

PETTINAROLI
GROUP

The Chronicles

thrice-yearly newsletter with featured news and recent updates of Pettinaroli Group worldwide

PROJECTS

**Jomar products inside the
Tesla gigafactory in Texas**

EXHIBITIONS

**A summer season full of events
across Europe and US**

ENERGY EFFICIENCY

**The construction of the
district heating plant has started**

**INVESTING
TO KEEP
GROWING**

N°21 - JULY 2023



**Happy
summer**



PETTINAROLI

EDITORIAL

by Laura Fortis Pettinaroli - President

Dear Readers,

the celebration of our 85th anniversary continues. In the past few months, in fact, we have had the pleasure and honor of hosting here in the company some important delegations of **customers** from all over the world and of awarding the **long-standing employees of our foreign branches**, for their vital work throughout all these years. In addition to them, I also like to mention our **loyal suppliers**, who assist us daily with their valuable work and whom I always have the pleasure to meet personally in the office, sometimes for important negotiations, sometimes just for a coffee and an informative chat about the progress of the supply chain.



Our administrative department, under the leadership of my tenacious, constant and tireless niece **Maria Pia**, recently closed the **2022 consolidated balance sheet**. As we expected, **the results are strong and encouraging**, but it is crucial to never let our guard down as we have some challenging months ahead and, as I always like to remember, "who stops gets lost!"

Here at our San Maurizio location, we are also currently **in the midst of the construction** of the new automated vertical warehouse (scheduled for completion by the end of 2024) and district heating plant (scheduled as early as this fall). I admit that the impact of seeing our gardens and beautiful green spaces temporarily disrupted had a certain effect on me. However, the **significant growth in our company's markets** in the past recent years compels us to expand here with physical spaces as well, with the goal of continuing to better serve our existing and potential customers. All of this brings to mind the very complicated negotiations for **the acquisition of the lots** surrounding Fratelli Pettinaroli's historic headquarters, which I had the opportunity to personally lead and manage in the 1950s, 1960s and 1970s, lot by lot, hectare by hectare, followed by the major construction and modernization of offices and production space, until the early 1990s. So it was now time for us to expand and improve again, but always without disregarding a key principle, which my husband Peppino was fond of reminding often to all of us: **you only invest when you have the possibilities!** And with the sacrifices and savings of many years of hard work, we have been able to create these possibilities.

Between the heat of the last few weeks and the rush for the final shipments, we have thus once again reached the gates of our usual summer break.

So it only remains for me to once again **thank everyone for their valuable cooperation, wishing you and your families an enjoyable month of August, certain to see you again in September more energized than ever!**

on behalf of the whole Pettinaroli Family

SUMMER '23

Sustainability as a corporate strategy

by Giulio Pettinaroli - COO

Dear Readers,

The issue of corporate **sustainability** has always been at the center of our strategic assessments. For the past few months, in particular, we have created an internal working group, formed by the heads of the various departments, with the aim of coming up with our first "**sustainability report**". We are convinced that this issue cannot be a matter left to the sensitivity of a single individual and that it needs the choral work of all areas of the company.

Analyses will be made concerning the impact that sustainability will have on the activities, on the organization and finally on the results. The aim must be to promote the adoption of business practices that, in the long term, contribute to achieving goals of "**sustainable growth and profitability**"; behaviors that the company implements daily to improve the health of people and the planet, acting both internally and externally. We strongly believe in these subjects. Throughout our 85-year history, **the link with the community and the territory** has always guided our company's activities, allowing it to grow steadily but always integrated with the surrounding context.



Taking advantage of this occasion,
I extend to everyone my best wishes for a joyful summer vacation season.

on behalf of the whole Pettinaroli Family

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The Residences - Cap Cana

Cap Cana's "The Residences" will be the first St. Regis Group building in the Dominican Republic, and Pettinaroli products were included in the project specifications.

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Jomar awarded with PG&E "Zero Defect"

For the third time in five years, Jomar and Pettinaroli received PG&E's prestigious "Supplier Quality Award", thanks to zero defects in their products during 2022.

Cover story (p.16)

Production: focus on investments

Marco Pettinaroli (Operations Manager, Pettinaroli) reviews the progress of production expansion work and reports on investment plans for the current year.



DUBAI DA VINCI TOWER

*Pettinaroli kits inside the new
Pagani designed building*

The DaVinci Tower, owned by Saudi Arabian Real Estate Company Dar Al Arkan, is the world's first residential building with interiors designed by renowned hypercar manufacturer **Pagani**. The tower, part of a project worth more than 800 million AED, has 19 floors, 3 of which are underground and a lobby on the ground level. Given its central and extremely favorable location, owners of residential units within the tower will be able to enjoy stunning views of the Dubai Canal on the southeast side and the Burj Khalifa on the north side.

THE CHOICE OF PETTINAROLI KITS

For this prestigious project, engineering firm Meinhardt specified Pettinaroli's pre-assembled hydronic solutions, which thus worked to supply more than **900 kits**. The choice, in particular, turned out to be the **XT600** and **XT800** kits, equipped with **EvoPICV series 91** with equal percent characteristic. These balancing valves are in fact able **to ensure that Delta T is maintained** and reverse-flushing is avoided, keeping performance unchanged over time.



AUSTIN - TEXAS TESLA GIGAFACTORY

BUSINESS RELATIONSHIP BETWEEN JOMAR AND TESLA CONTINUES AMIDST GIGAFACTORY BUILDING PLANS

AUSTIN

In the fourth quarter of 2020, Jomar was approached by a major North American client for a project related to a **well-known OEM**. After the quotation stages, as the project progressed, the identity of the end client was

revealed and turned out to be **Tesla**. Prior to 2020, Jomar had not yet had the opportunity to work with Tesla and never provided quotes for its projects. However, due to its **very strong reputation** as a **high-quality valve** supplier with a wide range of premium solutions, Jomar was able to secure the specification for the project. Consequently, now starting in 2023, Jomar is working on its **third project with Tesla** to build and expand its PT/ED paint shop in the **Austin, Texas gigafactory**. Specifically, **540 manual butterfly valves** have been supplied for this project.





ST REGIS – CAP CANA THE RESIDENCES

LOCATED ON THE EAST SIDE OF
THE ISLAND, THE RESIDENCE
AND RESORT COVERS AN AREA
OF MORE THAN SIX HECTARES
AND FEATURES LUXURIOUS
ACCOMMODATIONS AND
EXCLUSIVE PROPERTIES

CAP CANA

Built by a highly experienced contractor who already completed more than 20 projects across the Caribbean island, The Residences at Cap Cana will be the **St. Regis Group's** first property in the Dominican Republic.

THE PROJECT

The **residence/resort**, scheduled to open to the public during the first quarter of 2024, will feature 200 luxurious rooms and suites with stunning ocean views and 67 private residences, as well as **personalized services** for each guest and a world-class golf course designed by the golf legend **Jack Nicklaus**.



THE SUPPLY DETAILS

Pettinaroli **XT702G** hydronic kits have been selected as an ideal product for fan coil connection. There are many advantages in using these kits, starting with the **Dynasty** balancing valve, which has a linear characteristic and a cartridge that can operate even in dirty water. XT702G kits are also equipped with a ball valve with integrated filter, **FilterBall**, which enables water filtration while allowing easy extraction and washing/replacement of the filter, without the need to disassemble the valve. XT702G also features the **insulating shell** already included in the package.



On the left:
Rendering of St Regis residence (Credits: srresidencescapcana.com)
On top: Kit XT702G supplied for the project.
Below: The facade of the PTA of San Pietro Vernotico before renovation (credits: brindisireport.it).

PRESIDIO TERRITORIALE ASSISTENZIALE SAN PIETRO VERNOTICO

After a troubled bureaucratic process that began in the second half of 2016 and continued until early 2023, the construction site for the **overall reconversion and renovation** of the Ninetto Melli Hospital in San Pietro Vernotico, which will soon become a **Presidio Territoriale di Assistenza (Local Assistance Presidium - PTA)**, has finally been started.

SOME PROJECT DETAILS

Pettinaroli HVAC products were selected to complete the hydronic and air conditioning systems in the new building.

The delivery, which is scheduled for completion between July and August, will include more than **140 91-series EvoPICVs** complete with **VA7481** electromechanical actuator and **15 663 3-way zone valves**.





VVS 2023 ODENSE

VVS'23 was held May 24-26 in Odense, Denmark.

The event was a major success, reaching the highest number of visitors ever!

ODENSE

Recognized as a major player in the Northern European market, Pettinaroli A/S honored the showcase of the renowned VVS exhibition by presenting several innovations. Above all, the **new smart and compact room thermostat** for the Alpha underfloor heating system, which will be available on the market starting fall 2023.

There was also great attention for **the new mixing kit (Kvikshunt)** with insulation shell and circulating pump, also scheduled for delivery in the fall of 2023 and for **flexible module solutions** for underfloor heating, domestic water, and radiator systems.

Overall, the fair proved to be a **great success** and an opportunity for meaningful conversations with plumbing installers mainly focused on future solutions, opportunities and how to implement the **green transition** in the industry.





INSTALLER SHOW 2023

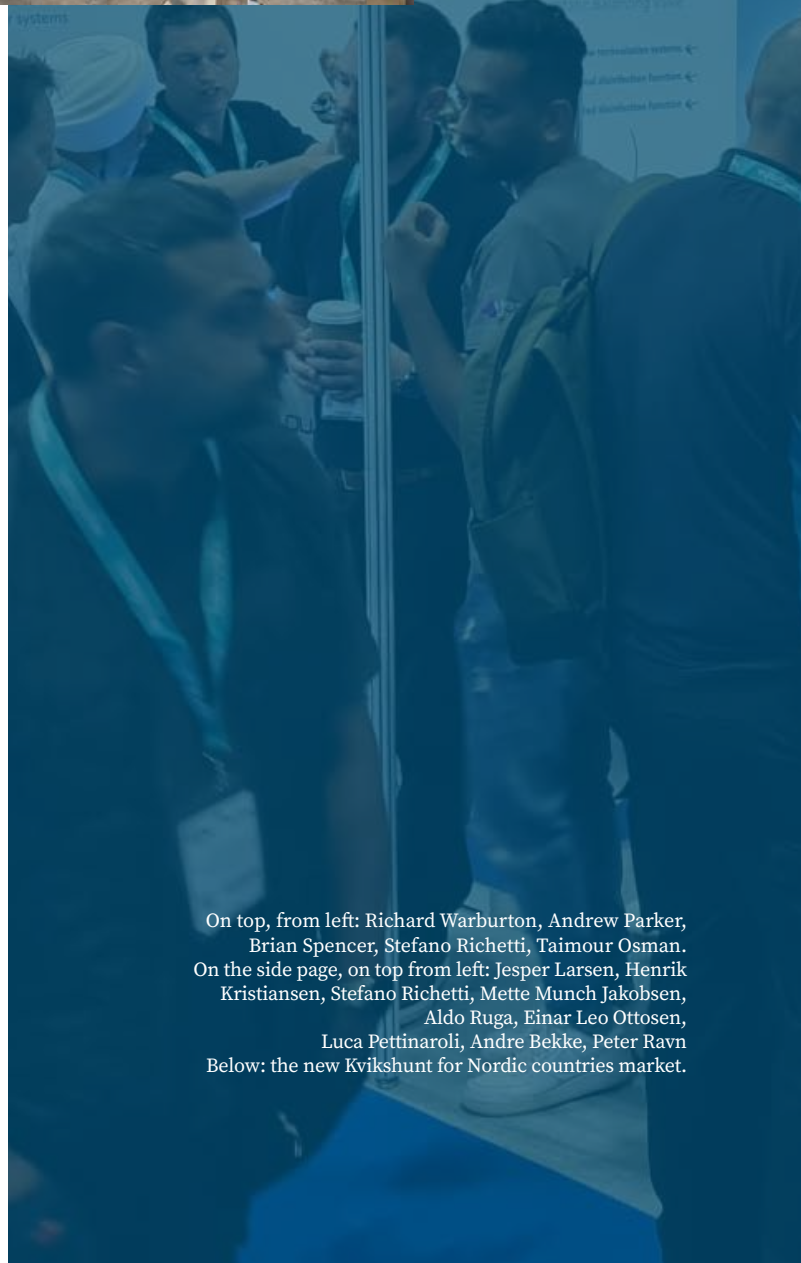
BIRMINGHAM

Pettinaroli UK's presence at the highly anticipated InstallerShow 2023, which took place at NEC Birmingham June 27-29, was **very successful**. Pettinaroli's UK team, supported by the parent company's engineers, was able to showcase a wide range of **innovative products** resulting from decades of experience in the industry.

THE EXHIBITION AREA

A test bench to simulate the operation of a valve in dirty water proved to be one of the most interesting items on the booth. Built specifically for the occasion and fully functional, the device highlighted the effectiveness of the **Vortex 4** kit, equipped with **PICV 92** from the **Dynasty** range. Products from the **EvoMAGic** series were also under the spotlight, confirming the quality of Pettinaroli's solutions for dirty water management. Finally, the **TBV** valves and the range of heat pump components highlighted Pettinaroli UK's ability to provide **high-level products** that meet the evolving needs of sectors such as **HVAC and sanitary water** treatment.

Overall, the show was a great success and the UK team is already looking forward to participating in the **next edition in 2024**.



On top, from left: Richard Warburton, Andrew Parker, Brian Spencer, Stefano Richetti, Taimour Osman.
 On the side page, on top from left: Jesper Larsen, Henrik Kristiansen, Stefano Richetti, Mette Munch Jakobsen, Aldo Ruga, Einar Leo Ottosen, Luca Pettinaroli, Andre Bekke, Peter Ravn
 Below: the new Kvikhshunt for Nordic countries market.

UNITED STATES

Spring season events

WARREN, MICHIGAN

The Jomar team had a busy spring season, with team mates attending events across multiple industry segments. **From California to Florida, Texas to the Bahamas, and many locations in between,** the team was able to invest valuable time connecting with customers, strengthening relationships, and promoting **Jomar's latest and greatest valve solutions.** Events attended include: National Fluid Power Association Annual Conference; Mechanical Contractors Association of America Annual Convention; ASA Elevate; Ragco Buying Group Annual Meeting; CGA Energy Nexus & Annual Technical Conference; National Propane Gas Association Expo; DPA Buying Conference; NAHAD Annual Meeting & Convention; National Central Wholesalers Association Convention; Valve World Americas Expo & Conference; and more



On the side page, on top left:
Noah Dinger on Jomar's stand in IMAR and MCAA
Below: Valve World Americas Expo & Conference hall;
Below, on left: Lauren Berenato and Monica Palacios at MCAA;
Below, on right: Bryce Mainville at NPGA.



PRODUCTION

Focus on investments

Marco Pettinaroli makes a recap for the new equipment coming in and the work in progress

SAN MAURIZIO D'OPAGLIO

Even 2023 is looking to be a year of major investments put in place by Pettinaroli to further advance its production facilities. The company's efforts have been mainly directed toward expanding its machinery lineup and implementing an automated warehouse that can cope with the **growing and diversified market demand**. But that is not all. In fact, there are also in place major investments on the plant energy efficiency front. **Marco Pettinaroli (Operations Manager, Pettinaroli)** overviews the main investments currently being made.



How is the construction of the new Automated Warehouse progressing?

Construction works are proceeding as per the agreed timeline, we expect a busy year of work, especially on the developments of the management software.

The new warehouse is not the only work in progress. What other works are in the pipeline and what is the timeline for their completion?

We are in the midst of the work to renovate the thermal power plant and the implementation of district heating, which we expect to see done by September. Once these works will be completed, they will be followed by the extension of the photovoltaic system with the goal of reaching 1Mw production.

On top: The work advancement of the new automated warehouse
On the left: Marco Pettinaroli (Operations Manager, Pettinaroli)
Below: The new machine for fittings and caps manufacturing.



2023 appears to be a particularly active year in terms of investments. What are the most significant ones related to production equipments?

In the turnery department, we are awaiting the delivery of a machine for fittings and caps' manufacturing, which is scheduled for testing in September and effective starting up from October. Along with it, we have recently invested in a transfer for machining valve bodies, which will enable us to increase productivity on the ball valves manufacture. As for the assembly department, given the fragmentation of batches and the increase in special requests from OEMs, we decided to invest in simple, quick-set-up machines, which are scheduled to be delivered in the next half year and will enable us to reduce lead times on small batches. We thus count on also improving the productivity of complex lines that will require less tooling.



Pettinaroli Staff

New entries



Luca Rossi

Quality Department Specialist

Luca has joined our Quality and Certifications department. He has many years of technical experience gained in the tapware industry and will give his support in managing product certifications.



Will Smith

Warehouse associate

Will has several years of experience across multiple roles, from sales to distribution. In his most recent role he loaded and unloaded trucks, stocked products, and pulled orders for customers efficiently and effectively.



Darryl McGhee

Warehouse associate

Darryl has joined the Jomar team as a Warehouse Associate. He has nearly 30 years of experience as a Forklift Operator, working with steel coils, hazardous materials, and within the automotive industry.



Connor Rist

Warehouse Assembler

Connor has held various positions including Warehouse Attendant, where he helped with quality control, packing/unpacking, and order fulfillment. He brings enthusiasm and skills to the team.



Ali Shamsedin

Hydronic Engineer

Ali is a graduate of the American University of Beirut, attaining a degree in Mechanical Engineering. Ali has several years of experience interning and operating as an engineer; he brings with him an eye for detail, and an analytical, problem-solving mindset.



85TH ANNIVERSARY THE BRANCHES VISITING ITALY

SAN MAURIZIO D'OPAGLIO

Pettinaroli's 85th anniversary celebrations continue. Among the welcome visits to the company by customers and business partners received since the beginning of the year, in April and June it was the turn of **teams from the Group's foreign branches** to spend some days visiting the headquarters in San Maurizio d'Opaglio.

Last April 3-5, a delegation of the U.S. teams from **Jomar** and **HCi** were welcomed to Italy for three days dedicated to coordination meetings between the various departments and company anniversary celebrations. An important milestone reached also thanks to the **crucial contribution** of those employees who have distinguished themselves for their great longevity in the company. Therefore, on Monday, **April 3rd**, the Pettinaroli Family wanted to

honor employees who have reached **15 years or more of service** within the Group. **President Laura Fortis Pettinaroli** and second-generation members **Maria Pia, Ugo and Giulio** presented a celebration plaque to those present, while also rewarding colleagues who could not be in Italy.

Then from **June 4th to 6th** it was the turn of staff from other European and overseas branches. Members of the delegations from **Pettinaroli Northern Europe, Pettinaroli France, Pettinaroli UK, Iberica, Latin America and Middle East** met at headquarters where, alongside some operational meetings, there was the opportunity to spend quality time with colleagues and celebrate the prestigious 85th anniversary milestone. Pettinaroli Family again honored staff members with 15 years or more of service with a commemorative plaque.



On the side page: Group photo with staff from European and overseas branches.
On the left: The British team during the plant tour.
On the right: Laura Fortis Pettinaroli, Maria Pia, Ugo and Giulio Pettinaroli present the award to Adam Stier (Jomar President).
Below: group photo with Jomar and HCl staff.



The full list of award recipients follows:

Michael Moore (*Jomar*)

Jerry Burgess (*Jomar*)

Charles Haik (*Jomar*)

Bohdan Szpynda (*Jomar*)

Tanya Adams (*Jomar*)

Adam Stier (*Jomar*)

Bryce Mainville (*Jomar*)

Timothy Thomas (*HCi*)

Tracey Cakebread (*Pettinaroli UK*)

Nick Lewis (*Pettinaroli UK*)

Keith Harris (*Pettinaroli UK*)

Kim Svaneborg Pedersen (*Pettinaroli A/S*)

Henrik Kristiansen (*Pettinaroli A/S*)

Birgitte Riddersholm Larsen (*Pettinaroli A/S*)

Bjarne Havndrup Jensen (*Pettinaroli A/S*)

Jean-Sebastien Blondel (*Pettinaroli SAS*)

Veronique Santoul (*Pettinaroli SAS*)



On top: The foreign teams visiting the factory.
Below: The delegations of European and non-European branches.

ENERGY EFFICIENCY



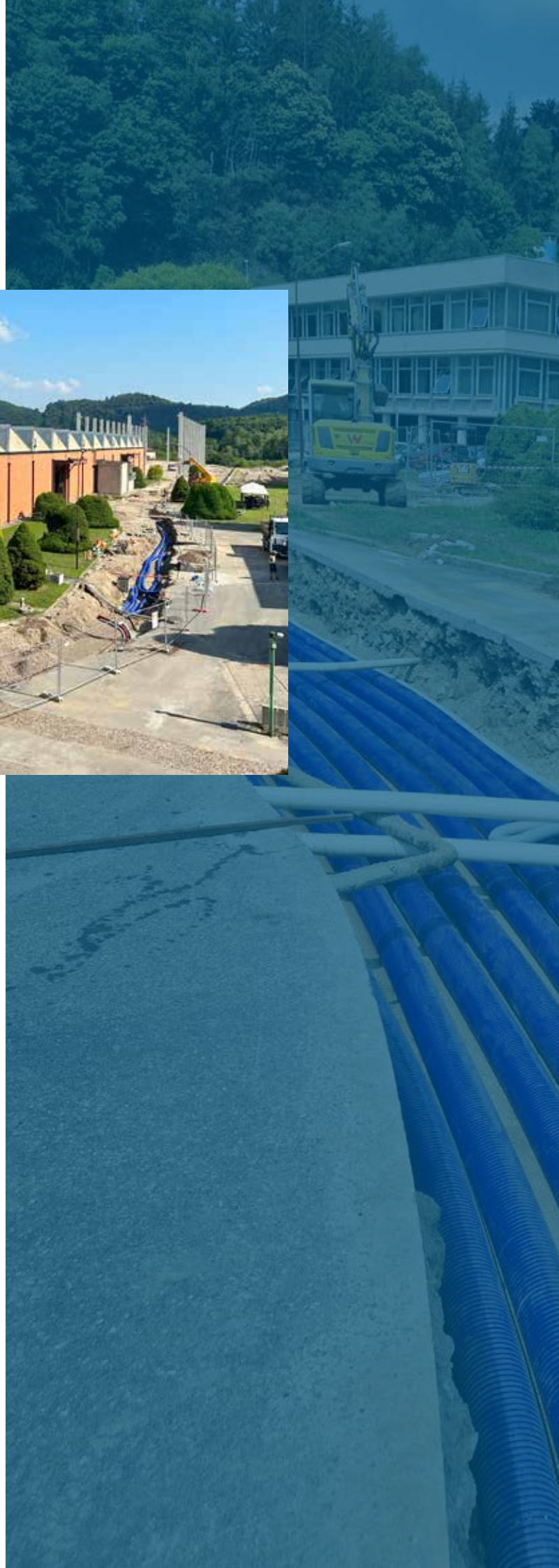
DISTRICT HEATING

WHAT IS DISTRICT HEATING AND HOW DOES IT WORK?

District heating consists of a heating system in which a **single large generating plant** (usually gas-fired), heats the thermovector fluid (normally hot water) by distributing it through a **network of insulated pipes** (generally installed underground). With such a system, hot water reaches buildings by running in heating plants and then returns to the same central plant at a lower temperature to be reheated and recirculated.

THE IMPLEMENTATION OF THE PETTINAROLI PLANT

Since May, work has begun on the implementation of an indoor district heating system in Pettinaroli. Through the only **gas-fired centralized boiler** (but already prepared for conversion to other energy sources in the future), hot water running through the network of pipes reaches the various buildings located within the production area. The primary goal is to make the plants **more energy efficient** and **minimize the waste of energy** compared to traditional plants. The work is expected to be completed by the end of the summer.



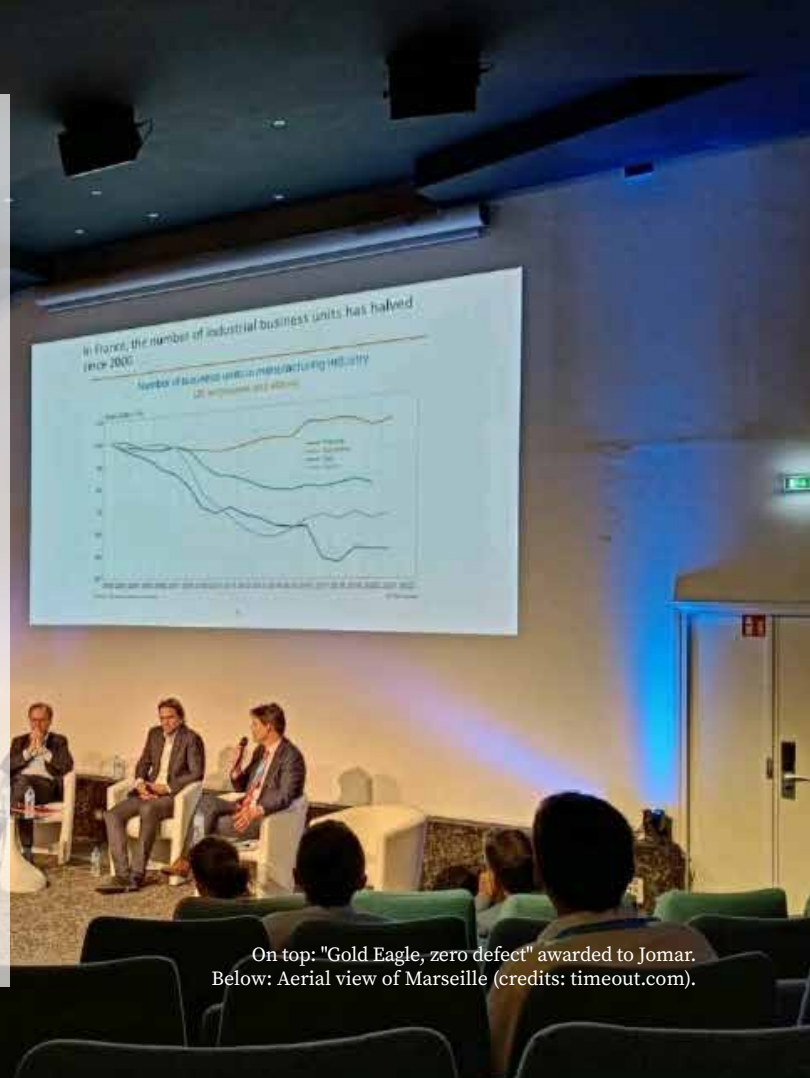
JOMAR AWARDED WITH PG&E "ZERO DEFECT"

Jomar and Pettinaroli are proud to be a recipient of the 2022 PG&E "Supplier Quality Award", the **third time** earning this distinction in five years. This prestigious award marks an incredible accomplishment of achieving **zero DDPM (defective parts per million)** for all of 2022, where over 180,000 pieces were shipped to PG&E! To be eligible, the company must be a tier-one supplier of critical products; have supplied high volume with **zero defects in 2022**; and have no significant field issues or quality complaints. A virtual award ceremony took place on May 17th, 2023 to present Jomar and Pettinaroli with the **Gold Eagle Trophy**. Jomar and Pettinaroli have been supplying PG&E since 2011, and the natural gas industry for 25 years.



ANNUAL MEETING CEIR 2023

The yearly congress of our European Association for Taps and Valves, **CEIR**, took place in Marseilles (France) last May 31st, June 1st and 2nd. Three constructive, productive and informative days of dialogue and discussion, when for the second time in its history, exactly like in 2022's edition, the event was held as a **Joint Conference** at the presence of EUROPUMP (European Association for Pumps) and Pneurop (European Association for Compressors), other than representatives from the 14 national associations of which CEIR is made of. Led by CEIR - Taps & Valves Europe President Dr. Nurdan Yucel, the Board and General Assembly met and took important decisions for the future of our industry in Europe and in the global scenario, lingering on some **pivotal technical topics**, such as hydrogen, nuclear energy and electricity, PFAS Restrictions Proposals, New Water Economy and European re-industrialization. During CEIR Congress in Marseilles, the Marketing Committee of the association has been reconfirmed with Italy at its helm for the years to come, represented by **Ugo Pettinaroli as the head of the Marketing Group**.



On top: "Gold Eagle, zero defect" awarded to Jomar.
Below: Aerial view of Marseille (credits: timeout.com).

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The Chronicles

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