

2023 Sustainability Report

Index

LETTER TO STAKEHOLDERS	4
PROFILE AND IDENTITY	6
Our Identity	7
Reference Context	9
THE SUSTAINABILITY JOURNEY	10
Integration of Corporate Sustainability	11
Engineering 2K Stakeholders	12
Our Material Topics	14
GOVERNANCE INFORMATION	16
Responsible Governance	17
Economic Value Generated and Distributed	20
Anti-Corruption Efforts	22
Customer Satisfaction	23
Supply Chain Management	25
SOCIAL INFORMATION	26
Talent Development and Corporate Know-How	27
Workplace Welfare and Well-Being	28
Occupational Health and Safety	30
Quality and Safety of Products/Services	32
Social Responsibility and Relationship with the Community	32
ENVIRONMENTAL INFORMATION	34
Energy and Emissions Management	35
Materials Management	40
Waste Management	43
METHODOLOGICAL NOTE	44
Reporting Scope	45
The Document	45
References Used	45
GRI STANDARDS	46
Reporting Package	47
GRI Content Index	52

LETTER TO STAKEHOLDERS

GRI 2-22

Dear Stakeholders,

We are proud to present the first Engineering 2K Sustainability Report relating to the year 2023, in which we want to present and share the actions, results and future objectives relating to managing the social, environmental and governance impacts generated by our business activities.

Since 2000, Engineering 2K has distinguished itself for quality and excellence, characteristics that have led the Company to be recognised as an excellent partner for the construction of large logistics works, by creating projects in line with our customers' expectations.

Today we are firmly convinced that sustainability is an essential aspect to be integrated into corporate strategy, which can allow for better management of the risks and impacts generated by our activities, guaranteeing and strengthening our position on the market.

Over the years, we have concentrated our efforts on finding fields of business to focus on in designing and constructing buildings with a lower environmental impact, while ensuring high quality and safety standards.

Thanks to this commitment, we can proudly affirm that the majority of ongoing and completed projects have been carried out in compliance with LEED and BREEAM certifications, international standards that certify the adoption of eco-friendly construction practices and materials, and the implementation of efficient energy systems.

We are also aware of the social implications deriving from our business activities, on the one hand related to the people who work in our Company and on the other to the local communities we operate in and where our building sites are located.

This awareness has given rise to the need to start a path for accurate measurement and monitoring of sustainability metrics; this first Sustainability Report, therefore is our starting point through which we share the results that Engineering 2K has achieved so far and the future objectives it has set for itself, with a view to continuous improvement.



Enjoy reading.
Daniele Brambilla
CFO



Profile and identity



Our identity

GRI 2-6

Founded in 2000, Engineering 2K is a Company of excellence in the study and design of properties in the logistics field presenting itself on the market as one of the main general contractors present throughout the national territory.

Thanks to the profound knowledge of the logistics-industrial sector developed over time and to internal skills, Engineering 2K is able to respond to the needs of its customers guaranteeing maximum quality, efficiency and safety during every phase of project implementation.

Our philosophy: we build your business

Starting from a feasibility study and economic and management planning right up to building and testing, Engineering 2K is the ideal partner for the construction of large logistics projects.

The values that guide us

SUSTAINABILITY

Engineering 2K focuses its efforts daily on finding fields of business where it is possible to act in the design phase of a modern warehouses with the lowest environmental impact and which at the same time guarantees better quality and safety conditions.

This commitment is reflected in the optimisation of resources which contribute to improving energy performance, the use of renewable energy sources, the search for more responsible alternative materials, and the enhancement of green spaces during the implementation of projects.

QUALITY AND SAFETY

Quality is a key element for Engineering 2K, as it guarantees the realisation of projects in line with customer expectations, compliance with safety standards and the possibility to identify any critical issues and promptly resolve them.

Services

GENERAL CONTRACTOR

As a General Contractor, Engineering 2K acts as a point of reference for all aspects concerning the project to be carried out, to ensure integrated and efficient management.

E2K therefore coordinates all the necessary activities from the initial phase to delivery, taking care of the following aspects:

- work management according to different criteria: “turnkey” and “open book”;
- planning the work to be carried out with the preparation of GANTT tables, by developing a detailed plan that takes into account all project variables and which defines the times, resources and necessary activities;
- relationships with customers/developers from signing the contract to project completion;
- managing and coordinating designers/professionals, by providing expert advice with the aim of managing and constantly focusing on customer satisfaction;
- preparing work progress reports with customers and suppliers;
- managing and coordinating suppliers/contractors, selecting the same and monitoring compliance with the required deadlines and quality standards.

PROJECT MANAGEMENT

- *Design*, in terms of development plans, feasibility studies, internal and external layouts; preliminary plans, planimetric/volumetric plans, executive and structural projects; mechanical and electrical design; definition of technical specifications, works specifications, estimated metric calculations and job accounting; macrogant drafting; BIM (Building Information Modelling).
- *Technical-administrative support*, providing management services with public administration; building practices, cadastral, the Fire Brigade, ASL and Arpa; Works Manager, safety manager, construction site manager, job accounting and testing in general.

The main sectors served



LOGISTIC

E2K designs and builds warehouses both for traditional logistics as well as for e-commerce by satisfying the different functions required by the market. Specifically, the following are built:

- Logistics warehouses without automation ready for rental or sale;
- Mega e-fulfilment centres that manage the entire order processing process from receipt of the goods to shipment to the end customer, including any returns or reimbursements;
- Parcel sorting centres, buildings that manage the intermediate stages of the logistical process of deliveries which all parcels pass through before being delivered to the final recipient, that are essential for organising shipments on schedule;
- “Last mile” parcel delivery centres that manage the final phase of the logistics process which are transport hubs that shipments depart from toward their final destination.

TEMPERATURE CONTROLLED WAREHOUSES



Engineering 2K builds warehouses and distribution centres in line with HACCP requirements for leading companies in the European food industry (fresh products, poultry, processed products, frozen products).

CROSS DOCKING



Engineering 2K is able to meet different customer needs by developing different kinds of L shaped, T shaped and H shaped Cross Docking buildings, and has the specific know-how to build platforms and warehouses without any columns to increase efficiency in internal handling.



The Context

Engineering 2K operates in a highly competitive industry that is continuously evolving, within which adopting an approach that combines quality, safety, innovation and sustainability can make it possible to be different to other companies on the market.

The growth of the logistics real estate market expected for the next few years is led by e-commerce and the digital transformation of companies; these aspects will lead to an increase in demand for highly automated state-of-the-art warehouse spaces on one hand, and the integration of solutions that reduce the environmental impact of buildings.

The external factors that characterise the context the Company operates in are as follows:

- Legislative updates and international standards relating to the construction of buildings including certification schemes for sustainable construction such as LEED and BREEAM;
- Orientation towards environmental sustainability, that requires the adoption of actions aimed at reducing the environmental impact of the buildings created;
- Technological innovation, expressed in the growing adoption of digital tools and technology such as BIM1 to improve efficiency and precision in project management.

Consideration of these aspects is the basis to be able to establish oneself on the market as a reliable entity, able to guarantee high standards in all project phases, ready to resolve any critical issues that may arise and able to respond to specific customer requests.

These are the aspects that Engineering 2K focuses on and commits to on a daily basis.

1 BIM (Building Information Modelling) is a digital construction information system composed of a 3D model integrated with physical, performance and functional data of the building.



The sustainability path

INTEGRATING CORPORATE SUSTAINABILITY

Always attentive to the environmental and social impacts generated by its activities, E2K annually compiles the EcoVadis2 questionnaire which investigates the current management of corporate sustainability broken down into 4 main themes: environment, working practices, ethics and sustainable procurement.

With the aim of strengthening and driven by the desire to improve its sustainability management E2K in 2023 decided to undertake a path aimed at integrating corporate sustainability, by measuring, monitoring and improving ESG performance over time, expressed in the following concrete actions.

ESG ASSESSMENT: TOWARDS GREATER AWARENESS

With the aim of obtaining a complete overview of the current management of ESG issues, Engineering 2K voluntarily underwent an ESG Assessment, an evaluation tool whose areas of analysis and fields of investigation include a set of qualitative information, constructed on the basis of the references contained in the UNI ISO 26000 (UNI/PdR 18:2016) standard and GRI Standards®.

Through compilation of an ESG Assessment Engineering 2K understood on one hand its performance, the market trend and its position in relation to the market; and on the other, potential improvements to be addressed were identified.

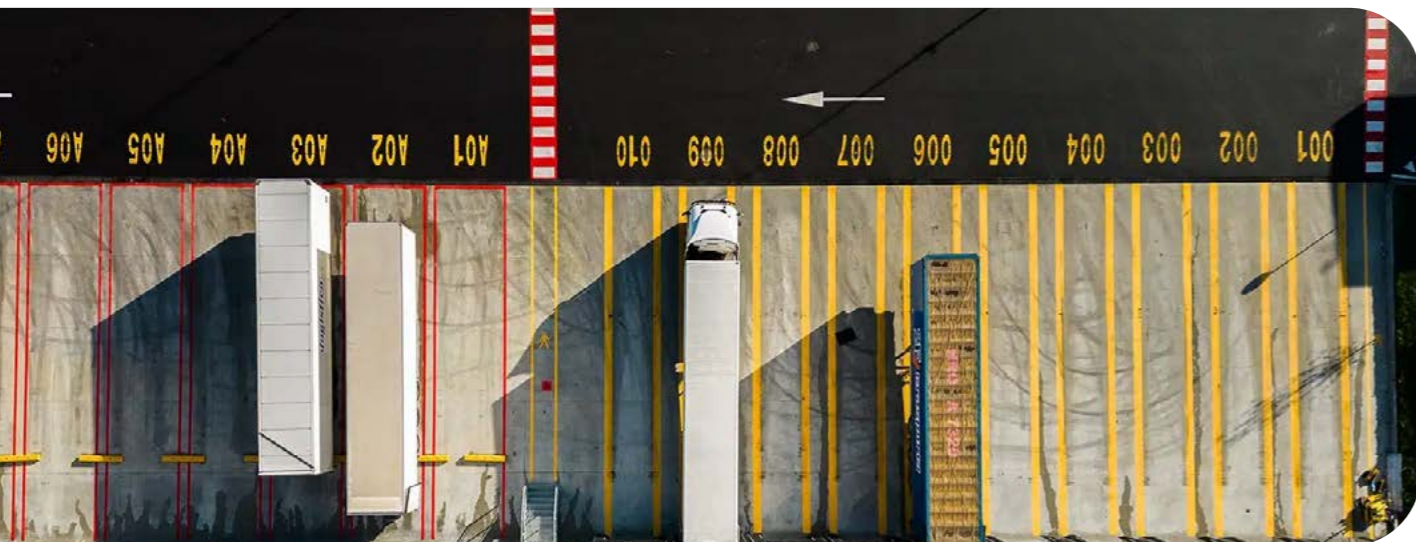
CARBON FOOTPRINT FOR ORGANISATION MEASUREMENT (CFO)

Through the study of the Carbon Footprint for Organisation, Engineering 2K decided to quantify its carbon footprint and understand where and how it can be improved by identifying any inefficiencies and possible alternatives to mitigate the emissions produced.

SUSTAINABILITY REPORT

This document is the first Engineering 2K Sustainability Report with which the Company intends to show an objective snapshot of the results achieved to date and the objectives it has set itself for the future.

² On the date of publication of this document Engineering 2K was awarded an EcoVadis Silver medal (reevaluation carried out in June 2024).



ENGINEERING 2K'S STAKEHOLDERS

GRI 2-29

Stakeholders are institutions or individuals that can influence the Company or be influenced by the Company.

In its business activities Engineering 2K deals with and maintains relationships with a variety of subjects; understanding their expectations and needs in relation to the Company is essential to support the decision-making process and guide strategic choices.

With the aim of having a solid foundation for awareness and effective management of stakeholder relationships as part of this Sustainability Report, E2K identified its stakeholders, mapping their interests and current methods of involvement.



STAKEHOLDERS	INTERESTS	TYPE OF INVOLVEMENT	FREQUENCY
Banking institutions	<ul style="list-style-type: none"> Economic-financial solidity 	<ul style="list-style-type: none"> Sharing business plans Sharing periodic reports Sharing draft financial statements 	Constant
Partners/ shareholders	<ul style="list-style-type: none"> Economic-financial solidity Strategic management (also from a social/employee management point of view) 	<ul style="list-style-type: none"> Institutional meetings 3 times (3+9/6+6/9+3) BOD Shareholders' meeting 	5 times/year
Employees	<ul style="list-style-type: none"> Personal growth Quality of the working environment Skills development 	<ul style="list-style-type: none"> Annual sharing of results and future strategy during the annual team building meeting Individual meetings to evaluate performance 	Once a year
Collaborators	<ul style="list-style-type: none"> Continuous professional relationship Quality of the working environment Skills development 	<ul style="list-style-type: none"> Annual sharing of results and future strategy during the annual team building meeting 	Once a year
Management	<ul style="list-style-type: none"> Personal growth Quality of the working environment Skills development 	<ul style="list-style-type: none"> Annual sharing of results and future strategy during the annual team building meeting 	Once a year
Suppliers of goods	<ul style="list-style-type: none"> Creation of a relationship consolidated over time Economic interest 	<ul style="list-style-type: none"> Targeted mission meetings 	Once / month
Service providers	<ul style="list-style-type: none"> Creation of a relationship consolidated over time Economic interest 	<ul style="list-style-type: none"> Targeted mission meetings 	Once / month
External contractors	<ul style="list-style-type: none"> Creation of a relationship consolidated over time Economic interest 	<ul style="list-style-type: none"> Targeted mission meetings 	Once / month
Customers	<ul style="list-style-type: none"> Compliance with contractual obligations with focus on timing, quality of work Economic – financial solidity Focus on applying procedures relating to health and safety in construction work 	<ul style="list-style-type: none"> Operational meetings focusing on construction sites in progress Meetings with middle management on macro objectives Meetings with the top management to define common strategies for future developments 	Once/week Once/month Ad hoc
Local authorities	<ul style="list-style-type: none"> Gain public advantage, through the creation of works for the community; Involvement of small and medium-sized companies in the activities carried out Financial support for the creation of social projects 	<ul style="list-style-type: none"> Operational meetings at the competent authorities 	2/3 times/project
Local communities	<ul style="list-style-type: none"> Financial support for the creation of social projects 	<ul style="list-style-type: none"> Specific request 	Ad hoc
Trade magazines	<ul style="list-style-type: none"> Count consolidated companies among your partners in the relevant business area 	<ul style="list-style-type: none"> Interviews Masterclass/conferences by the MD at the Politecnico di Milano or other institutions 	Ad hoc
Certification bodies	<ul style="list-style-type: none"> Count among your customers Implementation/development of new opportunities Expansion of the original mandate 	<ul style="list-style-type: none"> Direct contact on request 	Ad hoc



OUR MATERIAL TOPICS

GRI 3-1 | GRI 3-2

Material topics are aspects that reflect the significant economic, environmental and social impact of a Company and substantially influence stakeholder assessments and decisions.

The materiality analysis process, undertaken in the reporting period in question, was structured in the following phases:

- Analysis of industry benchmarks through which potential material sustainability topics were identified for the Company;
- In-depth study of potential material topics through interviews with Company representatives;
- Assessment of material topics by the E2K CFO.

Identifying the ESG topics that were relevant for Engineering 2K their connection with Sustainable Development Goals (SDGs) was also considered, as defined in the United Nations 2030 Agenda.

With a commitment to act on these issues, E2K seeks and will try to contribute – as much as possible - to achieve global challenges in the field of sustainability.

The correlation is the result of an analysis of GRI indicators, reported in this document, and the objectives defined in relation to the SDGs and targets according to the *Linking the SDGs* and the *GRI Standards* framework.



AREA	DESCRIPTION	SDGs
THE ENVIRONMENT		
Atmospheric emissions and climate change	Analysis of carbon emissions produced by business activities based on international certification schemes	12, 13, 15
Energy management	Efficient monitoring and management policies on energy consumption to achieve direct benefits	7, 8, 12, 13
Waste management	Conscious management of hazardous and non-hazardous waste connected to Company activities and promotion of conscious management methods and practices, such as: reuse, differentiation and recycling of waste and waste products	12
Materials management	Searching for solutions aimed at optimising the use of products, minimising the production of scrap and waste to reduce the environmental impact and the exploitation of virgin resources.	8, 12
SOCIAL		
Talent acquisition and retention	Structured search and acquisition processes for qualified human resources aimed at meeting Company needs by defining career and development paths for all collaborators	4, 5, 8, 10
Workplace welfare and well-being	Promoting a welcoming, stimulating and positive working environment aimed at ensuring employees psychophysical health, by providing welfare programmes to all employees, and ensuring working conditions that guarantee full compliance with the right to health and the protection of well-being.	3, 5, 8
Occupational Health and Safety	Creating a culture of safety, promoting the same by involving all people and implementing systemic monitoring that makes it possible to have an overview on different aspects related to health and safety	3, 8, 16
Quality and safety of products-services	Adopting procedures and systems aimed at guaranteeing high quality standards of products and continuous design innovation, to respond to the different needs and expectations of end customers in an increasingly complete and effective way.	8, 9, 12, 16
Relationships with the local community	Establishing a climate of dialogue, collaboration and involvement with the local community. Ensuring the development and value creation of local communities through sourcing choices from local producers/suppliers	1, 2, 11, 17
GOVERNANCE		
Responsible governance	Integrating ESG principles into the business strategy and formalising roles and responsibilities, for effective compliance with the commitments made and the pursuit of future sustainability goals	5, 8, 12, 16
Combatting corruption	Commitment to combatting active and passive corruption, by applying reporting policies, procedures and mechanisms of potential irregularities or unlawful conduct and specific training activities on the topic.	16
Supply chain management	Assessing the environmental and social impact generated along the supply chain with the aim of spreading a culture of sustainability throughout the supply chain	8, 12, 13, 16
Customer satisfaction	Maximising customer satisfaction to fully meet expectations and needs and building lasting and stable relationships over time through listening, involvement and sharing activities with a view to continuous improvement.	12

Governance information

RESPONSIBLE GOVERNANCE

GRI 2-9 | GRI 405-1

Engineering 2K SpA is a joint-stock Company with headquarters in Assago (MI).

Part of the FBH Group S.p.A., which has 97.5% of the share capital, Engineering 2K Spa is the parent Company of the Engineering 2K Group, which as of the 31.12.2023 was made up of the following companies:

NAME	EQUITY SHARE
Engineering 2K S.p.A.	Parent Company
Simpel S.r.l.	72.5%
F&R S.r.l. – E2K Facility and Renovation	77.5%
AXS S.r.l.	80%*
Innovazione Salute e Benessere – IBS Industrie S.r.l.	23%
Mantor E2K	50%
VLD – Valtidone Logistic Development S.r.l.	97.22%
Bermar RE S.r.l.	50%*
F&L S.r.l.	50%*
PASIAN S.r.l.	67%*
IMLOG Ravenna S.r.l.	50%*
CF RE S.r.l.	50%*
D1.4 S.r.l.	51%*
Sviluppo Las S.r.l.	50%*
FDM S.r.l.	50%*
E2KG GmbH	70%
BF2H S.a.s	65%
Ingenierie 2K S.a.s	98%*
Elaphi S.a.s	65%*
OHM'R S.a.s.	17%*
Skowp	45%*

* in consecutive order, the companies are indirectly connected through the companies F&R S.r.l.; VLD S.r.l. and BF2H S.a.s.

Engineering 2K SpA adopted a traditional administration and control system, shown in the following graph, consisting of:

THE BOARD OF DIRECTORS: with the widest powers for ordinary and extraordinary administration, to identify Company objectives, strategies and policies.

As of the 31.12.2023 the BoD was composed of 5 members in office until the approval of the financial statements relating to the 2024 financial year.

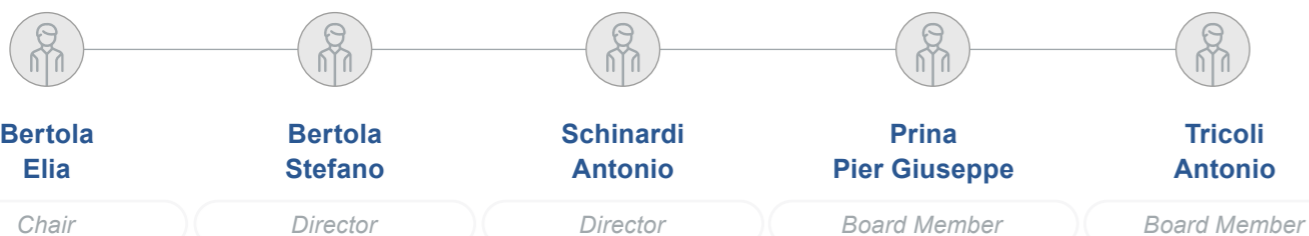
All of the members of the BOD are men, 3 of whom are over 50 years old and 2 belong to the age group of between 30 and 50 years old.

THE BOARD OF STATUTORY AUDITORS: with the task of supervising compliance with the law and the Articles of Association, on compliance with the principles of sound administration, on the adequacy of the organisational, administrative and accounting structure adopted, as well as on the internal control system. As of the 31.12.2023, the Board of Statutory Auditors was composed of 5 members, the Chair, two statutory auditors and two substitute statutory auditors;

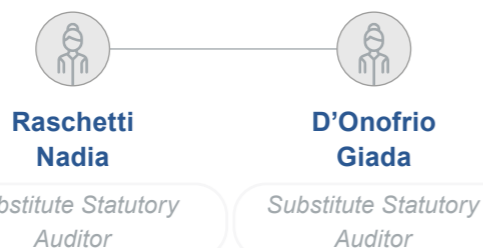
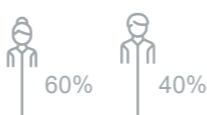
THE AUDITING FIRM: provides audit and financial advisory services; identified as the external Company Deloitte & Touche Spa.



THE BOARD OF DIRECTORS



THE BOARD OF STATUTORY AUDITORS



THE AUDITING FIRM

DELOITTE & TOUCHE SPA



ECONOMIC VALUE GENERATED AND DISTRIBUTED

GRI 201-1

In continuity with previous years, also in relation to 2023, the majority of E2K turnover was generated by the activity of General Contractor mainly linked to the development of logistics properties for companies operating in the e-commerce sector and for traditional companies that decided to invest in online sales.

Looking at the turnover generated by the activity of General Contractor, 83% of turnover was related to works carried out in Northern Italy, with particular relevance for the areas of Pavia, Piacenza and Novara, 14% was generated in central and southern Italy and the remaining 2% was created by the Engineering 2K France Branch.

The remaining part of turnover indicated in the graph as *Other activities* was generated by urban infrastructure work, from the construction of photovoltaic systems and other minor activities.

In 2023, the impact of the Facility Management division was eliminated following the transfer of all its activities to F&R Srl, a Company set up with the aim of expanding maintenance activities and positioning itself in the renovation and redevelopment sector related to the logistics-commercial field.

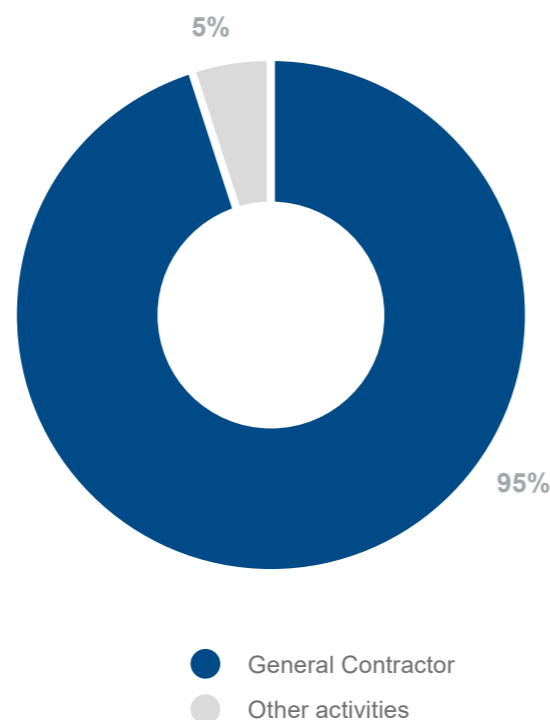
The table below shows the value generated and distributed by Engineering 2K, prepared on the basis of the profit and loss account for the reference period (fiscal years 2022 and 2023).

Specifically:

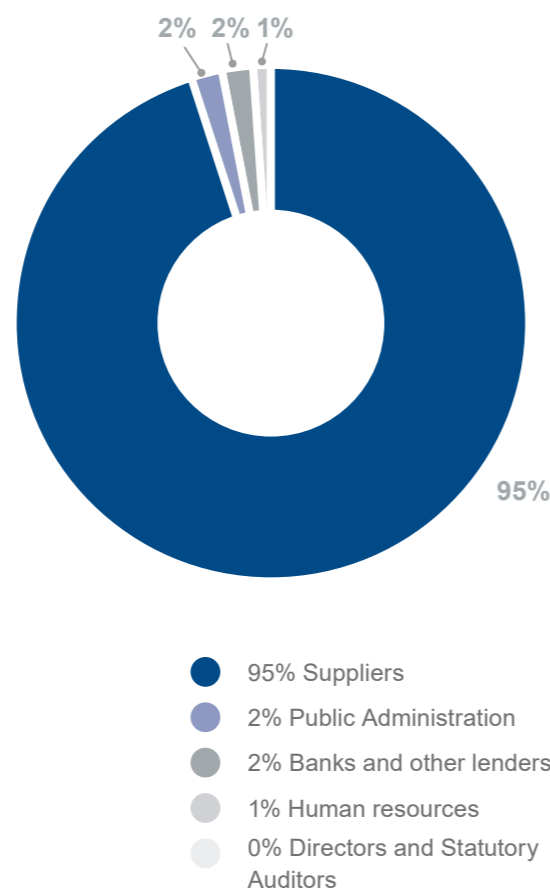
- The economic value generated refers to the value of production³ and financial income owed to the Company;
- The distributed economic value accommodates costs, reclassified by stakeholder category;
- The retained economic value relates to the difference between the economic value generated and distributed, and includes depreciation of tangible and intangible assets, provisions, reserves, profits and anticipated/deferred taxation, as well as the value generated and distributed that could not be allocated to stakeholders.

³ The item relating to the value of production includes net revenues from the provision of services, variations in work in progress, semi-finished and finished products, changes in contract work in progress and other revenues and income.

VALUE OF PRODUCTION 2023



ECONOMIC VALUE DISTRIBUTED



In 2023 the Company generated an economic value equal to € 376,994,127; the decrease recorded compared to the previous year is mainly attributable to a temporary postponement of some orders, compared to what was budgeted.

The economic value distributed was equal to euro 351,887,799 (93.3% of the economic value generated and received), distributed among the different stakeholders as represented in the table below.

Economic value directly generated and distributed	2022	%	2023	%
Economic value generated and received	452,680,179	100.0%	377,002,665	100.0%
Economic value generated	452,680,179	100.0%	376,994,127	100.0%
Economic value received	-	0.0%	8,538	0.0%
Economic value distributed	426,246,751	94.2%	351,887,799	93.3%
Suppliers	414,806,549	91.6%	335,555,214	89.0%
Directors and Statutory Auditors	226,200	0.0%	227,100	0.1%
Human resources	3,739,779	0.8%	3,984,312	1.1%
Banks and other lenders	2,715,667	0.6%	4,888,927	1.3%
Public Administration	4,743,056	1.0%	7,125,246	1.9%
Local communities	15,500	0.0%	107,000	0.0%
Economic value retained	26.433.428	5,8%	25.114.866	6,7%

For greater clarity of representation, the following table shows the reconciliation between the retained value – obtained from the difference between the economic value generated and received and the economic value distributed - and the net result for the period from the financial statements.

	2022	2023
Economic value retained	26,433,428	25,114,866
Unallocated economic value	12,234,354	4,833,388
<i>Other revenues</i>	(142,840)	-
<i>Depreciation of intangible assets</i>	244,512	475,351
<i>Depreciation of tangible assets</i>	118,541	169,966
<i>Depreciation of bad debts provision and cash and cash equivalents</i>	405,408	-
<i>Changes in inventories of raw materials, consumables and goods</i>	1,316,134	(989,637)
<i>Other provisions</i>	6,643,690	5,177,576
<i>Miscellaneous operating costs</i>	3,648,762	-
<i>Foreign exchange gains and losses</i>	147	132
Operating profit	14,199,074	20,281,478

COMBATTING CORRUPTION

GRI 205-1 | GRI 205-2 | GRI 205-3

Formulating and communicating values that guide business actions is essential to structure and strengthen the Company's reputation, increase customer loyalty and facilitate the attraction of talent, as well as enable frictionless decision-making and organise work without excessive pressure from authority.

For this reason, Engineering 2K decided to implement effective internal control mechanisms together with training and awareness-raising activities for its employees, incorporating within itself the Code of Ethics and the Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/01 ("OMM", "Model 231") adopted by the Parent Company FBH S.p.A.

Specifically, the principles and provisions of the Code of Ethics constitute specific principles and obligations of **diligence, loyalty, honesty, impartiality, transparency, fairness** and **collaboration** that characterise the behaviour and relationships of all those that operate and work on behalf of the companies in the FBH Group, both inside and outside the same.

Through the OMM 231 an organisational structure was created with the aim of preventing the commission of the envisaged offences outlined in the same Decree, by formalising a set of tools, operational provisions and the internal procedures adopted.

Furthermore, in compliance with the provisions of both Italian Legislative Decree no 231 of the 8 June 2001, and the Civil Code on internal control, an Audit Committee was set up, a permanent collective body which supervises the implementation and compliance with the Code of Ethics and the Organisation, Management and Control Model inside the FBH Group.

With the aim of ensuring effective control activities, the functions of the Audit Committee of each subsidiary are attributed to the respective governing body in the person of the Managing Director or the Sole

Director who make use of the experience and resources allocated to the Audit Committee by the Parent Company.

During 2023 Engineering 2K formulated and shared the Whistleblowing Procedure with its employees and implemented the My Whistleblowing add on in the My Governance suite, for the complete management of corporate wrongdoing reports.

Finally, with the aim of supporting and integrating the corruption prevention mechanisms already in place, since 2021 Engineering 2K has had ISO 370001 certification *Management systems for the prevention of corruption*.

The standard provides for the adoption of a **systemic approach to preventing and fighting corruption**

by identifying situations of corruption (active or passive) by the Company, personnel or business partners by promoting a series of measures and controls and providing support guidance for the relevant application.

Raising awareness among its stakeholders and involving them in the dissemination of a transparent corporate culture is a priority for E2K; from the hiring phase during which all newly hired people are given a copy of the Code of Ethics and the OMM 231, to their entire time in the Company, during which all employees undertake to apply the principles and the standards provided for in the Code of Ethics and participate in training and awareness-raising initiatives.

Outside, customers and suppliers are asked to acknowledge, accept and comply with the provisions contained in the OMM 231 adopted by the Company.

The proactive approach and attention dedicated to managing corruption risks bear witness to the absence of episodes of corruption in the two-year period in question in this document, in continuity with previous years.



CUSTOMER SATISFACTION

GRI 418-1

Orientation towards customer satisfaction has allowed Engineering 2K to be recognised as a **reliable general contractor** able to meet and exceed customer expectations, by completing the projects entrusted to it on time and within budget.

The main customers the Company interfaces with are:

- International Investment Funds investing on behalf of end users (international companies belonging to the transport, logistics and e-commerce sector);
- Private companies that require the construction of logistics facilities for their own use.

Engineering 2K consolidates the relationship with its customers through constant dialogue with them and periodic meetings during which work progress updates are provided and where the technical and commercial project representatives of E2K, the operational management of the construction site, the customer's management and the figures who verify compliance with the sustainability criteria during the entire project are present.

The relationship of trust created and orientation towards the continuous improvement of the level of customer satisfaction has led Engineering 2K to be

involved in periodic meetings organised by its customers relating to sustainability issues, during which the Company has had the opportunity of learning about emerging needs.

As a result, increasing attention to consideration of environmental aspects in the management of works and the increasing demand for BREEAM and LEED certified buildings, has led customers to appoint specific figures inside their companies to supervise compliance with environmental criteria with whom ad hoc meetings are organised; at the start of the project to define the objectives in terms of environmental sustainability, half-way through to verify the achievement of the same and to evaluate any of the objectives that have been set.

Within the technical specifications of projects Engineering 2K has integrated two sections:

- Environmental certifications, for work carried out with the aim of obtaining one of the environmental certifications BREEAM or LEED;



- Sustainability, in which the identified project areas are explained by Engineering 2K to focus its action on with a view to "Green warehousing".



4. The Code of Ethics can be found at the following link:

https://www.eng2k.com/wp-content/uploads/2023/03/eng2k_codice_etico_fbh.pdf

Green warehousing: our business

GREEN BUILDINGS

- Thermal insulation of perimeter and compartmental walls
- Thermal insulation of entry/exit points
- Insulation of windows and doors
- Thermal insulation of building roofs
- Green roofs and green walls
- Attention to the visual impact of the property on the surrounding area
- Using environmentally friendly building materials
- Recovery and architectural enhancement of existing buildings
- Recycling/Reuse of demolition materials
- Creation of ad hoc areas for waste recovery

GREEN YARDS

- Planting outdoor areas
- Creating ecological corridors
- Attention to the ecosystem
- Facilities for staff
- Car parks and related facilities
- Designing road network/paths onsite
- Connections to existing transport systems

SYSTEMS

- Photovoltaic system
- Energy Storage System
- Rainwater collection and reuse system (dual network)
- Sanitary water system
- Geothermal / cogeneration plant

Finally, aware of the importance of correct management of data processing in creating a relationship of trust with its customers, E2K carefully manages the personal data and privacy of its customers, by involving its employees in training activities.

Thanks to this approach, in the two-year period in question and in-keeping with the previous years, there were no substantiated complaints received concerning breaches of customer privacy nor any loss of their data.

SUPPLY CHAIN MANAGEMENT

The quality, reliability and punctuality of supplies directly influences the success of the projects carried out by E2K; a solid network of suppliers, ensures the constant availability of materials and services necessary for the project and allows access to advanced and high-quality technological solutions that improve project efficiency and sustainability.

Careful selection and construction of a panel of suppliers is particularly important to E2K, which is often called upon to provide a supplier list in the tender awarding phase.

Looking at the assignment of specific supplies, E2K announces an ad hoc tender in which between 3 and 10 suppliers participate in involving well-known suppliers and new suppliers.

The process of selecting suppliers is divided into three distinct phases:

1

PREQUALIFICATION, during which the economic/financial profile of the supplier is evaluated through:

- Analysis of supplier documentation, by requesting general documentation relating to the Company such as a Company profile report from the Chamber of Commerce, financial statements relating to the last three years and receipt of payment of insurance (Employer's Liability/Third-Party Liability);
- Analysis by the AFC department, in the event the documentation is unavailable, by carrying out a check on Cerved regarding economic/financial solvency.

In the prequalification phase suppliers are also required to fill in a questionnaire containing information relating to the type of activity carried out by the supplier, the work carried out, the workforce, the certifications it possesses and an anti-corruption module (where provided for in the active contract).

2

TECHNICAL-ECONOMIC QUALIFICATION, during which data relating to the supplier's technical profile is collected.

The analysis points are aligned with the end customer's request and are verified through interviews with suppliers by the Technical Project Coordinator together with the construction site technician and the E2K Purchasing Manager.

3

CHOICE OF SUPPLIER, during which the tender form is filled out based on the information and documentation collected and the supplier who will be awarded the tender contract is identified.



Social information

DEVELOPING TALENT AND CORPORATE KNOW-HOW

Aware of the crucial role played by human capital in strengthening business success, Engineering 2K is committed daily to protecting and promoting the value of human resources with the aim of increasing and improving assets and competitiveness.

When considering inserting new resources, Engineering 2K identifies the Company areas affected during the budget phase and relies on external recruiting companies for the selection phase to find the most suitable candidates.

THE E2K WORKFORCE

As of the 31st December 2023, there were 50 E2K employees, substantially the same as the previous year (52), with an average age of 37 years old.

98% of the employees have open-ended contracts and 96% have full-time contracts.

Looking at the professional figures in the Company, 84% of E2K employees are office workers and 46% are women.

During the entire employment relationship, E2K is committed to offering its employees training opportunities aimed at strengthening technical skills and soft skills, with the aim of providing all the useful tools to carry out their work in the best way possible.

TRAINING PROVIDED

The attention paid in the process of continuous learning of its employees is shown by the number of training hours provided which in 2023 was 1,239.5, a clear increase compared to the previous year (330), with an average of 24.8 hours of training provided per employee.

The increase in the number of hours of training provided can be attributed to the activation of the Cegos platform which in 2023 made it possible to channel the training requests collected by the area managers.

Specifically, the areas the training activity concentrated on were as follows:

- **Health and safety**, relating to basic courses for employees and courses specifically for the people belonging to the safety management system;
- **Technical training**, focusing on specific courses connected to different Company areas, such as courses on management control;
- **project management**, negotiation techniques, legal aspects related to purchasing;
- **Training on sustainability aspects**, which included insights relating to LEED certification, the circular economy, and integrating sustainability aspects into the supply chain;
- **Language training**, represented by a Business English training course;
- **Soft skills**, divided into courses on business leadership, internal communication and human resource management.

WORKPLACE WELFARE AND WELL-BEING

GRI 2-30 | GRI 406-1

The creation and maintenance of a calm and proactive working environment are considered to be factors of primary importance for Engineering 2K and to be achieved by respecting the rights of one's own employees, protecting equal opportunities and avoiding all types of discrimination.

This approach is demonstrated by the absence of cases of discrimination in the two-year period covered by the report (2022/2023), which confirmed the trend of previous years.

In E2K, the management of working policies and conditions is governed by national regulations of sectoral bargaining (CCNL Chimico), which covers 100% of employees.

In addition to contractual assistance systems E2K is committed in a concrete way to improving the quality of life of its employees, by providing them with some welfare mechanisms, including:

- luncheon vouchers;
- fuel vouchers;
- season tickets for public transport.

With the aim of improving corporate wellbeing policies, in 2024 E2K set itself the objective of conducting an internal investigation focusing on its employees which will be able to detect their needs and identify the most appropriate actions to satisfy them.

Finally, following approval of the financial statements and based on annual Company results, Engineering 2K awarded its employees a performance bonus consisting of a fixed component and a variable component for employees who stood out during the year.

THE GENDER PAY GAP

Aware that protecting equal opportunities cannot ignore remuneration, E2K within the scope of this Sustainability Report proceeded with an initial assessment of the gender pay gap, calculated as the ratio between the average annual salary received by female and male employees doing the same job.

The ratio was calculated solely by referring to the category of office workers, the only category where there are both male and female employees which showed a pay gap of 6% in favour of male employees, in substantial alignment with the data recorded for 2022 (4%).

Looking at the individual classification levels, a pay gap emerged in favour of male employees for office workers classified as I, II, III level (respectively equal to 14%, 6%, 5%), while for office workers classified as IV level the pay gap was equal to 9% in favour of female employees.

Finally, regarding the period of parental leave provided for and guaranteed by national legislation, in 2023 the resources that used it were 2 women and 1 man; at the end of the leave all the beneficiaries returned to work.



OCCUPATIONAL HEALTH AND SAFETY

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

Engineering 2K constantly strives to ensure all employees safe and healthy workplaces by spreading a culture of safety, developing risk awareness, and preserving the health and safety of workers, and the interests of other parties, especially with preventive action.

The Health and Safety Management System, defined in accordance with Italian legislation, in particular in compliance with Italian Legislative Decree of the 9 April 2008, no.81 and the regulations it refers to cover all workers, including trainees.

Furthermore, since 2014 E2K has adopted an Organisation, Management and Control Model dedicated to Occupational Health and Safety in compliance with UNI EN ISO 45001 which establishes a framework for improving safety, reducing risks in the workplace and improving the health and well-being of workers.



Risk assessment covered all risks to the safety and health of workers, including those relating to groups of workers exposed to particular risks, those linked to work-related stress, those concerning pregnant workers as well as risks of discrimination related to gender, age or nationality.

When carrying out the risk assessment, the guidelines considered were based on the following aspects:

- observation of the working environment (requirements of work rooms, access routes, equipment safety, micro climate, lighting, noise, physical and harmful agents);
- identification of tasks performed in the workplace (to identify the dangers arising from individual tasks);
- observation of the methods of carrying out the work (to check compliance with the procedures and whether these involve further dangers);
- examination of the working environment to detect external factors which can have negative effects on the workplace (micro climate, ventilation);

- examination of work organisation;
- a review of psychological, social and physical factors which can contribute to stress at work and study how they interact and with other factors in the organisation and work environment.

The new risks were identified by the Health and Safety Officer (RSSP), assisted by the Company Doctor and external technicians expert in the relevant processes.

The results of the evaluation were included in the Risk Assessment Document (DVR), brought to the attention of the workers concerned during training and discussed at the annual meeting with the Workers' Health and Safety Representative (RLS).

Looking at the health of its employees E2K decided not to limit its action to appointing a Company Doctor who in compliance with the provisions of current regulations, deals with carrying out periodic medical examinations and workplace inspections but provides all employees with additional Blue Assistance health coverage.

Consolidating a safety culture for E2K means involving its workers, by helping them to understand the importance of their contribution to maintaining and improving the health and safety system that has been implemented.

Every employee is called upon not only to respect the provisions in force, but also to report situations judged to be a source of risk, via the RLS and department managers.

Training therefore plays a fundamental role in disseminating a culture relating to safety and security at work, making workers aware of the risks and decreasing the chances of injuries and accidents at work.

In 2023, 78 training hours were provided, mainly concentrated on updating the roles of Site Supervisor and the Health and Safety Representative (RLS) and courses for basic/specific risks for employees.

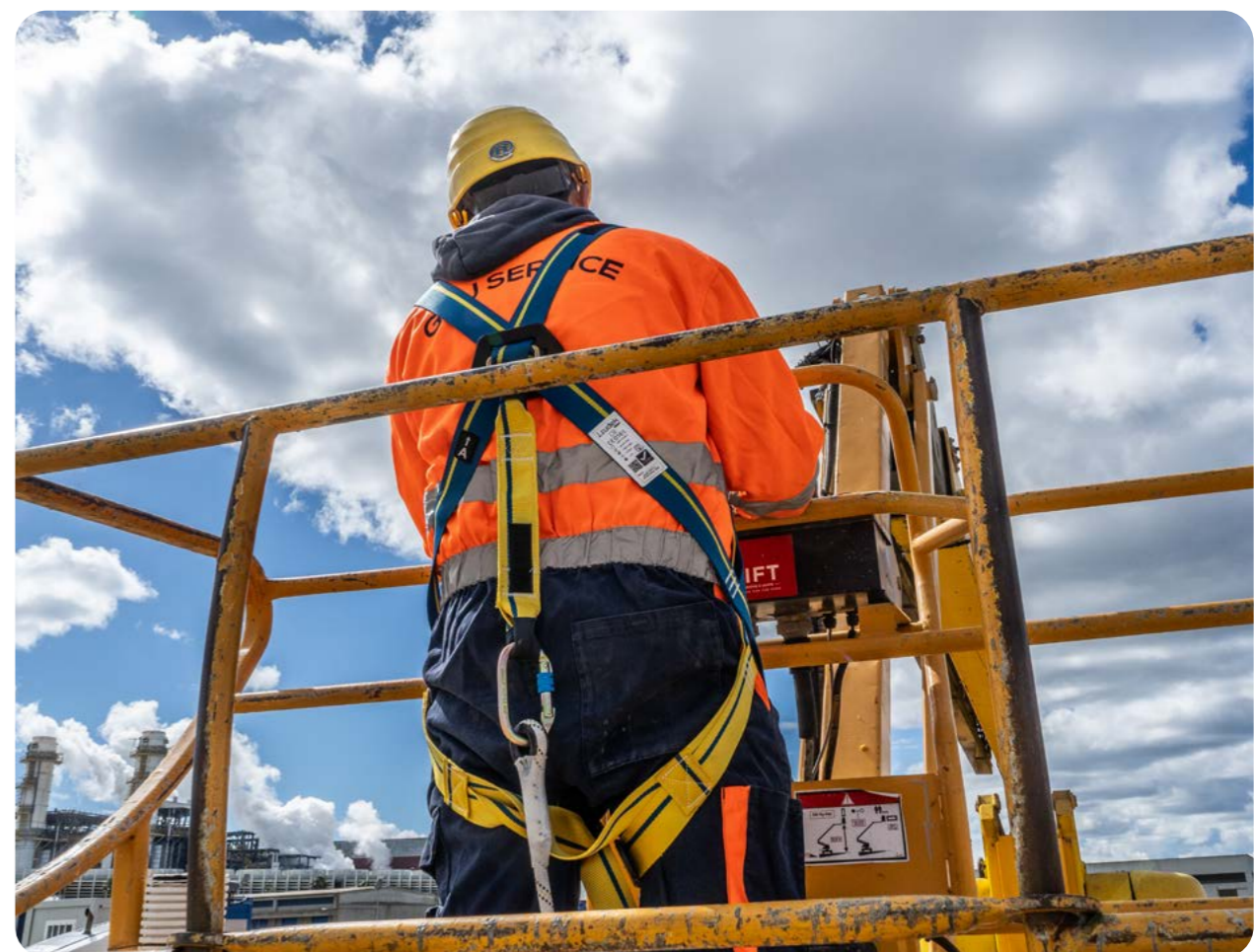
Training for workers on safety and health at work	2022	2023
	No. of training hours	No. of training hours
Health and safety	64	78
Total	64	78

Looking at injuries and occupational diseases Engineering 2K did not record any cases referring to them in the two-year period 2022-2023.

ENGINEERING 2K AS A CONTRACTOR

Finally, to standardise the management of the building sites established each time and provide useful guidance to each person in charge, in 2023 E2K drew up a *Building site safety management manual*, which governs the organisational and procedural standards each project is implemented with for each Customer/ Developer and which is used to manage the supply chain of works and activities entrusted to authorised, qualified and controlled subcontractors.

The Manual is a fundamentally important tool for Engineering 2K in the capacity of a Contractor Company (article 97 of Italian Legislative Decree 81/2008) within the temporary or mobile building sites it works on to implement the projects entrusted to it by customers/developers, it is called upon to guarantee an efficient organisational structure regarding health and safety in the same.



QUALITY AND SAFETY OF PRODUCTS/SERVICES

To E2K quality means executing and implementing professional projects by following the instructions of individual public tenders.

Since 2019, Engineering 2K has implemented an ISO 9001 certified Management System which certifies the Company's ability to effectively manage business processes, by guaranteeing a high standard of quality.

The system implemented includes activities such as constantly evaluating customer feedback, monitoring production processes and adopting continuous improvements to satisfy customer expectations.



Always with a view to ensuring maximum quality in project implementation, in 2021 Engineering 2K implemented UNI ISO 10005:2019 certification, which is the international reference standard for drafting a Quality Plan aimed at defining the control and management aspects associated with a specific contract.

The purpose of the Quality Plan is to systematically collect a list of documents, evidence, recordings and in general all the rules that a Supplier is given to guarantee all contractual aspects with a specific Customer.

The main points covered in the Quality Plan relate to:

- contractual liability;
- process control (design, construction, assistance);
- control of the resources and sub-suppliers involved;
- managing any contractual irregularities and their systematic resolution.

The quality assurance of the work carried out is directly linked to the performance of suppliers, in terms

of products used and manpower involved in construction.

For this reason, Engineering 2K pays particular attention to managing any non-conformities related to the work carried out by suppliers.

Specifically, to ensure immediate resolution, during the construction phase the site manager fills out and sends the Non-Conformity Form to the supplier, while upon delivery of the project a report is processed via Plan Radar containing the non-conformities, (*Snag list*) with the type of non-compliance, the timeframe to resolve it in and the recipient supplier.

SOCIAL RESPONSIBILITY AND RELATIONSHIPS WITH THE LOCAL COMMUNITY

Engineering 2K is fully aware that corporate responsibility is not limited to Company boundaries, but it extends to the entire society as a whole.

Confirming this awareness, during the budget preparation phase the Company defines an amount to be allocated to philanthropic initiatives such as donations and sponsorships.

The choice of the individual bodies and initiatives to provide financial support to for E2K is substantially related to three factors:

- The placement of building sites, with the aim of responding to the specific needs of the local area thanks also to direct dialogue with the local authorities;
- The territory E2K is historically rooted to (Piacenza/Milan), with the aim of maintaining an active local community;
- Areas affected by sudden catastrophic events, as occurred in 2023 for people affected by floods in Emilia-Romagna.



Environmental information



ENERGY MANAGEMENT AND EMISSIONS

Engineering 2K has always paid particular attention and been committed to ensuring an environmentally friendly business activity; since 2014, the Company has been UNI EN ISO 14001:2015 certified, an international standard with voluntary compliance that specifies the requirements of an environmental management system.

The construction industry Engineering 2K operates in, recognised as one of the sectors with the greatest environmental impact, has been affected over the years by growing attention towards integration of sustainability criteria in the construction of buildings, which has resulted in the dissemination of sustainable building standards, such as LEED and BREEAM certifications.

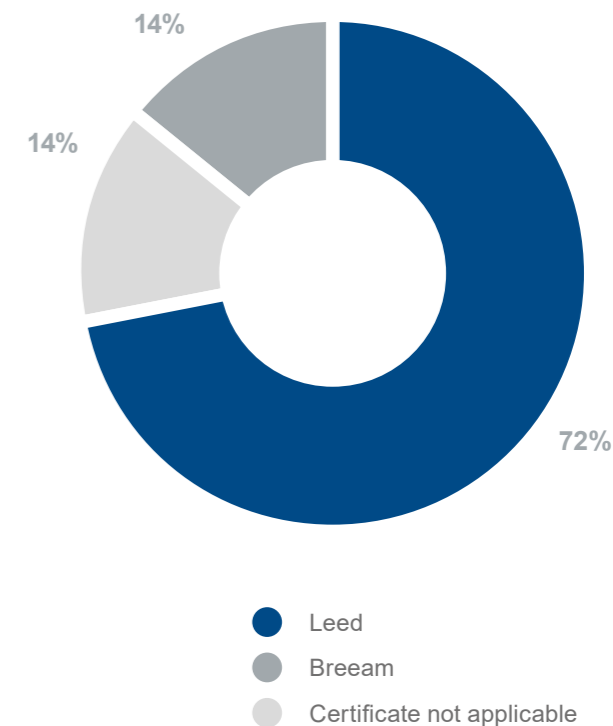
In particular, LEED certification (Leadership in Energy & Environmental Design) certifies the adoption of eco-compatible construction practices and materials, as well as the implementation of efficient energy systems, by promoting a sustainability-oriented approach, recognising the performance of buildings in key areas such as energy and water saving, reducing CO₂ emission, improving the ecological quality of interiors, materials and the resources used, the project and site selection.

The certification standard was developed in the United States in 1993 by the U.S. Green Building Council (USGBC) and provides for the attribution of an overall score to buildings in question which provides access to different certification levels: **Certified, Silver, Gold, Platinum.**

BREEAM certification (Building Research Establishment Environmental Assessment Method) is the environmental certification method of buildings launched in 1990 by BRE (Building Research Establishment), a British company specialising in research in the construction industry.

The BREEAM standard also has different certification levels according to the score assigned: **Acceptable, Pass, Good, Very Good, Excellent, Outstanding.**

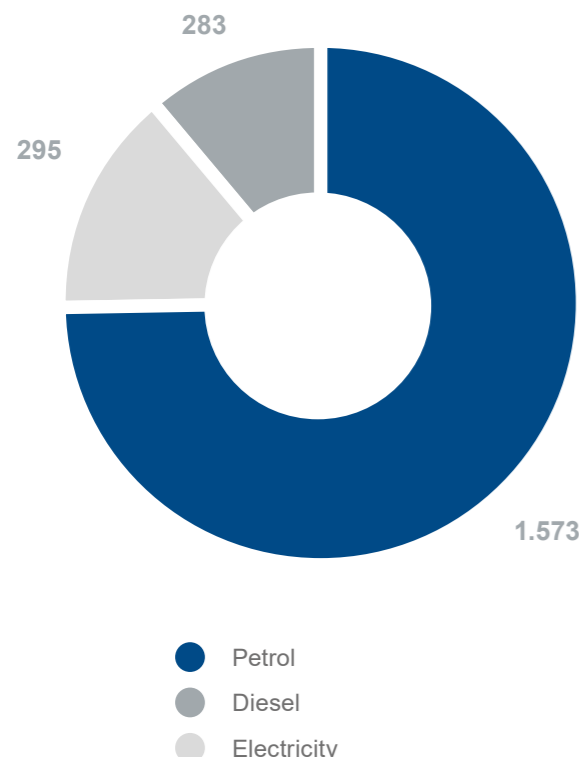
ENGINEERING 2K CONTRACTS



In 2023, for 72% of contracts BREEAM certification was required and for 14% LEED certification, percentages that refer in their entirety to 64% of closed contracts or to certifications that were already acquired and 36% of contracts in progress at the end of the financial year or for which the certificates will be issued by the bodies during 2024 during the closing phase of the projects.

In the next two years the Company has set itself the objective of constructing buildings that meet the criteria to obtain Outstanding BREEAM certification.

ENERGY CONSUMPTION 2023 (GJ)



Looking at Engineering 2K's energy consumption in 2023 it was equal to 2,150 GJ, determined by the following energy vectors:

- Electricity used for lighting and heating offices contributed to 13% of total consumption;
- Petrol, used to power company cars used for company trips was 14% of total consumption;
- Diesel, used to power company cars used for company trips was the majority of total company consumption (73%).

At the end of 2023 the Company changed the location of its offices; as of the date of this document the building where the new E2K offices are located in obtained LEED Gold certification.

MEASURING THE ENGINEERING 2K CARBON FOOTPRINT

GRI 305-1 | GRI 305-2

Aware of the need to implement a strategy to combat climate change, Engineering 2K formalised its commitment by quantifying the emissions linked to its company through a study carried out on the basis of the UNI EN ISO 14064-1 standard:

2019⁵ (Carbon Footprint for Organisation) carried out in 2023.

The study allowed Engineering 2K to identify its impact in terms of CO₂ equivalent within the emission categories envisaged by ISO 14064, attributable to Scope 1, Scope 2 and Scope 3 of the GHG Protocol.

Specifically, the sources of emissions are divided as follows:

SCOPE 1

Direct emissions generated by company activities

> Direct GHG emissions:

- combustion from fixed/stationary sources (consumption of natural gas used for heating or for the production process);
- combustion from mobile sources (fuel consumption of the fleet of owned vehicles used to move employees and for transport of goods inside and outside the factories);
- refrigerant gas leaks.

SCOPE 2

Indirect emissions resulting from imported energy

> Indirect emissions from imported energy (taken from the grid).

5. The regulatory references adopted for the development of the study are the UNI EN ISO 14064-1:2019 standard: "Greenhouse gases - Specifications and guidance, at the organization level, for the quantification and reporting of greenhouse gas emissions and their removal," and the technical report UNI ISO/TR 14069: "Greenhouse gases - Quantification and reporting of greenhouse gas emissions for organizations - Guidelines for the application of UNI EN ISO 14064-1."

SCOPE 3

Other indirect emissions deriving from the Company's downstream and upstream activities

> Indirect emissions from transport:

- inbound logistics (transport of raw materials and packaging, round trips of semi-finished products);
- outbound logistics (transport of finished products to customers, transport of company waste to treatment sites);
- corporate travel for workers;
- employee commuting.

> Indirect emissions from products used by the Company:

- purchased goods and services;
- purchase of capital goods;
- production and disposal of liquid and solid waste;
- upstream part of the fuel used in company-owned vehicles;
- upstream part of electricity (production of fuels for electricity generation, loss for transmission and distribution).

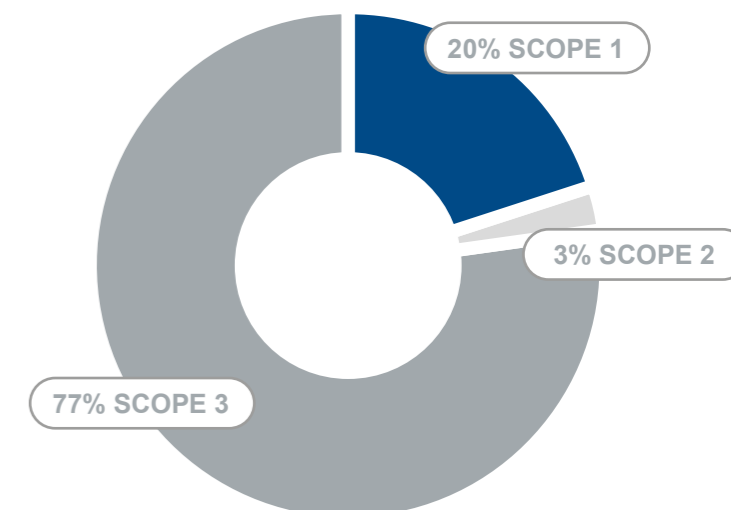
> Indirect emissions from other sources.

In light of the data collected, in 2023 E2K produced **692,5 t CO₂e**⁶ relating to Scope 1, Scope 2 and Scope 3; of this 77% was from Scope 3 emissions, 20% derived from mobile combustion relating to the fuels that power the company fleet that were Scope 1 and the remaining 3% derived from electricity consumption (Scope 2).

In particular, in the inventory was that relating to E2K employee commuting, followed by the category relating to mobile combustion Emission calculation referred to the total of tonnes of CO₂ equivalent produced in 2023, directly related to the use of company cars for business trips.

6. Emission calculation referred to the total of tonnes of CO₂ equivalent produced in 2023. The gases included in the calculation are CO₂, CH₄ and N₂O. The approach used was operational control and the methodologies used involved the consultation of national (ISPRA) and/or intergovernmental databases (DEFRA). GWP is the Global Warming Potential. In this analysis the Global Warming Potentials reported by the IPCC (Fifth Assessment Report) were used and calculated with reference to a time interval of 100 years and equal to 1 for the present data in DEFRA.

CARBON FOOTPRINT 2023 (tCO₂e)



The following table shows a cross-section of the emissions belonging to Scope 1, Scope 2 and Scope 3 according to the GHG Protocol, to which the different categories correspond to those explained in the ISO 14064-1:2019 standard.

SUB-CATEGORY	t CO ₂ e
SCOPE 1	
1.2 Mobile Combustion	138,2
SCOPE 2	
2.1 Indirect Emissions from Electricity Imported	23,6
SCOPE 3	
3.3.2 Employee Commuting	250,0
3.5.1 Overnight Stays	0,5
3.5.2 Business Trips	13,1
4.1.1 Upstream	135,7
4.1.2 Network Losses	3,3
4.1.3 Purchasing	72,5
4.2 Investments	52,0
4.3.1 Waste	3,5
TOTAL	692,5

These results are baseline values that will allow the Company to measure performance over time, to allow a rigorous evaluation of potential future scenarios to reduce and mitigate its impact.

Following the implementation of the study of Carbon Footprint for Organisation, E2K decided to offset all quantified carbon emissions by purchasing certified carbon credits⁷.

Specifically, the Company purchased a quantity equal to **693 carbon credits**, which contributed to the realisation of the following projects:

DELHI METRO INDIA

A project which concerns the creation of a new infrastructure consisting of 102 kilometres of subway, which aims to improve energy efficiency with the adoption of a regenerative braking system, make public transport more efficient, faster and safer, improve energy efficiency and air quality, create rainwater harvesting systems and install solar panels, state-of-the-art warehouses and garages at multiple stations.

Thanks to the completion of this project, an annual reduction in climate-changing gas emissions is estimated to be equal to 516,307 tCO₂e.

Through support of this project, E2K neutralised 613 tonnes of CO₂e.



⁷ A carbon credit is a tradable certificate, or a title equivalent to one tonne of CO₂ not emitted or absorbed thanks to an environmental protection project created with the aim of reducing or absorbing global emissions of CO₂ and other greenhouse gases.

THE ENVIRA AMAZONIA

A project created in Brazil that aims to protect up to 200,000 hectares of tropical rainforest, while simultaneously ensuring rich biodiversity and a wide range of ecosystem services, bringing direct benefits to local communities, and mitigating the release of approximately 12.6 million tonnes of CO₂ emissions in the first 10 years of the project.

Through the support of this project, E2K neutralised 50 tons of CO₂e.



GYAPA COOK STOVES

A project that aims to improve the health and well-being of communities, while reducing pressure on nearby forests, through the production and sale of high efficiency stoves to replace traditional coal ones.

The use of stoves known as Guapa allows for a significant reduction in greenhouse gas emissions, as well as savings on coal which is the main fuel for urban and semi-urban families in Ghana.

Through support of this project, E2K neutralised 30 tonnes of CO₂e.



MATERIALS MANAGEMENT

Materials management is an essential aspect for E2K; their technical characteristics must, in fact, fully reflect the requirements requested by customers to complete projects.

In the context of LEED and BREEAM certifications precise parameters are defined to be respected when choosing materials, to guarantee the use of materials with the lowest environmental impact.

The certifications, in particular:

- require the use of materials containing specific percentages of recycled material, with a view to conserving virgin resources;

- enhance the use of materials for which a Life Cycle Assessment (LCA) has been carried out;

- enhance the use of materials for which an Environmental Product Declaration (EPD) has been obtained;

- verify the use of materials with low VOC⁸ emissions with reference to materials used for interior finishes (silicone sealants, foams for sealing doors, wooden products, paints for painting etc.) requiring the possession of certifications:
 - > Indoor Air Comfort (Gold)
 - > EMICODE

- check the acoustic insulation of walls, to ensure 40 decibels of noise reduction;

- check the contribution of materials to the heat island effect using the Solar Reflectance Index (SRI).

Finally, still within the scope of LEED and BREEAM certifications, E2K is called upon to respect a criterion of proximity in the choice of suppliers to rely on, by guaranteeing in the case of LEED certification that the entire manufacturing process is carried out within 160 km of the construction site it refers to, and respecting the regionality criterion defined for the specific project in the case of BREEAM certification.

The choice of local suppliers on the one hand makes it possible to reduce the environmental impact linked to transport, and on the other make a positive impact in terms of value creation with benefits that extend to the local community.

These aspects related to the materials used can be found in the *Sustainable Procurement Plan*, which E2K makes sure their suppliers respect in compliance with environmental, health and safety and human rights standards.

The *Sustainable Procurement Plan* explains the criteria that guide E2K in the Design, Supply and Construction phases of its projects to ensure the minimisation of environmental impact and a reduction in resource use.

8. VOC (Volatile Organic Compounds) are chemical compounds of various kinds that are volatile, that is with the ability to evaporate easily at room temperature.

VOC can cause a wide range of effects ranging from sensory discomfort to serious harm to health.





WASTE MANAGEMENT

GRI 403-10

E2K demonstrates its commitment to the environment also through responsible management of the significant impact related to waste, generated by its business activities.

With the aim of collecting information on processes for the collection of data relating to waste, E2K implemented an internal monitoring system relating to waste produced by office activities that collects information relating to:

- the CER code of the waste with the relative characterisations and presumed stock before collection by the authorised carrier;
- the actual unloading following collection by the carrier;
- the different disposals in chronological order to have an overall view of the total quantity of waste disposed of or recovered at the end of the year.

As part of the building sites that must comply with LEED/BREEAM requirements E2K prepared a *Waste management plan* to ensure correct management of the same and their minimisation.

In this document, the Company provides its suppliers and subcontractors with clear information relating to:

- logistics organisation, on site for the separate collection of waste, rubble and waste materials, by requesting the preparation of a special area intended for waste collection and screening to position containers and compactors to differentiate and store waste in homogeneous categories;
- preparation of documentation relating to landfills, sites and authorised subjects to be relied upon for collection and disposal, and recording the transport which takes place, keeping the relevant documentation;
- preparation of the reports relating to the waste generated by building site activities, calculating the quantities of material intended for recycling or reuse with evidence of the type of waste and the quantity generated.

Furthermore, with the aim of contributing to reducing waste from building site activities, E2k described some good practices to adopt during work to reduce processing waste in the *Waste management plan*.

Among these:

- define and monitor waste reduction target quotas;
- separate the waste produced by the construction site as much as possible;
- reuse waste from demolition activities of existing buildings onsite;
- return packaging for reuse;
- prefer prefabricated concrete elements to replace cast-in-place concrete elements (e.g., precast concrete stairs);
- order rebars already moulded and ready for assembly for reinforced concrete in situ;
- design to make off-site prefabrication easy.

With the aim of providing a more complete representation of the environmental impact generated, together with the waste generated by office activities, the Company also decided to represent the nature and the quantity of waste produced on the building sites under construction in this Sustainability Report.

During 2023, Engineering 2K produced 1,754 tonnes of waste, of which 1,753.6 tonnes of hazardous waste and 0.8 tonnes of non-hazardous waste.

Looking at the destination of the waste produced, during 2023 all of it was destined for recovery operations.

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

REPORTING BOUNDARY

• Company name	Engineering 2K
• Nature of the property	Private
• Legal form	SpA
• Location of the headquarters	Assago (MI)

THIS DOCUMENT

This document is the first Sustainability Report by **Engineering S.p.A.** (“the Company” and/or “**E2K**”).

The information contained in this document was collected and processed to ensure understanding of the activities carried out by the Company, its progress, its results and the impact produced by the same.

This Sustainability Report was drawn up on a voluntary basis and is not a consolidated Non-Financial Statement (DNF); the Company does not fall within the scope of application of the Italian Legislative Decree no. 254 of the 30 December 2016 which, in implementation of Directive 2014/95/EU, provides for the obligation to draw up a DNF for public interest entities that exceed certain quantitative thresholds.

This Sustainability Report is drawn up annually and is published on the official Company website at the following link: <https://www.eng2k.com/sostenibilita/>

To request further information regarding what is reported in this document it is possible to write to the following e-mail address: esg@eng2k.com.

REFERENCES USED

Drafting the Report/Sustainability Report was carried out by selecting the indicators contained in the *GRI Sustainability Reporting* Standards published by the Global Reporting Initiative (GRI), according to the “Referenced” reporting option. The set of GRI Standards used for the report are indicated in the GRI Content Index of this document.

The general principles applied to draft the Sustainability Report are those established by the GRI Standards, i.e.: *relevance, inclusiveness, sustainability context, completeness, balance between positive and negative aspects, comparability, accuracy, timeliness, reliability, clarity.*

The performance indicators selected are those required by the reporting standards adopted, representative of the specific sustainability areas analysed and coherent with Company activity and the impacts produced by the same. Selection of these indicators was carried out based on a relevance analysis of the material topics relating to the Company and the industry, as described in the paragraph “Our material topics”.

This Sustainability Report was drawn up with the methodological support of:



Methodological note

GRI Standards

REPORTING PACKAGE

This section presents the details relating to the GRI indicators used in this document for greater clarity and comparability of ESG performance in the two-year period in question.

GRI 2-7 Dependent

Employees by gender

	2022	2023
Women	26	23
Men	26	27
Grand total	52	50

Employees by type of contract

	2022	2023
Fixed Term	-	1
Women	-	-
Men	-	1
Open-ended	52	49
Women	26	23
Men	26	26
Grand total	52	50

Employees by form of employment

	2022	2023
Fixed Term	50	48
Women	24	22
Men	26	26
Open-ended	2	2
Women	2	1
Men	-	1
Grand total	52	50

GRI 401-1 New employee hires and employee turnover

Employees at the end of the period 2023			
Gender	Donne	Uomini	Totale
Total	23	27	50

New Hires 2023			
Gender	Donne	Uomini	Totale
Up to 29 years old	2	1	3
30-50	1	2	3
50			0
Total	3	3	6

Terminations 2023			
Gender	Donne	Uomini	Totale
Up to 29 years old	2		2
30-50	4	1	5
50		1	1
Total	6	2	8

Reason for termination 2023			
Gender	Donne	Uomini	Totale
Voluntary resignation	2	2	4
Retirement	3		3
Other	1		1
Total	6	2	8

Turnover 2023			
Gender	Donne	Uomini	Totale
Positive turnover - hiring	11,5%	11,5%	11,5%
Negative turnover - terminations	-23,1%	-7,7%	-15,4%
Total turnover	-11,5%	3,8%	-3,8%

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

Average training hours	2022			2023		
	Donne	Uomini	Totale	Donne	Uomini	Totale
Directors	-	-	-	-	5,3	5,3
Middle Managers	-	0,8	1,5	-	1,6	1,6
Office Workers	7,0	7,5	7,2	38,0	17,9	28,9
Total	7,1	5,6	6,3	38,0	13,5	24,8

GRI 405-1 - Diversity of governance bodies and employees

Governing bodies by gender

	2023		
	Women	Men	Total
Board of Directors	-	5	5
Board of statutory auditors	3	2	5
Total	3	7	10
Percentage	30%	70%	100%

Governing bodies by age group

	2023			
	<30	30-50	>50	Total
BoD	-	2	3	5
Board of statutory auditors	-	1	4	5
Total	-	3	7	10
Percentage	-	30%	70%	100%

Employees by professional profile and gender

	2022			2023		
	Women	Men	Total	Women	Men	Total
Directors		3	3		3	3
Middle Managers		4	4		5	5
Office Workers	26	19	45	23	19	42
Total	26	26	52	23	27	50
Percentage	50%	50%	100%	46%	54%	100%

Employees by professional profile and age group

	2022				2023			
	<30	30-50	>50	Total	<30	30-50	>50	Total
Directors		2	1	3		2	1	3
Middle Managers	9	31	5	45		4	1	5
Office Workers		3	1	4	10	27	5	42
Total	9	36	7	52	10	33	7	50
Percentage	17%	69%	13%	100%	20%	66%	14%	100%

Protected categories by professional figure and gender

	2022			2023		
	Women	Men	Total	Women	Men	Total
Construction workers	2	-	2	1	-	1
Total	2	-	2	1	-	1

GRI 405-2 Ratio of basic salary and remuneration of women to men

	2022	2023
Office Workers		
Level 1	92%	86%
Level 2	103%	94%
Level 3	88%	95%
Level 4	117%	109%
Total	96%	94%

GRI 302-1 - Energy consumption within the organisation

Energy consumption within the organisation – GJ	2022	2023
Electricity		
Electricity purchased from the grid	289	283
Fuel for the company fleet		
Diesel	972	1.573
Petrol	246	295
Total energy consumption within the organisation	1.507	2.150

GRI 305-1 Direct GHG emissions (Scope 1)

GHG Emissions Scope 1 – tCO ₂ e ⁹	2022	2023
Diesel for the company fleet	71,9	116,4
Petrol for the company fleet	18,2	21,8
Total Scope 1	90,1	138,2

GRI 305-2 Emissioni indirette di GHG da consumi energetici (Scope 2)

GHG Emissions Scope 2 – tCO ₂ e ¹⁰	2022	2023
Electricity purchased	24,1	23,6
Total Scope 2	24,1	23,6

GRI 306-3 Waste generated

GRI 306-4 Waste diverted from disposal

GRI 306-5 Waste directed to disposal

Hazardous waste (t)			
CER CODES	DESCRIPTION	2022	2023
170603	other insulating materials containing or consisting of dangerous substances	0.9	-
Total hazardous waste destined for disposal		0.9	-

9. Source emission factors used:

Diesel:

- Ecoinvent 3.10 transport, passenger car, large size, diesel, EURO 5 | transport, passenger car, large size, diesel, EURO 5 | Cutoff, U
- Ecoinvent 3.10 transport, passenger car, medium size, diesel, EURO 5 | transport, passenger car, medium size, diesel, EURO 5 | Cutoff, U
- Petrol: Ecoinvent 3.10 transport, passenger car, medium size, petrol, EURO 5 | transport, passenger car, medium size, petrol, EURO 5 | Cutoff, U

10. Source emission factors used:

- Electricity: Ecoinvent 3.10 .electricity, high voltage, production mix | electricity, high voltage | Cutoff, U

Non-hazardous waste (t)			
CER CODES	DESCRIPTION	2022	2023
80318	waste printing toner other than those mentioned in 08 03 17	0,0	0,0
150101	paper and cardboard packaging	112,9	0,1
150102	plastic packaging	3,6	3,2
150103	wooden packaging	542,3	242,2
150106	mixed material packaging	1.237,1	1.179,4
160214	discarded equipment, other than those referred to in items from 16 02 09 to 16 02 13		0,0
170101	Cement		2,6
170103	tiles and ceramics	9,6	
170201	Wood	7,1	9,8
170203	Plastic	59,7	
170405	iron and steel	58,0	55,4
170407	mixed metals	4,2	4,2
170411	cables, other than those mentioned in 17 04 10	0,0	
170604	insulating materials other than those mentioned in 17 06 01 and 17 06 03	20,8	4,3
170802	gypsum-based construction materials other than those mentioned in 17 08 01	198,7	116,3
170904	mixed construction and demolition waste, other than those mentioned in 17 09 01, 17 09 02 and 17 09 03	194,2	121,4
200101	paper and cardboard	0,0	0,2
200201	biodegradable waste	18,9	
200301	unsorted municipal waste	0,3	3,2
200307	bulky waste	3,5	11,4
Total hazardous waste destined for recovery		2.470,8	1.753,6

Hazardous waste (t)			
CER CODES	DESCRIPTION	2022	2023
80111	waste paint and varnish containing organic solvents or other dangerous substances		0,2
150110	packaging containing residues of dangerous substances or contaminated by such substances		0,6
150111	metallic packaging containing dangerous solid porous matrices (e.g. asbestos), including empty pressure containers	0,2	
Total hazardous waste destined for recovery		0,2	0,8

GRI CONTENT INDEX

Engineering 2k spa reported the information cited in this GRI content index for the period 01/01/2023-31/12/2023 with reference to GRI standards.

STANDARD GRI - INFORMATION	PAGE
GRI 2: General Disclosures 2022	
2-1 Organisational details	45
2-2 Entities included in the organisation's sustainability reporting	45
2-3 Reporting period, frequency and point of contact	45
2-6 Activities, value chain and other business relations	7
2-7 Employees	47
2-9 Governance structure and composition	17
2-22 Sustainable Development Strategy Statement	4
2-29 Approach to stakeholder engagement	12
2-30 Collective agreements	28
GRI 3: Information on material topics 2022	
3-1 Process of determining material topics	14
3-2 List of material topics	14
GRI 201: Economic performance 2016	
201-1 Direct economic value generated and distributed	20
GRI 205: Anti-Corruption 2016	
205-1 Operations assessed for risks related to corruption	22
205-2 Communication and training about anti-corruption policies and procedures	22
205-3 Confirmed incidents of corruption and actions taken	22
GRI 302: Energy 2016	
302-1 Energy consumption within the organisation	50
GRI 305: Emissions 2016	
305-1 Direct GHG emissions (Scope 1)	36 - 50
305-2 Energy indirect (Scope 2) GHG emissions energy consumption (Scope 2)	36 - 50
GRI 306: Waste 2020	
306-2 Managing significant impacts related to waste	43
306-3 Waste generated	50
306-4 Waste diverted from disposal	50
306-5 Waste directed to disposal	50

STANDARD GRI - INFORMATION	PAGE
GRI 401: Employment 2016	
401-1 New Hires and turnover	48
GRI 403: Occupational Health and Safety 2018	
403-1 Occupational Health and Safety Management System	30
403-2 Hazard identification, risk assessment and accident investigation	30
403-3 Occupational health services	30
403-4 Worker participation, consultation, and communication on occupational health and safety participation	30
403-5 Worker training on occupational health and safety	30
403-6 Promotion of worker health	30
403-8 Workers covered by an occupational health and safety management system	30
403-9 Work-related injuries	30
403-10 Work-related ill health	30
GRI 404: Training and Education 2016	
404-1 Average hours of training per year per employee	48
GRI 405: Diversity and Equal Opportunity 2016	
405-1 Diversity of governance bodies and employees	17 - 49
405-2 Ratio of basic salary and remuneration of women to men	49
GRI 406: Non-discrimination 2016	
406-1 Incidents of discrimination and corrective actions taken	28
GRI 418: Customer Privacy 2016	
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer	23



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