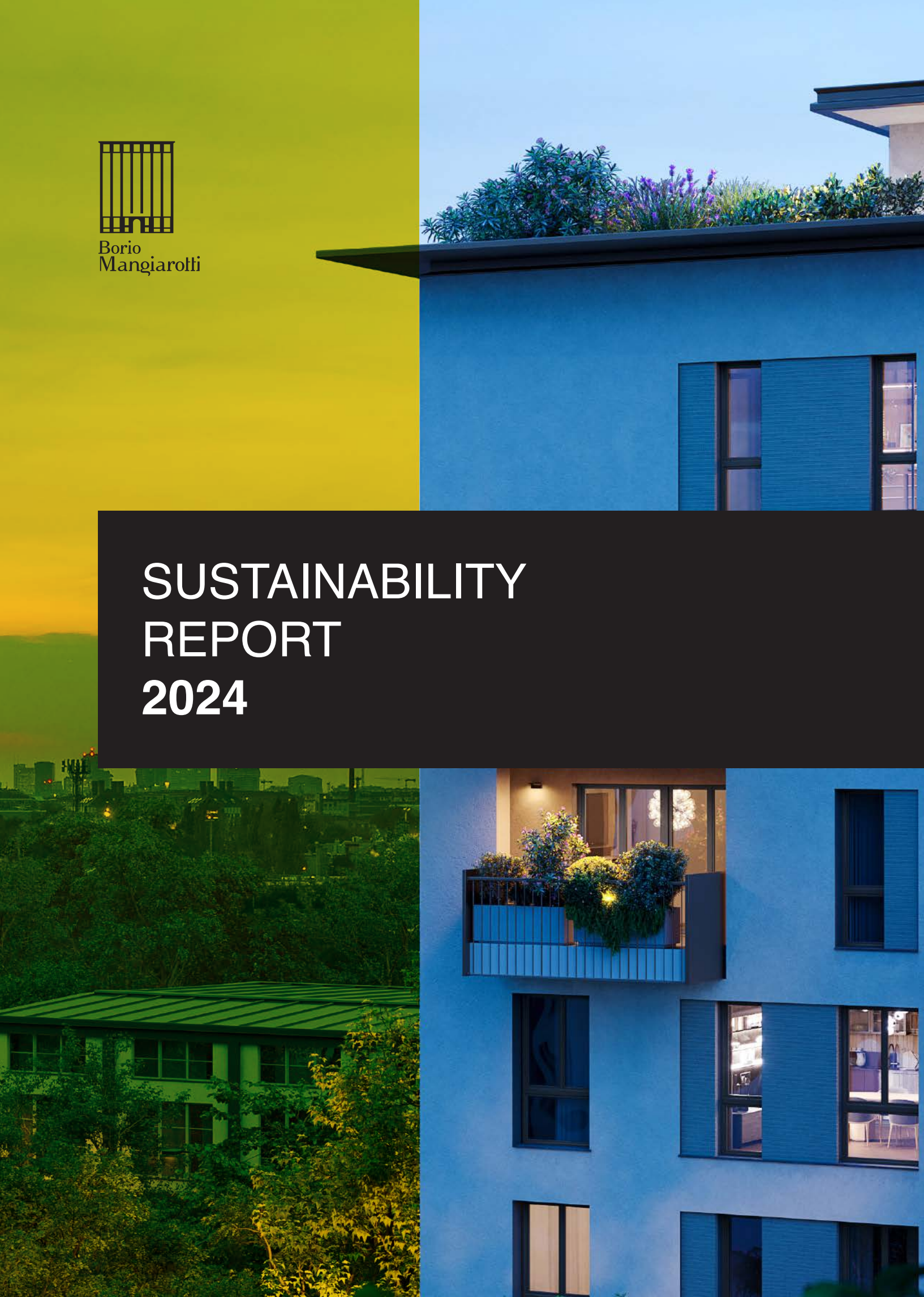




Borio
Mangiarotti

SUSTAINABILITY REPORT 2024





Sustainability Report 2024

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Letter to Stakeholders

Dear stakeholders,

I am pleased to present the third edition of the Borio Mangiarotti Sustainability Report, a document that transparently and accurately represents our company's commitment to generating lasting and shared value.

2024 was a year of great change, characterised by an evolving macroeconomic environment, which posed new challenges and required a renewed impetus in terms of responsibility, resilience and innovation. Against this backdrop, our company continued on its path of growth, reinforcing the integration of ESG principles into our corporate strategy and anticipating the provisions of the European CSRD Directive through the adoption of the new European Sustainability Reporting Standards (ESRS).

Borio Mangiarotti continues to base its work on three fundamental guidelines: centrality of people, quality of living, and environmental protection. All of our interventions are based on these axes, in the awareness that the value we create must extend beyond the boundaries



of our constructed works to positively affect the urban and social environment.

In the course of 2024, we pursued several significant initiatives. Among these, the **casaBorio Tirana24** project, which introduced a carbon-neutral approach, deserves special mention. The initiative begins at the planning stage with the analysis of CO₂ equivalent emissions, and continues with reduction measures and offsetting residual emissions through the purchase of internationally recognised certified credits. Another highlight of the year was the completion and enhancement of the **SeiMilano city park**, a symbol of urban regeneration and citizen involvement.

Edoardo De Albertis
CEO of
Borio Mangiarotti S.p.A.

At the same time, the activities of **Fondazione Claudio De Albertis**, set up to support projects and initiatives with a high social and territorial impact, such as the **La città dei Giovani** call for proposals (which led to the launch, among others, of the projects NAMA - Nuovo Anfiteatro Martesana and SCOMODO Milano), and **Un nome in ogni quartiere**, which works with youth centres and artists to create collaborative murals whose theme is decided by the local neighbourhood, thus encouraging local expression and identity.

In addition, a dedicated **Sustainability Working Group**, formalised in September 2024, was established to coordinate the process of the double materiality analysis and reporting according to ESRS standards, fostering alignment between stakeholder demands and the company's medium- to long-term strategy.

In the area of transparency and integrity, we have continued the implementation of the **Whistleblowing System** in compliance with recent regulatory provisions, offering a

further guarantee of the fairness of our decision-making processes. Finally, we have continued to tell the story of the evolution of the regions in which we operate and the challenges of urban innovation through the pages of our **Magazine URBANO**, now in its tenth issue.

This Sustainability Report is part of a structured reporting process, which we have chosen to undertake with the aim of making our contribution to sustainable development increasingly transparent and measurable. As evidence of this, we have completed the process of measuring the carbon footprint of the company and of our sites, and expanded our internal training (with over 850 hours of training provided) to ESG issues. We also consolidated gender parity in the Board of Directors (43% women).

Today, our commitment is articulated along a fully integrated value chain, which focuses on design quality, attention to environmental aspects, and people's well-being. We see the adoption of ESG standards-oriented practices as

an opportunity to innovate, strengthen competitiveness, and build strong relationships with the communities in which we operate.

I would like to conclude by thanking all the people at Borio Mangiarotti, our employees, partners, customers and stakeholders. It is thanks to your trust and contribution that we can continue to build a shared vision of the city, in which economic development is combined with respect for the environment, social equity, and quality of life.



Highlights



1920

Year of Foundation



Certifications and Management Systems

ISO 9001:2015
ISO 14001:2015
ISO 45001:2023



71

Employees
as at 31.12.2023



854.50

Training hours provided
in 2023



43%

Women on the Board
of Directors

THE IDENTITY OF BORIO MANGIAROTTI



A century of construction: from roots to urban regeneration

The history of Borio Mangiarotti

The history of Borio Mangiarotti has its roots in the distant 1920 with the foundation of **Impresa BORIO FRASCOLI**, marking the start of our journey in the residential building sector. From the earliest years, the company's hallmarks were **authenticity** and **executive quality workmanship**, characteristics that helped to forge a lasting relationship of trust with many prestigious patrons, such as the Castelbarco-Erba, Mattioli, Crespi and Visconti di Modrone families, and with prominent architects such as Giovanni Muzio, Gigliotti Zanini and Giuseppe De Finetti.

In the fervour of the early post-war period, Borio Mangiarotti actively contributed to Milan's municipal building programmes, participating in the maintenance and modernisation of existing structures and the construction of new areas to serve the rapidly expanding city. In 1926, Impresa BORIO FRASCOLI became a public limited company, consolidating its capital and enriching itself with valuable collaborators. The arrival of engineer **Carlo Mangiarotti** in 1929 marked a fundamental step; he became its largest shareholder and Managing Director in 1930, although he retained the original name until after World War II. In the 1930s the company successfully continued to implement projects in the residential sector, realising prestigious works and establishing important relationships with public bodies, including the IACP in Milan, for which it built numerous neighbourhoods. The company also experimented with new construction methods and materials, such as self-supporting structural floors. Towards the end of the 1930s, the industrial sector developed alongside the residential side and became a driving force in the 1940s with major projects for companies such as Breda and Pirelli, demonstrating the company's expertise even in complex contexts.

The skills acquired in these early decades allowed Borio Mangiarotti to play a well-deserved role in the major reconstruction and industrial upgrading projects of the 1950s. In 1954, the company changed its name to **Impresa di costruzioni civili e industriali BORIO MANGIAROTTI & C. sas**, reflecting its broadening horizons. In the following decade, the business expanded throughout Italy, maintaining constant collaborations with important manufacturing companies such as Montecatini and developing major religious buildings in Milan.



1920 Borio Mangiarotti S.p.A. is founded

1930 The company makes major **contributions to construction** during the first post-war period in Milan.

1940 **Consolidation of the company** in the region and development of **relationships with Italian companies**.

1960 **Constant growth and opening up** of new market segments.

1980 The **new generation** begins to transform the company into a **real estate development** company.

2000 **Leader** on Milan's real estate scene.

2020 Vårde Partners **acquires 20%** of Borio Mangiarotti S.p.A. with a capital increase.

2024 Borio Mangiarotti **reacquires the shares** from Vårde Partners and returns to being a company with 100% capital held by the De Albertis family.



From the mid-1960s onwards, despite a decrease in industrial orders, Borio Mangiarotti intensified its activity in the civil sector with the construction of new residential buildings in the city, including structurally complex projects such as the underground garage in Via Santa Sofia. The company contributed to the development of large suburban neighbourhoods, including San Felicino and, working on behalf of public bodies, the IACP neighbourhoods in Locate Triulzi and Legnano, also exploring new possibilities in the field of subsidised and assisted housing. In 1991, the original head office was moved from Foro Bonaparte to the new, completely renovated offices in Via Lesmi in Milan.

The 1980s marked the entry into the business of a new generation and led to the reorganisation of the business model, transforming Borio Mangiarotti into a modern real estate development company. Since the early 2000s, the company has been an undisputed leader of Milan's real estate scene, specialising in the development of major urban redevelopment projects and consolidating relations with major national and international partners. Its active presence has also extended to construction trade associations, with Carlo Mangiarotti and, more recently, Claudio De Albertis both holding prominent positions in associations such as ANCE, Assimpredil Milano and Centredil Lombardia.

This path of growth and transformation hit a pivotal milestone in 2019, when **Värde Partners**, a global alternative investment company with which Borio Mangiarotti had already established a solid partnership in 2015, acquired 20% of the company through a capital increase, testifying to its solidity and future prospects.

In 2024, following a share buy-back operation, Borio Mangiarotti returned to being a company with wholly Italian capital and 100% owned by the De Albertis family. Today, Borio Mangiarotti represents much more than just a real estate development company. It is the story of a family and a community of individuals united by a shared mission: to constantly improve living conditions and the urban experience. Its more than 100-year history is a reflection of its ability to evolve, innovate and build value, contributing to a constant improvement of living conditions and the urban experience, while also being attentive to the environmental and social aspects of its projects.

The context in which Borio Mangiarotti operates: market challenges and sustainable transition

The construction sector has undergone intense transformation in recent years, reflecting the complexities of the global economy and strategic choices at domestic level. After a period of significant expansion, fuelled in part by tax incentives that profoundly stimulated investment in housing redevelopment, 2024 marked a sharp turnaround. There was a contraction of 5.3% in the sector's overall turnover¹, a decline attributable in large part to the gradual reduction and subsequent divestment of building bonuses, which had been a key driver of the recovery.

In this changing scenario, **sustainable construction** is no longer a future prospect, but a concrete reality driving the new construction generation and the renovation of the existing building stock. It is a practical response to both European regulatory developments and the need to contain costs and consumption. The recent **Green Homes Directive (EU 2024/1275)**, approved in April 2024, is the clearest testimony to this: it sets out guidelines for the energy performance and emissions of buildings, propelling the European Union towards the goal of climate neutrality by 2050².

This directive imposes a clear path for the reduction of the average primary energy consumption of buildings, with significant targets set for 2030 and 2035, and marks the start of the phase-out of fossil fuel boilers. Italy, as a Member State, is called upon to transpose these indications into law by May 2026, outlining a framework that opens up new possibilities for technological and design innovation in the building sector.

Sustainable construction represents a **factor of innovation** that is reshaping the company's practices, promoting the integration of photovoltaic solutions and the adoption of new construction technologies. In this context, **Borio Mangiarotti is committed to incorporating and interpreting regulatory changes and market transition**, with the aim of improving efficiency and quality in the built environment.

¹ "Edilizia italiana in crisi: crollano gli investimenti nel 2024, previsioni negative per il 2025" - Federcepicostruzioni.it, 05/05/2025.

² "Direttiva Case Green EPBD 2024: strumenti UE per i Piani di Ristrutturazione" – Edilportale.it, 18/06/2025.



The background image shows a construction site with extensive scaffolding. Several workers in safety gear are visible, some standing on the scaffolding and others on the ground. The scene is brightly lit, suggesting daytime. The scaffolding is made of metal poles and cross-braces, with some sections painted red and others blue. The overall image has a slightly grainy, high-contrast aesthetic.

GENERAL INFORMATION

ESRS 2

Note on Methodology

[BP-1]

General basis for preparation of the sustainability statement

The Sustainability Report of Borio Mangiarotti S.p.A. (hereinafter “Borio Mangiarotti” or the “Company”) has been drafted on a voluntary basis in anticipation of the regulatory obligations of European Directive 2022/2464 (*Corporate Sustainability Reporting Directive or CSRD*), and includes within its reporting boundary only the company Borio Mangiarotti.

The information in this document has been collected and processed to provide an understanding of the Company's activities, performance, results and impact.

With a view to transparency and accountability, this information is the result of a double materiality process, which has enabled the identification of the impacts, risks and opportunities (“IROs”) relevant to Borio Mangiarotti. Details on the double materiality analysis can be found in the “Double Materiality Analysis” section of the “General Information” chapter. The definition and assessment of IROs took into account the company's own operations, the value chain (upstream and downstream) in which Borio operates, and its business relationships.

When preparing the sustainability report, Borio Mangiarotti included all relevant information, including information on intellectual property, know-how and innovation results.

As the average number of employees employed by the company during the financial year did not exceed 750, Borio Mangiarotti has opted for the option to omit information on Scope 3 emissions and total GHG emissions.

The topics “Pollution” (ESRS E2) and “Biodiversity and Ecosystems” (ESRS E4) were assessed through the double materiality analysis and were not relevant for this exercise. Due to production characteristics and location, the company's activities do not entail significant impacts in terms of pollutant emissions into the air, water or soil. In addition, the company's activities do not affect sensitive natural areas or result in significant pressure on protected habitats or species.

The relevant disclosures are therefore omitted, pursuant to ESRS 1, paragraphs 66 and 68.

[BP-2]

Disclosures in relation to specific circumstances

Time horizons

The definition of the time horizons adopted by Borio Mangiarotti and their application are in line with the provisions of ESRS 1 paragraph 6.4 and are as follows:

- Short term = 1 year
- Medium term = 1 to 5 years
- Long term = more than 5 years

Sustainability reporting is carried out annually. Following the transition from the GRI reporting standards to the ESRS (European Sustainability Reporting Standards), this report provides data for the year 2024 only, as no historical data are available that are consistent with the new reporting requirements of the new framework. For the results of the years 2022 and 2023, please refer to the previous Sustainability Report.

Value chain estimation

The definition of the contents of the Sustainability Report 2024 involved the **Sustainability Working Group** and the main corporate functions, which worked in close cooperation.

The performance indicators were selected on the basis of the double materiality analysis performed on an annual basis according to a process of collection, aggregation and transmission of relevant data and information.

For the purpose of a fair representation of performance and to ensure the reliability of the data, the use of estimates has been limited as much as possible. If present, such estimates are based on the best available methodologies and are duly indicated.

Changes in preparation or presentation of sustainability information

As regards any changes to the reporting of sustainability information, please note that the 2023 carbon footprint was recalculated following amendments to the emission factors indicated in the most recent ISPRA report. The affected categories are:

- a) Scope 1 GHG emissions (tCO₂eq)
- b) Scope 2 GHG emissions (tCO₂eq)

Disclosures stemming from other legislation or generally accepted sustainability reporting pronouncements

As of the current year, the information contained within this document (Sustainability Report) is reported according to the European Sustainability Reporting Standards (“ESRS”), introduced by the Corporate Sustainability Reporting Directive (CSRD) 2022/2464.



The Sustainability Report is published on Borio Mangiarotti's official website at <https://www.boriomangiarotti.eu/download.html>

For more information on the contents of this document, please write to the following email addresses:
sede@boriomangiarotti.it
marta.stella@boriomangiarotti.it

Sustainability Governance

[GOV-1]

The role of the administrative, management and supervisory bodies

Borio Mangiarotti adopts a traditional system of administration and control for its governance, aimed at ensuring transparency, efficiency and responsible management of relevant impacts, risks and opportunities, including sustainability issues. The corporate structure of Borio Mangiarotti S.p.A. provides for the coexistence of a governing body and a controlling body. At the date of publication of this document, the share capital is wholly owned by the company Skyline Milano S.r.l..

Breakdown of administrative, management and supervisory bodies

The main administrative and control bodies are:

The Shareholders' Meeting: this represents the interests of the corporate body and is responsible for making the most important decisions for the life of the Company, including the appointment of the Board of Directors and the approval of the financial statements.

Board of Directors (BoD): the governing body, in office until the approval of the financial statements as at 31 December 2024, consists of 7 members, holds the broadest powers for ordinary and extraordinary administration, and defines the company's objectives, strategies and policies³.

- **Diversity by gender:** the Board of Directors is composed of a total of 7 members, of which approximately 57% (4 members: Marco Stella, Edoardo De Albertis, Jacopo Stella, Stefano De Benedetti) are men and about 43% (3 members: Regina De Albertis, Marta Stella, Valentina Laura Sanguineti) are women. Among the executive members, there are 3 men and 2 women, while the non-executive members show an even gender distribution, with 1 man and 1 woman.
- **Diversity by age:** 57% of the members are between 30 and 50 years old, while the remaining 43% are older than 50.
- **Independence:** there are no independent members on the Board of Directors.
- **Representation of employees and other workers:** There is no direct representation of employees or other workers on the Board of Directors.

³ At the time of publication of this Sustainability Report, the Board of Directors of Borio Mangiarotti, composed of the same members as the outgoing board, has undergone a change in its composition. As of 1 August 2025, a new member joined, Ernesto Boccalatte, formerly an executive of the company Borio until 31 July 2025.

The control function is entrusted to the **Board of Statutory Auditors**, which is responsible for monitoring compliance with the law and the Articles of Association, compliance with the principles of sound administration, the adequacy of the organisational, administrative and accounting structure adopted, and the internal control system.

- **Members:** Paolo Frey (Chairman of the Board of Statutory Auditors), Pietro Piccone Ferrarotti (Standing Auditor), Massimo Celli (Standing Auditor).
- **Diversity by gender:** all members of the Board of Statutory Auditors are men.
- **Diversity by age:** all members are over 50 years old.

Auditing Firm: the appointed auditing firm, Professional Audit Group S.r.l., (in office until the approval of the financial statements as at 31.12.2026), verifies that the company accounts are properly kept and that management events are correctly recorded, and expresses an opinion on the financial statements.

Roles and responsibilities of the administrative, management and supervisory bodies

The administrative, management and control bodies of Borio Mangiarotti have defined roles and responsibilities for overseeing the management of relevant impacts, risks and opportunities:

Board of Directors: the Board of Directors has ultimate responsibility for setting the company's objectives, strategies and policies, including those related to sustainability. The wide-ranging expertise of the Directors in ordinary and extraordinary administration allows the Board to direct procedures to manage environmental, social and governance impacts. The principles of quality, fairness, transparency and respect for legality, enshrined in the company's Code of Ethics, are reflected in the company's mission and policies and are overseen by the Board of Directors.

Board of Statutory Auditors: the control body supervises the adequacy of the organisational, administrative and accounting structure and the internal control system, ensuring that they comply with the law and the principles of sound administration. This role also implicitly extends to overseeing controls and procedures relating to sustainability impacts, risks and opportunities, as an integral part of good corporate governance.

Role of management: Borio Mangiarotti's management is responsible for implementing and managing the processes, controls and operational procedures aimed at monitoring and managing impacts, risks and opportunities. This includes the management of supplier certification, the application of the quality (ISO 9001), safety (ISO 45001) and environmental (ISO 14001) management systems, the use of BIM software, the management of complaints and quality anomalies, and the implementation of feedback and whistleblowing channels. The management operates according to the strategic guidelines defined by the Board of Directors and under the supervision of the Board of Statutory Auditors, ensuring that these procedures are integrated with other internal functions. Supported by the management, the administrative and control bodies monitor the setting of objectives related to relevant impacts, risks and opportunities and the progress towards their achievement, through regular reporting and audits.

Competences and skills on sustainability issues

Direct competence: by identifying strategies that promote project quality, operational efficiency, the adoption of LEED-certified buildings, the use of geothermal and photovoltaic systems, and the presence of an ISO 9001-certified quality management system and an ISO 45001-certified health and safety management system, the Board of Directors confirms to possess internal competence in managing key aspects of sustainability, particularly those related to environmental performance.

Access to external expertise: Borio Mangiarotti has access to external expertise through various channels:

- Regina De Albertis, Chair of Borio Mangiarotti, is a member of the trade association **Assimpredil Ance** (of which she has served as President since 2021), thus enabling direct access to knowledge, best practices and regulatory updates in the construction sector, including on sustainability aspects.
- **Regina De Albertis**, Member of the Board of Directors, also received specific training on the promotion of sustainable building sites, further enriching the Board's expertise in sustainability.
- Collaboration during the design phase with external **architectural and engineering firms** allows the company to integrate specialised expertise into innovative, low environmental impact solutions.
- The **external Auditing Firm** contributes to the reliability of accounting data and, indirectly, to the transparency of information on the economic impact of the company's activities.

Internal skills development: the company invests in **staff training** (compulsory and non-compulsory, technical and transversal), contributing to the continuous development of internal skills that can support governance in sustainability-related decisions.

[GOV-2]

Information provided to and sustainability matters addressed by the undertaking’s administrative, management and supervisory bodies

Borio Mangiarotti ensures that its administration, management and control bodies are informed about sustainability issues, addressing them during the reporting period in line with its own policies and management systems.

In **September 2024**, Borio Mangiarotti established a **Sustainability Working Group**. This working group includes a “Sustainability Report” team, (with members including Marta Stella, Daniela Paderno, Arianna Racanelli, Nicola Dibari) and an “ESG” team (with Marta Stella, Arianna Racanelli, Valeria Guerriero, Aminta Rignanese and Giada Corrias). The establishment of this working group formalises the channel through which the administrative and control bodies are informed about relevant impacts, risks and opportunities (IROs), the implementation of the duty of care, and the results and effectiveness of the adopted policies and objectives. The **results of the double materiality analysis** were submitted to the Board of Directors and the Board of Statutory Auditors, providing a structured information base on the company's sustainability priorities. The presence of **Marta Stella** as a Board Member and member of the Sustainability working groups ("Sustainability Report" and "ESG" teams) creates a direct link between the management of ESG issues at the operational level and the strategic oversight of the Board.

[GOV-3]

Integration of sustainability-related performance in incentive schemes

At present, Borio Mangiarotti does not yet have a formalised system for integrating sustainability performance into its incentive mechanisms for administrative, management and control bodies, nor for management.

[GOV-4]

Statement on due diligence

Duty of care is an ongoing process by which a company identifies, prevents, mitigates and accounts for actual and potential negative impacts on the environment and people related to its activities and value chain. This procedure, in line with international instruments such as the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises, is integrated into the company’s strategy, business model and business relationships. It allows actions to be prioritised according to the severity and likelihood of impacts. The location of the relevant information in this Sustainability Report is detailed in the following table.

CORE ELEMENTS OF DUE DILIGENCE	ESRS references	PARAGRAPHS IN THE SUSTAINABILITY STATEMENT
a) Embedding due diligence in governance, strategy and business model	ESRS 2 GOV-2, ESRS 2 GOV-3, ESRS 2 SBM-3	General information, Double materiality analysis, Governance aspects, Governance policies, Letter to stakeholders, Identity of Borio Mangiarotti
b) Engaging with affected stakeholders in all key steps of the due diligence	ESRS 2 GOV-2 ESRS 2 SBM-2 ESRS 2 IRO-1 Topical ESRS	Letter to stakeholders, Double materiality analysis, Social aspects (own workforce engagement, engagement of workers in the value chain, community engagement and consumer and end-user engagement)
c) Identifying and assessing adverse impacts	ESRS 2 IRO-1 ESRS 2 SBM-3	Double materiality analysis
d) Taking actions to address those adverse impacts	ESRS 2 Topical ESRS	Environmental aspects (Transition plan for climate change mitigation, Actions and resources related to climate change policies, Actions and resources related to resource use and the circular economy), Social aspects (Processes to remedy negative impacts and channels for own workforce to raise concerns, Actions on relevant impacts on own workforce, Processes to remedy negative impacts and channels for own workforce to raise concerns, Actions on relevant impacts on workers in the value chain, Interventions on impacts relevant to workers in the value chain, Processes to remedy adverse impacts and channels that allow affected communities to raise concerns, Interventions on impacts relevant to affected communities and effectiveness of such actions, Processes to remedy adverse impacts and channels that allow consumers and end-users to raise concerns, Interventions on impacts relevant to consumers and end-users), Governance aspects (Prevention and detection of corruption and bribery)
e) Tracking the effectiveness of these efforts and communicating	ESRS 2 Topical ESRS	General information (p. 8), Governance aspects (metrics and targets), Environmental aspects (metrics and targets), Social aspects (metrics and targets)

[GOV-5]

Risk management and internal controls over sustainability reporting

The company integrates sustainability risk management within its broader governance and control frameworks, ensuring that risk identification, assessment and prioritisation processes are intrinsic to its operations.

Key elements of this system include:

Organisation, Management and Control Model pursuant to Legislative Decree 231/2001 (231 Model): the model serves as a basis for preventing offences and managing legal and operational risks, many of which have direct sustainability implications (e.g. occupational safety, environmental offences, corruption). Within the framework of the 231 Model, the analysis of the risk of offence is a fundamental activity that identifies and contextualises the risk of offence in relation to the governance, organisational structure and activity of the entity, supporting management decisions to adapt and improve controls.

ISO certified management system: the adoption of the **ISO 9001 (Quality)**, **ISO 14001 (Environment)** and **ISO 45001 (Occupational Health and Safety)** certified management systems guarantee the implementation of robust processes to identify, assess and manage specific risks for each area (product/service quality, environmental impacts, workers' health and safety). Each ISO standard requires its own risk and opportunity assessment, including a methodology for their prioritisation based on internal criteria.

Sustainability Working Group: established in September 2024, this committee, with its teams dedicated to "Sustainability Reporting" and "ESG", is a crucial element of risk management and sustainability reporting controls, helping to oversee the accuracy and completeness of sustainability data and narratives.

Specifically with regard to sustainability issues, Borio Mangiarotti conducted a **mapping and risk assessment through a double materiality analysis**. This process makes it possible to identify and prioritise IROs (Impacts, Risks and Opportunities) both from the point of view of the company's impact on sustainability (impact materiality) and from the point of view of the impact of sustainability issues on the company's financial performance (financial materiality). The methodology for prioritising risks within the 231 Model and the ISO management systems follows specific exposure and severity criteria, guiding the allocation of resources and the implementation of controls.

An overview of the main sustainability risks that emerged as material from the materiality analysis is provided below. These, together with the respective mitigation strategies adopted, will be discussed in more detail in the respective sections of this document:

- Legal and reputational exposures related to injuries/accidents of workers operating on the company's sites;
- Waste of economic resources in handling complaints and resolving quality anomalies;
- Reputational exposures related to customer dissatisfaction.



Sustainability Strategy

[SBM-1]

Strategy, business model and value chain

Borio Mangiarotti's strategy and business model are based on a solid value system that guides the management of all activities and permeates the company's philosophy.

The activities and services of Borio Mangiarotti

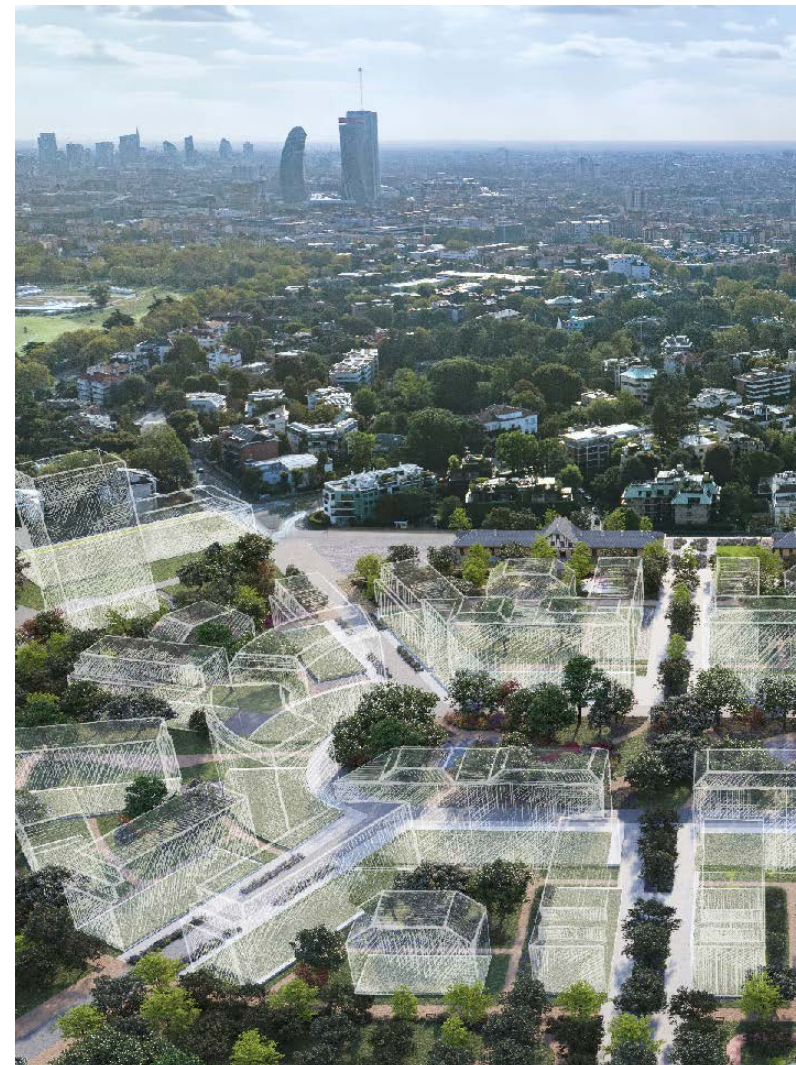
Borio Mangiarotti operates in the **development of residential construction projects, taking on both the role of promoter and general contractor in the construction phase**. The company is acutely aware that its buildings must respond not only to current housing needs, but also to those of the future, providing for ease of adaptation to technological and environmental innovations.

The company's range of services consists of:

CasaBorio - Residential projects;
BorioDistrict - Urban regeneration;
BuildingBorio - General contractor.

CASABORIO RESIDENTIAL PROJECTS

Designing homes that put people and their needs at the centre, integrating innovative solutions for energy efficiency, living comfort and quality of life.

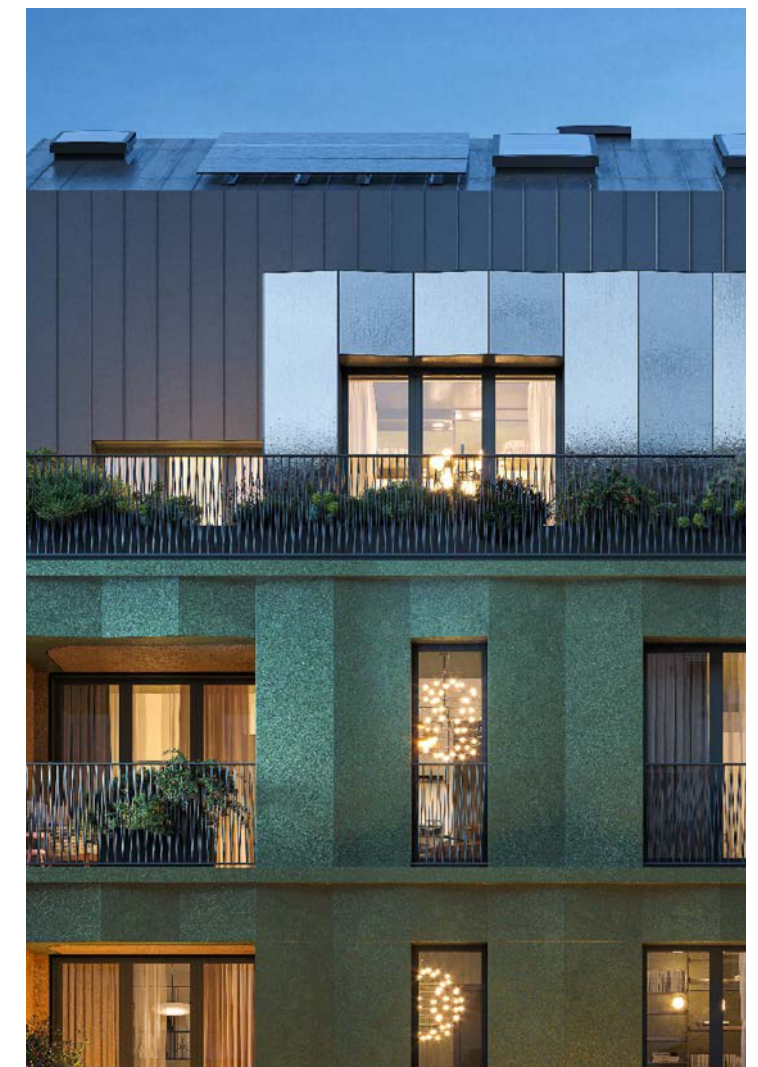


BUILDINGBORIO GENERAL CONTRACTOR

Managing the complexity of a real estate project across the entire value chain, leveraging experience and in-depth knowledge of the Milan area.

BORIODISTRICT URBAN REGENERATIONS

Promotion of large-scale urban regeneration and redevelopment projects with a focus on corporate values, respect for the environment and quality of life.



The process of developing and implementing services goes through well-defined phases:

1 Analysis

Identification of areas with potential, through careful market analysis;

2 Design

Collaboration with leading architectural and engineering firms to create designs that integrate environmental criteria, energy efficiency and innovation;

3 Construction

Operating as a general contractor in the construction phase;

4 Purchasing

Supporting buyers throughout the process, from purchase to delivery and beyond;

5 Variants / Customisation

Provision of an in-house team of architects for customisation of environments;

6 After-Sales Service

A dedicated team manages after-sales activities to ensure customer satisfaction.

To ensure correct project execution and quality standards, Borio Mangiarotti relies on the **BIM (Building Information Modeling)** software, which enables 3D models to be viewed by integrating physical, performance and functional building data.

The company firmly believes that compliance with environmental criteria is essential.

As proof of this commitment, a number of projects have been awarded **LEED certification**, a voluntary standard that identifies environmentally friendly buildings. To obtain this certification, stringent requirements must be met regarding energy and water savings, CO₂ reduction, improvement of the ecological quality of interior spaces, use of materials and resources, and site design and selection. LEED certification has as its prerogative the achievement of collective well-being, an objective that guides the design and construction of buildings on a daily basis. During the reporting period, there were no significant changes (new products/services introduced or discontinued) to the core business or the type of services offered. Borio Mangiarotti does not offer products or services that are prohibited in specific markets. All operations are conducted in full compliance with current regulations.

Borio Mangiarotti's **main customer base** is represented by **end buyers of residential and/or commercial real estate**. The reference market is predominantly the **Italian domestic market**, with an established presence and knowledge of the Milan area.

All employees (71) are located in Italy.

The Value Chain and Operating Environment

Borio Mangiarotti's value chain is divided into three main stages, which each outline the methods of interaction with different stakeholders and the exposure to specific IROs:

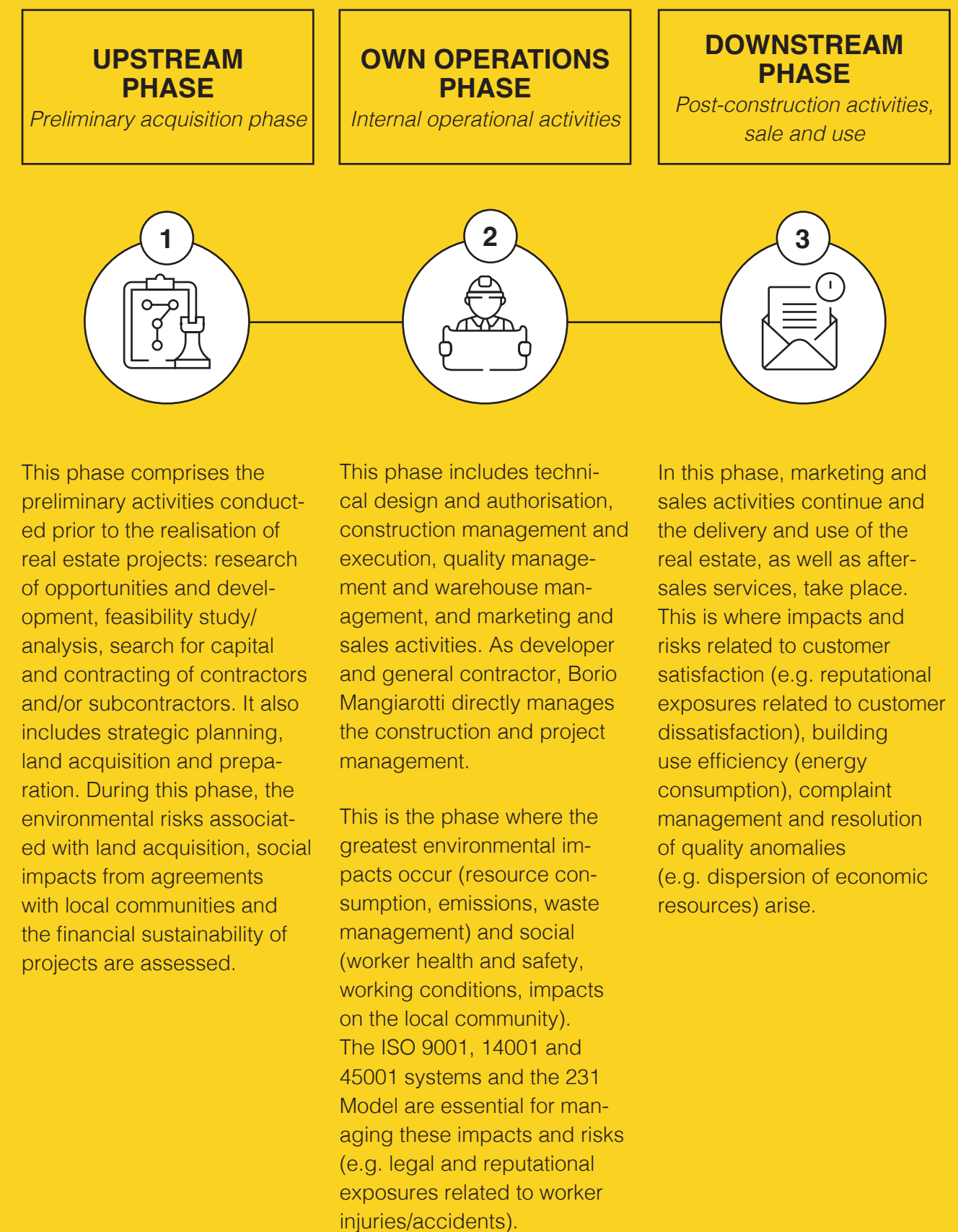
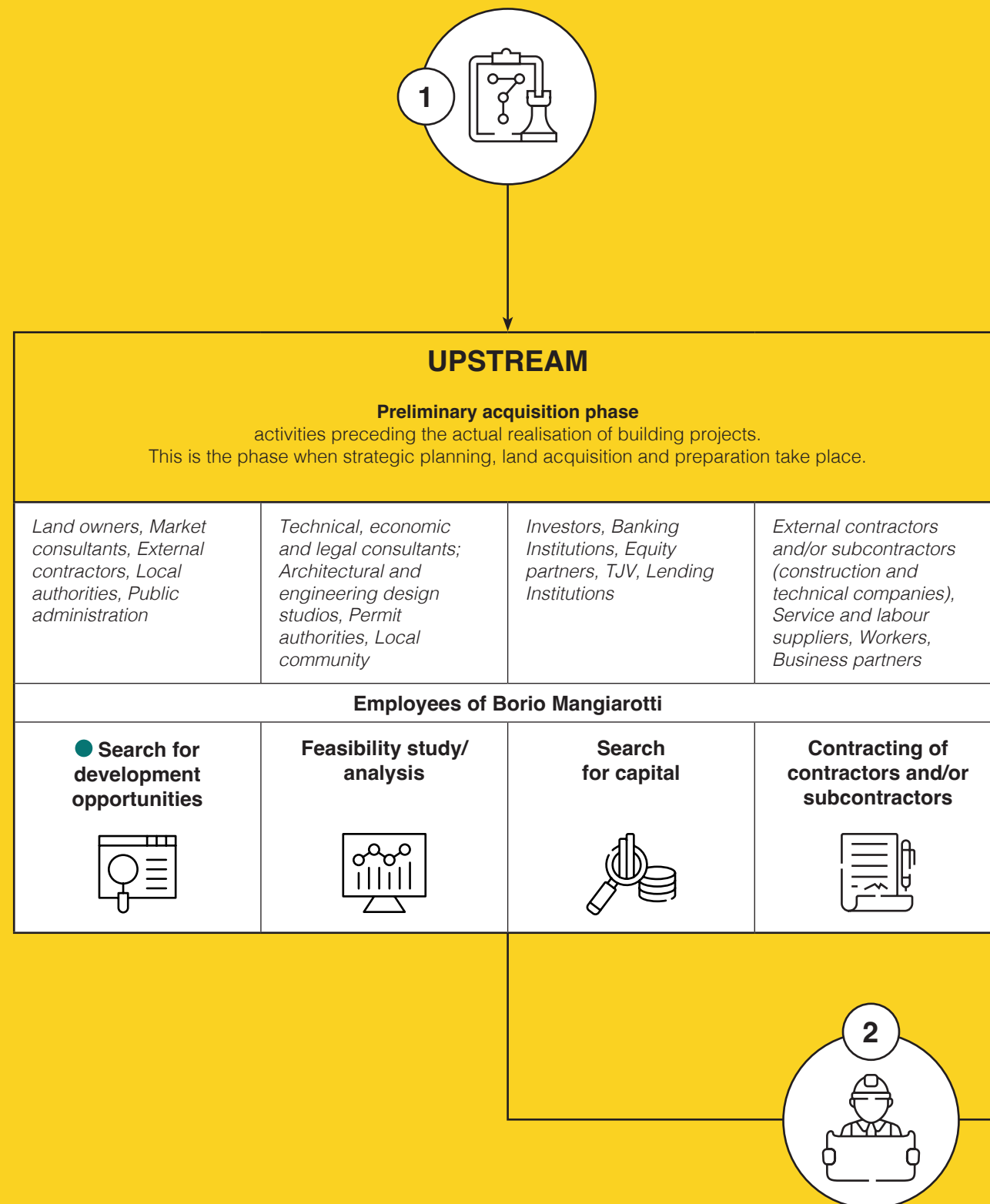
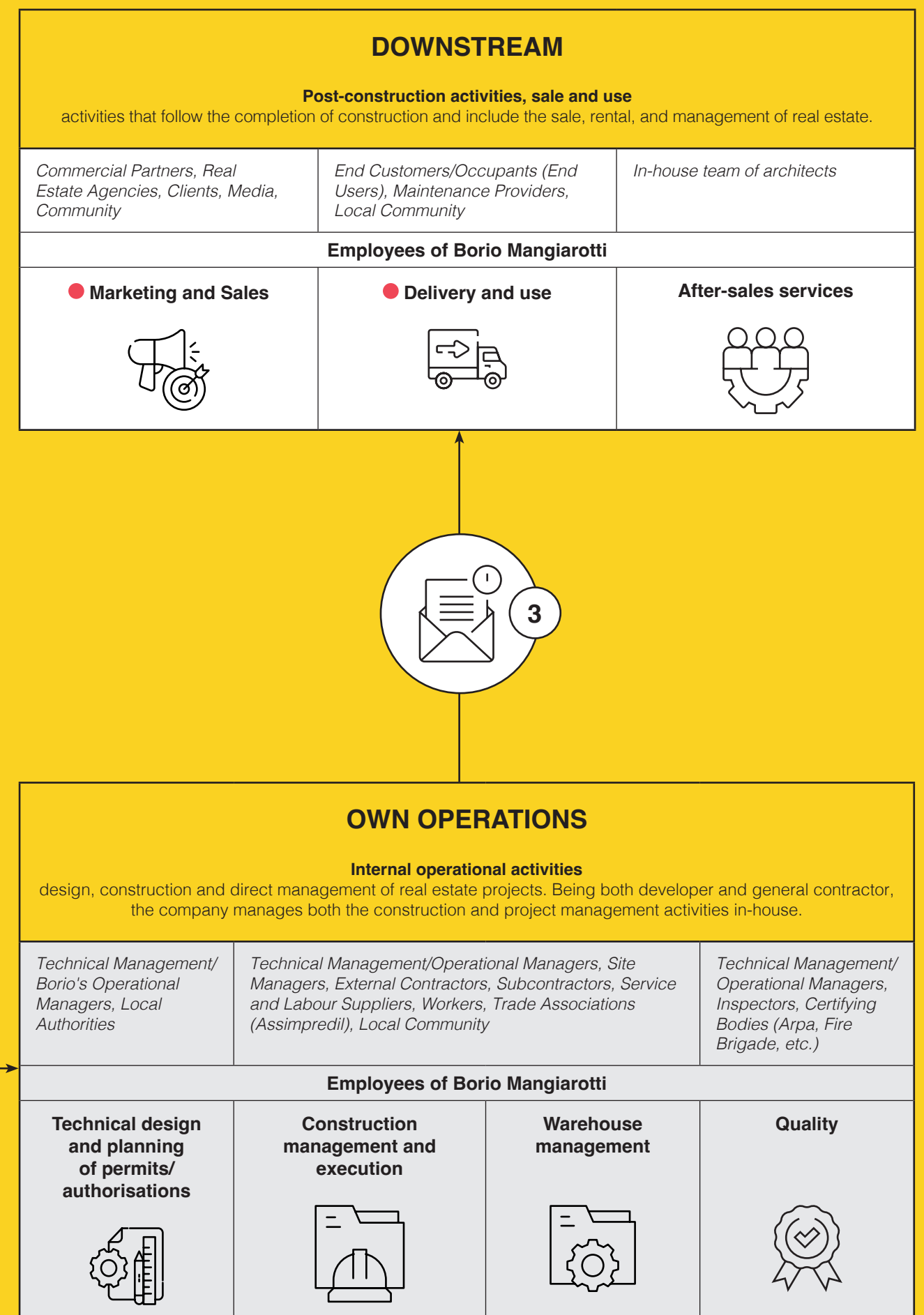


Figure 1 - The value chain of Borio Mangiarotti



● Upstream phase managed by Borio Mangiarotti
● Downstream phase managed by Borio Mangiarotti



In recent years, Borio Mangiarotti has embarked on a **structured sustainability-oriented path**, with the aim of integrating ESG principles - environmental, social and governance - more and more firmly into its strategy, operations and corporate culture. Aware of the role that the construction and general contracting sector plays in the ecological and social transition, the company has chosen to face the challenges of sustainability in a responsible manner, carefully assessing both the impacts that the company generates on the region and local communities, and the risks and opportunities linked to regulatory, climatic and market changes.

This commitment has been translated into concrete actions and the adoption of more advanced analysis and reporting tools. In particular, in 2024 the company adopted the European Sustainability Reporting Standards (ESRS) required by the CSRD for the first time, embarking on a reporting path in line with the Directive, with the aim of improving the transparency and comparability of ESG information. The following activities are part of the path to measuring environmental and social impacts:

- assessment of sustainability performance through an ESG Assessment questionnaire;
- the preparation of the “Sustainability Report 2022”;
- the preparation of the “Sustainability Report 2023” based on the GRI principles of accuracy, balance, clarity, comparability, reliability and timeliness;
- the preparation of this “Sustainability Report 2024” based on the ESRS standards;
- measurement of the carbon footprint of the company's business and site activities;
- participation in global projects related to carbon offsetting.

ESG Assessment

The ESG Assessment is a measurement tool to assess a company's sustainability performance on the three areas of sustainable development: Environmental, Social and Governance.

The compilation of the ESG Assessment allowed for an initial stock-taking of the current situation compared with the performance of the reference sector, and was useful for identifying existing gaps and identifying improvement actions.

Sustainability Report

The company first reported on its sustainability performance in 2023 with the publication of the Sustainability Report 2022, intended to share information on the sustainability-related activities carried out and/or supported by Borio Mangiarotti. This first report was followed in 2024 by the publication of the second Sustainability Report, which covered the 2023 financial year.

This year, in its third Sustainability Report, the company is integrating the opportunities provided by the new CSRD (the European Sustainability Directive). In fact, as detailed in the methodological note, the Company decided to voluntarily anticipate its legislative obligations and prepare this

latest report in line with the European Sustainability Reporting Standards, guided by the results of the double materiality analysis. In continuity with the measurement, monitoring and communication of ESG performance carried out to date, the document provides a comprehensive overview of the results achieved over the past year and identifies new and achieved objectives with a view to continuous improvement.

[SBM-2]

Interests and views of stakeholders

Borio Mangiarotti operates in a dynamic context in close proximity to the region, recognising engagement and open dialogue with stakeholders as fundamental to pursuing the goal of generating shared economic and social value. In the course of 2024, during the definition of the company's value chain, the stakeholder map was updated and, in particular, the level of the main categories was identified.

Below is the updated map:

Categories	 Customers	 Means of communication	 Suppliers
Subcategories Methods of Engagement	Customers  Communications via email and post, newsletter, website, social networks, press releases, after-sales service/complaint handling.	Local And National Administrations Trade Magazines  Press releases.	Business partners External Contractors  Communications via email and post, newsletter, website, social networks, press releases.
Frequency  monthly  quarterly	Collaborators  Email, internal newsletter, website, social channels.		
 Human resources	 Financial community	 Community and region	 Academia and research centres
Employees Collaborators Management and Board Members  Email, internal newsletter, website, social channels.	Banks and financial institutions  Press releases, website, social profiles, newsletter.	Trade Associations  Press releases, website, social profiles, newsletters, regular meetings.	Universities  Press releases, press, website, social profiles, newsletters, collaborations, events.

Double materiality analysis

[SBM-3]

Material impacts, risks and opportunities and their interaction with strategy and business model

In previous sustainability reports, the materiality analysis focused mainly on the identification and subsequent management of significant material topics through the impact perspective.

With the introduction of the **Corporate Sustainability Reporting Directive (CSRD)**, the framework for sustainability reporting has evolved towards a **double materiality** perspective. The CSRD requires an analysis that considers not only the impacts the company generates on the outside world (impact materiality), but also how sustainability issues affect its financial performance and business model (financial materiality). This change marks a significant evolution in the company's approach, requiring it to conduct more comprehensive and integrated reporting of its ESG performance, in line with the new European standards.

Borio Mangiarotti voluntarily opted to begin the double materiality process to determine the material topics to be reported in this document. This activity is the core requirement of the sustainability disclosure and requires the reporting of objective information on **environmental, social and governance (ESG) impacts, risks and opportunities (IROs)**, including on human rights.

The assessment of the materiality of sustainability issues or topics considers two perspectives:

- **Impact materiality (Inside-Out Perspective):** this identifies the significant impacts - positive or negative, actual or potential - that the company's activities generate on the environment and society, including the people and communities affected;
- **Financial materiality (Outside-In Perspective):** this measures how ESG issues affect the company's financial position, performance and value in the short, medium and long term.

This Sustainability Report focuses on those issues that the company has identified as material, i.e. those aspects that meet either one or both of the criteria of impact and financial materiality. At the same time, Borio Mangiarotti wished to maintain a common thread with previous reports, in order to account for the topics already analysed and to continue to improve the company's management according to ESG principles and stakeholder requirements.

[IRO-1]

Description of the processes to identify and assess material impacts, risks and opportunities

The analysis was conducted in January and February 2025 through several steps. First, an analysis of the business context was conducted, defining the company's perimeter, including its activities, products, services, value chain (suppliers, customers, etc.) and the geographies in which it operates, stakeholders and communication methods. Based on this analysis, the impacts, risks and opportunities (long list) were identified and subsequently assessed using quantitative rating scales. Next, the relevant financial and impact issues were defined, using the terminology of the *Topical ESRS (European Sustainability Reporting Standard)*, and then the relevant metrics were reported.

This assessment was also based on the analysis of the main sector macro-trends and on authoritative sources, research and best practices in the ESG field, with the awareness that issues that are less material today may become more relevant over time.

The methodology followed is in line with the indications provided in the *Materiality Assessment Implementation Guidance (IG 1)* developed by the *European Financial Reporting Advisory Group (EFRAG)*.

In detail, the process followed these steps:

1 Context analysis: analysis of business activities, business relations, the context in which they take place and stakeholders. The analysis includes a desk study on a basket of companies operating in the same and/or comparable sector, a review of institutional sources, and the analysis of the regulatory framework. This analysis, supported by the analyses carried out during the previous reporting year and internal company documentation, formed the basis for the identification of impacts, risks and opportunities ("IROs").

2 Identification of IROs: identification of actual and potential impacts, risks and opportunities (IROs) related to sustainability issues. The process involved the analysis of the findings from the previous step as well as **one-to-one interviews with the dedicated working group**, providing an opportunity for engagement and direct and in-depth discussion with management. Key information was gathered and the specific operational and strategic characteristics of the organisation were explored, a crucial activity to ensure that the process to identify the IROs was fully appropriate to the business context.

3 Evaluation of IROs: the IROs were evaluated by the Sustainability Working Group in its capacity as a key internal stakeholder. For each IRO identified in the long list, an in-depth assessment was made according to both dimensions. In particular, for the assessment of impact materiality, the severity of the impact (magnitude, extent, irremediable character nature) and the likelihood of its occurrence were analysed for both current and potential impacts. For financial materiality, the potential financial effect on the company (on revenues, costs, assets, etc.) and the likelihood of occurrence were analysed.

4 Validation of the double materiality analysis: processing of results and approval of the impact and financial materiality findings.

5 Reporting: reporting on *ESG* performance for the identified material topics. The outcome of the double materiality process led to the definition of the disclosure requirements of the material topics subject to reporting by Borio Mangiarotti.

[IRO-2]

Disclosure Requirements in ESRS covered by the undertaking’s sustainability statements

The list of disclosure requirements covered by Borio's Sustainability Report 2024 is detailed in the tables included in the ESRS Content Index of this document.

Assessment of IROs and determination of materiality thresholds

Assessments and subsequent prioritisation of impacts were conducted on the basis of four parameters:

PARAMETER	DESCRIPTION	SCALE
MAGNITUDE	How grave the negative impact is or how beneficial the positive impact is for people or the environment.	1-5
SCOPE	The extent of the impact (in relation to the percentage of employees, geographical locations or markets involved).	1-5
IRREMEDIABLE CHARACTER	Whether and to what extent the negative impacts could be remediated, i.e., restoring the environment or affected people to their prior state.	1-5
LIKELIHOOD	How likely the reference impact is to occur over the time horizon considered. Likelihood is only considered in relation to potential impacts.	0-1

The score associated with each impact (severity), according to a scale of 1 to 5, was determined by multiplying the previously averaged magnitude, scope and irremediable character (when applicable) and the likelihood of occurrence (when applicable) according to a scale of 0 to 1.

The assessment and prioritisation of risks and opportunities was conducted on the basis of two parameters:

PARAMETER	DESCRIPTION	SCALE
MAGNITUDE	The potential positive or negative magnitude of the financial effects (also considering operational, reputational, compliance or social impact criteria) associated with the occurrence of risks and opportunities.	1-5
LIKELIHOOD	The probability of occurrence over the time horizon considered. The impact is likely to occur over the time horizon considered. Likelihood is only considered in relation to potential impacts.	0-1

For both impacts and risks and opportunities, assessments were carried out along three time horizons:

- **Short term:** 1 year;
- **Medium term:** 1-5 years;
- **Long-term:** longer than 5 years.

Following the assessments of all potentially material IROs for Borio Mangiarotti, materiality thresholds were defined to identify the most significant IROs for the company. The materiality thresholds were calculated from the average of the evaluation scores assigned to the IROs of each topic (impact materiality threshold equal to 2.4 and financial materiality threshold equal to 1.2). The quantitative results were then subjected to comparison and analysis that led to the exclusion from the final list of material IROs of those with a score below the materiality thresholds. Consequently, only IROs with a final score equal to or above these thresholds were considered material.

The results of the analysis

During the double materiality process, a **total of 61 impacts, 31 risks and 25 opportunities** were identified. These IROs were then assessed to inform the definition of the ESRS material topics according to two distinct perspectives (impact materiality and financial materiality), considering environmental, social and governance aspects.

ESRS	ESRS TOPIC	IMPACT MATERIALITY (THRESHOLD=2.4)		FINANCIAL MATERIALITY (THRESHOLD=1.2)		RESULTS
E1	Climate Change	2.24	●	1.87	●	●
E2	Pollution	2.23	●	1.05	●	○
E3	Water and marine resources	2.38	●	1.25	●	●
E4	Biodiversity and ecosystems	2.07	●	0.91	●	○
E5	Circular economy	2.25	●	1.33	●	●
S1	Own workforce	2.72	●	0.56	●	●
S2	Workers in the value chain	2.67	●	1.5	●	●
S3	Affected communities	2.8	●	0	/	●
S4	Consumers and end-users	2.96	●	1.7	●	●
G1	Business conduct	2.53	●	1.29	●	●

- No ● Material topic
● Yes ○ Non-material topic

Borio Mangiarotti's double materiality analysis is represented graphically through a matrix that highlights the correlation between impact materiality and financial materiality. For each topic defined by the ESRS, two aspects are considered: the impact the company has on the outside world, positioned on the x-axis, and the risk/opportunity that may affect the company's financial performance, positioned on the y-axis.

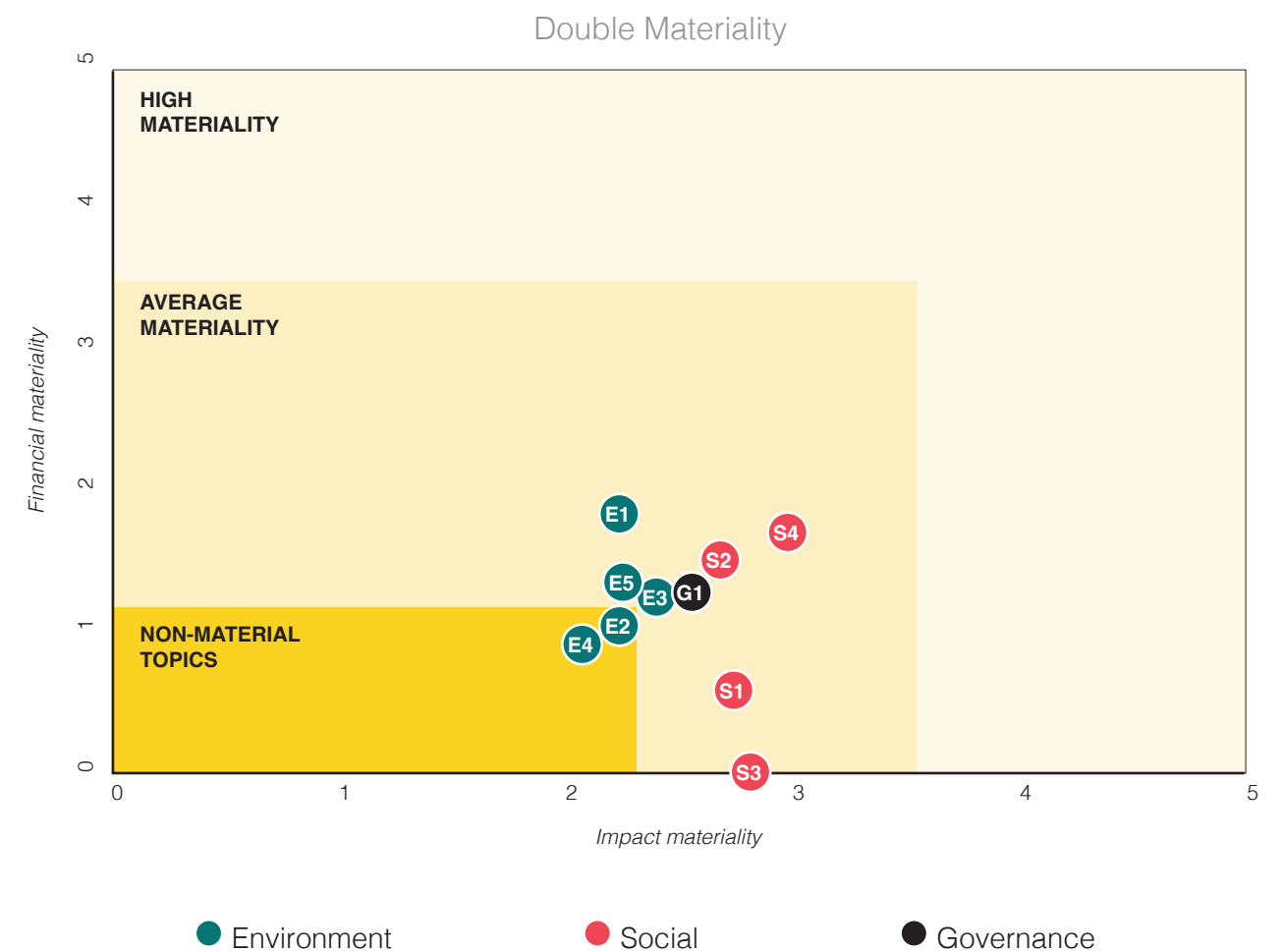
Based on the results of the first double materiality analysis, the company has opted to refer to the findings that meet the objective thresholds only.

Although we are aware that the construction and building sector presents **a potentially significant environmental impact**, particularly with regard to **emissions** (material topic dealt with under Topic E1 "Climate Change"), **waste production** (material topic dealt with under Topic E5 "Circular Economy"), **land use and interference with local ecosystems**, the analysis carried out showed that, **in the specific case of the company**, the topics **"Biodiversity"** and **"Pollution"** **are not currently material** in the context of double materiality, according to the criteria defined by the ESRS regulations. The company's activities are mainly carried out in urbanised environments and on planned projects in man-made areas, where direct interference with natural habitats or protected species is very limited. There are no projects in protected areas or sites with high environmental value, nor are there any documented impacts on local biodiversity. As far as pollution is concerned, the emission sources generated at construction sites are temporary and contained, and are under the control of standard environmental protocols and regulations, which the company applies correctly.

In addition, discussions with the Sustainability Team revealed that, to date, the company is not exposed to significant financial risks arising from obligations, sanctions or stakeholder pressure on these issues, nor are there any direct dependencies on natural assets or environmental conditions subject to biodiversity risk.

Although the entire industry presents known environmental challenges, the materiality exercise confirmed that, for Borio Mangiarotti, the actual impact and risks related to these two issues are currently limited and manageable. It was therefore given a **lower priority than other topics** considered more significant, such as **climate change**, especially from an outside-in perspective, through the management of a range of risks including business and supply chain disruptions due to extreme weather events, increased operating costs to comply with climate regulations, along with **the circular economy, own workforce, working conditions and site safety**. At the same time, it should be noted that other social issues closely related to the nature of construction activity were found to be **particularly material**, especially those related to the **local communities impacted by construction sites**, as well as health, safety and quality for the end users of the works realised.

Borio's double materiality analysis therefore highlighted the importance the company attaches to the social dimension, including the need to manage and report information related to its own workforce, workers in the work chain, affected communities, and consumers and end users (ESRS S1, S2, S3 and S4).



In the "Identification of IROs" sections at the start of each chapter of this document, the full list of material IROs for each ESG topic is provided, accompanied by a detailed description of the impacts on people and the environment and an indication of the part of the value chain where they originate or are related, including the relevant time horizons. The same section also provides a description of the financial impact of risks and opportunities.

Sustainable Development Goals – SDGS

When identifying the ESG topics most relevant for the Company, the analysis also considered how each topic relates to the Sustainable Development Goals (SDGs) defined under the United Nations 2030 Agenda. Commitment to action on these issues will - to the extent possible - contribute to the achievement of global sustainability targets.

Listed below are the ESG topics material to the company that relate to the Sustainable Development Goals (SDGs), defined within the United Nations 2030 Agenda:

ESRS	ESRS TOPIC	Related SDGs			
E1	Climate Change	13 CLIMATE ACTION			
E2	Water and marine resources	06 CLEAN WATER AND SANITATION	14 LIFE BELOW WATER		
E5	Circular economy	12 RESPONSIBLE CONSUMPTION AND PRODUCTION			
S1	Own workforce	03 GOOD HEALTH AND WELL-BEING	04 QUALITY EDUCATION	05 GENDER EQUALITY	08 DECENT WORK AND ECONOMIC GROWTH
S2	Workers in the value chain	03 GOOD HEALTH AND WELL-BEING	08 DECENT WORK AND ECONOMIC GROWTH		
S3	Affected communities	11 SUSTAINABLE CITIES AND COMMUNITIES	16 PEACE, JUSTICE AND STRONG INSTITUTIONS		
S4	Consumers and end-users	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	03 GOOD HEALTH AND WELL-BEING		
G1	Business conduct	16 PEACE, JUSTICE AND STRONG INSTITUTIONS			



GOVERNANCE ASPECTS



Borio Mangiarotti's approach to governance is rooted in principles of legality, ethics and transparency, consolidated since 2010 by the implementation of the 231 Model. This commitment is manifested through key instruments such as the Code of Ethics, a clear “Corruption Prevention Policy” and a whistleblowing system to ensure integrity and compliance.

The company manages its relationships with suppliers responsibly, integrating sustainability criteria into its selection and evaluation processes. In a rapidly changing environment, Borio Mangiarotti takes a proactive approach to identifying and mitigating risks, ensuring a transparent and compliant environment.

This chapter highlights the company's ongoing commitment to maintaining a high level of integrity, confirming the absence of corruption and lobbying, to the benefit of all stakeholders.

Highlights

- Adoption of an organisational model pursuant to Italian Legislative Decree 231/2001 to ensure the correctness of business conduct and prevent wrongdoing;
- Implementation of a Code of Ethics;
- ISO 9001 Certification;
- Whistleblowing system that protects whistleblowers from retaliation or discrimination arising from their reports;
- Adoption of procedures for the responsible management of suppliers.

Business conduct

ESRS G1

[SBM-3]

Material impacts, risks and opportunities and their interaction with strategy and business model

The following table shows the impacts, risks and opportunities related to the topic dealt with in this chapter, indicating the part of the value chain in which the impacts are generated and the reference time horizon.

Description	IRO type	Value chain	Time horizon
Topic ESRS G1 Business conduct			
Business ethics (creation of a transparent working environment, promoting a sense of responsibility through the adoption of a Code of Ethics and a 231 Model)	Positive Actual	② Own Operations	🕒 Short
Administrative fairness and transparency (conduct in compliance with applicable laws and regulations and adoption of a code of conduct for public administrations)	Positive Actual	① Upstream ② Own Operations ③ Downstream	🕒 Short
Protection of whistleblowing mechanisms (whistleblowing system to guarantee stakeholders' reporting of wrongdoing)	Positive Actual	① Upstream ② Own Operations ③ Downstream	🕒 Short
Responsible sourcing of suppliers (regular selection and verification of suppliers, subcontractors and professionals based on high quality standards and compliance with safety, occupational health and environmental protection regulations)	Positive Actual	① Upstream ② Own Operations ③ Downstream	🕒 Short
Timely payments to suppliers (payment practices and deadline monitoring system)	Positive Actual	① Upstream	🕒 Short
Improved reputation among relevant stakeholders	Opportunities	② Own Operations	🕒 Short

- ① Upstream

② Own Operations

③ Downstream
- 🕒 Short

🕒 Medium

🕒 Long

[G1-1]

Corporate culture and business conduct policies

Borio Mangiarotti adopts structured policies and mechanisms to define its business conduct and promote a corporate culture based on principles of legality, ethics and transparency, with the aim of identifying, assessing, managing and mitigating relevant impacts, risks and opportunities.

As the foundation of its corporate culture, Borio Mangiarotti has a **Code of Ethics** that enshrines the values and rules of conduct that all employees and collaborators are required to abide by in their internal and external relations, providing a clear reference for corporate conduct.

Since 2010, Borio Mangiarotti has implemented an **Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/01 ("231 Model")** with the aim of structuring and defining critical processes within the company organisation. This business management model guarantees an internal control system aimed at preventing the commission of offences and unlawful conduct, in accordance with the provisions of the decree. The 231 Model constitutes a tool for ensuring safety and transparency in the business conduct and is available on the company website in the downloads section. In compliance with Legislative Decree 231/01, a Supervisory Board (SB) was established, whose appointment was resolved by the Board of Directors on 18/06/2010. The Supervisory Board ensures the integration, coordination of activities and proper implementation of the Model, verifying compliance with it and promoting awareness of it within the company. The autonomy and independence of the Supervisory Board is ensured by its equal standing with the Board of Directors and the Board of Auditors.

Whistleblowing system: in order to comply with current regulations, in particular with Legislative Decree 24 of 10 March 2023 (transposing EU Directive 2019/1937 on the protection of persons who report breaches of Union law), Borio Mangiarotti has adopted an internal procedure governing the process of transmitting, receiving, analysing and handling reports. The whistleblowing system is a reporting mechanism that allows employees, collaborators or any individual within the company to safely and, if desired, anonymously report illegal activities or internal irregularities. This system is designed to protect whistleblowers from retaliation or discrimination arising from their reports. The main functions of the whistleblowing system include collecting and handling reports, protecting the identity of whistleblowers and triggering internal investigations to verify reported allegations. This system contributes to a transparent and ethical working environment, promoting a sense of responsibility and conduct in accordance with applicable laws and regulations.

The combination of these policies and tools reflects Borio Mangiarotti's approach to corporate culture.

[G1-2]

Management of relations with suppliers

Borio Mangiarotti's approach to supplier relations is structured to manage sustainability risks and impacts along the supply chain, including the protection of workers. The company adopts a prior verification process of suppliers, subcontractors and professionals, based on the principles of legality, fairness and transparency of the Code of Ethics and the 231 Model. This process, detailed in **Procedure PG06 "Procurement"**, includes an initial and periodic evaluation.

The **initial assessment** (of new suppliers or to renew the verification of existing suppliers) is conducted by the Procurement Office (*Ufficio Acquisti/UA*) and aims to ascertain suitability to meet all technical, quality, occupational health and safety, and environmental protection requirements specified in contractual and legally binding documents. The UA collects information from a variety of sources, including assessment reports from sector study organisations, chamber of commerce inquiries and, crucially, specific documentation on safety, occupational health and environmental protection. The evaluation is shared between different company departments (technical, production, purchasing, workers' safety representative, quality, project manager) and, if the outcome is positive, and leads to the supplier's inclusion in the Qualified Supplier Register (*Registro Fornitori Qualificati/RFQ*).

In the **periodic evaluation**, compliance with parameters such as punctuality, technical assistance, organisational capacity and ongoing compliance with safety, occupational health and environmental regulations is verified. This systematic approach aims to mitigate operational, legal (e.g. worker injuries/accidents) and reputational risks, ensuring compliance and quality of supply along the entire value chain.

Borio Mangiarotti explicitly integrates social and environmental criteria in the selection and evaluation of suppliers. This is realised through:

- **Documentation requirements:** acquisition of specific documentation on safety, occupational health and environmental protection at an early stage;
- **Continuous monitoring:** periodic verification of compliance with social and environmental regulations;
- **Compliance with the New Public Contracts Code (Legislative Decree 36/2023):** the Code strengthens labour protections, providing for respect for fair remuneration and collective bargaining. Borio Mangiarotti ensures these elements by verifying that suppliers meet their contributory and retributive obligations through the **DURC (Single Social Security Contribution Payment Certificate/Documento Unico di Regolarità Contributiva)** and by combating clause dumping practices. The Code also steers supplier selection towards operators that guarantee compliance with labour and safety regulations;
- **Tender conditions:** the company evaluates requests to ensure adequate quality standards, fair wages for staff and adequate safety measures for contractors and subcontractors.

In line with its values and in accordance with the procedures set out in the 231 Model and Procedure PG06 “Procurement”, Borio Mangiarotti is committed to establishing clear and timely financial flows with its suppliers, including SMEs. The verification and approval of invoices, on a monthly basis, is based on the correspondence with contracts, Transport Documents, agreed Works Progress Reports/Payment Certificates, and the absence of non-conformities related to quality, safety and environment. If the necessary documentation is not complete, the company notifies the supplier/subcontractor of the shortcoming and suspends the invoice pending compliance, ensuring that payments are only made against fully compliant supplies and work. This rigorous process aims to minimise the risk of late payment and promote stability and reliability in the supply chain.

[G1-3]

Prevention and detection of corruption and bribery

Borio Mangiarotti adopts a structured system to prevent, detect and manage allegations or episodes of corruption and bribery, in compliance with Legislative Decree 231/2001 and the principles of its Code of Ethics and **Organisation, Management and Control Model**.

The 231 Model is considered suitable to prevent the commission of such offences by senior or subordinate personnel. An essential element of the preventive control system is the **Code of Ethics**, which incorporates and specifies the obligations of loyalty, fairness and integrity. Borio Mangiarotti's Code of Ethics has been supplemented to take into account the amendments to Legislative Decree 231 concerning, *inter alia*, bribery between private individuals. The company has defined a **“Corruption Prevention Policy”**, which further details the principles and procedures to prevent corrupt practices. The 231 Model contains a **“Map of Crime Risk Activities”** and **“Preventive Protocols”**, which are organisational, physical and/or logical measures aimed at preventing the commission of offences.

The Supervisory Board envisaged by the 231 Model is systematically and promptly informed by means of reports from Directors, Statutory Auditors, Senior and Subordinate Personnel and third-party Recipients, of events that could give rise to the company's liability under Legislative Decree 231-2001. The Supervisory Board, in turn, reports directly to the Board of Directors and the Board of Statutory Auditors on the implementation of the Model and the detection of any critical issues. This ensures that administrative, management and control bodies are fully informed of the results of corruption prevention and detection activities.

The **Code of Ethics** is **broadly disseminated internally** and is available to all of the company's stakeholders. It is **published on the company's website** and is annexed to each contract, sub-contract and service contract, thus involving every stakeholder in its implementation. Each employee, internal and external, is required to acknowledge and respect its provisions.

Borio Mangiarotti's **training on corruption prevention is an integral part of the 231 Model and the Code of Ethics**, which provide information and prevention tools. These programmes aim to cover all “Recipients” of the company's policies, including corporate bodies (Directors and Auditors), employees, appointed representatives, outsourcers and other third parties involved in business relations or “Crime Risk Activities”.

[G1-4]

Confirmed cases of corruption or bribery

During the reporting period, Borio Mangiarotti did not record any accepted or proven cases of corruption or bribery.

[G1-5]

Political influence and lobbying activities

Borio Mangiarotti did not engage in political influencing or lobbying.



ENVIRONMENTAL ASPECTS

Borio Mangiarotti's commitment to environmental sustainability is based on a well-established approach, which began in 2012 with the achievement of ISO 14001 certification and has now arrived at the presentation of the company's goals through the new European reporting standards.

Growing environmental pressures and increased sensitivity among internal and external stakeholders have prompted an acceleration of actions to mitigate the impacts of activities. Borio Mangiarotti constantly seeks the best approach by keeping up to date with industry best practices and new technologies.

In a rapidly changing climate and regulatory environment, its activities are geared towards energy efficiency, building resilience and circular waste management.

The results described in this chapter reflect the proactive, measurable and constantly evolving approach adopted by the company to benefit the environment, the region and all stakeholders.



Highlights

- Reduced energy consumption;
- Reduction in Scope 1 and 2 emissions;
- Purchase of renewable energy;
- Offsetting with carbon credits;
- Reduced water consumption;
- Traceability of incoming and outgoing flows;
- Careful selection of materials and design of low-energy-impact buildings;
- Extended separated waste collection;
- Progressive reduction of paper and increased digitisation.

Climate Change

ESRS E1

[SBM-3]

Material impacts, risks and opportunities and their interaction with strategy and business model

The following table shows the impacts, risks and opportunities related to the topic dealt with in this chapter, indicating the part of the value chain in which the impacts are generated and the reference time horizon.

Description	IRO type	Value chain	Time horizon
ESRS E1 Climate Change		Sub-topic Climate change adaptation	
Emissions offsetting through the purchase of carbon credits (aimed at supporting initiatives to protect forests and develop renewable energy sources in particularly disadvantaged regions).	Positive Actual	② Own Operations	● Long
Resilience to climate change resulting from projects designed to adapt to extreme climatic events, improving the safety of buildings.	Positive Actual	① Upstream ② Own Operations ③ Downstream	◐ Medium
ESRS E1 Climate Change		Sub-topic Climate change mitigation	
Reduction in GHG emissions through the construction of energy-efficient buildings.	Positive Actual	② Own Operations	◐ Medium
Smaller environmental footprint thanks to investments in materials with a lower environmental impact, renewable energy, and more efficient construction processes.	Positive Actual	① Upstream ② Own Operations ③ Downstream	◐ Medium
Market opportunities and positioning thanks to the opportunities arising from the Green Homes Directive.	Opportunities	② Own Operations	◐ Medium

- ① Upstream

② Own Operations

③ Downstream
- ◐ Short

◐ Medium

● Long

As the company's activities contribute to greenhouse gas emissions, a process was initiated to quantify Scope 1 and 2 emissions and integrate climate change adaptation into the business model, through building projects resilient to extreme climatic events and investments in renewable energy sources, considering market opportunities related to the “Green Homes” Directive and mitigating the risk of urban gridlock in Milan through an active role as a development partner.

An initial assessment of the climate resilience of the business model, focusing in particular on own operations and interaction with the value chain, was conducted using a qualitative approach, considering a scenario compatible with the 1.5°C target. A quantitative analysis based on international climate models was not conducted at present. However, considering the increasing occurrence of extreme climatic events, evolving requirements in building regulations and rising energy costs, climate change has been integrated into the strategic assessment, with a proactive approach to the scenarios that lie ahead in the immediate future.

By designing buildings to withstand extreme climatic events and ensure structural safety and living comfort throughout their life cycle, the company is able to adapt to ongoing changes.

Likewise, by constructing low-impact buildings, the company is able to seize the opportunity of positioning itself in the market covered by the Green Homes Directive.

In the coming years, a more in-depth scenario analysis will be able to better orient corporate strategies with reference to the global socio-economic trajectories developed by the IPCC.

[GOV-3]

Integration of sustainability-related performance in incentive schemes

There is currently no formalised incentive system linked to sustainability targets.

[IRO-1]

Description of the processes to identify and assess material impacts, risks and opportunities

For a description of the process of identifying and assessing relevant climate-related impacts, risks and opportunities, see the chapter on double materiality in the General Information section.

[E1-1]

Transition plan for climate change mitigation

Borio Mangiarotti has initiated actions consistent with the perspective of aligning with the objectives of the Paris Agreement to limit global warming to within 1.5°C and achieve climate neutrality by 2050, with actions already underway and increasing efforts towards the decarbonisation of business activities.

Efforts to reduce GHG emissions include the purchase of electricity from 100% renewable sources (as early as 2022), the design and construction of energy-efficient buildings, the gradual replacement of the company fleet with hybrid vehicles, and the monitoring of Scope 1 and 2 emissions, with a planned extension to Scope 3 emissions as well. At present, no quantitative targets have been set in terms of GHG emission reduction; however, the actions undertaken and planned are consistent with this perspective.

The main levers of decarbonisation include:

- **Energy efficiency:** design of buildings with high environmental performance, with access to volumetric bonuses (+5%);
- **Energy transition:** exclusive use of electricity from certified renewable sources;
- **Technological innovation:** adoption of 4.0 and 5.0 solutions on construction sites (cranes, lifts, safety devices);
- **Sustainable value chain:** launch of monitoring of Scope 3 emissions in the coming years and definition of ESG criteria for supplier selection.

Prevented emissions are related to construction sites, which are closely monitored, and the company fleet, which is currently being replaced by hybrid models. The gradual reduction of GHG emissions is achieved through the choice of low-impact materials and technologies and the design of low energy consumption buildings, key elements integrated in the company strategy and consistent with the management system.

Borio Mangiarotti continues to use 100% renewable electricity and to monitor and update its Scope 1 and 2 calculations.

[E1-2]

Policies related to climate change mitigation and adaptation

Our approach to the environment makes it possible to manage climate-related impacts, risks and opportunities by integrating the issue into the company's strategy and operations.

The company's policy pursues mitigation goals through the purchase of energy from renewable sources, the adoption of low-impact materials and construction processes, the gradual replacement of the company fleet with hybrid vehicles, and offsetting through the purchase of certified carbon credits for forest protection projects and the development of renewable energy projects in disadvantaged areas.

For adaptation to climate change, Borio Mangiarotti prioritises building designs that are resilient to extreme climatic events, carefully selecting materials with a view to durability.

The focus is to ensure energy efficiency through continuous monitoring of consumption, with the aim of identifying areas for improvement and implementing efficiency measures: the energy used comes from renewable sources with guarantee of origin certification.

The use of renewable energy is widespread thanks to the integration of renewable systems into building projects, e.g. through the combination of geothermal and photovoltaics, with the possibility of access to volumetric incentives and reducing the carbon footprint of buildings.

Moreover, the ESG culture promoted through the company magazine and the transparent communication of our commitment to stakeholders contribute to the promotion of good practices along the entire value chain.

[E1-3]

Actions and resources in relation to climate change policies

The main actions taken to manage this topic are:

- **Purchasing electricity from 100% renewable sources**, nullifying Scope 2 Market-based emissions through the exclusive use of electricity from certified renewable sources;
- **Annual monitoring of energy consumption and Scope 1 and 2 emissions;**
- **Design and construction of low energy buildings with integrated renewable solutions;**
- **Progressive replacement of the company fleet with hybrid vehicles;**
- **Carbon offsetting by purchasing certified carbon credits.**

Resources are allocated to research and development of technologies to reduce energy consumption and promote the use of recycled materials. A monetary quantification of policy-related resources is not available at the moment but may be developed in the future, within the limits of the sensitivity of the information.

[E1-4]

Targets related to climate change mitigation and adaptation

Climate targets are integrated into decision-making processes. These are currently operational and qualitative targets, which include the reduction of Scope 1 and 2 emissions, the offsetting of residual emissions with the purchase of certified carbon credits, and the integration of climate resilience into building projects, with a focus on safety in the event of extreme weather events.

Plans are in place to formalise and quantify measurable, results-oriented targets in the coming years, in line with European and international climate commitments.

[E1-5]

Energy consumption and mix

The energy consumption for 2024 is shown in the table below.

Energy consumption and mix

Energy consumption and mix		2024
1	Fuel consumption from coal and coal products (MWh)	0
2	Fuel consumption from crude oil and petroleum products (MWh)	522.90
3	Fuel consumption from natural gas (MWh)	0
4	Fuel consumption from other fossil sources (MWh)	0
5	Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	0
6	Total fossil energy consumption (MWh) (calculated as the sum of lines 1 to 5)	522.90
7	Consumption from nuclear sources (MWh)	0
8	Fuel consumption for renewable sources, including biomass (MWh)	0
9	Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	940.38
10	The consumption of self-generated non-fuel renewable energy (MWh)	0
11	Total renewable energy consumption (MWh) (calculated as the sum of lines 8 to 10)	940.38
Share of renewable sources in total energy consumption (%)		64.26%
Total energy consumption (MWh) (calculated as the sum of lines 6, and 11)		1,463.28

The consumption reported in item 2 of the table consists of petrol used by company cars and trucks. The value is calculated from the data reported in the invoice (litres of petrol), to which the most up-to-date conversion factors are applied⁴. Compared to the previous year, the figure saw an increase of 44.31%⁵, due to the change in active construction sites during the year.

Electricity consumption is reported as such with respect to the primary figure in the invoice, and has seen a reduction compared to the previous year of approximately 40%⁶. Overall, energy consumption decreased by 31.23% compared to 2023⁷. Energy intensity on the basis of net revenue, calculated as total energy consumption over net revenue, is 12.65 MWh per million euro⁸. The net revenue item used for the calculation corresponds to the balance sheet item.

4 For petrol, a conversion factor of 0.74 kg/litre is applied. The net calorific value (NCV) is 43.128 GJ/t, the national standard parameter published by [EU ETS - Italy](#) for the year 2024. Finally, a conversion of 1 kWh = 3.6 MJ is considered.

5 In 2023, 40,871.90 litres of petrol were consumed.

6 In 2023, 1,564.9 MWh of electricity from renewable sources was consumed.

7 The diesel quota of 200.56 MWh in 2023 was nullified in 2024.

8 Net revenue in 2024 amounts to €115,661,579.

[E1-6]

Gross Scopes 1, 2, 3 and Total GHG emissions

Greenhouse gas emissions are shown in the following table.

Greenhouse gas (GHG) emissions

GHG emissions	2023	2024	Change
GHG Emissions Scope 1 – (tCO ₂ eq)	146.43 ⁹	138.83	-5.19%
GHG Emissions Scope 2 – (tCO ₂ eq)	395.91 ¹⁰	206.11	-47.94%

In this document, the figures for 2023 have been updated to standardise the calculation methodology.

As the average number of employees employed by the company during the financial year did not exceed 750, Borio Mangiarotti has opted for the option to omit information on Scope 3 emissions and total GHG emissions.

For the calculation of Scope 1, the most up-to-date emission factor provided by DEFRA¹¹ was used. For Scope 2, the ISPRA¹² emission factor for energy consumption in Italy was used; the figure relates to the location-based calculation method as required by the ESRS standard. In any case, the market-based emission component of GHGs is zero as all electricity is acquired from renewable sources.

Compared to 2023, there is a major reduction in emissions: for Scope 1 this is mainly due to the elimination of the diesel fuel item for the company fleet , while for Scope 2 this is attributable to the major reduction in electricity consumption.

9 In 2023, in addition to petrol, diesel (722 GJ) was also used. The Scope 1 component attributable to petrol alone has increased (from 95.85 tCO₂eq to 138.83), but fell overall as the diesel component has been reduced to zero (from 50.59 to 0).

10 The most up-to-date emission factor for 2023 is 253.00 g CO₂e/kWh, as reported in the latest [ISPRA](#) report.

11 The item applies to the petrol consumed, with a factor of 2.35372 kgCO₂e/l petrol (100% mineral petrol) for 2024, as shown in the document [Conversion factors 2024: full set](#).

12 The emission factor used is 219.2 g CO₂e/kWh according to the latest available [ISPRA](#) data, related to the forecast estimate for 2024.

[E1-7]

Disclosure Requirement – GHG removals and GHG mitigation projects financed through carbon credits

Borio Mangiarotti has been offsetting part of its emissions for years through the purchase of carbon credits for forest protection and the development of renewable energy in disadvantaged areas of the world.

Details of the projects that were supported during 2023 are described below, in continuity with the information reported in the Sustainability Report 2023¹³.

Boyabat Hydroelectric Power Plant Project

The project is located in Turkey and aims to generate renewable energy. The project replaced old coal-fired power plants, thus enabling an increase in air quality and the condition of the adjacent green areas. This project generates 1,370,00 Mwh of renewable energy per year, avoiding the production of 580,882 tonnes of CO₂ equivalent.

Pakarab Fertiliser Co-Generation Power Project

In Pakistan, Borio Mangiarotti supports another renewable power generation project, which, thanks to the installation of a co-generator, allows the Pakistani company Pakarab Fertilizer Limited to reduce CO₂ emissions produced by the use of steam power in fertilisation processes. Each year, this project involves 11,000 people and avoids 119,481 tonnes of CO₂ equivalent.

Heqing Solar Cooker Project

In China, Borio Mangiarotti is supporting a project that enables local people to efficiently replace coal with solar energy through the use of solar cookers. A total of 49,000 have been installed for 220,500 people, thus avoiding the annual production of 143,762 tonnes of CO₂ equivalent.

Forest Protection Projects in Indonesia

Borio Mangiarotti supports a project in Indonesia aimed at forest protection. 390 animal species, including the Sumatran tiger and the Bornean orangutan, are protected by this initiative, along with 314 plant species. The hectares saved amount to 149,800 and the CO₂ captured annually is 7,451,846 tonnes of CO₂ equivalent.

Also in Indonesia, Borio Mangiarotti supports another project to protect endangered animal and plant species by protecting the Tanjung Puting National Park from the expansion of industrial areas.

Projects in Brazil

Borio Mangiarotti continues its commitment to forest protection in Brazil. The company supports a project that actively combats **deforestation in the Amazon rainforest**, the world's largest rainforest and a UNESCO World Heritage Site.

A sixth project of the company, also in Brazil, aims to produce **renewable electricity** through a hydroelectric power plant. This power plant not only contributes to the **capturing of 1,859,094 tonnes of CO₂**, but also provides approximately **10,000 jobs** to the local population, ensuring better working conditions and fairer wages.

CORDILLERA AZUL NATIONAL PARK Project (Peru)

This project aims to protect the forest expanses of the Peruvian national park and involves more than 180,000 people.

Kariba REDD+ Project (Zimbabwe, Zambian border)

The project helps local people to promote forest conservation in areas such as mopane and miombo forests, and to protect the region's diverse wildlife.

[E1-8]

Internal carbon pricing

There is currently no internal carbon pricing system.

[E1-9]

Disclosure Requirement – Anticipated financial effects from material physical and transition risks and potential climate-related opportunities

Information omitted as subject to phase-in.

¹³ In the chapter "L'approccio aziendale alla sostenibilità - MISURAZIONE IMPRONTA DI CARBONIO".

Water

ESRS E3

[SBM-3]

Material impacts, risks and opportunities and their interaction with strategy and business model

Description	IRO type	Value chain	Time horizon
ESRS E3 Water and marine resources	Sub-topic Resources inflows, including resource use		
Opportunities related to the reduction of tenants' expenditure on water use	Opportunities	③ Downstream	● Long

- ① Upstream
- ② Own Operations
- ③ Downstream
- Short
- Medium
- Long

In relation to standard E3, there are no significant direct impacts on water or marine resources, as the company's activities are concentrated in urban areas and do not involve significant exploitation of water bodies or emissions to water. In light of this, this issue was deemed to be non-material from the point of view of impacts, without prejudice to the commitment to continuous monitoring of consumption and possible developments.

Total water consumption in 2024 amounts to 41,602 m³ and includes water for site work, as well as residual consumption related to sanitary facilities. Water intensity is approximately 360 m³ per million euro of net revenue¹⁴.

As regards water discharges, wastewater from the office and warehouse is directed into the sewage system; the management of water discharges generated by site activities is the responsibility of the site manager.

With reference to financial materiality, the opportunity to reduce the expenses incurred by the tenants of the buildings designed and constructed by Borio for the use of water resources was considered material. The potential economic benefit is to be understood as a consequence of the use of water-saving technologies (e.g. rainwater reuse systems, use of innovative materials and technologies) installed in new buildings that reduce waste and optimise the use of an increasingly precious resource.

14 Net revenue in 2024 amounts to €115,661,579.

Resource use and circular economy

ESRS E5

[SBM-3]

Material impacts, risks and opportunities and their interaction with strategy and business model

The following table shows the impacts, risks and opportunities related to the topic dealt with in this chapter, indicating the part of the value chain in which the impacts are generated and the reference time horizon.

Description	IRO type	Value chain	Time horizon
ESRS E5 Circular economy	Sub-topic Resources inflows, including resource use		
Selection of materials, technologies and construction methods in order to mitigate their impacts on the environment as much as possible.	Positive Actual	② Own Operations	● Short
ESRS E5 Circular economy	Sub-topic Resources inflows, including resource use		
Reduction in the availability of natural resources due to the extraction and use of materials such as sand, gravel and water.	Negative Actual	① Upstream	● Medium
ESRS E5 Circular economy	Sub-topic Resource outflows related to products and services		
Redevelopment of areas through demolition of existing buildings contributes to reducing the need for new materials and promotes circular economy practices.	Positive Actual	① Upstream ② Own Operations ③ Downstream	● Long
ESRS E5 Circular economy	Sub-topic Resources inflows, including resource use		
Market opportunities related to the management of projects oriented towards energy efficiency and urban regeneration (e.g. rehabilitation of degraded areas, integrated design of buildings and green spaces, renovation of existing buildings based on criteria of environmental efficiency and reduced consumption).	Opportunities	② Own Operations	● Medium

- ① Upstream
- ② Own Operations
- ③ Downstream
- Short
- Medium
- Long

[IRO-1]

Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities

For a description of the processes for identifying impacts, risks and opportunities related to the topic, please refer to the chapter "Double Materiality Analysis (DMA)".

[E5-1]

Other matters related to resource use or circular economy

Borio Mangiarotti takes a careful and structured approach to resource management throughout the life cycle of its construction projects. This commitment takes the form of selecting building materials that comply with industry standards and ensuring the traceability of processes and the application of circular economy principles, such as the reuse and recycling of materials. Waste management is governed by formalised internal procedures that distinguish between internally managed waste (office and warehouse) and site waste, the management of which is entrusted to specialised companies, in accordance with current legislation.

In addition, the use of energy-efficient equipment and facilities is favoured, consistent with the opportunities offered by Transition 4.0 and 5.0 bonuses, and steps are being taken to gradually reduce paper use by promoting the digitisation of processes.

[E5-2]

Actions and resources related to resource use and circular economy

On active construction sites, an up-to-date inventory is prepared for each project, in which the materials and processes used are recorded: the traceability of materials allows precise control over the efficiency of resources, favouring design choices oriented towards efficiency and the reduction of material waste.

In the offices, a system has been set up for the separate collection of paper, glass, plastic, metals and undifferentiated waste, in addition to specific stations for the collection of used batteries, toners and obsolete electronic devices. Waste produced in the warehouse, mainly from maintenance and cleaning activities, is managed under the responsibility of the warehouse manager, who ensures its safe storage and disposal in compliance with regulations.

Borio Mangiarotti invests in research and development applied to design, with the aim of integrating innovative solutions, including by obtaining environmental certifications.

High-performance environmental solutions are prioritised in the selection processes of building materials, in line with regulatory developments and the criteria of LEED, BREEAM and WELL certifications. Borio Mangiarotti also carries out urban regeneration projects on contaminated sites, directly taking care of remediation activities.

[E5-3]

Targets related to resource use and circular economy

To ensure the efficient use of resources, special attention is paid to:

- **Reducing the use of paper through digitisation;**
- **Extending the use of high environmental performance materials in building projects;**
- **Supervising waste collection, traceability and disposal systems, both in offices and on construction sites;**
- **Increasing the use of efficient machinery and equipment;**
- **Strengthening the integration of circular practices in projects, including through innovative architectural, plant and technological solutions.**

[E5-4]

Resource inflows

Borio Mangiarotti supplies materials for construction, including mainly concrete (33,670 m³¹⁵ in 2024), iron (3,796.61 t and 50,328 ml), poroton, reinforced concrete, marble and stone, insulation and insulating materials, pipes and manholes, hardware and nailing, and wooden planks for scaffolding. Waterproofing is ensured by means of special materials. Floors and walls are made of tiles.

The work of window fitters, tinsmiths, blacksmiths, carpenters, plasterers and plasterers involves both the supply of materials and the intervention of skilled labour.

Finally, apartments intended for sale are installed with fixtures and fittings.

¹⁵ The characteristics of the metrics required in paragraph 31 of ESRS E5-4 are not representative of goods used in the construction sector, most of which are not purchased in tonnes, but in linear metres or other units of measurement. Furthermore, it should be considered that some supply orders include both materials and installation. Similarly, for equipment, the cost item includes both the purchase of the equipment itself and the installation service. From these assessments, pursuant to paragraph 34 of ESRS 1, it was concluded that the planned disclosures were not necessary to meet the objective of the disclosure requirement. Pending the development of a methodology for collecting and displaying data on all relevant materials, the description of the flows is almost qualitative in nature.

[E5-5]

Resource outflows

The waste comes from three places: the construction sites, the warehouse and the company premises.

The construction sites include: via Arrivabene, piazza Tirana, via Trezzo d'Adda, via Watt, via Bistolfi, SeiMilano R2, SeiMilano T, SeiMilano R1, via Cefalonia, via Teocrito, and QuintoGarden. Despite being generated by activities carried out by subcontractors, most site waste is managed by Borio Mangiarotti; only an insignificant amount is disposed of independently by the subcontractor. Municipal waste produced at the company's offices is not counted, as it falls under the TARI regime.

With regard to the destination of waste, since there is currently no direct and official correspondence between the codes in Annex C to Part IV of Legislative Decree 152/2006 and the classifications provided under paragraph 37 b of ESRS E5-5, it was decided to report the metrics using the terms provided in the Testo Unico (*Italian Consolidated Law on Environmental Matters*), thereby using the same method used for the primary data.

Tonnes of waste produced

Destination of waste produced

Type	2024	Destination	2024
Hazardous (t)	0.00	R13 (t)	4,258.36
Non-hazardous (t)	4,578.46	R12 (t)	320.10

The data show that in 2024 the company produced exclusively non-hazardous waste, totalling 4,578.46 tonnes. The majority of the waste is handled under waste code R13 , which refers to pre-storage before recovery, with a significant share of 93%. The remainder is handling under waste code R12, i.e. pre-treatment for recovery.

EWC	Composition	2024
17 09 04	Mixed construction and demolition wastes (t)	1,139.76
17 01 07	Mixtures of concrete, bricks, tiles and ceramics other than those mentioned in 17 01 06 (t)	1,114.94
17 08 02	Gypsum-based construction materials other than those mentioned in 17 08 01 (t)	793.45
17 02 01	Wood (t)	652.18
17 01 01	Cement (t)	437.36
15 01 06	Mixed material packaging (t)	317.46

EWC	Composition	2024
17 02 03	Plastic (t)	99.61
17 04 05	Iron and steel (t)	20.26
17 01 02	Bricks (t)	3.04
17 06 04	Insulation materials other than those mentioned in 17 06 01 and 17 06 03 (t)	0.40
08 03 18	Waste printing toner containing non-hazardous substances (t)	0.01

The composition of the waste shows that the predominant fractions derive from construction and demolition activities, with mixed waste (25%) and mixtures of cement, bricks and ceramics (24%). This is followed by plaster-based building materials (17%), wood (14%), cement (10%), mixed-material packaging (7%) and plastics (2%). Few tonnes of iron and steel, bricks and insulation materials were produced.

A small amount of office waste (10 kg of toner cartridges) is handled on site.

A photograph of two children running across a grassy field. In the foreground, a young boy with short dark hair is running towards the camera, smiling. He is wearing a dark long-sleeved shirt, blue jeans, and a white protective vest with a black logo. In the background, a young girl is also running, wearing a similar white vest over a pink shirt and blue jeans. A red and white flag is visible on the left side of the field. The scene is set outdoors with trees in the background.

SOCIAL ASPECTS

Borio Mangiarotti's social commitment focuses on people's well-being and quality of life, establishing strict policies based on the Code of Ethics for a fair, safe and stimulating working environment. The company ensures careful workforce management, supported by ISO 45001 certification for occupational health and safety and a whistle-blowing system to protect human rights.

The results described in this chapter reflect how Borio Mangiarotti, through constant training and skills development programmes, invests in the professional growth of its employees. The focus also extends to customer satisfaction, with the optimisation of feedback processes to ensure continuous improvement, and initiatives to promote positive relations with local communities, thus strengthening the impact on the region and reflecting a social approach that is attentive and constantly evolving to the needs of its external stakeholders.



Highlights

- Putting people's well-being and quality of life at the centre of our business;
- Promoting an inclusive working environment;
- Investing in staff training and development;
- ISO 45001 Certification;
- 100% of employees on open-ended contracts
- 100% of employees participating in regular performance reviews;
- 854.5 hours of training provided to employees
- Active involvement of the local community through environmentally and socially positive initiatives;
- Continuous improvement of customer satisfaction through optimisation of feedback processes.

Own workforce

ESRS S1

[SBM-3]

Material impacts, risks and opportunities and their interaction with strategy and business model

The following table shows the impacts, risks and opportunities related to the topic dealt with in this chapter, indicating the part of the value chain in which the impacts are generated and the reference time horizon. In this report, Borio Mangiarotti details the strategies it adopts for managing the impacts - both positive and negative - that affect the entire workforce. For all employee-related metrics, the calculation methodology is based on the headcount at the end of the financial year.

Description	IRO type	Value chain	Time horizon
ESRS S1 Own Workforce	Sub-topic Working conditions		
Increasing the well-being of human resources through the development of a welfare system that supports a healthy work-life balance.	Positive Actual	② Own Operations	● Long
Health and safety benefits for workers linked to the implementation of an ISO 45001-certified Management System.	Positive Actual	② Own Operations	◐ Medium
ESRS S1 Own Workforce	Sub-topic Equal treatment and opportunities for all		
Increased well-being of human resources generated by the promotion of a work culture based on understanding, respect and appreciation of differences.	Positive Actual	② Own Operations	◐ Medium

- ① Upstream
- ② Own Operations
- ③ Downstream

- ◐ Short
- ◐ Medium
- Long

[S1-1]

Policies related to own workforce

Drawing on the guiding principles of its **Code of Ethics**, Borio Mangiarotti is committed to defining and implementing rigorous and transparent policies for the management of its workforce. Its Code of Ethics, in fact, provides the creation of a fair, safe and stimulating working environment, serving as the foundation for all its actions in the HR field. In order to ensure full adherence to these principles and to guarantee transparency, Borio Mangiarotti has implemented a robust **whistleblowing** system that not only allows for the reporting of aspects covered by the Code of Ethics, including human rights, but is also specifically aimed at implementing Legislative Decree 24 of 10 March 2023, which transposes Directive (EU) 2019/1937 on the protection of persons who report breaches of Union law.

Borio Mangiarotti's Code of Ethics is based on General Ethical Principles that direct the actions and define the expectations for all of our employees.

These principles include:

- **Lawfulness:** commitment to compliance with applicable laws and company regulations in each country of operation.
- **Correctness:** acting in accordance with the ethical, specialist and professional rules of the sector, ensuring integrity in every operation.
- **Transparency:** providing clear, complete and relevant information, avoiding misleading practices.
- **Confidentiality:** guaranteeing the confidentiality of company and personal information acquired, processing it solely for work purposes and not disclosing it without authorisation.
- **Respect for human dignity:** protecting the fundamental rights and moral integrity of every individual, promoting equal opportunities and rejecting discrimination based on political or trade union views, religion, racial or ethnic origin, nationality, age, gender, sexual orientation, health or other personal characteristics.

These principles are the basis for internal and external relations, aiming to foster an environment of trust and mutual respect within the workforce.

The **selection and recruitment of personnel** are conducted in accordance with the principles of equality and equal opportunities, rejecting all forms of favouritism and ensuring full contractual regularity for all employees. The highest degree of cooperation and transparency is promoted from the moment of recruitment, so that each new hire is fully aware of their assignment.

The **HR selection process** is based on objective criteria, rejecting any form of discrimination, a principle reiterated in the Code of Ethics. The company supports the professional growth of employees through targeted training tools and plans, recognising the value of continuous development with a view to constant improvement based on ethical principles.

The **protection of occupational health and safety** is a priority. In full compliance with current legislation on the prevention of work-related accidents and ill-health, the physical and moral integrity of employees is guaranteed and a safe and healthy working environment is promoted,. To reinforce this commitment, an ISO 45001-certified Occupational Health and Safety Management System has been implemented, which includes a formally defined and shared Health and Safety Policy. This system, which is integrated and based on the principles laid down in the Code of Ethics, makes it possible to integrate prevention into all operational phases: from risk assessment and management to the promotion of a safety culture that allows and requires all employees to take responsibility through appropriate instructions and the adoption of collective protection measures, giving priority to the latter over individual ones.

[S1-2]

Processes for engaging with own workforce and workers' representatives about impacts

The **direct involvement of the workforce** and its representatives is essential to identify, manage and remedy the impacts that the company's activities may generate on people. For this reason, Borio Mangiarotti has defined a clear organisational structure, which identifies specific roles, tasks and responsibilities for each company function, with particular attention to the areas of safety and the environment, in line with the Integrated Management System.

The company's **organisational chart** is distributed to each functional manager and is supported by a second chart that specifies the names of the various figures involved, which is distributed to the entire operational structure.

In this way, each person in the company has full clarity about their hierarchical and functional relationships, knowing exactly with whom to interact and exchange information and support. In addition to the direct function manager, the company's senior management - including the General Management (*Direzione Generale*/CD), the Construction department (*Direzione Lavori*/DDL), the Administration department (*Direzione Amministrazione*/DA), the Technical department (*Direzione Tecnica*/DT), the Prevention and Protection Service Manager (*Responsabile del Servizio di Prevenzione e Protezione*/RSPP) and the Quality Assurance Manager (*Responsabile Assicurazione Qualità*/RAQ) - are constantly available to provide clarification and support, also through demonstration and direct coaching. Each employee also has the opportunity, through their line manager and in accordance with the provisions set out in **Procedure PG 14 "Improvement Management"**, to propose opinions, suggestions, changes and improvements useful for the conduct of business processes. Borio Mangiarotti values employees' contributions to continuous improve-

ment and takes them into account when planning and defining careers, recognising that their active participation is crucial to the Group's success.

The **whistleblowing channel** is a further tool for interaction. Through this channel, Borio Mangiarotti provides a secure and confidential mechanism to raise concerns or report violations, thereby strengthening the protection of the fundamental rights of the workforce and contributing to the transparency and integrity of the Group.

The company actively promotes the reporting of hazards and ensures safety at work. Borio Mangiarotti invites workers to report any dangers and risky situations, either by following the indications in the non-conformity management document or by direct verbal communication at specific meetings. The company undertakes to share the **Risk Assessment Document** (*Documento di Valutazione dei Rischi/DVR*) with each worker upon recruitment and to provide them with the Personal Protection Equipment (PPE) required for carrying out their role. To keep workers informed and constantly updated on occupational health and safety, Borio Mangiarotti organises periodic training sessions, taking into account the generic and specific risks identified in the Risk Assessment Document. As well as the training sessions, the company shares initiatives by means of verbal communication, signposting, display on notice boards or through electronic communication, such as telephone, SMS or e-mail, ensuring that essential safety information is distributed broadly across the organisation.

The company's **membership of the trade body Assimpredil Ance** further amplifies the company's engagement:

- **Enhanced representation:** Assimpredil Ance provides a channel for **collective representation and protection** of the interests of companies in the sector, which indirectly supports social dialogue and the involvement of workers' representatives on a large scale, providing us and trade union representatives with sectoral information and best practices;
- **Information and dialogue:** the association promotes **dialogue and discussion** on the needs and concerns of the industry, creating a more informed environment for internal discussions with the workforce and their representatives on relevant impacts. This allows the company to stay up-to-date on trends and the best engagement strategies.

[S1-3]

Disclosure Requirement – Processes to remediate negative impacts and channels for own workers to raise concerns

The values enshrined in the Code of Ethics guide every action and are translated into internal policies and operational processes aimed at **preventing negative impacts on the well-being and safety of the workforce** while also promoting a fair and stimulating working environment.

In this context, Borio Mangiarotti encourages all employees to report any concerns or suspected violations. The **whistleblowing** system, accessible through a secure and confidential channel, allows for the protected reporting of any conduct that does not comply with the Code of Ethics, the

Organisation, Management and Control Model (231 Model), internal policies and procedures, and applicable laws and regulations. The channel can also be used anonymously and guarantees the confidentiality of the reporter, including the possibility of confidential exchanges for further investigation. The company ensures that employees are constantly informed about these tools and how to access them through training sessions and regular internal communications.

[S1-4]

Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

To manage major impacts on the workforce, mitigate risks and seize development opportunities, Borio Mangiarotti implements specific **measures** and an integrated approach. These interventions aim to support employees' well-being and promote a positive **work-life balance**, while ensuring the **continuous development of their skills** and effective management of operational needs.

For Borio Mangiarotti, the commitment to employee well-being translates into the recognition of the importance of work-life balance.

To manage the relevant impacts on the workforce, the company has developed a **corporate welfare** system. The provision of these benefits is related to the tasks performed by each resource and the specific needs identified for the performance of their duties.

The main benefits offered to employees include:

- **Life and accident insurance:** to provide greater peace of mind and protection for employees and their families;
- **Membership fees for associations:** to support participation and professional and personal development;
- **Supplementary Health Care Fund:** to offer concrete support for health care costs and promote health;
- **Car and scooter:** made available to facilitate work-related travel.

In 2023 the benefits programme was enhanced with the introduction of **Frigo Foorban**, which offers employees convenient and flexible access to a wide range of healthy meals and snacks in the office. This service contributes to improving the quality of lunch breaks, encouraging healthier eating habits and a more comfortable working environment. In addition, the company offers additional benefits such as **Fit Prime**, a service that provides discounts on gyms, nutrition, and mental health and wellbeing. Employees can also take advantage of preferential prices at **Canottieri Milano** and access **Ennevolte**, a portal with discounts on furniture, clothing, shows, travel, courses and family-oriented services.

In addition, the company offers most of its staff whose duties do not require them to be physically present in the office the possibility of **flexible working**. At present, the initiative applies to all employees, with the exception of manual workers, site managers and the executive assistant team, whose activities are closely linked to the site or building site.

On average, a maximum of four or five days of work-from-home are granted per month.

Borio Mangiarotti's work is firmly anchored in the principles of health and safety at work, which it recognises as a fundamental pillar of business in its sector. Since September 2009, Borio Mangiarotti has held certification **ISO 45001:2023** for its Occupational Health and Safety Management System. Through this system, the company is able to accurately identify the specific risks for the activities it performs and implement appropriate preventive and protective measures to minimise them. Its effectiveness in this area was also recognised in 2022, when the company was among the winners of the **“MANIFESTO della sicurezza partecipata” competition**, whose award ceremony took place at the Milan Triennale. Furthermore, Borio Mangiarotti organises an annual contest for the children of employees and suppliers to coincide with Father's Day. For the 2024 edition, children were invited to draw their dad's special work helmet.

For Borio Mangiarotti, it is essential to keep its staff constantly updated. The evolution of building regulations, the introduction of new technologies and materials, and the increasing focus on energy efficiency and environmental criteria require constant the updating of **technical skills (hard skills)**. At the same time, the planning and management of complex construction projects require

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TUTTI I SUPEREROI INDOSSANO UN CASCHETTO SPECIALE, QUELLO DEL TUO PAPÀ
HA IL POTERE DI PROTEGGERLO MENTRE LAVORA.



solid **organisational and leadership skills (soft skills)**, which are essential to manage resources efficiently and communicate clearly, preventing misunderstandings that could compromise results. The company's approach to training is structured in a continuous cycle, which includes both compulsory courses and non-compulsory development opportunities:

Initial reception and training: the company pays special attention to new employees, presenting its Integrated Management System, its objectives and its key processes. Through the Prevention and Protection Service Manager, their previous training is checked and they are provided with essential information on safety, specific risks and preventive measures. The aim is to ensure full awareness of the role and responsibilities from the outset.

Identification of training needs and planning: Borio Mangiarotti constantly identifies training needs based on regulatory changes, new technologies, skills development, job changes or the introduction of new personnel. Each manager can propose training measures, which are then evaluated and approved by the relevant departments (DA, RSPP, RDQ, DT).

Types of training: the company promotes targeted training courses, distinguishing between:

- **Mandatory training:** this includes courses on occupational health and safety, data protection (GDPR 679/2016) and the 231 Model adopted.
- **Non-mandatory training:** this concerns the enhancement of skills directly related to tasks and knowledge of internal dynamics. The non-mandatory training courses include the following topics:
 - General: on internal organisation and management;
 - Specialised: on continuous professional development;
 - Quality: on the management and application of the Quality Management System;
 - Safety, Health and Environment: covering risks, emergencies and preventive measures.

Delivery and documentation: Training activities are planned in the Training Planning Programme (*Pianificazione dell'Addestramento/PPA*) and managed via Training Activity Sheets (*Schede di Attività di Formazione/SAF*), which record objectives, content and participants. Courses may be delivered by qualified in-house staff or external parties.

Access to the continuous training and refresher programmes offered by Assimpredil Ance offers a direct opportunity to develop the skills of the workforce. This contributes to the improvement of operational capabilities and professional growth of employees, responding to regulatory and technological developments.

Moreover, in 2024, Borio Mangiarotti joined the **“Sustainable Impact Site”** (*Cantiere Impatto Sostenibile/CIS*) **Voluntary Code of Conduct**, promoted by Assimpredil Ance, which aims to strengthen internal policies and guides corporate governance towards measurable impacts. By joining the CIS,¹⁶ the enterprise commits to the following principles:

¹⁶ https://ance.it/wp-content/uploads/allegati/7_Zanni_ANCE_MI_cantiere_impatto_sostenibile.pdf

- 1 Commitment to sustainability:** the commitment of an organisation to making strategic choices that go beyond the economic sphere and focus on the environmental and social spheres, from an ESG perspective;
- 2 Commitment to decarbonisation:** this commitment is linked to the choice to reduce the CO₂ produced through green energy purchases or offsets;
- 3 Commitment to environmental protection:** this triggers a circular economy process by consuming less, reducing waste production and making choices that favour recovery;
- 4 Commitment to legality:** this commitment must be concrete and measurable, in line with what many companies already do with the legality rating and the 231 model;
- 5 Commitment to provide dignified work:** this is one of the most important points and focuses on the value of regular employment linked to the collective labour agreement for its employees and subcontractors;
- 6 Commitment to responsibility:** this concerns occupational safety and control over the entire supply chain operating on the site, ensuring that it represents an economic and social investment that will leave a tangible mark over time;
- 7 Social engagement:** this relates to the relationship between site management and citizens, with a view to mitigating the impacts during the construction phase;
- 8 Commitment to the supply chain:** this relates to the role that the principal or contractor can play in driving sustainable choices throughout the supply chain.

At the time of publication of this Report, Borio Mangiarotti has obtained the **Gold Certificate**, issued by Ance, **for all of its construction sites**. This is the second level award, between Silver and Platinum.

[S1-5]

Targets related to impact management and workforce

In addition, over the next few years the company aims to:

- **Strengthen Occupational Health and Safety:**
 - Promote awareness-raising and on-the-job training of construction site staff on occupational health and safety aspects;
 - Increase the use of products with environmental product declarations or recognised environmental certifications.

[S1-6]

Characteristics of the company's employees

As of 2024, Borio Mangiarotti's workforce consists of a total of **71 employees**. An analysis of the characteristics of employees by gender and age shows that **women** make up 28% of the total (20 employees), while **men** make up 72% (51 employees).

In terms of age distribution, most of the workforce falls into the “between 30 and 50” bracket (21 men, 11 women, totalling 32 employees, or 45% of the total), followed by the “over 50” bracket (24 men, 7 women, totalling 31 employees, or 44%). There are 8 employees under 30 (6 men, 2 women), or 11% of the total. These figures indicate a prevalence of staff with established experience and a lower representation of younger groups.

As far as the type of contract is concerned, all employees are employed on **open-ended contracts**. This underlines a high level of employment stability within the company. The breakdown between **full-time and part-time contracts** shows a clear predominance of full-time, with 70 full-time employees and only one part-time employee.

In 2024, Borio Mangiarotti recorded **12 new hires**, with 9 men and 3 women starting their careers at the company. Most of the new hires are concentrated in “30 to 50” bracket (7 men and 0 women) and the “over 50” bracket (2 men and 2 women), with only one hire of a woman under 30 and 2 men under 30.

The **staff turnover rate** in 2024 was **18.31%**. This value is mainly influenced by terminations in the among men in the “30-50” bracket (7 contract terminations out of 12 total) and “over 50” bracket (4 contract terminations out of 12 total), while contract terminations among women were limited (1 contract termination in the “over 50” bracket). The overall turnover figure provides an indication of the dynamism and *retention* capacity of the workforce.

Table 1 - S1-6 Paragraph 50a Number of total employees by gender and age (S1-9 66b)

Gender and age - 2024	Number of employees	%
Women aged under 30	2	3%
Women between 30-50	11	15%
Women aged over 50	7	10%
Total number of women	20	
Men aged under 30	6	8%
Men between 30-50	21	30%
Men aged over 50	24	34%
Total number of men	51	
Total number of employees	71	

Table 2 - S1-6 Paragraph 52a/b Employees by type of contract (fixed-term and open-ended)

Type of contract - 2024	Men	Women	Total
Fixed-term	0	0	0
Open-ended	51	20	71
Total	51	20	71

Table 3 - S1-6 Paragraph 52a/b Employees by type of contract (full-time and part-time)

Type of contract - 2024	Men	Women	Total
Full-time contract	50	20	70
Part-time contract	1	0	1
Total	51	20	71

Table 4 - Number of employees by employment category

Number of employees by employment category	2024
Managers	8
Middle Managers	2
Office Workers	57
Manual Workers	4
TOTAL	71

Table 5 - S1-6 Paragraph 50c: Recruitment of new employees

Gender and age	2024
Women aged under 30	1
Women between 30-50	2
Women aged over 50	0
Total number of women hired	3
Men aged under 30	2
Men between 30-50	5
Men aged over 50	2
Total number of men hired	9
Total number hired	12

Table 6 - S1-6 Paragraph 50c: Staff turnover rate

Gender and age - 2024	No. contract terminations	AAW calculation (average annual workforce)	Turnover rate (%)
Women aged under 30	0	71	0%
Women between 30-50	0	71	0.00%
Women aged over 50	1	71	1.41%
Total women	1	71	1.41%
Men aged under 30	1	71	1.41%
Men between 30-50	7	71	9.86%
Men aged over 50	4	71	5.63%
Total men	12	71	16.90%
Total employees	13	71	18.31%

[S1-7]

Characteristics of non-employee workers in the undertaking's own workforce

As of 2024, Borio Mangiarotti also integrates workers who are not employees into its value chain. Specifically, the company employs **8 self-employed workers**. This category includes **3 men and 5 women**.

Table 7 - S1-7 Paragraph 55a-b Workers who are not employees

Type of contract - 2024	Men	Women	Total
Self-employed workers	3	5	8
Total	3	5	8

[S1-8]

Collective bargaining coverage and social dialogue

All employees are covered by collective bargaining, in particular by the Construction Industry Contract and the Industry Managers' Contract, thus guaranteeing nationally defined protections and working conditions. Furthermore, **1 employee is a member of the trade union**, emphasising the freedom of association and representation within the company.

Table 8 - S1-8 Paragraph 60a Percentage of total employees covered by collective bargaining agreements;

Employees covered by collective agreements - 2024	Total
N. 71.00	100%

Table 9 - S1-8 Paragraph 63a Social dialogue

Employees belonging to trade unions - 2024	Total
N. 1	1%

[S1-9]

Metrics on Diversity¹⁷

Borio Mangiarotti provides detailed data on the gender composition of its senior management and governing bodies, crucial elements in assessing diversity and inclusion in senior management. For the purposes of preparing the disclosure on gender, **senior management refers to the first and second tier below the administrative and control bodies**.

As of 2024, the gender distribution in **senior management (Department managers)** is weighted towards men:

- **Men:** 16, or 76% of the total.
- **Women:** 5, or 24% of the total.

With regard to the composition of the **Board of Directors** in 2024, there is a higher representation of women than in senior management overall.

- Among the **executive members**, there are 3 men and 2 women, suggesting a good balance in key decision-making positions at board level.
- There is gender parity among **non-executive members**, with 1 man and 1 woman. In total, the Board of Directors consists of 4 men and 3 women. This composition, while maintaining a slight male majority, shows a commitment to gender diversity at the level of the governing body.

There are no independent members within the Board of Directors.

¹⁷ Please refer to S1-6 for the distribution of employees by age group.

Table 10 - S1-9 Paragraph 66 a. Distribution of senior management by gender

Executives by gender	2024	%
Men	16	76%
Women	5	24%
Total	21	100%

Table 11 - ESRS2 Gov-1 21a,d. The gender distribution in number and percentage at top management level

Members of the Board of Directors - 2024	Average no. of men	Average no. of women	Ratio of male to female members
Executive members	3	2	150%
Non-executive members	1	1	100%
Total	4	3	75%

[S1-10]

Adequate wages

Borio Mangiarotti is committed to ensuring that all its employees receive an adequate salary, in line with applicable benchmarks and in full compliance with applicable regulations. At the national level, the wages paid by the company are adapted to Italian legislation. All salaries are appropriate to the task performed by each employee and fully comply with the provisions of the relevant national collective agreements.

[S1-11]

Social protection

In 2024, the company provides the following coverage:

- **Healthcare and insurance:** 8 employees are covered by supplementary health insurance, such as the **Fondo di Assistenza Sanitaria Integrativa (FASI)** and by life insurance and work accident cover (death and permanent disability), while all other employees have supplementary health cover offered by Prevedi, in accordance with the CCNL;
- **Parental leave:** in 2024, all employees have access to parental leave, upon request;
- **Pension contributions:** company executives benefit from a contribution to the **Fondo Previndai** for pension contributions.

[S1-12]

Persons with disabilities

As of 31/12/2024, Borio Mangiarotti has 1 employee with a disability in its workforce.

Table 12 - S1-12 Paragraph 79-80

Employees with disabilities - 2024			
Men	Women	Total	% of total number of employees
1	0	1	1.41%

[S1-13]

Metrics of training and skills development

There is currently no company procedure regulating the skills review process.

In 2024, Borio Mangiarotti continued to invest in the development of its employees' skills through training, showing significant trends at both the professional category and gender levels. In 2024, the total number of training hours provided was **854.5 hours**, broken down by gender as follows:

- **Women:** 214.5 hours in total, with an average of **10.73 hours per employee**.
- **Men:** 640 hours in total, with an average of **12.55 hours per employee**. The average number of training hours provided to all employees in 2024 was **12.04 hours per capita**. These figures reflect a significant commitment to training for both genders, with men receiving slightly more average hours than women.

Clerical workers received an average of **13.48 hours of training per capita**.

Manual workers benefited from an average of **21.50 hours of training per capita**. These figures indicate a considerable commitment to upgrading and developing skills for operational and support staff.

Table 16 - S1-13 Paragraph 83b Average number of training hours

Training hours by employment category	2024
Average training hours for clerical workers	13.48
Average training hours for manual workers	21.50
Training hours by gender	2024
Women	214.5
Men	640
Total training hours provided to employees	854.5
Average hours of employee training - by gender	2024
Women	10.73
Men	12.55
Total average hours of training provided to employees	12.04

Borio Mangiarotti provided a total of **854.5 hours of training** to its employees, divided between mandatory training (297.5 hours) and non-mandatory training (557 hours). The largest share of training hours was allocated to the latter category, demonstrating Borio Mangiarotti's willingness to invest in developing the specific technical skills and transversal abilities of its employees.

The **mandatory training** offered by the company includes core courses on occupational health and safety, data protection under GDPR 679/2016, and the 231 Model adopted. At the same time, **non-mandatory training** focuses on the enhancement of skills directly related to the tasks performed and the development of an in-depth knowledge of others' activities. In the course of 2024, the internal training plan was enriched with the introduction of topics related to **sustainability**, complemented by specific courses on integrated management systems.

Table 17 - Total training hours by type

Type of training	2024
Mandatory (Health and Safety, Quality)	297.5
Non-mandatory (technical and transversal skills)	557
Total number of training hours	854.50

[S1-14]

Metrics on health and safety

All employees are covered by a health and safety management system based on legal provisions and/or recognised standards. There were no cases of work-related deaths or illnesses, neither for the company's own workforce nor for other workers operating at the company's sites in the value chain. There were **3 work-related accidents**, with a recorded accident rate of 0.24.

The main types of injuries that occurred were **contusions and dislocations**. The number of days lost due to work-related accidents and ill-health amounts to 270.

There were no cases of work-related ill health or injury among non-employees. This extends the effectiveness of the company security system to external employees as well.

Table 18 - S1-14: Paragraph 88, Workers who are employees

Workers who are employees	2024
Percentage of people in the workforce who are covered by the undertaking's health and safety management system based on legal requirements and/or recognised standards or guidelines	100%
Number of deaths due to work-related injuries and ill-health (data for own workforce)	0
Number of deaths due to work-related injuries or illnesses (data for other workers working on the undertaking's sites, such as value chain workers if they are working on the undertaking's sites)	0
Rate of recordable work-related accidents	3
Worked hours	124,303
Rate of recordable work-related accidents¹⁸	0.24
Describe the main types of work-related accidents	Contusions/ dislocations
Number of cases of recordable work-related ill health	0
Number of days lost due to work-related accidents, ill-health and deaths	270

18 Accident rate per 10,000 hours=(number of accidents/number of hours worked)×10,000.

[S1-15]

Metrics on work-life balance

In Italy, the right to leave for family reasons, including parental leave, is primarily guaranteed by national legislation (The Consolidated Act on motherhood and fatherhood, Legislative Decree 151/2001 and subsequent amendments), which lays down the conditions and procedures for taking it. As such, **all company employees are entitled to leave for family reasons**.

[S1-16]

Metrics on remuneration

The analysis of average gross hourly wages in 2024 reveals a heterogeneous picture across professional categories:

- **Executives:** In this category, the average gross hourly wage of women (83.21 €) is higher than that of men (74.04 €). The ratio indicates a **12% advantage in favour of women** compared to the average basic wage of men.
- **Middle Managers and Manual Workers:** there are no women in these professional categories. Therefore, it is not possible to calculate a gender pay gap for these specific bands.
- **Clerical Workers:** in this category, the average gross hourly wage of women (20.50 €) is lower than that of men (30.62 €). The ratio shows a gender pay **gap of 33%**, with women's average basic pay being lower than men's.

The overall situation shows, therefore, a variability in the pay gap depending on the professional category, with a favourable gap for women among managers and an unfavourable gap for women among office workers.

The total annual remuneration for the person with the highest salary in the company amounts to **196,871.00 €**. The median annual total remuneration of employees (excluding the person with the highest salary) is **€ 57,395.00**. The ratio between these two figures, i.e. the **Total Remuneration Rate, is 343%**. This ratio indicates that the person with the highest salary earns about 3.43 times the median of the employees.

Table 19 - S1-16: Paragraph 97a - Pay Gap

Ratio of basic salary and remuneration of women to men ¹⁹		2024
Professional category: MANAGERS		Euro
Average gross hourly wage for men		€ 74.04
Average gross hourly wage for women		€ 83.21
Ratio of average basic salary and remuneration of women to men		-12%
Professional category: MIDDLE MANAGERS		Euro
Average gross hourly wage for men		€ 37.55
Average gross hourly wage for women		There are no women in the category
Professional category: OFFICE WORKERS		Euro
Average gross hourly wage for men		€ 30.62
Average gross hourly wage for women		€ 20.50
Ratio of average basic salary and remuneration of women to men		33%
Professional category: MANUAL WORKERS		Euro
Average gross hourly wage for men		€ 16.39
Average gross hourly wage for women		There are no women in the category

Table 20 - S1-16: Paragraph 97b - Total Remuneration Rate

Total Remuneration Rate (includes all employees)		
Total annual remuneration for the person with the highest salary in the company	Median annual total remuneration of employees (excluding the person with the highest salary)	Total remuneration Ratio
€ 196,871.00	€ 57,395.00	343%

[S1-17]

Incidents, complaints and severe human rights impacts

For the year 2024, Borio Mangiarotti confirms that there were no serious work-related incidents and no serious human rights impacts involving its workforce.

19 Employees whose contracts were terminated as at 31/12/2024 were excluded from the calculation.

Workers in the value chain

ESRS S2

[SBM-3]

Material impacts, risks and opportunities and their interaction with strategy and business model

The following table shows the impacts, risks and opportunities related to the topic dealt with in this chapter, indicating the part of the value chain in which the impacts are generated and the reference time horizon. In this report, Borio Mangiarotti details the strategies it adopts for managing the impacts - both positive and negative - that affect the entire supply chain.

Description	IRO type	Value chain	Time horizon
ESRS S2 Workers in the value chain	Sub-topic Working conditions		
Promotion and enforcement of fair wage conditions through verification of the regularity of contributions (DURC requirement).	Positive Actual	① Upstream ② Own Operations	Short
Legal and reputational exposures related to accidents/incidents of workers operating on the company's sites.	Risks	② Own Operations	Short

- ① Upstream
- ② Own Operations
- ③ Downstream
- Short
- Medium
- Long

[S2-1]

Policies related to value chain workers

Borio Mangiarotti adopts specific policies and procedures for the management of workers within its value chain, in order to ensure compliance with the principles of legality, fairness and transparency on which the company's **Code of Ethics** is based, while at the same time mitigating the risk of legal and reputational exposures related to injuries/accidents of workers operating on company sites. In this context, Borio Mangiarotti complies with the requirements set out in the **New Procurement Code (Legislative Decree 36/2023)**, which strengthens the principles and obligations on worker protection in the value chain. In particular, the Code:

- **Reinforces labour protections:** it provides for the respect of fair remuneration and collective bargaining, elements that Borio Mangiarotti ensures by verifying the contributory and retributive regularity of suppliers (DURC) and by combating contractual dumping.
- **Guides supplier selection:** the principles of performance and trust, which are central to the Code, guide Borio Mangiarotti in the selection of economic operators that guarantee compliance with labour and safety regulations, preventing non-compliance that could impact workers.
- **Promotes market access:** by encouraging wider participation of qualified operators, including SMEs, the Code supports a more competitive value chain and, by extension, greater compliance with labour standards.

Borio Mangiarotti's **supplier evaluation and qualification** is a structured process, mainly conducted by the Procurement Office (UA), that ensures the suitability of suppliers, subcontractors and professionals. The Procurement Office carries out an initial assessment by gathering information from various sources, including references, certifications, safety, health and environmental documentation, assessment reports from sector study organisations and chamber of commerce searches. This analysis serves to verify the ability of suppliers to meet technical, quality, safety and environmental requirements, and to assess their financial viability.

[S2-2]

Processes of engagement with value chain workers

Borio Mangiarotti manages the involvement of workers in the value chain mainly through the continuous monitoring of suppliers and the management of **joint and several liability**. This principle implies that Borio Mangiarotti, as principal, is obliged to ensure the regularity of contributions and wages of workers employed by other companies in its supply chain, intervening if suppliers do not fulfil these obligations. The company does not have a direct process of involving individual workers of third companies (e.g. through surveys or meetings dedicated to them), but focuses on the verification of fulfilments and conditions through its own contractual relations and monitoring. This approach helps prevent situations that could generate security risks and, consequently, legal and reputational exposure.

In this context, Borio Mangiarotti's **whistleblowing channel** can serve as a tool for workers in the value chain to express concerns or report violations, thereby strengthening the protection of their fundamental rights and contributing to the Group's transparency and integrity. The possibility of anonymous reporting reduces the risk of safety concerns going unreported, mitigating potential negative impacts.

[S2-3]

Disclosure Requirement – Processes to remediate negative impacts and channels for value chain workers to raise concerns

Borio Mangiarotti adopts control mechanisms to remedy potential negative impacts on workers in the value chain, in particular in relation to **joint and several responsibility**. To ensure this, the company checks the contributory and retributive regularity of suppliers through the **DURC (Single Social Security Contribution Payment Certificate)**. Furthermore, Borio Mangiarotti does not make payments to suppliers that do not meet their legal obligations towards their employees. The company also carries out spot checks for aspects not covered by the DURC, and the Code of Ethics stipulates that violation of the principles of legality, correctness, transparency, confidentiality and respect for human dignity is just cause for terminating relations with suppliers and intermediaries.

[S2-4]

Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities

The main risk for Borio Mangiarotti in relation to workers in the value chain is the **legal and reputational exposures related to injuries/accidents of workers operating on the company's sites**. To mitigate this risk, Borio Mangiarotti has implemented and continues to develop the following actions:

- **Management of joint and several liability and supplier control:** the company works to ensure the regularity of contributions and pay of workers employed by third-party companies. This is done through the verification of the **DURC (Single Social Security Contribution Payment Certificate)** and the rejection of payments to suppliers that do not meet their legal obligations towards their employees. Spot checks are also carried out on aspects not covered by the DURC.
- **Occupational health and safety management system:** Borio Mangiarotti is ISO 45001:2023 certified for its Occupational Health and Safety Management System. The aim is to identify and minimise activity-specific risks by implementing preventive and protective measures.
- **Borio Mangiarotti's qualification and selection of suppliers:** suppliers are selected according to a rigorous and transparent process, based on principles of legality and fairness, aimed at ensuring that suppliers, subcontractors and professionals fully meet the technical, quality, occupational health and safety, and environmental protection requirements established by the applicable standards and laws. The company uses a Qualified Supplier Register (RFQ) and evaluates potential partners through an initial and periodic audit. The initial assessment includes the analysis of documentation on safety, health and environment, technical and professional suitability (as required by Legislative Decree 81/08), references and information

on the ability to guarantee adequate performance. Continuous compliance with safety, occupational health and environmental regulations is also a key criterion in the periodic evaluation of suppliers.

- **Monitoring and transparency:** the *Time Planning* office updates the progress and status of deliveries by interfacing with site contacts on a monthly basis. Violation of the principles of legality, fairness, transparency, confidentiality and respect for human dignity is just cause for terminating relations with suppliers and intermediaries. Any proposed improper benefit must be reported immediately to the Supervisory Board.
- **Whistleblowing channel:** The whistleblowing system can be used by workers in the value chain to express concerns or report violations, thus helping to proactively identify and manage risks.

[S2-5]

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

In order to enhance positive impacts and mitigate risks, the company pursues the continuous **improvement of the supplier qualification process**, both in the preliminary phase and in the expansion of the shortlist, with the revision of the procedure and constant monitoring to develop the final evaluation and ranking. This objective, active in 2024, is aimed at preventing the conclusion of contracts with technically or professionally unsuitable parties, thereby strengthening compliance and security. It also aims to ensure the full contributory and retributive regularity of workers employed in the value chain, through the management of joint and several liability and controls based on the DURC. Compliance with the New Procurement Code (Legislative Decree 36/2023) is a cross-cutting objective to ensure responsible supplier selection and management practices that protect working conditions. At the same time, Borio Mangiarotti sets goals that include **expanding market research initiatives** on suppliers in order to nurture competition and have a wider pool of suppliers, reducing the risk of non-compliance.

Affected communities

ESRS S3

[SBM-3]

Material impacts, risks and opportunities and their interaction with strategy and business model

The following table shows the impacts, risks and opportunities related to the topic dealt with in this chapter, indicating the part of the value chain in which the impacts are generated and the reference time horizon. In this report, Borio Mangiarotti details the strategies it adopts for managing the impacts - both positive and negative - that affect the community.

Description	IRO type	Value chain	Time horizon
ESRS S3 Affected communities	Sub-topic Communities' economic, social and cultural rights		
Generation of local employment and creation of direct and indirect jobs.	Positive Actual		Short
Redevelopment and enhancement of public spaces, meeting places and green areas in the city thanks to the activities of Fondazione Claudio De Albertis.	Positive Actual		Medium
Architectural and aesthetic improvement of neighbourhoods generated by the rehabilitation and regeneration of degraded areas.	Positive Actual		Medium
Housing accessibility by facilitating the construction of areas dedicated to social housing (<i>edilizia residenziale sociale</i> /ERS).	Positive Actual		Medium
Economic growth of the region generated by the economic value distributed.	Positive Actual		Medium
Increased well-being and safety of citizens through soil remediation activities and the removal and disposal of hazardous materials.	Positive Actual		Short

- ① Upstream

② Own Operations

③ Downstream
- Short

Medium

Long

[S3-1]

Policies on affected communities

At present, the company has not formalised specific policies dedicated exclusively to the management of impacts, risks and opportunities relevant to affected communities.

[S3-2]

Processes for engaging with affected communities about impacts

For Borio Mangiarotti, maintaining solid relations with the region in which it operates and with the local community is essential. Listening to and understanding local needs are intrinsic to the company's work. With its projects, Borio Mangiarotti aims to generate a positive impact on the area and on the lives of the people who will inhabit the nearby neighbourhoods and buildings. As such, the company considers it essential to listen to and understand the demands and needs of the surrounding community.

To effectively manage the impacts of its projects and build a relationship of trust with local communities - including city, neighbourhood and municipal committees - Borio Mangiarotti relies on the strategic support of Fondazione Claudio De Albertis.

The foundation, established in memory of the man who gave it its name and dedicated to supporting social projects and initiatives - with a focus on young people, sustainability, social inclusion and the enhancement of Milan's urban area - serves as a key instrument for the company's community engagement strategy. The foundation's activities, which include "giving space back to the community", aim to mitigate the risk of hostility towards the projects by turning potential conflicts into opportunities for collaboration.

The engagement process has several stages:

- **Collaboration and mapping:** the aim is to find synergies and actively collaborate with regional associations. This includes a mapping and selection activity to intercept the specific needs of communities.
- **Feedback and monitoring of community needs:** the allocation of resources is constantly monitored and stakeholder needs are intercepted, including through the use of dedicated surveys.
- **Proactive dialogue:** direct meetings with citizens are organised well in advance (2-3 years before the start of construction) to present the project guidelines, gather feedback and integrate community perspectives into the design and planning phase.
- **Integrated community development (e.g. SeiMilano Project):** through initiatives such as the SeiMilano Community Management project, the company focuses on exploration, activation

and engagement. This includes detailed mapping of services offered in the area, community profiling through surveys to understand residents' needs, and the introduction of digital tools (such as the Planet App) to facilitate interaction and access to services. Community events are also organised to strengthen relations.

This structured approach makes it possible not only to prevent and mitigate negative impacts, but also to generate positive value for communities, turning construction sites into opportunities for social and regional development.

[S3-3]

Disclosure Requirement – Processes to remediate negative impacts and channels for affected communities to raise concerns

Borio Mangiarotti has implemented a **whistleblowing** system that serves as a channel to also allow **affected communities** to express concerns and report potential negative impacts arising from the organisation's activities.

This procedure has been specially drafted to fully implement **Legislative Decree 24 of 10 March 2023**, which transposes Directive (EU) 2019/1937 on the protection of persons who report breaches of Union law. The whistleblowing channel is designed to receive reports not only from employees, but from any person who, in the performance of their duties or because of their connection with the company, becomes aware of wrongdoing, risks or dangerous situations that may harm the company, customers, colleagues, citizens or any other category of subjects.

This mechanism provides affected communities with a **direct, secure and confidential** channel to report issues related to negative impacts they perceive and guarantees the **confidentiality** of the reporter and the possibility to report **anonymously** through a dedicated digital platform. The Company is committed to promptly handling the reports it receives, activating internal processes to assess the issues raised and, where appropriate, remedy the impacts detected, while ensuring the protection of whistleblowers from any form of retaliation. This approach is key to monitoring external impacts and strengthening trust with the communities with which the company interacts.

[S3-4]

Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions

With its projects, Borio Mangiarotti aims to generate a positive impact on the territory and on people's lives, promoting the creation of direct and indirect employment opportunities, and the redevelopment and enhancement of public spaces, meeting places and urban green areas. The

company aims to contribute to the architectural and aesthetic improvement of neighbourhoods through the rehabilitation of degraded areas, and boosts local economic growth through distributed value. In addition, it is committed to increasing the well-being and safety of citizens through soil remediation activities and the proper handling of hazardous materials. As such, Borio Mangiarotti considers it essential to listen to and understand the demands and needs of the community around it.

One pillar of this strategy is the founding in 2021 of the **Fondo Fondazione Claudio De Albertis**. This initiative supports social projects in the Milan area, focusing on the redevelopment and enhancement of public spaces, meeting places and green areas. The Fund aims to raise awareness of sustainability and social inclusion, with a focus on regional development and youth empowerment. The effectiveness of this commitment has been recognised by the Italian Chamber of Commerce's *Impresa & Valore* and *Impresa & Lavoro* (2022) awards, and by the Rosa Camuna 2023 prize awarded to Regina De Albertis by the Lombardy Region for her contribution to the development of the region.

In parallel, since 2020, Borio Mangiarotti has been publishing "Urbano", the **company's magazine**. Written in accessible language, Urbano addresses issues of town planning and architecture, acting as an incubator for ideas and visions. Through features such as "AAAcademy" (dedicated to young students and professionals), "Urbanino" (dedicated to children) and the promotion of cultural movements or musical events (e.g. MI AMI Festival in issue 7), the magazine contributes to promoting cultural engagement and aggregation within the community.

Borio Mangiarotti's Community Engagement strategy is based on environmental and social initiatives implemented with local communities and buyers, such as:

- **"OUT. Il Cortile Sociale"**: this project, which was continued in 2023, aims to convert the inner courtyard of the Municipal Covered Market in Viale Monza 54. Thanks to a "Collaboration Agreement" signed with the Municipality of Milan and several local associations (Memo54 APS, Il Vespaio Ets, Genitori Ciresola Ets), and with the project support of Off Campus Polimi Nolo, the local community can access a new social space, contributing to the revitalisation of the entire area.
- **RSD in Olgiate Molgora "Casa dei ragazzi"**: we are extremely proud of this project, which has created an innovative residence for disabled children able to provide educational support and healthcare assistance.
- **New headquarters of Fondazione Together To Go (TOG) Onlus**: thanks to the redevelopment of an existing building, Centro TOG De Benedetti is a centre of excellence for the treatment and rehabilitation of children and adolescents with complex neurological conditions. The building includes large spaces and a photovoltaic park to self-generate electricity.
- **"Playground Stelvio"**: launched in 2022, this urban regeneration project aims to encourage youth and community participation through sport. The project centres around the redevelopment of the playground area and the small adjacent park in viale Stelvio (Isola/Zara district), and is being implemented in cooperation with Associazione Slums Dunk and three non-profit sports organisations.





- **“Necesse”**: a large 1,300 square metre mural created by the artist SMOE in the park of Via Ludovico di Breme (Certosa area). This work, to be inaugurated in 2022, is a tribute to workers and addresses crucial issues such as the environmental crisis, work, volunteering and loneliness. The project originated from a collaboration between citizens, businesses, Comitato Petrarca, Municipality 8 in Milan and Fondazione di Comunità Milano Onlus.
- **“Un nome in ogni quartiere”**: this project works with youth centres and artists to create collaborative murals, the theme of which is decided at neighbourhood level, encouraging local expression and identity.
- **Support for the “Bando Città dei Giovani” call**: Borio Mangiarotti contributes to the call promoted by Fondazione di Comunità Milano, as part of a project that identifies spaces for under-35s that can be used to develop ideas proposed by young people, supported by training provided by Avanzi. The company actively participates in the selection of projects on the basis of criteria such as regional diversity, thematic focus and budget.
- **Collaboration with Associazione Cascina Biblioteca**: the company provides direct financial support to the association to support their initiatives in the Sorelle Mirabal public garden for the benefit of the community.
- **Projects in local districts**: Borio Mangiarotti realises projects in the municipalities affected by its housing initiatives, often at the request and with the involvement of neighbourhood residents:

— The inauguration in 2023 of the **SeiMilano park**, a green space designed with environmental and inclusive criteria and enriched by community engagement activities. As part of the project, local residents were provided with early access to the park. The “Ci vuole un seme” (It Takes a Seed) project (started in 2021) actively involved families and children in the neighbourhood in the park’s creation, through seasonal planting activities, lessons on sustainability and Christmas decorations at the construction site, promoting a sense of belonging and creativity.

— The organisation of the first edition of the **Umarell Cup** (Parco Gonin Giordani, Tirana24 construction site), a day of sport and education aimed at very young children on the themes of sustainability, inclusion and teamwork, including the GoGoals! game based on the UN Sustainable Development Goals.

— The promotion, at the end of 2023, of the **Wonder Why** project, which involved some 200 children in the creation of Christmas illuminations to enhance the streets of Municipio 7, giving voice to their creativity and lighting up the neighbourhood.

Finally, the **Community Management** project in the district of **SeiMilano** adopted a targeted approach: the first year focused on exploration, activation and engagement (mapping services and categories of people, community profiling through surveys), with the introduction of **Planet APP** (used by 68% of respondents) to facilitate interaction. Community events were held and saw attendances of up to 480 people, strengthening neighbourhood relations. In the second year, the aim was to consolidate these achievements, complete the common spaces and continue to promote events to make SeiMilano an inclusive and participatory development model, demonstrating a constant commitment to monitoring and improving the effectiveness of initiatives.



[S3-5]

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Through the **Fondazione Claudio De Albertis** and in collaboration with other foundations and local entities, Borio Mangiarotti supports programmes and projects with defined deadlines:

- **The “La città dei giovani” (City of Young People) programme:** this project is dedicated to the under-30s who aim to create and reactivate spaces and places in all of Milan's municipalities. A total of eight projects were selected for the grant and the training course with Avanzi. The objectives of two of the eight projects are given below as examples:

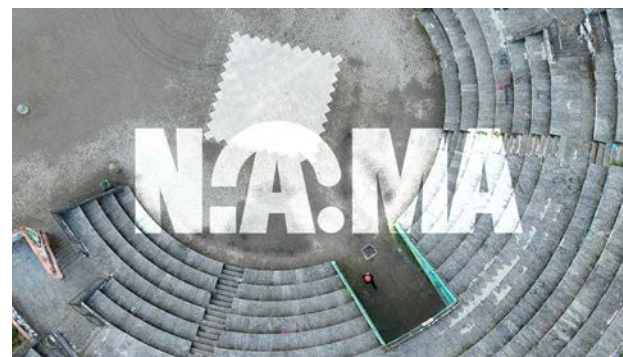
SCOMODO Milan Project: the programming schedule of the Scomodo space in Corvetto envisages more than 300 social and cultural initiatives, events, training courses, workshops, public assemblies, debates and musical and theatrical events by 2025. These activities are designed by a community of under-30s for the neighbourhood and the city, with the aim of strengthening youth aggregation and social and cultural revitalisation.

NAMA Project (Anfiteatro Martesana): the spaces of the Anfiteatro Martesana (Municipio 2) have been renovated and refurbished to accommodate a wide range of cultural and social activities, from study to training, from production to the promotion of musical and cultural events. The initiative responds to the lack of places dedicated to culture and sociality, creating a new oasis of collaboration and innovation for the community.

SCOMODO Milan Project



NAMA Project



- **“UN NOME IN OGNI QUARTIERE” project:** this project, also supported by Fondazione Claudio De Albertis, aims to enhance the region and promote community integration and collaboration through participatory public art. Although specific works such as “Cerutti” in Giambellino and the Opera Murale Greco in Via Mauro Rota were inaugurated recently, the continued support for this initiative indicates a long-term goal in the architectural and aesthetic improvement of neighbourhoods and the strengthening of community relations.

The “Cerutti” mural at the “Comunità del Giambellino” Youth Centre is a call for stronger relations, help and support, with the dragon symbol of the neighbourhood serving as a defender of the community.

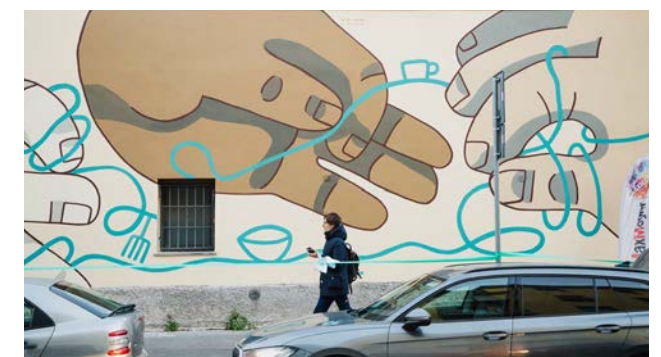
The Opera Murale Greco, in Via Mauro Rota, is a tribute to integration and the representation of the relationships that bind the inhabitants of the neighbourhood and is the result of the collaboration and engagement of the community itself.

Through support for projects such as these, along with participation in calls for tenders and collaboration with third sector organisations and institutions, Borio Mangiarotti aims to strengthen its role as an active partner in social and cultural initiatives, with concrete benefits for local communities.

Cerutti Mural



Greek Mural



Consumers and end-users

ESRS S4

[SBM-3]

Material impacts, risks and opportunities and their interaction with strategy and business model

The following table shows the impacts, risks and opportunities related to the topic dealt with in this chapter, indicating the part of the value chain in which the impacts are generated and the reference time horizon. In this report, Borio Mangiarotti details the strategies it adopts for managing the impacts - both positive and negative - that affect consumers and end users.

Description	IRO type	Value chain	Time horizon
ESRS S4		Sub-topic	
Consumers and end-users		Social inclusion of consumers and/or end-users	
Increased quality of life and wellbeing generated by the implementation of technologically advanced solutions (e.g. smart, connected, home automation, dry construction).	Positive Actual	③ Downstream	● Medium
Protection and promotion of occupant safety through adaptation of building projects to climate change (installation of barriers that are activated in the event of river flooding in the most exposed areas).	Positive Actual	③ Downstream	● Medium
Reduction in the long-term costs of occupants through the adoption of innovative techniques and energy-saving solutions.	Positive Actual	③ Downstream	● Medium
Increased profits linked to meeting demand for technologically advanced housing solutions.	Opportunities	③ Downstream	● Medium
Increased profits linked to meeting demand for state-of-the-art housing solutions in the area of climate change adaptation.	Opportunities	② Own Operations	● Long
Increased profits linked to meeting demand for energy-efficient housing solutions.	Opportunities	② Own Operations	● Long

Description	IRO type	Value chain	Time horizon
Waste of economic resources in handling complaints and resolving quality anomalies .	Risks	② Own Operations	● Long
Reputational exposures related to customer dissatisfaction.	Risks	② Own Operations	● Short

- ① Upstream
- ② Own Operations
- ③ Downstream
- Short
- Medium
- Long

[S4-1]

Policies related to consumers and end-users

Borio Mangiarotti bases its activities on high quality standards, understood as the pursuit of complete customer satisfaction. This is supported by the adoption of a **Quality Management System** that conforms to **ISO 9001** and by the internal principles of the **Code of Ethics**.

The Code of Ethics states that the company's business is based on the achievement of high quality standards, with the primary objective of providing complete customer satisfaction. In its relations with customers and clients, Borio Mangiarotti ensures fairness and clarity in business negotiations and in the assumption of contractual obligations. The company guarantees compliance with applicable legislation and regulations and the faithful fulfilment of contractual obligations. It is the policy of the company to promote lawful and transparent relations, rejecting any form of promise or offer of payment or goods to favour illicit interests or advantages. Similarly, no money or gifts may be offered to directors, officers or employees of customers, unless they are of modest value or fall within the scope of courtesy. Participation in tenders is carried out by carefully assessing the appropriateness and feasibility of the services required, with particular regard to the technical and economic conditions, and reporting any anomalies in good time. The formulation of tenders allows for compliance with adequate quality standards and current safety measures.

The ISO 9001 Quality Management System attests to Borio Mangiarotti's commitment to standardised, quality-oriented processes at all stages of project development. The company is aware that its buildings must respond not only to current housing needs but also to those of the future, providing for adaptability to technological and environmental innovations. In this context, Borio Mangiarotti considers compliance with environmental criteria to be essential, as demonstrated by the achievement of **LEED** certifications for certain projects, which identify eco-friendly constructions based on energy and water savings, CO₂ reduction, improved ecological quality of interiors, use of materials and site selection. Operational management uses BIM (**Building Information Modeling**) software to ensure correct project execution and quality standards.

[S4-2]

Processes for engaging with consumers and end-users about impacts

Borio Mangiarotti involves its customers and end users through different stages of the service development and implementation process:

- **Support during the buying process:** the company provides assistance to buyers throughout the buying process and beyond delivery, drawing on the expertise of the retailers it works with;
- **Customisation of rooms:** an in-house team of architects supports the customisation of rooms, allowing buyers to adapt spaces to their needs;
- **After-sales management:** a dedicated team manages the after-sales activity, providing support after the handover of the property;
- **Collection of feedback via the Customer Satisfaction Questionnaire (CSQ):** following the handover of the building and common parts, the Site Manager (*Capo Cantiere/CC*) or Variations Department (*Ufficio Varianti/UV*) delivers a Customer Satisfaction Questionnaire (CSQ) to the Buyer. The customer may fill it out and return it to the company directly to the CC or according to the instructions on the form. The CSQs received are sent to the Quality Assurance Manager (*Responsabile Assicurazione Qualità/RAQ*) for evaluation. The RAQ examines, processes and archives the questionnaire, making it available for systematic customer satisfaction evaluation initiatives. For the most recent orders, the questionnaire was converted into a Google survey format and emailed to customers for online completion. This tool allows a more comprehensive collection and analysis of responses, organising the data to extract useful information for future developments.

[S4-3]

Disclosure Requirement – Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

Borio Mangiarotti adopts processes to manage concerns expressed by consumers and end users and to avoid negative impacts. These processes are essential to prevent economic resources being wasted in the handling of complaints and the resolution of quality anomalies, and to reduce reputational exposures related to customer dissatisfaction.

The main processes and channels include:

- **After-sales management:** support is provided by the contractor both during the execution of the works and after delivery. The intervention may take place at the customer's request within

the contractual warranty period (free of charge, pursuant to Articles 1667 and 1669 of the Civil Code) or following a complaint with confirmed right to assistance (free of charge or against payment).

- **Analysis of feedback:** the results of the completed satisfaction questionnaires are archived and analysed to ensure constant improvement and guide customer satisfaction efforts. In this regard, the satisfaction questionnaire must mandatorily be filled out after the completion of the deed in order to access the after-sales services, where support tickets are opened. This process allows the company to identify and address areas for improvement, mitigating dissatisfaction and reducing the need to use resources to handle repeated complaints.
- **Ethical channels:** if recipients (including customers and clients in the case of improper requests or proposals) receive requests or proposals for benefits to promote or favour interests that do not comply with company ethics, they must immediately suspend the relationship and **report the event to the Supervisory Board**. This system can indirectly act as a channel for reporting serious problems that might otherwise generate dissatisfaction. In addition, Borio Mangiarotti's **whistleblowing channel**, which allows for the reporting of issues covered by the Code of Ethics, can serve as a tool for consumers and end users to express concerns or report violations related to company conduct, thus contributing to transparency and integrity.

[S4-4]

Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions

The main risks in relation to consumers and end-users include the **loss of economic resources in handling complaints and resolving quality anomalies**, as well as the **reputational exposures related to customer dissatisfaction**. To mitigate these risks, Borio Mangiarotti adopts the following approaches:

- **Design and construction quality and compliance:** The ISO 9001 Quality Management System and the use of BIM (Building Information Modeling) software during project management ensure correct execution and maintenance of quality standards. This reduces the incidence of quality anomalies and, consequently, the handling of complaints and the associated wastage of resources.
- **Ethics in relationships:** Company policies promote fairness and clarity in negotiations, compliance with regulations and contractual commitments, and the rejection of unfair or corrupt practices. This ethical approach aims to prevent fraud or conflict of interest situations that could negatively impact customers and the company's reputation.
- **Active monitoring of satisfaction levels and problem resolution:** the collection and analysis of post-delivery questionnaires and the presence of a dedicated after-sales team enable

continuous monitoring of customer satisfaction and structured problem management, reducing dissatisfaction and related reputational risks.

Borio Mangiarotti pursues and adopts the following interventions and approaches to realise relevant opportunities and enhance positive impacts:

- **Development of sustainable buildings:** R&D applied to design allows the integration of specific requirements, such as the use of materials with performance characteristics or regulatory requirements. Borio Mangiarotti constructs LEED, BREEAM and WELL certified buildings with geothermal and photovoltaic systems that reduce energy and water consumption and improve indoor environmental quality.
- **Adoption of advanced technologies:** investing in technologies such as Transition 4.0 - 5.0 for the purchase of cranes and lifts contributes to greater efficiency, lower maintenance costs and better safety features, translating into direct benefits for building end-users.
- **Customised and after-sales services:** the possibility of customising spaces through an in-house team of architects and dedicated after-sales support allows us to respond to customers' specific needs and handle their requests even after delivery.
- **Adaptability and innovation:** the company pursues the goal of constructing buildings that respond to present and future housing needs, easily adapting to technological and environmental innovations.

[S4-5]

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunitie

Borio Mangiarotti's objectives include the continuous maintenance and improvement of **quality standards** as the basis for customer satisfaction.

A key objective is to continue realising projects that respond to present and future housing needs, adapting to technological and environmental innovations, and pursuing LEED, BREEAM and WELL certifications and integrating design solutions that improve energy efficiency and living comfort.

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