

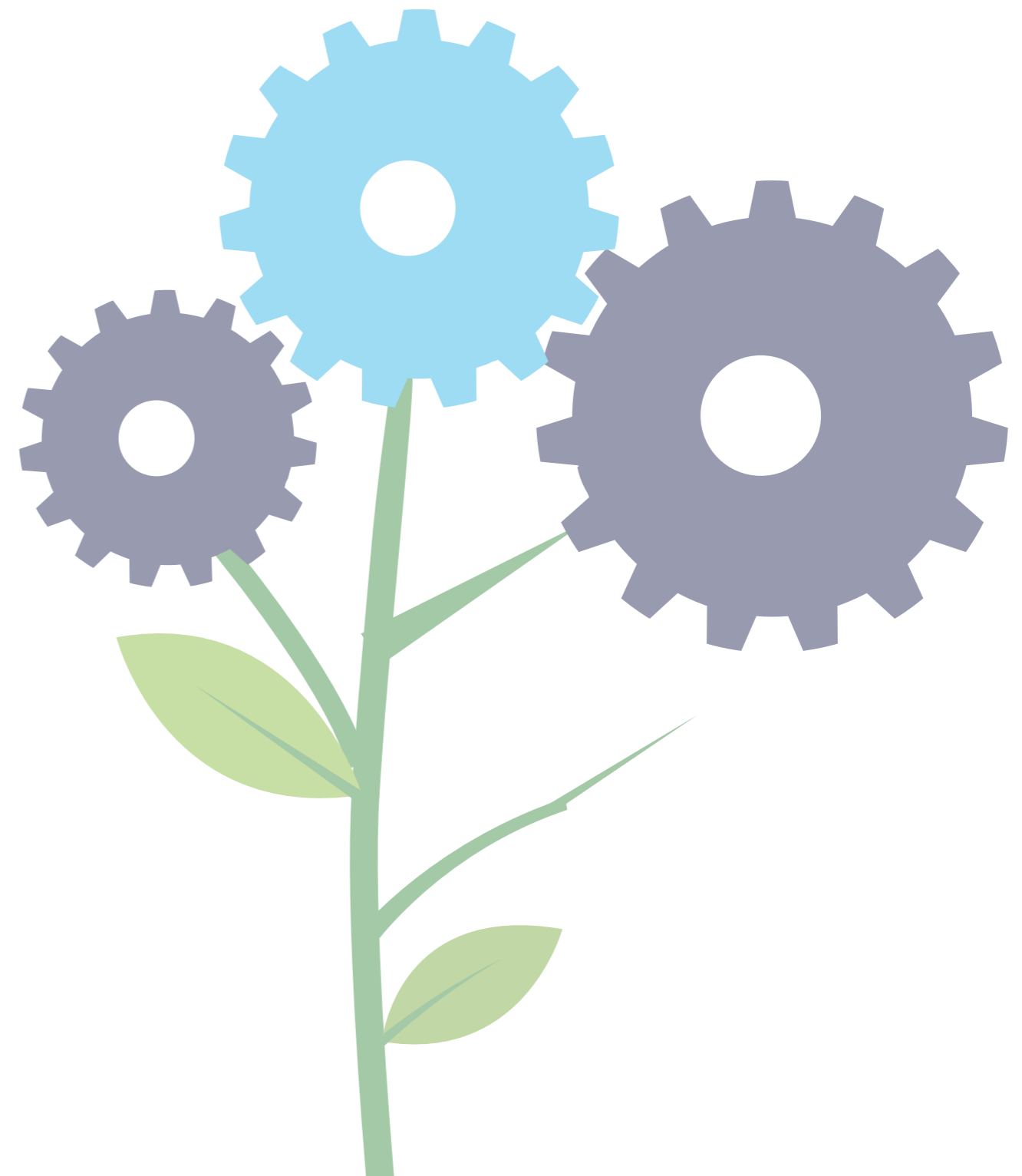


**BY YOUR SIDE  
IN PACKAGING**

**SUSTAINABILITY  
REPORT  
2022**

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# Methodology

This document represents the first Sustainability Report (hereinafter also “Report”) of BBM Service S.r.l. (hereinafter also “BBM,” “the Company,” or “the Organization”) prepared on a voluntary basis with the aim of transparently describing the initiatives and main results achieved in terms of sustainability performance during the year 2022 (January 1 to December 31), in line with the financial year.

This Sustainability Report covers - to the extent necessary to ensure an understanding of the company’s business activities, performance, results, and impacts - those environmental, social, personnel-related, human rights-related, and anti-corruption issues that are relevant given the company’s activities, as illustrated in the materiality assessment contained in this document.

**This Sustainability Report has been prepared with reference to the “Global Reporting Initiative Sustainability Reporting Standards” defined by the Global Reporting Initiative (GRI) and will be published annually.**

With reference to the materiality assessment, the process involved an internal working group, as

described in the relevant section of this document. Please refer to the “GRI Content Index” at the end of this document for details of the GRI indicators selected for reporting.

The process of gathering data and information involved several corporate functions and departments, each for its area of competence, ensuring compliance with the principles of accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness, and verifiability expressed in the GRI guidelines.

The data and information contained in the Report relate to both BBM sites, located in Lenna (Bergamo, Italy) and San Pellegrino Terme (Bergamo, Italy). The scope of the economic-financial, social and environmental data coincides with the scope of the Financial Report 2022.

In 2022, there were no significant changes to the company’s supply chain. In order to enable the comparability of data and information over time, a comparison with fiscal year 2021 is proposed wherever possible.

It should also be noted that in each chapter, any quantitative data for which estimates have been used are

duly noted. Estimates are based on the best available information or sample surveys.

The Board of Directors of BBM Service S.r.l. approves this Sustainability Report on June 27, 2023. It should be noted that this report has not been subjected to external assurance.

The periodicity of publication of the Sustainability Report is set according to an annual frequency.

The Sustainability Report is also available on the BBM Service website ([www.bbmpackaging.com](http://www.bbmpackaging.com)).

For more information on BBM Service’s social responsibility policies and the information contained in the Sustainability Report, you can contact the following address:  
**[info@bbmpackaging.com](mailto:info@bbmpackaging.com).**

We would like to thank all those who contributed to the preparation of BBM Service’s first Sustainability Report, for their commitment and time devoted to the project. BBM sees this document as an important step toward sustainable development.



# 1. INTERVIEW WITH THE CEO

It is with pride that BBM presents its first Sustainability Report, a document that is not yet mandatory for companies of BBM's size, but considered crucial for sharing with stakeholders the results achieved with regard to the main ESG - Environmental, Social and Governance issues and the objectives for the future.

CEO Giuseppe Boffelli talks about BBM and shares the path that led BBM to the publication of the Report.

***“The industry’s transition to an environmentally friendly model has revolutionized the machine lifecycle, from design through use and maintenance. BBM has entered this world by designing its business model with a circular perspective.”***

**In your area, there are many excellences operating in the automated bottling industry. In what does BBM stand out?**

Since 2005, we have been guarding the ambition to make a difference in the bottling industry,

implementing customer-tailored projects and taking care of the entire machine life cycle. Our decades of experience in the turnkey supply of lines and plants has enabled us to acquire very high levels of technical expertise and to represent a single point of contact for customers. We promote a 360-degree service, ranging from competitor analysis and evaluation of the best technical solutions based on a given budget, layout implementation, plant supply, safety management and waste disposal, to after-sales service. Our comprehensive and innovative approach to Service allows us to work with both large corporate brands and small-medium manufacturers, completing projects on time and never leaving anything to chance.

**Why can BBM Service be a model for SMEs in mountainous areas?**

I like to call BBM “a small-medium enterprise organized like a large company.” Our organizational model reflects our ambitions: we want to give greater incisiveness to our business activities in Italy and abroad, continue to invest in people by delegating responsibility, and promoting growth paths (especially among young people and with a view to gender equality), as well as investing in new technologies in the areas of engineering and quality. The preparation of the Sustainability Report is a further confirmation of this philosophy: we are among the first SMEs to get involved

and understand its importance and the growing need for transparency in “sustainable development.” We find ourselves operating in a geographic and social context that requires special attention; we want to intercept the full potential of our community and make it grow, growing in turn and paying respect to the land.

**What led BBM to its first sustainability report? How important is it in BBM’s strategic choices?**

The commitment to sustainability, understood as social, environmental and for the community, has always been explicit in BBM’s mission. For nearly 20 years, we have been in the business by giving a second life to bottling and packaging lines that are no longer in use. Our used equipment business provides the environmental benefits of reducing heavy industrial material, by avoiding the over-disposal of equipment that is still in good condition. In addition, the two-year Covid-19 emergency has made more evident the need for a flexible and resilient growth model, especially in pursuit of the well-being of our employees and the Valley community. These premises prompted BBM to commit itself to new and ambitious environmental, social and governance resolutions, summed up in our first Sustainability Report.

With the voluntary publication of the Report, we want to strengthen the release of our nonfinancial information and give our partners an easy-to-read tool to evaluate our sustainable development performance.

***“We take this opportunity to tell BBM’s story for the first time, sharing our history, values and voice with the reader.”***

**What do we expect from reading the Sustainability**

Giuseppe Boffelli,  
BBM Service CEO





#### Report?

The report illustrates what has been accomplished in terms of environmental responsibility and ethics, with a special focus on energy efficiency at the plant, responsible management of resources at the customer site, interest in employee growth, and active support for the Brembana Valley community. But the sustainability report is not limited to reporting on what has been done: it also anticipates the future. BBM is committed to finding better, more efficient and faster ways to carry out its activities. This translates into a number of work-in-progress projects that will soon become reality: the expansion of BBM's stock of compatible spare parts through the installation of vertical warehouses, the implementation of a new software for the control and management of production processes, and the creation of an e-commerce platform intended for the marketing of spare parts. BBM is working on strengthening its brand-new quality department and researching innovative technologies and materials, in collaboration with some important research centers - such as the University of Bergamo. What's next? BBM has budgeted for the expansion and complete modernization of its production premises from a green perspective. An ambitious project that began in 2021 with the completion of the production hub in Lenna for an area of more than 10,000 sm and will continue with the new look of the offices in San Pellegrino Terme.

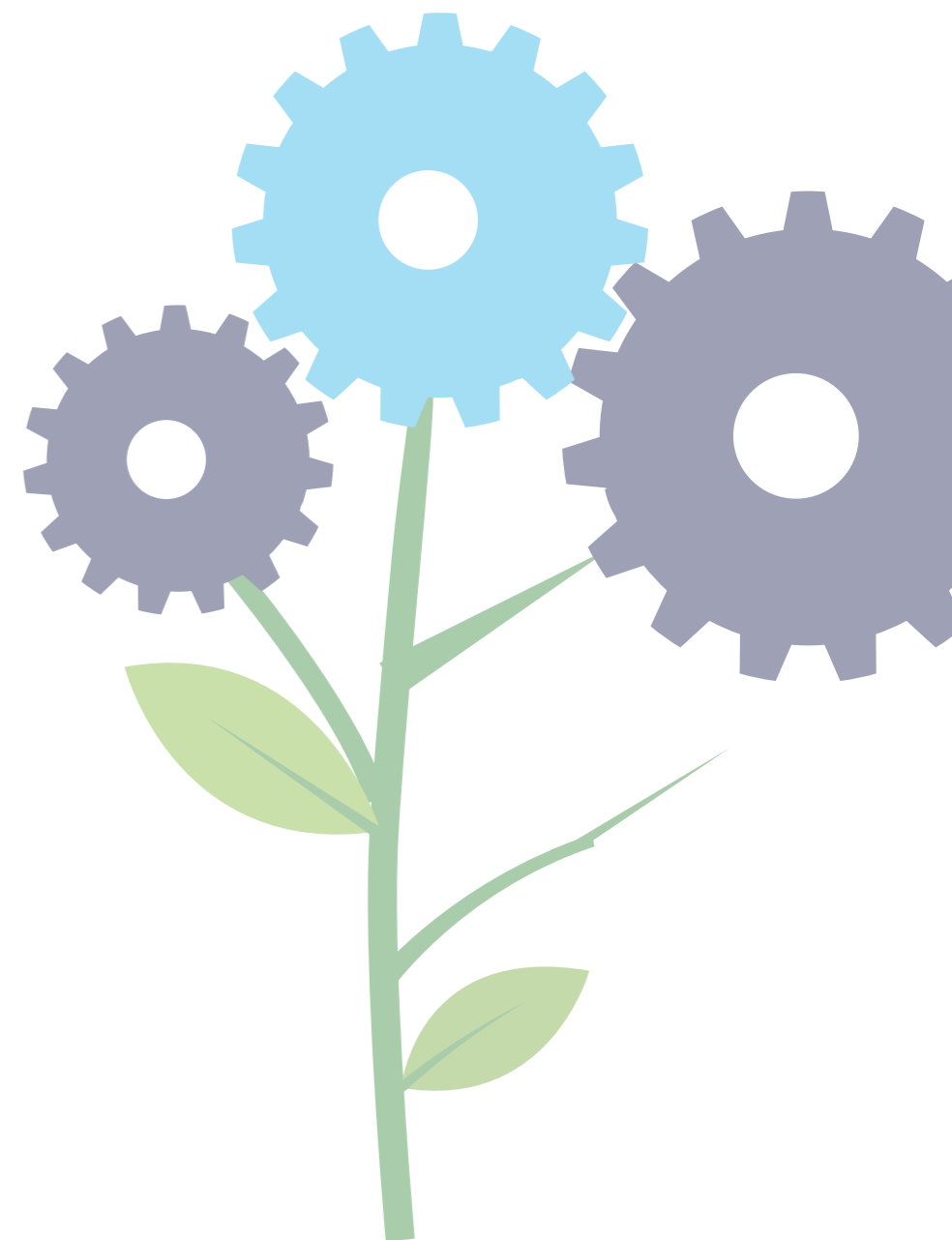
#### To whom is the Sustainability Report addressed?

My invitation to read the Sustainability Report is addressed primarily to our customers, suppliers and community members. **From you**, we receive the stimuli to pursue sustainable development, and **with you** we want to establish a dialogue to enhance the initiatives that BBM has undertaken to improve its impact in the context in

which it operates. In conclusion, we want to give clear evidence of the strategies implemented and our willingness to continue in this direction.

#### A final message for those about to read the Report?

These and the many other achievements would not have been possible without the contribution of all BBM employees: my thanks goes to them, for embracing the culture of sustainability and translating it into concrete actions every day. BBM has made mutual trust and professionalism the core values of its business: the same values have inspired us in the creation of the Sustainability Report. Enjoy reading it!



# BBM 2022 IN A NUTSHELL

**15+ YEARS**

of commitment in the bottling  
and packaging sector

**18 MILLIONS**

euros in sales

**9000 DAYS**

of man-work on bottling and  
packaging plants

**103**

collaborators\*

**90 COUNTRIES**

reached by BBM Service in all  
five continents

**10.000 MQ**

the total area of BBM machine  
showroom in Lenna (Bergamo)



**+92%**

training hours provided to  
employees - compared to 2021

**95%**

people hired full-time and with  
an open-ended contract

**77%**

of employees are below  
51 years of age

**0**

injuries recorded among  
employees



**-10%**

electricity consumed  
compared to the previous year

**+15%**

self-generated electricity at  
BBM's facilities

**-4%**

gas consumption in company  
vehicles

**-75%**

tons of waste produced by  
BBM

\*The figure includes workers employed by BBM Service,  
Colorsolution, DB Project, and MB Technical Service.

## 2. AN INTRODUCTION TO BBM

**BBM is an Italian company that has been operating since 2004 in the province of Bergamo, with two different facilities: an headquarter in San Pellegrino Terme and an operations office that includes a workshop and showroom in Lenna.**

BBM works in the field of automated bottling and packaging, in the food and beverage sector, and with a horizontally-integrated product and service offering, which has led the organization to position uniquely and distinctly from its competitors.

Specializing in the design and supply of complete bottling lines for water and beverages, the company provides a 360-degree service, taking care of assistance, service, supply of spare parts, maintenance and overhaul on every type of machine in the line.

What has enabled BBM to achieve a great competitive advantage in the market is the experience gained in customizing solutions based on the customer's needs: from the preliminary analysis of business

opportunities, to the engineering and design of the production plant, through the supply of new or used machines, to a qualified technical service with more than 50 technicians specialized on the different machines and processes.

Two partners gravitate around BBM; they both share spaces and mission with BBM:

- **DB Project Srl**, specializing in industrial mechanical design to support companies that do not have a technical design department
- **MB Technical Service**, which specializes in maintenance, overhaul and service on blow molding machines



View over BBM's plant in Lenna





# COLOR SOLUTION

Colorsolution\*, fully owned by BBM, operates in the field of industrial and civil painting. Located in Lenna, close to BBM's showroom, Colorsolution offers liquid and powder coating services in addition to pre- and post-painting services. The experience gained over the years and the use of state-of-the-art machinery guarantee attentive services and quality workmanship.

Colorsolution strives for continuous updates; each product affected by the coating process undergoes

several stages, ranging from preparation, phospho-degreasing washing, nanotechnology treatment, drying, baking, quality control and packaging.

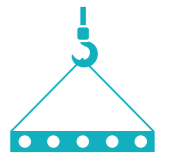
**Nanotechnology**, specifically, is a special technology integrated into Colorsolution's automatic washing system. The nanotechnology treatment protects and finishes the surface, giving the coating unmatched depth.



**29  
employees**



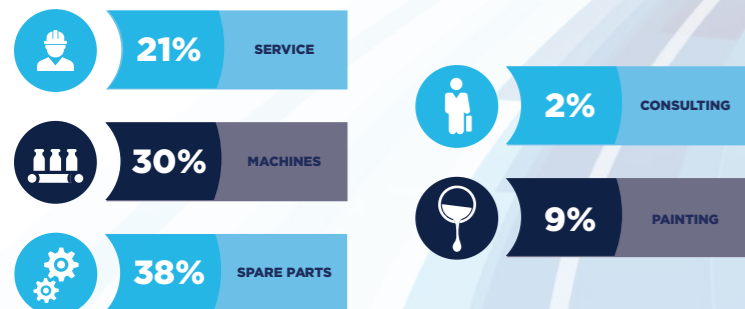
**3000 mq  
area**



**8 meters  
paintable length**

\*Quantitative information about Colorsolution is not included in this document.





**Figure 1:** Breakdown of BBM group revenue by business (2022)

BBM is mainly divided into five business divisions:

- **“Service”**, which deals with technical assistance at customer sites in Italy and abroad, as well as the overhaul of used machines and belts at the Lenna plant;
- **“Machines”**, related to the sale of used and overhauled machines for bottling and packaging water, beverages, wine, beer and other products - especially in the pharmaceutical and PET Food sectors;
- **“Spare Parts”**, concerning the sale and marketing of spare parts compatible with line machinery;
- **“Consulting”**, concerning various consulting and engineering services;
- **“Painting”**, concerning the activities of Colorsolution

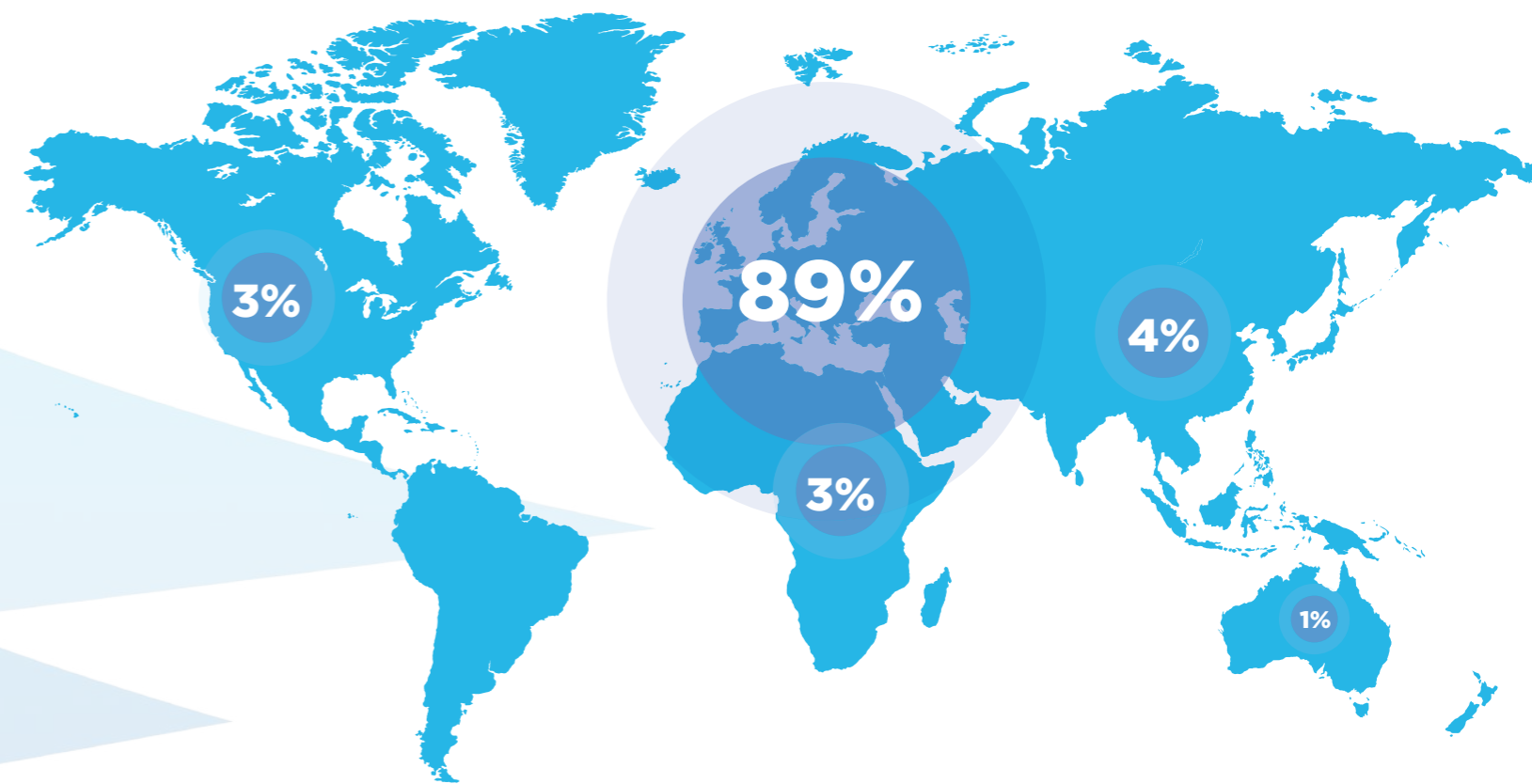


## 2.1 BBM Service values and mission

BBM was born as the obvious evolution of the personal histories of the three founding partners, who have intertwined their careers in the world of automated packaging-beverage for more than 20 years. Constantly in contact with operators, the ambition to create a project that could meet the demands of the industry grew stronger. Since 2005, BBM’s leitmotif has been “to make a difference and feel part of the change by implementing a Customer-

friendly project.” Flexibility, speed and constant presence are the keywords that have guided BBM’s activities for more than 15 years. BBM adopted a new vision of the business, moving to a “You Oriented” approach, focused on the consumer (ahead of the classic product-based approach). This “You Oriented” vision further pushes the customer to the center of attention.

**Figure 2:** Breakdown of BBM sales by geographic area.



## 2.2 The history of BBM Service

BBM was founded in 2004 in Val Brembana from the experience of three partners, Boffelli, Bonzi and Milesi, as a company specializing in technical assistance on machinery in the packaging/beverage sector.

Located in the province of Bergamo, Val Brembana stretches for about fifty kilometers and follows the course of the Brembo River, which originates in the Orobian Alps. The mountainous terrain and abundance of high quality water resources have led to the development of a water bottling and distribution district.

The mineral water and beverage industry is an economically strategic sector for the area, and the presence of several companies in this field has generated employment, contributed to the region's economic growth, and enhanced an area already rich in natural beauty and historical traditions.

It was in this context that BBM was born, and, in just a few years, grew to 67 employees and 18.5 million euros in sales, thanks to its innovative approach and flexibility



San Pellegrino Terme,  
Valle Brembana

### 2004

BBM Service was founded by Bonzi, Boffelli and Milesi

### 2008

BBM expands with the purchase of a production building totaling 600sm

### 2009

BBM Packaging is born as a division intended for the sale of used machinery

### 2011

BBM acquires the Lenna site to set up a showroom dedicated to used machinery overhaul

### 2012

DB Project is born, specializing in engineering and creating technical solutions for the Client

### 2015

BBM celebrates its 10th anniversary with the slogan *Service, Machines & Much More*

### 2017

Colorsolution was founded

### 2021

Expansion of the production hub in Lenna on two levels for a total of +3400sqm. Introduction of the new slogan *By your side in packaging.*



Offices in San Pellegrino Terme



Colorsolution in Lenna



Showroom BBM in Lenna

**Figure 3:**  
BBM Timeline

# 3. THE APPROACH TO SUSTAINABILITY

## 3.1 Commitment to a sustainable development

BBM's commitment to sustainability is developed at all levels. ESG management of the organization, both at the operational and strategic levels, is coordinated by the Board of Directors, composed of the three founding members, who have structured an all-round system of governance, procedures, and policies.

For an in-depth discussion of the policies put in place, including the Code of Business Ethics and the Code of Business Conduct, please refer to the chapter "Ethics and Governance."

Sustainability also resides in the very core business of BBM; in fact, alongside the offer of original products, the company regenerates old machinery through overhaul and modernization operations.

The purchase of used machinery is considered a sustainable practice for several reasons; in fact,

- reduces waste in circulation: the recovery of machinery prevents the material from ending up in the dump, reducing the amount of waste

- produced;
- reduce the use of renewable and nonrenewable resources: the production of new items requires significant amounts of materials and energy. Recovering second-hand machinery reduces the demand for new machinery and, therefore, the amount of energy and resources needed to produce it
- reduce carbon footprint: the production and transportation of new goods result in significant greenhouse gas emissions. By recovering used machinery, the carbon footprint is reduced, minimizing the need for further production and decreasing the need for transportation.

BBM takes several measures for integrating ESG values into its operations and demonstrating its commitment to sustainability and social responsibility.

With respect to environmental protection, some of the initiatives implemented are, for example, the adoption of BBM branded cups to replace disposable cups and the installation of water dispensers, to reduce the use of plastic among employees. In addition, thanks to the digitization of processes, efforts to use less and less paper have led to the almost complete elimination of waste and the adoption of a paperless approach.

In relation to waste, specialized technicians ensure proper waste separation, whether it is on site or at the customer's, separating materials according to the EWC code.

BBM acknowledges the importance of renewable energy in the transition to a low-carbon economy, and has installed a photovoltaic system at the San Pellegrino facility that allows 90% of self-produced energy to be consumed. Photovoltaic systems are also planned to be installed at the Lenna by 2023.

All locations have LED lighting fixtures, and half of the buildings for industrial use have a high-efficiency underfloor heating system, which provides significant savings compared to a traditional system.

The issue of mobility is central, given the prominence of Service activities. Special attention is paid to the car fleet, for which latest generation and low-emission vehicles is preferred.

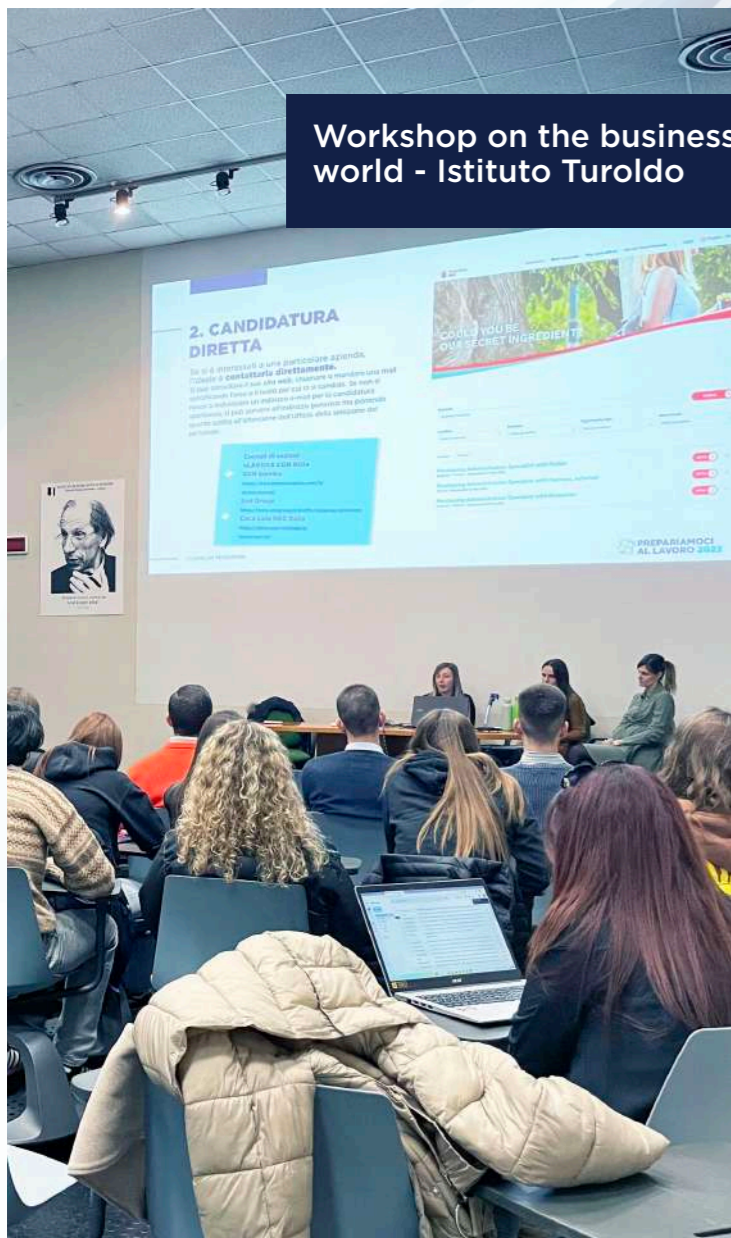
In March 2022, BBM was awarded a silver medal from Ecovadis, a corporate sustainability assessment platform that provides an evaluation of companies' performance on sustainability and social responsibility.

### 3.1.1 Commitment to the Community

In its commitment to sustainable development, BBM is aware of the importance of the social responsibility. Social sustainability encompasses multiple dimensions, including social justice, equality, participation, access to resources and services, protection of human rights. BBM's goal is the creation of a **workplace that supports the community**, as well as the fulfillment and well-being of employees, through collaborations with research centers,

BBM-branded cup in the offices





**Workshop on the business world - Istituto Turollo**

universities, and school-to-work programs.

Specifically, in 2022 BBM cooperated with the following schools and research centers:

- **University of Bergamo**
- **Laboratorio Prove Bavaro Srl**
- **ABF (also for employment and internships)**
- **Istituto Turollo**
- **Liceo Mascheroni**
- **ITS Jobs Talent**
- **ITS Lombardia Meccatronica**

BBM is also committed to supporting the community as part of corporate social responsibility, through sponsorships to sports events and Amateur Sports Associations such as:

- **ASD La passione di Yara**
- **ASD Zognese**
- **Aletica Val Brembana**
- **DFP ASD**
- **ASD Coppa Val Brembana**
- **MotoClub Racing**
- **Toscana Factory Team**
- **Pedale Brembillese**
- **Bushi Karate**
- **Motoclub Racing**

BBM also supports a number of charitable causes annually, such as the Telethon fundraiser and the Lenna Preschool Christmas party, and sponsors local businesses as the San Pellegrino Tourist Office.

Finally, in 2022 BBM held a solidarity event hosted by the

Lenna municipal administration with the participation of Sofia Goggia, for a **charity evening at BBM's premises**. After the first edition in 2019, the fundraising event was repeated with an auction of the Olympic champion's race gear. The entire proceeds from the auction and the charity dinner were donated to the Italian Red Cross.

Over the years, BBM has also forged partnerships with local institutions, national bodies and sectoral associations, strengthening ties with the local area and interweaving common interests for the promotion of local communities and the sector:

- **Confindustria Bergamo**
- **Bergamo Sviluppo**
- **Form-App**
- **Fondimpresa**
- **Agenzia delle Entrate (Revenue Agency)**
- **Camera di Commercio (Chamber of Commerce)**
- **INPS, INAIL**
- **Banks**
- **COMETA Fund, Metasalute**
- **Private severance funds**
- **AXA Insurance Company**
- **Allianz Insurance Company**
- **Lloyd Insurance Company**

### 3.1.2 Commitment to the environment

Having environmental goals is of paramount importance in addressing current challenges related to the environment and climate change. Below are some of the goals and initiatives that BBM has set to reduce the negative impact of its activities in favor of sustainable development:

- By the end of 2024, **relocate the San Pellegrino office to a building with low environmental impact** (energy class A). To achieve this, the building will be equipped with a photovoltaic system, to harness solar energy



**Charity event with Sofia Goggia - 2022**

and heat pumps for heating and cooling, thus using energy from renewable sources. It will also limit or eliminate the use of energy from fossil fuels such as natural gas. **The choice was to renovate an existing building rather than construct a new one, thus reducing land consumption and promoting the reuse of existing resources.**

- In addition, by the end of 2024, both building poles will be equipped with **electric charging stations**, promoting the adoption of electric vehicles and contributing to the reduction of greenhouse gas emissions;
- By 2023, implementation of a Manufacturing Execution System that will cut down on paper consumption in manufacturing plants. The goal is to adopt a 100% paperless approach by 2024;
- Increasing **waste sorting on construction sites** as well, with the goal of achieving a better economic and potentially environmental impact. This approach is based on the fact that the choices of materials used during the construction or renovation can significantly affect the company's bottom line and the surrounding environment.



## 3.2 Materiality assessment

Materiality assessment is a process that helps organizations identify, prioritize and evaluate material issues, i.e., those issues that represent an organization's most significant impacts on the economy, environment, and people - including human rights.

The materiality assessment process conducted by BBM's working group identified, in a first step, the most significant environmental, social and economic impacts for the company and its stakeholders through an internal and context analysis.

To better understand evolving stakeholder expectations and needs, the company produced its first materiality matrix in 2022. In line with adopted reporting standards, the process of identifying and prioritizing material sustainability issues was developed in several stages:

- **Step 1- mapping the company's key stakeholders** through a benchmark analysis and in view of BBM's role in the local area and the significant impact of its activities on the community. The company has seen fit to map key stakeholders who are directly and indirectly affected by its business and identified ten categories of key stakeholders, as shown below;
- **Step 2-the identification of the company's relevant sustainability impacts:** through a benchmark analysis, which considered peers and competitors, industry analysis, and sustainability

**Figure 4.** For more details regarding some of BBM Service's non-business stakeholders, please refer to Section 2.1.1 Community Engagement.

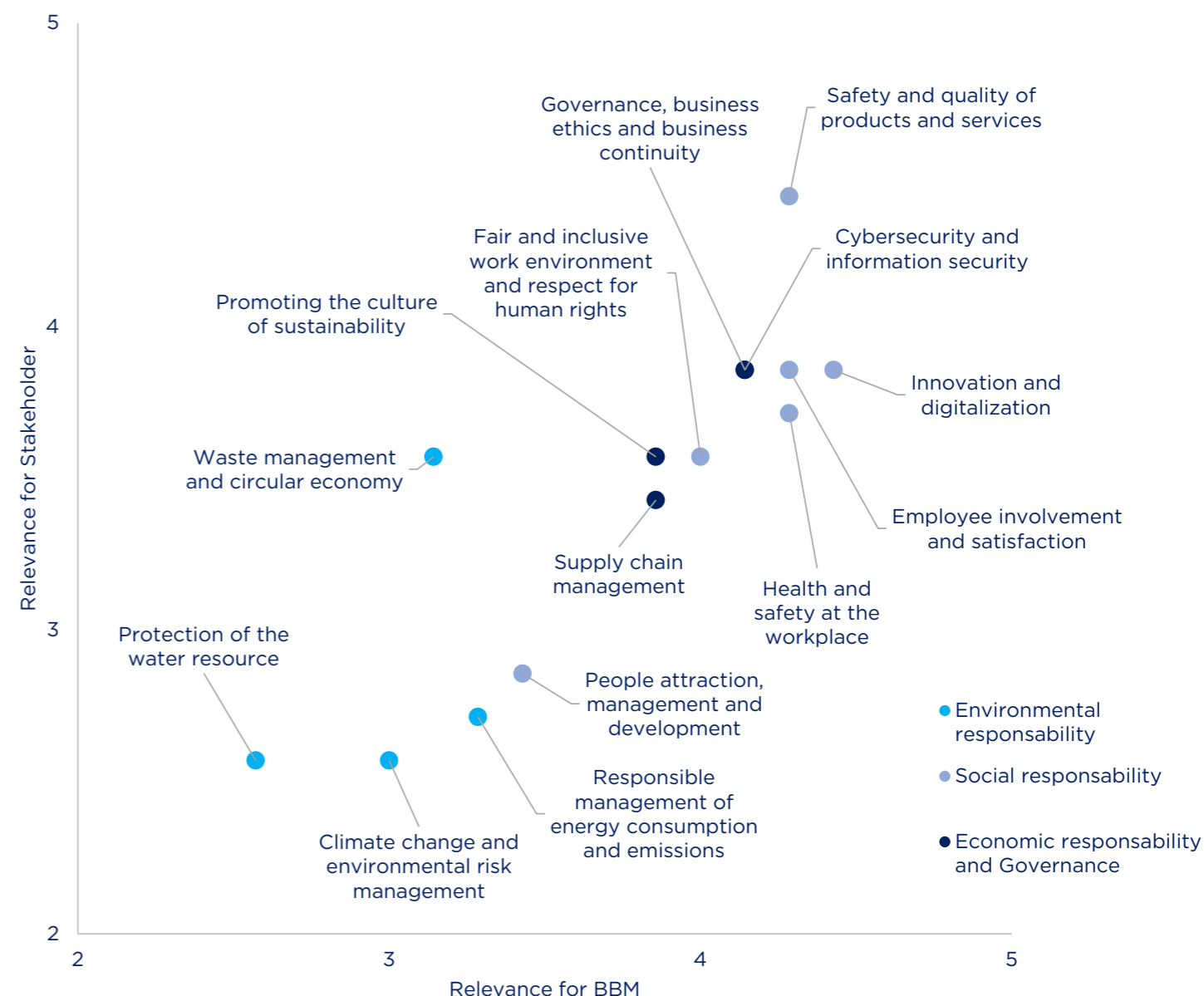


frameworks, an overview of the company's relevant issues was identified, reflecting the company's most significant impacts on the economy, the environment, people, and human rights.

- **Step 3 - the materiality workshop:** the results of the benchmark analysis were the subject of a materiality workshop, which involved Top Management and key company figures. They were asked to assess issues pertaining to three areas: environmental responsibility, social responsibility, and economic responsibility - governance. As this was the first year of reporting, external stakeholders were not involved in the identification of material issues; however, Top Management and key functions evaluated the relevant

issues from the Group's and stakeholders' perspectives.

- **Step 4 - development of the materiality matrix:** The outcome of the materiality workshop led to BBM's first Materiality Matrix, as shown below.



Below are the topics and positive/negative and current/potential impacts emerged:

TOPIC	IMPACT	NATURE
Responsible management of energy consumption and emissions	Negative impact on air pollution due to (direct and indirect) GHG and other emissions from operational activities	Current negative
	Depletion of available natural resources caused by consumption of non-renewable energy (non-renewable fuels) for business operations	Current negative
Protection of the water resource	Impact on water availability for the local community due to consumption by the corporate	Current negative
	Negative impact in terms of release of pollutants to groundwater or surface water that could impact the quality of the area's water resource	Negative potential
Climate change and management of environmental risks	Negative impacts due to failure to manage the risk of external natural/accidental events (e.g., landslides, torrential rains)	Negative potential
Waste management and circular economy	Negative impact due to end-user processing and disposal waste generation	Current negative
	Positive impact due to recovery and revamping of old third-party machinery	Current positive

Health and safety at the workplace	Impacts on workers' health and safety due to the risk of accidents during work activities and the occurrence of illness due to unhealthy or risky operating processes	Potential negative
	Negative impact related to injuries of transfer staff caused by the difficulty of monitoring compliance with health and safety standards at customer sites	Potential negative
Fair, inclusive, and respectful of human rights work environment	Respecting diversity and promoting an inclusive business climate through company activities and initiatives that counter discrimination	Current positive
Employee involvement and satisfaction	Promoting challenging career paths and improving skills within the organization through training activities and creating a culture of feedback	Current positive
People attraction, management and development	Negative impact on the local community in terms of difficulty in attracting and retaining talent in the company	Potential negative
Safety and quality of products and services	End-user satisfaction with safe and high-quality products and services, achieved through attention and continuous controls of operational processes at various stages	Current positive
Innovation and digitalization	More sustainable and innovative products/materials and processes through R&D investments, including in new technologies	Current positive
Cybersecurity and information security	Proper and secure management of information by complying with applicable legislation and establishing specific management procedures	Current positive
	Loss of sensitive customer information with potential loss of market share	Potential negative
Supply chain management	Indirect reputational risk to the company due to non-compliance with social and environmental standards by suppliers or business partners	Potential negative

Governance, corporate ethics & business continuity	Compliance with laws and regulations by establishing a system of corporate rules and procedures	Current positive
Promoting the culture of sustainability	Opportunity to anticipate regulatory and market demands in sustainability through the identification, management, and monitoring of sustainability issues, including through a clear definition of ESG roles and responsibilities within the company	Current positive
	Raising awareness of internal and external stakeholders toward sustainability issues (revamping, communication, processes, ...)	Current positive

# 4. ECONOMIC RESPONSABILITY AND GOVERNANCE

## 4.1 Ethics and Governance

BBM is actively committed to conducting its business in compliance with the current regulations of the countries in which it operates and subject to the principles expressed in its **Code of Ethics**. All corporate actions, operations and behavior adhere to the general constraints of diligence, fairness and integrity.

**The organization has the legal form of a limited liability company, with a collegial multi-person administration system.** The Board of Directors, in office since 01/20/2005, consists of three members: Boffelli Giuseppe Ermanno (Chairman of the Board), Bonzi Willy and Milesi Daniele Bruno, the founding partners of the company. Their names make up for the acronym BBM.

The three partners' presence is widespread and active within the company, playing a role in identifying and managing the organization's impacts on the economy, environment, and people. In the roles of managing director, director of the Electronic Systems and Software department, and director of the Service department, the co-founders help ensure sustainable development.



**The partners**

The 2022 Annual Report closed with a positive balance of €588,668, slightly lower than 2021 and in line with the overall industry turnover. The geopolitical context of the past 12 months, characterized by component delivery delays have burdened Italian companies throughout the year and risen raw material, transportation and energy costs. **Nevertheless, BBM has invested in modernization activities, expansion of the real estate and adoption of advanced technologies**, and has continued its commitment to sustainability with various activities to

limit its environmental footprint on the environment and improve its impact on the community.

**To ensure compliance with ethical values and integrity, which should guide the behavior of all those involved in business activities, such as employees, contractors, suppliers, and customers, BBM has a set of principals that formalize relevant corporate guidelines.**

In addition to a **Code of Business Ethics**, the organization has drafted policies that will apply from 2023 and regulate the relationship with Suppliers, the issue of Anti-Corruption, Gifts, Privacy, and cases of Discrimination, Harassment, Sexual Harassment, and Mobbing. The Code of Business Ethics was first approved on October 30, 2021. The Code of Business Ethics outlines the founding principles and values that guide the work of the organization, including in relation to its stakeholders, and aims to promote a work environment that is based on the principles of respect, fairness and cooperation. The document consists of a general section, in which the guiding criteria in the areas of communication, conflict of interest, confidentiality, and fairness, are outlined. In addition, the document outlines various articles that regulate business behavior and “health, safety and environment” issues; and, finally, there is a section on internal policies.

Another central document in the management of governance is the **Code of Business Conduct - Suppliers**, through which procurement relations are regulated. The purpose of the document is to strengthen ethical and social responsibility principles in the supply chain. In particular, the Supplier Code of Conduct aims to ensure not only the quality of the



products or services, but also the environment and the social and working conditions in which these products are conceived and produced. The ultimate goal is to create a sustainable supply chain, based on ethical and socially responsible principles, in which suppliers act responsibly and transparently towards the environment and local communities, while ensuring the quality of the products provided.

The **Code of Business Conduct - Anti-Corruption** is inspired by the Anti-Corruption Law - 190/2012 and is designed to promote practices and policies in line with laws and standards of legality, and prevent episodes of active and passive corruption. Loyal, fair, transparent, honest, and integral conduct in compliance with laws, regulations, and social responsibility guidelines is fundamental to building and maintaining the trust of stakeholders. BBM aims to ensure that values and ethical principles are respected by all those involved, regardless of the nature of their relationship with the company; therefore, the Code of Business Conduct - Anti-Corruption applies to all employees of the Company, Suppliers and, more generally, to all those that come into contact with BBM.

BBM has seen fit to regulate the management of gifts, gratuities and sponsorships to and from third parties in the **Code of Business Conduct - Gifts**, to avoid conflicts of interest and protect the Company's reputation.

The document applies to all Company Departments/ Functions involved in the provision of gifts and sponsorship management and to all personnel for gifts received.

The **Code of Business Conduct - Privacy** is intended to ensure the security and fairness of data processing

activities in the company. However, the document creates a uniform level of data protection without replacing the national and supranational regulatory provisions underlying any data processing or transmission. The Code stipulates that personal data may only be accessed by employees working in an area of activity related to the processing of such data. Authorization for access must be limited according to the type and scope of the respective area of responsibility. Data processing must be for the purpose of collecting, processing, and using only the necessary personal data, i.e., the minimum possible amount of information.

BBM is committed to combating all forms of discrimination and any behavior that is harassing and detrimental to personal dignity in the workplace. BBM commitment includes guaranteeing the right of each employee to a safe, serene working environment conducive to interpersonal relationships. **The Code of Business Conduct - Discrimination, Harassment, Sexual Harassment and Bullying** outlines the various forms of discrimination, training and dissemination activities for informational and educational purposes.

**During 2021 and 2022, there were neither cases of non-compliance with laws and regulations nor confirmed incidents of corruption.**

## 4.2 Responsible management of the value chain

**Value chain management is responsible and sustainable when it can ensure long-term value creation for all stakeholders, and respect the environment and people.**

BBM considers the relationship with suppliers an essential element in its journey toward sustainable development, and is aware that concrete actions are needed to minimize resource waste and environmental impact, respect workers’ rights, and foster collaboration and transparency among the various players in the value chain.

If domestic suppliers are preferred, sourcing can be a strategic action in supporting the local economy, and can help maintain strong community relations in line with a sustainable approach.

**In 2022, 92 percent of the spending made on procurement was directed to local suppliers (also understood as national suppliers), in line with last year’s (95 percent).**

The attention devoted to the value chain is made explicit by **a prudent management of supply activities**, from partner selection to the arrival of goods in the warehouse.

BBM’s relationship with its suppliers is based on respect for the values expressed in the **Code of Business**



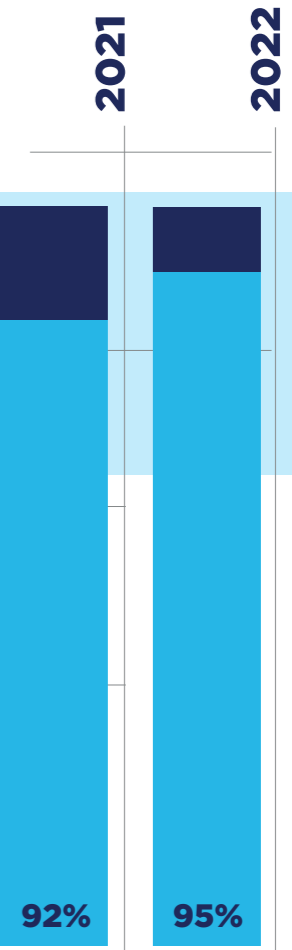
**Conduct - Suppliers**, which will come into force by the end of 2023, namely the principles of legality, transparency, fairness, trust, and collaboration.

The goal of the document is to create a working relationship with a common vision that prioritizes not only the quality of products or services, but also the environment and the social and working conditions in which the products or services are produced.

Through the establishment of the quality office, BBM has set a cooperative relationship with its suppliers, promoting open and transparent communication. This involves a constant exchange of information on product quality, expectations and requirements, enabling effective interaction to improve supplier reliability.

The quality control manager constantly monitors the supplier’s performance by identifying any variations or problems in performance, and enabling timely corrective actions. For more details about quality control, refer to the chapter “Product Quality and Safety.”

Consistent with an increasing commitment to sustainable development, BBM has set a goal to activate a system for assessing, qualifying and monitoring ESG criteria through a questionnaire by 2023. The questionnaire will consist of a number of questions investigating how the company manages the issues of human resources, health and safety, and environmental management, and will aim to assess the supplier’s inclusion in a “Qualified Supplier List.”



**Figure 5** - Proportion of spending made to local suppliers

## 5. SOCIAL RESPONSIBILITY

### 5.1 Talent attraction, development and management

For BBM, people have always played a key role in the company's development.

The company has 67 people located in its San Pellegrino and Lenna plants, registering a slight decrease in population from the previous year.

Of these, 84% are men and 77% are under 50 years of age. **Almost all of the workforce is hired on permanent contracts and 95% of the total are hired full-time**, and the entire employee workforce is covered by collective agreements.

There is a 20% decrease of women among employees compared to the year 2021. For the reporting year, there were no employees with non-guaranteed hours.

Breakdown of staff by professional type (full time vs. part time) and gender		
	2021	2022
Full time	71	64
Men	57	53
Women	11	8
Part time	2	3
Men	1	1
Women	1	2
Employees without guaranteed contracted working hours*	2	0
Total	73	67

**Table 1 - GRI 2-7 Employees**

\*Employee with non-guaranteed hours: an employee who is not guaranteed a minimum or fixed number of hours of work per day, week, or month, but who makes himself or herself available to work as needed.



**BBM employs non-employees** (who perform tasks for the organization but do not maintain an employment relationship with it). Specifically, details of interns are provided below.

Number of non-employee workers by occupational category and gender		
	2021	2022
Interns		
Men	3	2
Women	1	0
Total	4	2

**Table 2 - GRI 2-8 Non-employee workers**

**BBM also employs eight self-employed workers (“indipendent contractors”)** who work with the organization on an ongoing basis and three companies with whom there is active collaboration in case of lack of staff. It is also specified that 9 new male employees were hired in 2022, compared to 15 exits, thus registering a turnover rate of 0.22, up from 2021.

To address the issue, the company is working to implement programs to meet the needs of transfer technicians - especially in terms of work-life balance - and talent acquisition activities in collaboration with schools.

Number of new hires								
	2021				2022			
Age	<30	30-50	>50	Tot	<30	30-50	>50	Tot
Men	4	-	2	6	5	2	2	9
Women	1	-	-	1	-	-	-	-
Total	5	-	2	7	5	2	2	9

Number of terminations								
	2021				2022			
Age	<30	30-50	>50	Tot	<30	30-50	>50	Tot
Men	3	5	0	8	10	3	2	15
Women	-	-	-	-	-	-	-	-
Total	3	5	-	8	10	3	2	15

**Table 3 - GRI 401-1 New hires and turnover**

**BBM believes that training its employees is essential to enhance their skills and achieve important results.** The goal is to make human resources feel part of a personal, as well as professional, development path within the development framework of the organization itself. For this reason, in 2022, BBM has invested in training courses for

its employees, **providing 834 total hours of training and registering a 92 percent increase over the previous year.** The table below shows the average hours of training, divided by professional categories and gender of employees.

Average hours of training by occupational category and gender						
	2021			2022		
	Men	Women	Tot	Men	Women	Tot
Executives	4,00	-	4	7,33	-	7,33
Employees	24,8	8,0	13,6	19,14	28	24,13
Technicians	4,11	-	3,96	9,06	-	8,88
Total	5,80	6,67	5,95	10,21	25,2	12,5

**Table 4 - Average number of training hours per year, per employee**

Courses delivered in the year 2022 were:

- English language - Advanced
- English language - Elementary
- Reading economic and financial data
- Excel Advanced

BBM invests in the continuing education of its employees. **As proof of this, a training course on new materials and their properties, including the possibility of processing metal materials for 3D printing, was provided to the company’s mechanical designers in collaboration with the University of Bergamo.** One of the main goals in 2023, for BBM, will be to continue to invest in its human capital and promote training and update courses aimed at

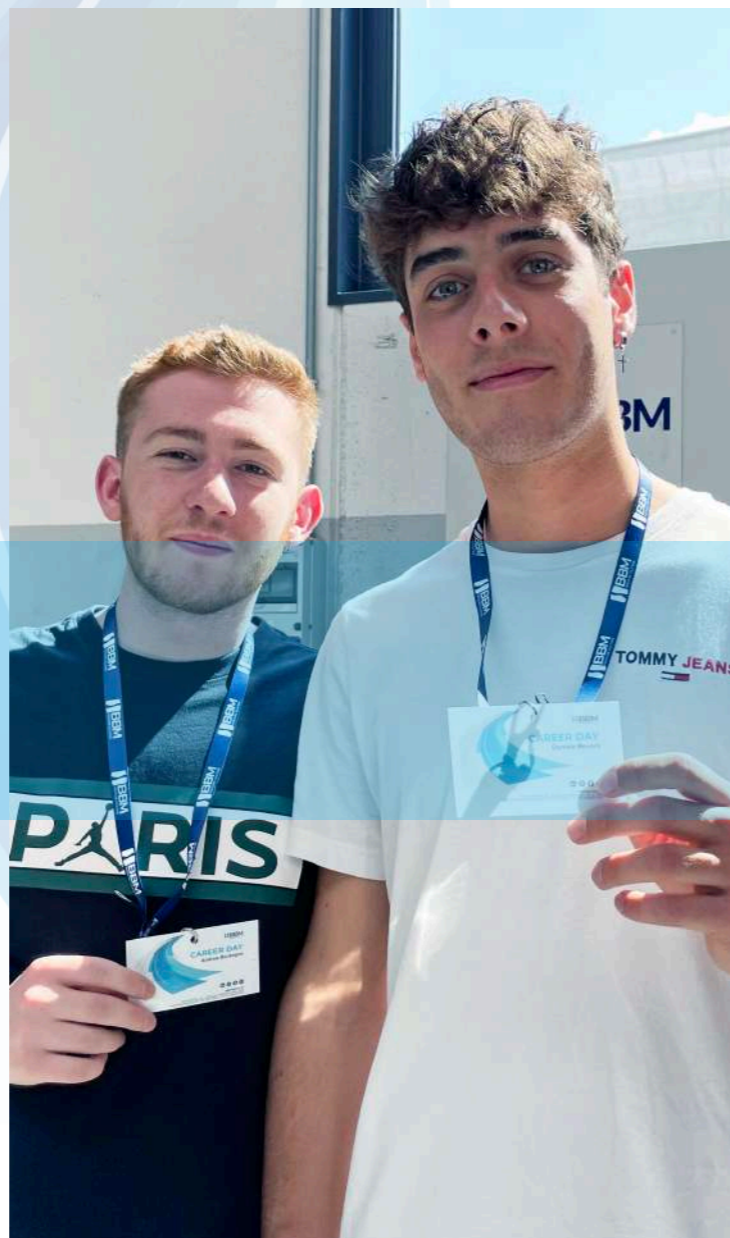


professional figures. Moreover, BBM will organize out-of-hours meetings between colleagues to stimulate the exchange of information and personal knowledge.

In addition, employees will be given the opportunity to invest in themselves through the **promotion of optional courses on digitization-related topics**. Through these evening get-togethers, employees will have the opportunity to acquire new knowledge, skills, and abilities outside the work environment, receiving a certificate of participation and an award. These events will improve cohesion among employees and trust in the company, as well as make them feel valued and motivated.

BBM understands the importance of helping young people making the right choice for their future. For this reason, **the company has been building relationships with technical and vocational schools in the area to help students get closer to the world of work. For years, BBM has offered students in-company training and school-to-work programs.**

To reinforce this commitment, in June 2022 **the company opened the doors of the Lenna plant to students from technical schools for the first edition of “BBM Career Day.”** Students were invited to learn about the company and the job opportunities that are offered in BBM.



## 5.2 Equity, inclusivity and well-being of our people

**BBM believes that building a fair and inclusive work environment incentivizes people to perform at the best of their abilities, and help the company’s success.** For this reason, BBM is committed to promoting equal opportunities for all employees and combating any kind of discrimination against anyone. As evidence of the commitment put into practice, the **Corporate Code of Conduct**, designed to prevent harassing behavior and build a work environment that respects everyone, has been active for two years.

In addition, in order to prevent incidents of discrimination, BBM organizes training programs for staff regarding issues of protection of personal dignity and freedom. Employees are required to participate. Finally, BBM has made available for all its people a reporting form to report any acts of discrimination.

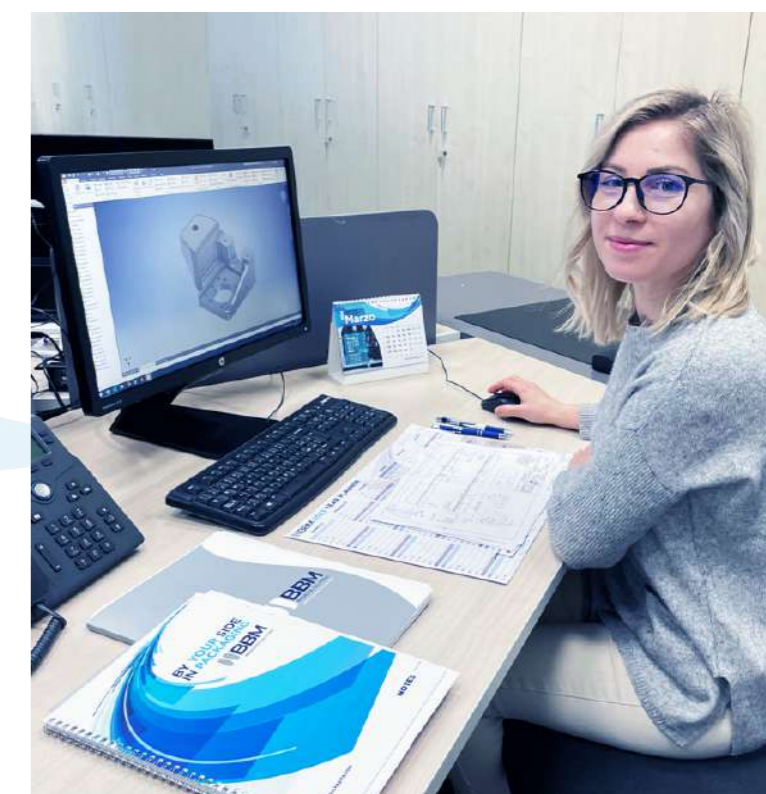
**In addition to providing a fair and safe workplace, BBM wants to be a company where its employees can feel fulfilled. Their well-being is at the center of the company’s priorities.**

In order to survey the satisfaction of the corporate population, in 2017 an anonymous questionnaire was distributed among employees. The questions were intended to test employees’ opinions on the work environment conditions, fairness in the allocation of workloads and distribution of responsibilities, opportunities for professional development, and sense of belonging to the company. The possibility of re-distributing the questionnaire to evaluate the company climate is currently being considered.

**BBM pays attention to the well-being and growth of its people, and these aspects are also reflected in the company’s care for its workplaces, which have**

***“It would be nice if girls were also encouraged to study technical subjects right from school; we should not be afraid to jump into a male-dominated field-it is a challenge, but with the right mentors and opportunities, we can make it top the top.”***

says Ludmila Cearca, a mechanical designer who has worked with BBM for more than 7 years.



**received numerous improvements in recent years:** sales and technical offices have been renovated, and the Lenna production area has been beautified with display panels bearing photographs and infographics on the company’s performance and achievements. Posters recalling the main health and safety rules have also been fixed. With a view to improving the well-being of employees, BBM is active on the front of investing in new tools and technologies to carry out business activities easily (e.g., portable personal computers, state-of-the-art software, and Go-Pro).

In a move toward greater inclusiveness, BBM also integrated four male employees from protected categories (including one clerk and three laborers).

BBM’s female staff consists of 10 women - down slightly from 2021 - mostly in clerical roles. **As a testament to BBM’s commitment to creating a young and dynamic business, it is reported that more than 77 percent of the company’s population is under the age of 51.**

A summary table of BBM personnel is given below.

Breakdown of employees by category and gender						
	2021			2022		
	Men	Women	Tot	Men	Women	Tot
Executives	3	-	3	3	-	3
Employees	5	10	15	7	9	16
Technicians	53	2	55	47	1	48
Total	58	12	73	54	10	67

Breakdown of employees by category and age group								
	2021				2022			
	<30	30-50	>50	Tot	<30	30-50	>50	Tot
Executives	-	2	1	3	-	1	2	3
Employees	7	7	1	15	7	8	1	16
Technicians	22	22	11	55	18	18	12	48
Total	29	31	13	73	25	27	15	67

**Tabella 5** – GRI 405-1 Diversity in governance bodies and among employees

### 5.3 Employees’ health and safety

**BBM places the safety of its employees as a top priority and is committed to ensuring a healthy and safe workplace. BBM implements measures to prevent accidents and minimize hazards in the work environment.**

To ensure a safe working environment for its employees, the company adopts systems to detect, avoid, or respond to potential health and safety threats. New equipment and/or facilities are invested in each year to improve working conditions.

One of these initiatives has been to identify an in-house **Prevention and Protection Service Manager** (RSPP), who has been responsible in ensuring the health and safety of workplaces in accordance with current regulations. The RSPP was nominated in 2020, in addition to the other figures in place, such as: the Doctor in Charge (MC), the First Aid Officers (APS) and Emergency Management Officers, and the Workers’ Representative for Occupational Health and Safety (RLS).

The company periodically updates the **Workers’ Health and Safety Risk Assessment Document** for its plants in San Pellegrino Terme and Lenna. The documents consider all situations within the work environment that may result in hazardous or dangerous situations for workers.

In addition, BBM makes training courses on Occupational Health and Safety available to all staff. **In 2022, 382 hours on the topic were offered to employees, 67.5 percent more than in the previous year.**



**Safe working conditions for employees are also essential during work performed at customer sites.**

Therefore, whenever work is carried out at third-party companies, the SOP (Operational Safety Plan) is prepared according to Article 4 Decree 81/2008, and the DUVRI, or Unified Document for the Evaluation of Interfering Risks, is also drawn up. DUVRI analyzes and describes the proper management of safety during activities at the customer's.

BBM firmly believes in the importance of ensuring the safety of its employees, visitors and other stakeholders involved in the activities carried out by the company. BBM has drawn up "Near Miss" templates for monitoring and recording activities that could pose a risk to the health and safety of workers. This includes activities that could lead to or cause occupational injuries or illnesses, and immediate corrective action to limit the likelihood of occurrence. As evidence of the efforts and activities put in place in terms of injury risk prevention,

**in 2022, no injuries were recorded for employees during the 111,942 hours worked**

down from the two accidents recorded in 2021 - occurred during the 117,066 hours worked. Yet, in 2021 and 2022 there were no cases of occupational diseases. Similarly, there were no cases of injury or illness among BBM's non-employee workers in the two years under analysis.

## 5.4 Product quality and safety

**BBM Service is committed to using high-quality materials only. To fulfill this purpose, BBM has introduced a quality control officer into its staff. The quality control officer ensures that replacement materials do not encounter anomalies and he carries out checks on the spare parts as well.**

Specifically, two main types of materials are used in the processes: metallic materials (aluminum, stainless steel, and other types of steel) and polymers. For each strategic supplier (particularly those involved in supplying mechanical parts) a form is created. Then, BBM assigns a grade that takes into account returns and nonconformities, in order to monitor the quality of the material received.

**The organization has developed an internal procedure whereby all goods entering the warehouse are checked.** To ensure that parts conform to requirements, BBM has established a strict quality control process and **set up a metrology room with state-of-the-art instrumentation** to perform dimensional inspection and nondestructive testing. **Among the instrumentation in the room, is a three-dimensional scanning measuring machine and a portable measuring arm.** Due to complete automation, the measuring instruments guarantee unparalleled quality and accuracy compared to common analog systems.

**In the case of after-market compatible material,** the company also undertakes testing in a certified laboratory, where the parts undergo chemical and destructive analysis and evaluation\* to assure a quality equal to or better than the original piece.

The moment a nonconformity is found, a procedure is triggered whereby a **Nonconformity Report** is completed. The document is intended to highlight in a timely and detailed manner the issues found on a given nonconforming product and identifies the references necessary to trace the relevant production and nonproduction steps.

Each transfer technician is also given a form in order to forward reports of internal non-conformities (NCI) to the technical department. This form must be filled out if there are cases of spare parts that cannot be used during maintenance due to incorrect workmanship.

**In order to keep track of customer satisfaction, BBM administers online questionnaires to collect feedback and evaluations on the services and solutions provided. This way, the performance and results of sales and customer support are always tracked, with a view to continuous improvement.** On the side, some of the feedback received.

As BBM offers bottling and packaging solutions, product safety is paramount. In the case of products for which polymeric materials are expected to come into contact with food, a FDA ("Food and Drug Administration") certification of the material is required, and BBM always ensures it. To ensure the health and safety of consumers, it is necessary that all food contact materials, such as packaging, are not a potential source of contamination through substances that could compromise food safety or alter their organoleptic characteristics. BBM respects the EU applicable norm and the other norms that guarantee the most accurate product safety.

\*In destructive testing, a sample of a material is subjected to a test that determines its strength or other physical properties, but also causes it to be broken or destroyed. These tests are used to assess the quality of the material, particularly when safety is an important concern.

***"Highest satisfaction with the speed and quality of service"***

***"Reliability and attention to detail are the strength of BBM's services"***

***"BBM Service technicians are experienced, quick and helpful"***

***"Highly appreciated , the versatility and quality of parts"***





## 5.5 Innovation, digitization and data security

For BBM, innovation is central, as the organization's strategy and the definition of the services are based on it.

**In fact, one of BBM's core activities is to carry out upgrades on bottling machinery in order to improve their potential. These upgrades take advantage of process innovations to enable energy savings and efficiency in production processes.**

Among the activities implemented with this purpose are:

On shrink wrapping machines, to reduce the amount of plastic in use

- the replacement of the steel oven chain,
- the installation of the film rise knife unit,
- the installation of brushless film unwinding and cutting;

in the case of blow molding machines, to reduce the amount of energy used

- the thread conversion,
- the facilitated insertion of the preform,
- the migration from PLC S5 to S7,
- the Pyromat modification,
- upgrades aimed at saving energy, such as installation of ceramic panels, air recovery methods, and lowering pressures.

**New technologies ensure that machinery is always up-to-date and energy-efficient, confirming BBM's direction toward sustainable development.**

BBM Service is actively engaged in the search for "better,

more efficient, faster and standardized ways" to carry out its activities. This implies that the company engages in periodic investments in new technologies and energy-efficient solutions, but also in implementing progressive digitization of processes.

**This has resulted in the digital formalization of all internal (for employee use) and external (customer interface) procedures, the adoption of a paperless approach, and the promotion of products and services on digital platforms (website, LinkedIn, newsletter) rather than print such as trade magazines.**

The adoption of increased digitization has positively impacted the automation of processes (faster parts cataloging, better accuracy in component measurement, easier handover). In addition, a series of investments in new technologies for digitization are planned for 2023. These include the adoption of a single MES platform, with the aim of bridging the gap between management systems and production departments, allowing processes and logistics flows to be optimized.

Investments are also expected for the revamping of the San Pellegrino headquarters - i.e. the renovation of commercial and administrative premises, the purchase of an optical machine for the metrology room, the installation of automated warehouses to ensure better storage quality, and efficient and economical picking, the installation of a 100kWp photovoltaic system, in addition to LED lighting fixtures, and high-efficiency floor heating.

A secure information storage and transmission network is the basis of any digitization solution. This is why BBM has adopted the **"Code of Business Conduct - Privacy."** The objective of the Code is to outline the



**BBM Service's "Save Energy" campaign to save energy on blow molding machines**





Rendering of the new office building in San Pellegrino Terme

basic principles for the protection of personal data, appropriate and uniform within the company in order to meet the requirements set by the European Data Protection Directive (EU REG 679/2016) and other national Privacy regulations. It is hereby declared that, in the period of 2021 and 2022, BBM has not registered any complaints regarding breach of customer privacy and loss of customer data.

**With this in mind, BBM's innovation and digitization goals are in line with a positive economic impact from improved process management and service delivery, a positive environmental impact from reduced use of consumables and implementation of innovative and efficient energy systems, and finally a positive impact on people from improved and more automated work management.**



### KEELCLIP PROJECT: CHANGING PRODUCTION TO BE GREENER

**BBM carried out a can line project on behalf of one of its major clients, using the innovative cardboard packaging system, called KeelClip, which reduces the use of plastic from multiple packaging and halves the client's annual CO2 emissions.**

The ultimate goal was the design of a layout that would integrate the new solution in the best possible way.

BBM was also responsible for removing the old machinery, supplying the software to manage the line, and mechanically assembling the new conveyors. BBM also created a system that included accumulation benches, so that the cans could be conveyed in a uniform way to the cluster machines. Finally, two packaging machines were overhauled and upgraded to the create the new carton cluster.



# 6. ENVIRONMENTAL RESPONSABILITY

**Attention to the environment has distinguished BBM Service's operational and strategic approach for several years.**

With the aim of improving the environmental performance of its activities and services, BBM implements monthly monitoring of its natural gas and electricity consumption. Thanks to the periodic analysis of these results, there has been a progressive containment of environmental impacts.

**Among the activities implemented, for example, are the replacement of traditional lighting with energy-efficient lamps (LEDs) and the implementation of motion sensors in the San Pellegrino and Lenna plants, which allows automatic shutdown in the absence of personnel. In addition, a radiant floor system has been built for the new industrial building in Lenna. The system is powered by a latest-generation boiler that relies not only on gas, but on biomethane and hydrogen as well, in line with the ongoing energy transition.**

With the goal of transitioning to renewable forms of energy, a photovoltaic system has been installed at the San Pellegrino hub and an additional system is planned at Lenna by 2023.

**Other initiatives concern the car fleet, which consists of 41 units. A maximum speed limitation has been introduced, with the aim of containing fuel consumption (and, consequently, emissions). This policy had positive outcomes on employee safety and vehicle life. In 2022, BBM relies on increasingly less impactful vehicles.**



## 6.1 Climate change and environmental risk management

**Climate change poses the greatest threat of our time, with extreme consequences for the health of humanity and the planet.**

Aware of the role each of us has in limiting climate change effects, BBM has set the goal of minimizing its impacts on the environment. How? Through activities that **optimize available resources while limiting the use of new ones.**

**Within this framework, is the activity of giving a second life to machinery otherwise dismantled, thus limiting the waste produced and consuming fewer resources.**

Investments in research and development have been directed toward solutions that imply energy savings on bottling machinery, without altering the quality of the finished product. Thanks to a combination of upgrades on blow molding machines, such as the installation of an integrated wireless system for managing air recovery, adjusting the pressure needed to blow the bottle, and the installation of new reflective ceramic panels that result in faster heating of the preform, **it is possible to achieve a 35 percent savings in electricity consumption.**

In addition, BBM is committed to optimizing the use of electricity from renewable sources, through investments in photovoltaic systems. Moreover, BBM's new offices are planned to become a modern center powered by renewable energy sources, much of it self-generated through the installation of a new



**BBM's used-overhauled business provides the environmental benefits of the reduction in the disposal of heavy industrial material**

photovoltaic system. Primary energy requirements will be minimal, given the efficiency of the new asset.

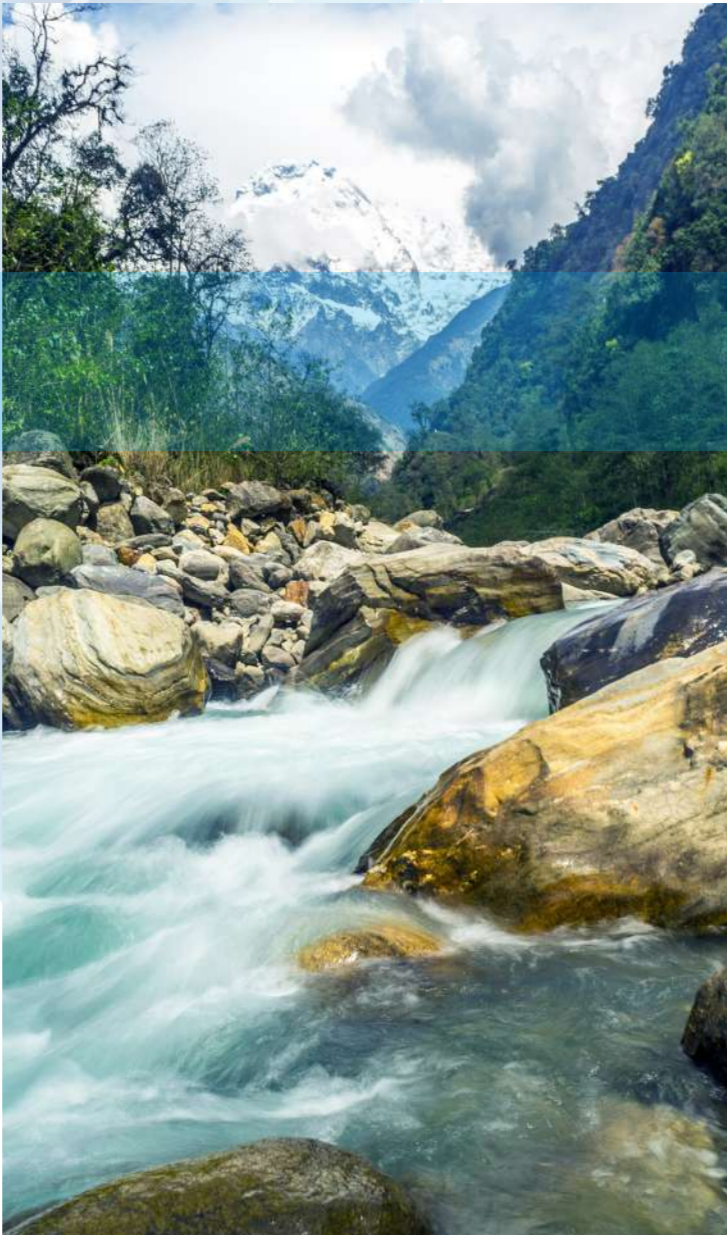
The company also considers the environmental risks that could cause damage to its plants: in fact, BBM's two production facilities are located in areas with a high risk of flooding of the neighboring river.

**To cope with this risk, BBM has taken various measures, including working with local authorities to implement river containment measures near the company.**

However, the company also monitors the environmental hazards arising from activities at its customers' premises, and takes measures to prevent damage to machinery and people. For example, **BBM technicians use portable vacuum cleaners to extract dust harmful to people.**

### 6.2 Energy consumption and GHG emissions

BBM understands that attention to environmental factors is a key aspect in creating a sustainable development plan. For this reason, BBM implements careful monitoring of energy consumption and emissions on a monthly-basis.



Energy consumption (GJ)		
	2021	2022
Total fuel consumption		
Natural gas	456	438
Diesel <small>For company-owned or long-term leased vehicles</small>	2400	2359
Total	2856	2797
Total electricity consumption		
self-generated electricity	21	24
sold electricity	2	3
purchased electricity	1250	1117
Total	1269	1138
Total energy consumption	4125	3935
Of which, renewable energy	19	21
% renewable energy	0,46%	0,53%

**Table 6** – GRI 302-1 Energy consumption within the organization

**Photovoltaic system in the plant of San Pellegrino Terme**



During 2022, there was a decrease in natural gas and diesel consumption for business vehicles (owned or long-term leased) by -4% and -2%, respectively.

The downward trend also affects electricity purchased from the national grid, down 11 percent against an increase in electricity generated (+15 percent) and sold (+72 percent).

The GHG Protocol classifies emissions that originate under the control and management of the organization into two categories, Scope 1 and Scope 2.

Scope 1 refers to direct emissions, i.e., GHG emissions from sources owned or controlled by the organization; Scope 2, on the other hand, refers to indirect emissions, i.e., GHG emissions from the production of electricity, heat or steam imported and consumed by the organization.

Regarding the calculation of Scope 2 emissions, there are two distinct approaches: “Location-Based” and “Market-Based.” The “Location-Based” approach involves using average emission factors related to power generation for well-defined geographic boundaries, including local, subnational, or national boundaries. The “Market-Based” approach takes into account total purchased electricity, including that

Energy consumption (GJ)		
	2021	2022
Total fuel consumption		
Natural gas	456	438
Diesel <small>For company-owned or long-term leased vehicles</small>	2400	2359
Total	2856	2797
Total electricity consumption		
Self-generated electricity	21	24
Sold electricity	2	3
Purchased electricity	1250	1117
Total	1269	1130
Total energy consumption	4125	3935
Of which, renewable energy	19	21
% renewable energy	0,46%	0,53%

**Table 7 – GRI 302-1 Internal energy consumption within the organization.**

purchased from renewable sources through Guarantee of Origin certificates.

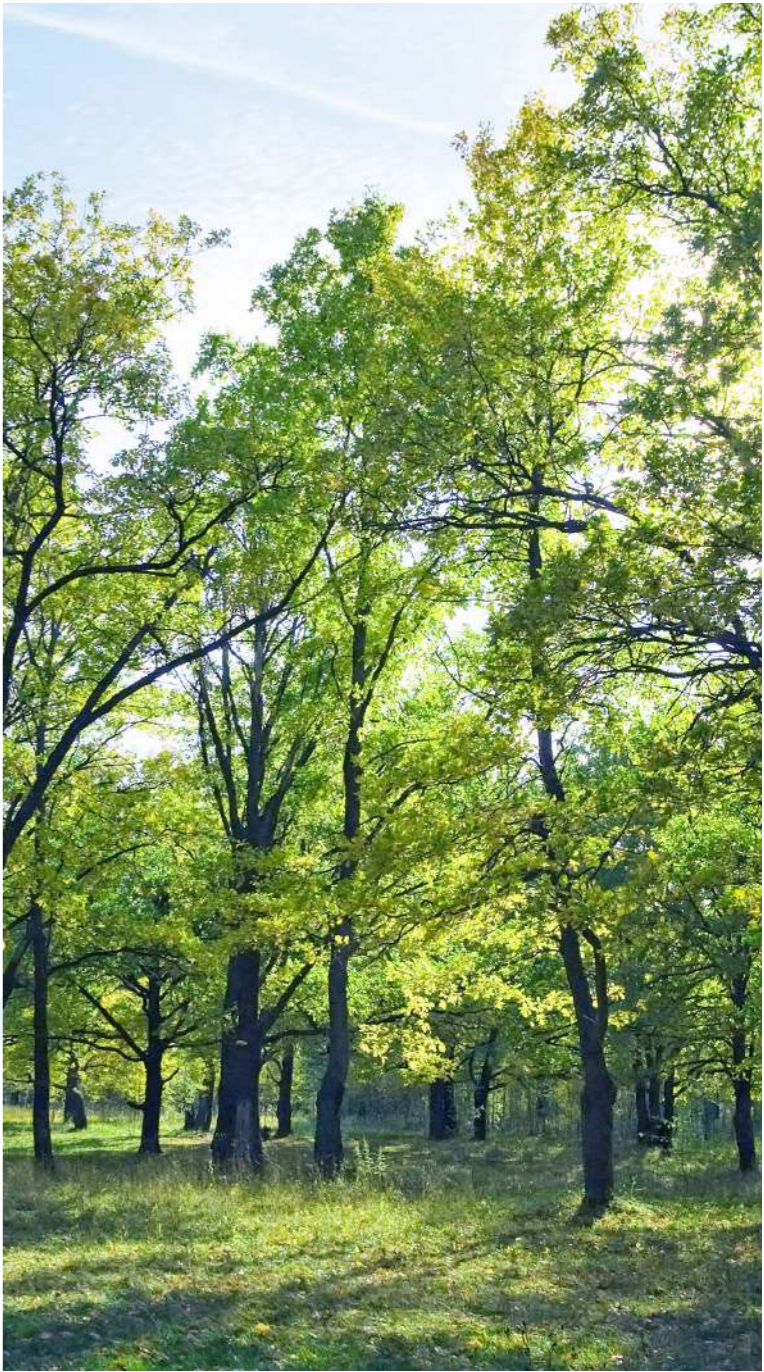
Scope 1 emissions decreased slightly in 2022 compared to 2021, due to reductions in natural gas, diesel, and electricity consumption. At a residual extent, the decrease is due to increases in renewable energy produced.

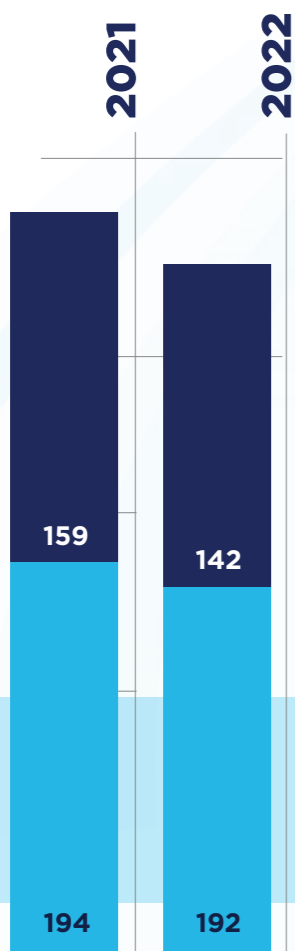
Direct Emissions (Scope 1) GHG and Indirect Energy (Scope 2) GHG Emissions			
	Unit of measurement	2021	2022
Scope1: Direct emissions from combustion	tCO2eq	194	192
Scope1: Emissions from refrigerant gas leakage	tCO2eq	-	-
Total Scope1	tCO2eq	194	192
Scope2: Location-based	tCO2	109	98
Scope2: Market-based	tCO2	159	142
TOT. Scope1 & Scope2 (Location-Based)	tCO2eq	303	290
TOT. Scope1 & Scope2 (Market-Based)	tCO2eq	353	334

**Table 8 – GRI 305-1 Direct greenhouse gas (GHG) emissions (Scope 1)**

GRI 305-2 Indirect greenhouse gas (GHG) emissions from energy consumption (Scope 2)

\*The emission factors published by DEFRA, UK Government GHG Conversion Factors for Company Reporting (2022) were used for the calculation of Scope 1 emissions for the years 2021 and 2022.  
 \*For the calculation of Scope 2 - Location-Based emissions, emission factors published by Terna International Comparisons (2019) were used.  
 \*For the calculation of Scope 2 Market-Based emissions, emission factors published by Association of Issuing Bodies (AIB) European Residual Mixes (2019) were used.





**Figure 6** - Total emissions (ton CO<sub>2</sub>eq)

■ Scope2 - Market-based  
■ Scope1

### 6.3 Sustainable water resource management

**Water is an essential resource for the planet and a common good that must be managed and used equitably and sustainably, to preserve the ecosystem and ensure the community can have access to it.**

BBM is sensitive to water access, given the sector where it operates. Through its products and services, BBM is responsible for creating bottling solutions that must ensure safety and hygiene for all.

Because of the role that water plays for BBM, the company is actively engaged in water preservation. Although the company's production hubs are located in areas of low water stress ([Acqueduct | World Research Institute](#)), BBM has adopted several innovative technologies to limit water consumption in its internal and customer operations.

**The company's revamping activities on used machines is one of the most important initiatives pursued by BBM with the goal of limiting customers' water needs: efficiency and minimizing water waste is the basis of machine modernization programs.**

Another solution that BBM has been implementing in order to reduce water waste is the use of dry ice, both on site and at customer sites. In addition to allowing the equipment to be cleaned without disassemble it, dry ice makes it possible to limit the use of chemicals, such as solvents, and decrease the impact on the environment by avoiding the disposal of polluted water, helping maintain a healthy working environment.

In BBM's production hubs, great attention is paid to the use of substances for washing machines. Ultrasonic **washing machines are adopted to optimize water and detergent consumption** compared with conventional cleaning equipment.



## 6.4 Circulation and waste management

Data regarding waste produced is monitored by BBM on an annual basis, in order to comply with current regulations and for the completion of the MUD (Single Environmental Declaration Form).

Composition of waste generated (tons)						
	2021			2022		
(t)	Generated	Recovered	Disposed	Generated	Recovered	Disposed
Hazardous waste	-	-	-	510	-	510
Non-Hazardous waste	328.875	328.875	-	81.839	81.839	-
Total	328.875	328.875	-	81.839	81.839	510

**Table 9** - GRI 306-3 Waste generated; GRI 306-4 Waste not landfilled; GRI 306-5 Waste landfilled.

In 2021, the organization’s total waste generation reached 328,875 tons, due to the dismantling of three bottling lines at San Pellegrino Spa. Much of the machinery was dismantled in 2021, while a residual portion was dismantled 2022. These extraordinary operations meant that the waste generation in BBM’s charge was quite substantial compared to regular operations.



The exceptional dismantling operation at San Pellegrino Spa, in San Pellegrino Terme, constitutes a model of site management for the disposal of industrial materials. BBM identified packages to be transported and numbered them with ad hoc stickers. BBM carried out a compartmentalization of the work area with nets and banners so that no unauthorized person could access it. Waste materials were properly disposed of according to the EWC code.

In a little over a month, BBM Service cataloged, disassembled and moved a hundred machines and accessories. Some of the machinery was moved to the Lenna showroom, where it was overhauled to provide state-of-the-art performance, while obsolete machinery was carefully dismantled.

**“BBM has a name, but it is the people who make the difference. The collaboration established with BBM’s colleagues, from management to individual site technicians, is what has made the Sanpellegrino disassembly one of the best references of our Group.”**

**Omar Galizzi, Project Manager, San Pellegrino - Nestlé Group**



In addition, the company has implemented several policies to manage the issue of waste disposal:

- To minimize waste, whether undifferentiated and hazardous, both for the activities carried out at BBM’s production hubs and at the customers’.** On the other hand, with regard to the separate collection of waste, the company has identified and classified the waste produced according to the CER code;
- Evaluate innovative products and techniques to minimize the use of environmentally harmful substances** and waste generation, such as the introduction of new technologies, for example, dry ice;
- Implementing Circular Economy activities, such as remanufacturing used equipment destined for landfill, bringing it back to “new” and offering the revamped solutions to customers,** or reusing installed components as much as possible in order to minimize waste.

In addition to these corporate-level activities, BBM incentivizes employees to adopt good practices and limit waste at the office, including the shared goal of becoming a paperless office.



## 7. GRI CONTENT INDEX

The following is a table summarizing the GRI indicators reported within this Sustainability Report.

GRI 2: GENERAL INFO (2021)			
GRI Indicator		Page	Note
Statement of use	BBM Service has submitted reporting with reference to GRI Standards for the period January 1, 2022 to December 31, 2022		
Used GRI 1	GRI 1 - Core principles - 2022 version		
Relevant GRI Industry Standard	Not applicable		
The Organization and its reporting practices			
GRI 2-1	Organizational details	6-7	
GRI 2-2	Entities included in the organization's sustainability report	6-7	
GRI 2-3	Reporting period, frequency and point of contact	6-7	
GRI 2-4	Review of information	6-7	
GRI 2-5	External Assurance	7	
Activities and workers			
GRI 2-6	Activities, value chain and other business relationships	36-37	
GRI 2-7	Employees	38	

GRI 2-8	Non-employee workers	40	
<b>Governance</b>			
GRI 2-9	Governance structure and composition	33	
GRI 2-11	Chairman of the highest governing body	33	
GRI 2-15	Conflicts of interest	34	
<b>Strategy, policies and practices</b>			
GRI 2-22	Sustainable development strategy statement	28-11; 2-23	
GRI 2-23	Policy commitment	34-35	
GRI 2-24	Integration of policy commitments	34-35	
GRI 2-26	Mechanisms for requesting clarification and raising concerns	7	
GRI 2-27	Compliance with laws and regulations	35	
<b>Stakeholder engagement</b>			
GRI 2-29	Approach to stakeholder engagement	24-25	
GRI 2-30	Collective agreements	38	
<b>SPECIFIC STANDARD DISCLOSURE</b>			
GRI Indicator		Page	Note
<b>GRI 3 - Material issues - version 2021</b>			
GRI 3-1	Process of determining material topics	28-29	
GRI 3-2	List of material topics	29-32	
<b>Material topic: Governance, business ethics and business continuity</b>			
<b>GRI 3: Material topics (2021)</b>			
GRI 3-3	Material topic management	32-35	
<b>GRI 205: Anticorruption (2016)</b>			
GRI 205-3	Established incidents of corruption and actions taken	35	
<b>Material topic: waste management and circular economy</b>			

<b>GRI 3: Material topics (2021)</b>			
GRI 3-3	Material topic management	30; 60-62	
<b>GRI 306: Waste (2020)</b>			
GRI 306-3	Waste generated	60	
GRI 306-4	Waste not landfilled	60	
GRI 306-5	Waste sent to landfill	60	
<b>Material topic: Protection of the water resource</b>			
<b>GRI 3: Material topics (2021)</b>			
GRI 3-3	Material topic management	30; 58-59	
<b>Material topic: Responsible management of energy consumption and emissions</b>			
<b>GRI 3: Material topic (2021)</b>			
GRI 3-3	Management of material topics	30; 52-57	
<b>GRI 302: Energy (2016)</b>			
GRI 302-1	Energy consumed within the organization	55	
<b>Material topic: Climate change and environmental risk management</b>			
<b>GRI 3: Material topic (2021)</b>			
GRI 3-3	Material topic management	30; 53-54	
<b>Material topic: People attraction, management and development</b>			
<b>GRI 3: Material topic (2021)</b>			
GRI 3-3	Material topic management	31; 38-44	
<b>GRI 401: Employment (2016)</b>			
GRI 401-1	New hires and turnover	40	
<b>GRI 404: Training and education (2016)</b>			
GRI 404-1	Average hours of annual training per employee	41	
<b>Material topic: Health and safety at the workplace</b>			
<b>GRI 3: Material topic (2021)</b>			
GRI 3-3	Material topic management	31; 45-46	
<b>GRI 403: Health and safety at the workplace (2018)</b>			

GRI 403-9	Accidents at the workplace	45-46	
GRI 403-10	Occupational illnesses	45-46	
<b>Material topic: Fair and inclusive work environment, and respect for human rights</b>			
<b>GRI 3: Material topics (2021)</b>			
GRI 3-3	Material topic management	31; 43-44	
<b>GRI 405: Diversity and equal opportunities (2016)</b>			
GRI 405-1	Diversity in governing bodies and among employees	44	
<b>Material topic: Employee involvement and satisfaction</b>			
<b>GRI 3: Material topics (2021)</b>			
GRI 3-3	Material topic management	31; 43-44	
<b>Material topic: safety and quality of products and services</b>			
<b>GRI 3: Material topics (2021)</b>			
GRI 3-3	Material topic management	31; 46-48	
<b>Material topic: Innovation and digitization</b>			
<b>GRI 3: Material topics (2021)</b>			
GRI 3-3	Material topic management	31; 48-51	
<b>Material topic: Cybersecurity and data safety</b>			
<b>GRI 3: Material topics (2021)</b>			
GRI 3-3	Material topic management	31; 48-51	
<b>GRI 418: Customers Privacy (2016)</b>			
GRI 418-2	Founded complaints regarding violations of privacy of customers and loss of their data	50	
<b>Material topic: Supply chain management</b>			
<b>GRI 3: Material topics (2021)</b>			
GRI 3-3	Material topic management	31; 36-37	
<b>GRI 204: Procurement practices (2016)</b>			

GRI 204-1	Proportion of spending made to local suppliers	37	
<b>Material topic: Promoting the culture of sustainability</b>			
<b>GRI 3: Material topics (2021)</b>			
GRI 3-3	Material topic management	32; 22-23	