, and are continuing with the **development of new products compliant with Regulation (EU) 2024/573**

on **fluorinated greenhouse gases**, thus ensuring full compliance with the current regulatory framework. Work relating to F-GAS is carried out exclusively by qualified and certified personnel, thereby ensuring that the work is conducted correctly, and that the associated environmental risks are minimised.

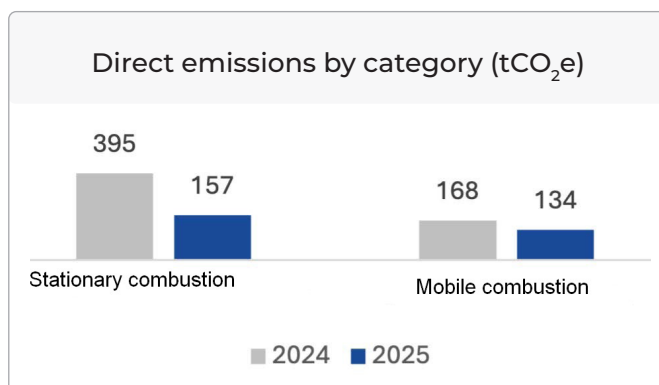
As part of our commitment to transparency and to managing the environmental impacts of our products, we have developed and progressively expanded the use of **Environmental Product Declarations (EPDs)**. These declarations, which are based on **Life Cycle Assessment (LCA)** and verified by an independent third party, enable us to quantify the environmental performance of our products throughout their entire life cycle in a standardised and comparable manner.

For us, the adoption of EPDs is a key element of our ongoing improvement process. It supports the more effective integration of environmental criteria into decision-making processes, product development, and our relationships with customers and stakeholders, whilst promoting greater transparency and reliability in the environmental information communicated to the market. We expect to complete **two further EPD certification studies for two new ranges of heat pumps by 2026**.

As regards our organisation's emissions, we have also decided to conduct **an assessment certified by an accredited external body of the organisation's carbon footprint in accordance with standard UNI EN ISO 14064-1:2018**⁷. Our aim is to rigorously quantify the impact of our core activities. This assessment allows us to measure the greenhouse gas (GHG) emissions generated in 2024, providing a basis for strengthening emissions monitoring systems, and identifying potential measures to improve environmental performance. The 2024 emissions data, set out below, are taken from the organisation's carbon footprint study, which was certified at the end of 2025. It should be noted that, for the purposes of calculating Scope 2 emissions, the study only applied the Location-Based method. The Market-Based figure has also been included in this report and data presentation.

Emissions generated during 2025 are given below.

In 2025, the **emissions generated directly by the company (Scope 1)** – arising mainly from the combustion of fuel in the company's plants and vehicles – **amount to 291 tonnes of CO₂e**⁸.



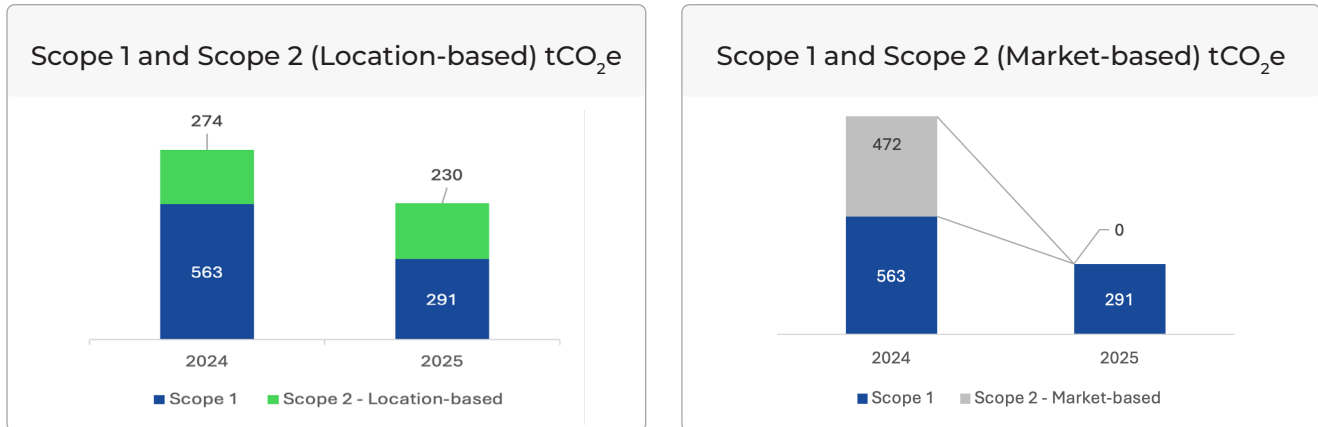
The energy-efficiency measures implemented during the year have improved emissions from stationary combustion.

As regards emissions by source, **54% of direct emissions are generated by natural gas**, and the remaining 46% by crude oil and petroleum products.

The **indirect emissions** under **Scope 2**, relating to electricity purchased and consumed, amount to **230 t CO₂e** using the Location-based method, and to **0 t CO₂e** using the **Market-based method**, as the electricity purchased in 2025 is fully covered by Guarantees of Origin.

⁷ UNI EN ISO 14064-1:2018- Greenhouse gases – Part 1: Specifications and guidance, at organisational level, for the quantification and reporting of greenhouse gas emissions and removals.

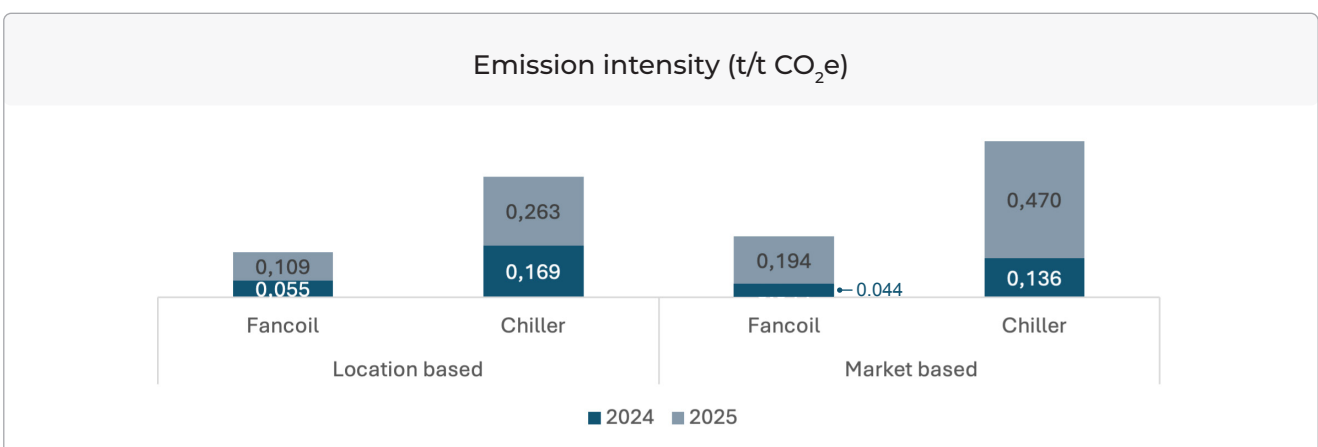
Therefore, the **total emissions generated by our company** in 2025 amount to **521 tCO₂e** with Scope 2 *Location-based* and **291 tCO₂e**, with Scope 2 *Market-based*, indicating an overall reduction in emissions.



In addition to these emissions, we regularly monitor⁹ emissions generated mainly by soldering and brazing workstations, specifically particulate matter (<0.3 mg/Nm³) and Total Organic Compounds (2.4±1.1), whilst complying with the limits laid down by law.

With regard to emissions, we hold a valid and up-to-date integrated environmental authorisation issued in accordance with specific requirements. Our emissions currently comply with regulatory limits.

The **emission intensity** is an indicator that measures the environmental efficiency of an organisation in relation to greenhouse gas (GHG) emissions. In 2025, **emission intensity**, calculated using the *location-based method*, amounts to **0.109 t/t CO₂e** for the fan coils produced (57 tonnes) and to **0.263 t/t CO₂e** for the chillers produced (137 tonnes); whilst using the *market-based method*, amounting to **0.194 t/t CO₂e** for fan coil units produced and **0.470 t/t Co2e₂e** for the chillers produced.



For further details, please refer to sub-section “Reporting Package” in the Appendix.

⁹ The emission conversion factors used are updated to reflect the year in which the emission was generated, where data on the conversion factor is available. Emissions data for 2024 are taken from the organisation's Carbon Footprint study, certified at the end of 2025. Sources of the conversion factors used:

- Electricity purchased (renewable and non-renewable): for data relating to 2024, see Ecoinvent 3.11 whilst for data relating to 2025, see ISPRA. Emission factors for electricity production and consumption in Italy, using the *location-based method*; Ecoinvent 3.10 w/ IPCC 2021 GWP100 V1.03, for the *market-based method* (2024–2025).

- Natural gas, diesel, petrol and HVO: for data relating to 2024, Ecoinvent v. 3.11, whilst for data relating to 2025 Greenhouse gas reporting: conversion factors – GOV. UK (2025).

Water resource management

GRI 303-1 | GRI 303-2 | GRI 303-3 | GRI 303-4 | GRI 303-5

We regard **water as a shared resource to be managed responsibly** throughout our operations, promoting initiatives aimed at reducing water abstraction, and encouraging its reuse.

The water supply comes mainly from the public water mains and other third-party sources for industrial, fire-fighting and domestic use in areas where water scarcity is currently a major issue. Total water abstraction in 2025 amounted to 3,011 cubic metres.

In 2025, we initiated work on **upgrading the facilities with the installation of sludge removal systems in the testing areas and the boiler room**. The purpose was to reduce mains water consumption, and the volume of wastewater requiring disposal. Although we do not currently have any specific partnerships with stakeholders on the issue of water management, we monitor water consumption, associated costs, and the volume of wastewater discharged, whilst also assessing environmental, social and governance aspects within our supply chain, and encouraging customers and suppliers to adopt practices consistent with the efficient use of this resource.

In managing the **impacts associated with water discharges**, we operate in compliance with the applicable regulatory requirements and the provisions set out in the current Single Environmental Authorisation (AUA). The minimum quality standards for effluent are set out in Italian Legislative Decree 152/2006, Part III, Annex 5, Table 3 (discharges into the public sewerage system). They are verified through periodic annual monitoring to ensure that discharges comply with the regulations, and to prevent potential impacts on the aquatic environment. This practice forms part of a broader strategy for the responsible management of water resources with a view to reducing consumption, reuse water in business processes, and minimise the volume of wastewater sent for disposal. Total discharges amounted to 77.1 cubic metres in 2025.

In 2026, there are plans to **install a new filtration system on a production line**, which will enable water to be discharged directly into the sewerage system, thereby reducing water disposal costs. To this end, a request to amend the AUA is currently being prepared, following the last amendment made in 2025, which involved the inclusion of emission E24 (brazing fumes).

Therefore, in 2025, **water consumption** – calculated as the difference between total withdrawals and water discharges – amounted to 2,934 cubic metres, and when the consumption from the PEI warehouse is also included, consumption **totals 3,294 cubic metres**.

For further details, please refer to sub-section “Reporting Package” in the Appendix.

Management of incoming materials and waste

GRI 301-1 | GRI 301-2 | GRI 301-3 | GRI 306-1 | GRI 306-2 | GRI 306-3 | GRI 306-4 | GRI 306-5 | GRI 306-6

The focus on **environmental management is reflected**, first and foremost, in the selection of **materials purchased and used in the manufacture of products**, giving priority, where technically and economically viable, to renewable and/or recycled solutions.

Our company currently has a **procedure in place for the management and monitoring of materials**. The implementation, during 2026, of the **new database will enable us to further strengthen the system for data collection, traceability and analysis**, improving its effectiveness and level of

⁹ Using the UNI EN 13284-1:2017 method for dust, and the UNI EN 12619:2013 method for Total Organic Compounds (TOC).

integration. In particular, monitoring of the quantities of materials used in non-core activities will be stepped up with a view to obtaining more comprehensive information, and to helping identify any opportunities for optimising the use of resources.

In 2025, the proportion of **recycled materials used** only concerned packaging, including paper, cardboard and plastic. With regard to **materials from renewable sources**, these account for 2% of the total materials purchased. This proportion is mainly attributable to materials used in the production process that do not form part of the finished product (e.g., machine lubricants), followed by materials used for packaging. Data on recovered or remanufactured products and their packaging materials is not currently available, as we do not carry out any systematic recovery or remanufacturing of products or their packaging materials. Any sporadic cases are not statistically significant, and are not currently being tracked. For further details, please refer to sub-section “Reporting Package” in the Appendix.

With a view to the circular economy and the integrated management of environmental impacts, attention to incoming materials goes hand in hand with the management of waste generated by the company's activities. The aim is to minimise waste generation, promote material recovery, and gradually reduce the need for disposal, thereby ensuring greater efficiency in the use of resources throughout the entire production cycle.

Initiatives are currently underway to **improve the assessment of incoming materials** in order to return non-compliant or defective materials – which are currently treated as waste – to suppliers. Work is also underway to identify partners and strengthen collaboration with suppliers to reduce the generation of wood waste, mainly associated with packaging (pallets). A review of packaging types is also currently under consideration, involving the introduction of solutions designed to improve recyclability, material efficiency, and alignment with the principles of the circular economy.

In our company, **all waste is stored in designated areas and handled exclusively by authorised transporters and waste disposal operators** who hold the necessary licences issued by the competent provincial administration authorities.

A **waste management survey** was carried out in 2025 with particular focus on temporary storage facilities. The initiative was accompanied by training sessions for line managers and department heads to ensure correct disposal, and strengthen operational oversight of the waste stream. Following full implementation of the production management software system, the SL (sheet metal production) Department will be able to improve scrap traceability, and take more targeted action on the process by identifying further opportunities for optimisation and reduction.

In addition, a **project to review waste management** has been launched to enhance the efficacy of separation between municipal waste and special waste generated by the company's operations. As regards municipal waste, measures have been introduced to reduce the volume of plastic and unsorted waste, including the phasing out of bins designated for the latter. As regards special waste, there was an increase in the separate collection of plastic packaging, reflecting a greater focus on correct sorting of the waste stream.

Waste management is carried out by qualified third-party operators (transporters and disposal operators), who are selected and monitored by checking their relevant authorisations. We keep records of such authorisations, including updates and expiry dates. In accordance with current legislation, the number plates of vehicles used for transport are also checked. Waste is mainly quantified by weighing it before disposal, with the exception of certain types (such as paper/cardboard and wood), for which flat-rate estimation criteria are applied.

For special waste – both hazardous and non-hazardous – data monitoring is carried out via the RENTRI system, as required by Italian legislation, with the support of specialised software that facilitates

operational management and integration with the platform, thus enabling data to be pre-processed. The overall findings are annually consolidated as part of the Management Review, whilst the MUD Declaration is prepared every year in accordance with regulatory requirements.

In the course of our production and maintenance activities, we generate a variety of **waste types**. These include plastic process waste, such as components, sheaths, gaskets and casings made of PVC, ABS and rubber; metal residues from the processing of sheet metal, copper, brass, aluminium and heat exchangers. We also produce waste from maintenance activities, including waste oil, brazing fluxes and contaminated scrap.

Office and packaging waste such as paper, cardboard, wood and mixed packaging or packaging containing hazardous substances are also present. We regularly handle toners, used cartridges, WEEE (e.g., computers, printers, telephones, computer accessories), defective or obsolete electronic equipment, defective compressors and electronic printing materials such as ribbons and waste cartridges.

Empty cylinders of technical gases (LPG, R410A, R407C, R454), alkaline and tool batteries, liquid waste from testing and maintenance activities (such as condensation or cooling water), electrical cables, conduits, plasterboard and resins from softening plants complete the picture. All of this waste is managed in compliance with the regulations in force, with particular attention to the distinction between hazardous and non-hazardous waste, and their correct final destination.

During the year, a request was also made **to update the Single Environmental Authorisation (AUA) for the management of liquid waste**. Specific assessments were launched with a view to optimising the management of certain types of hazardous waste.

In terms of volume, the main waste stream generated is wood, followed by plastic packaging, which is classified as special waste. We are also exploring possible ways of making the most of certain materials by handing them over to specialist operators, thereby facilitating their recovery where this is technically and economically viable.

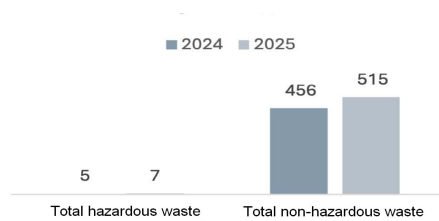
Particular attention is also paid to the management of refrigerant gases. Recovered gases that meet the required purity levels are immediately sent for regeneration and reuse by authorised operators. In this context, we are committed to improving recovery procedures with the aim of reducing the risk of contamination, and of maximising the potential for reusing the resource.

Although a comprehensive waste reduction plan has not yet been formalised, numerous initiatives aimed at waste prevention, recovery and valorisation are already in place. We plan on consolidating these activities within a structured waste management and reduction programme by 2026.

This document presents the figures reported in the Single Environmental Declaration Form (MUD), broken down into hazardous and non-hazardous waste.

In 2025, **the total amount of waste generated stood at 521 tonnes**. Compared with 2024, there has been an overall 13% increase in waste production, mainly attributable to the significant refurbishment work carried out on the R&D Laboratory premises, and to the installation of new equipment. 99% of the waste generated, in line with the 2024 figures, is non-hazardous (515 tonnes), indicating a 13% increase compared with the previous period.

Hazardous and non-hazardous waste generated (t)

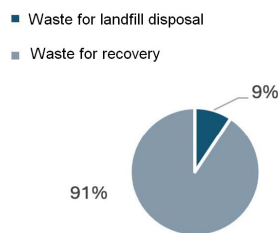


These are mainly plastics, metals, paper, cardboard, wood, mixed packaging, obsolete electronic components and residues from mechanical processing and routine maintenance. Only a very small proportion of waste is classified as hazardous (7 tonnes), as it contains substances or components that require specific handling, such as certain empty gas cylinders, used oil, or used toner cartridges.

These wastes are in any case processed and managed by authorised entities in accordance with current legislation, guaranteeing traceability, safety and environmental compliance.

Despite the increase in waste generation, as regards the final destination of the waste produced, **91% was sent for recovery** (of which 99% was non-hazardous waste), **marking a 23% increase compared with 2024** (84% of the waste generated was sent for recovery).

Destination of waste generated - 2025



Waste by destination and hazard classification



Throughout 2025, the internal awareness-raising programme aimed at improving the management of the company's waste continued through ongoing training on environmental emergencies. In this context, a specific training programme on waste management was also launched at the end of the year, with a particular focus on the production area.

For further details, please refer to sub-section "Reporting Package" in the Appendix.

8

Note on methodology

Scope of Reporting

GRI 2-1 | GRI 2-2 | GRI 2-3 | GRI 2-4

Company name	Galletti
Nature of the ownership	Private
Legal form	S.p.A.
Location of head office	Via Luciano Romagnoli, 12/a, 40010 Bentivoglio BO
Countries served	Italy, EU, Non-EU

This document is the **second Sustainability Report of Galletti S.p.A.** The information in this document has been collected and processed in order to ensure an understanding of the company's activities, performance, results and impact. The scope of this report includes information relating to activities carried out in 2025 and, where available, data for 2024 and 2023 have also been included, with reference to the Galletti S.p.A. facility located in Bentivoglio (BO) in Italy.

This document has been drawn up on a voluntary basis, and does not constitute a Sustainability Statement within the meaning of Directive (EU) 2022/2464 - *Corporate Sustainability Reporting Directive (CSRD)*, as transposed into Italian law by Legislative Decree No. 125 of 6 September 2024. Under Law No. 118 of 8 August 2025, which amended the aforementioned decree, the deadlines for compliance with the reporting obligations have been extended. Consequently, as at the date of publication of this Sustainability Report, the company is not among those required to comply with the obligations laid down by the legislation.

The Sustainability Report is drawn up annually, and is published on the official website of Galletti S.p.A. at the following link: [Certifications – Quality, environmental management, and safety](#).

To request further information regarding the contents of this document, please contact: info@galletti.it

References used

The Sustainability Report was drawn up by selecting indicators contained in the *GRI Sustainability Reporting Standards* published by the *Global Reporting Initiative (GRI)*, in accordance with the "Referenced" reporting option. The set of *GRI Standards* indicators used for reporting is set out in the GRI Content Index in this document. The selection of indicators was determined through a materiality assessment process designed to identify the issues of greatest relevance to the Company and to the sector in question.

Whilst preparing the second edition of the Sustainability Report, the Company also carried out a more in-depth analysis by further mapping out the impacts associated with the topics identified as material.

The “Reporting Package” section is provided below to ensure greater clarity and completeness of information. It contains all the summary tables of the data presented in the various chapters. This tool enables a concise and immediate consultation of the information presented, supporting transparency and traceability of content.

The general principles applied in preparing the Sustainability Report are those set out in the *GRI Standards*, namely relevance, inclusiveness, sustainability context, completeness, balance between positive and negative aspects, comparability, accuracy, timeliness, reliability and clarity.

This Sustainability Report has been drawn up with methodological support from: [Tecno ESG](#)

9

Appendix

Reporting package

In this section, we provide details of the GRI indicators used in the document for greater clarity and comparability of ESG performance over the two-year reporting period.

GRI 201-1 Economic value directly generated and distributed

Economic value directly generated and distributed	2024	2025	Percentage change
Economic value generated and received	62,047,378	65,921,887	6%
Economic value generated	61,729,708	65,345,896	6%
Economic value received	317,671	575,990	81%
Economic value distributed	58,670,294	61,177,035	4%
Suppliers	41,726,707	43,225,517	4%
Directors and auditors	287,040	359,338	25%
Human resources	13,312,652	14,388,476	8%
Banks and other lenders	885,018	747,902	-15%
Public administration	1,266,005	1,250,183	-1%
Local community	59,346	71,079	20%
Shareholders – Dividends paid	1,133,527	1,134,541	0%
Economic value retained	3,377,084	4,744,851	41%

GRI 301 Materials

GRI 301-1 Materials used by weight or volume (t)	2025		
	Non-renewable	Renewable	Total
Raw materials/natural resources (raw materials – minerals – timber)	10,200	13	10,212
Materials required for the production process that do not form part of the finished product (e.g., machine lubricants)	4	130	134
Products or semi-finished components	2,373	0	2,373
Finished products (products sold only)	186	0	186
Packaging materials, including paper, cardboard, and plastic	269	169	438
Total	13,033	311	13,344

GRI 301-2 Recycled materials used (t)	2025		
	Not recycled	Recycled	Total
Raw materials/natural resources (raw materials – minerals – timber)	10,212	0	10,212
Materials required for the production process that do not form part of the finished product (e.g., machine lubricants)	134	0	134
Products or semi-finished components	2,374	0	2,373
Finished products (products sold only)	186	0	186
Packaging materials, including paper, cardboard, and plastic	434	3	438
Total	13,341	3	13,344

GRI 302 Energy

Energy source (GJ)	2024	2025
Consumption of non-renewable fuels	9,039	4,642
Petrol	545	438
Diesel fuel	1,839	1,504
Natural gas	6,656	2,701
Consumption of renewable fuels	0	31
Biofuel (HVO)	0	31
Purchased and consumed energy	3,721	3,804
Electric	3,721	3,804
<i>of which backed by guarantees of origin</i>	0	3,804
Self-generated and self-consumed electricity	3,129	3,572
Total energy consumed within the organisation	15,890	12,049

GRI 303 Water

Water abstraction, discharge and consumption (m ³)	2025
Water abstraction from third-party sources	3,011
Water drainage	77
Total water consumption	3,294

GRI 305 Emissions

GHG emissions (t CO ₂ e)	2024	2025
Scope 1	563	291
Scope 2 – Location-based	274	230
Total	837	521
GHG emissions (t CO ₂ e)	2024	2025
Scope 1	563	291
Scope 2 – Market-based	472	0
Total	1,035	291

Direct emissions by category (t CO ₂ e)	2024	2025
Stationary combustion	395	157
Mobile combustion	168	134
Fugitive emissions	0	0
Total	563	291

Direct emissions by source (t CO ₂ e)	2024	2025
Emissions from coal and coal products	0	0
Emissions from crude oil and petroleum products	168	134
Petrol	0	28
Diesel fuel	168	106
Emissions from Natural Gas	395	157
Natural gas	395	157
Fugitive emissions	0	0
Emissions from renewable fuels	0	0
HVO	0	0

GRI 306 – Waste

Hazardous waste (t)	Waste description	Waste destination	2024	2025
13 01 11*	Waste oils (especially from maintenance)	Recovery	0.35	0.6
14 06 03*	Brazing flux - maintenance waste	Recovery	1.16	0.05
15 01 10*	Empty metal packaging that has contained hazardous substances	Recovery	0.42	0.43
15 01 11*	Spray cans-Oxygen cans-Empty R410A cylinders-Empty R407C cylinders-Empty R454 cylinders	Recovery	0.15	0.22
15 02 02*	Rags	Recovery	0.5	0.49
16 02 13*	Discarded equipment containing hazardous components other than those mentioned in 16 02 09 and 16 02 12	Recovery	0.005	0.1
16 02 15*	Defective compressors	Recovery	1.6	3.17
16 05 04*	Empty LPG cylinders	Recovery	0.19	0
17 06 03*	Sheathing	Recovery	0.15	0.5
19 08 06*	Softener resin in central heating plant 2	Landfill	0.003	0.01
12 03 01*	Aqueous washing solutions	Landfill	0	0.05
14 06 01*	Chlorofluorocarbons, HCFCs, HFCs	Recovery	0	1.13
16 06 01*	Lead-acid batteries	Recovery	0	0.07
16 06 02*	Nickel-cadmium batteries	Recovery	0	0.01
13 01 11*	Waste oils (especially from maintenance)	Recovery	0	0.6
Total hazardous waste			5	7

Hazardous waste (t)	Waste description	Waste destination	2024	2025
07 02 13	Process plastics - components, protective casings, cable glands, gaskets etc. made of plastics (PVC, ABS, rubber etc.)	Recovery	11.05	12.47
08 03 18	Spent toners and cartridges	Recovery	0.02	0.14

12 01 02	Sheet metal processing	Recovery	180.81	154.9
12 01 04	Copper, brass, aluminium, heat exchangers	Recovery	7.87	10.02
15 01 01	Paper and cardboard packaging	Recovery	78.68	93.04
15 01 03	Wooden packaging	Recovery	92.91	116.29
15 01 06	Mixed material packaging from production	Recovery	0.92	3.35
16 02 16	WEEE from manufacturing (e.g., motors, circuit boards, etc.) – waste from electronic printing: ribbons, used cartridges, toner	Recovery	4.54	4.53
16 02 14	WEEE (e.g., PCs, printers, cordless phones, computer accessories)	Recovery	0.43	44.42
16 06 04	Alkaline batteries except 16 06 03	Recovery	0.04	0.05
16 06 05	Other tool batteries and accumulators	Recovery	0.1	0.03
16 10 02	Aqueous liquid wastes other than those mentioned in 16 10 01 (wet vacuums - chillers-washer-dryers-UG - buckets with water for soldering-cooling - New laboratory - compressor condensate water - condensate water)	Landfill	75	48.34
17 04 11	Cables, other than those mentioned in 17 04 10	Recovery	3.89	4.22
17 08 02	Gypsum-based construction materials other than those mentioned in 17 08 01 (plasterboard)	Recovery	0.01	0
12 01 99	Scrap iron	Recovery	0	14.65
17 04 05	Iron and steel	Recovery	0	7.21
17 04 07	Mixed metals	Recovery	0	0.36
20 01 01	Paper and Cardboard	Recovery	0	0.5
20 03 07	Bulky waste	Recovery	0	0.04
Total non-hazardous waste			456	515
Total waste			461	521

GRI 2-7 Employees

Employees by gender	2023	2024	2025
Female	70	77	79
Male	153	155	165
Grand total	223	232	244

Employees by type of contract - 2024	2023	2024	2025
Permanent	217	217	230
Female	69	73	78
Male	148	144	152
Fixed term	6	15	14
Female	1	4	1
Male	5	11	13
Grand total	223	232	244

Employees by form of employment	2023	2024	2025
Full-time	216	223	236
Female	63	70	72
Male	153	153	164
Part-time	7	9	8
Female	7	7	1
Male	0	2	7
Grand total	223	232	244

GRI 405-1 – Governing bodies and employees by gender and age group

Governing bodies by gender	2023			2024			2025		
	Female	Male	Total	Female	Male	Total	Female	Male	Total
Board of directors	0	3	3	0	3	3	0	3	3
Board of Statutory Auditors	0	5	5	0	5	5	0	5	5
Total	0	8	8	0	8	8	0	8	8
Percentage	0%	100%	100%	0%	100%	100%	0%	100%	100%

Governing bodies by age group	2023				2024				2025			
	<30 years	30-50 years	>50 years	Total	<30 years	30-50 years	>50 years	Total	<30 years	30-50 years	>50 years	Total
Board of directors	0	1	2	3	0	1	2	3	0	1	2	3
Board of Statutory Auditors	0	1	4	5	0	0	5	5	0	0	5	5
Total	0	2	6	8	0	1	7	8	0	1	7	8
Percentage	0%	25%	75%	100%	0%	13%	88%	100%	0%	13%	88%	100%

Ratio of basic salary and pay for women compared with men	2023		2024		2025	
	Gender pay gap (%)	Gender pay gap (%)	Gender pay gap (%)	Gender pay gap (%)	Gender pay gap (%)	Gender pay gap (%)
Executives	98%	11%	0%	0%	0%	0%
Managers	0%	0%	100%	29%	100%	24%
White-collar workers	99%	38%	97%	52%	97%	53%
Blue-collar workers	102%	56%	101%	52%	100%	47%

Employees by job role and gender	2023			2024			2025		
	Female	Male	Total	Female	Male	Total	Female	Male	Total
Executives	1	8	9	0	8	8	0	7	7
Managers	0	4	4	1	4	5	1	5	6
White-collar workers	20	48	68	25	46	71	30	49	79
Blue-collar workers	48	82	130	48	89	137	104	48	152

Apprentices	1	11	12	3	8	11	*10		
Total	70	153	223	77	155	232	79	165	244
Percentage	31%	69%	100%	33%	67%	100%	32%	68%	100%

Employees by occupation and age group	2023				2024				2025			
	<30 years	30-50 years	>50 years	Total	<30 years	30-50 years	>50 years	Total	<30 years	30-50 years	>50 years	Total
Executives	0	5	4	9	0	4	4	8	0	4	3	7
Managers	0	2	2	4	0	3	2	5	0	5	1	6
White-collar workers	13	39	16	68	8	42	21	71	16	43	20	79
Blue-collar workers	27	62	41	130	25	65	47	137	27	77	48	152
Apprentices	12	0	0	12	11	0	0	11	See note n*10 above			
Total	52	108	66	223	44	114	74	232	43	129	72	244
Percentage	23%	48%	30%	100%	19%	49%	32%	100%	18%	53%	30%	100%

Protected groups by occupational category and gender	2023			2024			2025		
	Female	Male	Total	Female	Male	Total	Female	Male	Total
White-collar workers	0	1	1	1	1	2	0	1	1
Blue-collar workers	3	7	10	4	7	11	6	6	12
Total	3	8	11	5	8	13	6	7	13
Percentage	27%	73%	100%	38%	62%	100%	46%	54%	100%

GRI 401 – Staff Turnover

Employees at the end of the period	2023			2024			2025		
Gender	Female	Male	Total	Female	Male	Total	Female	Male	Total
Total	70	153	223	77	155	232	79	165	244

Newly employed	2023			2024			2025		
Gender	Female	Male	Total	Female	Male	Total	Female	Male	Total
Up to 29 years	2	11	13	3	4	7	2	5	7
30-50 years	2	7	9	6	10	16	2	19	21
>50 years	0	2	2	2	2	4	2	5	7
Total	4	20	24	11	16	27	6	29	35

¹⁰ In 2025 apprentices were assigned to their respective levels.

Terminations	2023			2024			2025		
Gender	Female	Male	Total	Female	Male	Total	Female	Male	Total
Up to 29 years	1	7	8	1	6	7	0	7	7
30-50 years	1	2	3	0	8	8	1	7	8
>50 years	3	6	9	4	4	8	3	5	8
Total	5	15	20	5	18	23	4	19	23

Reason for termination	2023			2024			2025		
Gender	Female	Male	Total	Female	Male	Total	Female	Male	Total
Voluntary resignations	1	7	8	2	13	15	2	10	12
Retirement	2	3	5	3	2	5	1	1	2
Dismissal	1	1	2	0	0	0	0	1	1
End of fixed term contract	1	4	5	0	1	1	1	5	6
Other	0	0	0	0	2	2	0	2	2
Total	5	15	20	5	18	23	4	19	23

Turnover	2023			2024			2025		
Gender	Female	Male	Total	Female	Male	Total	Female	Male	Total
Positive turnover - hires	6%	13%	11%	14%	10%	12%	8%	18%	14%
Negative turnover - terminations	-7%	-10%	-9%	-6%	-12%	-10%	-5%	-12%	-9%
Overall turnover	-1%	3%	2%	8%	-1%	2%	2%	5%	5%

GRI 403 – Health and safety in the workplace

Worker training in occupational health and safety	2023		2024		2025	
	N° hours of training	N° of employees involved	N° hours of training	N° of employees involved	N° hours of training	N° of employees involved
Health and safety - general training	136	35	48	12	76	19
Health and safety - specific training	494	54	774	108	1,549	143
Total	630	89	822	120	1,625	162

Number of accidents	2023	2024	2025
Total number of deaths due to occupational accidents	0	0	0
Total number of serious accidents at work (excluding fatalities)	0	0	0
Total number of recordable occupational accidents	3	6	7

Type of accident	2023	2024	2025
Falling and slipping	0	0	0
Accident on the road	0	0	0
Struck by - Hit by / Against	0	0	0
Other (please specify): Manual handling of loads; Suspended loads; Work equipment; Work environments	3	6	7

Accident rate	2023	2024	2025
N° of hours worked	351,916	361,388	376,907
Recordable work accident rate	8.6	16.6	18.5

GRI 404-1 Average hours of training per year per employee

Average hours of training	2023			2024			2025		
	Female	Male	Total	Female	Male	Total	Female	Male	Total
Executives	9	7.9	8.1	0	8.1	8.9	0	11.6	11.6
Managers	0	6.1	6.1	0	25	25	31	12	15.2
White-collar workers	12.1	25	21.3	13.5	23.3	19.7	18.9	33.1	27.7
Blue-collar workers	5	12.7	10	7.7	11.8	10.4	6.5	16.2	13.1
Total	7.2	16.5	13.5	9.8	15.5	13.6	11.5	20.9	17.9

GRI CONTENT INDEX

[Galletti S.p.A.] has reported the information referred to in this GRI content index for the period [1 January 2025 – 31 December 2025] in accordance with the *GRI standards*.

GRI STANDARDS	INFORMATION	REFERENCE/NOTES
GRI 2: GENERAL INFORMATION 2022	2-1 Organisational Details	Scope of Reporting
	2-2 Entities included in the organisation's sustainability report	Scope of Reporting
	2-3 Reporting Period, Frequency and Point of Contact	Scope of Reporting
	2-4 Review of Information	Scope of Reporting
	2-5 External Assurance	Reporting not subject to External Assurance
	2-6 Activities, Value Chain and Other Business Relationships	Profile and Identity; Our core values: Quality, Safety and the Environment; Our value chain: customers and suppliers
	2-7 Employees	Our people
	2-8 Non-employed workers	Our people
	2-9 Governance Structure and Composition	Corporate governance
	2-16 Reporting of critical issues	Corporate governance
	2-20 Process for determining remuneration	Our people
	2-21 Total annual remuneration rate	Our people
	2-22 Sustainable Development Strategy Statement	Letter to Stakeholders
	2-26 Mechanisms for requesting clarification and raising concerns	Responsible governance
	2-27 Compliance with Laws and Regulations	Responsible governance
	2-28 Membership of associations	Our bond with the local community
	2-29 Approach to stakeholder engagement	Stakeholder engagement
	2-30 Collective Agreements	Our people

GRI STANDARDS	INFORMATION	REFERENCE/NOTES
GRI 3: DISCLOSURES ON MATERIAL MATTERS 2022	3-1 Process for Determining Material Issues	Materiality analysis
	3-2 List of material issues	Materiality analysis
	3-3 Management of Material Issues	Materiality analysis
GRI 201: ECONOMIC PERFORMANCE 2016	201-1 Economic value directly generated and distributed	Economic performance and the creation of shared value
	201-4 Financial support received from the government	Economic performance and the creation of shared value
GRI 204: PROCUREMENT PRACTICES 2016	204-1 Proportion of expenditure to local suppliers	Our value chain: customers and suppliers
GRI 205: ANTI-CORRUPTION 2016	205-1 Transactions assessed for risks of corruption	Responsible governance
	205-2 Communication and training on policies and procedures	Responsible governance
	205-3 Incidents of corruption ascertained and actions taken	Responsible governance
GRI 301: MATERIALS 2016	301-1 Materials used by weight or volume	Management of incoming materials and waste
	301-2 Recycled materials used	Management of incoming materials and waste
	301-3 Recovered or remanufactured products and their packaging materials	Management of incoming materials and waste
GRI 302: ENERGY 2016	302-1 Total energy consumed within the organisation	Energy and energy efficiency
	302-3 Energy intensity	Energy and energy efficiency
GRI 303: WATER AND WASTEWATER 2018	303-1 Interaction with water as a shared resource	Water resource management
	303-2 Management of impacts associated with water discharge	Water resource management
	303-3 Water abstraction by source	Water resource management
	303-4 Water discharges	Water resource management
	303-5 Water consumption	Water resource management

GRI STANDARDS	INFORMATION	REFERENCE/NOTES
GRI 305: EMISSIONS 2016	305-1 Direct GHG emissions (Scope 1)	Emissions and climate change
	305-2 Indirect GHG emissions from energy consumption (Scope 2)	Emissions and climate change
GRI 305: EMISSIONS 2016	305-4 Intensity of GHG emissions	Emissions and climate change
	305-5 Reduction of GHG emissions	Emissions and climate change
	305-7 Nitrogen oxides (NOx), sulphur oxides (SOx) and other significant emissions	Emissions and climate change
GRI 306: WASTE 2020	306-1 Waste generation and significant waste-related impacts	Management of incoming materials and waste
	306-2 Management of significant waste-related impacts	Management of incoming materials and waste
	306-3 Waste generated	Management of incoming materials and waste
	306-4 Waste not intended for disposal	Management of incoming materials and waste
	306-5 Waste intended for disposal	Management of incoming materials and waste
GRI 308: 2016 ENVIRONMENTAL ASSESSMENT OF SUPPLIERS	308-1 New suppliers assessed using environmental criteria	Our value chain: customers and suppliers
GRI 401: EMPLOYMENT 2016	401-1 New employee hires and turnover	Attracting young talent
	401-2 Benefits provided for full-time employees, but not for part-time or fixed-term employees	Welfare and well-being at work
	401-3 Parental Leave	Our people
GRI 403: HEALTH AND SAFETY AT WORK 2018	403-1 Occupational health and safety management system	The safety of our employees
	403-2 Hazard identification, risk assessment and accident investigation	The safety of our employees
	403-3 Occupational health services	The safety of our employees
	403-4 Worker participation and consultation, and communication on occupational health and safety	The safety of our employees
	Worker training in occupational health and safety	Safety training and awareness

GRI STANDARDS	INFORMATION	REFERENCE/NOTES
GRI 403: HEALTH AND SAFETY AT WORK 2018	403-6 Promoting Workers' Health	The safety of our employees
	403-7 Prevention and mitigation of occupational health and safety impacts within business relationships	"Our pillars: Quality, Safety and the Environment;
	403-1 Workers covered by an occupational health and safety management system	The safety of our employees
	4039 Occupational Accidents	Occupational accidents
	403-10 Occupational Diseases	Occupational accidents
GRI 404: TRAINING AND EDUCATION 2016	404-1 - Average hours of training per year per employee	Our people; Training and skills development
GRI 405: DIVERSITY AND EQUAL OPPORTUNITIES 2016	405-1 Diversity in governing bodies and among employees	Corporate governance
	GRI 405-2: Ratio of basic salary and pay for women compared with men	Our people
GRI 406: NON-DISCRIMINATION 2016	406-1 Incidents of discrimination and corrective measures taken	Our people
GRI 413: LOCAL COMMUNITIES 2016	413-1 Activities that envisage local community involvement, impact assessments and development programmes	Our bond with the local community
GRI 414: SOCIAL ASSESSMENT OF SUPPLIERS 2016	414-1 New suppliers assessed using social criteria	Our value chain: customers and suppliers
GRI 416: CUSTOMER HEALTH AND SAFETY 2016	416-1 Assessment of health and safety impacts by product and service categories	Customers
	416-2 Incidents of non-conformity of products and services involving impacts on the health and safety	Customers
GRI 418: CUSTOMER PRIVACY 2016	418-1 Proven complaints regarding breaches of customer privacy and loss of customer data	Digitalisation and cyber security



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