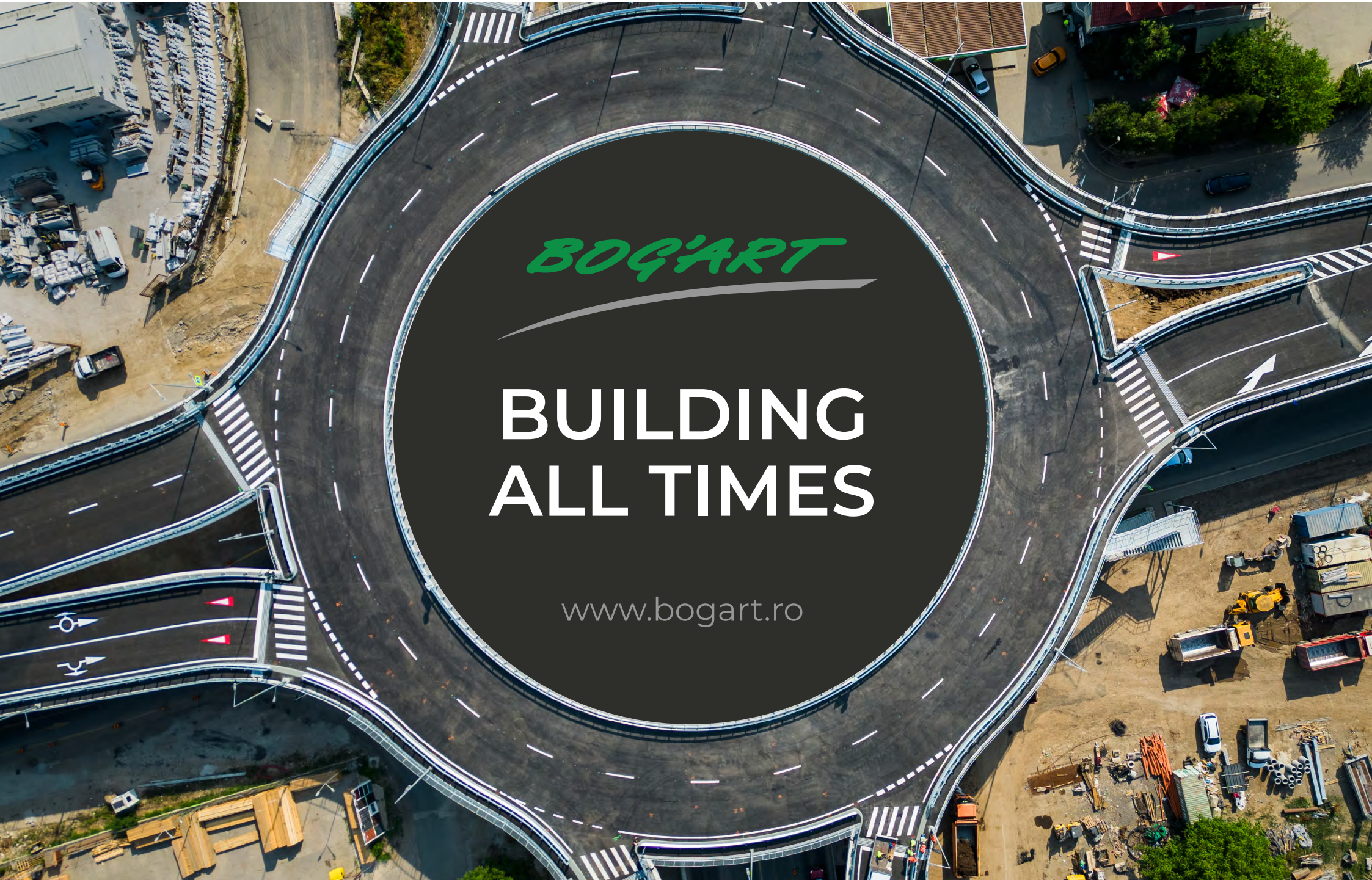
BOG'ART

SUSTAINABILITY REPORT 2023


BOGART
BUILDING
ALL TIMES
www.bogart.ro

About This Report

Welcome to the 2023 Bog'Art Sustainability Report, our first publication dedicated to outlining our commitment to a more sustainable future. This report reflects our dedication to integrating sustainability into every aspect of our operations, transparently sharing our journey, achievements, challenges, and aspirations.

At Bog'Art, we recognize the critical importance of sustainability in today's world. We understand that our actions profoundly impact the environment, economy and society. Therefore, we have embedded sustainability into our core values and business strategies to create lasting positive change.

This inaugural report provides an overview of our sustainability initiatives, focusing on key areas such as economic resilience, environmental stewardship and social responsibility. It outlines our progress in reducing carbon emissions, conserving resources, promoting diversity and inclusion, fostering ethical business practices, and supporting the communities where we operate.

Throughout these pages, the measurable outcomes of our efforts are supported by objective data, case studies and complemented by our self-assessment. We believe in accountability and transparency to benchmark our successes and setbacks to gain valuable lessons learned through our journey. This report covers our operational activities and their impacts during the period January 1-December 31, 2023.

Moreover, this report serves as a roadmap for our future sustainability endeavors. It outlines our goals and targets, guiding principles, and the strategies we will employ to address emerging challenges and seize opportunities for innovation and improvement.

As part of our commitment to quality and reliability, we have worked with an independent party for external assurance to ensure the accuracy and accountability of the contents of this report.

We invite you to explore this report and join us on our sustainability journey. Together, we can build a more sustainable, equitable, and resilient world for current and future generations. For more details about the company, stakeholders can access our website at www.bogart.ro. We welcome comments, ideas, and feedback to improve the quality of our next report, which can be submitted to the contact addresses indicated on the back cover.

Thank you for your interest in our sustainability efforts!

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STORY

PROJECTS

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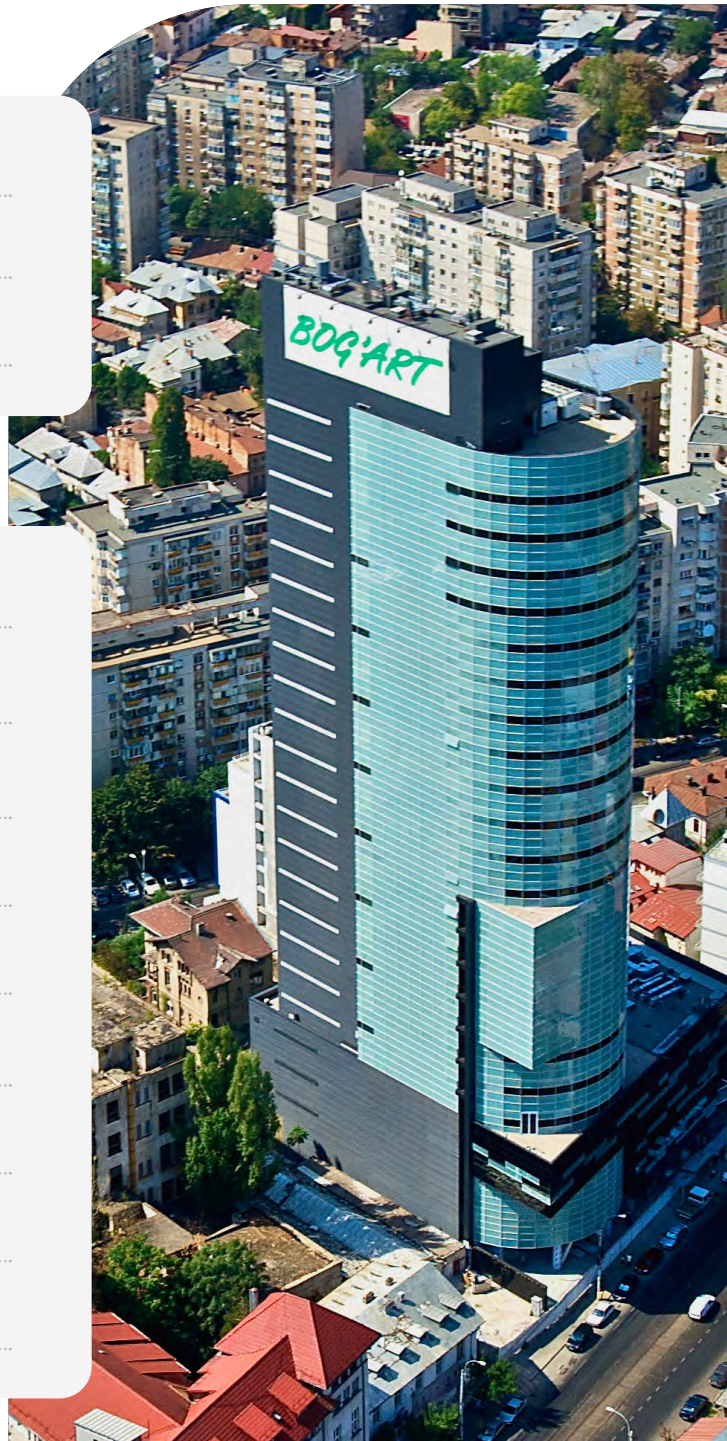


Bog'Art embodies a culture of agility and resilience in the construction sector. Our journey has been marked by a strategic shift from private clients to large-scale public projects.

The Art of Building – Foreword from the Founding Family

Since its founding and even after achieving the scale of a large corporation, Bog'Art has maintained and refined it's core competence of providing exceptional service with strong adaptability to both client demands and market conditions.

Agility is ingrained in our organizational DNA, having built up the organizational scale to tackle large projects while retaining our ability to pivot quickly and effectively. This is beyond doubt a merit of dynamic leadership, skilled workforce, and robust project management capabilities. By embracing agile principles, we remain poised to seize emerging opportunities, navigate complex regulatory landscapes, and deliver innovative solutions that address the evolving needs of our clients and communities.

While we are most well-known for delivering landmark office buildings, as of recently our journey has been marked by a strategic shift from private clients to large-scale public projects, reflecting our commitment to advancing Romania's major development goals for the future. In 2023, the three-year shift has taken full effect, with adaptations to our operations aligning with changing market dynamics marked by large public investments with increased impact that impose greater attention to achieving and sustaining a greener future. Our transition to state-owned projects reflects our responsiveness to emerging opportunities and challenges. By embracing larger infrastructure initiatives, we aim to play a pivotal role in transforming Romania's built environment into a more sustainable and resilient landscape. This shift demonstrates our agility and underscores our unwavering dedication to national development objectives, with a proactive approach to addressing societal needs and driving positive change. As a milestone in this new phase of our journey, our commitment to excellence and sustainability are reflected in the publication of our first Sustainability Report.

We are proud to leverage our expertise and resources to contribute meaningfully to Romania's transition to a greener, more sustainable future. Together, we will continue to build on our legacy of success, driving positive change and creating lasting value for generations to come.

BOGDAN DOICESCU
Group CEO Bog'Art Holding Management

RAUL DOICESCU
Founder and Shareholder of Bog'Art Holding Management

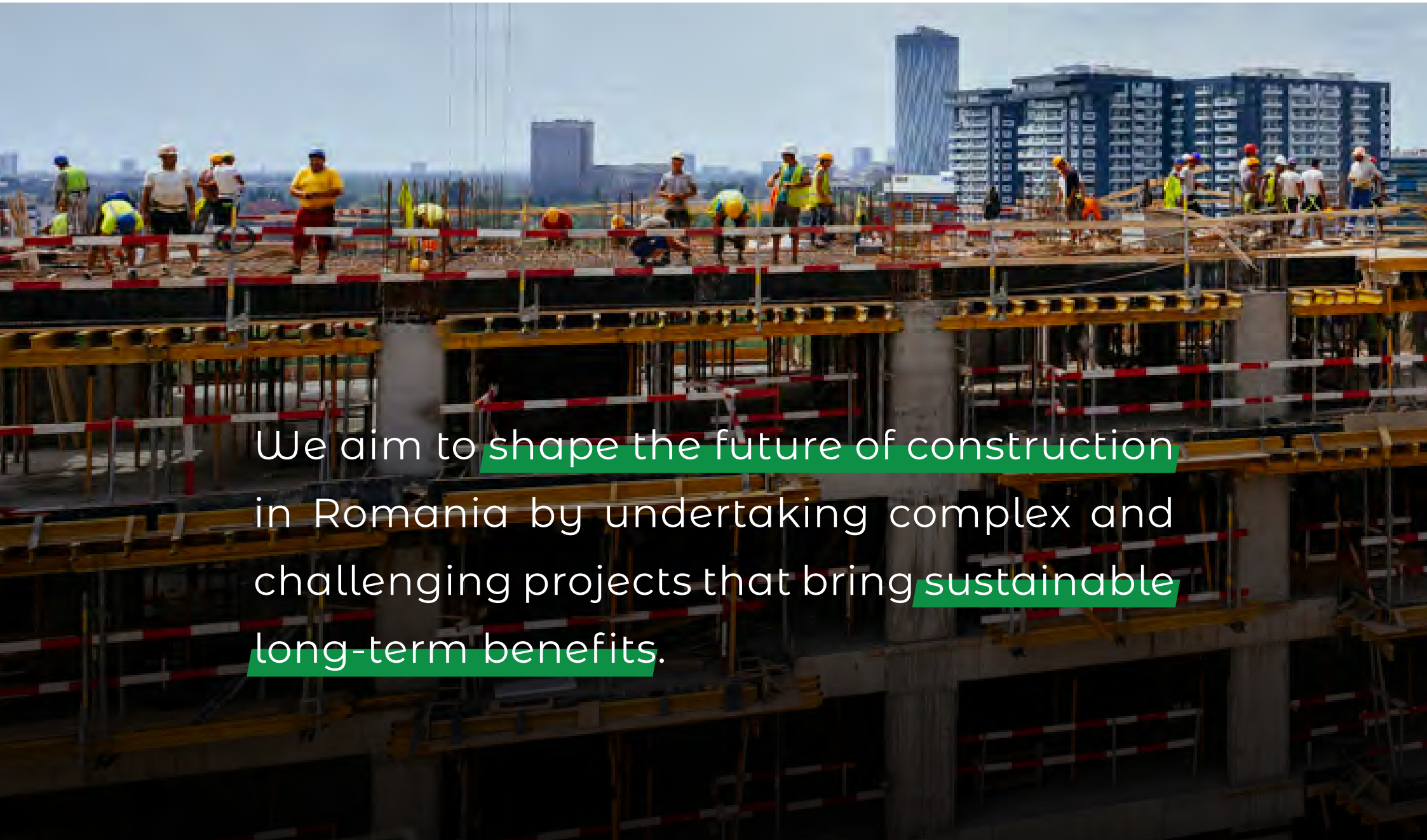
Vision, Mission, Values, Services and Achivements

Bog'Art is one of the most renowned construction companies in Romania. With a robust portfolio of over 650 key projects, delivering more than 3 million sqm to client satisfaction, and a contracted value of approximately €2 billion in turnkey projects, Bog'Art's impact is unmistakable.

In 2023 our group's turnover reached €230 million, supported by almost 1,400 employees and more than 2,500 site staff spread throughout the country. With over 30+ years of activity and a significant impact on the built environment, the Bog'Art group of companies are amongst the leading providers of general contracting and design-build services, reinforced steel production, facade systems, building management and real estate development.

The wide range of integrated construction services allow us to cover the entire value-chain of the building process. Our approach is secured through rigorous process-management, upheld by the dedicated professionals on our team and invigorated with the integration of innovative and sustainable practices.

Vision


We aim to shape the future of construction in Romania by undertaking complex and challenging projects that bring sustainable long-term benefits.

Mission

To be the first choice in our client's shortlist for providers of **comprehensive construction services**, by achieving excellence in quality and timely completion of projects.

To approach **complex and special projects**, using innovative construction techniques and sustainable practices that increase efficiency and minimize the impact of our activity on the environment.

To build a **high performance organization** by continually improving internal processes and team competence. To create **a functional organizational climate** that supports and motivates a diverse, innovative, and results-oriented staff.

To dynamically respond to changes and challenges in the construction industry and adopt a **responsive attitude** toward the needs and demands of our clients and collaborators.

Values

Our company is driven by a set of values that shape our identity and guide our actions.

Better

We are committed to a relentless pursuit of "**Better**," constantly challenging ourselves to exceed expectations and improve in every aspect of our operations.

Organization

Organization is the bedrock of our success, emphasizing efficiency, clarity, and a systematic approach to achieving our goals.

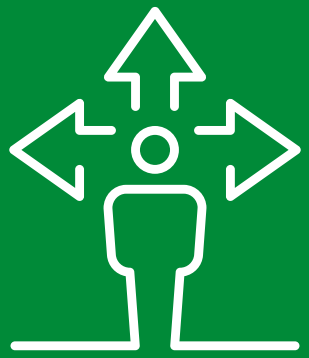
Growth

Growth is not just a metric but a philosophy, encouraging continuous learning, development, and expansion.

These values serve as the compass that guides our daily efforts and propels us towards a future of innovation, sustainability, and success.

Adaptability

Adaptability is ingrained in our DNA, empowering us to navigate change with resilience and creativity.



Responsibility

Responsibility is the recognition of the impact of our decisions on the broader community and environment.

Teamwork

Teamwork is the heartbeat of our culture, fostering collaboration, open communication, and a shared commitment to achieving excellence together.

Construction

Real Estate Development

Production

Building Management

Services

- General Contracting
- Project Management & Consulting
- Architecture & Design
- Reinforcing Steel Production
- Building Enclosures, Interior Finishes & Fit Outs
- HVAC, Plumbing & Electrical Systems, BMS
- Aluminum & Glass Façades
- Property & Facility Management

In-house resources

- Knowhow, brand and reputation of experiences management and PMP from PMI awarded project managers
- Experts in related fields, from consulting to design, tendering and execution
- Production of materials and components in order to ensure turnkey delivery
- Our highly qualified workforce

Project types

- Offices and residential buildings
- Industrial buildings and retail warehouse
- Shopping centers and showrooms
- Institutional and infrastructure
- Hospitality buildings and leisure facilities
- Medical and scientific facilities
- Cultural, educational and religious buildings and facilities

Achievements & Awards

Construction Company of the Year
Construction & Investment Journal - 10 consecutives years 2013 - 2023

Hall of Fame Best of the Best Constructor for Central & Eastern Europe
Construction & Investment Journal - 2 consecutives years 2017 & 2018

Construction Firm of the Year
SEE Property Awards - 3 consecutives years 2021 - 2023

Shortlisted Construction Company of the Year
CEEQA by Financial Times 2015 - 2019 and 2023

Construction Firm of the Year
REAL ESTATE Awards - 3 consecutive years 2020 - 2022

Best Office Buildings Winner
Forbes - 5 consecutives years 2018 - 2022

Professional Service Provider of the Year
SEE Property Awards - 4 consecutive years 2018 - 2021

Nominated and awarded for quality construction
FPSC - The Employers' Federation of Bulding Companies 2018-2023


Calea Plevnei

KEY FIGURES

+33 YEARS
of continuous activity and achievements

+650 PROJECTS
Delivered in both private and public sectors

3 MILLION SQM
delivered in a timely manner and to client satisfaction

≈€2 BILLION
Contracted value in turnkey projects and innovative works

400
office employees

1,300 SITE STAFF
Spread throughout the country

1/3
of office buildings in Bucharest developed

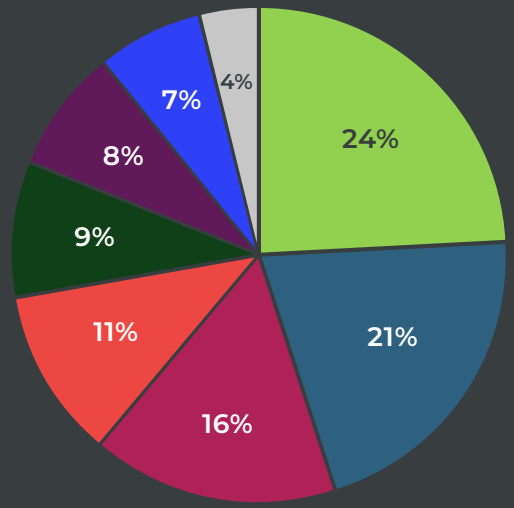
1ST
BREEAM Excellent and LEED Platinum certificated buildings in Romania

Financial Impact in Figures

In 2023, Bog'Art demonstrated resilience and foresight, achieving significant profitability and record-high order backlog through selective bidding and strong commercial management. Our design team integrated innovative and sustainable principles into projects, enhancing functionality, aesthetics, and environmental performance. We excel in both private and public sectors, particularly in developing airports, alongside our tradition of excellence in office and residential sectors. 2023 marked robust performance and strategic growth, underlining our commitment to sustainability and innovation. Moving forward, we're dedicated to advancing our legacy, contributing positively to communities and the environment.

On the next page you will find Bog'Art's financial overview for 2023, highlighting our economic health, operational efficiency, and strategic investments driving growth and resilience in the competitive market. The following sections outline revenue, profitability, pipelines, and our commitment to sustainable growth, demonstrating our leadership in the construction industry and contribution to Romania's economic development.

Current Portfolio Split



Public Administrative	24%
Infrastructure	21%
Airports	16%
Medical	11%
Residential	9%
Offices	8%
Utilities	7%
Military Basis	4%

Financial KPI	2023	2022
Revenue (€)	173,066,965	111,713,465
Operating Income (€)	172,371,326	110,829,595
EBITDA (€)	12,107,955	6,369,810
Net Profit (€)	9,148,285	4,316,677
New Contracts Value (€)	92,871,767	97,888,088
Number of Employees	395	374
Health and Safety Incident Rate	0	3

The table below provides a snapshot of Bog'Art's revenue across the various project segments that contribute positively to the development of the country. As can be seen by the growing numbers from the previous year, 2023 has seen substantial growth, most notably in transit and education.

Revenue Segment	2023 Revenue (€)	2022 Revenue (€)
Infrastructure	13,869,865	15,574,044
Office	26,635,634	48,923,615
Residential	3,640,534	3,842,675
Healthcare	4,844,162	3,464,706
Community - schools	12,703,107	3,925,305
Airports	49,933,099	6,346,785

A Word from Our CEO

2023 proved to be a year of resilience and growth for Bog'Art, showcasing remarkable construction performance despite challenging market conditions. Our team not only maintained exceptional results but also achieved a historically high order backlog, a testament to our unwavering dedication to excellence in the face of adversity.

Our financial strength remains a cornerstone of our success, enabling us to navigate uncertainties with agility and confidence. With a solid balance sheet and minimal reliance on external financing, Bog'Art is well-positioned to capitalize on emerging opportunities. This financial stability provides a crucial foundation for our stakeholders, fostering trust and ensuring continuity in our operations.

In response to the evolving landscape, we demonstrated agility by transitioning to public-owned projects, a strategic move necessitating a robust financial buffer. This shift underscores our commitment to adaptability and corporate transformation, leveraging internal digitalization initiatives to enhance efficiency and effectiveness.

Sustainability remains central to our mission, driving our pursuit of net-zero goals and climate resilience. Recognizing the rising demand for sustainable infrastructure, we continue to lead by example, delivering projects that meet the highest environmental standards. Our comprehensive ESG policies guide our actions across all departments, ensuring alignment with our sustainability objectives and addressing pressing energy challenges.

Looking forward, Bog'Art remains dedicated to shaping the future of construction through innovation and excellence. With a legacy of over three decades, we are committed to advancing sustainable practices and delivering lasting value to society. I extend my gratitude to our dedicated team, valued clients, and trusted partners for their unwavering support. Together, we are not merely constructing buildings; we are laying the groundwork for a sustainable legacy. Let us continue our journey with determination, resilience, and a shared commitment to building a brighter future.

2023 has been a year of internal modernization and transformation to become a more efficient company on a new type of business path: infractructure and having state-owned projects rather than private owned projects, as Bog'Art became a real vector to change the face of Romania in a new green version, mainly driven by EU & National Resilience Programs.

These expansive opportunities may also bring additional financing diversification but also a different approach of each project. We are very proud of how quickly and professional the entire team embraced and fulfilled the substantial tendering pipeline as well as a record amount of projects in construction throghout the country.

SORIN GREU

CEO Bog'Art

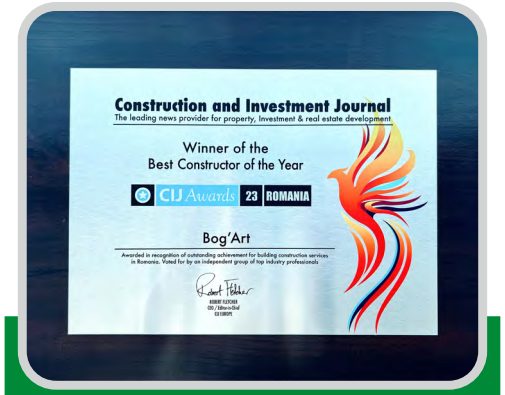
A Year of Recognized Excellence

In 2023, Bog'Art received widespread recognition for its commitment to excellence in the construction industry. Awards such as Forbes' "Most Active Constructor 2023" and the "Best Managed Company 2023" highlight not only our exceptional projects but also our leadership in agile corporate governance and management excellence.

Additionally, accolades like the "CIJ Best Constructor of the Year 2023," "Star Construct 2023," and the "Construction Company of the Year 2023" from the SEE Property Forum Awards underscore our expertise in real estate development and construction innovation.

These awards validate Bog'Art's dedication to quality, sustainability, and innovation, showcasing the hard work and professionalism of our team. Moving forward, we remain committed to pushing the boundaries of construction and design, delivering exceptional value to our clients, and positively impacting the communities we serve.

Best Managed Companies 2023

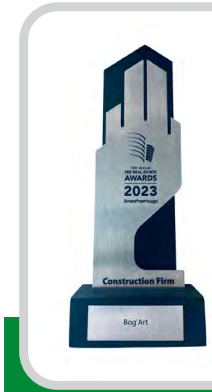


CIJ Best Constructor of the Year 2023

Star Construct 2023

Premiile Real Estate 2023

Property Forum Awards 2023



SEE Real Estate Awards 2023

Tracking Our Success: 2023 Milestones & Metrics

CORPORATE GOVERNANCE
Policies adopted and aligned with Holding

#1
Best managed company award 2023

TECH
Digitalisation process kicked off

EFFECTIVE
Cybernetic threats measures in place

>75%
Public projects with national scope

0
No gender gap pay

40%
women in all management structures

0
No case incidents

388,423
sqm built between 2023-2024

35
construction sites through the year

12
U-Center Phase 2 finalized

0
No fatal injuries

Our 2023 Deliveries

VICTORIA BUSINESS PARK
Extension and refurbishment works

Location: **73 - 81 Bucuresti - Ploiesti Blvd. Bucharest**
Surface: **22,639 sqm**
Execution: **2022 - 2023**
Duration: **4 months**

U CENTER 2
Lead Platinum certification

Location: **210 Calea Șerban Voda District 4, Bucharest**
Surface: **53,300 sqm**
Execution: **2021 - 2023**
Duration: **19 months**

BRASOV AIRPORT & VIRTUAL TOWER

Location: **Ghimbav, Brașov County**
Surface: **11,800 sqm**
Execution: **2021 - 2023**
Duration: **24 months**

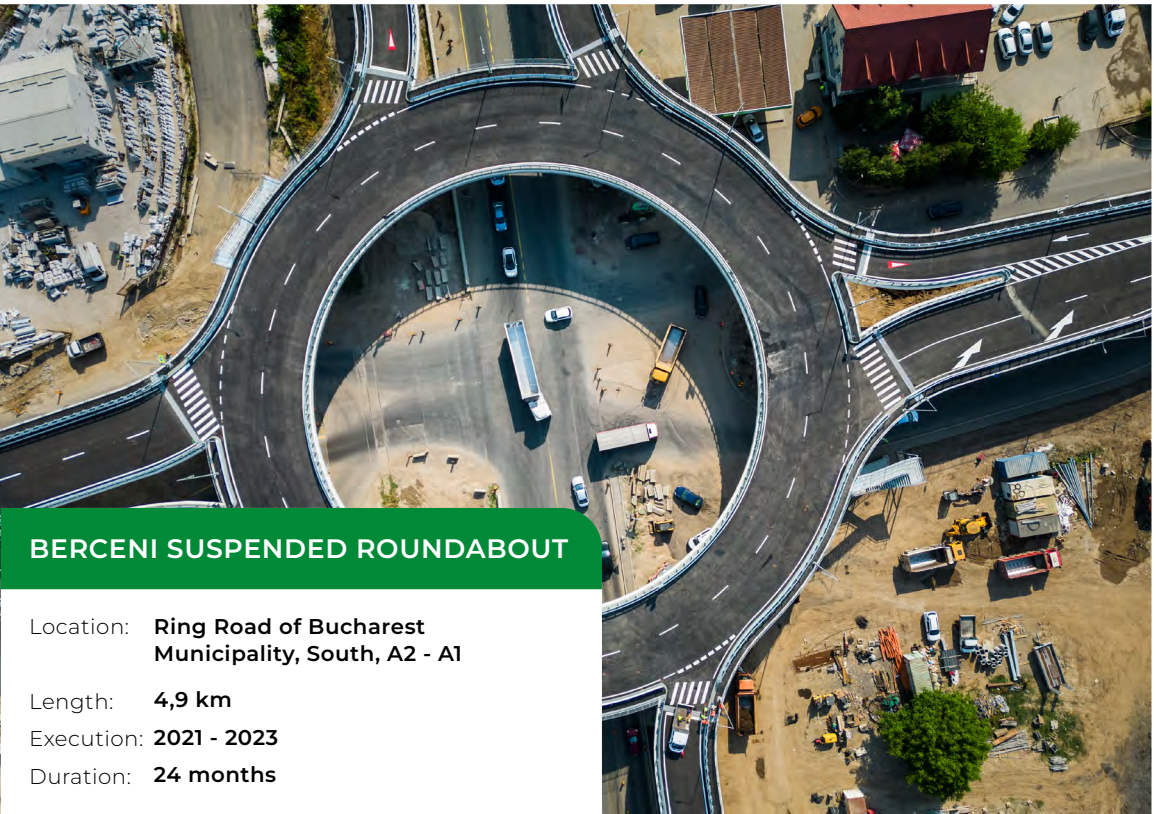
TUDOR ARGHEZI PARK
Fountain & Parking Facade & Fencing

Location: **Bulevardul Metalurgiei, District 4, Bucharest**

Surface: **3,550 sqm**

Execution: **2023**

Duration: **4 months**



BERCENI SUSPENDED ROUNDABOUT

Location: **Ring Road of Bucharest Municipality, South, A2 - A1**

Length: **4,9 km**

Execution: **2021 - 2023**

Duration: **24 months**

VORTEX FOR UNITED EUROPE PASSAGE

Location: **Metalurgiei Blvd, District 4, Bucharest**

Length: **650 m**

Execution: **2023**

Duration: **4 months**

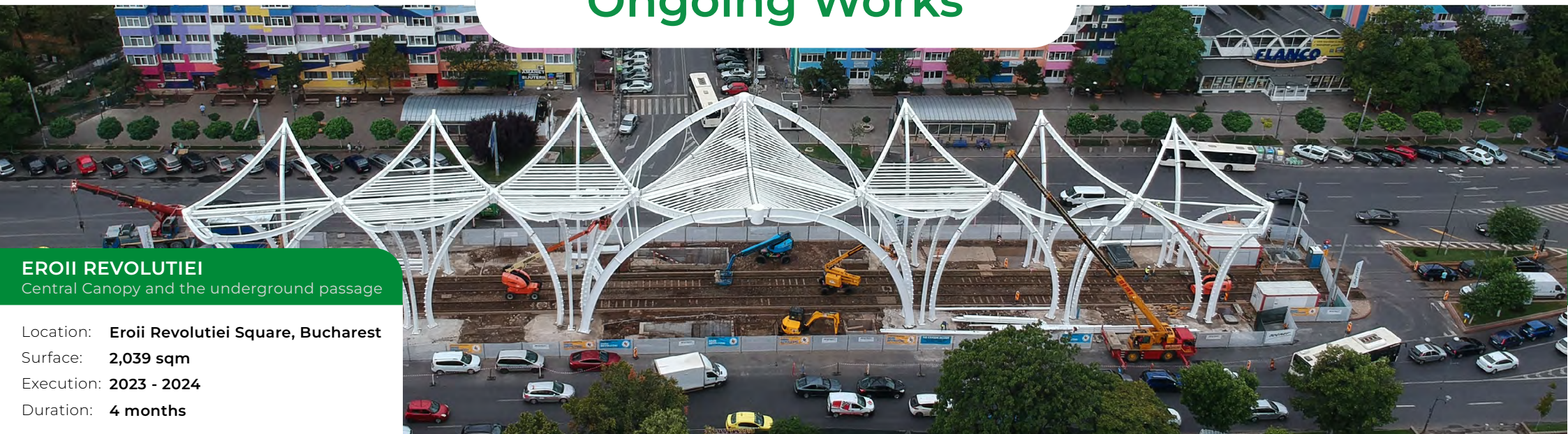
SIBIU AIRPORT

Location: **73 Alba Iulia Road, Sibiu**
Surface: **22,400 sqm**
Execution: **2022 - 2024**
Duration: **18 months**

CLUJ AIRPORT

Location: **149-151 Traian Vuia, Cluj-Napoca**
Surface: **7,200 sqm**
Execution: **2023 - 2024**
Duration: **12 months**

Ongoing Works



EROII REVOLUTIEI
Central Canopy and the underground passage

Location: **Eroii Revolutiei Square, Bucharest**
Surface: **2,039 sqm**
Execution: **2023 - 2024**
Duration: **4 months**

GRANT BRIDGE

Location: **Grant Suspended Overpass, Bucharest**
Length: **1,404 m**
Execution: **2023 - 2024**
Duration: **13 months**

TUZLA AIRPORT

Location: **Tuzla, Constanta**
Surface: **60,420 sqm**
Execution: **2022 - 2024**
Duration: **12 months**

SATU MARE AIRPORT

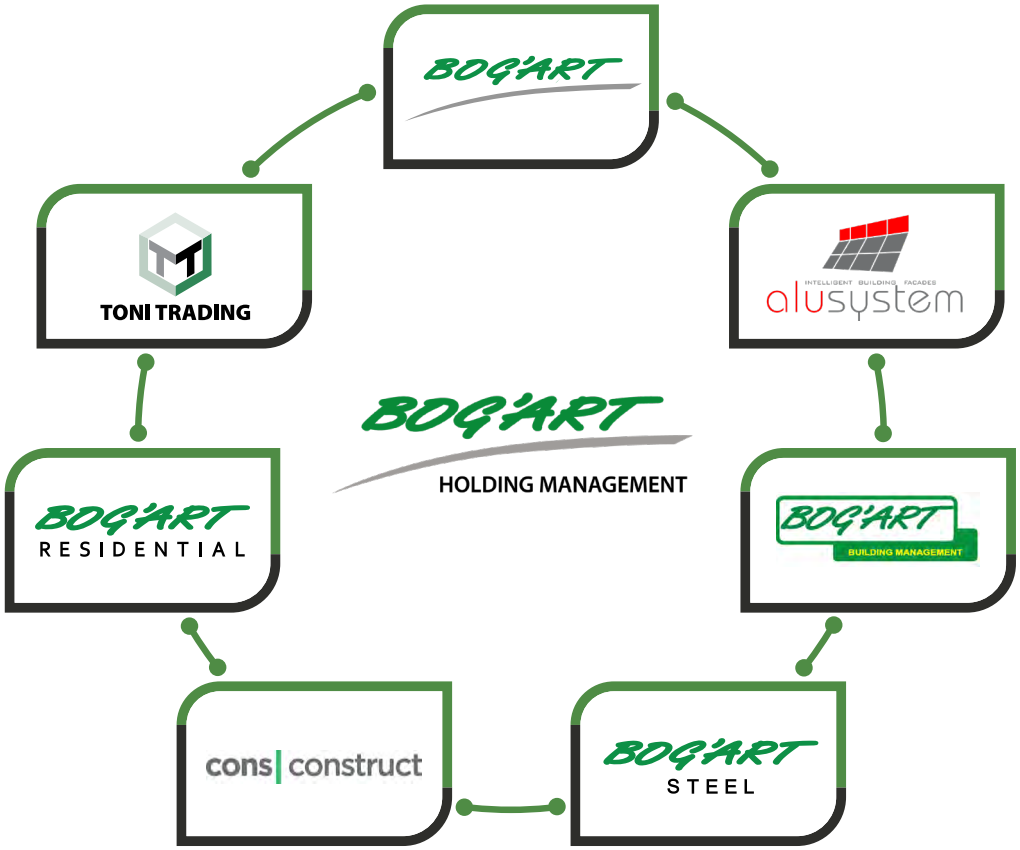
Location: **Zalau 9.5 km, Satu Mare**
Surface: **22,400 sqm**
Execution: **2023 - 2024**
Duration: **13 months**

Bog'Art – Center Role in a Modern Holding

Bog'Art is the cornerstone of Bog'Art Holding Management, a modern Romanian entrepreneurial conglomerate led by the Doicescu Family. As the flagship entity, Bog'Art accounts for three-quarters of the group's total turnover. It is the largest company within the Doicescu Family's holding, which includes businesses in general contracting, real estate development, manufacturing, building and facility management services, facades, and more.

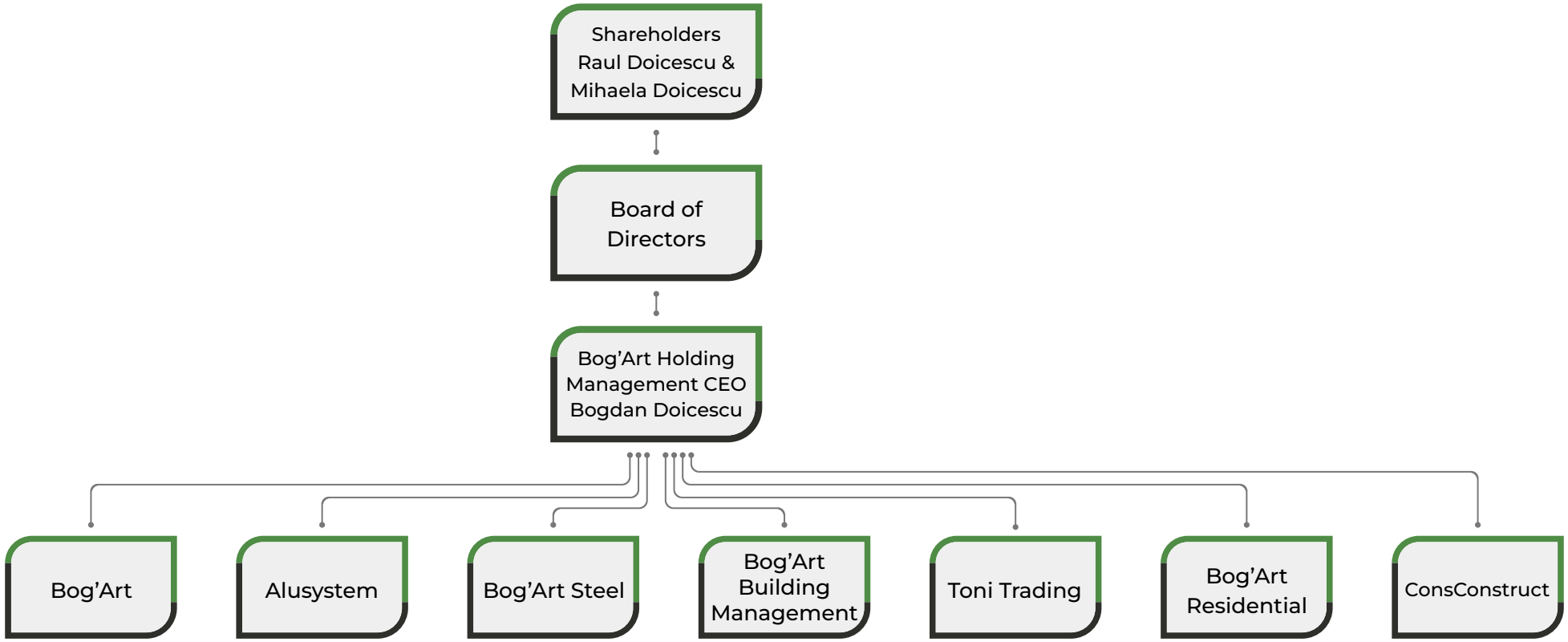
The Holding is governed by a Board of Directors that includes family members, independent directors (one-third), and other executive and non-executive members, ensuring a fair gender balance.

Our group of companies has earned widespread acclaim for its ability to attract premier talent within the industry. Over time, we have successfully assembled one of the most outstanding teams of seasoned professionals, demonstrating both exceptional competence and a commitment to fostering a collaborative and high-achieving work environment.



While the origins of Bog'Art Holding are of a family business, corporate governance ensures that policies, processes and operating systems can effectively provide the framework for managing the operating businesses at scale. Our decision-making process commences with Extraordinary General Meetings and Special General Meetings, extending to a Board of Directors inclusive of non-executive members. For Bog'Art, leadership responsibilities are spearheaded by CEO Sorin Greu, who delegates to a seasoned team of directors, each boasting close to two decades of industry experience, with 40% comprising women.

Group Governance Structure



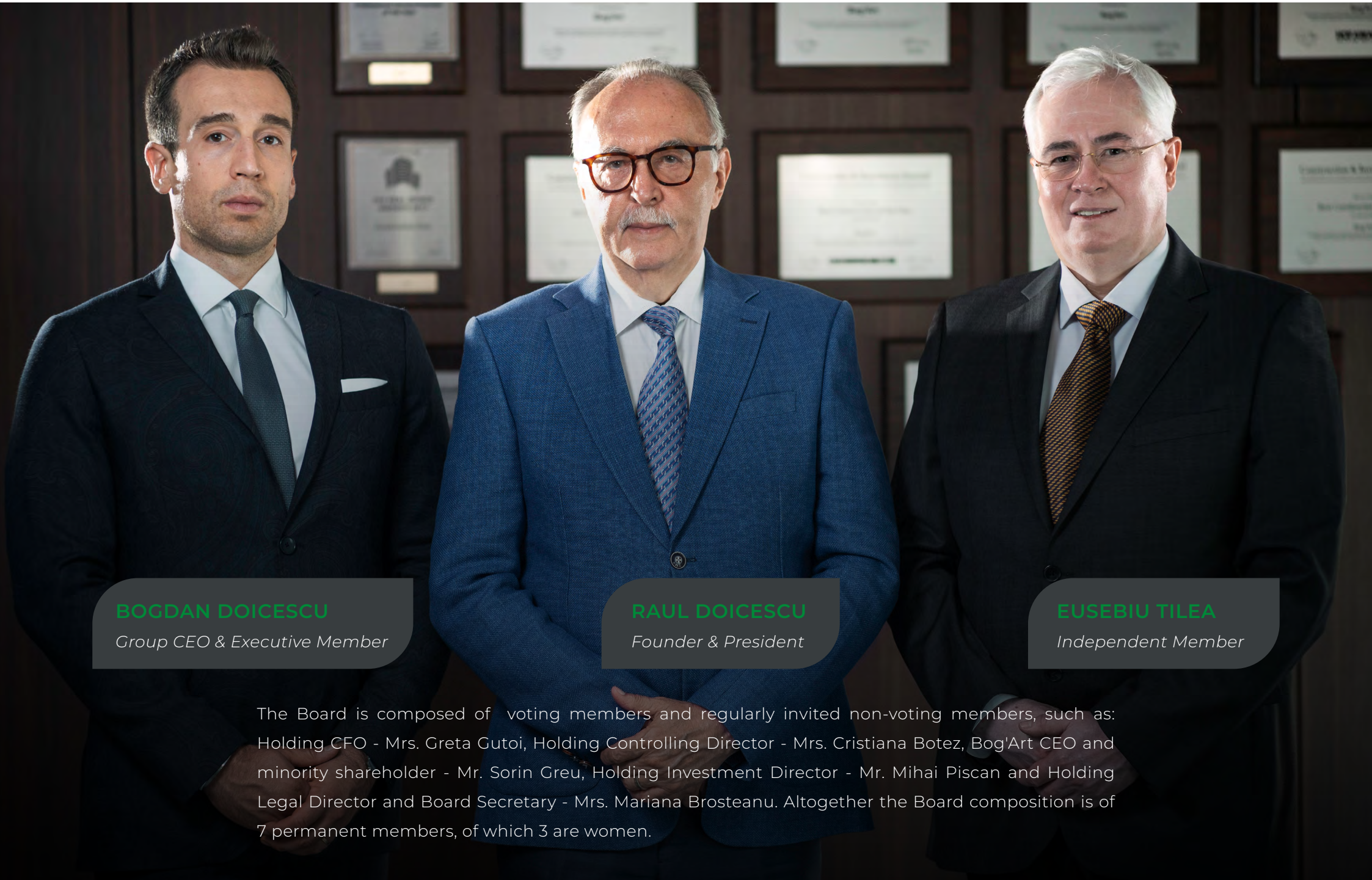
Governance Goals

At Bog'Art, we understand that exemplary corporate governance is foundational to managing our operations responsibly, efficiently, and sustainably. Our approach is designed to cater to the broad spectrum of our stakeholders, which includes shareholders, clients, suppliers, society at large, and our valued employees. Corporate governance at Bog'Art is about the balanced distribution of rights and responsibilities among our corporate bodies, in strict adherence to applicable laws, regulatory rules, and our internal guidelines and processes. The core purpose behind our governance practices is to facilitate diligent oversight by our Board of Directors and management, to instill a culture of ethical business conduct among our employees, and to foster a robust risk management culture.

Bog'Art is aligned with the Corporate Governance policies of the Holding strictly adhering to the: Ethical Code, Confidenciality Policies, Conflict of Interest Policies, Transfer pricing policies, Acquisition Policies, Risk Management Policies, Investment Policies, Cyberattack Policies, KYC Policies, GDPR, Anti-Money Laundering Policies, ESG Policies, along with the functional rules of the Board of Directors and Secretary General, Secretary, Internal Controls, critical in upholding the integrity and accountability of our operations, fostering trust among stakeholders, and supporting the long-term success of Bog'Art.

The group's governance regulation establishes specific conduct for making both strategic decisions and those above certain value thresholds deemed to have a significant impact on business operations. The Board of Directors meets monthly, with agendas covering financial, operational, and new business chapters related to periodic information, risk analysis, and decision-making.

Annually, the company revises annual targets through the Revenue and Expense Budgeting Procedure, which includes financial and non-financial indicators monitored monthly in a comprehensive reporting system that is presented monthly during Board Meetings and takes into account the dimensions of actual and forecast relative to target benchmarks



The Board is composed of voting members and regularly invited non-voting members, such as: Holding CFO - Mrs. Greta Gutoi, Holding Controlling Director - Mrs. Cristiana Botez, Bog'Art CEO and minority shareholder - Mr. Sorin Greu, Holding Investment Director - Mr. Mihai Piscan and Holding Legal Director and Board Secretary - Mrs. Mariana Brosteanu. Altogether the Board composition is of 7 permanent members, of which 3 are women.

Agile Through Change

Bog'Art prides itself on maintaining agility while achieving scale growth, adeptly navigating shifts in clientele composition from predominantly private to predominantly large public works portfolio over recent years, showcasing a capacity to adapt internal processes, procurement strategies, and financial frameworks with swiftness.

Capitalizing on the transformative opportunities presented by substantial local and EU funding programs, Bog'Art is poised to redefine Romania's landscape, transitioning from corporate clients to spearheading the modernization of the nation's infrastructure with a steadfast commitment to sustainability.

Bog'Art is at the vanguard of operational efficiency, propelling forward with the implementation of digitalization initiatives and implementing a unified standard of clear procedures, process flows, and transparent reporting. This aims to enhance the company's P&L, operational efficiency, and management oversight. This proactive strategy has facilitated Bog'Art's seamless transition from private to public ventures, aligning with evolving environmental regulations and demonstrating exceptional agility in managing increasingly complex projects.

Fostering a culture of innovation and agility while upholding stringent policies in cyber security, anti-bribery, GDPR compliance, and many more, Bog'Art rivals multinational counterparts without compromising on ingenuity and swift decision-making.

As Bog'Art embarks on a journey of corporate reinvention, the groundwork laid through Process Management Digitalization initiatives which set the stage for continued advancement in 2024. Guided by an agile management approach, Bog'Art is primed to lead with impact, setting new benchmarks for sound governance and organizational agility.

Project Management Tools

Bog'Art's project management strategy is meticulously engineered, integrating cutting-edge tools and methodologies to maximize productivity and mitigate risks effectively:

Digital Transformation: Through the adoption of advanced software solutions and technologies, Bog'Art revolutionizes internal processes, optimizing resource allocation and project timelines with unparalleled efficiency.

Employee Skill Development: Investing in tailored professional training programs ensures teams remain at the forefront of industry advancements, equipped with the latest techniques and methodologies vital for project success.

Technology and Machinery Investments: Strategic allocation of resources towards state-of-the-art construction equipment and technologies empowers Bog'Art to maintain operational excellence and meet project demands with precision.

Energy Efficiency and Sustainability: Bolstering its commitment to environmental stewardship, Bog'Art secures esteemed international certifications like LEED and BREEAM, underscoring its dedication to sustainable project execution.

Advanced Risk Management: Leveraging Oracle Primavera Risk Analysis software, Bog'Art conducts rigorous risk and opportunity analyses, enabling proactive resource planning and risk mitigation to safeguard project objectives.

Guided by clear process objectives, Bog'Art is committed to minimizing the impact of uncertainties and risks on project outcomes, ensuring confidence and transparency in project bids and selection, enhancing stakeholder understanding of project assumptions and impacts, increasing project success milestones.

Drawing upon a wealth of data inputs including detailed work schedules, three-point estimations, risk breakdown matrix, evaluation criteria, and clearly roles and responsibilities, Bog'Art's risk management process yields robust outputs:

- Comprehensive risk management plans outlining risk response strategies and mitigation actions.
- Detailed risk registers cataloging identified risks and associated data.
- Exhaustive risk exposure matrices facilitating quantitative risk assessment and prioritization.
- Distribution charts offering insights into project completion probabilities and critical risk influencers such as project completion within time/cost P20, P50, P80, activities and risks with the greatest influence on project objectives in terms of duration and cost.
- Actionable reports, recommendations, and lessons learned, enabling continuous refinement and optimization of project management.
- Monitoring tools such as risk histograms, mapping charts and sensitivity diagrams which faccilitate the identification of risks and opportunities.

Containing Cybernetic Threats

In the realm of cybersecurity, Bog'Art stands fortified with a comprehensive array of countermeasures designed to safeguard against potential threats:

Data Protection Measures:

- Implementation of periodic offline backups for critical data ensures resilience against data loss incidents.
- Rigorous access controls, including restricted installation and macro execution rights, limit unauthorized access to sensitive systems and data.
- Regular software updates and firmware patches across all workstations, servers, and network equipment bolster system integrity and resilience.

Enterprise-Grade Security Solutions:

- Deployment of enterprise-grade antivirus solutions, complemented by infrastructure management consoles, provides robust protection against malware and other cyber threats.
- Gateway-level firewall protections fortify network perimeters, mitigating potential infiltration attempts at the workstation level.

Encryption Protocols:

- Implementation of robust encryption protocols ensures secure data transmission between workstations and headquarters, as well as encryption of workstation storage units using BitLocker technology.

Cloud Migration Strategies:

- Strategic migration of services to external cloud environments, such as Microsoft Exchange, enhances resilience against targeted cyber attacks by leveraging the security infrastructure of trusted cloud providers.

Security Infrastructure:

- Enterprise-grade antivirus solutions are managed through dedicated servers, enabling centralized reporting, policy enforcement, and remote installation capabilities.
- Firewall equipment, including Linux servers or Netgate/Pfsense solutions, fortify network defenses, providing an additional layer of protection against unauthorized access and malicious activities.

External Security Audits:

- Annual external security audits for all servers and network applications ensure adherence to industry best practices and regulatory standards, bolstering confidence in the organization's cybersecurity posture.

Through the meticulous implementation of these measures, Bog'Art not only mitigates cyber risks but also fosters a culture of resilience and proactive security management, safeguarding its operations and assets against evolving threats in the digital landscape.

Risk Analysis Methods

Risk and opportunity analysis is an ongoing endeavor woven seamlessly throughout the lifecycle of our projects at Bog'Art. This Management protocol stands as a guiding beacon for all our employees engaged in project oversight, fostering a unified culture centered on proficient project management. Emphasis is placed not merely on project content, but rather on the meticulous orchestration of project management methodologies. Within this framework, methods categorized as "optional" necessitate mutual consensus between the individual project manager and the project owner. It is imperative to note that this protocol, while not intended as a training instrument per se, harmonizes harmoniously with the project management training sessions offered at Bog'Art.

Our ultimate aim is the attainment of professional project management standards. Fundamental to achieving our project objectives is the adept management of subprocesses, encompassing project initiation, coordination, monitoring, resolution of any emerging issues, and the ultimate closure of projects. Our project management practices are inclusive of a comprehensive spectrum of considerations, including project objectives, scope, scheduling, resource allocation, cost management, anticipated benefits, risk assessment, organizational dynamics, cultural nuances, personnel dynamics, infrastructure requirements, and contextual dimensions such as pre- and post-project phases, environmental factors, alignment with overarching company strategies, and the economic viability of project-driven investments.

The commencement of any project hinges upon a robust project proposal delineating essential project parameters, including objectives, phases, milestones, anticipated costs, and organizational structure. Furthermore, adherence to the project process map is imperative throughout the project lifecycle to ensure meticulous traceability of activities. Our process mapping endeavors afford Bog'Art a panoramic view of organizational workflows and their interrelationships, fostering synergy across sequential processes. By delineating process interdependencies and identifying avenues for optimization, we fortify organizational efficiency and effectiveness. The mapping matrix meticulously outlines the interplay between preceding, concurrent, and subsequent processes, with task completion within one process often triggering the initiation of another.

As part of our commitment to continuous improvement, Bog'Art dedicates resources to optimize primary processes, particularly in the realm of IT application development for business process digitization. Leveraging cutting-edge digitization technologies enables us to evaluate resource utilization and optimize operations based on real-time data insights. Our internally crafted project management processes, benchmarked against leading international standards such as ISO 21500, underscore our commitment to structured project planning, efficient resource allocation, and rigorous on-site progress monitoring.

Policies and Processes

Our policies have been recently developed to reflect our commitment to sustainability and ESG principles in accordance with industry best practices. We have developed comprehensive guidelines that cover environmental management, social responsibility, ethical business practices, and governance.

These policies are regularly reviewed and updated to align with international best practices and local regulations. To ensure these policies are effectively implemented, we have integrated ESG considerations into our project management lifecycles, from initial planning and design through to construction and operation.

Reporting and Transparency: Transparency is key to our approach to sustainability and ESG. Bog'Art is committed to regular and open reporting of our sustainability performance and ESG initiatives. We are committed to annually publish sustainability reports in accordance with global standards, such as the Global Reporting Initiative (GRI), providing stakeholders with detailed insights into our achievements, challenges, and future plans. This commitment to transparency helps build trust with our clients, investors, and the communities we serve.

Ethical Business Conduct: enhance our commitment to the highest ethical standards across all business operations. This involves the continuous improvement of our Code of Conduct, stricter enforcement of anti-corruption policies, and regular ethical training for all employees. Our goal is to embed ethical considerations into every aspect of our business, from procurement to project execution.

Compliance and Oversight: Enhance our compliance mechanisms to not only meet but exceed legal and regulatory requirements related to environmental protection, labor laws, and corporate governance. This includes the establishment of more rigorous internal auditing processes and the integration of ESG risk assessments into our overall risk management strategy.

Stakeholder Engagement: Commit to meaningful engagement with our stakeholders, ensuring their insights and concerns are considered in our governance processes. This involves regular stakeholder consultations, transparent communication strategies, and the incorporation of stakeholder feedback into our sustainability and ESG strategies.

By focusing on these governance goals, Bog'Art aims to reinforce the foundation of our sustainability and ESG efforts. Effective governance not only ensures compliance with legal standards and ethical norms but also positions us as a leader in corporate responsibility. Our commitment to these governance objectives reflects our dedication to transparency, accountability, and the continuous improvement of our practices, ensuring we remain at the forefront of sustainable and responsible business practices in the construction industry.

Leadership and Management

Bog'Art's approach to sustainability and ESG (Environmental, Social, Governance) is deeply integrated into our leadership and management structures. We have established a Sustainability responsibility within our board, ensuring these considerations are central to decision-making processes. This team is responsible for setting strategic directions, developing, and overseeing the implementation of sustainability and ESG policies, and monitoring their effectiveness across all levels of the organization.

The company's organizational structure is built on project-oriented functions centralized at the departmental level: PM office, procurement, sales, finance, operations, quality, IT, logistics, HR, legal. This structure ensures the dynamism of the company and allows Bog'Art employees to have autonomy in decision-making and actively engage in projects, thus facilitating personal and professional development. Additionally, by centralizing functions at the headquarters level, the company benefits from synergies and increased efficiency in resource management.

Our Team

The defining characteristic of Bog'Art is our cohesive and high-performing team, composed of seasoned professionals with specialized expertise who have been with us for decades.

They unite their synergies, passions, and extensive experience to consistently stay close to our clients and remain ahead of the market in identifying innovative and efficient solutions.

The unwavering dedication and loyalty of our colleagues embody the core values of the company, acting as the driving force that propels us forward and ensures that we are always prepared to exceed expectations and innovate within our industry.

This commitment to teamwork fosters a dynamic environment where every challenge is seen as an opportunity to collaborate, innovate, and deliver excellence. Our team's shared vision and mutual respect ensure that each project benefits from diverse perspectives and unwavering attention to detail.

Furthermore, Bog'Art's reputation for delivering complex, large-scale projects on time and within budget is a testament to the collective expertise and synergy of our people, who continuously push boundaries to set new standards in the construction industry.

With every project, we reinforce our commitment to not only meeting but exceeding industry standards, ensuring that Bog'Art continues to be a leader in responsability, innovation, reliability, and excellence in construction

Bog'Art 's organizational structure, shown on page 46, is set up to enable effective decision-making, support strategic alignment, and cultivate a culture of sustainability and excellence. The organizational chart, shown here demonstrates the hierarchical organization of roles, responsibilities, and relationships within the company. This visual representation gives a clear summary of the company's structure, emphasizing the interrelatedness of different departments and units, and their role in advancing the overall mission and objectives of Bog'Art. It acts as a guide, helping both employees and external stakeholders to comprehend how the company operates and how various segments work together to accomplish shared goals.

Management Team

Sorin Greu
Chief Executive Officer

Greta Guţoi
Chief Financial Officer

Liviu Bălănescu
Projects & Processes Management Director

Bogdan Boldescu
Operations Director

Sorin Suciu
Procurement Director

Adrian Tudor
Commercial Director

Claudia Antohe
Installations Director

Ion Bădiceanu
Workforce Director

Simona Cârstoiu
HR Director

Vlad Roman
Quality Control Director

Laura Constantinescu
Design Director

Cătălin Şomode
Infrastructure Director

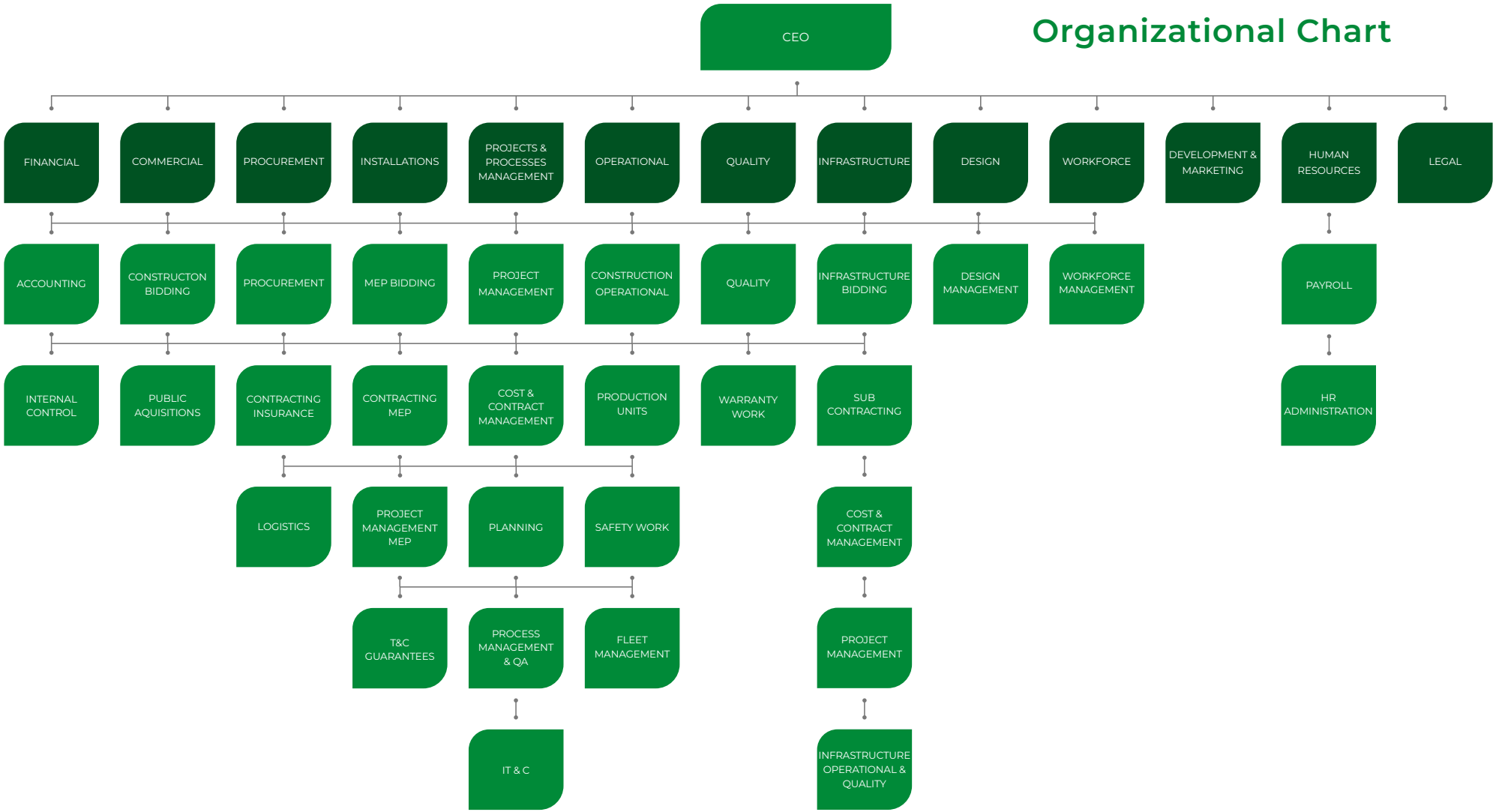
Mariana Broşteanu
Legal Director

Maria Chira
Accounting Director

Cristina Botez
Controlling Director

Simona Iordache
Senior Marketing Executive

Organizational Chart



Employment Metrics

Inverting the traditional perspective of what employees can contribute to the company, Bog'Art focuses on what it can offer to its workforce, showcasing a strong commitment to its people. The company emphasizes transparency and fairness in its employment practices, as reflected in its internal statistics and policies.

Gender Equality and Pay Structure

Gender Distribution and Leadership

In 2023, Bog'Art made substantial strides towards fostering gender equity throughout the organization, as evidenced by a comprehensive analysis of gender distribution across various hierarchical tiers:

Top Management: Sustained a commendable representation with 33% female leaders (5 individuals) and 67% male leaders (10 individuals), underscoring the organization's commitment to maintaining a diverse leadership cohort.

Senior Positions: Although there was a marginal decrease in the proportion of women occupying senior roles, with females comprising 35% (9 individuals) and males 65% (17 individuals), this data signifies a nuanced shift in gender balance within senior management ranks.

Mid-Management: Significantly, mid-management roles achieved a commendable equilibrium, boasting a parity of 50% female (5 individuals) and 50% male (5 individuals) representation, marking notable progress towards gender equality at this organizational level.

All Employees: Noteworthy progress was observed across the entire employee spectrum, with female representation rising to 31% (123 individuals) from the previous year's 27%, while male representation stood at 69% (272 individuals). This increase in female representation underscores Bog'Art's commitment to cultivating a diverse and inclusive workforce.

These statistics underscore Bog'Art's ongoing dedication to fostering an environment where gender equity is not only valued but actively pursued across all levels of the organization.

Category	2023 % Men	2023 % Women	2022 % Men	2022 % Women
Top management	10 (67%)	5 (33%)	10 (67%)	5 (33%)
Senior Positions	17 (65%)	9 (35%)	15 (60%)	10 (40%)
Mid-Management	5 (50%)	5 (50%)	6 (60%)	4 (40%)
All Employees	272 (69%)	123 (31%)	272 (73%)	102 (27%)

Salary Equity and Financial Aspects

Bog'Art ensures salary equity, with no reported difference in hourly wages between men and women, emphasizing fair compensation practices:

- **Gender Pay Gap:** Non-existent within Bog'Art, with women's average monthly gross salary marginally higher by 1.87% compared to men's, showcasing the organization's commitment to equitable pay.
- **Age and Experience:** The average age of employees at Bog'Art is 46 years, with an accumulated experience of 3,905 years among all active employees, reflecting the depth of expertise within the company.
- **Safety and Health:** The total number of work-related accidents for BogArt employees was maintained at zero, emphasizing a strong commitment to safety and health policies.
- **Cultural Diversity:**
  Bog'Art's workforce includes other nationalities, enhancing the cultural fabric of the organization.
- **Development Opportunities:** The company promotes self-development, allocating an average of 20 training hours per person annually, alongside dedicated hours for innovative solutions study.

Bog'Art's efforts in promoting gender equity and ensuring salary equity are integral to its social performance strategy.

Fostering a balanced and fair work environment and supporting the professional growth and well-being of its employees, BogArt continues to build a resilient, diverse, and inclusive company culture. This commitment to social performance, particularly in gender equity and pay structure, not only enhances internal corporate relations but also strengthens BogArt's reputation as responsible leader in the construction industry.

Work Environment and Employee Benefits

Accident Rate and Workplace Safety

Bog'Art places paramount importance on creating and maintaining a safe work environment. The meticulous tracking of workplace accidents is a testament to our proactive approach to health and safety:

- **Accident Rate:** The company's accident frequency rate (AFR) is diligently monitored, with the objective to sustain it well below the industry average, reflecting our commitment to safety and risk management.

In 2023, our construction sites achieved a remarkable safety record with zero accidents and no fatalities.

- **Safety Initiatives:** Continuous investment in safety training, protective gear, and accident prevention programs ensures that risks are minimized and that all employees operate in a secure and healthy environment.

Comprehensive Employee Benefits

The well-being of Bog'Art's employees is a core focus, with a comprehensive benefits package that highlights our commitment to supporting our workforce:

- **Health Insurance:** All employees are provided with health insurance, offering them security and peace of mind regarding their healthcare needs.
- **Wellness Programs:** Initiatives such as wellness programs, mental health support, and fitness memberships contribute to the overall health and well-being of our staff.

Sustainable Transport Initiatives

Understanding the environmental impact of transportation, Bog'Art promotes sustainable commuting options and provides facilities to support this:

- **Company Cars and Eco-friendly Transport:** A fleet of company cars is available for necessary business use, with an increasing number of these vehicles being eco-friendly to reduce pollution and carbon footprint.
- **Public Transportation Accessibility:** The strategic location of Bog'Art's headquarters near major public transport hubs encourages employees to opt for public transportation, decreasing individual carbon emissions and promoting environmental sustainability.

Bog'Art's commitment to a safe, healthy, and environmentally conscious work environment is evident in our accident rate reduction efforts, comprehensive employee benefits, and support for sustainable transportation options. These initiatives not only contribute to the well-being of our employees but also reflect our broader commitment to social responsibility and environmental sustainability, reinforcing Bog'Art's reputation as a caring and conscientious employer in the construction sector.

Education and Professional Development

HQ Employees' Education and Expertise

Bog'Art prides itself on the high level of expertise within its workforce, particularly among TESA (Technical, Engineering, and Administrative Staff). The majority of these employees hold university degrees, which reflects the company's emphasis on educational attainment and specialized skills. The academic credentials of our staff underpin the technical excellence and innovative capacity that Bog'Art brings to the construction sector.

- **University Degree Holders:** A notable 89.70% of TESA employees have university-level education, demonstrating the company's commitment to maintaining a highly educated and skilled workforce.

Experience and Tenure

The wealth of experience within Bog'Art is one of its most valuable assets. The cumulative years of service of our employees speak volumes about the company's ability to retain talent and foster a supportive and rewarding work environment.

- **Cumulative Experience:** The total years of experience amassed by all active Bog'Art employees amount to 3,905 years, highlighting the depth and breadth of expertise within the company.
- **Average Tenure:** The average period of time spent at Bog'Art is 9.5 years, significantly exceeding the sector norm, which indicates high job satisfaction and organizational loyalty.

Self-Development and Training

Bog'Art is committed to the continuous professional and personal development of its employees. The company has established comprehensive training programs and self-development opportunities to ensure that the workforce remains at the forefront of industry advancements and innovation.

- **Training and Development:** Annually, employees benefit from an average of 20 hours of training per person, with additional 50 hours dedicated to the study of innovative technical solutions, fostering a culture of continuous learning and improvement.
- **Training Programs:** The integration of training sessions, including 2,956 training and further education sessions in 2021 with 33,961 participants, reflects the company's dedication to upskilling its workforce.

Health and Safety Education

Ensuring the health and safety of its employees is paramount at Bog'Art. The company has instituted robust health and safety policies, coupled with comprehensive training to minimize risks and protect its workforce.

- **Safety Culture:** Regular training in health and safety practices, including mandatory e-learning courses on compliance, occupational safety, IT security, and data protection, reinforces Bog'Art's commitment to a safe working environment.

Diversity and Inclusion

Bog'Art recognizes the strength in diversity and actively promotes an inclusive workplace. The diverse composition of the workforce, including employees of different nationalities, enriches the company's cultural dynamics and contributes to a broader perspective in its operations.

- **Diversity Metrics:** The company employs individuals from various backgrounds, including nationalities from Moldavia, Jordan, and having previously employed over 400 workers from Vietnam, showcase Bog'Art's global and inclusive perspective.

Bog'Art's focus on education, professional development, and workplace diversity is integral to its organizational success. By investing in the growth and well-being of its employees, Bog'Art not only enhances its operational capabilities but also fosters a culture of innovation, safety, and inclusivity. This chapter of the Bog'Art Sustainability Report underscores the company's commitment to developing its most valuable asset—its people—ensuring a prosperous future for the company and its workforce alike.

HR Strategy and Employee Development at Bog'Art

Bog'Art acknowledges the critical role of human resources in the construction sector, where skilled personnel are essential for business success, especially given the industry's seasonal demands and skilled labor shortages. Our strategic HR planning focuses on comprehensive employee development, aligning with Bog'Art's core values and business objectives.

Human Resource Development At Bog'Art, development is a key organizational unit dedicated to fostering employee growth across all departments. This involves establishing guidelines for recruiting, training, and promoting talent, ensuring a robust pipeline of skilled professionals within the company.

Regular interactions between management and staff facilitate a culture of continuous development and mutual growth. Conducted annually, these interviews serve as a platform for feedback and discussion, aiding in the identification of training needs and professional growth opportunities, thereby enhancing job satisfaction and alignment with the company's mission.

Training and Talent Management

Bog'Art is committed to the ongoing training and development of its workforce to meet the dynamic needs of the construction industry:

- **Training Programs:** A diverse range of seminars and educational sessions is offered, catering to the identified training needs from appraisal interviews. In 2023, significant participation in training sessions highlighted the organization's commitment to employee development.
- **Leadership and Skill Development:** Specialized programs are designed to nurture management skills, focusing on areas such as change management, collaboration, and agile leadership, supporting both professional and personal growth.

Talent Management

Identifying and nurturing high-potential individuals is key to sustaining organizational excellence and innovation:

- **Career Paths:** Bog'Art offers varied career trajectories, from technical expertise in specific fields to project management, ensuring that employees have opportunities to excel in their chosen areas.
- **Coaching and Mentoring:** External coaching and internal mentoring programs are integral to our strategy, enhancing the professional capabilities of our employees and ensuring a deep-seated alignment with organizational goals.

Training Offerings and Learning Culture

Bog'Art's learning program is the cornerstone of our learning culture, providing tailored training and educational programs:

- **Diverse Learning Opportunities:** Employees have access to a wide range of courses, including mandatory e-learning on compliance, safety, and data protection, ensuring well-rounded development.
- **Innovative Learning Methods:** The adoption of blended learning approaches combines traditional and e-learning formats, offering flexible and effective educational experiences.

The HR strategy at Bog'Art is designed to empower our workforce, ensuring that each employee has the opportunity to develop professionally and personally. By investing in our people, we not only enhance our competitive edge in the construction industry but also foster a culture of excellence and continuous improvement. This strategic approach to HR and employee development is a testament to Bog'Art's commitment to its most valuable asset: its people.

Organizational Culture and Performance at Bog'Art

At Bog'Art, financial metrics such as profitability per employee are viewed through the lens of our overarching commitment to employee welfare and long-term sustainability. This strategic focus differentiates us from our industry peers:

- **Employee-Centric Financial Approach:** Bog'Art's profitability per employee is at the higher spectrum of benchmarks for similar construction companies, a deliberate strategy that underscoures our priority to invest in our most productive staff and hire strictly when needed We believe that prioritizing employee welfare translates into enhanced productivity, loyalty, and overall company performance in the long run.

- **Shareholder Alignment:** The founding family recognizes the value of investing in human capital and support our vision of balancing immediate financial gains with long-term sustainable growth. This approach fosters a healthy organizational culture and secures our position as legacy builder in the construction industry.

Engineering Expertise

Bog'Art's reputation as a top-tier player in the construction sector is largely attributed to our exceptional team of civil construction engineers, whose expertise is pivotal to our success:

- **Highly Skilled Engineering Team:** Our engineers possess extensive experience and are renowned for their technical proficiency, innovative problem-solving skills, and commitment to quality. They play a crucial role in executing complex projects with precision and excellence.

- **Continuous Professional Development:** We are committed to the continuous learning and professional development of our engineering team. This ensures they remain at the forefront of industry advancements and are equipped to tackle the challenges of modern construction with innovative solutions.

The organizational culture and performance at Bog'Art are deeply interconnected, with our strategic emphasis on people and performance driving our success. By balancing profitability with employee welfare and harnessing the extensive expertise of our engineering team, Bog'Art not only achieves its business objectives but also establishes a resilient and dynamic organizational culture. This culture is characterized by a commitment to excellence, innovation, and the long-term well-being of both our employees and the broader communities we serve.

Health, Safety, and Diversity

Bog'Art is committed to the health and safety of our employees, as well as the promotion of a diverse and inclusive workforce, as part of our operational philosophy. These fundamental values are not only essential for our daily activities but also define the overall identity and culture of our organization. As we explore the main chapter on health and safety, it is important to recognize how these aspects are connected with the diverse makeup of our workforce, creating a comprehensive environment that fosters well-being and inclusivity.

Celebrating International Diversity

Bog'Art previously employed workers from different countries, like Moldova, Jordan, and Vietnam. This makes us stronger and more dynamic, as we bring many views, ideas, and experiences to our company culture. This helps us be more creative and innovative in solving problems, and also lets us relate to a global market and to better understand the complexities fo the construction industry. When we deal with health and safety issues, we value how our employees' diverse backgrounds help us gain flexibility in operating methods while retaining discipline in our tried-and-tested work safety procedures.

Health and Safety

Bog'Art cares about the safety and well-being of every team member at work. We have developed a proprietary and rigorous on-site training protocol and constant on-site vigilance for managing health and safety. Our tried-and-tested methods make a safe work environment, with our main goal to be zero work accidents or fatalities in all of our construction sites..

Comprehensive Health and Safety Policies

Bog'Art has thorough policies that cover full spectrum of risks in construction activities, policies that address both the physical and mental hazards of construction work. They are regularly updated to match changing industry standards, laws, and technology, incorporating methods for identifying, managing, and reducing risks. Careful risk evaluations, statements, and procedures are the core of our approach, making sure all operational activities follow the best safety and health standards.

Cultivating a Safety-First Culture

Bog'Art's way of working is based on safety as the top priority for everyone in the organization. Everyone has a duty to make sure the workplace has zero work accidents. We encourage an honest environment where people can report and deal with safety issues in a well-informed and all-encompassing manner. Specifically, we have mandatory safety on-boarding and debriefings for all teams entering or exiting construction sites, dedicated safety representatives within different project team structures, as well as safety feedback systems.

Rigorous Incident Reporting and Investigation Mechanisms

Bog'Art uses a methodical way to report and investigate incidents, essential for learning from safety failures and improving workplace safety rules. Our incident management system enables quick reporting and monitoring of safety incidents, close calls, and deviations, enabling prompt and efficient reactions. Investigations apply root cause analysis methods, to uncover the reasons behind incidents, resulting in informed choices on how to prevent and fix issues in future operational tasks..

Advanced Training and Education Programs

We show our commitment to safety by spending time on thorough training and education programs that give employees the safety knowledge and skills they need. We have different programs for new and experienced employees, depending on the risk level of their activities. We use a mix of classroom learning, on-the-job training, and simulations to make sure our employees know and follow safety best practices in their daily activities.

Systematic Safety Audits and Inspections

We monitor and improve our safety standards by conducting regular safety audits and inspections with internal and external experts. These audits cover everything from site conditions to safety documents and procedures. We use the audit results to identify gaps in our safety practices and enhance our protocols for the future.

Employee Health and Well-being Programs

We care about our employees' well-being in all aspects, not just their safety. We have programs that help our employees physically, mentally, and emotionally. Specifically, we conduct ergonomic checks, workplace changes, health tests, and mental health support as part of our well-being programs.

Client Satisfaction at Bog’Art

Bog'Art emphasizes client satisfaction, striving to meet and exceed expectations through continuous improvement. While lacking a formal Client Satisfaction Index (CSI) until now, Bog'Art has collected feedback, particularly from public public projects which have far-reaching impact on the larger population. This feedback has guided improvements and strengthened our awareness for the increased impact Bog'Art's activity has on our ultimate beneficiaries, in many cases a large population using the infrastructure and national-scope projects we deliver.

Towards a Client Satisfaction Index

Bog'Art plans to introduce a Client Satisfaction Index (CSI) in 2024 to enhance its visibility towards the increased impact on a diverse set of stakeholders. This initiative aims to capture comprehensive feedback, identify areas for improvement, and continue to strive for a client-first approach. By implementing the CSI, Bog'Art reaffirms its commitment to delivering value to clients while maintaining its leadership in the construction industry.

Bog'Art fosters transparency by communicating its strategy to stakeholders through internal and external channels. Internally, information is shared through meetings, seminars, and newsletters, ensuring alignment with company objectives. Externally, communication occurs via press releases, specific reports such as the Sustainability Report as well as publicly available financial statements.

The organization's key asset is its professionals who have shaped the brand over 30 years. They thrive in an inclusive, high-performing environment, contributing to the company's success. The culture fosters healthy relationships and innovation, with top performers recognized and newcomers welcomed. Clear structures facilitate decision-making and opportunity identification. Diversity is celebrated, driving continuous learning and adaptation. HR prioritizes employee development and well-being, ensuring a balanced work-life dynamic. Job satisfaction is rooted in excellence and alignment with organizational values, making Bog'Art a sought-after employer in the market.

CSR Initiatives

RAD Fair 2023

As part of our social responsibility initiative, Bog'Art provided support in building the exhibition infrastructure for RAD ART FAIR 2023 event.

Through its active involvement and support for the event, Bog'Art reiterated its strong commitment to the advancement and promotion of contemporary culture in Romania.

During the fair, Doicescu family exhibited a selection of their private collection of pop art and street art works.

Super Rally Team

Bog'Art is a proud supporter of the winning Super Rally team - Hospice Casa Sperantei by Real Racing, founded by Jerome France, entrepreneur involved in CCIFER, CCEF, and the CEO of EMI SA, sharing values such as speed and adaptation to risk, precision in execution and sustainability.

Interestingly, Jerome's car is powered by bio-fuels which result in 75% less emissions from gasoline cars of similar capacities,, adding an environmentally friendly component to our thrilling association with the motorsport.

Aid for Turkey's earthquake victims

Our work involves putting a roof over people's head: when disaster strikes and this basic necessity is forsaken we take an active response and have organized a transport containing beds and mattresses for the families affected by the earthquake in Turkey.

Bog'Art Affiliations

Bog'Art shares best practices in local associations, both private and public which share our values:

- The Employers' Federation of Bulding Companies (FPSC)
- Rebuilding Ukraine
- Romanian Ministry of Education - partner in vocational training program
- Royal Institute of Chartered Surveyors (RICS)
- Association of Real Estate Investors (AREI)
- Young Presidents Organization (YPO)
- Family Business Network (FBN)

Bog'Art's Commitment to Excellence: ISO Certifications

Bog'Art, a leader in the civil construction industry, is proud to be certified in three key ISO standards, demonstrating our unwavering commitment to quality, environmental responsibility, and occupational health and safety.

With these certifications, Bog'Art reaffirms its position as a top-tier contractor, committed to excellence in every aspect of our business.

Find all Bog'Art Certifications on our website: www.bogart.ro/about.

SR EN ISO 14001:2015
Environmental Management

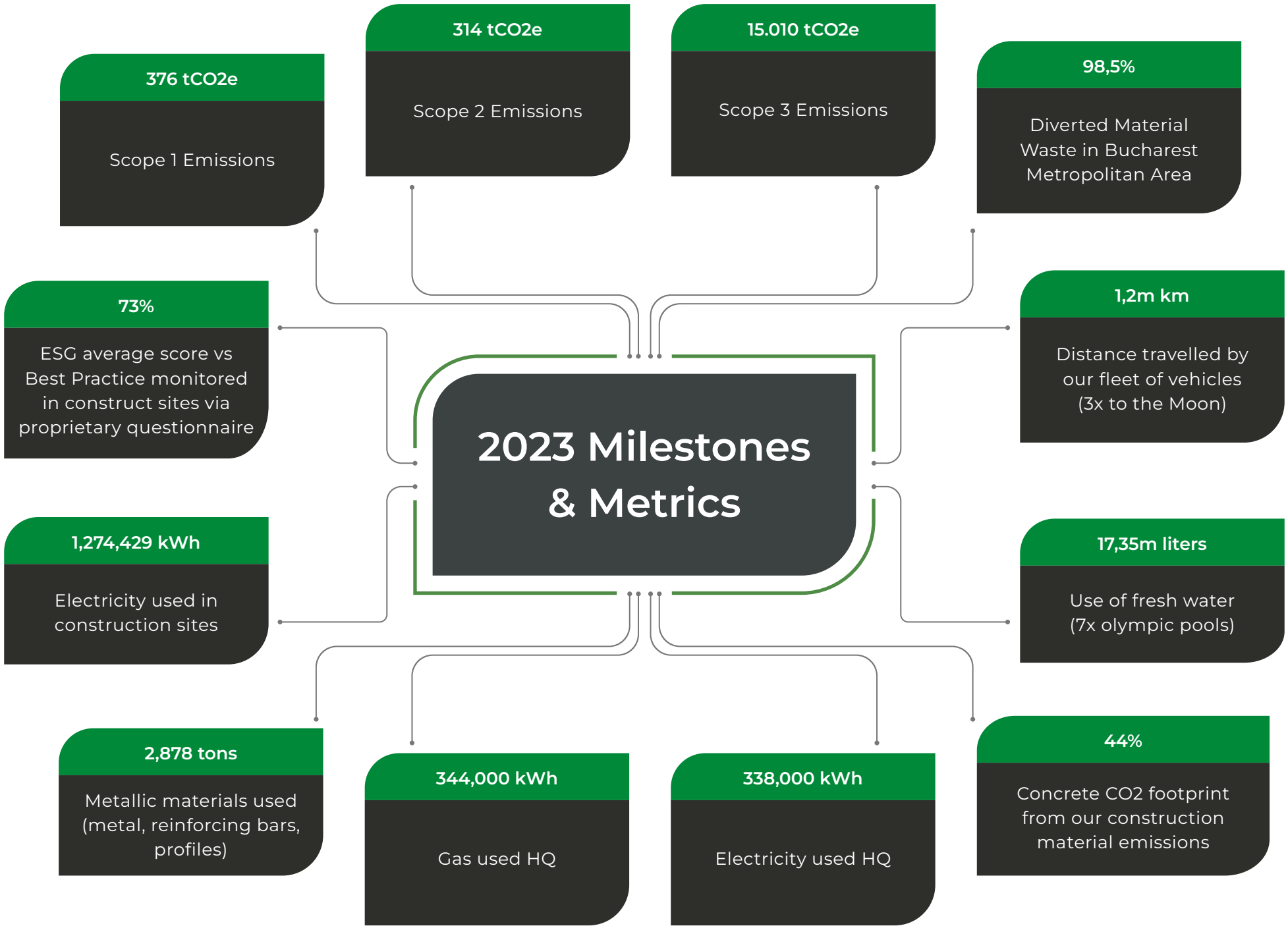
This certification highlights our dedication to minimizing environmental impact We implement effective environmental management systems, ensuring that our operations are sustainable and environmentally responsible.

SR EN ISO 9001:2015
Quality Management

Our focus on delivering superior quality is underscored by this certification. It confirms that Bog'Art consistently meets customer and regulatory requirements while continually enhancing client satisfaction through rigorous quality management practices

SR EN ISO 45001:2018
Occupational Health and Safety

The safety and well-being of our employees and stakeholders are paramount. This certification reflects our commitment to maintaining a safe and healthy workplace by proactively managing occupational health and safety risks.


2023 Milestones & Metrics
376 tCO2e
Scope 1 Emissions
314 tCO2e
Scope 2 Emissions
15.010 tCO2e
Scope 3 Emissions
98,5%
Diverted Material Waste in Bucharest Metropolitan Area
73%
ESG average score vs Best Practice monitored in construct sites via proprietary questionnaire
1,2m km
Distance travelled by our fleet of vehicles (3x to the Moon)
1,274,429 kWh
Electricity used in construction sites
17,35m liters
Use of fresh water (7x olympic pools)
2,878 tons
Metallic materials used (metal, reinforcing bars, profiles)
344,000 kWh
Gas used HQ
338,000 kWh
Electricity used HQ
44%
Concrete CO2 footprint from our construction material emissions

Bog'Art's Strategic Targets: A Vision for Sustainable Excellence

Bog'Art aims to achieve bold goals in 2024 that show our values of excellence, sustainability, and innovation. These goals respond to the changing difficulties and make Bog'Art stronger and more responsible for the environment and society.

Target Category	Specific Target
Reducing Carbon Footprint	Aim to cut GHG emissions by **25%** by 2028 from 2023 levels, with interim targets to guide our journey toward a more sustainable operation.
Worker Safety and Health	Aim to maintain a **zero-incident rate** over the next three years, reinforcing our unwavering commitment to cultivating the highest standards of safety and well-being in the workplace.
Sustainable Design and Innovation	Strive for **40%** of our projects to incorporate sustainable materials by 2028, driving innovation in eco-friendly construction practices.
Community Engagement	Engage in as many community projects as possible **up to 5/year.**
Supply Chain Sustainability	Ensure that **50%** of our suppliers meet our sustainability standards by 2028, fostering a greener supply chain.
Energy Efficiency	Work towards reducing energy consumption across our projects by **20%** annually, contributing to a more sustainable future.
Water Conservation	Commit to a **15%** reduction in water use within our property management operations by 2025, preserving vital water resources.
Waste Management	Achieve an **80%** recycling rate for construction site waste by 2027, minimizing landfill contributions.
Building Certifications	Increase the number of green building certifications by **30%** by 2026, demonstrating our leadership in sustainable building practices.

To accurately monitor our carbon emissions, together with BuildGreen as a specialty service provider, we've created a proprietary database in order to overcome the difficulty of verifying thousands of data points from various measurement points throghout our projects. This database supports our plans for cutting emissions and making sure our operations help the climate. We have five sub-goals to reach zero emissions:

- **Climate-Neutral Administration by 2030:** Covering all stationary administrative locations to address emissions from electricity, heating, cooling, and our vehicle fleet.
- **Climate-Neutral Construction Projects by 2033:** Focusing on the construction process itself, including fuel and electricity for vehicles, machinery, and temporary offices.
- **Climate-Neutral Building Operation by 2035:** Acknowledging the significant carbon footprint of building operations, we aim to deliver buildings capable of climate-neutral operation.
- **Climate-Neutral Construction Materials by 2040:** Ensuring all sourced materials, including those from our production and suppliers, are climate-neutral.

Bog'Art sets ambitious targets to demonstrate its commitment to excellence, sustainability, and growth. These targets help the company navigate market challenges and opportunities while maintaining its leadership in construction, community engagement, and environmental stewardship. Bog'Art aims to enhance its performance, loyalty, and innovation by delivering projects more efficiently, leveraging new technologies, and collaborating closely with clients. It is committed to increasing its portfolio of green projects by adhering to sustainability standards and certifications. The company prioritizes financial resilience, growth, and profitability, as well as talent development, safety, community involvement, and corporate responsibility. By valuing innovation and digital transformation, Bog'Art seeks to boost efficiency and productivity. Overall, its targets are designed to strengthen its leadership, sustainability, and impact, delivering value to clients, partners, and stakeholders.

Bog’Art Initiatives

Bog’Art recognizes the construction sector’s role in pioneering efficient use and recycling of primary raw materials. Building on our efforts with materials such as glass, insulation, and asphalt, we are expanding our focus to include a comprehensive range of construction materials, from stone and gravel to cement and structural steel. These initiatives are underpinned by advancements in technology and a commitment to comply with evolving legislative requirements.

- **Recycling and Reuse:** Central to our strategy is the enhancement of recycling and reuse practices across all materials. For example, leveraging our internal capabilities, we aim to cover a significant portion of our material needs through recycled sources, optimizing production processes to reduce greenhouse gas emissions and conserve primary raw materials.

- **Technological Integration:** To further our commitment, Bog’Art is integrating IT processes within our procurement system to systematically collect and evaluate information on the sustainability performance of our suppliers. This initiative allows us to make informed decisions, prioritizing suppliers who meet our stringent sustainability criteria.

- **Pilot Projects and Innovations:** Inspired by industry milestones, Bog’Art is committed to implementing pilot projects that showcase resource-saving and energy-efficient construction methods. By adopting innovative approaches such as low-carbon concrete and reinforcing steel, alongside integral planning and construction methods, we strive for significant CO2 savings and highly efficient building operations.

Expanding Sustainable Procurement Plans

Building upon these initiatives, Bog'Art is dedicated to further refining and expanding our Sustainable Procurement Plans. This will involve:

- **Enhanced Supplier Engagement:** Deepening collaborations with suppliers to foster mutual understanding and commitment towards sustainability goals, encouraging them to adopt greener production methods and materials.

- **Sustainability Criteria in Procurement:** Implementing comprehensive sustainability criteria in our procurement processes, beyond the traditional focus on cost and quality, to include environmental impact, recycled content, and lifecycle analysis.

- **Certification and Compliance:** Ensuring all procured materials comply with sustainability certifications such as EPD that follow EU environmental standards, reinforces our commitment to using materials that Do Not Significantly Harm (DNSH) the environment through direct emissions (Scope 1) or supply chain (Scope 2) emissions

Bog'Art is constantly improving its sustainable material sourcing and use. We go beyond the current sustainability standards and aim to set new ones for the construction industry. By recycling more materials, relying on a comprehensive scoring method in our procurement policies that make sustainability a key factor in our procurement choices, we try to lower our environmental impact and build a greener future.

With these efforts, Bog'Art leads the way in sustainable construction and supports wider environmental goals, such as saving resources and cutting carbon emissions. As we continue, we will keep innovating, cooperating, and applying practices that show our dedication to sustainability, leading by example for others in the industry.

Materiality Analysis

Bog'Art conducted a thorough materiality analysis to identify the most important sustainability issues and align them with our stakeholders' expectations and our business goals. This chapter explains how we did this and how it shaped our sustainability priorities and strategies.

We engaged extensively with various stakeholders, from shareholders and clients to employees, suppliers, communities, and the environment, using surveys, interviews, workshops, and dialogue events. This helped us understand and address their diverse sustainability views and concerns. We communicate with them openly and honestly and value their feedback.

The analysis revealed several key areas for our sustainability efforts: site operation sustainability, energy and emissions management, waste and circularity, materials efficiency, carbon footprint reduction, resilience, and climate adaptation. These points present both environmental challenges as well as opportunities for improvement in our activity.

- **Site Operation Sustainability:** Our analysis underscores the critical need for sustainable site management practices. Efforts to ensure water conservation, secure safe and accessible work environments, and minimize disturbances underscore our proactive approach to embedding sustainability in the heart of our operations.

- **Energy and Emissions:** Addressing the dual challenge of reducing energy consumption and cutting greenhouse gas emissions has been identified as a cornerstone of our sustainability strategy. Initiatives such as advancing towards LEED certification for our headquarters, optimizing our vehicle fleet for lower emissions, and incorporating renewable energy sources highlight our commitment to energy efficiency and emissions reduction.

- **Waste and Circularity:** Our ambition to lead in waste reduction and circular economy principles demonstrates our commitment to minimizing our environmental footprint. Through innovative recycling programs, efficient resource use, and lifecycle assessments, we aim to set new benchmarks for resource efficiency in the construction industry.

- **Materials:** The strategic selection of low-impact materials is pivotal in our efforts to reduce the overall environmental impact of our projects. By prioritizing materials with lower energy requirements and carbon footprints, we not only enhance our projects' sustainability but also contribute to the broader goal of reducing the construction sector's environmental impact.

- **Carbon Footprint:** Our targeted strategies for comprehensive GHG reporting and emissions reduction across all operational scopes highlight our dedication to being at the forefront of climate action within the construction sector.

- **Resilience and Climate Adaptation:** The materiality analysis has also revealed the importance of crafting forward-looking strategies that bolster our projects' resilience to climate change while contributing positively to the ecosystems and communities we touch.

Expanded Conclusion and Path Forward

Our Materiality Analysis confirms the importance of the sustainability topics addressed extensively in this report and makes them the core of Bog'Art's sustainability framework, aligned to UN SDG directives depicted bellow and through each following section. These key areas, based on stakeholder and environmental concerns, show where we can make the most difference, guiding strategic choices and actions that help us reach our sustainability goals.

5

Gender Equality

5.1 End discriminatory against women and girls.
5.5 Ensure full protection in leadership decision-making.

8

Decent Work and Economic Growth

8.4. Improve resource efficiency in consumption and production.
8.7 End modern slavery, trafficking and child labor.

9

Industry, Innovative and Infrastructure

9.1. develop sustainable, resilient and inclusive infrastructure.
9.4. Upgrade all industries and infrastructures for sustainability;

11

Sustainable Cities and Economics

11.1 Safe and Affordable housing.
11.2 Affordable and sustainable transport systems.
11.3 Inclusive and sustainable urbanization.
11.6 reduce the environmental impact of cities
11.7. Provide safe and inclusive green and public spaces;

12

Responsible Consumption and Production

12.2 Sustainable management and use of natural resources.
12.4 Responsible management of chemical and waste.
12.5 Substantially reduce waste generation

13

Climate Action

13.1 Strengthen resilience and adaptive capacity to climate-related disasters.

16

Peace, Justice and Strong Institutions

16.5 Substantially reduce corruption and bribery

Environmental Impact

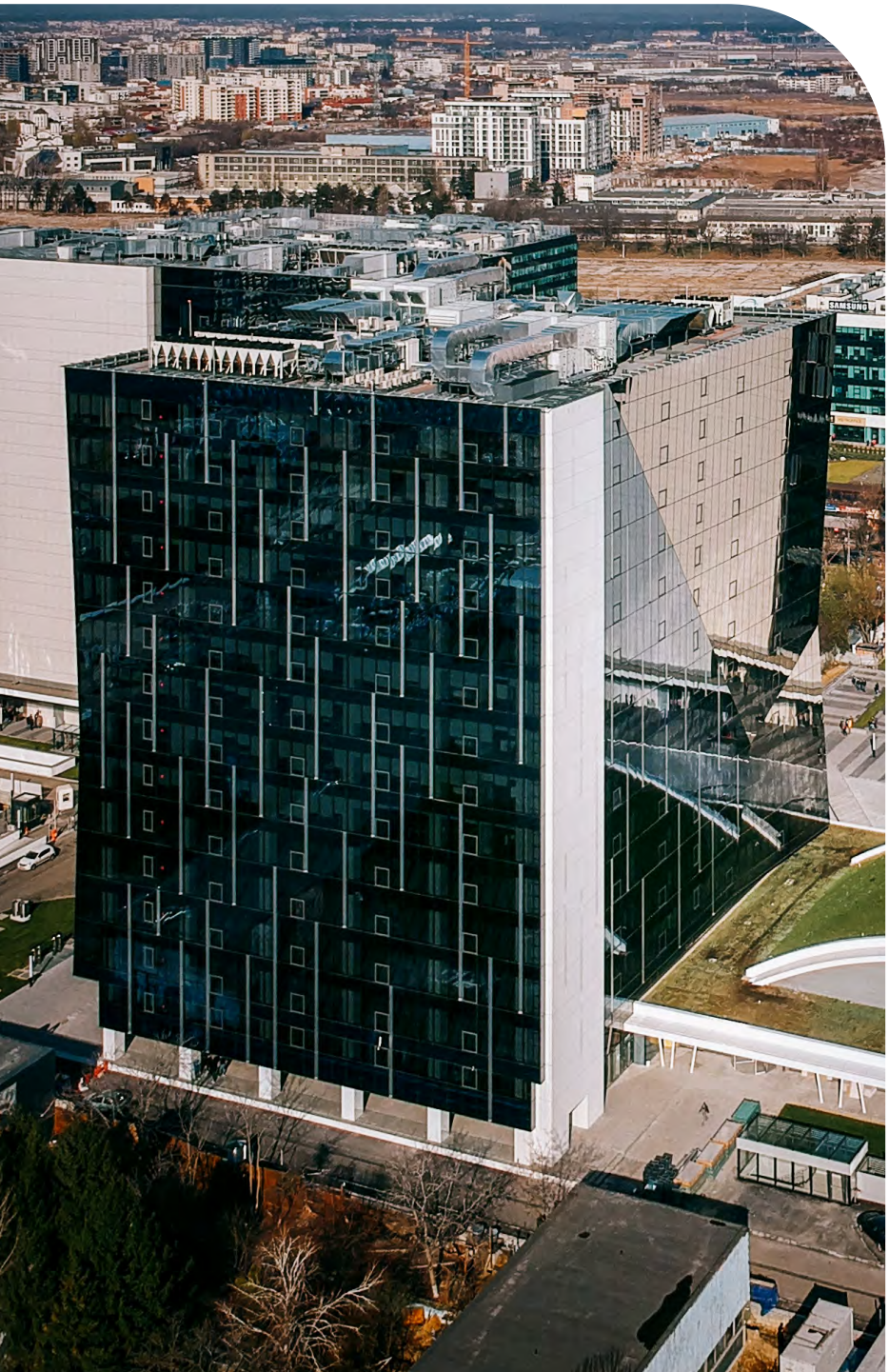
Site Operation Sustainability

In the quest for enhancing site sustainability, Bog'Art has recognized a gap in the availability of relevant KPIs or standardized methods to thoroughly assess and ensure sustainability at construction sites. To bridge this gap and elevate our commitment to sustainable development, BuildGreen, with technical support from Bog'Art's team, has created a new assessment procedure for construction sites, based on the Considerate Constructors Scheme from the UK. This scheme evaluates how well construction sites protect the environment, respect people, and consider the community and workforce.

BuildGreen has changed the scheme to fit the local conditions and challenges of our regions. This way, our sustainability assessment is both anchored in worldwide benchmarks while taking into account the local constraints as well as the different needs of our projects.

Our team already has extensive experience in successfully meeting BREEAM and LEED standards for sustainability in construction projects. The new assessment procedure adds to these standards, using our team's skills and knowledge in reaching high sustainability goals.

The assessment procedure contains several chapters, each covering important aspects of site sustainability in order to check all the relevant components of our operations in a systematic way. The procedure not only looks at environmental aspects, but also social and governance aspects, because we care about sustainability in a broad way. Here are the main areas we've focused on:



Environmental Awareness and Policy: Our foundation is a strong Environmental Policy that embodies our commitment to site sustainability. This policy, detailed and documented, encompasses energy-saving measures—ranging from basic practices like powering off unused equipment to advanced strategies like implementing renewable energy sources. Lighting efficiency is a particular focus, with initiatives to employ low-energy options and upgrade existing systems to energy-efficient alternatives, reflecting our dedication to minimizing our carbon footprint.

Energy Efficiency and Conservation: Energy conservation is at the heart of our operations. By establishing protocols for the judicious use of machinery and optimizing lighting through technological advancements, we aim to significantly reduce energy consumption across our sites. The adoption of smart technologies and regular monitoring ensure our practices are both efficient and sustainable.

Water Management: Water conservation measures are integral to our environmental policy. Through implementing innovative water-saving techniques and regular inspections for leaks, we strive to minimize water wastage. Our plans for managing surplus water, including the utilization of rainwater harvesting systems, exemplify our proactive approach to preserving this vital resource.

- **Waste Management and Recycling:** Our waste management strategy prioritizes recycling and the reduction of waste to landfill. By segregating waste at source and educating our site personnel on effective waste handling, we ensure that recycling is maximized and environmental impact minimized. This focus extends to training programs that encompass pollution prevention and environmental protection measures.

- **Safety, Health, and Training:** The well-being of our workers and visitors is paramount. We've instituted robust incident reporting protocols and ensure training in health and safety best practices. Our evacuation drills and clear demarcation of emergency routes are part of our comprehensive safety strategy, designed to maintain a secure and health-conscious site environment.

- **Site Organization and Accessibility:** Ensuring our sites are accessible and well-organized is critical for both operational efficiency and safety. Measures to facilitate safe access, the accessibility of public transport options, and the maintenance of clean, orderly facilities reflect our commitment to creating an inclusive and respectful work environment.

- **Community Engagement and Good Neighbor Practices:** Our relationship with the surrounding community is nurtured through open communication and engagement. From introductory letters to feedback forms and information boards, we endeavor to keep our neighbors informed and involved, underscoring our role as a considerate and responsive contractor.

2023 Performance

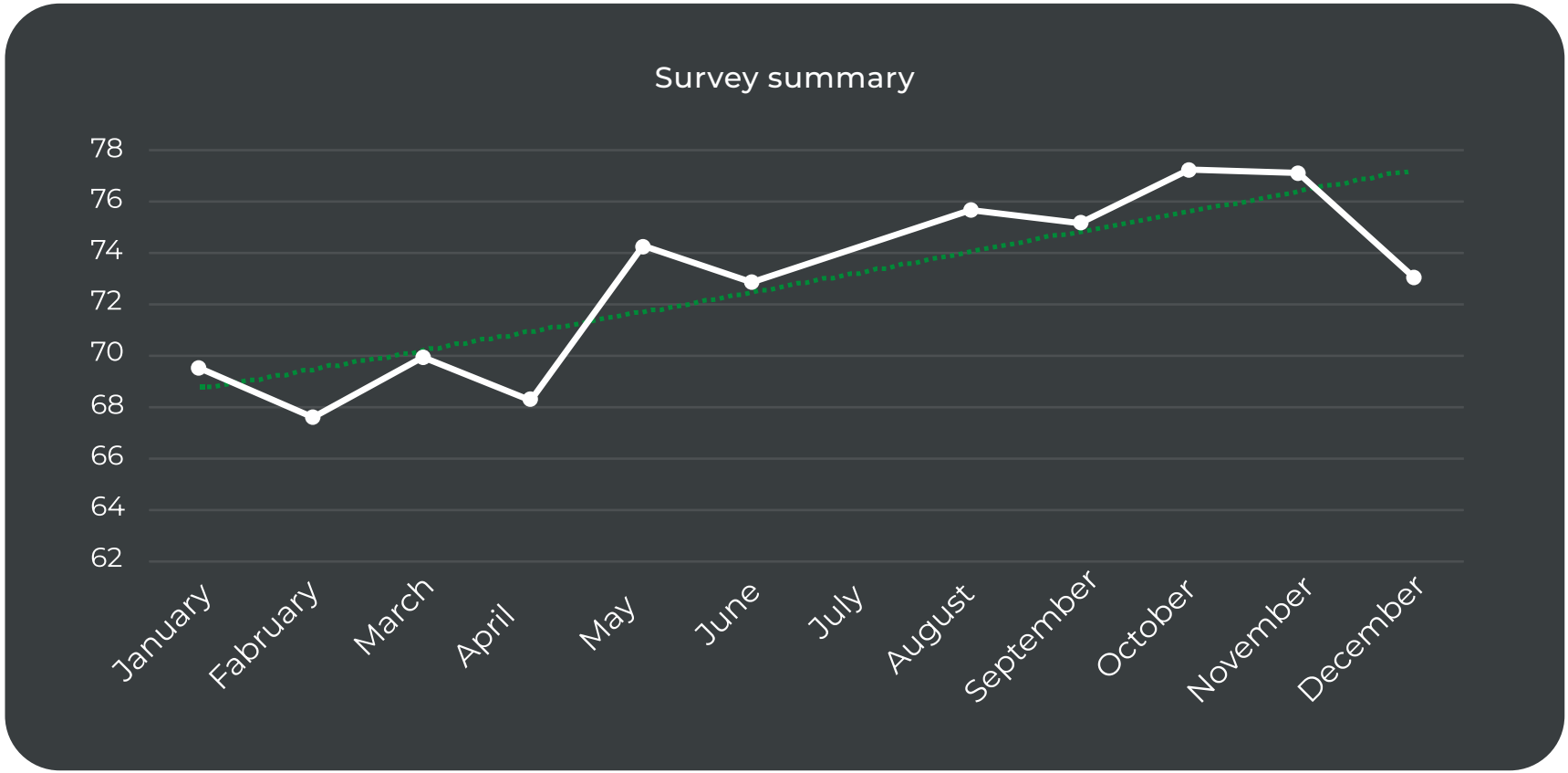
In 2023, we implemented our proprietary comprehensive sustainability assessment and achieved an average rating of 73 points out of 100, the maximum score representing a worldwide best-practice. The rigorous scoring exemplified by the proprietary ESG Assessment questionnaire annexed at the end of this report reveals that our scores improved as the year advanced, reaching above 70 from May onwards, as the project teams became more aware of practices and adopted certain measures. This shows that with increased awareness, our teams are highly adaptable and can bring immediate improvements to adopt sustainability best practices. The U Center 2 project is a highlight example, with the highest score in our portfolio and a LEED Platinum certification.

We are hopeful about the future. With a solid framework and lessons learned from 2023, we plan to achieve a scoring of above 80 points in the next few years. Some practices were difficult to adhere to at first, but they are now becoming normal parts of our construction processes. This shows our ability to change and meet the demands of sustainable construction, and to make our ambitious goals a standard operating protocol.

Projects	Average
January	69.38
February	67.50
March	69.88
April	68.25
May	74.25
June	72.88
July	74.25
August	75.63
September	75.13
October	77.25
November	77.13
December	73.13
Average	72.89

The chart shows a gradual increase in sustainability performance, peaking in the latter months of the year. This visual representation not only highlights the progress made from the start of the year but also emphasizes the impact of strategic initiatives and improvements implemented over the first months.

While the first quarter of the year shows variability in performance and December faces constraints due to shorter working day schedule, seasonality of available workers and weather conditions, green plotted average line shows a clear upward trend. This indicates improvement, which we interpret as a visual narrative for the continued progress we anticipate for our sustainability score in the comming years.



Water Resource Protection

We care about sustainable construction, and water is a key part of that. We want to use water wisely, especially drinking water, because we are committed to being green and caring for the environment. We know that water is essential for construction, so we try to use less drinking water in our sites. This is not just for following rules or saving money—it's for making a better future by saving an important resource.

Exploring Alternative Water Sources

One of the key strategies we've employed involves the identification and utilization of alternative water sources. By turning to options such as reclaimed water and on-site water reuse systems, we significantly reduce the demand placed on potable water supplies. These alternatives not only provide a sustainable source of water for our construction activities but also demonstrate our innovative approach to overcoming the challenges of resource conservation.

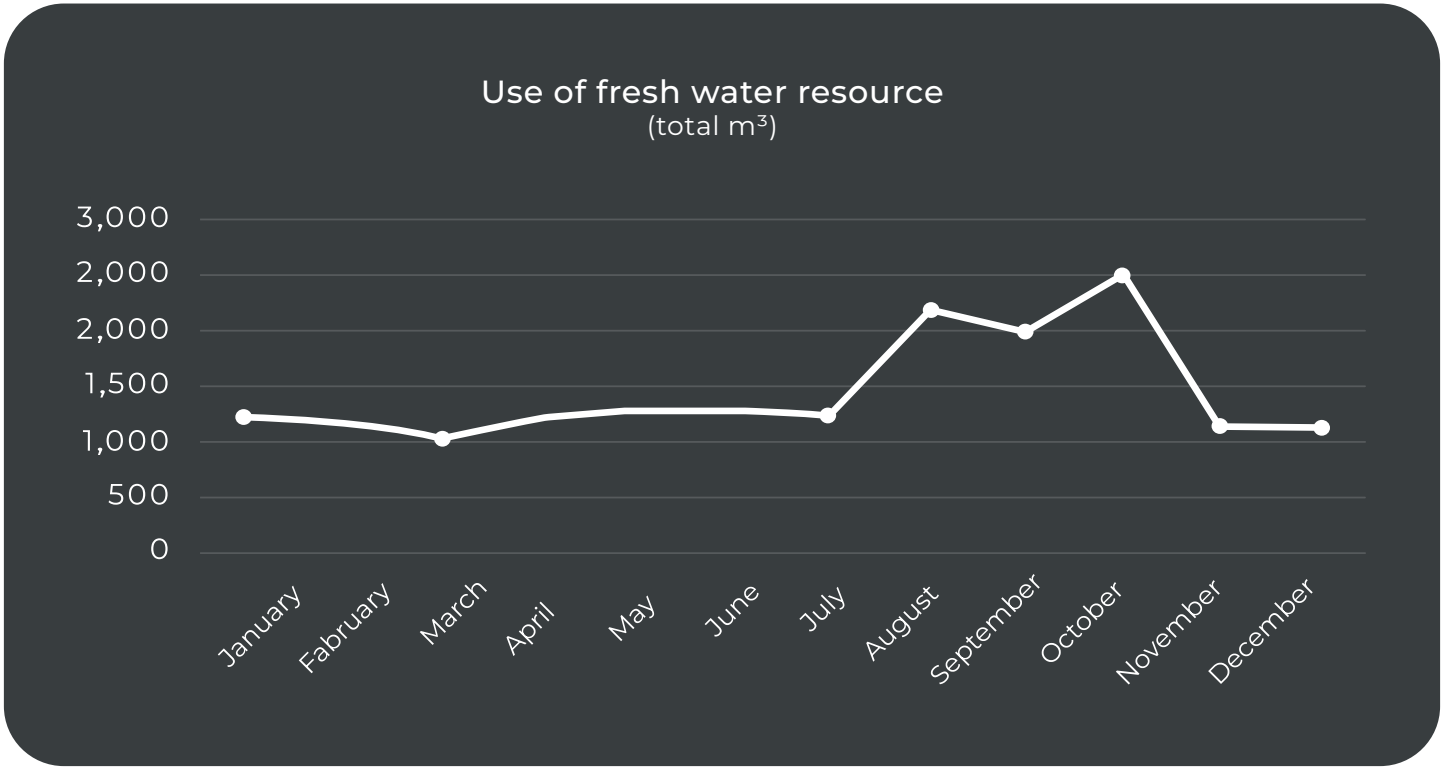
Prefabrication and Dry Operation Works

Another way through which we've achieved notable water savings is the adoption of prefabrication and dry operation works. These methods allow for a substantial portion of the construction process to occur off-site in controlled environments, where water use can be more efficiently managed and minimized. By reducing the need for water-intensive site operations, we not only conserve water but also enhance the efficiency and environmental footprint of our construction projects.

Regular Monitoring and Management Reporting

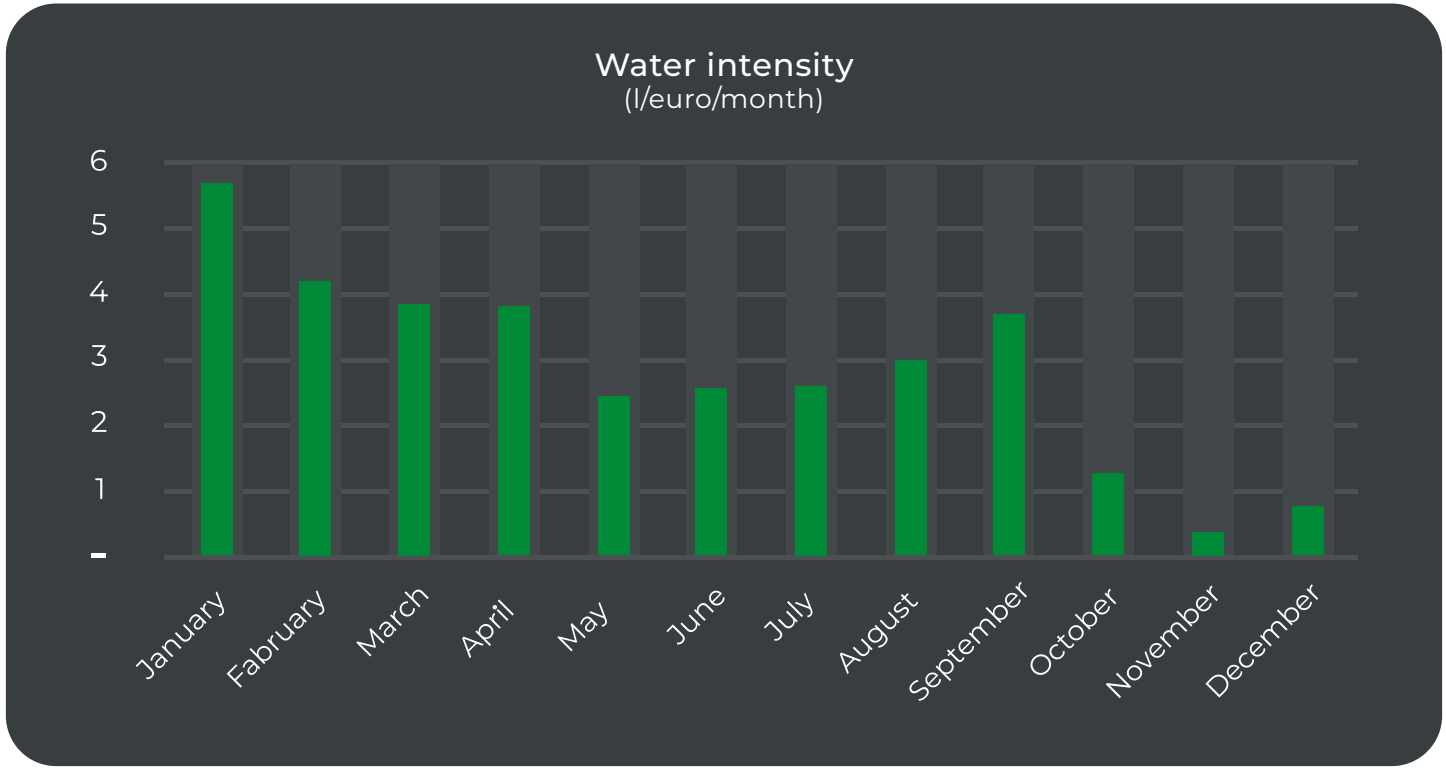
To ensure the effectiveness of our water conservation efforts, Bog'Art conducts regular monitoring of water use across all sites. This data-driven approach allows us to track our performance, identify areas for improvement, and make informed decisions on further conservation measures. The findings from these monitoring activities are reported back to management, ensuring transparency and accountability in our sustainability initiatives.

Month	Use of fresh water resource total m^3	Use of fresh water resource total L	Emission factor	Total kgCO2e	Total material cost €	Water intensity l/euro/month
January	1,213	1,212,700	0.000149	180.69	213,867	5.67
February	1,157	1,156,700	0.000149	172.35	274,641	4.21
March	1,020	1,019,980	0.000149	151.98	264,827	3.85
April	1,215	1,214,783	0.000149	181.00	319,534	3.80
May	1,279	1,278,283	0.000149	190.46	523,714	2.44
June	1,295	1,294,943	0.000149	192.95	503,636	2.57
July	1,234	1,234,343	0.000149	183.92	474,640	2.60
August	2,204	2,203,843	0.000149	328.37	741,607	2.97
September	1,973	1,973,383	0.000149	294.03	537,018	3.67
October	2,531	2,530,843	0.000149	377.10	2,025,669	1.25
November	1,114	1,114,468	0.000149	166.06	2,990,572	0.37
December	1,115	1,115,493	0.000149	166.21	1,504,815	0.74
Total	17,350	17,349,762		2,585.11	10,374,540	34.16



7x

The data shows that our projects used 17,349.76 m³ of fresh water, this is roughly the size of 7 Olympic Swimming Pools, which resulted in 2,585.11 kgCO2e. which caused 2,585.11 kgCO2e. This is our baseline for future water savings. We use different strategies, site checks, and reports to improve our water conservation methods.



The water intensity KPI (liters per euro of material cost per month) gives us a better understanding of how well we use water. This KPI shows how much our construction activities affect water use and how it relates to material costs. For example, sometimes we have higher material costs but lower water intensity, which means we use water efficiently.

We will use this data to help us lower our fresh water use, increase our alternative water sources, and make our construction activities more sustainable. The data shows that we are getting better at using water, and we want to go beyond the industry standards for sustainability and environmental protection.

Bog'Art cares about water resources and uses careful monitoring and creative conservation strategies to support our sustainability goals.

Energy and Emissions

Renewable energy sources and lower energy consumption are key to the energy transition. Buildings use a lot of energy and emit greenhouse gases, so they need to be more efficient. The European Green Deal has a bold plan to make buildings greener by 2050.

Bog'Art wants to cut CO2 emissions and be part of the change. We have a clear sustainability strategy to reach climate neutrality by 2040. This means reducing our energy-related emissions in four stages.

We have a two-way strategy to manage energy, tailored to our Headquarters and fixed locations such as our main production and storage faccility in Bucharest, as well as our construction sites spread throughout the country.

Energy Management in Headquarters and Permanent Locations

For our headquarters and permanent facilities, our energy management strategy employs a robust toolkit to assess and monitor energy consumption and greenhouse gas emissions meticulously. This system is pivotal in formulating strategies to enhance energy efficiency and reduce emissions. The management team plays a crucial role in coordinating this system, setting the strategic direction for energy management based on comprehensive corporate-wide energy data.

Energy specialists within our organization are tasked with analyzing this data, generating actionable recommendations for our steering committee. This collaborative effort results in the establishment of operational targets for energy consumption and CO2 emissions, alongside the implementation of corresponding measures aimed at energy optimization across all Bog'Art entities.

Energy Management on Construction Sites

We have a special energy management strategy for our construction sites that adapts to the changing needs of each project and site. It helps us save energy and cut down greenhouse gas emissions. We also conduct local measures and energy audits for many of our projects to improve our efficiency and sustainability. These actions are part of our overall energy management plan, which helps us lower our energy use and ultimately translates to more efficient use of resources on-site.

This differentiated approach lets us tackle the different nature of our activity at the office, production and storage faccilty and construction sites distinctly in each case. We use targeted actions, data analysis, and the involvement of our managers and energy experts to keep improving our energy efficiency and operational costs.

At Bog'Art, we want to lessen the environmental effects of our operations and support a more sustainable economy. This is one of our core values, and it guides us to focus on and improve the areas where we have the most control and influence.

Bog'Art is committed to taking real actions based on accurate data, so we collect and analyze energy and CO2 data from our operations regularly. We use CarbonTool, a platform that helps us measure and understand our carbon footprint, the results of this careful assessment for 2023 will be given in later chapters, mainly for Scope 1 and Scope 2 emissions, as the Greenhouse Gas (GHG) Protocol defines them.

This method helps us measure our current environmental impact exactly and find specific ways to reduce our emissions.

In construction, the energy use on site is mainly derived from intensive electricity use to power cranes, machines, lighting and site organization as well as diese fuel for generators and vehicles.

Electricity Usage on Construction Sites

- **Energy-Efficient Equipment:** Prioritizing the use of energy-efficient lighting, tools, and machinery, which consume less power without compromising performance.

- **On-site Renewable Energy:** Whenever feasible, implementing on-site renewable energy sources, such as solar panels, to power site operations, significantly reducing reliance on grid electricity.

- **Smart Energy Management:** Utilizing smart meters and energy management systems to monitor and optimize electricity usage in real-time, allowing for adjustments to reduce consumption during non-peak hours.

Diesel Consumption in Generators and Machinery

Construction sites rely on diesel generators and construction equipment for vital power and performance. Bog'Art is looking into different options to deal with the environmental impact of diesel use:

- **Alternative Fuel Generators:** Where possible, substitute traditional diesel generators with those that run on alternative fuels, such as biodiesel, which has a lower carbon footprint.
- **Hybrid and Electric Machinery:** Investing in hybrid and electric versions of construction machinery, which significantly reduce diesel consumption and emissions. This includes excavators, cranes, and loaders that can operate on electric power for certain tasks or durations. ce on grid electricity.
- **Efficiency Training for Operators:** Providing specialized training for machinery operators to utilize equipment in the most fuel-efficient manner, reducing unnecessary idling and optimizing operational efficiency.

Future Directions and Innovations

Bog'Art aims to optimize the usage in construction site energy management with the aim of further reducing our environmental impact:

- **Advanced Energy Storage:** Exploring the use of battery storage systems to capture and store renewable energy generated on-site, providing a reliable and green power supply, even in the absence of sunlight.
- **Green Procurement Policies:** Strengthening procurement policies to favor suppliers and subcontractors who utilize energy-efficient and low-emission equipment.
- **Collaboration for Innovation:** Engaging with equipment manufacturers, technology firms, and research institutions to pilot and adopt emerging technologies that promise to revolutionize energy use on construction sites.

Site and Production Energy

Bog'Art started to track and report energy use on our construction sites, focusing on electricity and diesel use, which power site operations, machinery, and equipment. The data helps us learn about our energy needs and plan our energy management for the future.

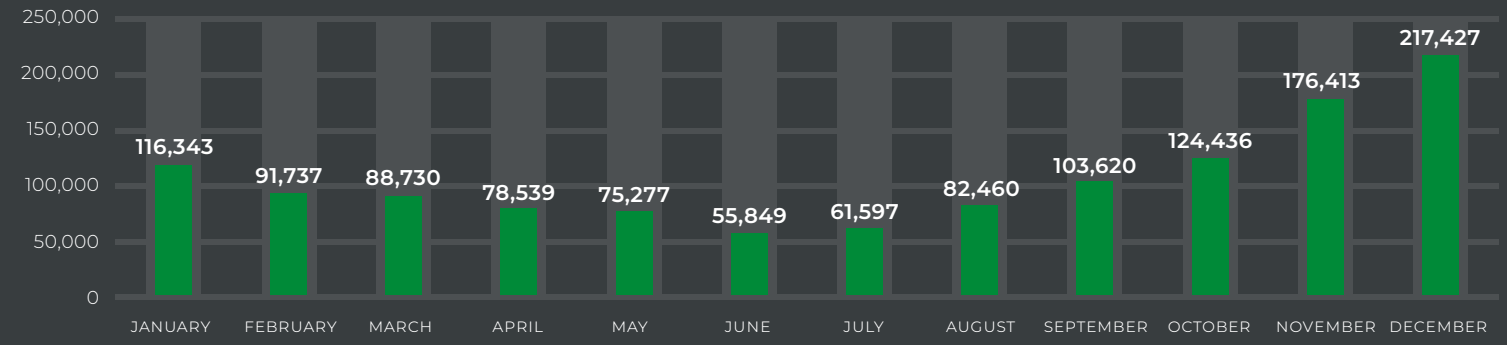
We measured electricity use on all construction sites, giving us a precise metering of our energy demand. This data will help us assess the effect of future energy-saving actions.

We have not reported renewable energy sources on our construction sites this year, however, knowing the total energy use shows us the way to add renewable solutions in our future energy mix. We are unable to calculate a percentage reduction this year due to the absence of comparable data from prior years. However, establishing this year's baseline is a crucial step toward effectively tracking our future progress.

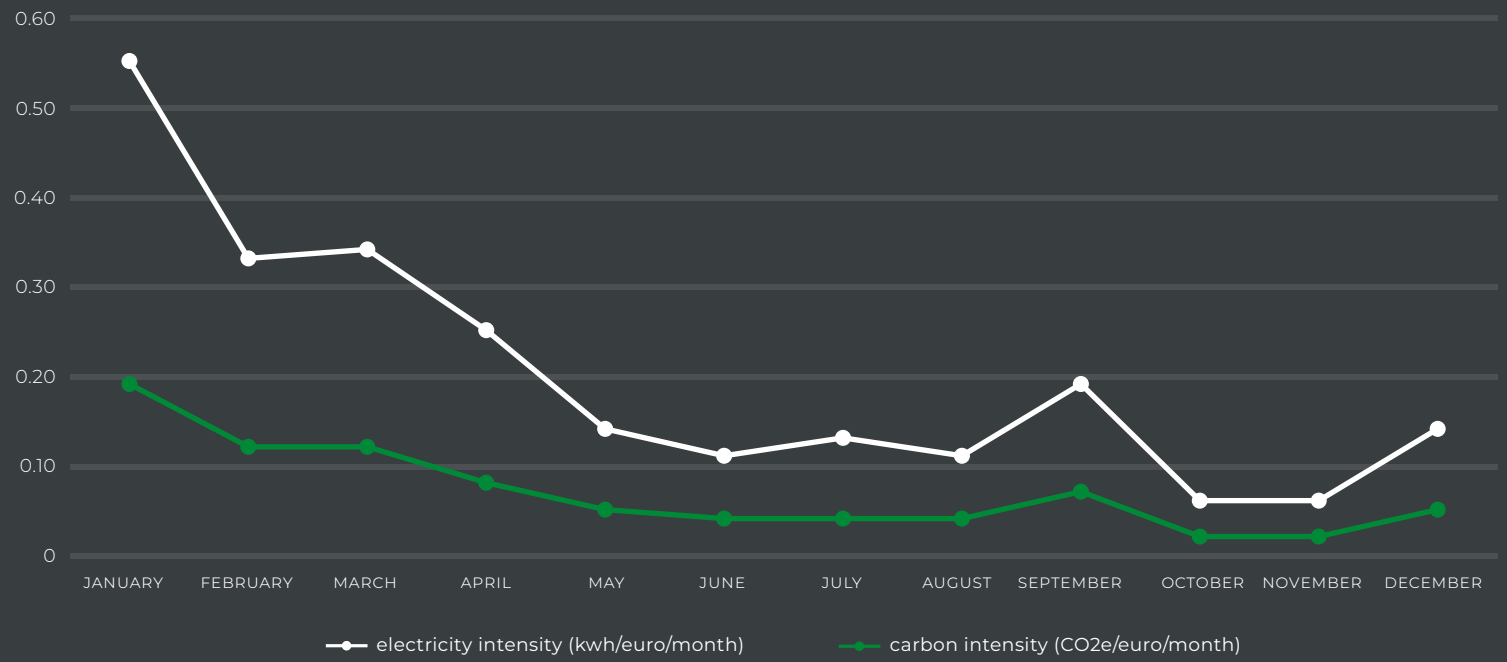
This first energy data report begins a new stage in Bog'Art's sustainability journey. By starting with this initial assessment, we are ready to make big changes, track our improvement, and join the global effort for environmental responsibility in the construction industry. This is an important step toward our long-term goal of reducing environmental impact and building a more sustainable future.

Month	Year	Energy kWh	CO2 Emissions kgCO2eq	Cost €	Electricity Intensity kwh/euro/month	Carbon Intensity
January	2023	118,343	40,828	213,867	0.55	0.19
February		91,737	31,649	274,641	0.33	0.12
March		88,730	30,612	264,827	0.34	0.12
April		78,539	27,096	319,534	0.25	0.08
May		75,277	25,971	523,714	0.14	0.05
June		55,849	19,268	503,636	0.11	0.04
July		61,597	21,251	474,640	0.13	0.04
August		82,460	28,449	741,607	0.11	0.04
September		103,620	35,749	537,018	0.19	0.07
October		124,436	42,930	2,025,669	0.06	0.02
November		176,413	60,863	2,990,572	0.06	0.02
December		217,427	75,012	1,504,815	0.14	0.05
Total		1,274,429	439,678	10,374,540	2.42	0.84

Energy
kwh



Intensity



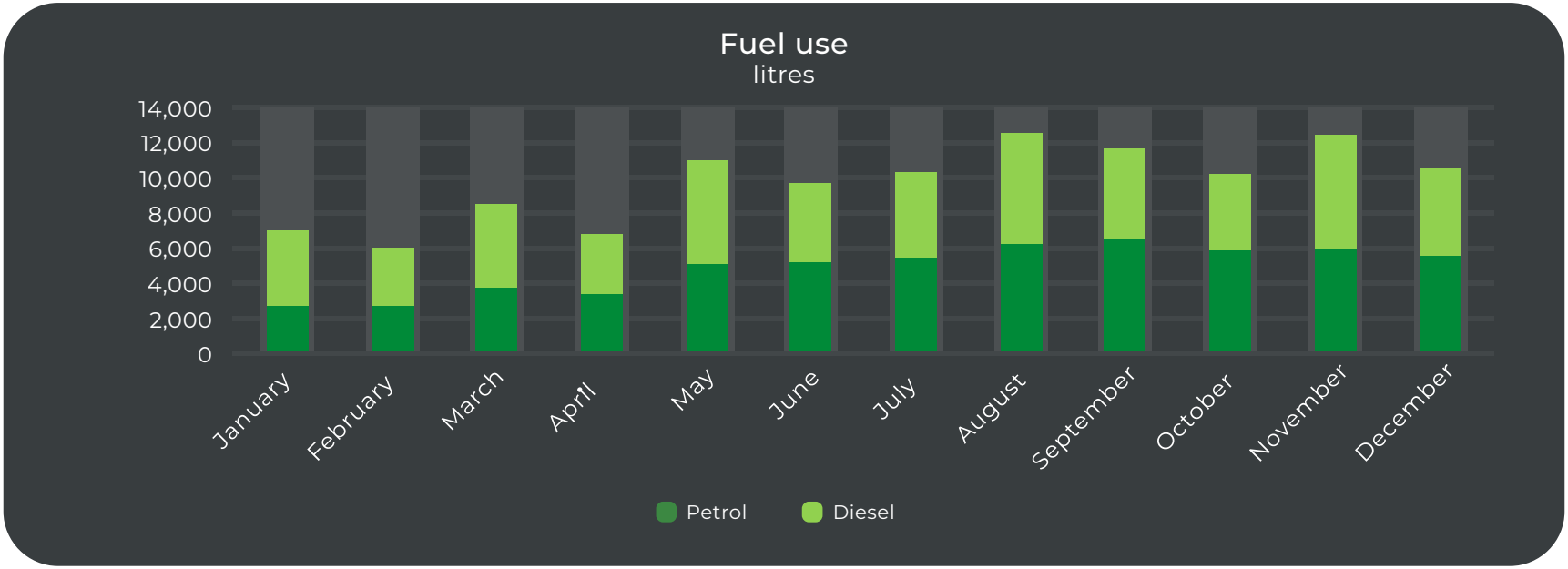
Company Fleet Management and Sustainability

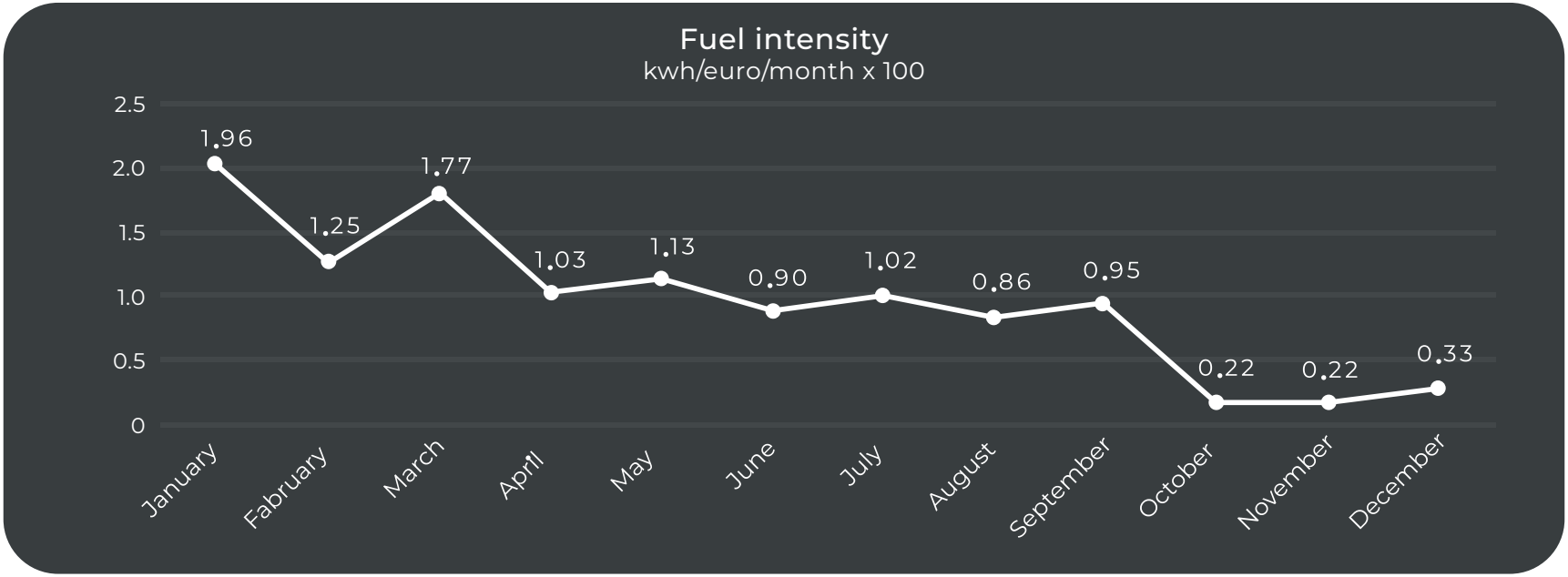
At Bog'Art, we are not only committed to sustainability on our construction sites, but also in the way we manage our company fleet. Our fleet, which includes sedans, vans, trucks, and construction vehicles, is a vital part of our operations, enabling the mobility of staff and the delivery of equipment and materials. Aware of the environmental effects of our fleet operations, we are determined to adopt measures that improve efficiency, lower emissions, and support our wider sustainability goals.

Fleet Composition and Usage

Our fleet comprises a mix of vehicle types, each serving a specific operational need within Bog'Art:

Vehicle Type	Quantity	Fuel Type	Total Distance Travelled km per year	Total Fuel Consumed L (per year)	Total value €	Emission factor CO2e/l	Total kgCO2e
Sedans	21	Diesel	289,435	31,307	37,845	0.168	48,625
	41	Petrol	667,827	56,630	64,481	0.185	123,348
Vans < 7,5 t	14	Diesel	195,440	17,121	20,562	0.210	40,951
	2	Petrol	12,759	1,207	1,325	0.276	3,526
Trucks	2	Diesel	26,987	8,459	10,070	0.781	21,080
Construction Vehicles	1	Diesel	9,915	5,349	6,386	0.608	6,028
TOTAL	81		1,202,363.00		140,668.53		243,557.17


Fuel use
litres
14,000
12,000
10,000
8,000
6,000
4,000
2,000
0
January
February
March
April
May
June
July
August
September
October
November
December
Petrol
Diesel


Fuel intensity
kwh/euro/month x 100
2.5
2.0
1.5
1.0
0.5
0
1.96
1.25
1.77
1.03
1.13
0.90
1.02
0.86
0.95
0.22
0.22
0.33
January
Fabruary
March
April
May
June
July
August
September
October
November
December

Sustainability Initiatives for Fleet Management

In response to the environmental footprint of our fleet, Bog'Art is actively pursuing a range of initiatives aimed at promoting sustainability:

- **Transition to Low-Emission Vehicles:** We are progressively updating our fleet with low-emission and electric vehicles, particularly focusing on sedans and vans used by our headquarters and management teams. This transition supports our goal of reducing greenhouse gas emissions and improving air quality.

- **Optimization of Fleet Usage:** Implementing advanced fleet management software enables us to optimize routes, reduce unnecessary travel, and ensure that vehicles are used efficiently. This approach minimizes fuel consumption and associated emissions.

- **Driver Training Programs:** Conducting regular training programs for drivers emphasizes fuel-efficient driving techniques, further contributing to our efforts to lower fuel consumption and reduce emissions across our fleet.

- **Monitoring and Reporting:** Continuously monitoring fuel consumption and vehicle performance allows us to identify areas for improvement and measure the impact of our sustainability initiatives. This data-driven approach informs our ongoing fleet management strategies.

Looking Forward

Bog'Art continues to strive for improving the sustainability of our fleet by using technology, efficiency, and environmental care. We are making real progress towards reducing our environmental impact and supporting a more sustainable future by adding electric vehicles, streamlining fleet operations, and encouraging eco-friendly driving habits.

Waste and Circularity

The construction industry is resource intensive and produces considerable waste, especially mineral waste like rubble and soil. This is bad for the environment and wastes landfill space. We need to manage and recycle this waste better.

At Bog'Art, we want to change the way the construction sector works. We use new technologies and materials that have recycled content. We also manage our waste efficiently and follow lifecycle-value indications for optimal material use. We follow and support the European Union's Circular Economy Action Plan, which aims to make the economy more sustainable and circular. We want to reduce our environmental impact and set an example for others in the industry.

Waste and circularity are part of our bigger goals for sustainability and environmental care. We know that construction has a significant impact on resources and waste, so we try to reduce waste as much as possible, reuse and recycle materials as much as we can, and dispose of residual waste safely. We do this for all kinds of waste: from construction sites, production facilities, administrative buildings, and specialized waste management operations.

Categories of Waste Flows

Among these, construction sites represent the largest volume of waste generated, followed by production facilities and administrative buildings. Given the relatively lower waste management potential in administrative settings, our primary focus lies on enhancing waste management practices on construction sites and within specialized operations that handle the acceptance and treatment of mineral waste.

Compliance and Guidelines

Bog'Art adheres to national environmental regulations in each operational context and enforces internal group waste guidelines specific to each administrative area of operation. Our overarching environmental and energy policy is committed to reducing raw material use, avoiding waste generation, and promoting recycling initiatives.

Environmental Management System

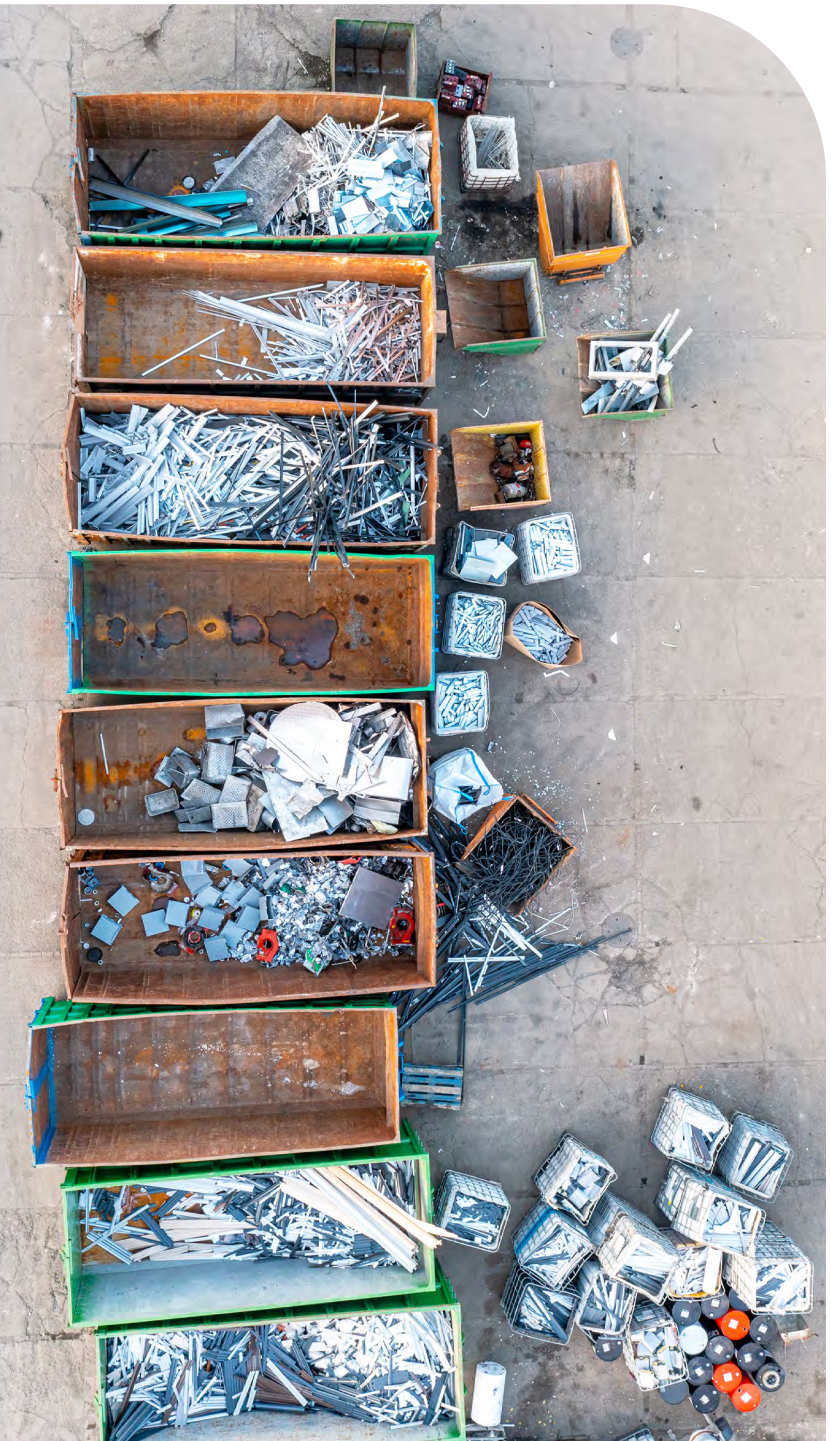
Waste management is an integral component of BogArt's environmental management system, which is subject to regular internal and external reviews and audits. In line with our commitment to excellence and continuous improvement, a significant portion of our operations is certified to ISO 14001, demonstrating our adherence to internationally recognized environmental management standards.

Roles and Responsibilities

To ensure the effective implementation of our waste management strategies, we have appointed waste management officers across our facilities and specialized waste management operations. These officers are tasked with enforcing compliance with national laws and regulations regarding waste handling, hazardous substances, and the utilization of recycled and secondary raw materials. Their responsibilities also include overseeing the application of our internal waste management guidelines and ensuring legal compliance through regular audits.

Audit and Certification

The efficiency of our waste management practices and compliance with regulatory requirements are regularly verified through audits, conducted in accordance with the applicable management systems. These audits help identify opportunities for improvement and ensure that our waste management strategies not only comply with current regulations but also align with best practices and industry standards.



Waste Management Performance

In Bog'Art's operations, the primary sources of waste stem from mineral construction and demolition debris, a characteristic of the construction industry's unique, project-based production process. This differentiates the construction sector from other industries in terms of waste generation and management. The volume of waste produced is closely tied to the specific nature and scope of each construction project, whether it involves buildings, transportation infrastructure, dismantling, excavation, or recycling activities. External quality standards, often set by third parties, also influence the total amount of waste generated, limiting our direct control over these quantities.

The strategy for managing this significant flow of mineral waste, along with other production and site-related non-mineral waste, focuses on reduction, diversion, and responsible disposal. Although non-mineral waste constitutes a smaller fraction of the total waste managed and is typically handled by certified waste management firms, it remains an integral part of our sustainability efforts. This approach reflects the construction industry's distinct characteristics, which necessitate tailored waste management strategies.

Bog'Art sees the transition towards waste avoidance and circular economy practices as a critical opportunity for the future. Our goal is to diminish the environmental impact associated with resource consumption and waste generation by fostering a culture of resource efficiency and promoting recycling management. Our commitment to this objective is evidenced by the diversion rates achieved in projects within the Bucharest metropolitan area, such as the U-Center 2 project, which benefits from advanced waste management services. However, we acknowledge that the adoption of such practices varies across different regions, with secondary cities showing reduced levels of waste diversion and recycling.

Bucharest + metropolitan area	Waste generated kg			Emission Factor CO2e/kg		Total emissions kgCO2e	
Waste category	Generated	Diverted	Eliminated	Diverted	Eliminated	Diverted	Eliminated
Mixtures of concrete, tiles, bricks and ceramic materials			0	0.021		0	
Construction and demolition mixes	3,181,759	3,181,759	0	0.021	0.001	0	3,133
Household	65,776	0	65,776	0.383		25,192	
Mixed metal	23,168	23,168	0	0.021	0.230	0	5,329
Paper and board	401,345	401,345	0		0.235	0	94,316
Plastics	344,193	344,193	0		0.021	0	7,325
Wood	233,350	233,350	0		0.021	0	4,966
Concrete	14,215	14,215	0		0.001	0	14
Total	**4,263,807**	**4,198,030**	**65,776**			**25,192**	**115,082**
	% recycled	98.46%					

Romania	Waste generated kg			Emission Factor CO2e/kg		Total emissions kgCO2e	
Waste category	Generated	Diverted	Eliminated	Diverted	Eliminated	Diverted	Eliminated
Mixtures of concrete, tiles, bricks and ceramic materials	918,578		918,578		0.021		19,548
Construction and demolition mixes	13,613,364	3,181,759	10,431,605	0.001	0.021	3,133	221,987
Household	74,658	0	74,658		0.383		28,594
Mixed metal	55,520	33,393	20,186	0.230	0.021	7,681	430
Paper and board	401,345	401,345	0	0.235		94,316	
Plastics	344,193	344,193	0	0.021		7,325	
Wood	234,279	234,279	0	0.021		4,986	
Concrete	14,215	14,215	0	0.001		14	
Total	**15,656,153**	**4,209,185**	**11,445,027**			**117,454**	**270,558**
	% recycled	26.89%					

We use specific indicators to track and improve our waste generation, diversion, and elimination, and their CO2e emissions. This helps us find better ways to manage our waste and make the construction industry more sustainable. Bog'Art's waste management covers all aspects of our projects, from taking and processing waste to recycling, recovering, or disposing it. We separate recycling, where we use waste materials again, from recovery, where we use waste instead of new materials.

Innovative Solutions for Waste Reduction and Recycling

Understanding the critical role of waste management in sustainable construction, Bog'Art focuses on innovative solutions to minimize construction waste and maximize material reuse and recycling. Our initiatives aim to establish more efficient ways of recycling construction materials, ensuring their quality reuse. This includes the adoption of best practices in waste segregation, the exploration of advanced recycling technologies, and the development of partnerships with recycling and disposal facilities. By enhancing the coordination across construction sites and improving waste logistics, we strive to reduce environmental impact and promote a circular economy within our industry.

Resource Optimization through Technology and Collaboration

Bog'Art leverages technology and collaborative efforts to optimize the use of resources across our projects. By continuously expanding our knowledge and application of sustainable materials and construction methods, we aim to reduce our environmental footprint. This encompasses evaluating and integrating sustainable materials and innovative construction techniques that minimize waste and energy consumption. Our commitment extends to engaging with stakeholders, including suppliers, clients, and communities, to foster a shared vision of sustainability and efficiency.

Continuous Improvement and Sustainability Strategies

Our journey toward sustainability and operational excellence is ongoing. Bog'Art is dedicated to continuous improvement, regularly evaluating our processes and practices to identify opportunities for enhancement. This includes setting ambitious targets for reducing carbon emissions, energy use, and waste generation, aligned with our global commitments to climate action and responsible resource management. We are committed to transparent reporting and stakeholder engagement, ensuring that our progress and challenges are shared openly as we work toward a more sustainable future.

Integrating Life Cycle Perspectives

In the evolving landscape of sustainable construction, integrating a life cycle perspective stands at the forefront of Bog'Art's commitment to sustainability. This chapter outlines our strategic actions to incorporate Life Cycle Assessment (LCA) methods in our projects, following strict sustainability standards and meeting the extensive criteria of the Plan for National Resilience & Recovery (PNRR). Our approach is highly technical, emphasizing measurable impacts and using data-driven analysis to inform decision-making processes, material choice, and construction methods.

LCA serves as the basis of our environmental strategy, providing a quantitative framework to assess the environmental impacts associated with all stages of a building' eral key areas:

- **Material Selection:** Through the adoption of LCA, we prioritize materials with lower environmental impacts across their lifecycle. This involves evaluating factors such as embodied carbon, resource depletion, and potential for recycling and reuse. Environmental Product Declarations (EPD) play a crucial role by offering a transparent, standardized disclosure of a material's environmental impact, verified by third parties.
- **Design Optimization:** LCA informs our design process, enabling the identification and mitigation of potential environmental impacts at an early stage. By integrating LCA results, we optimize designs for energy efficiency, reduced resource consumption, and minimized waste production, aligning with the principles of circular economy.

- **Operational Efficiency:** We assess the use phase of our buildings through LCA to identify strategies for reducing energy and water consumption, thereby decreasing the operational carbon footprint. This includes the implementation of energy-efficient systems, water-saving technologies, and renewable energy sources.

Sustainability Certification and PNRR Compliance

Bog'Art's sustainability efforts are further defined by our pursuit of recognized sustainability certifications and compliance with PNRR requirements, which reinforce our commitment to technical and environmental excellence:

- **Sustainability Certifications:** Achieving certifications such as LEED, BREEAM, and WELL for many buildings in the Bog'Art portfolio demonstrate our sustainable construction practices through third-party international assessments. These certifications require rigorous compliance with environmental, social, and governance (ESG) criteria, including energy and water efficiency, material sustainability, and indoor environmental quality. Our technical teams incorporate certification criteria into the project lifecycle, from design through construction and operation.
- **PNRR Alignment:** Our alignment with the standards set forth in the public projects funded through Plan for National Resilience and Recovery confirm our role in contributing to national and European Union goals for sustainable development and economic resilience. This includes implementing sustainable urban development projects, enhancing energy efficiency in buildings, and innovations that contribute to the green transition. Our projects are designed to meet PNRR objectives, including reducing greenhouse gas emissions, promoting biodiversity, and ensuring sustainable land use.

Bog'Art knows that sustainability issues keep changing, and we try to improve our life cycle approach by following some visionary initiatives. We are always searching for new materials and technologies that can improve the life cycle performance of our products. This includes bio-based materials, recycled content, and materials with lower embodied energy, all chosen based on strict LCA analysis.

We make the life cycle perspective a core part of our construction practices. We use LCA methods, aim for sustainability certifications, and comply with PNRR requirements. Bog'Art is not only improving the sustainability of our projects but also helping the built environment become more resilient and sustainable.

Materials

The construction industry has to reconcile the intensive use of resources required for building with the need to mitigate the impact on climate change. Building has intensive need for raw materials like sand, gravel, and stone, which are essential but scarce and often cause problems for the environment and society. The EU uses the most of these materials in the world, but has limited options to increase their production.

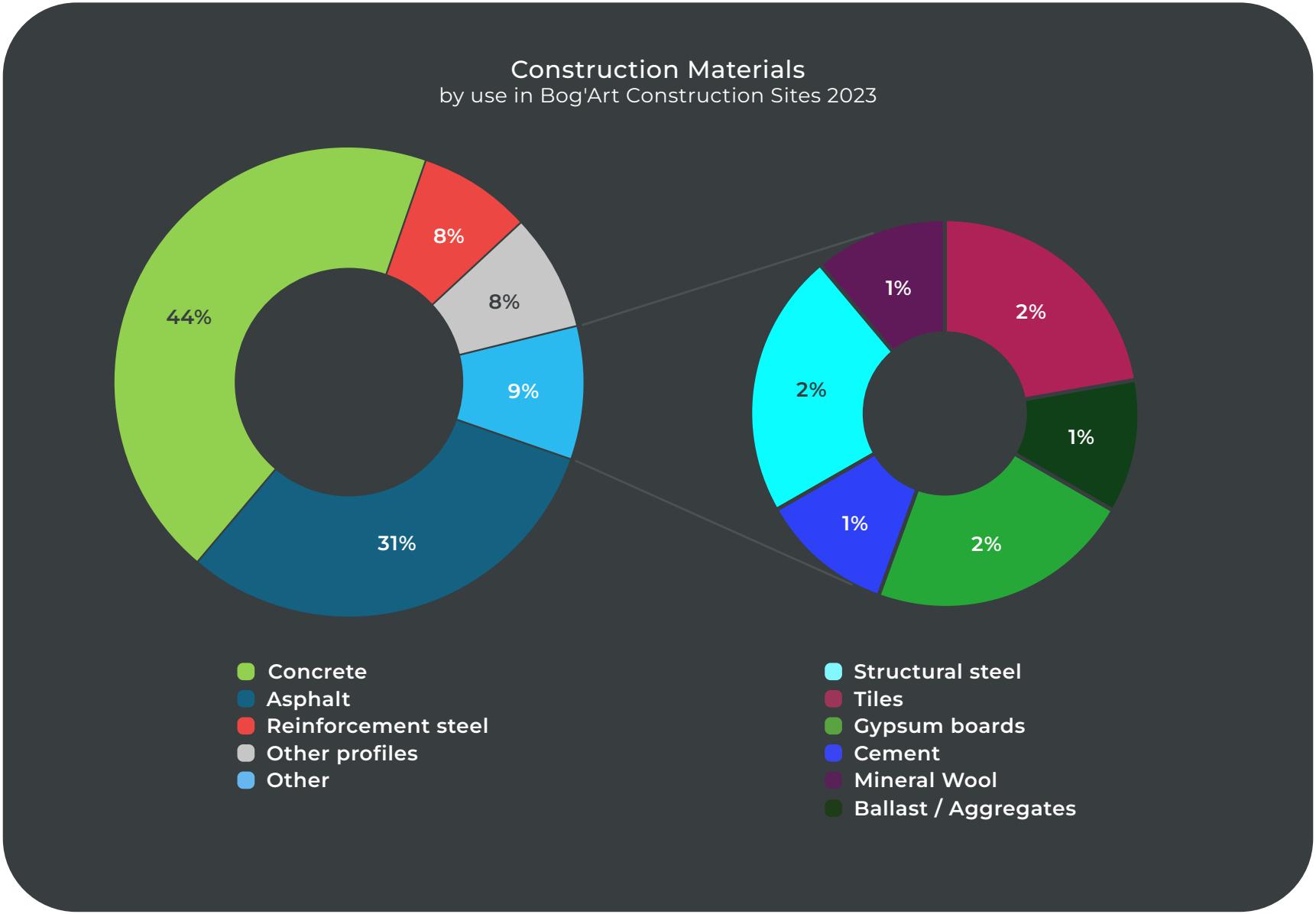
Bog'Art aims to become climate-neutral by 2040 across our entire value chain as part of our sustainability strategy. We achieve this by using materials responsibly and developing low-carbon construction materials. Through innovation and a lifecycle-based project management approach, Bog'Art is not just ready for future needs but actively creating a sustainable construction environment that aligns with our environmental, social, and economic goals.

We also monitor and mitigate risks related to material availability and price changes. This is part of our project risk management framework, which helps us deal with resource scarcity or market volatility.

Indicators

In alignment with our environmental goals and recognizing the unique context of our operations exclusively in Romania, Bog'Art is committed to advancing our sustainability efforts, particularly in material usage and recycling. We target areas where we can make the most difference and where we can control our actions. The focus on metallic materials as a singular group reflects our strategy to streamline and enhance the efficiency of resource use within our projects.

Construction Materials	U.M.	Quantity	Emission factor kgCO2e/U.M.	Total Carbon Footprint
Asphalt	kg	60,221,580	0.07	4,402,198
Concrete	m^3	29,420	214	6,288,569
Cement	kg	153,160	0.55	84,238
Ballast / Aggregates	kg	19,045,562	0.01	176,881
Sand	kg	450,170	0.00	1,035
Structural steel	kg	134,905	2.51	338,611
Reinforcement steel	kg	2,338,082	0.50	1,169,041
Other Profiles	kg	405,526	2.75	1,115,197
Stone Wool	sqm/10 cm	6,510	1.32	8,622
Mineral Wool	sqm/10 cm	11,290	16	181,049
XPS (extruded polystyrene)	sqm/10 cm	6,476	3.48	22,535
EPS (expanded polysterene)	sqm/10 cm	1,583	5.16	8,168
Gypsum boards	sqm/10 cm	134,606	2	269,211
Bricks	sqm/10 cm	440	0.24	107
Tiles	sqm/10 cm	22,777	8.63	196,568
				14,262,030


Construction Materials
by use in Bog'Art Construction Sites 2023
44%
8%
8%
9%
31%
1%
2%
2%
1%
1%
2%
Concrete
Asphalt
Reinforcement steel
Other profiles
Other
Structural steel
Tiles
Gypsum boards
Cement
Mineral Wool
Ballast / Aggregates

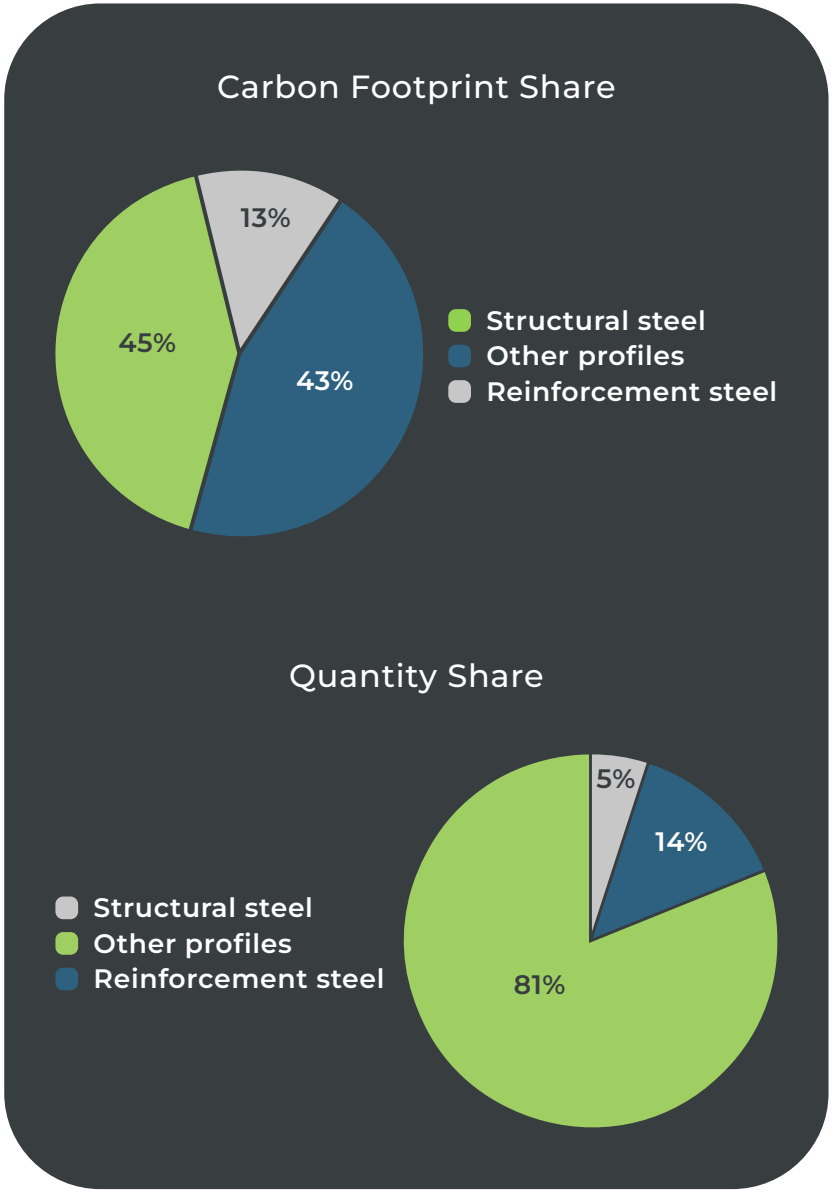
Metallic Materials Usage and Recycling Strategy

Grouping Strategy: For the purpose of efficiency and environmental impact reduction, all metallic materials including metal, reinforcing bars, and profiles, will be considered under one consolidated group. This approach allows us to optimize recycling processes and reduce the carbon footprint associated with the production and use of these materials.

2023 Overview of Metallic Material Consumption:

- **Total Quantity:** The combined use of metallic materials including metal, reinforcing bars, and profiles amounted to 2,878.51 tonnes.
- **Value and Environmental Impact:** The total value associated with the use of these materials reached an estimated total carbon footprint of 2,622,849.52 kgCO2.
- **Recycling and Sustainability Efforts:** Aligning with our objective to enhance the recycling share, we focus on adopting innovative processes that allow for increased use of recycled metal within our construction projects. This not only reduces the demand for virgin materials but also significantly lowers the environmental impact associated with metal production.

	Unit of measure	Quantity	kg CO_2e/kg	Total kgCO_2e
Structural steel	kg	134,905	2.51	338,611
Other Profiles	kg	405,526	2.75	1,115,197
Reinforcement steel	kg	2,338,082	0.50	1,169,041
Total		2,878,513		2,622,850



Asphalt Materials Usage and Recycling Strategy

2023 Overview of Asphalt Material Consumption:

- **Total Quantity:** Asphalt usage within our projects for the year 2023 amounted to 60,221.58 tonnes.

- **Value and Environmental Impact:** the environmental impact of asphalt usage generated a total carbon footprint of 4,402,198 kg CO2e.

- **Recycling and Sustainability Efforts:** In pursuit of our goal to increase the recycling ratio in our asphalt production, Bog'Art is dedicated to the implementation of cutting-edge recycling technologies and methodologies. Our strategy emphasizes the reuse of asphalt materials, aiming to significantly elevate the proportion of recycled asphalt used in our mixtures. This initiative not only addresses the environmental imperative to minimize waste and conserve resources but also aligns with the increasing demand for sustainable construction materials from our clients and stakeholders.

- **Stakeholder Collaboration:** Working closely with suppliers, regulatory bodies, and clients to promote the adoption of recycled asphalt, driving industry-wide change towards more sustainable practices.

Concrete Materials Usage and Sustainability Strategy

Bog'Art used 29,751.10 cubic meters of concrete in 2023 for various construction projects. Concrete is central to our building activities but has a large carbon footprint of 6,288,568.75 kgCO2e, which represents 44% of the total footprint from all construction materials.

Our key efforts are:

- **More Recycled Content:** We are trying and testing ways to use more recycled materials in our concrete mixes. This can reduce the need for new materials and the carbon footprint from concrete production.
- **Resource Efficiency:** We use better concrete mix designs and technologies to use less concrete for the same structural needs without losing quality or safety.
- **Construction Code Compliance:** We face challenges from construction codes that limit how much recycled content we can use in concrete mixes for structural integrity and safety. We need to balance innovation and regulation.
- **Research and Development:** Bog'Art does research and development to find new sustainable practices for concrete use. We work with industry experts, academic institutions, and material suppliers to keep up with new sustainable construction technologies.

Sustainable Concrete Solutions

As part of our initiative to enhance the sustainability of our concrete applications, Bog'Art is proud to collaborate with a global leader in innovative and sustainable building solutions. As one of our main suppliers, Holcim's commitment to sustainability aligns with our goals, and their expertise in producing environmentally friendly concrete products supports our efforts to reduce the carbon footprint of our construction projects. This partnership allows us to access cutting-edge concrete solutions that are designed with sustainability in mind, helping us to navigate the challenges of incorporating recycled content within the regulatory framework.

- **Innovative Products:** We explore the use of concrete products that offer improved environmental performance, including those with lower CO2 emissions and enhanced recyclability.
- **Technical Support:** Holcim provides invaluable technical guidance, ensuring that the sustainable concrete solutions we implement meet both our stringent quality standards and the regulatory requirements.
- **Joint Efforts in Sustainability:** The long-term collaboration with Holcim reflects our shared vision for a more sustainable construction industry, where the responsible use of resources and the minimization of environmental impacts are paramount.

Addressing Limitations and Regulatory Compliance:

While our ambition is to significantly increase the recycled content in our concrete mixes, we acknowledge the constraints posed by the current construction codes. These regulations, designed to ensure safety and durability, sometimes limit the proportion of recycled materials that can be used in concrete production. Despite these challenges, our partnership with a global leader producer enables us to explore and advocate for innovative solutions that can meet both sustainability goals and regulatory standards.

Bog'Art remains committed to advancing the sustainability of our construction materials, with a particular focus on concrete. Through our collaboration and ongoing efforts to align with industry regulations, we aim to lead by example in the transition towards more sustainable construction practices. Our approach to concrete usage and recycling embodies our broader strategy to reduce environmental impact, demonstrating our dedication to building a sustainable future.

Insulation Materials Usage and Sustainability Strategy

In 2023, Bog'Art prioritized the use of insulation materials in our projects to significantly enhance energy efficiency and sustainability. Recognizing the critical role insulation plays in building performance, we meticulously selected products that not only optimize thermal efficiency but also align with our environmental standards. Our insulation materials are sourced from leading suppliers who are committed to sustainable production, as evidenced by Environmental Product Declarations (EPD) and other relevant sustainability certifications.

Strategic Approach to Sustainable Insulation Usage:

- **Sustainability Certification and Selection:** Our selection of insulation materials is deeply influenced by the sustainability credentials of the suppliers. We specifically choose products from manufacturers, known for their commitment to environmental excellence. Their insulation products come with EPD and sustainability certifications, ensuring that we incorporate materials with verified environmental benefits into our constructions. This strategy allows Bog'Art to contribute to the reduction of the environmental impact associated with insulation materials, from their production through to their end-of-life phase.

- **Energy Efficiency and Building Performance:** Insulation materials play a pivotal role in our pursuit of creating buildings that are not only energy-efficient but also comfortable and sustainable. Advanced insulation solutions provided by our trusted suppliers are crucial for achieving superior thermal performance, reducing energy consumption for heating and cooling, and ultimately contributing to the overall sustainability of our projects. These materials are selected for their ability to meet rigorous energy performance standards and help our projects achieve green building certifications.

- **Recycling and Lifecycle Management:** Emphasizing the importance of a circular economy, our approach to selecting insulation materials includes a strong focus on recycling and lifecycle considerations. We opt for insulation solutions that offer possibilities for reuse or recycling at the end of their life, minimizing waste and promoting resource efficiency. By engaging with suppliers that have robust recycling programs and a lifecycle approach to their products, Bog'Art ensures the sustainability of the materials used throughout our projects.

Collaborative Efforts for Sustainable Solutions:

- **Partnerships for Environmental Innovation:** Our collaboration with industry leaders in insulation, such as Saint-Gobain, is grounded in a mutual commitment to sustainability and innovation. These partnerships enable us to access cutting-edge insulation materials that meet our stringent criteria for energy performance and environmental impact, driving forward our sustainability objectives.

- **Adaptation to Regulatory and Environmental Standards:** In line with evolving environmental regulations and standards, Bog'Art remains adaptable, continuously updating our selection criteria for insulation materials to reflect the latest in sustainability practices and building codes. This adaptability ensures our projects not only comply with current regulations but also anticipate future sustainability trends.

Bog'Art's strategic approach to the selection and use of insulation materials in 2023 underscores our dedication to enhancing the energy performance and sustainability of our projects. By prioritizing products with strong sustainability certifications, contributing to energy efficiency, and promoting recycling and lifecycle management, we uphold our commitment to sustainable construction practices. Our focused efforts in this area reflect Bog'Art's overarching goal to lead by example in the construction industry, advocating for a more sustainable and energy-efficient future.

Overview of Glass Material Usage

In 2023, Bog'Art extensively utilized glass in various projects, harnessing its aesthetic and functional qualities to enhance building designs. Our glass materials, primarily sourced through Alusystem, one of the companies in our group that is the leader in integrated facade design, procurement and installation. The glass is sourced from producers such as Saint-Gobain and Guardian, suppliers that are recognized for their commitment to sustainability, evidenced by Environmental Product Declarations (EPD) and BES certificates, underscoring the eco-friendly production processes and lifecycle management of their glass products.

Strategic Approach to Sustainable Glass Usage:

- **Sustainability Certification and Selection:** The choice of Saint-Gobain and Guardian as our main glass suppliers is strategic, reflecting our commitment to integrating sustainable materials in our construction projects. Their products, backed by EPD and BES certificates, ensure that we are incorporating materials with verified environmental credentials into our buildings. This alignment with certified providers enables Bog'Art to reduce the environmental impact associated with glass use, from production to end-of-life recycling.

- **Energy Efficiency and Innovation:** Glass materials from Saint-Gobain or Guardian are relevant in our pursuit of energy-efficient building designs. Their advanced glazing technologies contribute to thermal insulation, light management, and overall energy savings, aligning with our sustainability goals and client expectations for green building standards.

- **Recycling and Lifecycle Consideration:** Our sustainability strategy for glass materials also encompasses end-of-life management and recycling. By selecting products from suppliers with strong recycling programs and lifecycle approaches, Bog'Art ensures that the glass used in our projects contributes to the circular economy, minimizing waste and promoting resource efficiency.

Gypsum Boards, Bricks, and Finishing Materials Strategy

In addition to glass, Bog'Art's construction projects incorporate a variety of other materials such as gypsum boards, bricks, and finishing products. These materials are sourced from carefully selected providers who demonstrate a commitment to sustainability and environmental responsibility.

- **Gypsum Boards:** Our suppliers for gypsum boards adhere to strict environmental standards, ensuring that products are manufactured with consideration for energy use, water conservation, and material recycling. The use of gypsum boards in our projects supports indoor air quality and provides energy-efficient insulation.

- **Bricks:** The bricks used in Bog'Art's construction projects are selected for their durability, thermal properties, and the sustainable practices employed in their production. Suppliers are chosen based on their efforts to reduce emissions, optimize energy consumption during manufacturing, and utilize raw materials responsibly.

- **Finishing Materials:** Finishing materials, including paints, tiles, and flooring, are sourced from providers that prioritize eco-friendly production methods. Products with low Volatile Organic Compounds (VOCs), recycled content, and sustainability certifications are preferred, enhancing the environmental profile of our finished projects.

Commitment to Sustainability and Quality

Bog'Art's approach to selecting construction materials, including glass, gypsum boards, bricks, and finishes, reflects our overarching commitment to sustainability, quality, and innovation. By partnering with Alusystem for glass and other providers for additional materials, all of whom share our environmental ethos, we ensure that our projects not only meet but exceed sustainability standards. This strategic selection process supports Bog'Art's mission to contribute positively to the built environment, prioritizing not only the aesthetic and functional requirements of our projects but also their long-term environmental impact.

Equipment and Installations Selection Strategy

In the dynamic field of construction, the selection of equipment and installations plays a pivotal role in defining the energy performance and overall efficiency of projects. At Bog'Art, our strategic approach to selecting these components is guided by a dual focus on optimizing energy performance and enhancing the project's overall sustainability credentials. While the primary criterion is the energy efficiency of equipment and installations, the incorporation of recycled content represents an additional, valued aspect of our selection process.

Energy Performance as the Primary Criterion

- **Energy-Efficient Equipment:** The cornerstone of our selection strategy lies in choosing equipment known for its superior energy performance. This includes HVAC systems, lighting fixtures, and other installations that significantly reduce energy consumption, thereby lowering the operational carbon footprint of our projects. By prioritizing products that meet or exceed current energy efficiency standards, we aim to contribute to the creation of buildings that are not only cost-effective in the long term but also environmentally responsible.

- **Sustainability Certifications:** Equipment and installations are carefully vetted for sustainability certifications such as Energy Star, LEED, or equivalent standards that attest to their energy efficiency and environmental impact. These certifications serve as a benchmark, ensuring that the products we incorporate into our projects align with our sustainability goals and comply with regulatory requirements.

Recycled Content as a Valued Addition

- **Preference for Recycled Content:** When available and applicable, Bog'Art gives preference to equipment and installations that include recycled content without compromising on performance or durability. This approach supports the circular economy by reducing the demand for virgin materials and minimizing waste.

- **Holistic Environmental Impact:** Our selection process evaluates the lifecycle environmental impact of equipment and installations, considering factors such as manufacturing processes, potential for recycling at the end of life, and overall carbon footprint. This comprehensive assessment ensures that our choices contribute positively to the project's sustainability profile.

Collaborative Approach with Suppliers and Manufacturers

- **Engagement for Innovation:** Bog'Art actively engages with suppliers and manufacturers to encourage the development and supply of energy-efficient equipment and installations that also incorporate recycled materials. Through this collaborative approach, we aim to drive innovation in the market, making sustainable options more accessible and viable for the construction industry.

- **Continuous Improvement:** Our strategy is dynamic, adapting to advancements in technology and changes in sustainability standards. We are committed to ongoing learning and improvement, ensuring that our equipment and installation selection process remains at the forefront of industry best practices.

Bog'Art's approach to selecting equipment and installations underscores our commitment to building projects that excel in energy performance and sustainability. By prioritizing energy efficiency as the primary criterion and valuing the inclusion of recycled content, we aim to achieve optimal project performance that aligns with our environmental goals. This strategic focus ensures that our projects not only meet the current needs of our clients but also contribute to a more sustainable and responsible built environment.

Bog'Art Headquarters: A Pathway to Sustainability

We look back on a year of notable progress towards a more sustainable operation as we explore the sustainability approach for BogArt's Headquarters. Our headquarters is at Str. Ion Brezoianu nr. 27, Sector 1, Bucharest, and the Gross Built Area is 3,750 sqm. It shows our dedication to sustainability and innovation. This building, which was constructed between 2000 and 2001, has been operating for over two decades and is ready to start a journey of transformation towards environmental responsibility and operational excellence.

We intend to undergo a certification process in the next year, and have validated that it can take the form of LEED v4. Certification for Operations and Maintenance.

2023: The Year of Planning and Assessment

Bog'Art Headquarters started a comprehensive evaluation of its technical and sustainability aspects in 2023, initiating a holistic examination process. A careful energy audit revealed different possibilities for enhancement, forming the foundation for several strategic and targeted actions to boost the building's sustainability profile. These outcomes have launched a visionary plan to address and lower the environmental impact of our operations, guiding us to a more sustainable future.

Strategies and Objectives

Our journey towards sustainability is driven by a multi-faceted strategy, encompassing a range of targeted objectives:

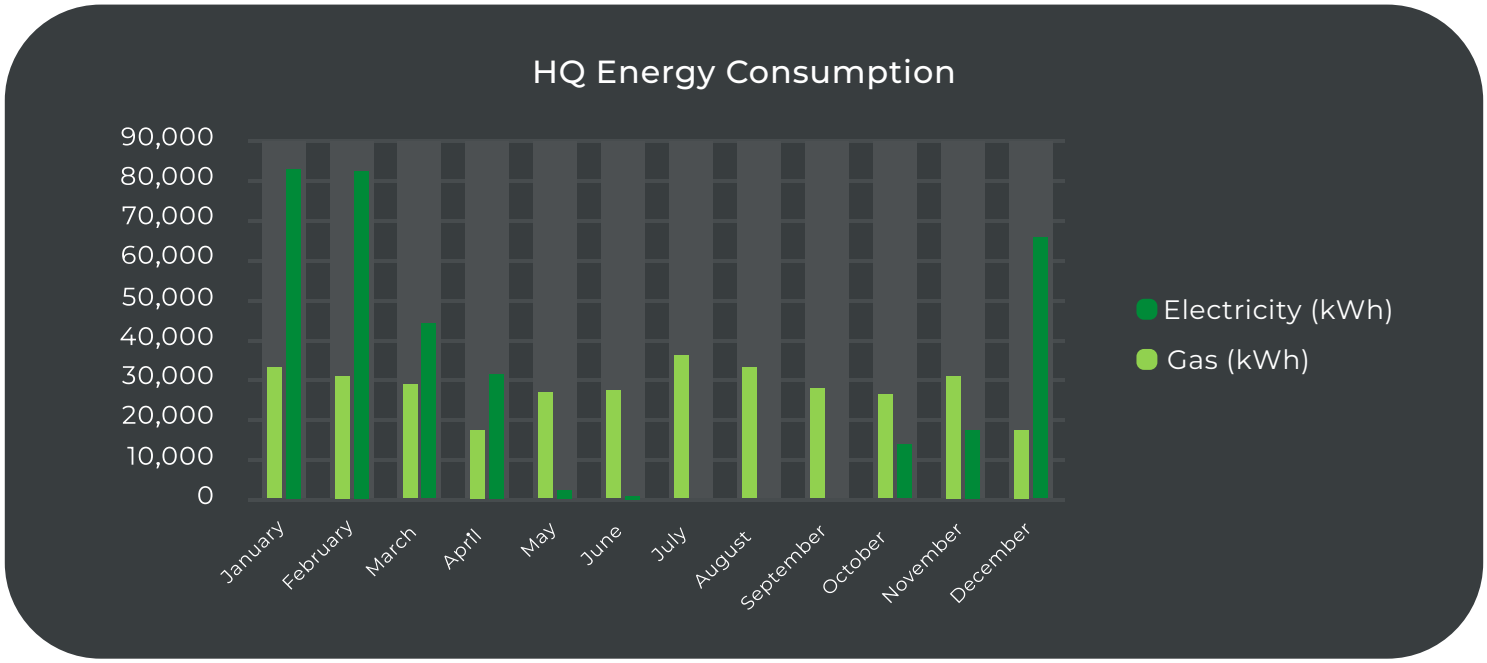
- **Carbon Footprint Calculation:** Initiating a thorough assessment of our headquarters' carbon footprint to quantify our environmental impact and identify key areas for reduction.
- **Decarbonization Strategy:** Developing a robust decarbonization strategy to systematically reduce carbon emissions through energy efficiency, renewable energy, and sustainable practices.
- **LEED Operational and Maintenance Certification:** Aspiring to achieve LEED certification for Operations and Maintenance, underscoring our commitment to sustainable building management and operational practices.
- **Renewable Energy Expansion:** Building upon our existing photovoltaic system, we aim to increase the proportion of renewable energy utilized, further minimizing our reliance on non-renewable energy sources.
- **Energy Performance and Comfort Enhancement:** Focusing on improving the energy performance of the building while ensuring optimal comfort for all occupants, addressing both the environmental impact and the well-being of our employees.
- **Addressing Aging Infrastructure Challenges:** Recognizing the unique challenges posed by a building with more than 20 years of operation, we are committed to updating and retrofitting our headquarters to meet current environmental and energy standards.

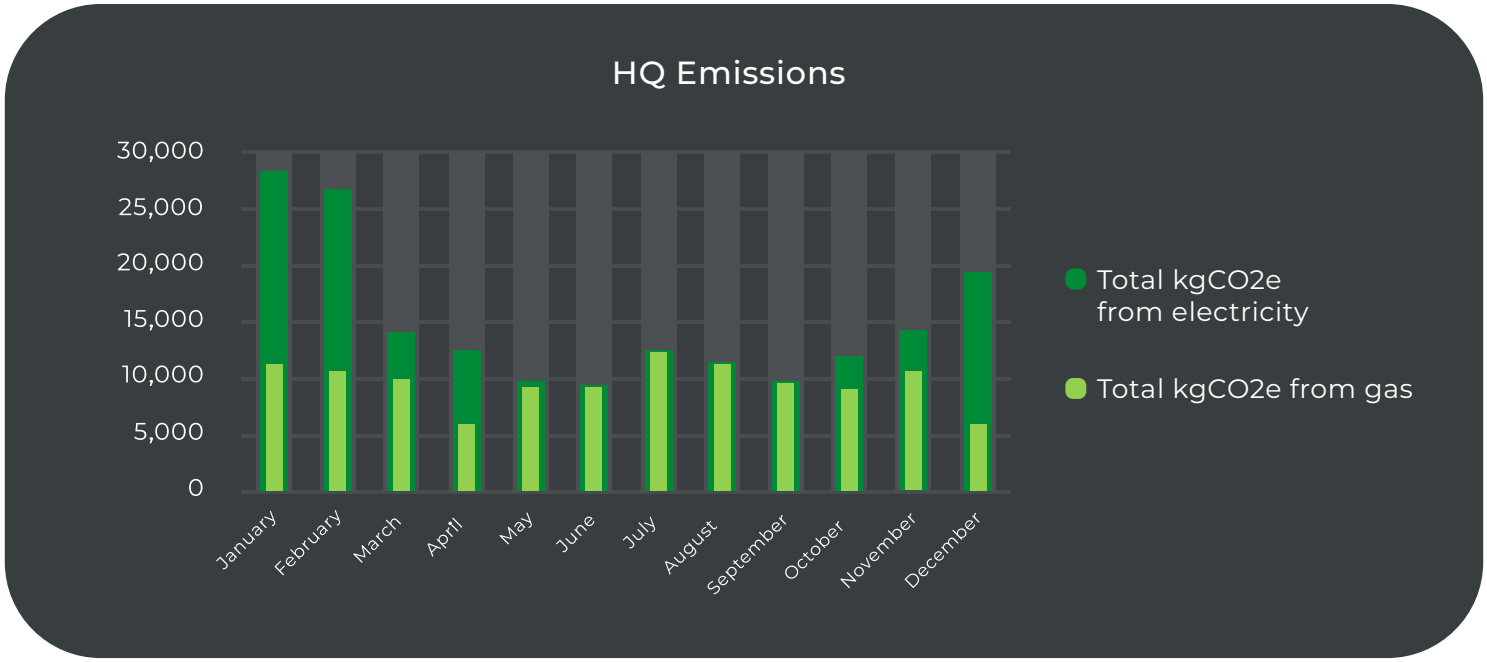
As a part of our ambitious goal to operate more sustainably, our headquarters at Str. Ion Brezoianu Nr. 27 will demonstrate our environmental dedication. With strategic planning, innovative solutions, and a strong commitment to sustainability, we are ready to turn our headquarters into an example of green building practices and operational excellence. Our actions in 2023 have laid a firm foundation for the future, leading us towards fulfilling our sustainability objectives and making a positive difference for the environment and our community. Building on the initiatives planned for 2023, Bog'Art's Headquarters started a vigorous process of enhancing sustainability, concentrating on energy, gas, water usage, and maintenance practices. This process is not only about reaching our sustainability goals but also about establishing a standard in corporate environmental responsibility.

Energy and Gas Consumption

One of the main aspects of our sustainability evaluation was a monthly measurement of energy and gas use, looking for trends and possibilities for enhancing efficiency. In 2023, we saw a steady attempt to lower energy use, which was accomplished by a mix of changing behaviors and upgrading technologies. The installation of a new and more energy-efficient HVAC systems greatly helped to lower energy consumption, while the adjustment of heating and cooling schedules aided in reducing gas use, especially when demand was low.

HQ Energy Consumption	Electricity kWh	Emission factor	Total kgCO2e from electricity	Gas kWh	Emission factor CO2e/kwh	Total kgCO2e from gas
January	33,150	0.345	11,437	83,392	0.21	17,095
February	30,930	0.345	10,671	82,511	0.21	16,915
March	29,280	0.345	10,102	44,127	0.21	9,046
April	17,760	0.345	6,127	31,608	0.21	6,480
May	26,895	0.345	9,279	2,732	0.21	560
June	27,300	0.345	9,419	767	0.21	157
July	36,315	0.345	12,529	425	0.21	87
August	33,071	0.345	11,410	326	0.21	67
September	28,005	0.345	9,662	152	0.21	31
October	26,550	0.345	9,160	14,253	0.21	2,922
November	30,981	0.345	10,689	17,692	0.21	3,627
December	17,574	0.345	6,063	65,763	0.21	13,481
TOTAL	**337,811**	**0.345**	**116,545**	**343,748**	**0.21**	**70,468**


HQ Energy Consumption
90,000
80,000
70,000
60,000
50,000
40,000
30,000
20,000
10,000
0
January
February
March
April
May
June
July
August
September
October
November
December
Electricity (kWh)
Gas (kWh)


HQ Emissions
30,000
25,000
20,000
15,000
10,000
5,000
0
January
February
March
April
May
June
July
August
September
October
November
December
Total kgCO2e from electricity
Total kgCO2e from gas

HQ Water Usage

Water conservation was another critical area of focus. Monthly metering results highlighted areas where water use could be minimized, leading to the installation of low-flow fixtures and the implementation of a rainwater harvesting system for landscaping and maintenance purposes. These measures not only reduced our water consumption up to less then 100 cubic meter per month but also underscored our commitment to preserving natural resources.

Maintenance and Infrastructure Upgrades

The aging infrastructure of our headquarters presented unique challenges, necessitating a series of maintenance and upgrade initiatives. In 2023, we prioritized retrofitting projects that enhanced the building's energy performance and occupant comfort. These included the sealing of leaks, insulation upgrades, and the installation of more efficient window systems. Each of these projects was carefully planned and executed to minimize disruption while maximizing environmental and operational benefits.

Looking Forward

As we move beyond 2023, the strategies implemented, and the lessons learned at our headquarters will inform broader sustainability efforts across all Bog'Art operations. The path we've embarked on is one of continuous improvement, where each step taken towards sustainability serves not only to reduce our environmental impact but also to enhance the well-being of our employees and the communities we serve. Our headquarters at Str. Ion Brezoianu Nr. 27 is poised to become a symbol of this commitment, embodying our dedication to green building practices and a sustainable future. Our journey thus far lays a robust foundation for the ambitious sustainability milestones we aim to achieve in the years to come.

Carbon Footprint

Commitment to Sustainability

Bog’Art embodies a robust commitment to sustainability and environmental stewardship. With a corporate philosophy deeply rooted in reducing our carbon footprint, we strive to integrate sustainable practices across all levels of operations. Recognizing the critical nature of climate change, our approach is geared towards embracing a low-carbon economy, managing GHG emissions meticulously, enhancing energy efficiency, and expanding our use of renewable energy. Our determination is to not only uphold but to continuously refine our environmental initiatives, aligning our corporate objectives with the broader ambition of global sustainability.

High-Level Summary of GHG Emissions Data

For the analysed period, Bog'Art has undertaken an extensive GHG emissions assessment. The collected data reveal that our total emissions stand at 15700 metric tons of CO2 equivalent (tCO2e). This encompasses Scope 1 emissions from company-owned resources, Scope 2 emissions from the acquisition of electrical and thermal energy, and pertinent Scope 3 emissions from our value chain. Our Scope 1 emissions have risen proportionately with the growth of our operational assets, particularly our fleet, while our Scope 2 emissions have seen a decline, reflecting our advancements in energy efficiency measures.

Key Findings and Future Goals

The evaluation of our GHG emissions inventory has highlighted several critical findings. A modest uptick in Scope 1 emissions can be linked to our expanding fleet, underscoring the need for enhanced efficiency and alternative energy vehicles. Meanwhile, our proactive energy management strategies have effectively curtailed our Scope 2 emissions.

Moving forward, Bog'Art is setting forth ambitious targets to reduce our emissions intensity by 10% in the upcoming year. Our focus will be trained on amplifying energy efficiency and augmenting our renewable energy procurement. These targeted efforts not only reinforce our commitment to diminishing our environmental impact but also position us as a leading corporate citizen in the collective endeavor to mitigate climate change. Through these actions, Bog'Art reaffirms its dedication to continuous environmental improvement and transparency, as we advance towards our long-term sustainability aspirations.

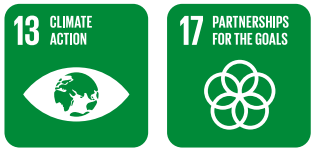
The Challenge

Climate change is a serious and urgent problem, shown by the clear trend of increasing global temperatures and the growing intensity of weather events. Scientific agreement points to human activities, especially fossil fuel burning, as major causes of this change. The last ten years alone have witnessed record-high average annual temperatures and a rise in extreme weather conditions, such as stronger hurricanes due to hotter oceans.

This situation highlights the vital need for reliable carbon footprint calculations. By measuring greenhouse gas emissions, organizations can find key areas for reduction, align strategies with climate action, and help the global effort to limit the effects of climate change.

Purpose of the chapter

This chapter gives a detailed and clear report of BogArt’s greenhouse gas (GHG) emissions. It helps us record our environmental impact, find ways to lower our emissions, and set standards for future performance evaluation. This chapter highlights our dedication to environmental accountability and creates a basis for designing strategies that match our sustainability objectives. It also seeks to encourage stakeholder involvement by providing a transparent view of our environmental impact and the actions we are doing to control and minimize it.



Scope of the GHG Inventory

Our GHG inventory covers all relevant emission sources within the company, following the Greenhouse Gas Protocol's scope. Scope 1 includes all direct emissions from sources that Bog'Art owns or controls, such as company vehicles and on-site fuel combustion. Scope 2 measures indirect emissions from the production of purchased electricity, steam, heating, and cooling that the company uses. Scope 3, which is the indirect emissions not included in Scope 2, is an area of emerging understanding, and is partly covered in this chapter, with a complete analysis to be added in future reporting cycles.

Reporting Period

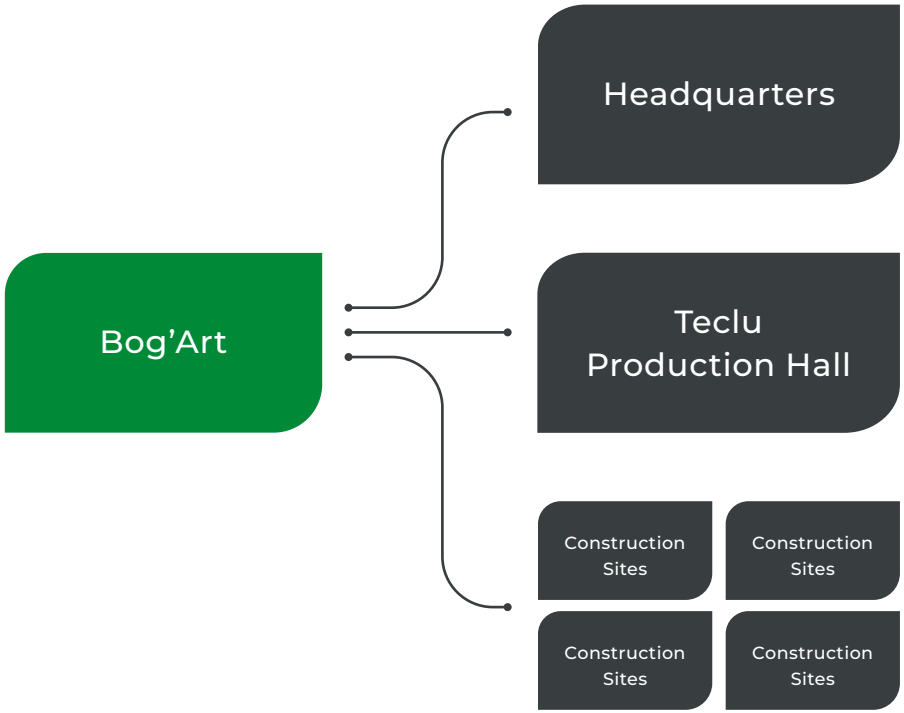
The reporting period for this GHG inventory is delineated as 01.01.2023 to 31.12.2023. We have selected this time frame to match BogArt's financial year, which makes it easier to include environmental performance in our yearly financial reports and enables a consistent evaluation of our sustainability efforts along with economic performance.

Organizational Boundaries

This report concentrates on the construction division of Bog'Art SRL, which is the main area where we use operational energy. We will only include a relevant part of our energy use for our headquarters and the manufacturing and warehouse faccilities located at 55 Ion Teclu Street, in Bucharest, referred to as "Teclu", where other group entities share these premises. This customized approach follows the "operational control" method from the Greenhouse Gas Protocol, which provides a clear and trustworthy basis for our sustainability reporting. This method makes sure that our reporting shows the operational energy aspects that we can directly control, focusing on areas where we have the biggest impact and potential for improvement.

Operational Boundaries

This chapter specifies the operational boundaries that cover the physical locations and assets that Bog'Art SRL, strictly the construction company directly controls. This definition clearly covers all GHG emission sources related to our operational activities, mainly focusing on areas such as corporate offices and the construction sites we control directly, leaving out wider aspects like manufacturing sites, data centers, and transportation fleets that we do not operate ourselves. This exact identification of our operational boundaries is crucial for the precise measurement of emissions and helps the development of reduction strategies that are relevant to our specific operational framework.



Methodology

Global warming's most immediate consequence is the worldwide increase in temperatures, mainly due to greenhouse gas (GHG) emissions resulting from human activities. The carbon footprint emerges as a key concept, quantifying the total emissions of CO2 and other GHGs throughout the life cycle of products, organizations, services, or events. It is expressed in mass of CO2 equivalent and is crucial for identifying primary emission sources and understanding the full impact of an entity on climate change.

The primary function of a carbon footprint is to aid organizations in recognizing their major GHG emission sources, forming a comprehensive image of their climate impact, and establishing a baseline for reduction strategies. It is a versatile indicator, useful for sectors such as manufacturing, hospitality, education, agriculture, and healthcare. By measuring the emissions of all activities within an organization, it provides a detailed GHG inventory that informs targeted reductions and improvements.

The calculation of the carbon footprint, while voluntary, offers strategic, environmental, economic, and reputational benefits. It enriches knowledge of environmental impacts, aids in energy management, helps in setting specific reduction targets, and supports the selection of raw materials and manufacturing methods based on their GHG emissions. This proactive approach aligns with future regulatory frameworks and conveys a commitment to sustainable development.

For accurate assessments, adherence to international methodologies and independent verification are essential. The Greenhouse Gas Protocol and ISO 14064 are prominent standards guiding the calculation of carbon footprints. These methodologies hinge on principles of relevance, completeness, consistency, transparency, and accuracy, ensuring that organizations' GHG inventories reflect true emissions and inform decision-making. The GHG Protocol has been widely adopted and influenced the ISO 14064 standard.

The carbon accounting process, guided by established standards, uses emissions factors from reliable sources to provide a clear overview of the organization's GHG emissions. It includes both direct and indirect emissions, with boundaries set to reflect the company's operational control and economic activities. This comprehensive approach ensures that the resulting information is pertinent for both internal management and external stakeholder engagement.

Emission Factors and Global Warming Potentials

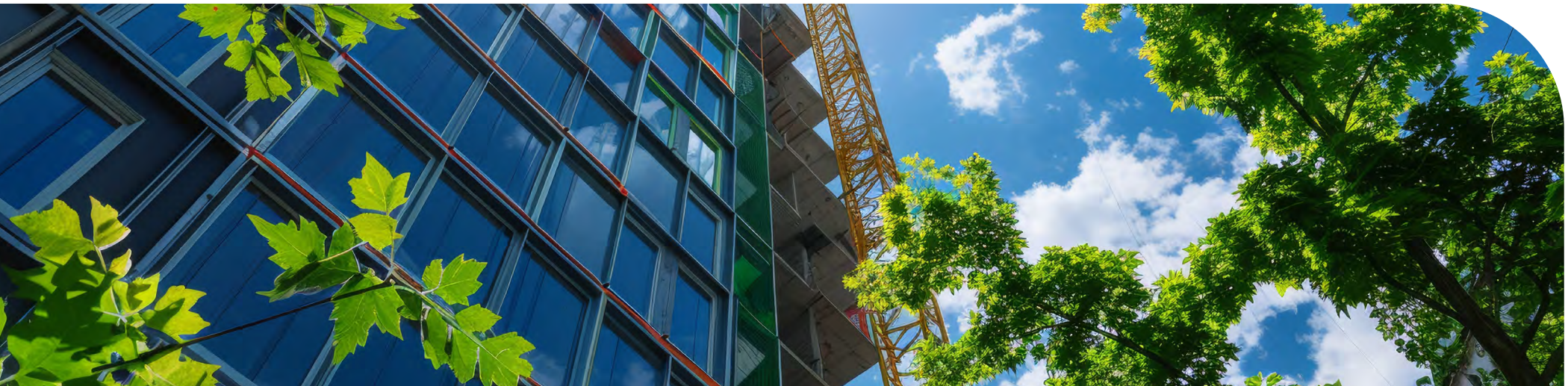
The emission factors applied in our calculations are sourced from CarbonTool database, which is a credible, authoritative database, which is periodically reviewed and updated to reflect the best available information. Global warming potentials (GWPs) for the various GHGs are consistent with those provided by the Intergovernmental Panel on Climate Change (IPCC) in their most recent assessment chapters. These GWPs help in comparing the impacts of different gases on global warming over a specific period.

Data Collection Processes

Our data collection processes were conducted through CarbonTool platform which involves a systematic approach to gather comprehensive data on all emission sources relevant to our operations. We employ both direct measurement and estimation methods, depending on the nature of the emission source. Rigorous internal data management practices are in place to ensure the accuracy, completeness, and consistency of the data collected.

Deviations from the GHG Protocol and Justifications

While Bog'Art strives to strictly adhere to the GHG Protocol standards, any deviations are thoughtfully considered and are only made when they improve the representation of our GHG emissions in relation to our specific operational context. All deviations are clearly documented within this chapter, along with justifications that detail the rationale behind these decisions.



Emissions Results

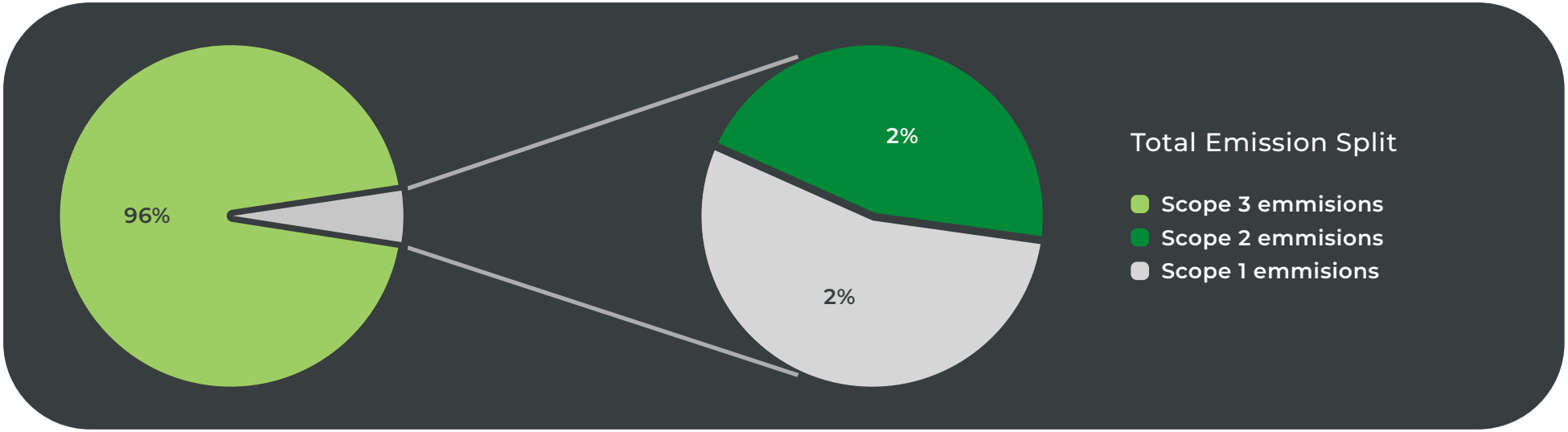
This chapter presents the results of Bog'Art's comprehensive greenhouse gas (GHG) inventory, which encompasses Scope 1, Scope 2, and, where applicable, Scope 3 emissions. The data represents a clear and detailed account of the company's emissions profile and is intended to provide a basis for trend analysis, performance benchmarking, and strategic planning for emission reduction initiatives.

Detailed Results of Scope 1, Scope 2, and Scope 3 Emissions

- Scope 1: The direct emissions for the reporting period are totaled at **376** metric tons of CO2 equivalent (tCO2e). The major contributors to these emissions were identified as fuel combustion in company-operated facilities and company-owned vehicles.

- Scope 2: Indirect emissions from purchased electricity, heat, and steam amounted to **313** tCO2e. This represents the emissions attributed to the energy supplied to Bog'Art but produced externally.

- Scope 3: Where applicable, other indirect emissions are reported. For Bog'Art, the Scope 3 emissions included business travel, employee commuting, and waste disposal, totaling **15,010** tCO2e. These emissions are the result of activities not owned or directly controlled by the company but related to its operations.

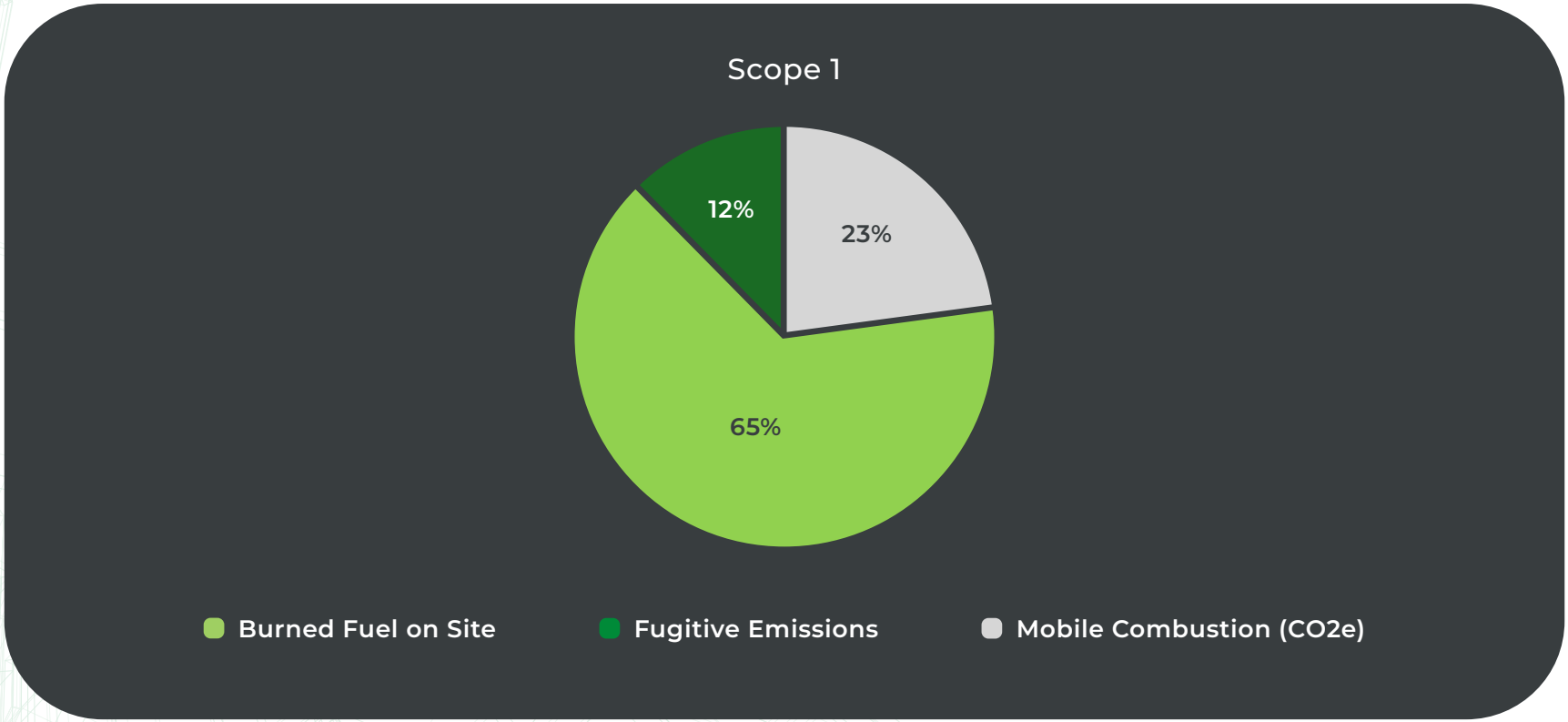


Direct Emissions (Scope 1)

Scope 1 covers all direct GHG emissions that occur from sources that are owned or controlled by Bog'Art. This includes, but is not limited to, the combustion of fossil fuels within company operations, emissions from company vehicles, and any other direct emission activities.

Data for Scope 1 emissions are collected through fuel consumption records, mileage logs from company vehicles, and direct measurement of emissions from stationary sources where possible. Calculations are performed using established emission factors that correlate fuel type and usage with CO2 equivalent emissions.

The primary sources of Scope 1 emissions for Bog'Art include:



Category	U.M.	Total Quantity	Emission factor CO2e/U.M.	Total kgCO2e
1.1 Burned fuel on site		**56,592**		**17,893**
Diesel fuels used on site	litres	343,749	0.25	14,380
Gas	kWh	5,347	0.21	70,468
Other site activities	litres	1,202,363	0.25	1,359
1.2 Mobile Combustion (km)		**289,435**		**215,265**
Sedan	Diesel	667,827	0.168	48,625
Sedan	Petrol	195,440	0.185	123,348
Van < 7,5 t	Diesel	12,759	0.171	33,385
Van < 7,5 t	Petrol	26,987	0.170	2,175
Truck ≥7,5 t	Diesel	9,915	0.210	5,655
Construction Vehicle	Diesel		0.210	2,077
1.3 Fugitive emissions		**18**		**46,332**
HQ Refrigerants	R410A	9	1,924	34,632
Other (Teclu and sites)	HFC-134a	9,297	1,300	11,700
TOTAL SCOPE 1				**233,158**

Energy Indirect Emissions (Scope 2)

Scope 2 accounts for GHG emissions from the generation of purchased electricity, heat, and steam that Bog'Art consumes. These indirect emissions are a consequence of the company's energy use but occur at sources owned or controlled by another entity.

To calculate Scope 2 emissions, Bog'Art gathers data on the amounts of electricity, heat, and steam purchased. The calculations for these emissions are based on conversion factors that reflect the mix of energy sources used to generate the purchased energy and the regional grid-specific factors where available.

The sources of Scope 2 emissions typically include:

Category	U.M.	Total Quantity	Emission factor CO2e/kWh	Total kgCO2e
2.1 Electricity from grid				
Usage of electricity_Brezoianu	kWh	337,811	0.345	116,545
Usage of electricity_Teclu 1	kWh	141,336	0.345	48,761
Usage of electricity_Teclu 2	kWh	341,995	0.345	117,988
Usage of electricity on sites	kWh	88,730	0.345	30,612
TOTAL SCOPE 2				313,906

Other Indirect Emissions (Scope 3)

Scope 3 encompasses all other indirect emissions that occur as a result of the activities of Bog'Art but that are not owned or directly controlled by the company. This includes emissions associated with business travel, employee commuting, waste disposal, and the use of finished projects, among others.

The data for Scope 3 emissions are obtained through travel records, employee surveys or commuting patterns, and waste disposal records. Calculations are based on the GHG Protocol's Scope 3 Calculation Guidance, utilizing appropriate emission factors for each category of activity.

For Bog'Art, the Scope 3 categories included in this GHG inventory are:

Category	U.M.	Total Quantity	Emission factor CO2e/U.M.	Total kgCO2e
3.1 Purchased Goods and Services				**14,288,502**
3.1.1 Purchased Goods				**14,264,494**
Asphalt	kg	60,221,580	0.07	4,402,198
Concrete	m^3	29,420	214	6,288,569
Cement	kg	153,160	0.55	84,238
Ballast / Aggregates	kg	19,045,562	0.01	176,881
Sand	kg	450,170	0.00	1,035
Metals	kg	134,905	2.51	338,611
Stone Wool	kg	2,338,082	0.50	1,169,041
Mineral Wool	kg	405,526	2.75	1,115,197
XPS (extruded polystyrene)	sqm/10 cm	6,510	1.32	8,622

Category	U.M.	Total Quantity	Emission factor CO2e/U.M.	Total kgCO2e
EPS (expanded polystyrene)	sqm/10 cm	11,290	16	181,049
Gypsum boards	sqm/10 cm	6,476	3.48	22,535
Bricks	sqm/10 cm	1,583	5.16	8,168
Tiles	sqm	134,606	2.00	269,212
IT supplies	EUR	19,028	0.13	2,465
3.1.2 Purchased Services		**140,687**		**24,008**
Internet services	EUR	2,215	0.079	176
Mobile voice services - Orange	EUR	3,399	0.147	501
Mobile voice services - Vodafone	EUR	7,480	0.147	1,103
General cleaning services of buildings	EUR	36,238	0.142	5,139
Repair services of communication equipment	EUR	2,356	0.092	216
Air conditioning services	EUR	5,687	0.086	489
Elevator service	EUR	1,692	0.197	333
Iscirizare lift, cazane, vase expansiune, PSI, revizii	EUR	9,297	0.197	1,828
Building maintainance	EUR	70,873	0.197	13,937
Building access	EUR	1,450	0.197	285

Category	U.M.	Total Quantity	Emission factor CO2e/U.M.	Total kgCO2e
3.2 Capital Goods		**44,536**		**4,419**
Office Furniture		40,242	0.086	3,462
TV	EUR	667	0.154	103
Water filter	EUR	3,627	0.235	854
3.3 Waste		**15,654,212**		**384,577**
Mixtures of concrete, tiles, bricks and ceramic materials	kg	918,578	0.021	19,548
Construction and demolition mixes	kg	10,431,605	0.021	221,987
Construction and demolition mixes (re-used)	kg	3,181,759	0.001	3,133
Household	kg	74,658	0.383	28,594
Mixed metal	kg	20,186	0.021	4,642
Mixed metal (re-used)	kg	33,393	0.230	33
Paper and board (recycled)	kg	401,345	0.235	94,316
Plastics (recycled)	kg	344,193	0.021	7,325
Wood (diverted)	kg	234,279	0.021	4,986
Concrete (diverted)	kg	14,215	0.001	14
3.4. Downstream leased assets		**908,827**		**332,524**
Rentals	EUR	908,87	0.366	332,524
TOTAL SCOPE 3				**15,010,023**

Data Management

This chapter outlines the robust data management practices employed by Bog'Art to ensure the integrity and accuracy of the greenhouse gas (GHG) emissions data reported. Recognizing the critical role of reliable data in GHG reporting and management, Bog'Art has implemented stringent quality assurance and control measures, alongside sophisticated data tracking and inventory management systems.

Data Quality Assurance Quality Control (QA/QC) Procedures

Bog'Art has instituted a comprehensive set of QA/QC procedures to guarantee the quality of emissions data. These procedures encompass:

- **Verification of Data Sources:** All data sources are verified for reliability and consistency before integration into our emissions calculations.
- **Routine Data Audits:** Regular audits are conducted to check for accuracy, completeness, and precision of the emissions data. Any discrepancies discovered are promptly investigated and rectified.
- **Cross-Functional Reviews:** Data is reviewed by multiple departments to ensure it withstands scrutiny from different operational perspectives.
- **Training and Capacity Building:** Staff responsible for data collection and reporting are regularly trained in the latest GHG inventory protocols and data management best practices to maintain high standards of data quality.

Data Tracking and Inventory Management Systems

The backbone of BogArt's data management is CarbonTool, a state-of-the-art SaaS platform designed specifically for GHG data tracking and reporting. This tool is integral to our data management strategy and provides:

- **Centralized Data Repository:** A single, secure location for all GHG-related data, which allows for efficient data retrieval and reporting.
- **Real-Time Data Tracking:** Enables the continuous monitoring of emissions data, providing up-to-date insights into the company's carbon footprint.
- **Automated Data Collection:** Minimizes human error by automating the data collection process from various sources, including direct emissions sources and utility providers.
- **Custom Reporting Features:** Facilitates the generation of customized reports that align with GHG Protocol standards and cater to stakeholder requirements.
- **Scalability and Flexibility:** Accommodates the expanding scope of operations and is adaptable to changing reporting requirements as Bog'Art evolves.

The CarbonTool's comprehensive features ensure that BogArt's data management practices not only meet but exceed the requirements for high-quality GHG inventory reporting. Through the effective use of this tool, Bog'Art upholds the integrity of its sustainability reporting and reinforces its commitment to environmental stewardship.

Emission Reduction Initiatives and Challenges

This chapter details Bog'Art's proactive measures to reduce its greenhouse gas (GHG) emissions, assesses the progress against established goals, and outlines future strategies. Additionally, it delves into the challenges encountered during the reporting period and identifies opportunities for enhanced efficiency and environmental performance.

Emission Reduction Initiatives

Bog'Art has implemented a range of initiatives aimed at minimizing its carbon footprint:

- **Renewable Energy Conversion:** Transitioning to renewable energy sources for our operations, significantly cutting down Scope 2 emissions.
- **Fleet Modernization:** Updating company vehicles to electric or hybrid models to reduce Scope 1 emissions from transportation.
- **Energy Efficiency Programs:** Implementing energy-saving measures across all facilities, such as LED lighting and high-efficiency heating and cooling systems.

Challenges and Opportunities

Despite robust efforts, Bog'Art has encountered challenges:

- **Supply Chain Complexity:** Difficulty in assessing and influencing Scope 3 emissions due to the intricate nature of our global supply chain.

- **Technological Limitations:** Constraints in existing technology have impeded the rapid adoption of renewable energy solutions in certain regions of operation.

Nevertheless, these challenges present opportunities for innovation and growth:

- **Investment in Technology:** Encouraging investment in R&D for breakthrough technologies in renewable energy and energy storage.

- **Collaboration with Suppliers:** Engaging with suppliers to foster a collective approach to emissions reduction, magnifying our impact on Scope 3 emissions using CarbonTool Connection option.

- **Policy Advocacy:** Playing an active role in advocating for supportive policies that could accelerate the transition to a low-carbon economy.

Bog'Art remains steadfast in its commitment to reducing its environmental impact. Through the initiatives outlined, along with the acknowledgment of challenges and the harnessing of opportunities, the company continues to demonstrate leadership in the journey towards sustainability and environmental responsibility.

Category	2023 CO2e Emissions tonnes
Scope 1 Emissions	376
Scope 2 Emissions (Location-Based)	314
Scope 3 Emissions	15,010
Purchased Goods and Services	14,289
Capital Goods	4.42
Fuel- and Energy - Related Activities	Not measured
Upstream Transportation and Distribution	Not measured
Waste Generated in Operations	385
Business Travel-	Not measured
Employee Commuting	Not measured
Downstream Leased Assets	333
Use of Sold Products	-
Investments	1,000
Carbon Intensity (per revenue)	0.06

Climate Resilience and Adaptation Strategies

Bog'Art is on a path towards sustainability, and it is essential to recognize and reduce the effects of climate change. This commitment is integrated in our strategic planning and operational practices, showing our devotion to resilience and adaptation in the face of changing environmental challenges. This chapter explores BogArt's extensive approach towards assessing climate risks, applying adaptive measures, and promoting the creation of sustainable, climate-resilient urban environments.

Transition Risks and Opportunities

In the context of transitioning to a low-carbon economy, Bog'Art faces both risks and opportunities.
Our strategic response encompasses several key areas:

Risk Area and Description	Potential Impact	Mitigation Measures/Activities
Policy and Legal	Enhanced reporting requirements and energy performance mandates may influence operating costs and brand reputation.	Bog'Art is leveraging its leadership in sustainability to meet increased demand for green buildings, aligning with CSRD and EU Taxonomy.
Technology	The need for new technologies to meet climate targets presents risks and opportunities in innovation, supply chain, and regulatory compliance.	Our focus on innovation and efficiency reduces resource use and carbon costs, positioning us as a leader in the low-carbon transition.
Market	Changes in customer expectations and the competitive landscape offer opportunities for revenue growth and competitive advantage.	With a proven track record in low-carbon solutions, Bog'Art is well-placed to capture growing market demand.
Reputation	Increased scrutiny from stakeholders can impact brand and reputation if not proactively managed.	Setting ambitious emission reduction targets and maintaining high standards in reporting and marketing to enhance credibility.

Physical Risks and Opportunities

The physical manifestations of climate change also present significant risks and opportunities for Bog'Art:

Risk Area and Description	Potential Impact	Mitigation Measures/Activities
Acute	Increased frequency of extreme weather events can disrupt projects and incur operating costs.	Implementing measures such as flood defenses and emergency response procedures to limit operational disruptions.
Chronic	Rising temperatures and sea levels, along with changing weather patterns, can affect asset values and demand for infrastructure resilience.	Adapting work practices to ensure safety in high temperatures and incorporating climate risk analysis into project planning and design.

Building Resilience and Adaptation

Our commitment to addressing climate change risks involves a dual focus on enhancing the resilience of our infrastructure and adapting operational practices:

- **Risk Assessment:** Regularly conducting climate risk assessments to identify vulnerabilities and inform our resilience strategies.
- **Infrastructure Resilience:** Incorporating climate-adaptive design and construction methods to ensure our projects are capable of withstanding climate-related challenges.
- **Operational Flexibility:** Maintaining operational flexibility through contingency planning and adaptive management, ensuring continuity under varying climate scenarios.

Through these measures, Bog'Art is not only mitigating the risks associated with climate change but also seizing the opportunities it presents. Our proactive stance on climate resilience and adaptation underscores our dedication to sustainability, operational excellence, and the well-being of the communities we serve. As we continue to navigate the complexities of climate change, our efforts in 2023 have laid a robust foundation for a sustainable and resilient future, positioning Bog'Art as a leader in sustainable urban development.

Adaptation Measures for Changing Environmental Conditions

Bog'Art has taken proactive steps to face the changing threats of climate change. We have implemented various adaptation measures to make our projects and operations more sustainable and resilient. These measures not only reduce the direct effects of climate change but also help tackle wider environmental goals. Here are some of the ways we're improving water management, energy efficiency, and the use of sustainable materials:

Water Management

- **Advanced Water Conservation Systems:** Recognizing the growing concern over water scarcity and quality, Bog'Art integrates state-of-the-art water conservation technologies into our projects. This includes the installation of rainwater harvesting systems, efficient irrigation techniques, and water recycling processes that significantly reduce water consumption on construction sites and in finished projects.

- **Smart Water Usage:** Leveraging smart metering and monitoring systems, we ensure optimal water use and identify leaks or inefficiencies in real-time, preventing wastage and ensuring the sustainable use of water resources.

Energy Efficiency

- **High-Performance Buildings:** Bog'Art is committed to constructing buildings that are models of energy efficiency. By incorporating advanced insulation techniques, high-efficiency HVAC systems, and smart building technologies, we drastically reduce the energy demand of our structures, thereby lowering greenhouse gas emissions.

- **Renewable Energy Integration:** Wherever feasible, our projects are designed to incorporate renewable energy sources such as solar and wind power. This approach not only reduces reliance on fossil fuels but also enhances the energy resilience of our buildings against fluctuating energy markets and policies.

Sustainable Materials

- **Eco-friendly Material Sourcing:** In our quest to minimize the environmental footprint of our projects, Bog'Art prioritizes the use of sustainable construction materials. This includes locally sourced materials that reduce transportation emissions, recycled materials that lessen the demand for virgin resources, and materials certified for their low environmental impact.

- **Climate-adaptive Construction Methods:** Understanding the need for our projects to withstand climate-related challenges, we adopt construction methods that enhance durability and resilience. This includes considerations for extreme weather events and changing climate conditions in the design phase, ensuring that our structures are built to last and adapt to future environmental changes.

Implementation and Continuous Improvement

Bog'Art addresses the present impacts of climate change and also sets an example for the construction industry by applying these adaptation measures. We keep enhancing our methods and developing new tools to boost the sustainability and resilience of our projects. BogArt collaborates with stakeholders, such as clients, suppliers, and the communities we work with, to build a more sustainable and flexible built environment that can handle future challenges.

Fostering Healthy and Climate-Resilient Urban Spaces

At Bog'Art, we have a vision for sustainability that goes beyond our building sites and aims to have a positive impact on the urban areas where we work. We understand the importance of urban environments for the health and climate adaptation of society, and we want to create urban spaces that are not only sustainable but also promote the well-being of their users. Our actions in this area involve the incorporation of green infrastructure, active involvement of the community, and effective partnerships with relevant stakeholders.

Green Infrastructure

Green Solutions for Urban Projects: Bog'Art is dedicated to incorporating green infrastructure in our urban projects. This involves using green roofs that lower heat island effects and foster biodiversity; urban forests that act as green lungs for cities, improving air quality and porous pavements that help manage stormwater effectively, reducing flood risks and replenishing groundwater.

Environmental Responsibility in Construction: We emphasize construction techniques and materials that reduce environmental impact and support the long-term sustainability of urban environments. This approach also includes choosing sites and designing projects in a way that optimizes green space and enables sustainable urban mobility.

Community Engagement

- **Co-creation with Communities:** Understanding the importance of local knowledge and perspectives, Bog'Art actively engages with communities to find solutions that address specific urban challenges. Through workshops, forums, and participatory planning processes, we collaborate with local authorities to design projects that reflect their needs and aspirations, fostering a sense of ownership and stewardship towards the urban environment.

- **Educational Initiatives:** We initiate and support educational programs aimed at raising awareness about environmental sustainability and climate resilience among urban residents. These initiatives empower communities to take active roles in promoting sustainable practices within their local environments.

Collaboration with Stakeholders

- **Strategic Partnerships:** Recognizing the complexity of urban sustainability challenges, Bog'Art seeks to amplify our impact through partnerships with government agencies, non-profit organizations, and industry peers. Together, we advocate for policies and practices that enhance urban resilience, promote sustainable development, and facilitate climate adaptation.

- **Policy Advocacy:** We leverage our expertise and experience in sustainable construction to inform and influence urban planning and development policies. By contributing to the development of standards and regulations that prioritize climate resilience and environmental sustainability, we help shape the future of urban development.

Bog'Art is dedicated to creating urban spaces that are healthy and adaptable to climate change, reflecting our comprehensive view of sustainability. We use cutting-edge green infrastructure, engaging community participation, and effective partnerships to help shape urban areas that can cope with climate change and enhance the health and well-being of their occupants. As we keep advancing in sustainable urban development, our actions today lay the foundation for more adaptable and lively urban settings for future generations.

UN SDGs Alignment

To show Bog'Art's dedication to sustainability and our support for global actions, we have matched our initiatives and operational practices with the United Nations Sustainable Development Goals (UN SDGs). The table below gives a comprehensive overview of how each section of our Sustainability Report relates to specific SDGs. This alignment not only demonstrates our impact on these global goals but also shows our strategic approach to incorporating sustainability into every part of our operations. Through this table, stakeholders can learn about BogArt's diverse sustainability efforts and our commitment to tackling some of the world's most urgent problems.

Subchapter	UN SDGs
Materiality Analysis	SDG 9 (Industry, Innovation and Infrastructure), SDG 12 (Responsible Consumption and Production)
Site Operation Sustainability	SDG 11 (Sustainable Cities and Communities), SDG 13 (Climate Action)
Water Resource Protection	SDG 6 (Clean Water and Sanitation), SDG 13 (Climate Action)
Energy and Emissions	SDG 7 (Affordable and Clean Energy), SDG 13 (Climate Action)
Waste and Circularity	SDG 12 (Responsible Consumption and Production), SDG 13 (Climate Action)
Integrating Life Cycle Perspectives	SDG 11 (Sustainable Cities and Communities), SDG 12 (Responsible Consumption and Production)
Materials	SDG 9 (Industry, Innovation and Infrastructure), SDG 12 (Responsible Consumption and Production)
Bog'Art Headquarters: A Pathway to Sustainability	SDG 9 (Industry, Innovation and Infrastructure), SDG 11 (Sustainable Cities and Communities)
Carbon Footprint	SDG 13 (Climate Action)
GHG Inventory and Emission Reduction Initiatives	SDG 13 (Climate Action), SDG 17 (Partnerships for the Goals)
Bog'Art's Strategic Targets: A vision for Sustainable Excelence	SDG 9 (Industry, Innovation and Infrastructure), SDG 13 (Climate Action), SDG 17 (Partnerships for the Goals)
Health, Safety and Diversity	SDG 3 (Good Health and Well-being), SDG 8 (Decent Work and Economic Growth)
Towards a Client Satisfaction Index	SDG 8 (Decent Work and Economic Growth), SDG 11 (Sustainable Cities and Communities)
Bog'Art - center role in a modern holding	SDG 17 (Partnerships for the Goals)

GRI Alignments

GRI Standard Disclosure	Subchapter Name	Omission/Comments
General Disclosures 2021		
GRI 2-1 Organizational details	Materiality Analysis	Refer to enhanced process and stakeholder engagement notes for additional details.
GRI 2-2 Entities included in the organization's sustainability reporting	Site Operation Sustainability	Includes Bog'Art and its construction division as the primary focus. No deviation from financial reporting.
GRI 2-3 Reporting period, frequency, and contact point	About this Report	Reporting period: January 1, 2023 – December 31, 2023. Details on publication date and contact information are provided.
GRI 2-4 Restatements of information	Bog'Art's Strategic Targets: A vision for Sustainable Excelence	No restatements in this reporting period.
GRI 2-5 External assurance	About this Report	
GRI 2-6 Activities, value chain, and other business relationships	Emissions Results	Focuses on construction activities and related value chain management.
GRI 2-7 Employees	Employment metrics	Specific employment types may not be reported due to consolidation at the operational level.
GRI 2-8 Workers who are not employees	Employment metrics	Data management at the operational level, not consolidated at the company level.
GRI 2-9 Governance structure and composition	Process	
GRI 2-10 Nomination and selection of the highest governance body	Process	
GRI 2-11 Chair of the highest governance body	Process	

GRI Standard Disclosure	Chapter Name	Omission/Comments
GRI 2-13 Delegation of responsibility for managing impacts	Process	
GRI 2-14 Role of the highest governance body in sustainability reporting	Process	
GRI 2-15 Conflicts of interest	Process	
GRI 2-16 Communication of critical concerns	Bog'Art - Center Role in a Modern Holding	
GRI 2-17 Collective knowledge of the highest governance body	Process	
GRI 2-18 Evaluation of the performance of the highest governance body	Process	
GRI 2-19 Remuneration policies	Process	
GRI 2-20 Process to determine remuneration	Process	
GRI 2-21 Annual total compensation ratio	Process	Data not disclosed.
GRI 2-22 Statement on sustainable development strategy	BogArt's Strategic Targets: A Vision for Sustainable Excellence	
GRI 2-23 Policy commitments	Carbon Footprint	
GRI 2-24 Embedding policy commitments	Carbon Footprint	
GRI 2-25 Processes to remediate negative impacts	Carbon Footprint	
GRI 2-26 Mechanisms for seeking advice and raising concerns	Impact	
GRI 2-27 Compliance with laws and regulations	Process	Refer to relevant notes for details.
GRI 2-28 Membership associations	Process	A selection of memberships are reported.
GRI 2-29 Approach to stakeholder engagement	Impact	
GRI 2-30 Collective bargaining agreements	Employment metrics	Data not consolidated at the holding level.

Material Topic	GRI Standard	Chapter Name	Omission/Comments
Environmental Performance	**GRI 302: Energy**	**Energy and Emissions**	**Focus on energy efficiency and renewable energy sources.**
	GRI 303: Water	Water Resource Protection	Includes water conservation and management strategies.
	GRI 305: Emissions	Carbon Footprint	Details on GHG emissions reduction initiatives and results.
	GRI 306: Waste	Waste and Circularity	Outlines waste management practices and circular economy principles.
Social Performance	**GRI 403: Occupational Health and Safety**	**Health and Safety**	**Covers health and safety practices and performance.**
	GRI 404: Training and Education	Employment metrics	Focus on employee development and training programs.
	GRI 405: Diversity and Equal Opportunity	Employment metrics	Details on diversity, inclusion, and equal opportunity initiatives.
	GRI 406: Non-discrimination	Employment metrics	Commitment to a discrimination-free workplace.
	GRI 407: Freedom of Association and Collective Bargaining	Impact	Reflects respect for workers' rights to association and collective bargaining.

Material Topic	GRI Standard	Chapter Name	Omission/Comments
	GRI 408: Child Labor	Employment metrics	Policies and practices to prevent child labor in operations and supply chain.
	GRI 409: Forced or Compulsory Labor	Employment metrics	Measures to prevent forced or compulsory labor in all activities.
	GRI 412: Human Rights Assessment	Employment metrics	Assessments and actions related to human rights impacts.
Economic Performance	**GRI 201: Economic Performance**	**General Disclosures**	**Economic performance and impact on stakeholders.**
	GRI 202: Market Presence	Employment metrics	Impact on local communities and market presence.
	GRI 205: Anti-corruption	Corporate Governance	Anti-corruption policies and compliance.
	GRI 206: Anti-competitive Behavior	Process	Practices to prevent anti-competitive behavior and ensure fair competition.
Governance and Ethics	**GRI 102: General Disclosures**	**Process**	**Governance structure, ethics, and integrity guidelines.**


ESG
Assessment
developed
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NAME

First name | Last name | Title

E-MAIL

E-mail

COMPANY

Company

PROJECT INFORMATION

Project name | Street address

City | Country

Date-Time

Is there an environmental policy document for site organization?

Check if a comprehensive environmental policy is established and documented. *

Yes No

Is comprehensive health and safety training provided to all staff, including non-native operatives, to ensure understanding of best practices and on-site safety information?

Minimum: Basic health and safety orientation for all new hires, covering essential site safety rules, emergency procedures, and the location of first aid stations. Multilingual safety signage and documentation to accommodate non-native operatives, ensuring all staff can understand crucial safety information. Every 3 months updates and briefings on safety practices and any changes to site safety protocols.

Best practices: Interactive and engaging training sessions that include practical demonstrations and the use of visual aids to enhance understanding among non-native speakers. *

Yes - Minimum Yes - Best practices No

Has a health and safety inspector or equivalent conducted a site inspection?

Minimum: At least one documented site inspection by a qualified health and safety inspector or equivalent authority during the construction phase to assess compliance with health and safety regulations or a written report of the inspection findings, including any non-compliance issues and recommended corrective actions.

Best practices: Monthly scheduled inspections by a health and safety inspector or equivalent authority throughout the construction period to ensure ongoing compliance and address potential issues proactively. *

Yes - Minimum Yes - Best practices No

Has the main contractor provided training for site personnel on environmental protection measures for the project?

Minimum: Conduct at least one initial training session for all site personnel on the environmental protection measures to be implemented throughout the project. This should cover basic environmental policies, waste management, pollution prevention, and emergency response procedures.

Best practices: Establish an ongoing training program that includes updates and refreshers every 6 months on environmental protection measures, adapting to any changes in project scope, environmental regulations or best practices and Involve environmental experts or external agencies in the training process to provide authoritative insights and updates on the latest environmental protection strategies and regulatory requirements. *

Yes - Minimum ○ Yes - Best practices ○ No ○

Is there a time management system for construction activities?

Minimum: Project timelines and schedules.

Best Practices: Use of project management software with time tracking capabilities. *

Yes - Minimum ○ Yes - Best practices ○ No ○

Is there a plan detailing how activities will be scheduled to prevent any impact on the biodiversity of the site area?

Minimum: A management plan to be made after an ecologist's assessment before construction begins that includes measures to protect local flora and fauna.

Best Practices: A biodiversity management plan developed in consultation with ecological experts, including habitat preservation and enhancement strategies. *

Yes - Minimum ○ Yes - Best practices ○ No ○

Is there a documented energy-saving policy for the construction site?

Minimum: The site must have a written policy that outlines basic energy-saving measures such as turning off equipment when not in use and using energy-efficient lighting.

Best Practices: Implement a comprehensive energy management system certified by a recognized standard (e.g., ISO 50001), which includes employing renewable energy sources, utilizing high-efficiency machinery, maximizing natural daylight, and monitoring energy consumption patterns for optimization. *

Yes - Minimum Yes - Best practices No

Are restrictions on site lighting documented in the environmental policy?

Minimum: The site must have an environmental policy in place that clearly outlines restrictions on lighting to minimize light pollution and energy waste.

Best Practices: The environmental policy should include detailed lighting guidelines, such as the use of motion sensors, timers for outdoor lighting, and the specification of low-impact, energy-efficient lighting solutions. *

Yes - Minimum Yes - Best practices No

Are measures to reduce light pollution implemented on construction site?

Minimum: Use of downward-facing lights and motion sensors.

Best Practices: Advanced systems like automated dimming based on time and presence. *

Yes - Minimum Yes - Best practices No

Is there a protocol for powering off machinery and equipment when idle?

Minimum: A written protocol exists, requiring that all machinery and equipment be turned off after a defined period of idleness, as recommended by the manufacturer, to avoid unnecessary energy consumption.

Best Practices: The protocol includes automated systems such as smart timers or sensors that shut down equipment after a preset idle time. Regular training sessions for operators are conducted to ensure compliance, and performance is monitored through a digital tracking system to identify opportunities for further energy savings. *

Yes - Minimum ○ Yes - Best practices ○ No ○

Are low-energy lighting options (Ex. Solar-powered lights, Occupancy Sensors or Led options) installed on the construction site?

Minimum: The construction site must utilize LED lighting as the primary source for illuminating work areas, pathways, and common areas to ensure energy efficiency.

Best practices: In addition to LED lighting, the implementation of solar-powered lights for external areas and occupancy sensors in temporary offices, storerooms, and rest areas enhances energy savings and environmental sustainability. *

Yes - Minimum ○ Yes - Best practices ○ No ○

Is there a plan to upgrade to energy-efficient lighting solutions?

Check for a plan to upgrade existing lighting to energy-efficient options if current solutions are not energy-efficient. *

Yes ○ No ○

Have alternative energy sources (solar/wind) been considered for the site?

Minimum: Feasibility study or assessment report.

Best Practices: Implementation plan for alternative energy systems. *

Yes - Minimum ○ Yes - Best practices ○ No ○

If alternative energy sources are used, are they inspected and maintained every major changes on site?

Ensure any implemented alternative energy sources are subject to inspection and maintained every major changes on site. *

Yes ○ No ○

Is every area of the construction site equipped with sufficient lighting to ensure safety and operational efficiency?

Minimum: All workspaces, pathways, and communal areas have basic lighting installations that meet the minimum legal requirements (min. 20lx) for illumination levels to ensure visibility and safety during operational hours.

Best Practices: The site implements an advanced lighting strategy that exceeds minimum standard (min. 50lx). Adequate emergency lighting is installed and regularly tested, and all lighting solutions are reviewed for improvements as part of ongoing site safety assessments. *

Yes - Minimum ○ Yes - Best practices ○ No ○

Is electrical energy consumption on the construction site monitored monthly?

Minimum: Monthly energy bills reviewed and recorded.

Best Practices: Use of energy management software for detailed tracking and analysis. *

Yes - Minimum ○ Yes - Best practices ○ No ○

Is there a site-specific environmental policy that outlines water-saving measures?

Minimum: The policy should include measures for reducing water usage in construction processes.

Best Practices: Advanced water-saving techniques such as rainwater harvesting and water recycling systems. *

Yes - Minimum Yes - Best practices No

Are specific water-saving measures implemented on the construction site?

Minimum: The construction site employs fundamental water-saving practices such as using low-flow fixtures in temporary facilities and enforcing a strict policy against hose use for equipment cleaning.

Best Practices: In addition to the minimum requirements, the site incorporates advanced water conservation strategies like installing rainwater harvesting systems to collect and reuse water for construction activities, using water recycling systems to treat and reuse greywater, and employing moisture sensors in any landscaped areas to optimize irrigation. *

Yes - Minimum Yes - Best practices No

Are monthly inspections conducted to detect any water leaks?

Minimum: Monthly inspection reports.

Best Practices: Use of leak detection technology and prompt repair protocols. *

Yes - Minimum Yes - Best practices No

Is there an implemented plan to manage surplus water on-site?

Minimum: The plan must include a map of the site's drainage system, identifying all water entry points and any areas that are prone to flooding.

Best Practices: The plan integrates advanced water management solutions like on-site water treatment, retention ponds, or rain gardens that can handle excess water and mitigate flood risk. *

Yes - Minimum | Yes - Best practices | No

Are there specially designed areas for intense rainwater runoff collection on the construction site?

Minimum: Basic collection systems like trenches or temporary basins.

Best Practices: Permanent, integrated stormwater management systems designed for heavy rainfall events. *

Yes - Minimum | Yes - Best practices | No

Is water consumption on the construction site monitored monthly?

Minimum: Confirm that there is a system in place for tracking and recording the site's monthly water consumption.

Best Practices: Implementation of water monitoring technologies for usage data. *

Yes - Minimum | Yes - Best practices | No

Are workers trained in handling fuels and chemicals?

Minimum: Yearly training sessions on hazardous materials handling and spill response.

Best practice: Monthly updated training including simulations and practical spill response exercises. *

Yes - Minimum ○ Yes - Best practices ○ No ○

Are spill response kits available on-site for hazardous substance leaks?

Minimum: At least one spill kit available on-site.

Best Practices: Multiple spill kits located near high-risk areas, with clear signage. *

Yes - Minimum ○ Yes - Best practices ○ No ○

Is spill prevention equipment positioned near potential leak zones for rapid intervention?

Minimum: Spill containment materials such as absorbent materials, containment booms, and neutralizing agents are positions near potential leak zones.

Best Practices: In addition to meeting the minimum requirements, best practices involve integrating advanced spill detection systems that alert staff to leaks immediately. *

Yes - Minimum ○ Yes - Best practices ○ No ○

Are rapid intervention procedures established for hazardous spills?

Minimum: The site must have a basic rapid intervention plan that includes immediate containment and notification procedures for hazardous spills. This plan should specify the steps for containing spills, such as using absorbents, and whom to notify immediately.

Best Practice: Beyond the basic plan, best practices include conducting once 3 months spill response drills, having dedicated spill response teams, and utilizing advanced spill containment equipment such as spill kits located at strategic points. *

Yes - Minimum ○ Yes - Best practices ○ No ○

Is the burning of materials strictly prohibited on-site?

Minimum: Site policy explicitly forbids the burning of materials.

Best Practices: Regular inspections and penalties for non-compliance. *

Yes - Minimum ○ Yes - Best practices ○ No ○

Are records maintained for the waste generated on the construction site?

Minimum: Logs or records of waste types and quantities.

Best practice: Waste tracking system integrated with materials management software. *

Yes - Minimum Yes - Best practices No

Is the total quantity of recycled waste recorded?

Minimum: Records of recycled waste quantities.

Best Practices: Detailed reporting of recycling processes and destinations for recycled materials. *

Yes - Minimum Yes - Best practices No

Are all materials and equipment on-site stored in secured and covered areas?

Minimum: Materials and equipment are stored in areas that protect them from weather elements and unauthorized access. This includes using temporary coverings for weather protection and fencing or locks for security.

Best practice: Scheduled inspections of storage areas to ensure that coverings remain intact and materials are stored properly to prevent damage. *

Yes - Minimum Yes - Best practices No

Is there dedicated space for the secure storage of new materials in covered areas to prevent damage and theft?

Minimum: Use of fencing, locks, or surveillance to prevent unauthorized access and theft.

Best practice: Implementing a digital inventory management system to track the location, status, and quantity of materials and equipment, enhancing efficiency and reducing the risk of loss or over-ordering. *

Yes - Minimum ○ Yes - Best practices ○ No ○

Are hazardous waste deposits stored securely and safely?

Minimum: Areas for hazardous waste should be easily identifiable and securely contained.

Best Practice: Establish secure hazardous waste stations equipped with robust containment measures and adhere to scheduled waste collection and disposal protocols. *

Yes - Minimum ○ Yes - Best practices ○ No ○

Are all hazardous waste containers on-site correctly identified with clear labels that include the substance name, hazard symbols and handling instructions?

Minimum: Correctly identifying and labeling hazardous waste involves clear marking of all containers with the name of the substance, hazard symbols according to international standards and specific handling instructions.

Best practice: Once every 6 months training for all site personnel on hazardous waste identification and handling procedures, ensuring that everyone is aware of the protocols for dealing with hazardous substances. *

Yes - Minimum ○ Yes - Best practices ○ No ○

Are there designated areas for waste containers and sorting on-site?

Minimum: Clearly marked and accessible areas for waste containers must be established to facilitate waste collection and removal and separte containers for five different types of waste (e.g. Mixed construction, timber, Insulation, metals, glass)

Best practices: Separte containers for a minimum of eight different types of waste (e.g. Concrete, Oils, Asphalt and tar, Ceramics, Topsoil, Gypsum, Liquids, Hazardous) *

Yes - Minimum ○ Yes - Best practices ○ No ○

Is the waste transporter's environmental permit valid throughout the construction period?

Minimum: The waste transporter must have a current environmental permit or license issued by the relevant authority, covering the entire duration of the construction project. This ensures legal compliance for waste transportation and disposal.

Best practices: Maintain detailed records of all waste transportation activities, including copies of permits, transport logs, and disposal receipts, to provide a comprehensive audit trail of waste management practices. *

Yes - Minimum ○ Yes - Best practices ○ No ○

Is there shading net on the protective fence to contain dust and debris?

Minimum: A protective fence is installed around the construction site, with a shading net to prevent dust and debris from spreading outside the site area. This measure helps to reduce environmental pollution and maintain clean surroundings.

Best practices: The site utilizes high-quality, durable shading nets that are regularly inspected and maintained to ensure effectiveness throughout the construction phase. Additional dust control measures, such as regular watering of exposed soil, are implemented to further minimize dust and debris. *

Yes - Minimum ○ Yes - Best practices ○ No ○

Are dust-producing materials covered or otherwise controlled?

Minimum: Use of tarps or plastic sheeting for dust-prone materials.

Best Practices: Custom covers designed for specific materials and regular dust monitoring. *

Yes - Minimum ○ Yes - Best practices ○ No ○

Are materials stored appropriately to prevent dust accumulation?

Minimum: Organized and spaced material stacks.

Best Practices: Enclosed or separate storage for highly dust-generating materials. *

Yes - Minimum ○ Yes - Best practices ○ No ○

Is equipment used to control dust and maintain appropriate moisture content?

Minimum: Watering systems or manual dust suppression methods.

Best Practices: Automated moisture control systems tailored to material types. *

Yes - Minimum ○ Yes - Best practices ○ No ○

Is there an information board on-site that provides updates on site progress and company contact details (e.g. phone, website, email) for community awareness?

Minimum: An information board is installed at a location easily visible to the public, displaying basic site progress information and contact details for inquiries.

Best Practices: The information board is regularly updated with detailed progress reports, includes QR codes for direct access to more comprehensive site information online, and features multilingual support to cater to diverse community members. Additionally, feedback forms are provided near the board to encourage community feedback and engagement. *

Yes - Minimum Yes - Best practices No

Are all potential site hazards listed and prominently displayed at the site entrance for awareness?

Minimum: A clear, visible sign at the site entrance listing all identified hazards. Hazard signs should include universally recognized symbols for better understanding.

Best practices: The hazard list is regularly updated to reflect any new risks identified during the construction phases. Additional visual aids (e.g., diagrams, maps) showing hazard locations on the site. *

Yes - Minimum Yes - Best practices No

Is a complaints register available on the construction site?

Minimum: A physical complaints register or logbook is maintained on-site, readily accessible for both site personnel and external parties (e.g., visitors, nearby residents) to log complaints.

Best practices: In addition to a physical register, a digital complaints register is available for easier access and management. This could include an online form or email address specifically dedicated to complaints related to the construction site and the register should include fields for tracking the status of each complaint (received, under investigation, resolved) and notes on the actions taken in response. This ensures accountability and follow-through. *

Yes - Minimum Yes - Best practices No

Have introduction letters been or will they be sent to all neighbors?

Minimum: Evidence of sent introduction letters.

Best Practices: Follow-up engagement activities and availability for community meetings to address any concerns raised. *

Yes - Minimum | Yes - Best practices | No

Is a feedback form provided for neighbors?

Minimum: Availability of feedback forms.

Best Practices: An online platform or monthly community meetings for comprehensive feedback collection. *

Yes - Minimum | Yes - Best practices | No

Are signs and materials available in internationally recognized languages for linguistic minorities?

Ensure that site signage and informational materials are accessible to linguistic minorities. Essential signs on-site, including safety warnings, directions, and information boards, are provided in at least one internationally recognized language (typically English) in addition to the local language. This ensures non-native speakers and international personnel can understand critical information. *

Yes | No

Are smaller vehicles used to mitigate traffic congestion risks?

Minimum: Delivery notes showing the use of 3-5 tones vehicles.

Best Practices: Develop and implement a traffic management plan that prioritizes the use of smaller vehicles not only to reduce congestion but also to minimize emissions and improve local air quality. The plan should consider the timing of deliveries to avoid peak traffic times and assess the feasibility of using alternative routes. *

Yes - Minimum ○ Yes - Best practices ○ No ○

Are deliveries scheduled outside peak hours to minimize disruption in congested areas?

Minimum: Delivery schedules.

Best Practices: Coordination with local authorities for traffic management. *

Yes - Minimum ○ Yes - Best practices ○ No ○

Are smaller vehicles used to mitigate traffic congestion risks?

Minimum: Delivery notes showing the use of 3-5 tones vehicles.

Best Practices: Develop and implement a traffic management plan that prioritizes the use of smaller vehicles not only to reduce congestion but also to minimize emissions and improve local air quality. The plan should consider the timing of deliveries to avoid peak traffic times and assess the feasibility of using alternative routes. *

Yes - Minimum ○ Yes - Best practices ○ No ○

Are all workers trained in the site's incident reporting procedures?

Check if all site workers, including subcontractors, are trained in the incident reporting procedures.

Minimum: Training attendance list.

Best Practices: Training feedback and refresher course schedules monthly. *

Yes - Minimum ○ Yes - Best practices ○ No ○

Is there an incident reporting protocol for minor incidents (e.g. Small cuts or abrasions)?

Minimum: Protocol document.

Best Practices: Monthly training and accessible reporting tools. *

Yes - Minimum ○ Yes - Best practices ○ No ○

Is there an incident reporting protocol for serious incidents (e.g. Fatal accidents or incidents resulting in critical injuries)?

Minimum: Procedure document.

Best Practices: Monthly training records and emergency response training sessions. *

Yes - Minimum | Yes - Best practices | No

Is an emergency evacuation procedure established and accessible on the construction site?

Minimum: Written procedures outlining clear steps for various emergency scenarios.

Best Practices: Monthly updates to the procedure based on drill feedback and changing site conditions. *

Yes - Minimum | Yes - Best practices | No

Are evacuation drills scheduled once a month and is a Health and Safety representative present to record the drill?

Schedule and conduct monthly evacuation drills to maintain high levels of preparedness among all staff and After each drill, the health and safety representative should conduct a detailed review session with all participants to discuss performance, identify areas for improvement, and make adjustments to the evacuation procedure as needed. *

Yes | No

Are emergency escape routes clearly marked and easily accessible throughout the construction site?

Minimum: Emergency escape routes must be clearly indicated with signs and kept free from obstruction at all times. Evacuation route signs at all decision points (e.g., exits, stairways, turns).

Best practices: Evacuation drills are conducted monthly, with the participation of an appointed safety officer to oversee and record the process. Installation of emergency lighting and signage that operates in case of power failure. Provision of maps at strategic locations, detailing escape routes and assembly points. *

Yes - Minimum

Yes - Best practices

No

Is the construction site's access point well-guarded and clearly marked?

Minimum: The site access point should have basic security measures in place, such as a gate or barrier to control entry and exit. Signs should clearly indicate the access point, including any safety warnings or entry requirements (e.g., PPE requirements for entry).

Best practices: Implement additional security measures such as security personnel, surveillance cameras, and an electronic access control system to monitor and manage site access more effectively. In addition to basic entry signs, include directional signage for different areas within the site, emergency exit information, and contact information for site management. Signs should be reflective or illuminated for visibility at all times. *

Yes - Minimum

Yes - Best practices

No

Is site access designed to be safe for workers and visitors?

Ensure all access points are free from obstructions and clearly marked. Install safety signage and provide a secure entry point that is monitored. *

Yes

No

Is the site info mation booth accessible without traversing work areas, and are visitors escorted to prevent unauthorized access?

Minimum: The site information booth should be directly accessible without requiring visitors to pass through active construction areas. A clear signage system should guide visitors from the site entrance to the information booth without exposing them to risk. In cases where direct access is not feasible, there should be a policy requiring that all visitors be escorted by qualified personnel from entry points to the booth to ensure safety and prevent unauthorized access to hazardous areas.

Best practice: In addition to the minimum requirements, an effective visitor management system should be implemented, including pre-registered visits, electronic check-in, and dedicated staff to escort visitors. Information stands should be strategically located near the main entrance and be equipped with the necessary safety information and site maps. Staff should be trained every 3 months on escort procedures and emergency response to enhance site safety. *

Yes - Minimum ○ Yes - Best practices ○ No ○

Are unauthorized access prevention measures in place on site?

Minimum: Erect a secure fence around the entire perimeter of the construction site to deter unauthorized entry and display clear signs around the perimeter and at strategic points within the site, warning against unauthorized access and indicating penalties for trespassing.

Best practices: Install electronic access control systems at site entrances to monitor and manage site access more effectively. This could include card readers, biometric scanners, or a manned security gate. Utilize CCTV cameras around the perimeter and in critical areas of the site to monitor activities and deter unauthorized access, and employ security guards to patrol the site, especially after hours, to provide an immediate response to any unauthorized access attempts. *

Yes - Minimum ○ Yes - Best practices ○ No ○

Are the nearest police station and hospital with emergency facilities clearly indicated at key locations on the construction site? (e.g. Site reception, site canteen, main site office)

Minimum: Posters or signs indicating the nearest police station and hospital must be visibly posted at the site reception, canteen, and main office.

Best practices: In addition to posters or signs, include maps with marked routes to the nearest police station and hospital. *

Yes - Minimum ○ Yes - Best practices ○ No ○

Is clean personal protective equipment (PPE) available for visitors?

Minimum: Basic PPE like helmets and vests and boots.

Best Practices: A full range of PPE including sanitation facilities to clean after each use. *

Yes - Minimum ○ Yes - Best practices ○ No ○

Are first aid trained personnel distributed across the site?

Minimum: Location assignment of first aiders.

Best Practices: On-site first aid stations with trained personnel. *

Yes - Minimum ○ Yes - Best practices ○ No ○

All public areas on the construction site, including offices and site organization, are accessible and clearly signposted for visitors with disabilities?

Minimum: Ensure that main pathways and public areas such as site offices and meeting rooms are accessible to individuals with disabilities. This includes providing ramps with a width of minimum 1 meter per path, for wheelchair access, and avoiding any unnecessary steps or obstacles.

Best practices: Train all site personnel on how to assist visitors with disabilities, ensuring they are aware of all accessible features and can provide guidance or assistance as needed. Conduct once every 3 months audits of the site to ensure all accessibility features are maintained in good condition and to identify opportunities for improvement. *

Yes - Minimum ○ Yes - Best practices ○ No ○

Do pedestrians have a safe passageway around the site perimeter?

Pedestrian safety around the site must be a priority. Pedestrians must have a clearly marked, safe, and protected path around the construction site's perimeter. This includes providing overhead protection, well-lit pathways at night, signage indicating the pedestrian route, and physical barriers separating the pedestrian walkway from construction activities and vehicular traffic. *

Yes

No

Are safety policies actively promoted on the construction site?

Minimum: Safety policies are documented and available to all staff. Display safety policy posters at key site locations (e.g., site reception, site canteen, main site office).

Best practice: Implementation of a digital platform for safety training, allowing workers to access safety information and training materials anytime, enhancing continuous learning. *

Yes - Minimum

Yes - Best practices

No

Is inclusivity actively encouraged among site personnel?

Minimum: Anti-discrimination policies clearly communicated to all staff.

Best Practices: Every 6 months, training sessions on inclusivity, including cultural sensitivity and anti-discrimination practices. *

Yes - Minimum

Yes - Best practices

No

Are site entrances and exits clearly marked for easy identification by both visitors and delivery drivers?

Minimum: All entrances and exits to the site should be clearly marked with visible signage. Signs should indicate whether the access point is for entry, exit, or both, and should be understandable at a glance.

Best practices: In addition to basic signage, use color-coded paths or floor markings to guide visitors and delivery drivers to the appropriate entrance or exit. Implement digital signage with real-time updates about site access, especially useful for temporary closures or changes due to construction activities. *

Yes - Minimum Yes - Best practices No

Are site facilities, including canteen, offices, and containers, maintained tidy and clean?

Minimum: Maintenance logs and daily cleaning schedules.

Best Practices: Includes a designated cleaning staff, scheduled deep cleans, and encouraging workers to maintain personal tidiness. Advanced measures might include using eco-friendly cleaning products and implementing recycling programs. *

Yes - Minimum Yes - Best practices No

Are first aid supplies checked and replenished regularly?

Minimum: Ensure that first aid supplies are regularly checked for expiry and usage, and replenished as needed.

Best Practices: Inventory management system with automated reminders. *

Yes - Minimum Yes - Best practices No

Is adequate parking available on or near the site?

Minimum: Number of parking spaces meets local regulations.

Best Practices: Reserved parking for staff and visitors with clear signage. *

Yes - Minimum Yes - Best practices No

Is public transport accessible within 500m of the site?

Minimum: Public transport options are identified and communicated to staff and visitors.

Best Practices: Real-time public transport information and covered waiting areas provided. *

Yes - Minimum Yes - Best practices No

Are worker facilities such as break areas and restrooms protected from public view?

Minimum: Facilities placed out of direct public view.

Best Practices: Enclosures or privacy screens around worker facilities. *

Yes - Minimum Yes - Best practices No

Are toilet facilities available on-site for personnel?

Minimum: Separate male, female, and disabled toilet facilities must be available, ensuring privacy, hygiene, and accessibility. Facilities should be ventilated, lit, and maintained in a clean condition.

Best practices: Toilet facilities should be ample in number based on the workforce size, with regular cleaning schedules. Features might include environmentally friendly flush systems, hand washing stations with soap and dryers, and disability-accessible features beyond the minimum legal requirements. *

Yes - Minimum ○ Yes - Best practices ○ No ○

Are shower facilities provided on-site for personnel?

Minimum: Provision of at least one shower facility for every twenty employees or part thereof, who are required to shower during or at the end of their shift due to the nature of their work. Shower facilities must be equipped with hot and cold water, soap, and a means for drying (e.g., air dryer or clean towels). Separate shower facilities for men and women if the site has both male and female personnel requiring shower facilities. Regular cleaning and maintenance schedule to ensure hygiene and functionality of the shower facilities.

Best practices: Installing energy-efficient showerheads and water heating systems to reduce energy and water consumption. Offering additional amenities within the shower facilities such as shampoo, conditioner, and body wash to improve the user experience. *

Yes - Minimum ○ Yes - Best practices ○ No ○

Are there separate toilets for men, women, and disabled individuals within the site organization area, for both workers and visitors?

Minimum: Separate toilet facilities must be clearly marked for men, women, and disabled individuals. Facilities should be accessible, ensuring ramps or other aids are available for disabled access. Basic hygiene provisions, such as soap and water, should be available in all facilities.

Best practices: Facilities should exceed minimum size and number requirements, considering peak workforce sizes to prevent queues. Regular cleaning schedules should be established, with records maintained to ensure constant hygiene standards. *

Yes - Minimum ○ Yes - Best practices ○ No ○

Is there a specially designated dining area for site personnel?

Minimum: Seated area away from work zones.

Best Practices: Sheltered space with amenities like microwaves and refrigerators. *

Yes - Minimum Yes - Best practices No

Is the smoking area separate from work and communal areas?

Minimum: Designated smoking area away from work zones.

Best Practices: Enclosed smoking shelters with seating and disposal facilities. *

Yes - Minimum Yes - Best practices No

Are lockers provided for site personnel?

Minimum: Individual lockers in a secure area.

Best Practices: Lockers with integrated locks and name tags. *

Yes - Minimum Yes - Best practices No

Are site facilities, including toilets, changing areas, and canteens, maintained in a clean and orderly manner throughout the construction period?

Minimum: All facilities on site must be cleaned and maintained regularly to ensure hygiene and tidiness. At a minimum, daily or weekly cleaning schedules should be implemented for heavily used areas such as toilets and canteens.

Best practices: Use of environmentally friendly, biodegradable cleaning agents to reduce the environmental impact of cleaning activities. Installation of hand sanitizing stations at strategic points around the canteen, offices, and near entrances/exits of site welfare facilities. *

Yes - Minimum | Yes - Best practices | No

Are best practice Health and Safety guidelines posted?

Minimum: Posters in common areas.

Best Practices: Interactive digital displays with multilingual support. *

Yes - Minimum | Yes - Best practices | No

Do all workers have photo identification cards?

Minimum: Basic photo ID.

Best Practices: IDs with RFID or barcodes for access control. *

Yes - Minimum | Yes - Best practices | No

TOTAL

Total

For further details regarding our Sustainability Report, please contact:

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