BOGART

Sustainability Report

2024

ABOUT THIS REPORT

At Bog'Art, we believe sustainability is not a destination, it's a mindset, a responsibility, and a daily commitment. As we present our 2024 Sustainability Report, we reaffirm our pledge to act with purpose, innovate responsibly, and grow in a way that respects both people and the planet.

This second edition of our Sustainability Report reflects a year of progress, learning, and deeper integration of sustainable practices across all levels of our organization. From reducing environmental impact and enhancing resource efficiency to nurturing inclusive workplaces and strengthening community ties, our efforts in 2024 were grounded in accountability and long-term value creation.

Although current legislation does not require us to publish a Sustainability Report, we continue to build on the initial steps we took voluntarily demonstrating our commitment to transparency, responsibility, and continuous improvement.

Sustainability is woven into our decision-making, project development, and company culture. We recognize that our role in the construction industry comes with both challenges and opportunities—to lead by example, to do better, and to inspire others along the way.

The report highlights our performance across three main areas:

- **Environmental responsibility** – tracking and reducing emissions, minimizing waste, and adopting green solutions
- **Social impact** – fostering a safe, equitable, and empowering environment for our employees and communities
- **Governance framework** – establishing a cohesive structure for ethical leadership, transparency, and accountability to align ESG commitments with actionable policies and long-term strategic goals

We've included verified data, real-world examples, and honest reflections on what's working—and what still needs work. To ensure the reliability and credibilityof our disclosures, we once again engaged external assurance, working with **BuildGreen**, our trusted partner in sustainability verification.

More than a retrospective, this second report highlights the progress we've made toward our sustainability targets and sets a clear path forward.

We outline our future goals, the principles guiding our actions, and how we plan to adapt to emerging sustainability challenges.

Although this report is prepared on a fully voluntary basis, its structure and disclosures draw on elements from the European Sustainability Reporting Standards (ESRS)—used for the Double Materiality Analysis—and incorporate GRI-aligned concepts to enhance clarity, comparability, and transparency.

We invite you to explore this report and learn more about how Bog'Art is working to build not just structures, but a more resilient and responsible future.

The full report is available for download at www.bogart.ro.

We welcome comments, ideas, and feedback to improve the quality of our next report, which can be submitted to marketing@bogart.ro

Thank you for your interest in our sustainability efforts.

FOREWORD

Project Highlights

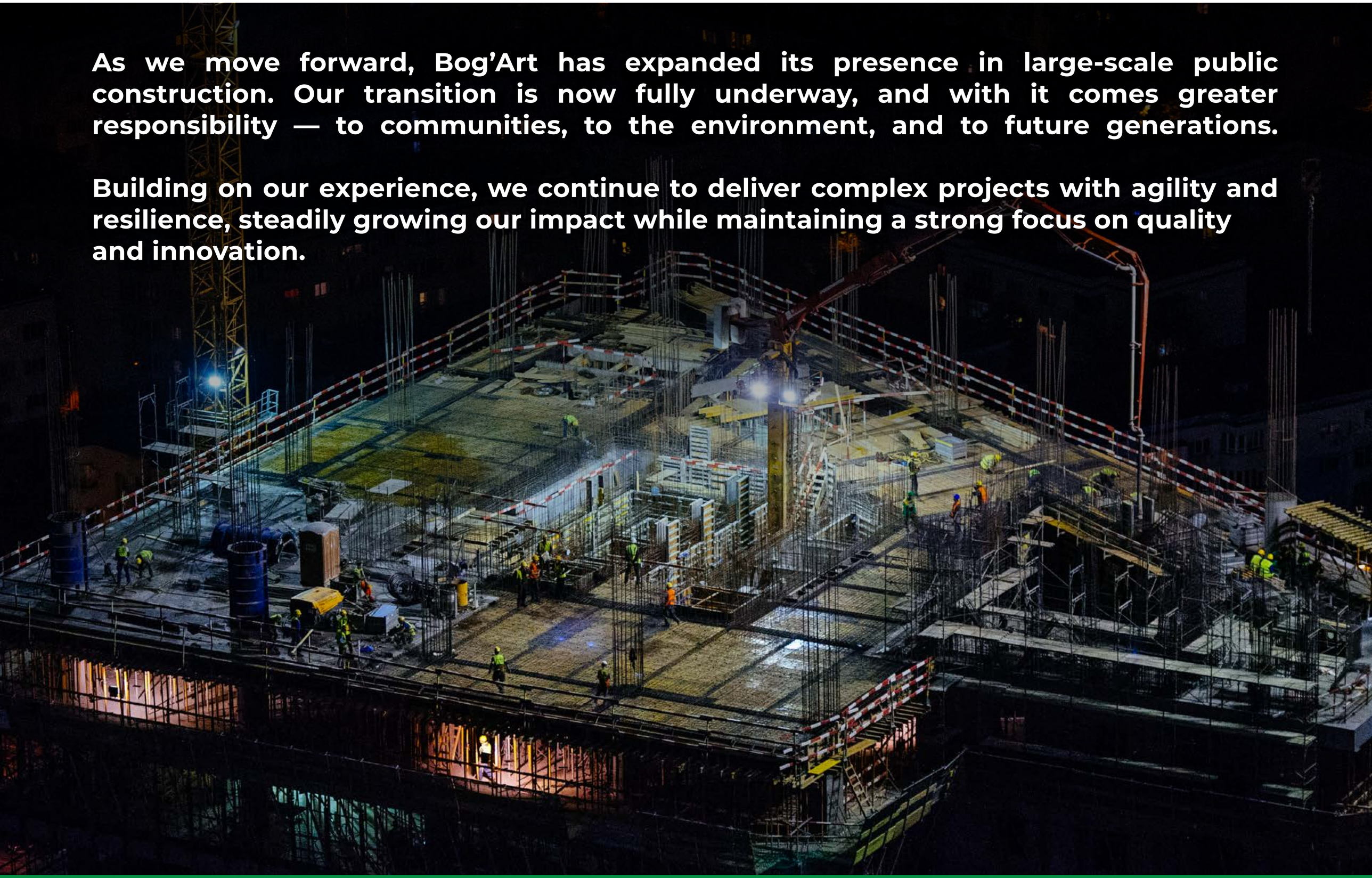
Foundation

Fabric

Carbon Footprint

As we move forward, Bog'Art has expanded its presence in large-scale public construction. Our transition is now fully underway, and with it comes greater responsibility — to communities, to the environment, and to future generations.

Building on our experience, we continue to deliver complex projects with agility and resilience, steadily growing our impact while maintaining a strong focus on quality and innovation.



Foreword

Crafting Legacy: A Foreword from the Family

As we present Bog'Art's second Sustainability Report, we are reminded of how far we have come - not only as builders of physical structures but also as builders of trust, responsibility, and long-term vision. Bog'Art has grown over more than three decades into one of Romania's most respected and diversified construction groups, covering the full spectrum of the building services—from design and general contracting to steel manufacturing, façade systems, real estate development and property management.

Throughout this evolution, our guiding mission has remained constant: to create enduring value by building responsibly for future generations. We are proud to be one of the first and select few construction companies in Romania to voluntarily publish a report on the pillars of Environmental, Social & Governance (ESG), reaffirming our belief that true leadership in our industry means setting the standard and driving progress toward a more sustainably built environment.

This report represents more than a follow-up on our pionerring initiative; it is a statement of our commitment to transparency and innovation, evenwhen guidelines change or focus is skewed in the context of global uncertainty. We are steadfast in our approach, as the overarching principles guiding our business remain constant. At the core of our activity is a solid framework of Governance, a deep respect of our Social involvement and a global Environmental perspective that is not to be neglected. Sustainability has and always will form a part of our culture — today, it also reflects how we embrace technology, measure our impact, and align our actions.

Bog'Art's robust governance, disciplined management, and a culture of continuous improvement has evolved in time to develop sound systems and processes that comprehensively monitor our activity and closely mange stakeholders. We ensure accountability and stability across all operations - from strategic planning in our HQ through to the relentless work carried out on our construction sites nationwide. This framework allows us to deliver consistently on our promise of quality and integrity - the values that underpin our reputation as a reliable builder and trusted partner.

Looking ahead, our ambition is to strengthen Bog'Art's role as a catalyst for positive change and visible progress that develops our country. We extend our gratitude to our long-term partners, contracting authorities, trusted suppliers and dedicated employees who share this vision and help shape our collective success. Together, we are building the foundation for the next generation of responsible growth.

BOGDAN DOICESCU
Group CEO Bog'Art
Holding Management

RAUL DOICESCU
Founder and Shareholder of
Bog'Art Holding Management

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 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 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 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

At the heart of our company lie values that shape our identity and inspire every action we take. These guiding principles fuel our passion, empower our journey, and light the path toward a future filled with innovation, sustainability, and lasting success.

Better

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

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.

Adaptability

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

Responsability

Responsability 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.

Group Services

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 - 11 consecutives years 2013 - 2024

Construction Firm of the Year
SEE Property Awards - 4 consecutives years 2021 - 2024

Construction Firm of the Year
REAL ESTATE Awards - 5 consecutive years 2020 - 2024

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

Hall of Fame Best of the Best Constructor for Central & Eastern Europe
Construction & Investment Journal – 2017, 2018 and 2024

Shortlisted Construction Company of the Year
CEEQA by Financial Times 2015 - 2019 and 2023 - 2024

Best Office Buildings Winner
Forbes - 5 consecutives years 2018 - 2022 and 2024

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

Bog'Art at a Glance

+34 Years
of continuous activity and achievements

+700 Projects
Delivered in both private and public sectors

3.2 Million sqm
delivered in a timely manner and to client satisfaction

+€2 Billion
Contracted value in turnkey projects and innovative works

430
employees

1,400 Site Staff
Spread throughout the country

1ST
Privately held company construction company to deliver and ESG report in Romania

1/3
office building stock built in Bucharest

1ST
BREEAM Excellent and LEED Platinum certificated buildings in Romania

A Word from Our CEO

Bog'Art reaffirms its position as a notable player in Romania's construction sector. With a vast portfolio now exceeding 700 completed projects and over 3.2 million square meters delivered, our influence on the country's-built environment is both visible and enduring.

2024 was a year of consolidation, execution and sustained growth in our strategic direction covering large infrastructure projects of national importance. These include defense projects, hospitals, road infrastructure, as well as energy and water utilities. We are fully engaged in shaping Romania's critical infrastructure landscape as our activity continues to grow in scope, complexity, and significance.

In 2024, Bog'Art recorded €183.5 million turnover, only slightly above last year's number with 6% increase, however with outstanding EBITDA growth of more than double from the previous year. Our construction pipeline remains strong, with a record number 50+ projects in progress across the country. It is a standout for our backlog of more than 1B EUR spanning over a 4-year period. At the same time, our financial position continues to serve as a key enabler, relying on low external leverage and a disciplined approach to sources of funding. We have the stability required to tender larger projects and can sustain our pipeline with confidence, while absorbing the challenges of an uncertain economic landscape. Not to be neglected is the contribution of an expanding team of more than 430 office professionals and the close coordination of over 1,400 site personnel operating across the country. The figures reflect not just growth, but the strength of an end-to-end construction business capable of delivering high-quality buildings and predictable results at a larger scale.

Sustainability remains central to our vision. As we continue to support the transition to greener infrastructure, our commitment to environmental standards has deepened. We have continued investment in digitalization and internal optimization to improve resource allocation for tendering, planning and real-time monitoring. These efforts are not only improving how we build, but how we operate —we achieve greater project transparency in reporting allowing us faster decision-making that speeds execution and ultimately impacts our cost-competitiveness. Our transition toward large-scale national infrastructure projects has matured and thrived from the work carried out in repositioning over the past few years. We have managed to take on more projects and diversify our portfolio through operational agility; it has demanded a new mindset and alignment across the organization. Our team has risen to the occasion — embracing this evolution with professionalism, energy, and focus.

As we look ahead, Bog'Art remains committed to shaping Romania's future through resilient, responsible construction. Our journey is no longer one of transition — but one of purpose-driven growth. I extend thanks to our team, clients, and partners, whose trust and dedication carries our journey forward and beyond our previous benchmarks

SORIN GREU
CEO Bog'Art

Financial Impact

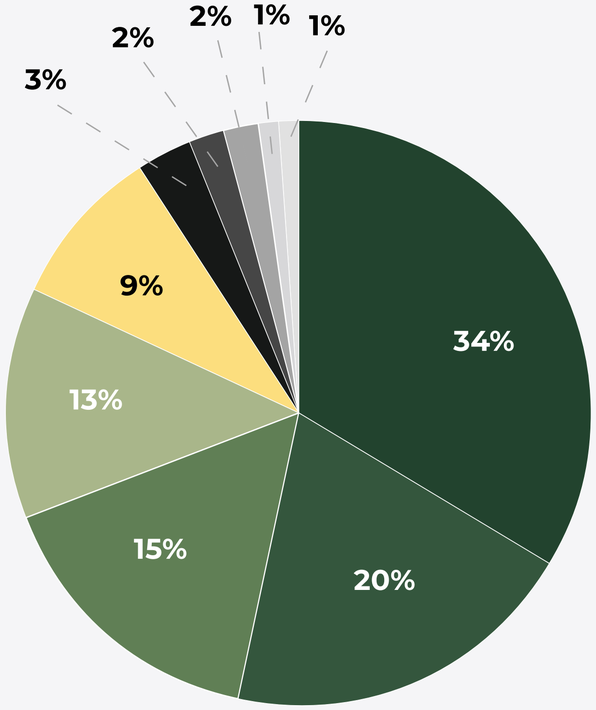
In 2024, Bog'Art reaffirmed its strategic agility and operational excellence, delivering outstanding results marked by **a sharp increase in profitability and a doubling of EBITDA** compared to 2023. Leveraging selective bidding, disciplined cost control, and strategic commercial management, we secured a r**ecord-high order backlog**, positioning ourselves strongly for sustained growth.

Our presence in **infrastructure projects expanded significantly**, particularly in the airport, transport, and utilities sectors, while we also **diversified into new high-value private sector developments,** enhancing our portfolio resilience.

Our in-house design teams continued to integrate **innovative and sustainable principles**, raising standards in functionality, aesthetics, and environmental performance across all project types. With a balanced presence in both public and private markets, we remained a trusted leader in office and residential developments, while scaling our impact in national infrastructure modernization efforts.

2024 marked a year of accelerated growth and transformation, underscoring Bog'Art's commitment to sustainability, innovation, and strategic execution.

We now turn to a review of **Bog'Art's financial performance for 2024**, highlighting our strengthened economic health, superior operational efficiency, and forward-looking investment strategy. Key indicators—including revenue growth, profit margins, and capital allocation—reflect our ambition to lead the construction industry while contributing meaningfully to Romania's economic and sustainable development.



Current Portfolio Split (Backlog)

34% Infrastructure	20% Medical	15% Utilities	13% Public Administrative	9% Commercial
3% Offices	2% Military Bases	2% Hotels	1% Sports	1% Airports

Financial KPI	2024	2023	% 2024 vs 2023
Revenue (€)	183,479,290	173,066,965	+6%
EBITDA (€)	25,776,993	12,107,955	+ 112,9%
Operating Profit	24,276,608	11,057,008	+119,6%
Net Profit (€)	21,062,488	9,148,285	+130,2%
Profit tax paid	3,557,885	785,876	+352,7%
Number of Employees	410	395	395
Health and Safety Incident Rate	0	0	0
VAT paid	5,753,879	3,383,388	+70,1%
Overdue taxes owed to the state budget	0	0	-

This table offers a snapshot of Bog'Art's revenue distribution across key segments for **2023 and 2024**, along with the share of projects in **2024** that incorporated sustainable design and construction principles. It reflects our continued financial momentum and deepening commitment to sustainability across diverse sectors—including infrastructure, residential, healthcare, and community developments—underscoring our role as a forward-thinking leader in Romania's built environment.

2024 boosted by three times the revenues from infrastructure and Healthcare.

A Standout Year of Success

In 2024, Bog'Art once again received national and regional recognition for its continued pursuit of excellence in construction and infrastructure development. Prestigious awards such as:

We are honored to have been named **"Best Managed Company 2024"** for the second consecutive year, a distinction that reflects our commitment to agile governance and operational excellence. Additionally, awards from the **SEE Real Estate Awards** and **Real Estate Awards for "Best Constructor"** and **"Construction Company of the Year 2024"** further recognize our growing influence in both the real estate and infrastructure sectors.

A special highlight this year is the **Star Construct Gala Award for Airport Infrastructure,** a testament to our expanding expertise in nationally significant, large-scale public projects.

Construction Firm - SEE REAL ESTATE AWARDS

Best Managed Companies 2024

FPSC 2024

Forbes - Cel mai Activ Constructor 2024

PREMIILE REAL ESTATE - Firma de Constructii a Anului 2024

HOF Awards 24

Romania CST Index 2024

CIJ Awards 24 ROMANIA

As we move forward, we remain committed to delivering lasting value, pushing the boundaries of modern construction, and contributing meaningfully to the communities and landscapes we help shape.

These accolades not only celebrate our technical capabilities and innovation but also reflect the dedication of our exceptional team.

Delivering on Our Commitments: 2024 Outcomes

+400,000 sqm
built between 2024-2025

+40
construction sites through the year

3
airports delivered: Sibiu, Cluj Napoca and Tuzla

>75%
public projects with national scope

40%
women in all management structures

EQUAL
gender pay

DIGITALIZATION
ERP and HCM upgrades

CYBERSECURITY
added new systems coverage

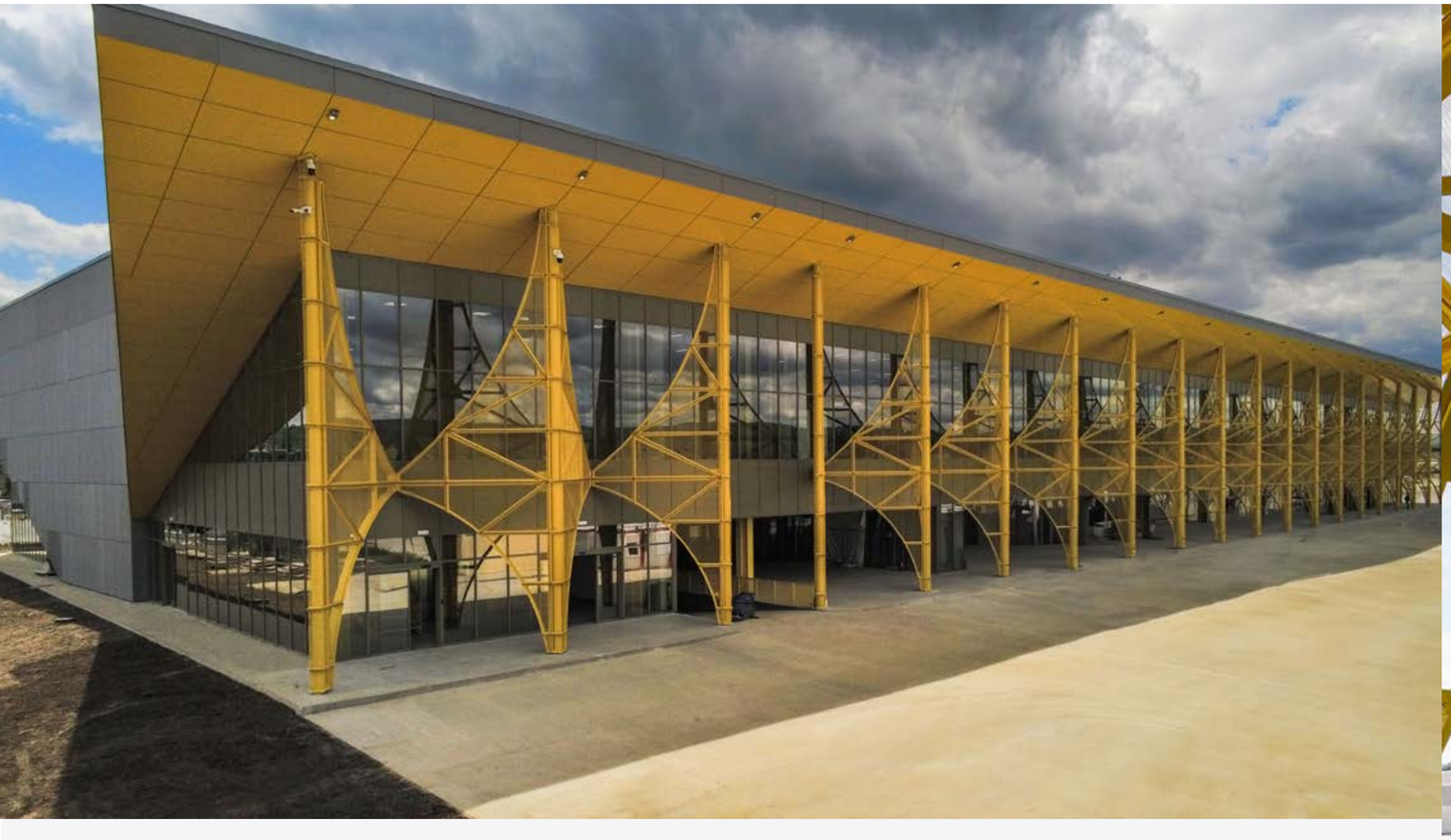
GOVERNANCE
policies adopted and aligned with Holding

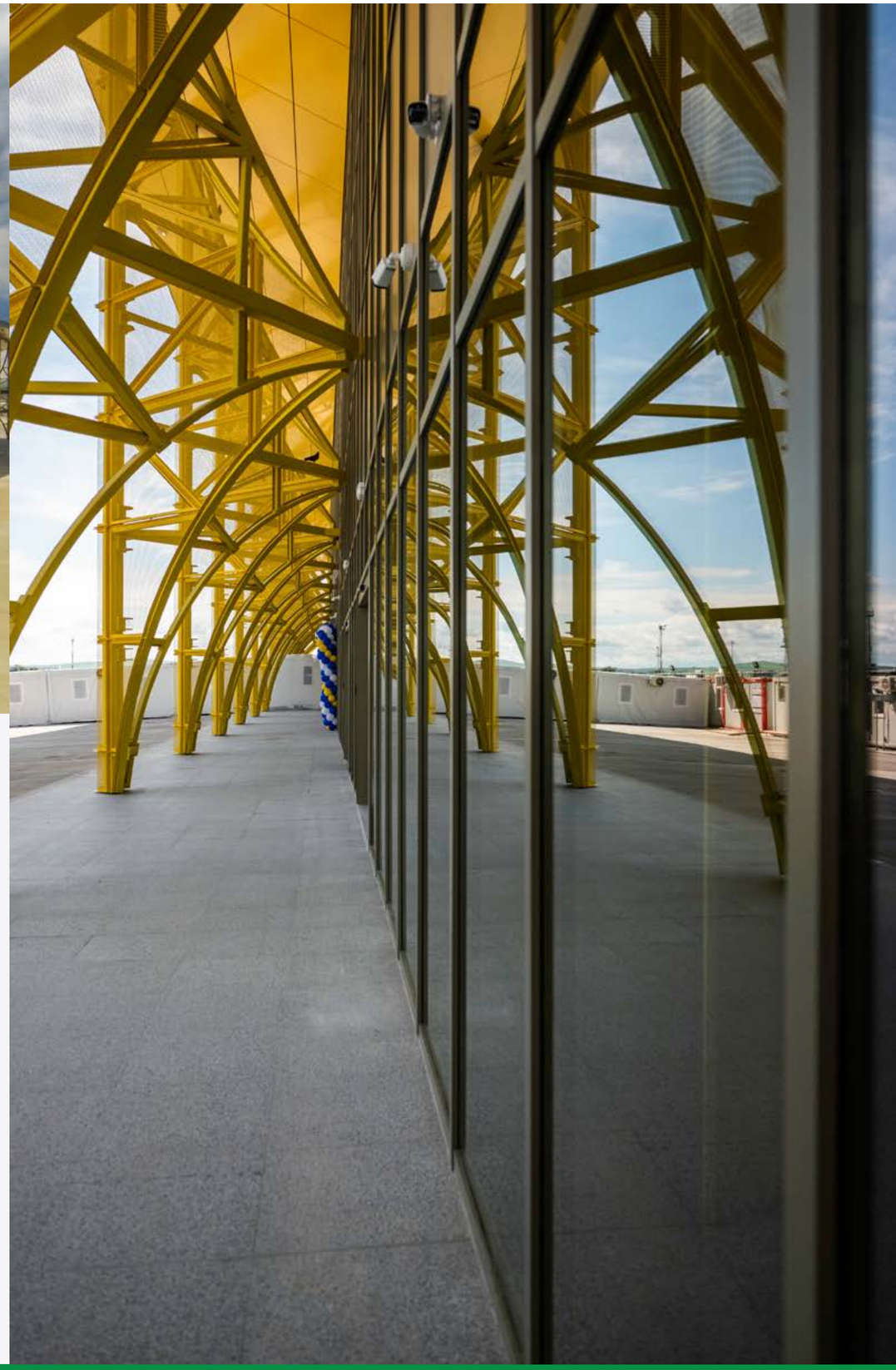
ZERO
case incidents or fatal injuries

+9,3 Million EUR
Taxes on Profit and VAT paid

#1
"Best Managed Company" Award recertification 2024

Project Highlights





Cluj Napoca International Airport

Delivered in 2024

LOCATION	149-151 Traian Vuia, Cluj-Napoca
SURFACE	7,200 sqm
EXECUTION	2023-2024
DURATION	12 months

Eroii Revolutiei Central Canopy And The Underground Passage

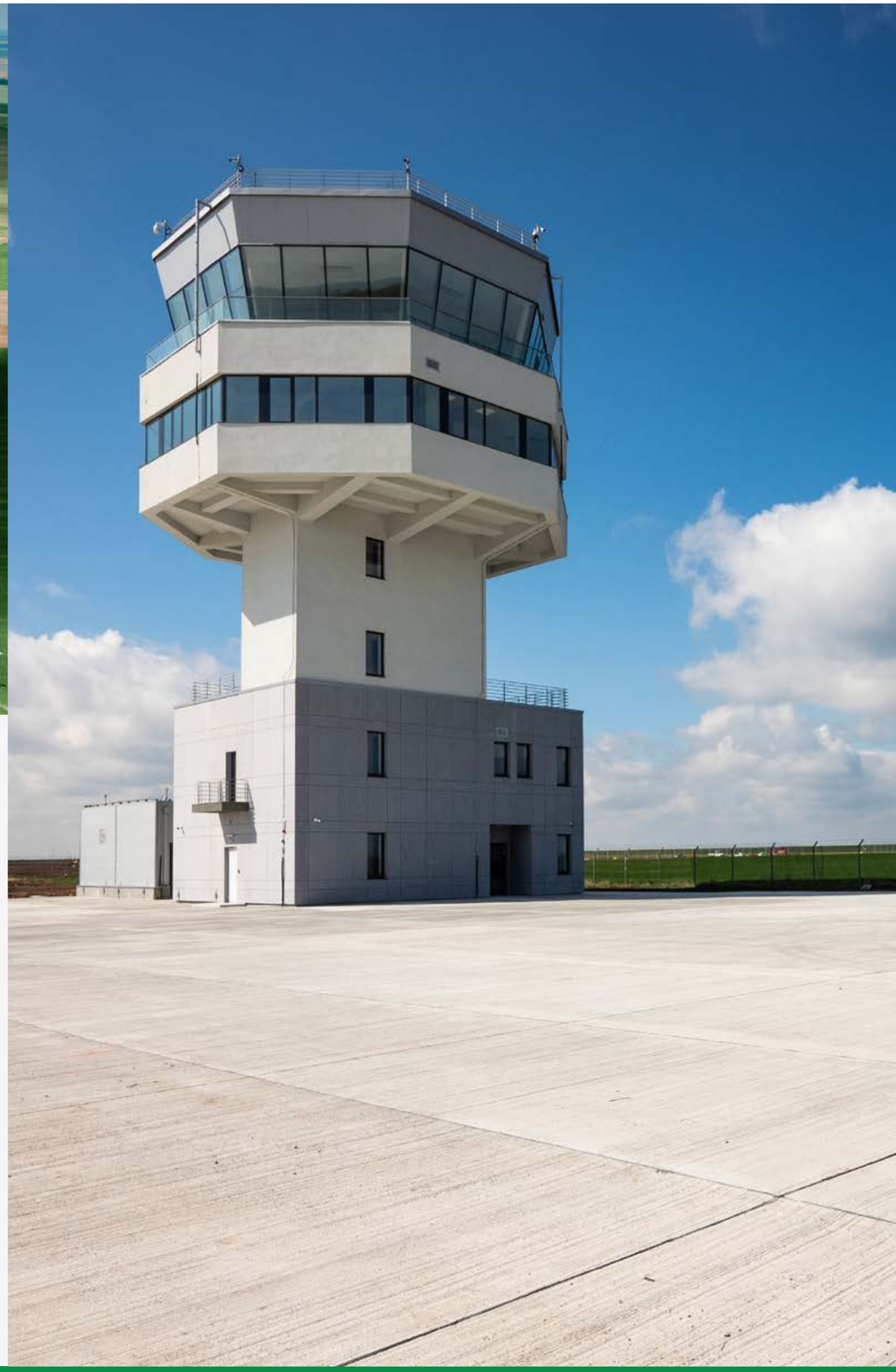
Delivered in 2024

LOCATION	Eroii Revolutiei Square, Bucharest
SURFACE	2,039 sqm
EXECUTION	2023-2024
DURATION	10 months

Tuzla Airport

Delivered in 2024

LOCATION	Tuzla, Constanta
SURFACE	60,420 sqm
EXECUTION	2022-2024
DURATION	13 months



Sibiu Airport

Delivered in 2024

LOCATION	Sibiu
SURFACE	22,400 sqm
EXECUTION	2022-2024
DURATION	19 months

Grant Bridge

Delivered in 2024

LOCATION	Grant Suspended Overpass, Bucharest
LENGHT	1404 m
EXECUTION	2023-2024
DURATION	18 months

Satu Mare Airport – New Terminal

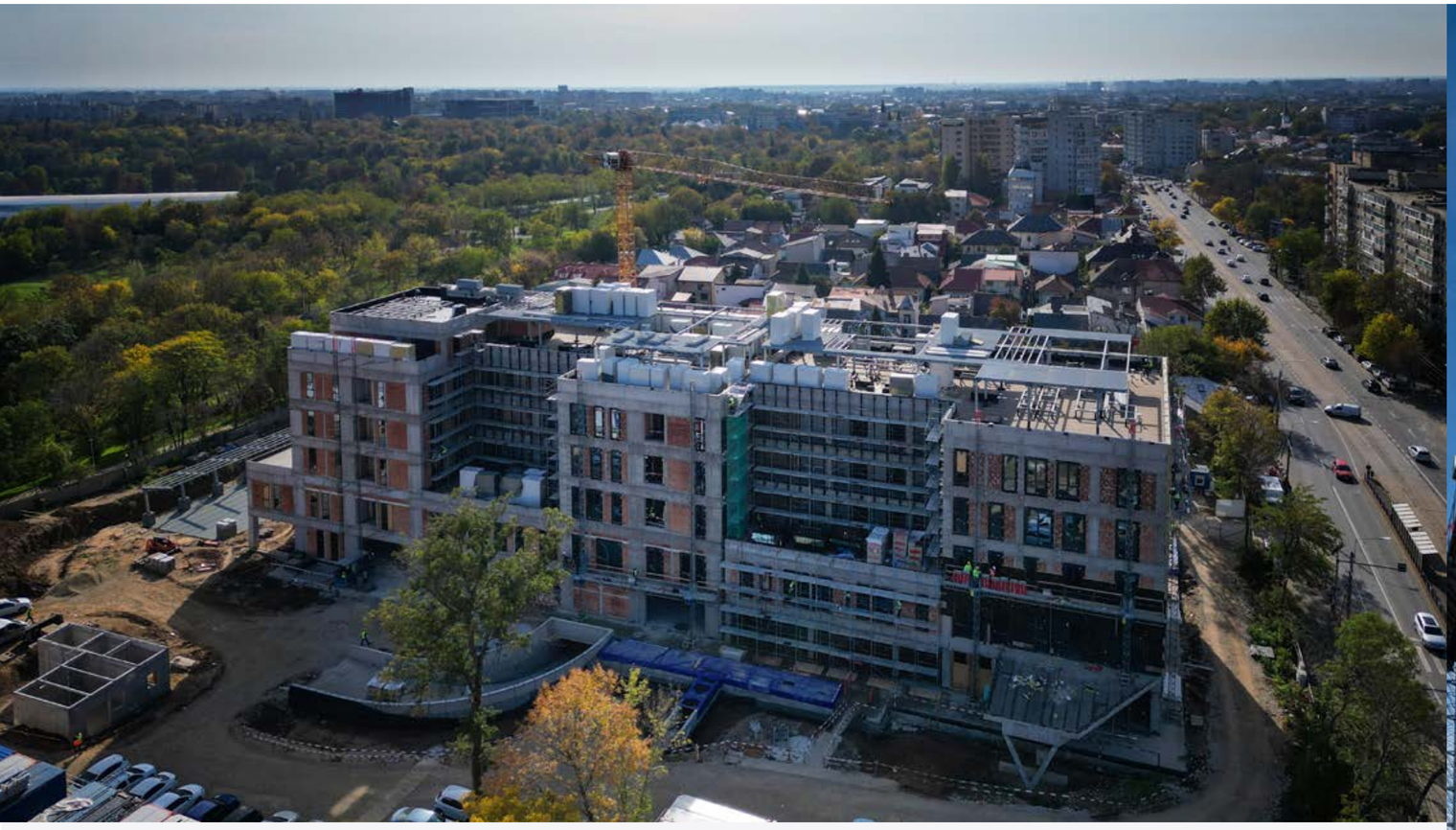
Delivered in 2024

LOCATION	Zalau 9.5 km, Satu Mare
SURFACE	22,400 sqm
EXECUTION	2023-2024
DURATION	19 months

Sinaia Hospital

Ongoing in 2024

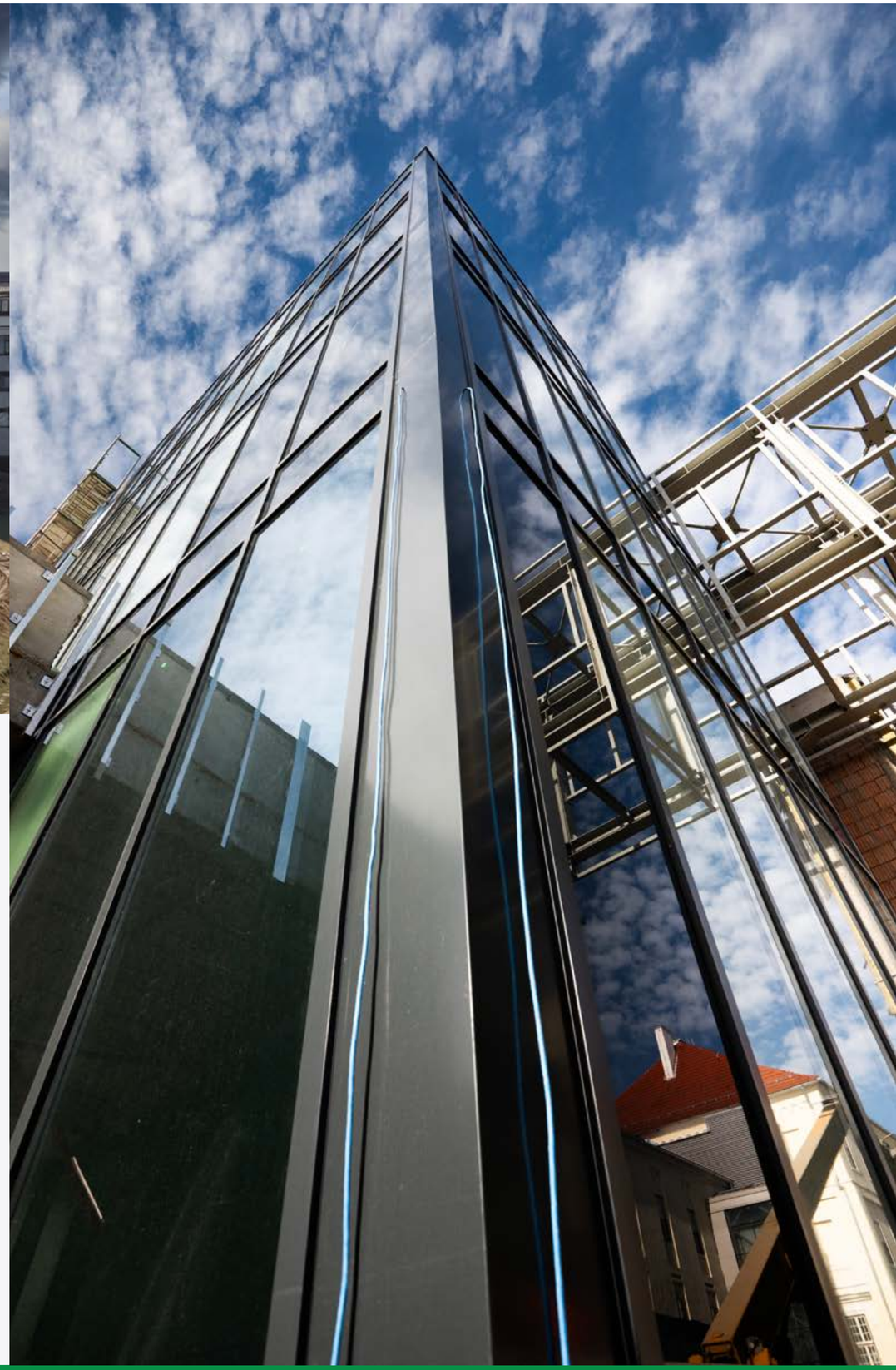
LOCATION	2 Spitalului street, Sinaia, 106100
SURFACE	8,632 sqm
EXECUTION	2020 - 2025
DURATION	28 months



Tuberculosis Diagnostic, Treatment And Research Center – Marius Nasta

Ongoing in 2024

LOCATION	189 Șerban Vodă Road, București
SURFACE	15,743 sqm
EXECUTION	2024 - 2025
DURATION	10 months



Military Hospital Politrauma Sibiu

Ongoing in 2024

LOCATION	155 Calea Dumbravii Street, Sibiu
SURFACE	19,573 sqm
EXECUTION	2023 - 2025
DURATION	24 months

Sf. Ioan Maternity Hospital

Ongoing in 2024

LOCATION	13 Vitan-Bârzești Road, Bucuresti
SURFACE	14,055 sqm
EXECUTION	2024-2026
DURATION	26 months

Satu Mare Airport – Existing Terminal

Ongoing in 2024

LOCATION	Zalau 9.5 km, Satu Mare
SURFACE	22,400 sqm
EXECUTION	2023-2024
DURATION	13 months

Tissue Bank – Colentina Hospital

Ongoing in 2024

LOCATION	21 Stefan cel Mare Street, Bucharest
SURFACE	1,500 sqm
EXECUTION	2024 - 2026
DURATION	24 months

Foundation

Bog'Art - The Holding's Core Business

As the flagship company, Bog'Art continues to generate approximately three-quarters of the holding's total turnover, reaffirming its central role within a diversified portfolio that spans general contracting, real estate development, manufacturing, building and facility management, façade systems, and more.

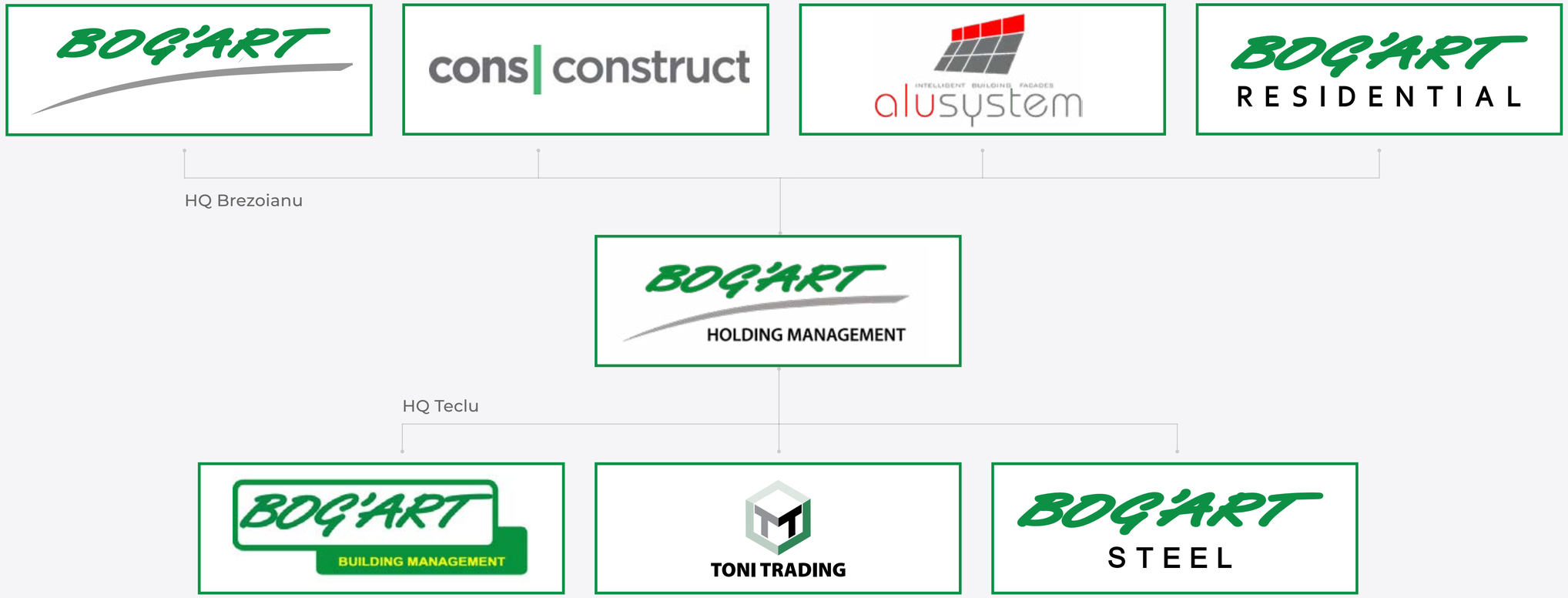
Over the years, the group has earned a reputation as a top destination for industry talent. In 2024, this remains one of its defining strengths. Bog'Art has cultivated a high-performing team of seasoned professionals whose expertise, integrity, and collaborative spirit continue to drive excellence across all areas of operation. This people-first culture remains a key pillar of the group's long-term success.

Strategic decisions are initiated through Extraordinary and Special General Meetings and are overseen by a Board of Directors that includes both executive and non-executive members.

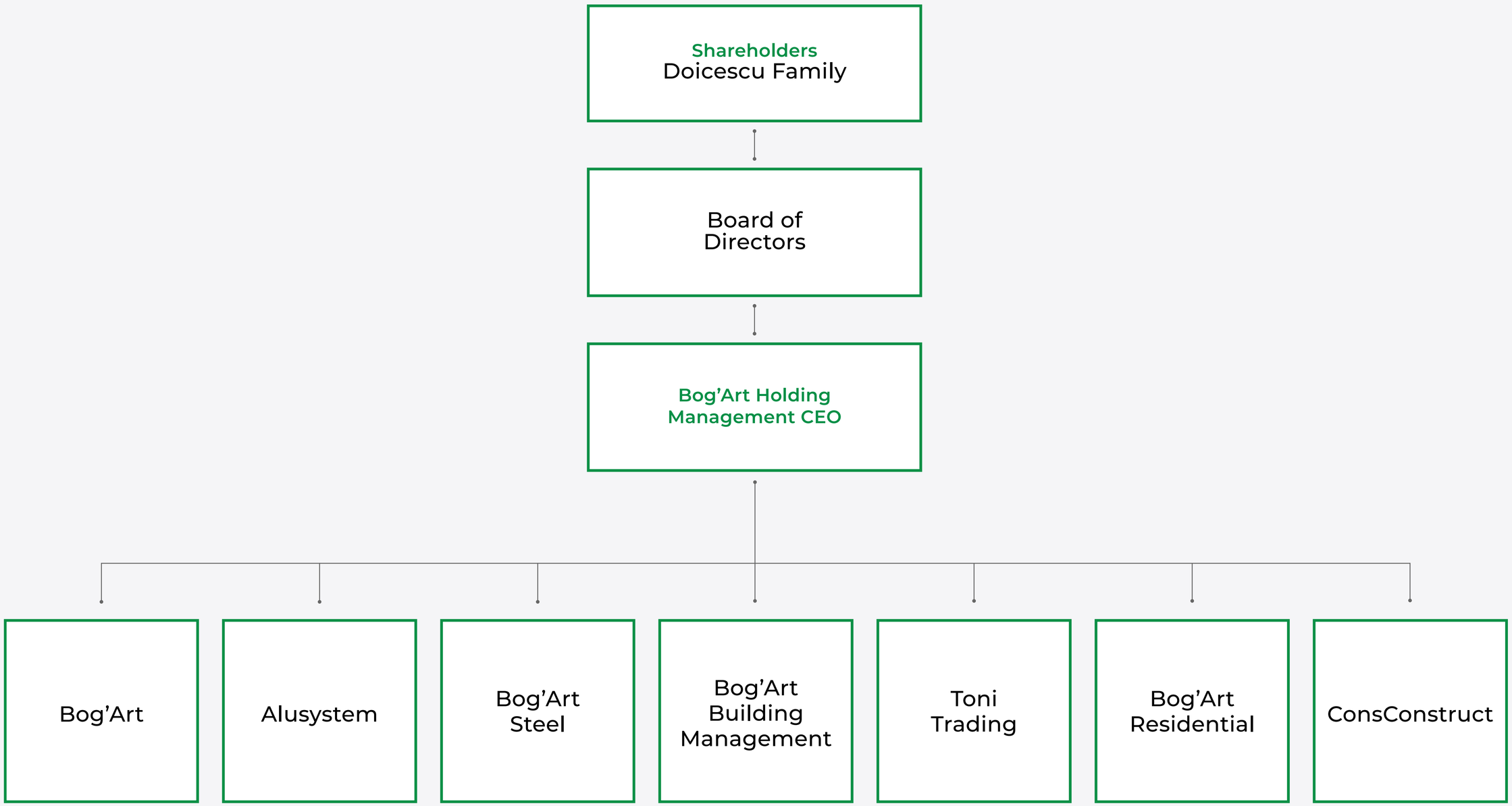
Bog'Art Holding is governed by a balanced and forward-looking Board of Directors composed of family members, independent directors (representing one-third of the board), and a mix of executive and non-executive leaders — all committed to maintaining a fair gender balance and upholding strong governance principles.

While Bog'Art Holding has its roots as a family business, its governance structure reflects the scale and complexity of a modern, professionally managed organization. Corporate governance frameworks — including robust policies, processes, and operating systems — ensure that the group's diverse business units are managed effectively and responsibly.

At the operational level, Bog'Art is led by CEO Sorin Greu, who works alongside a seasoned leadership team. This team, many of whom bring nearly two decades of industry experience, exemplifies the group's commitment to expertise, stability, and inclusive leadership — with women representing 40% of senior roles.



Group Governance Structure



Rules shape us before we shape the world

At Bog'Art, governance is more than a system — it's a mindset that drives how we operate, make decisions, and build trust across all levels of our organization. While our origins are rooted in entrepreneurship and family tradition, our growth has been shaped by a modern, transparent governance model designed to scale responsibly and deliver lasting value.

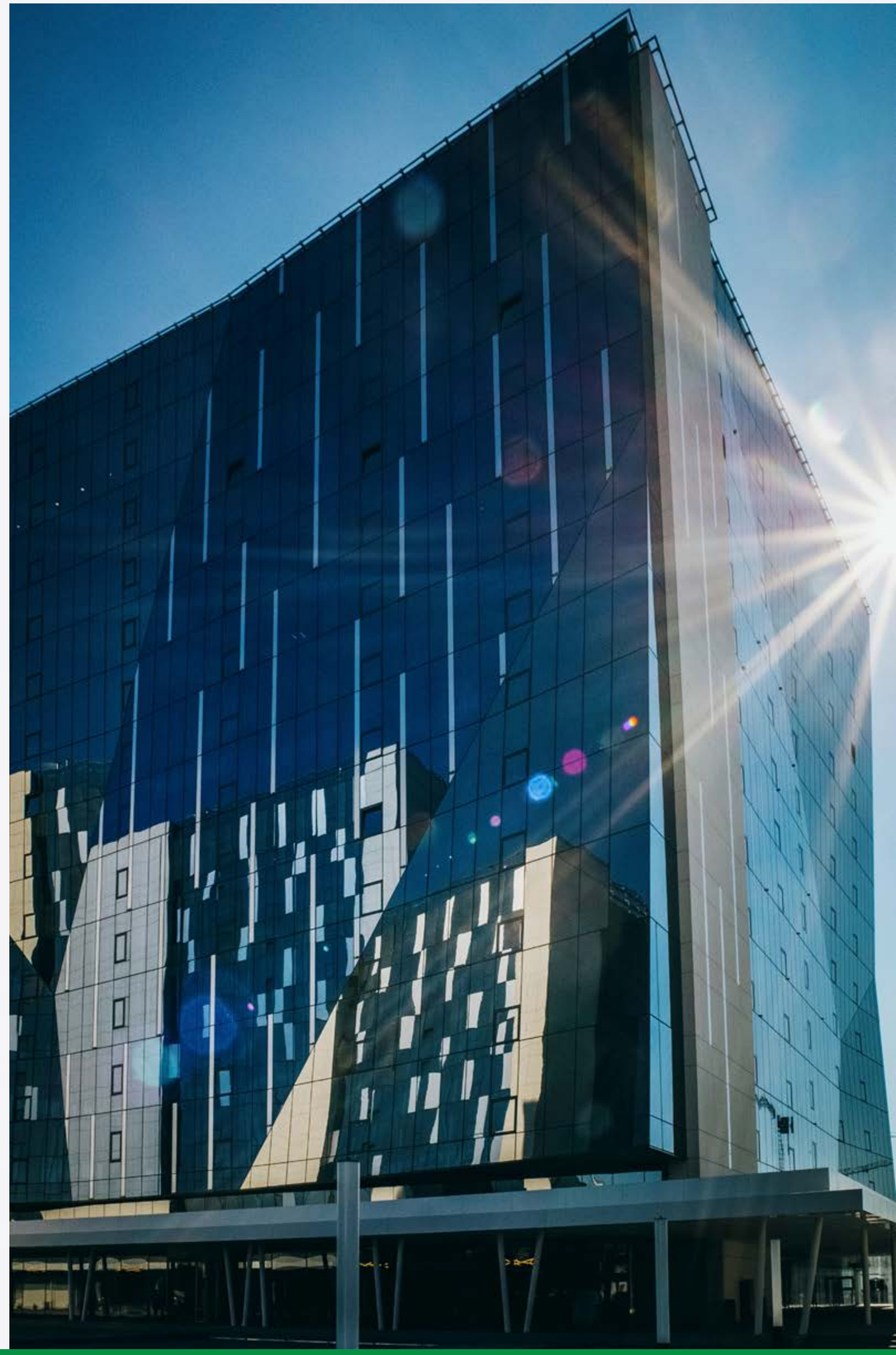
Our governance framework supports clear accountability, strategic oversight, and ethical business practices. It is built to serve a wide network of stakeholders — from shareholders and business partners to employees and the communities impacted by our work. Day-to-day operations are guided by structured policies that address everything from procurement and investment to data protection, conflict of interest, and risk. These include:

- Ethical and confidentiality codes
- Conflict of interest and acquisition procedures and politics
- Risk and investment policies
- Transfer pricing and cybersecurity protocols
- KYC, AML, and GDPR compliance
- ESG-aligned practices and internal controls

Strategic decisions are taken through a clearly defined hierarchy, starting with shareholder meetings and continuing through a well-composed Board of Directors. The Board meets monthly to review financial and operational updates, assess risk exposure, and evaluate new opportunities. A mix of family members, independent experts, and executive leaders ensures a diversity of perspective and a balanced approach to oversight.

Each year, we revisit and adjust our financial and performance targets through a structured budgeting process, incorporating both quantitative and qualitative indicators. Progress is monitored through monthly reporting, providing a dynamic view of actual performance against forecast and long-term objectives.

Ultimately, our governance approach reinforces what we believe in — accountability, transparency, and a long-term vision for responsible growth.



BOGDAN DOICESCU
Group CEO & Executive Member

RAUL DOICESCU
Founder & President

EUSEBIU TILEA
Independent Member

The Board is composed of seven permanent voting members, supported by regularly invited non-voting participants who contribute to strategic oversight and decision-making. Among these are Mrs. Greta Gutoi, Chief Financial Officer of the Holding; Mrs. Cristiana Botez, Controlling Director of the Holding; Mr. Sorin Greu, CEO of Bog'Art and minority shareholder; Mr. Mihai Piscan, Investment Director of the Holding; and Mrs. Mariana Broșteanu, Legal Director of the Holding and Board Secretary. The current composition reflects a strong commitment to balanced governance and inclusive leadership, with three out of seven permanent members being women.

Digital Transformation as a Governance Lever Catalyst for ESG Integration

In 2024, Bog'Art continued to advance its strategic commitment to sustainability, operational excellence, and stakeholder trust through a targeted digital transformation program. This effort is designed to modernize key business functions while reinforcing our ESG performance across the value chain.

Ongoing investments in IT infrastructure, compliance systems, and enterprise platforms have contributed to enhanced energy efficiency, data security, employee well-being, and transparent governance.

Strengthening Infrastructure for Secure and Sustainable Operations

A key pillar of this transformation has been the enhancement of our cybersecurity framework, aimed at supporting secure, resilient growth. Through a full-scale Security Assessment and Penetration Testing initiative, supported by automated Patch Management, Bog'Art is actively reducing digital risk exposure while contributing to broader ESG outcomes by:

- Reducing exposure to cyberattacks that could compromisepersonal and environmental safety on construction sites.
- Mitigating financial and reputational risk, protecting shareholder value and public trust.
- Enabling secure remote access, which supports hybrid work models, reducing unnecessary commuting and lowering emissions.

The deployment of Patch Management, in particular, ensures consistent, energy-efficient operation across hundreds of endpoints, while also reducing manual workload — directly benefiting both environmental and social impact areas.

This ongoing digital evolution supports not only Bog'Art's operational resilience but also strengthens our ability to deliver sustainable, secure, and future-ready construction solutions.

ERP and HR Systems: Digitally Empowering Governance and People

Bog'Art's transition to upgraded Enterprise Resource Planning (ERP) and Human Capital Management (HCM) systems represents a significant investment in operational efficiency, with clear ESG-aligned benefits. These upgrades are not only transforming how we manage our business but also enhancing transparency, sustainability, and stakeholder experience.

The ERP upgrade modernizes core functions such as financial reporting, project accounting, procurement, and banking integration, resulting in:

- Paperless workflows through digital invoice management, significantly reducing paper consumption and waste generation.
- Automated compliance controls, strengthening governance frameworks and ensuring audit readiness.
- Integrated banking systems, improving payment accuracy, reducing processing time, and enhancing supplier relations — a key contributor to social responsibility and trust across the value chain.

These digital tools contribute directly to Bog'Art's ESG ambitions by reinforcing data integrity, minimizing resource consumption, and enabling a more transparent and accountable operating environment.

Human Capital Management: Driving Inclusion, Efficiency, and Engagement

The upgraded Human Capital Management (HCM) platform introduces advanced employee self-service capabilities, automated onboarding processes, and fully digitized payroll systems.

These improvements support a more connected and empowered workforce, delivering meaningful outcomes across the social dimension of ESG:

- **Improved employee experience** through greater transparency and individual control over employment data.
- **Streamlined HR administration,** reducing manual workloads and enabling a shift toward strategic workforce planning.
- **Equitable access** to HR services, ensuring consistent experiences for all employees, regardless of their role or location.

This technology investment is more than a productivity tool — it fosters a modern, inclusive, and human-centered work culture that reflects our ongoing commitment to people, performance, and progress.

Governance and Regulatory Technology: Turning Compliance into Competitive Strength

Bog'Art's continued investment in data governance — including GDPR compliance tools and policy orchestration platforms — reflects a strategic commitment to digital trust and responsible data management. These enterprise-grade systems strengthen our governance infrastructure and support a proactive, future-ready approach to regulatory alignment.

Key outcomes include:

- **Enhanced data privacy and protection**, reinforcing stakeholder trust and confidence.
- **Improved auditability and operational transparency**, essential for investors, regulators, and business partners.
- **Centralized policy control**, ensuring consistent alignment with evolving national and European legal standards.

By institutionalizing governance processes through secure and scalable technologies, Bog'Art not only mitigates legal and reputational risk but also strengthens its position as a responsible, trusted player in the built environment.

The Benefits of our Digital Investments in the Context of ESG

Bog'Art's digital transformation strategy is not only a technological evolution — it is a long-term investment in sustainability, resilience, and value creation. While these initiatives represent a significant operational expenditure, their return is multidimensional and deeply aligned with our ESG ambitions.

From an ESG perspective, the measurable benefits include:

- **Environmental:** Reduced reliance on physical resources such as paper and energy; lower emissions through digital collaboration and remote monitoring.
- **Social:** Enhanced employee well-being, stronger data protection for all stakeholders, and more equitable access to digital tools and systems.
- **Governance:** Improved internal controls, reduced compliance risk, and fully traceable digital audit trails that reinforce transparency.

Beyond these impacts, the broader financial return — derived from greater operational efficiency, risk mitigation, and strengthened ESG positioning — directly supports Bog'Art's strategic vision: to build not only sustainable infrastructure, but a sustainable and future-ready enterprise.

Operational Excellence through Construction Cloud

Bog'Art's adoption of Construction Cloud (ACC) marks a strategic step toward smarter, more sustainable construction. By centralizing project data and enabling real-time collaboration from design through execution, ACC helps eliminate errors, reduce rework, and streamline decision-making — delivering both ESG impact and operational gains.

Operational Impact
ACC provides a unified platform where architects, engineers, and site teams work from a single source of truth. Integrated BIM models, real-time project tracking, and cloud-based coordination improve predictability in cost, timeline, and safety — particularly critical in large-scale urban and infrastructure developments. Automated clash detection and digital workflows reduce delays, improve site safety, and optimize resource allocation. This ensures consistent quality and performance across all projects, while minimizing the need for carbon-intensive site visits.

ESG Contribution
From an environmental standpoint, ACC supports carbon reduction through tools like the Embodied Carbon in Construction Calculator (EC3) and helps minimize material waste through precision planning. Its robust documentation tools facilitate alignment with LEED, BREEAM, and other green building certifications. On the governance side, ACC strengthens accountability and transparency by centralizing project data and ensuring that all stakeholders operate from verified, real-time information.

Commitment to ESG Beyond Compliance: Navigating the New EU Simplified Omnibus Package

Regulatory Context: The Revised EU ESG Reporting Framework
In 2025, the European Union introduced the **Simplified Omnibus Package**, a significant revision to the implementation of the Corporate Sustainability Reporting Directive (CSRD). This update responds to widespread feedback from businesses and stakeholders across Europe, aiming to ease compliance obligations for smaller companies while keeping the broader strategic vision of a greener, more transparent economy intact.

Under the revised framework, mandatory ESG reporting does not apply to Bog'Art for the 2024 financial year; nevertheless, we have chosen to report in advance as part of our internal green strategy and long-term commitment to sustainability This shift in policy reflects a more proportionate approach to sustainability reporting, reducing the immediate administrative burden for mid-sized enterprises while reinforcing long-term alignment with the EU's climate and social goals.

Our Position: Voluntary Leadership in Sustainability
While Bog'Art falls outside the mandatory scope of the updated EU thresholds, we remain firmly committed to advancing ESG principles voluntarily. Building on the foundations set in our 2023 ESG Report, we continue to:

- Pursue a clear carbon reduction pathway, emphasizing material efficiency and low-impact construction methods.
- Ensure transparency and accountability in our environmental, social, and governance reporting, exceeding regulatory requirements.
- Align our climate and resource efficiency efforts with the EU Green Deal and leading industry standards.

This proactive approach reflects our belief that sustainability is integral to long-term business resilience and value creation.

Digital Transformation & Integrated Governance
As part of our strategic growth, Bog'Art is driving a comprehensive digital transformation across all operations, which includes:

- Implementing a unified governance framework throughout the group to ensure consistent policies, procedures, and risk management practices.
- Investing in modern, interoperable IT infrastructure that enhances data accuracy, compliance tracking, and operational efficiency.
- Digitally integrating procurement, HR, finance, and site management systems to increase accountability, reduce paper consumption, and strengthen stakeholder engagement.

Looking Forward: ESG as a Strategic Value Driver
At Bog'Art, ESG is not merely a regulatory requirement—it is a fundamental pillar of long-term value creation for our clients, employees, partners, local communities, and future generations. Our voluntary commitment to sustainability, beyond regulatory mandates, reflects our core values and strategic vision.

We remain dedicated to responsible growth, technological innovation, and leading the way toward a future-ready, low-carbon civil construction sector.

ESG Governance: From Group-Wide Policies to Individual Application

In line with the strategic vision of Bog'Art Holding Management, 2024 saw the formal adoption and rollout of a unified corporate governance and ESG framework across all entities within the Bog'Art Group. This significant milestone goes beyond structural alignment, it reaffirms our steadfast commitment to transparency, accountability, and sustainable value creation.

Building on the foundation set in our 2023 ESG report, Bog'Art has developed and continuously enhanced a comprehensive suite of policies that embody our dedication to environmental stewardship, social equity, ethical business practices, and robust governance. Grounded in international best practices and compliant with local regulations, these policies are consistently applied throughout our operations—from initial project planning to construction and long-term facility management.

A Policy-Centric Approach to Responsible Operations

Our integrated governance framework encompasses every core function, supported by formal, auditable procedures. Key focus areas include:

Environmental Policy

Endorsed by our CEO and led by Head of Sustainability Bogdan Doicescu, this policy drives our continuous efforts to reduce emissions and optimize resource use.

Social Responsibility

Comprehensive HR policies address health and safety, equality, training, ethical labor practices, and employee representation through collective bargaining.

Ethical Conduct

Our Code of Ethics, anti-corruption measures, and whistleblower protections ensure consistent ethical standards across all departments.

Governance and Compliance

Detailed policies cover procurement, anti-money laundering (AML), GDPR, finance, IT security, legal affairs, and internal controls, aligning risk management with our ESG goals.

Below is a comprehensive summary of the key policy areas implemented throughout the Bog'Art Group, reflecting our commitment to robust governance, sustainability, and ethical operations:

Corporate Governance & Administrative Integrity

This domain establishes the ethical backbone of our organization's internal operations, encompassing:

- Corporate Governance Framework: Clearly defines leadership roles, responsibilities, and oversight to ensure transparency and accountability.
- Conflict of Interest Avoidance Policy: Prevents bias in decision-making and upholds impartiality at all levels.
- Anti-Fraud & Misconduct Policy: Proactively deters unethical or illegal behavior and outlines procedures for addressing violations.
- Communication Governance Policy: Sets formal standards for internal reporting, decision-making, and transparency.
- Code of Ethics and Conduct: Cultivates professionalism and moral responsibility throughout the company.
- Secretariat Functioning Procedures: Guarantees consistency and regulatory compliance in organizational documentation.
- Violation Response Protocol: Details the steps for managing breaches of internal policies.

Anti-Money Laundering & Data Privacy (AML & GDPR)

To uphold the highest standards of financial integrity and data security, Bog'Art implements comprehensive frameworks covering:

- Anti-Money Laundering (AML) and Counter-Terrorism Compliance
- Risk-Based Know Your Customer (KYC) Procedures
- Client Onboarding and Due Diligence Protocols
- Employee Data Protection Policies
- Cookie and Privacy Policies for Digital Platforms
- Internal Data Privacy Statements and Consent Management
- GDPR Incident Response and Subject Access Request Procedures

These robust measures safeguard our clients, employees, and partners, ensuring full alignment with EU regulations and exemplifying Bog'Art's governance leadership in responsible data management.

Internal Control & Audit

A robust control environment is essential to effectively manage operational and financial risks. Our internal control framework comprises:

- Internal Control Policy and Organisational Model
- Annual Audit Planning and Scheduling
- Standardised Audit Reporting for Executive Oversight

These elements ensure continuous performance monitoring, compliance verification, and early detection of potential risks, reinforcing Bog'Art's commitment to operational excellence and accountability.

Finance & Treasury Management

Our finance policies establish disciplined fiscal governance, ensuring accountability to all financial stakeholders. Key policies include:

- Vehicle Use and Allocation
- Treasury and Payment Operations (with clear max deadlines for bills payments)
- Intercompany Loans and Shareholder Financing
- Corporate Credit Card Usage
- Formal Budgeting Procedures
- Debt Recovery, Asset Disposal, and Capitalisation
- Document Archiving and Justification
- Financial Investments

We are committed to timely and transparent supplier payments, strengthening fair and reliable relationships throughout our supply chain.

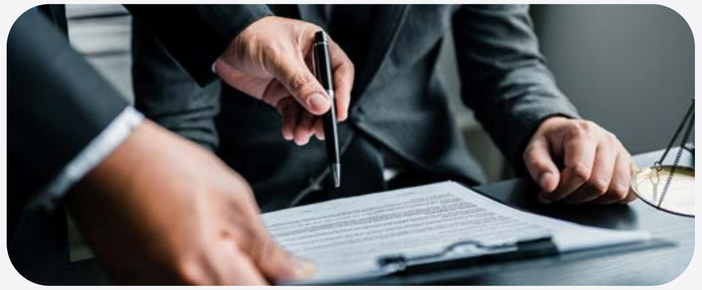
IT Governance & Cybersecurity

Understanding the vital role of secure and digitally-enabled operations, we uphold a range of policies such as:

- Clean Desk & Screen Policy
- Remote Access Security Protocol
- Incident Management & Escalation Procedures
- Operations and Communications Security Policy
- IT Resource Management Standards
- Data Security and Third-Party Cyber Risk Policies

These measures safeguard our critical infrastructure, facilitate hybrid work models, and promote paperless processes—supporting both our environmental (ESG-E) and governance (ESG-G) objectives.

Legal Governance

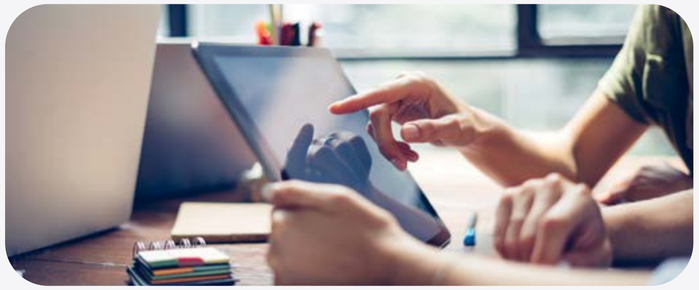


Our legal compliance and contract management activities are guided by:

- Legal Department Operational Procedure

This policy ensures that all contracts, claims, disputes, and legal consultations are managed under a documented, internally coherent standard of practice.

Marketing, Brand & Communication Integrity



We protect our reputation and strengthen customer relationships through clear policies, including:

- Marketing and Communications Policy
- Client Feedback and Complaint Management Procedure

These protocols guarantee brand consistency, ensure timely stakeholder responsiveness, and uphold transparency in all communications.

Environmental Strategy

Led by Bogdan Doicescu, our environmental policies embed ESG-E principles throughout every project:

- CEO-Level Environmental Commitment Statement
- Environmental Objectives Implementation Procedure

Together, these documents underpin our voluntary carbon-reduction strategy and ensure ongoing alignment with the EU Green Deal's sustainability goals, beyond mere regulatory compliance.

Human Capital and Social Policy Framework

Our comprehensive HR policy suite fosters a culture grounded in inclusion, meritocracy, and employee well-being. Key components include:

- Internal Code of Conduct
- Compensation and Benefits Policy
- Business Travel Guidelines
- Professional Training and Skills Development
- Workplace Health & Safety Policy
- Talent Management Roadmap
- Vacation and Leave Planning Procedures
- KPI Alignment by Role Policy
- Complaint handling policies (whistleblowing procedure and anonymous complaints)
- Anti-Harassment and Respect in the Workplace Guidelines
- Recruitment, Onboarding, and Exit Frameworks
- Human rights, Diversion and Inclusion Policy

We actively support employee representation in collective labor negotiations, demonstrating our commitment to social dialogue and shared responsibility.

At Bog'Art, policies go beyond compliance; they form the operational DNA of a responsible, resilient business. Each domain builds a culture of trust, discipline, and impact, enabling Bog'Art to excel as both a civil construction leader and a model for sustainable enterprise in Romania and beyond.

By embedding this integrated policy system across the group, we empower our teams, safeguard stakeholder interests, and advance toward long-term ESG excellence.

Compliance Record and Incident Summary

0

fines by authorities for any of the following topics: anti-coruption, diversity, human rights

0

incidents were reported for conflict of interest

0

fines for discrimination

€400

low level environmental fines for minor non-compliances. All necessary measures were taken afterwards to make these isolated cases.

All policies undergo an annual review to ensure they remain relevant and responsive to evolving regulations and stakeholder expectations.

Operational Integration and Digital Governance

ESG principles are fully embedded throughout our project lifecycle, ensuring sustainability and ethical standards guide every phase—from initial design to final execution. Our unified IT and data governance system supports secure digital workflows, GDPR-compliant data management, and seamless coordination across HR, IT, Legal, Marketing, and Finance departments.

Transparency, Ethics, and Stakeholder Confidence

Transparency remains a cornerstone of our approach. We publish an annual sustainability report aligned with Global Reporting Initiative (GRI) standards, providing stakeholders with an honest account of both our successes and areas for improvement. Ethics continue to drive our performance, supported by strengthened policies and internal ESG risk assessments that ensure integrity and accountability at all levels of decision-making.

Beyond Regulatory Thresholds: Voluntary Excellence

While Bog'Art does not currently meet the mandatory reporting thresholds under the 2025 EU Simplified Omnibus Package, we choose to uphold rigorous ESG standards voluntarily. Our commitment is values-driven, reflecting our dedication to ethical and equitable governance. We also reaffirm our status as a non-political organization, focused on responsible and transparent management in all aspects of our operations.

Comprehensive Policy Landscape Overview

In 2024, Bog'Art fully adopted and implemented an integrated suite of policies across all corporate and project functions. These policies underpin our ESG governance framework, ensuring that every part of our organization actively contributes to ethical conduct, legal compliance, risk management, and the building of stakeholder trust.

Fabric

Bog’Art’s organizational strength lies in its people—committed professionals who uphold a culture of excellence, accountability, and resilience. Looking ahead we remain committed to nurturing a workplace that inspires, supports, and drives sustainable success for employees, our partners, and society at large.

Our Team

At the heart of Bog'Art is a cohesive, high-performing team of seasoned professionals — many of whom have been with us for decades. Their deep expertise, loyalty, and shared commitment form the backbone of our company.

Together, they bring passion, precision, and innovation to every project, staying closely aligned with client needs while anticipating market shifts. This dedication fuels our ability to deliver efficient, forward-thinking solutions that exceed expectations.

Our culture of collaboration transforms challenges into opportunities for growth and innovation. By combining diverse perspectives with mutual respect, we ensure each project is executed with care, consistency, and attention to detail.

Below are the leaders behind our success—our management team, driving Bog'Art forward with passion and purpose.

Bog'Art's track record of delivering complex, large-scale projects on time and within budget is a direct reflection of our team's collective strength. Their integrity, drive, and talent continue to push the boundaries of what's possible in construction — setting new standards for responsibility, reliability, and excellence.

Our organizational model is built around project-driven functions, centralized through key departments such as Project Management, Procurement, Sales, Finance, Operations, Quality, IT, Logistics, HR, and Legal. This structure fosters agility and empowers employees with autonomy in decision-making, encouraging active participation in projects and supporting both personal and professional growth.

By centralizing these core functions at the headquarters level, Bog'Art also benefits from operational synergies and improved resource efficiency — enhancing our ability to deliver sustainable value at scale.

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

Overview of Our Departments

Operational

Construction Operational

Production Units

Safety Work

Commercial

Constructon Bidding

Public Aquisitions

Procurement

Procurement

Contracting Insurance

Logistics

T&C Guarantees

Infrastructure

Infrastructure bidding

Sub Contracting

Cost & Contract Management

Project Management

Infrastructure Operational & Quality

Installations

MEP Bidding

Contracting MEP

Project Management MEP

Process Management & QA

Projects & Processes Management

Project Management

Cost & Contract Management

Planning

Fleet Management

Financial

Accounting

Internal Control

Quality

Quality

Warranty Work

Design

Design Management

Workforce

Workforce Management

Development & Marketing

Human Resources

Payroll

HR Administration

Bog’Art’s organizational structure is designed to enable clear decision-making, ensure strategic alignment, and foster a culture of sustainability and operational excellence.

Employment Metrics

A Workplace Built Around People

At Bog'Art, we believe that a company's strength lies not just in its structures or systems, but in the people who bring them to life. That's why we've built a workplace culture centered on respect, inclusion, and opportunity.

We don't view our employees simply as contributors — we see them as individuals with ambitions, ideas, and unique strengths. Our role as an employer is to create an environment where they can thrive. From fair and transparent employment practices to clear growth pathways, we strive to ensure that everyone at Bog'Art feels valued, supported, and empowered to grow — both professionally and personally.

This people-first mindset is reflected in everything we do: from how we recruit and retain talent, to how we recognize performance, ensure well-being, and listen to feedback. As we continue to grow and transform as a company, our people remain at the center of that journey — not only as drivers of progress but as the reason for it.

Gender Equality and Pay Structure

Gender Distribution and Leadership

In 2024, Bog'Art remained firm in its commitment to gender equality, reaffirming its full trust in the balance of women management. The overall percentage of women across the organization in mid management and senior positions increased, building on the foundation laid in previous years and also remained more balanced than the industry averages. In 2023, Bog'Art had already made substantial strides in promoting gender balance, as evidenced by a comprehensive analysis of gender distribution across various hierarchical tiers. In this period Bog'Art gave its fully trust into a three times higher female representation of its employees vs the EU sector average.

Top Management

Maintained a stable and balanced composition in 2024, with 33% female leaders (5 individuals) and 67% male leaders (10 individuals), reflecting continuity and the organization's ongoing commitment to a diverse and consistent leadership structure.

Senior Positions

In 2024, the representation of women in senior positions remained adequate, with females comprising 12 individuals compared to 9 individuals in 2023, while male new employees were raised by only 2 individuals in 2024. This positive shift underscores Bog'Art's continued progress in strengthening gender balance within its senior management structure. Overall, in 2024, 60% of the newly added senior positions were women.

Mid-Management

In 2024, mid-management roles continued to reflect a strong commitment to gender balance, with a slight increase in female representation. The team now comprises 55% women (6 individuals) and 45% men (5 individuals), building on the full parity achieved in 2023 and highlighting ongoing progress in fostering inclusive leadership at this level.

All Employees

In 2024, Bog'Art maintained a strong gender balance across its workforce, with a total of 249 men (up from 240 in 2023) and 103 women (slightly down from 104). While the overall headcount increased, the gender distribution remained steady, reflecting the company's consistent focus on inclusivity and its ongoing efforts to sustain a diverse and representative organizational culture.

The 2024 data highlights Bog'Art's continued and strengthened commitment to advancing gender equity, with tangible progress reflected in the growing proportion of women across the organization—affirming that inclusivity remains a core priority embedded at every level of the company.

Category	2024 Men	2024 Women	2023 Men	2023 Women
Top management	67%	33%	67%	33%
Senior Positions	61%	39%	66%	34%
Mid- Management	45%	55%	50%	50%
All Employees	71%	29%	70%	30%

Other employee metrics:

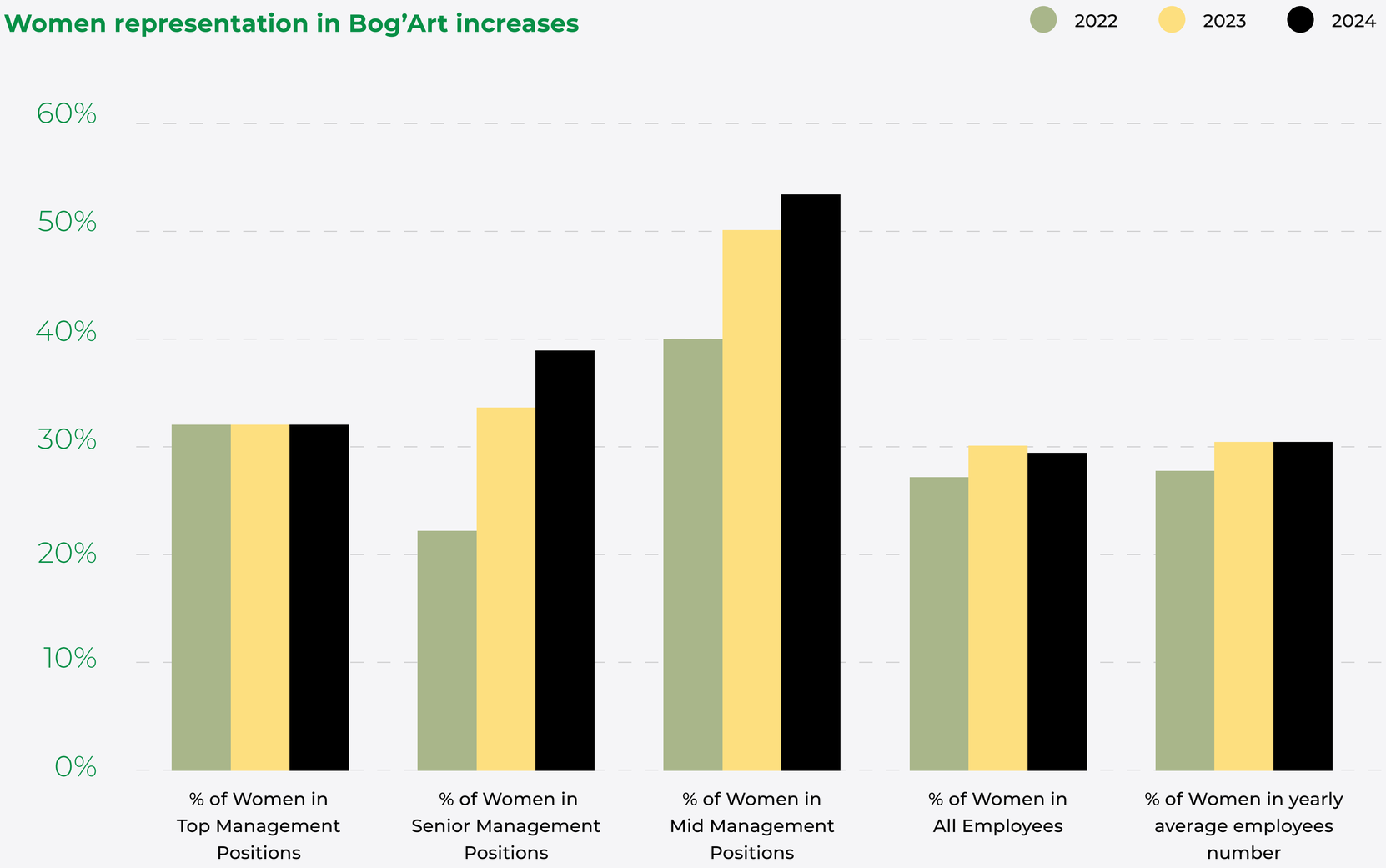
Bog'Art ensures salary equity, with no reported difference in hourly wages between men and women, emphasizing fair compensation practices:

- **Gender Pay Gap:** In 2024, Bog'Art maintained its exemplary standard in pay equity, with the gender pay gap remaining at a marginally low single-digit level (3,9%) This continued parity reaffirms the organization's strong and sustained commitment to fair and equitable compensation across genders.
- **Total salary budget:** In 2024, the total salary budget for all employees was raised YoY by 15% to €15m.
- **Age and Experience:** In 2024, the average age of employees at Bog'Art has decreased to 45 years (from 46 in the previous report), indicating a gradual shift toward a younger workforce.
- **Safety and Health:** Still the safest place to be.The total number of work-related accidents and also the fatalities for BogArt employees was maintained for the second year in a row at zero, emphasizing a strong commitment to safety and health policies.
- **Diversity:** Bog'Art's workforce continues to reflect cultural diversity, with the inclusion of multiple nationalities enriching the organization's collaborative and inclusive environment. All individuals are respected and treated equally regardless of gender, race, religion, political views, sexual orientation or other person characteristics.
- **Development Opportunities:** The company actively promotes self-development, having increased its annual training allocation by 25% to an average of 25 hours per employee, alongside dedicated time for studying innovative solutions (80 hours/skilled employee)—demonstrating a strengthened commitment to continuous learning and professional growth.
- **Our professionals:** Bog'Art's distinction of having the most experienced team of Civil Construction Engineers, over 90% of our technical and administrative staff are university-educated, underscoring its commitment to professional excellence and technical leadership in the industry.
- **Financial metrics:** Bog'Art continues to set the benchmark for operational efficiency and financial performance in the construction sector, demonstrating exceptional productivity and profitability per capita. With a monthly net profit of 21,296 RON per employee—more than double the internally selected competitors—and a turnover per employee of 183,739 RON, significantly surpassing the peer benchmark for the last decade, Bog'Art affirms its position as a market leader in value creation and organizational performance.
- **Unified governance culture:** Bog'Art employees defined and assumed unitary government policies as they are implemented across all companies group acting similar to multinational companies

At Bog'Art, promoting gender equity and ensuring salary fairness are essential pillars of our social performance strategy. We are committed to creating a balanced, supportive work environment where every employee has equal access to opportunity, recognition, and growth.

By fostering a resilient and inclusive culture, we not only support the well-being and professional development of our people but also reinforce the integrity and cohesion of our organization. Our efforts toward equitable pay and gender representation go beyond compliance — they reflect our values and contribute to a stronger, more responsible presence in the construction industry. During 2023–2024, Bog'Art chose to sustain a women's representation of 30% and 29% in its workforce—around three times higher than the European Union construction sector average and nearly four times higher than the Central and Eastern Europe average, according to the European Labour Authority.

Women representation in Bog'Art increases



Work Environment and Employee Well-Being

At Bog'Art, our people are the foundation of everything we build. Our commitment to creating a safe, inclusive, and growth-oriented work environment remained central in 2024. From workplace safety and health, to professional development, diversity, and strategic HR, our approach has been consistently people-first. This chapter outlines our key initiatives and achievements.

Workplace Health and Safety

At Bog'Art, ensuring the health and safety of every team member is not just a regulatory obligation—it is a core value embedded in our culture. We treat safety as a shared responsibility and continuously invest in training, prevention, and wellbeing to create a secure, resilient, and inclusive workplace.

In 2024, we proudly maintained zero workplace incidents and no fatalities across all construction sites—an achievement reflecting our disciplined approach and strong organizational commitment to risk mitigation.

Safety Performance and Culture

We maintain a proactive, data-driven safety system grounded in prevention, accountability, and continuous improvement.

- Zero workplace incidents or fatalities recorded in 2024.
- Accident Frequency Rate (AFR) consistently remained well below the industry average.
- Safety is deeply embedded in company culture as a shared responsibility at every level.
- Our goal: every employee returns home safely, every day.

Safety Programs and Protocols

Our safety framework emphasizes rigorous onboarding, ongoing training, clear responsibilities, and continuous feedback.

- Mandatory safety onboarding and exit debriefings for all construction site personnel.
- Regular training sessions, including:
  - In-person workshops.
  - E-learning modules.
  - Safety drills and simulations.
- Appointment of site safety representatives in every project team.
- Active safety feedback systems to identify, report, and address risks early.
- High-quality protective equipment provided to all workers.

Incident Reporting and Root Cause Analysis

A key pillar of our safety strategy is learning from every deviation to improve future outcomes.

- Systematic incident reporting process for:
  - Accidents.
  - Near misses.
  - Unsafe conditions.
- Root-cause investigations used to identify underlying issues.
- Implementation of corrective and preventive actions across all levels.
- Transparent reporting supports accountability and continuous learning.

Monitoring, Compliance, and Audits

Ongoing assessment ensures that our practices remain current, effective, and compliant with evolving standards.

- Internal and external audits conducted regularly.
- Policies and procedures are:
  - Updated in line with national legislation and EU directives.
  - Aligned with best practices and industry benchmarks.
- Focus on preventive risk assessments rather than reactive measures.

Building a Safety-First Mindset

We believe a strong safety culture begins with people. In 2024, we strengthened our organization-wide mindset that empowers everyone to take ownership of workplace safety.

- Clear safety responsibilities defined for all roles.
- Open communication channels for reporting concerns without fear of reprisal.
- Positive reinforcement of safe behaviors.
- Reinforcement of safety through leadership visibility, toolbox talks, and daily site briefings

In 2024, Bog’Art reinforced its commitment to protecting its people by integrating health and safety into every operational layer—from boardroom decisions to job site execution. Through continuous education, rigorous protocols, and a culture of accountability, we achieved exceptional safety performance while preparing for the complex challenges of tomorrow’s built environment.

Employee Benefits, Representation, and Well-Being

Comprehensive Employee Benefits

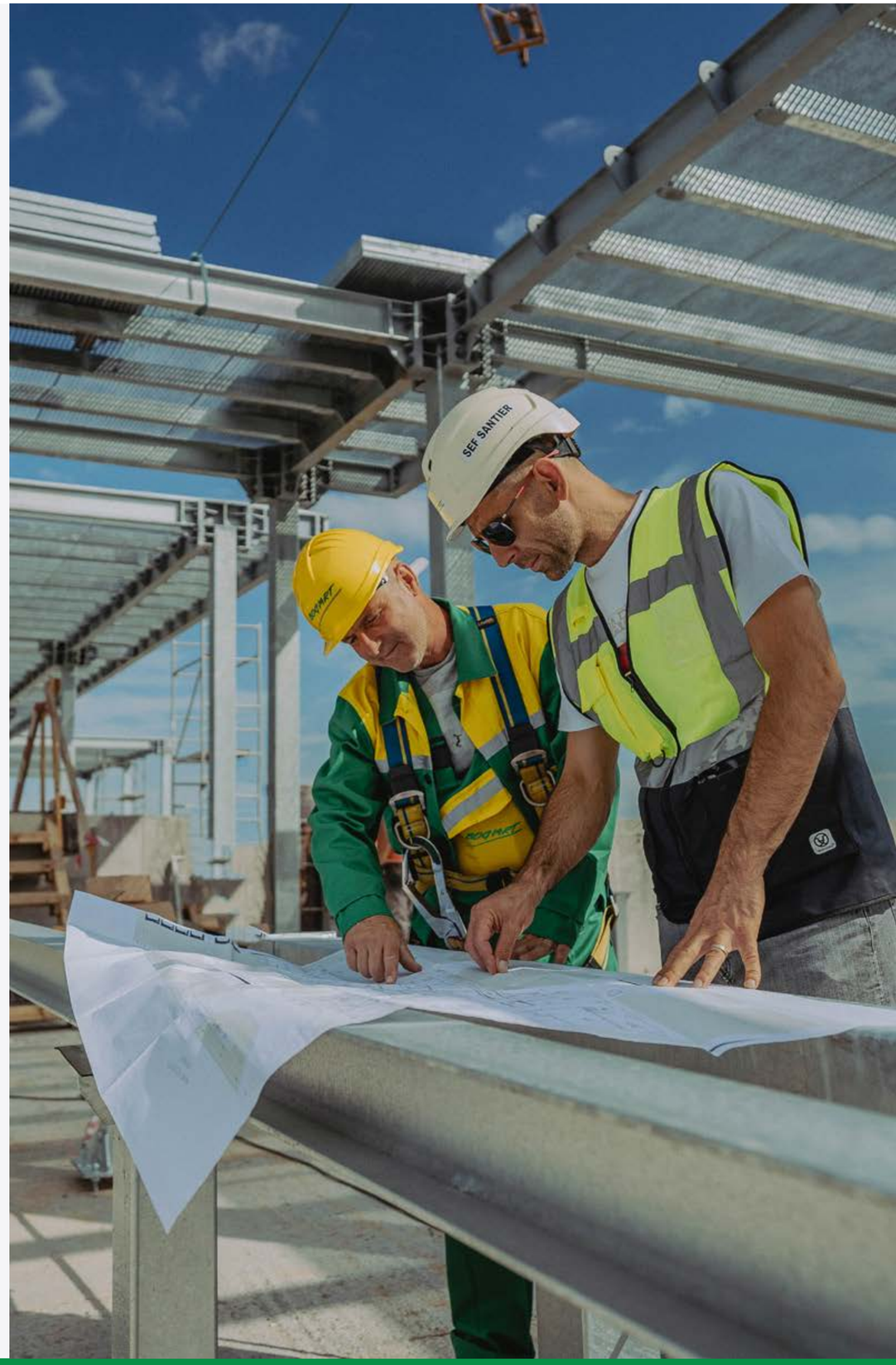
At Bog’Art, the well-being of our employees is a top priority. We offer a comprehensive benefits package that reflects our commitment to supporting our workforce, including:

Health Insurance

Our packages include wellness activities and mental health support to promote overall health and well-being.

Weekly Massage Sessions

To support physical health and reduce workplace stress, employees enjoy a weekly chair massage right at the office. This thoughtful initiative helps relieve tension, improve circulation, and boost overall comfort and productivity.



Employee Involvement and Representation

Employees have an active role in decision making processes through election of three representatives in the Employee representation comittee. These representatives are appointed annually, ensuring equitable and periodic rotation. who ensure that rights and obligations are fairly considered. These representatives are appointed for fixed terms, ensuring equitable and periodic rotation

People First: Driving Growth and Excellence

In 2024, despite the removal of several fiscal incentives affecting the construction sector, Bog'Art made the strategic choice to maintain stable salaries for its workforce.

This decision reinforced our commitment to:

◊ Employee well-being and financial security.

◊ Retaining talent in a competitive labor market.

Our focus on people enabled us to:

◊ Tackle increasingly complex infrastructure projects.

◊ Deliver quality outcomes nationwide.

◊ Strengthen our role as a responsible and innovative employer.

Through these sustained and enhanced efforts in 2024, Bog'Art solidified its position as a leader in creating a safe, inclusive, and healthy work environment—laying a strong foundation for continued success and responsible growth.

Diversity and Inclusion

At Bog'Art, we are committed to cultivating a diverse, inclusive, and respectful workplace—one that reflects the global nature of the construction industry and the communities we serve. We believe that diversity is more than a value; it is a strategic advantage that enhances creativity, strengthens decision-making, and increases operational flexibility.

In 2024, our multicultural workforce continued to grow, comprising professionals from countries such as Moldova, Jordan, and Vietnam. We also proudly collaborated with over 400 skilled workers from Vietnam, whose contributions significantly enriched our organizational culture and supported seamless cross-cultural collaboration. This diversity brought a wealth of perspectives and experiences that improved not only our problem-solving capabilities but also our ability to navigate the complexities of construction across diverse environments.

Beyond representation, Bog'Art remains dedicated to embedding inclusion in every level of the organization. We strive to reflect the diversity of the broader society within our teams and leadership structures, ensuring that all employees—regardless of background—have the opportunity to thrive.

Our investment in diversity is closely linked to our broader approach to talent development, health and safety, and continuous learning. We view these efforts as integral to building a more equitable, innovative, and sustainable company. By empowering our people and creating a culture of inclusion, we are better equipped to deliver long-term value and remain resilient in an evolving industry.

Talent Development and Training

At Bog'Art, we believe that people are our greatest asset. The knowledge, skills, and commitment of our employees underpin every structure we build and every milestone we reach. Our approach to talent development in 2024 focused on creating a culture of learning, innovation, safety, and leadership—equipping our workforce to meet the demands of increasingly complex and large-scale infrastructure projects across Romania.

Bog'Art's investment in education, leadership, and workforce development ensures our teams are future-ready. In a rapidly evolving construction environment, our integrated approach to talent development remains a cornerstone of both project excellence and sustainable growth.

Education and Professional Development

We foster a work environment where continuous learning and long-term professional growth are actively encouraged.
Over 90% of our technical and administrative staff are university-educated. On average, our employees have 10,3 years of industry experience.

On-site training session with technical teams - reinforcing skills and knowledge across projects

Training Infrastructure

Our blended learning ecosystem combines classroom instruction, digital learning, and hands-on experience to meet diverse learning needs.

Key highlights include:

◊ Blended training formats: in-person, online, and on-the-job.

◊ Structured internal training programs, supplemented by external courses for upskilling and specialization.

◊ In 2024, each employee completed:

- 25 hours of formal training

- 80 hours dedicated to studying and analyzing innovative technical **solutions**

Structured Education Trainings

The safety of our employees is fundamental to our operations and workplace culture.

Main points:

◊ Mandatory e-learning modules covering:

- Occupational health and safety

- Regulatory compliance

- IT security and data protection

◊ Ongoing safety training and risk-mitigation programs.

◊ These efforts contributed to:

- Increased safety awareness

- Measurable reduction in workplace incidents in 2024

Industry Engagement and Knowledge Exchange

Bog'Art actively encourages participation in high-impact professional events and knowledge-sharing platforms. In 2024, our teams actively participated in the wider industry community to foster continuous improvement, such as:

◊ Participation in major forums and conferences, including:

- AEC Industry Summit (Leading International Architecture Forum)

- ESG and construction-focused forums in Romania

These events provide valuable opportunities for learning, networking, and staying connected to emerging trends and sustainable practices shaping the built environment. Such engagements not only foster learning and networking but also ensure our projects integrate the latest sustainable and technical advances.

Leadership and Career Development

To support the demands of large-scale public works and infrastructure contracts, Bog'Art enhanced its training programs in 2024 to emphasize:

◊ Technical mastery of infrastructure-specific methodologies

◊ Leadership skills for managing complex, multidisciplinary teams

◊ Compliance and safety standards pertinent to public sector projects

◊ Ethical standards and anticorruption for those involved in procurement and bidding process

Leadership initiatives prioritized agile management, collaboration, and effective change navigation—essential qualities for success across diverse project environments nationwide.

Through targeted coaching and mentoring programs, employees gained personalized support to navigate career growth aligned with Bog'Art's expanding national reach and portfolio complexity.

Organizational Culture and Strategic HR

At Bog'Art, our organizational culture is defined by a deep commitment to people—prioritizing employee well-being, professional excellence, and long-term value creation. In 2024, we reinforced this people-centric model through strategic HR initiatives that aligned our workforce with the company's evolution in public infrastructure and sustainability-focused growth. Our strategic HR practices continued to elevate employee experience, ensure workforce agility, and sustain high-performance outcomes.

Employee-Centric Strategy and Performance

Bog'Art continues to measure success not only in financial terms but also by how our strategies impact employee welfare and professional growth.

- Profitability per employee remained high while aligned with ethical employment practices.
- Disciplined hiring ensured quality over quantity, focusing on high-performing, long-tenure professionals.
- Shareholder commitment to sustainable growth and investment in human capital remained a cornerstone of our corporate philosophy.

Strategic Human Resources Management

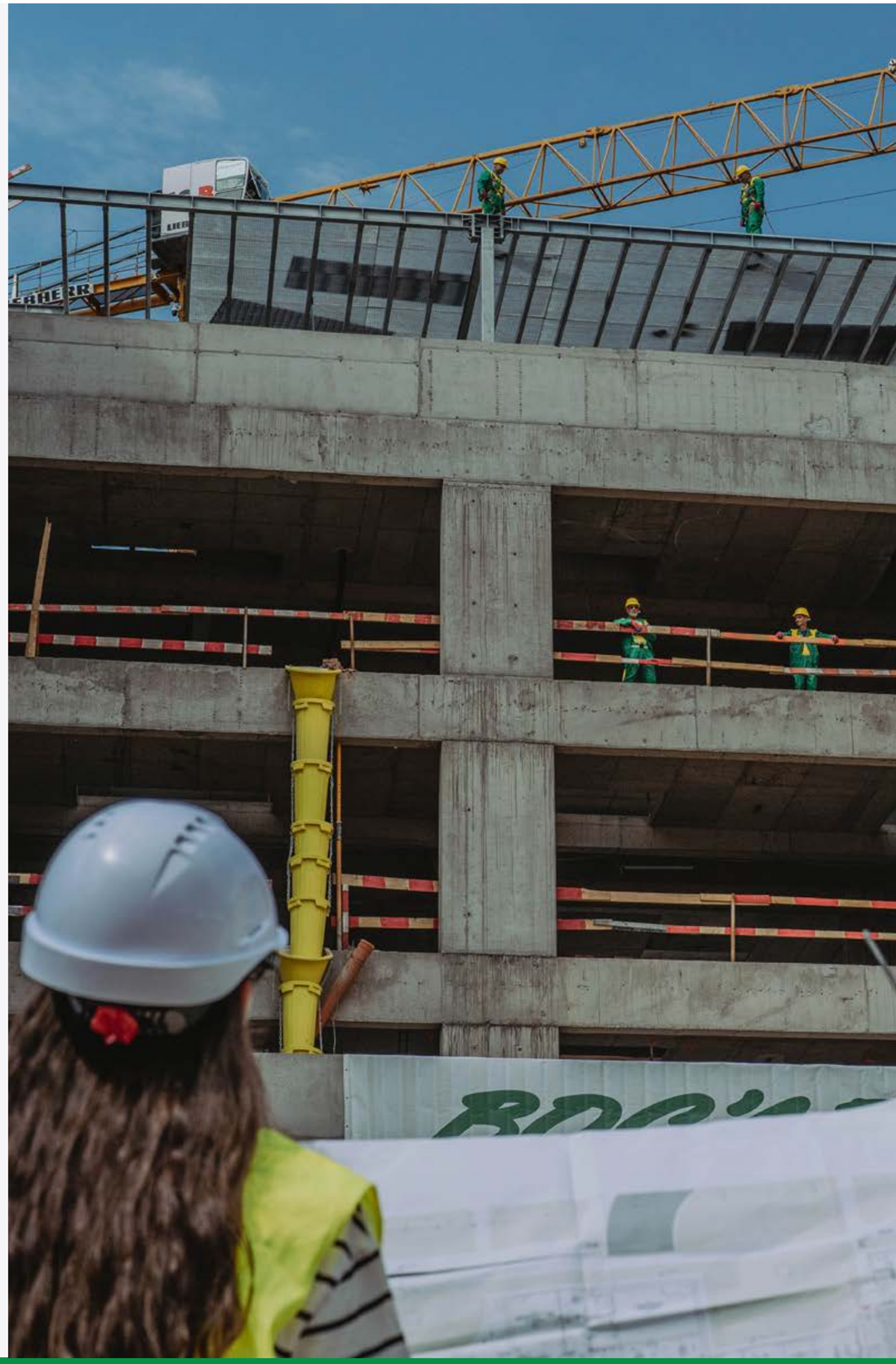
Our HR strategy is closely aligned with the company's long-term business goals, especially as we expand into large-scale public works and infrastructure.

Recruitment and development focused on engineering and project execution capabilities critical to national infrastructure.

Annual performance reviews used to:

- Identify skills gaps.
- Support personalized career development.
- Inform training, promotion, and succession planning.

Despite economic pressures in 2024, salary stability was maintained to support morale and retention.



Engineering Excellence as Cultural Foundation

Engineering leadership remains the backbone of Bog'Art's operational and reputational strength.

Highly skilled engineering teams are trusted to deliver complex and high-value construction projects.

A culture of technical rigor, innovation, and precision defines our execution.

Engineers are empowered through:

◊ Access to continuous training.

◊ Participation in cross-disciplinary problem-solving.

◊ Exposure to the latest technologies and sustainable methodologies.

Organizational Development and Communication

We recognize that internal alignment and transparent communication are key to scaling a resilient and cohesive organization.

Structured internal communication channels improved cross-team collaboration and knowledge sharing.

Increased emphasis on ESG integration, not just in projects, but across company operations and employee behavior.

Expansion of digital tools and platforms to support project performance, internal dialogue, and decision-making.

Introduction of new leadership development programs, preparing future leaders to navigate complexity and transformation.

Workplace Culture and Employee Retention

A healthy, inclusive, and empowering workplace is central to our strategic HR framework.

Average tenure of employees remained at 10 years, reflecting strong retention and loyalty.

Bog'Art fostered a culture of:

- Recognition for top performers.
- Clear roles and advancement paths.
- Collaborative team spirit.

A diverse and multicultural workforce enriched our problem-solving capacity and adaptability.

The Human Resources team actively supported alignment between personal goals and company direction.

Evolving for the Future

Bog'Art's organizational culture is not static—it evolves alongside our business priorities and societal responsibilities.

In 2024, we accelerated efforts to:

- Embed ESG principles into corporate culture and employee behavior.
- Foster diversity and inclusion, reflecting the communities we serve.
- Leverage digital transformation for performance optimization and operational agility.
- Support work-life balance through flexible policies and well-being programs.

Sustainability and Mobility

At Bog'Art, sustainable mobility is no longer just an aspiration — it has become a strategic direction fully integrated into our operational mindset. In 2024, we took decisive steps to reduce our environmental footprint by transitioning to environmentally friendly company vehicles and promoting low-emission commuting alternatives among our employees.

Our headquarters' location—well-connected to major public transport routes—makes it easier for team members to opt for greener commuting options. By encouraging the use of public transport and supporting individual choices that align with sustainable practices, we aim to make daily travel more environmentally responsible.

These initiatives are closely aligned with our broader ESG goals. We continue to integrate sustainability considerations into both daily operations and long-term project planning, recognizing that mobility plays a crucial role in achieving our climate and responsibility targets.

Bog'Art's vision extends beyond the construction of physical structures. We are equally committed to building a more responsible way of working and living—where sustainability is embedded into every journey we take, every project we deliver, and every decision we make.

Corporate Social Responsibility (CSR)

In 2024, Bog'Art continued to shape the future of Romanian society not only through its construction projects but also through a robust portfolio of Corporate Social Responsibility (CSR) initiatives. Guided by our values of integrity, inclusion, and long-term impact, we expanded our engagement across key pillars: education, cultural development, housing, youth empowerment, and cross-industry dialogue.

Each initiative reflects our belief that a company rooted in the built environment also has a duty to uplift the social fabric of the communities it serves. From empowering the next generation of builders to supporting access to safe housing and championing sustainability in civil aviation, Bog'Art's actions go beyond construction—they build opportunity, inspiration, and lasting value far beyond construction itself.

Educational Initiatives

Building Skills: Partnership with “Anghel Saligny” Technical College

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In 2024, Bog’Art announced a new public-private educational initiative in collaboration with Sector 3 City Hall and “Anghel Saligny” Technical College, aiming to launch a multi-year program (2024–2027) to support vocational training in the construction sector. The program was designed to sponsor a class of 24 students specializing in key trades such as painting, plastering, and wallpapering—fields essential to maintaining craftsmanship and quality in the built environment.

As part of this initiative, Bog’Art committed to providing financial support through scholarships and performance-based awards, while also offering practical internships on active Bog’Art construction sites. By blending classroom education with real-world experience, the program sought to strengthen vocational pathways, elevate technical training standards, and contribute to building a skilled, future-ready workforce.

This initiative reflects Bog’Art’s continued investment in Romania’s next generation of builders and our belief in education as a foundation for sustainable industry growth.

Empowering Youth: Student Internships on Bog’Art Construction Sites.

Hands-on experience is critical for preparing the workforce of tomorrow. In 2024, Bog’Art expanded its student internship program, offering real-world training on our job sites to dozens of technical students and young professionals. These internships allowed participants to gain valuable insights into site coordination, safety practices, and project execution, complementing their classroom learning.

By actively mentoring and integrating students into live construction environments, Bog’Art helped bridge the education-employment gap while identifying future talent aligned with our quality standards and values.

Cultural Support - Main Partner of RAD ART FAIR 2024

As the Main Partner of the RAD ART FAIR 2024, Bog'Art once again supported Romania's largest contemporary art event by providing not only logistical infrastructure but also long-term cultural backing. Our involvement went beyond sponsorship—it reflected our belief that art and architecture are deeply interwoven and that the cultural sector deserves sustained support.

RAD ART FAIR attracted regional and international attention, serving as a vital platform for emerging artists, curators, and collectors. Bog'Art's presence reinforced the importance of private-sector support in fostering cultural institutions and preserving Romania's creative identity.

Housing and Hope: Hope Build Berceni with Habitat for Humanity

In 2024, Bog'Art initiated a strategic collaboration with **Habitat for Humanity Romania** under the **"Hope Build Berceni"** campaign—an initiative aimed at constructing safe and dignified housing for low-income families. While our full operational involvement is planned to expand in 2025, the past year marked the beginning of a long-term commitment to this cause.

Bog'Art supported the early stages of the project through financial contributions and planning efforts, helping to lay the foundation—both literally and figuratively—for four homes in the Berceni area. Our team also participated in the symbolic **stone-laying ceremony**, signaling our intention to deepen engagement through volunteering and technical support in the next phase.

Cross-Industry Engagement - Aviation Event 2024 CLJ

In March 2024, Bog'Art proudly served as an official sponsor of the Aviation Event 2024 CLJ, hosted at Avram Iancu International Airport in Cluj-Napoca. This high-level European conference brought together decision-makers from the aviation industry to tackle complex topics such as sustainability, operational safety, and the sector's resilience amid geopolitical uncertainty.

Bog'Art's involvement in the event underscored our support for forward-thinking, cross-sector dialogue and innovation. As the built environment and aviation increasingly intersect around infrastructure development and environmental concerns, Bog'Art positioned itself as a stakeholder in shaping a more sustainable and interconnected future.

This partnership reflects our belief that access to secure housing is a fundamental right and essential to building resilient, inclusive communities. As we look ahead, Bog'Art is committed to further strengthening this collaboration and contributing its construction expertise to create lasting social impact.

Supporting a Harmonious Future: Bog'Art's Commitment to the Bog'Art Foundation

In 2024, Bog'Art made a significant financial contribution to the Bog'Art Foundation, a non-governmental organization dedicated to building a harmonious future for Romania.

The Foundation drives positive change by empowering people and providing opportunities for growth in the areas they are most passionate about.

Guided by the values of integrity, solidarity, respect, and responsibility, the Foundation supports key domains such as art, education, health, and social development. Through scholarships, cultural initiatives, and community programs, it fosters talent and inclusion while promoting sustainable progress.

Bog'Art Foundation launched its own projects in 2025, strengthening its mission to create a better world for future generations. By supporting this vision, Bog'Art reaffirms its belief that lasting transformation begins with people and the shared values that unite communities.

The total amount spent in 2024 in CSR activities exceeds € 400,000.

In 2024, Bog'Art's CSR strategy demonstrated a commitment to sustainable impact—one that spans beyond bricks and mortar. Whether by shaping future professionals, nurturing cultural vibrancy, supporting families in need, or promoting sustainability in aviation, each initiative reinforced our role as a responsible corporate actor.


CONTINEST
CONTINEST
Habitat for Humanity Romania

Client Satisfaction And Transparency

In 2024, Bog'Art reinforced its commitment to client satisfaction by laying the foundation for a formal Client Satisfaction Index (CSI). As our portfolio expanded—particularly in public infrastructure—we became more attuned to the broader societal impact of our work. Public institutions and communities played a growing role in shaping our operational practices.

The CSI, developed as part of the **Double Materiality Assessment** framework, will provide a transparent, structured channel for collecting stakeholder feedback, benchmarking performance, and enhancing accountability. This marks a strategic shift from informal feedback to a data-driven approach, aligning with the scale and complexity of our national projects while reaffirming our focus on delivering meaningful value to both clients and society.

Bog'Art Affiliations

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

Family Business Network (FBN)

The Federation of Construction Employers of Romania

ULI (Urban Land Insitute)

Rebuilding Ukraine

Royal Institute of Chartered Surveyors

Association of Real Estate Investors (AREI)

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.

FOOTPRINT

Tracking Our Progress: 2023 to 2024

Scope 1 Emissions (+76%)

2023	2024
376 tCO2e	663.56 tCO2e

Scope 2 Emissions (-2%)

2023	2024
314 tCO2e	306.86 tCO2e

Scope 3 Emissions (+1,6%)

2023	2024
29,318.257 tCO2e *	29,793.15 tCO2e

ESG average score vs Best Practice monitored in construct sites via proprietary questionnaire (+4,74 p.p.)

2023	2024
73.22 points	77.74 points

Use of Fresh Water (-32%)

2023	2024
17,35M liters	11.73M liters

Concrete CO2 footprint from our construction material emissions (+10 p.p.)

2023	2024
44%	54%

Diverted Material Waste (+415%)

2023	2024
42%	89%

Electricity used HQ (-6%)

2023	2024
338,000 kWh	318,162 kWh

Gas used HQ (-34%)

2023	2024
344,000 kWh	226,799 kWh

Metallic materials used (-37%)

2023	2024
2,878 tons	1,826 tons

Electricity used in construction sites (+9%)

2023	2024
1,274,429 kWh	1,394,920 kWh

*value adjusted vs 2023 Sustainability report by adding also subcontractors activities and a broader range of purchased materials for correctness of data comparability.

Bog'Art's Strategic Targets: A Vision for Sustainable Excellence (4 of the 9 objectives for 2028 already met)

Target Category	Specific Target	2023 - Target	2024 - Result	Status
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.	30,006.27 tCO2e (adj)	30.763,57 tCO2e	In Progress*
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.	0	0	✔
Sustainable Design and Innovation	Strive for **40%** of our projects to incorporate sustainable materials by 2028, driving innovation in eco-friendly construction practices.			In Progress**
Community Engagement	Engage in as many community projects as possible **up to 5/year.**	3	5	✔
Supply Chain Sustainability	Ensure that **50%** of our suppliers meet our sustainability standards by 2028, fostering a greener supply chain.			In Progress***
Energy Efficiency	Work towards reducing energy consumption across our projects by **20%** annually, contributing to a more sustainable future.	195,36 tCO2e	249,69 tCO2e	In Progress****
Water Conservation	Commit to a **15%** reduction in water use within our property management operations by 2025, preserving vital water resources.	17,350 m3	11,729 m3	✔
Waste Management	Achieve an **80%** recycling rate for construction site waste by 2027, minimizing landfill contributions.	42%	89%	✔
Building Certifications	Increase the number of green building certifications by **30%** by 2026, demonstrating our leadership in sustainable building practices.			In Progress*****

* 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. 30,006.27 tCO2e 30,763.57 tCO2e GHG emissions increased by 3% vs. 2023, mainly due to broader project coverage and improved data completeness. The –25% reduction target by 2028 remains in place.

**Application of BREEAM and LEED criteria continued across new developments. Ongoing integration of sustainable design principles and innovation in line with international certification standards

***Progress toward the 2028 target, with approximately 25% of suppliers already meeting Bog'Art's sustainability criteria.

****Energy-related emissions increased by ~28% vs. 2023, mainly driven by expanded construction activity and site monitoring coverage.

*****Certification process ongoing, marking first step toward 2026 target.

In 2023, together with **Build Green** as our specialty sustainability service provider, we created a proprietary carbon emissions database to ddress the challenge of verifying thousands of data points from multiple measurement points across our projects. This database became the foundation for setting clear reduction pathways and aligning our operations with climate goals.

In 2024, we continued to expand and refine this database, improving data accuracy andintegrating additional project-level and supplier-level information. These enhancements strengthened our ability to track progress against our climate targets and informed the next steps in our decarbonization roadmap.

Our sub-goals set in 2023 are the cornerstone of our net-zero strategy:

Climate-Neutral Administration by 2030

Addressing all fixed office locations, with measures targeting electricity use, heating, cooling, and company fleet emissions.

Climate-Neutral Construction Projects by 2033

Reducing and offsetting carbon from site operations, including energy use for equipment, vehicles, and temporary facilities.

Climate-Neutral Building Operation by 2035

Ensuring completed projects are designed and equipped to function without generating net carbon emissions.

Climate-Neutral Construction Materials by 2040

Securing a fully climate-neutral supply chain for all materials sourced, whether produced in-house or obtained from external partners.

Bog’Art continues to set forward-looking objectives that reflect its dedication to quality, sustainability, and long-term growth. These goals guide the company in addressing market dynamics and seizing opportunities, while reinforcing its position as a leader in construction, community engagement, and environmental responsibility.

By streamlining project delivery, embracing advanced technologies, and fostering close collaboration with clients, Bog’Art aims to further strengthen performance, client trust, and capacity for innovation.

The company is committed to expanding its portfolio of sustainable developments by complying with recognized environmental standards and certification schemes. Its priorities include ensuring financial stability and profitable growth, investing in talent development, maintaining the highest safety standards, engaging with local communities, and upholding corporate responsibility.

Through a strong focus on innovation and digital transformation, Bog’Art seeks to enhance efficiency and operational excellence. Ultimately, these objectives are designed to consolidate leadership, advance sustainability, and maximize positive impact, delivering tangible value to clients, partners, and stakeholders.

Bog’Art Initiatives

Bog’Art recognizes the essential responsibility the construction industry holds in making the most efficient use of, and extending the lifespan of, primary raw materials. Building on previous experience with specific products such as glass, insulation, and asphalt, our approach now encompasses a far broader scope from aggregates and stone to cement and structural steel. This progress is driven by the adoption of advanced technologies and a proactive response to changing regulatory expectations.

Circular Use of Materials

A key focus is to expand circular practices so that materials are recovered, repurposed, and reintegrated into projects wherever possible. By increasing the share of recycled inputs, we aim to limit the extraction of virgin resources, reduce emissions, and streamline our production processes.

Smart Procurement Systems

We are embedding digital tools into procurement workflows to systematically capture and assess environmental data from our suppliers. This enables fact-based supplier selection and ensures that our supply chain aligns with stringent sustainability benchmarks.

Testbeds for Innovation

We run pilot schemes that trial and refine resource-efficient, low-impact building techniques. Examples include deploying low-carbon concrete mixes and improved reinforcing solutions, with the goal of cutting operational emissions and boosting long-term building performance.

Expanding Sustainable Procurement Plans

In alignment with our long-term sustainability strategy, Bog’Art is strengthening its responsible sourcing framework to deliver measurable, lasting benefits across the value chain:

Stronger Supplier Partnerships

We work closely with our suppliers to align priorities, share knowledge, and encourage the shift toward cleaner manufacturing methods and sustainable materials.

Comprehensive Selection Criteria

Procurement decisions now weigh not only cost and quality, but also recycled content, lifecycle impacts, and overall environmental performance.

Assurance and Standards Compliance

All purchased materials are required to meet recognized sustainability certifications, such as EPDs in line with EU guidelines, and follow the “Do No Significant Harm” principle across both direct operations (Scope 1) and supply chain activities (Scope 2).

Through these measures, Bog’Art aims to go beyond regulatory compliance, establishing higher benchmarks for material sourcing in the construction sector. By increasing the use of recycled content, applying rigorous evaluation methodologies, and embedding sustainability as a decisive criterion in procurement, we actively reduce our environmental footprint while contributing to positive industry transformation.

Double Materiality Analysis

In 2024, Bog'Art strengthened its sustainability approach by moving from a single-perspective assessment to a **Double Materiality Analysis (DMA)**, addressing both impact materiality (our effects on society and the environment) and financial materiality (how sustainability-related risks and opportunities may affect our business). This evolution builds on the foundation established in previous years and brings greater depth and relevance to our sustainability priorities.

The assessment was conducted entirely on a voluntary basis, without legal obligation, underscoring Bog'Art's commitment to transparency, proactive risk management, and alignment with international best practices. The same voluntary principle applies to the preparation of this Sustainability Report, reinforcing our position as a company that chooses to lead rather than follow in matters of responsibility and sustainable development.

The DMA process was structured into several clear stages:

Identification of impacts, risks, and opportunities (IROs)

Based on the reference list from ESRS 1 (AR16) and supplemented with sector-specific insights, over 40 ESG aspects were mapped, ranging from GHG emissions and resource management to working conditions and business conduct.

Stakeholder engagement

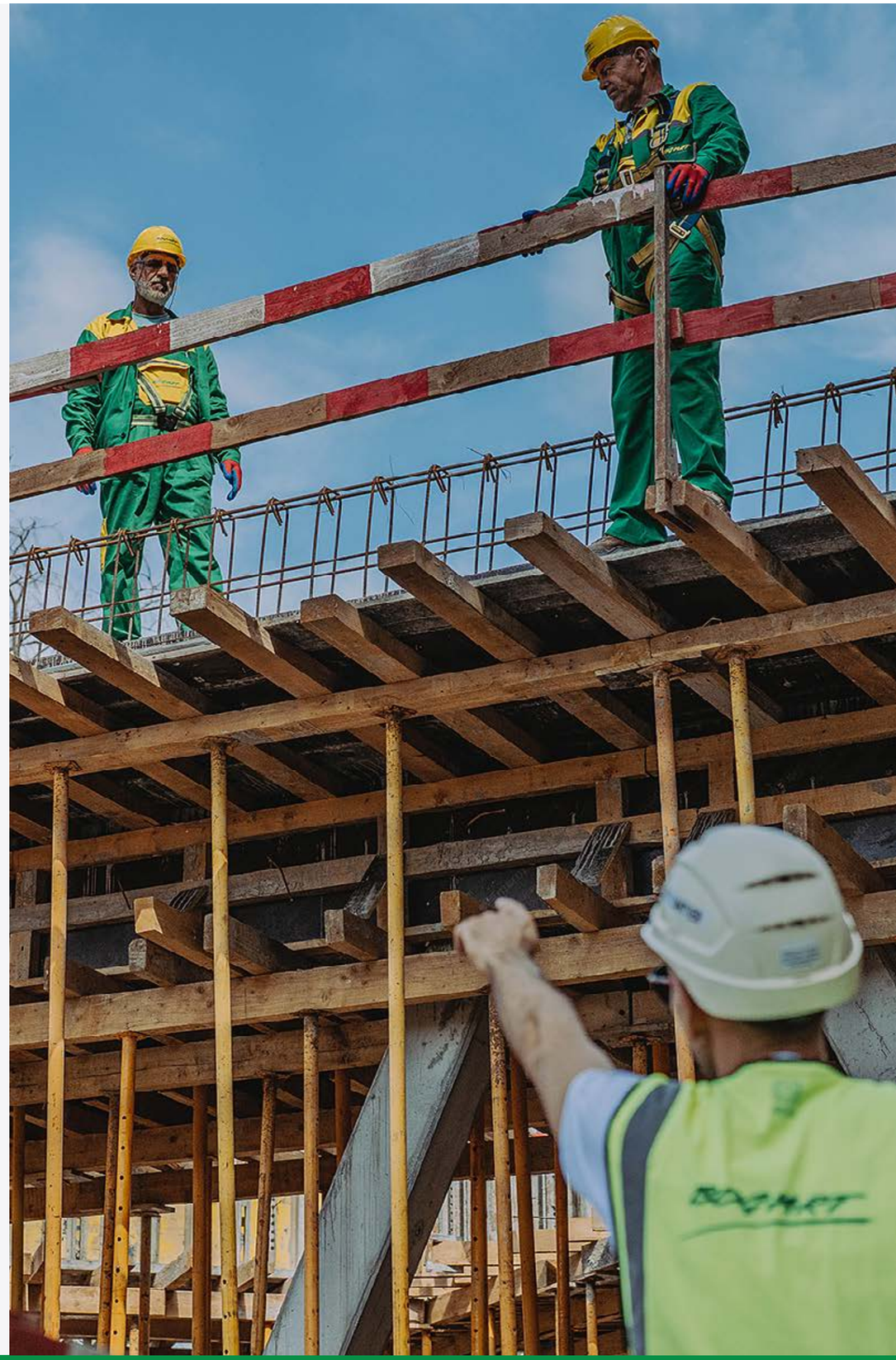
As in the previous year, Bog'Art engaged a wide range of stakeholders — shareholders, clients, employees, suppliers, subcontractors, community representatives, and environmental groups. Through surveys, interviews, workshops, and dialogue sessions, we captured diverse perspectives and validated the prioritization of issues from the standpoint of those directly affected.

Internal evaluation

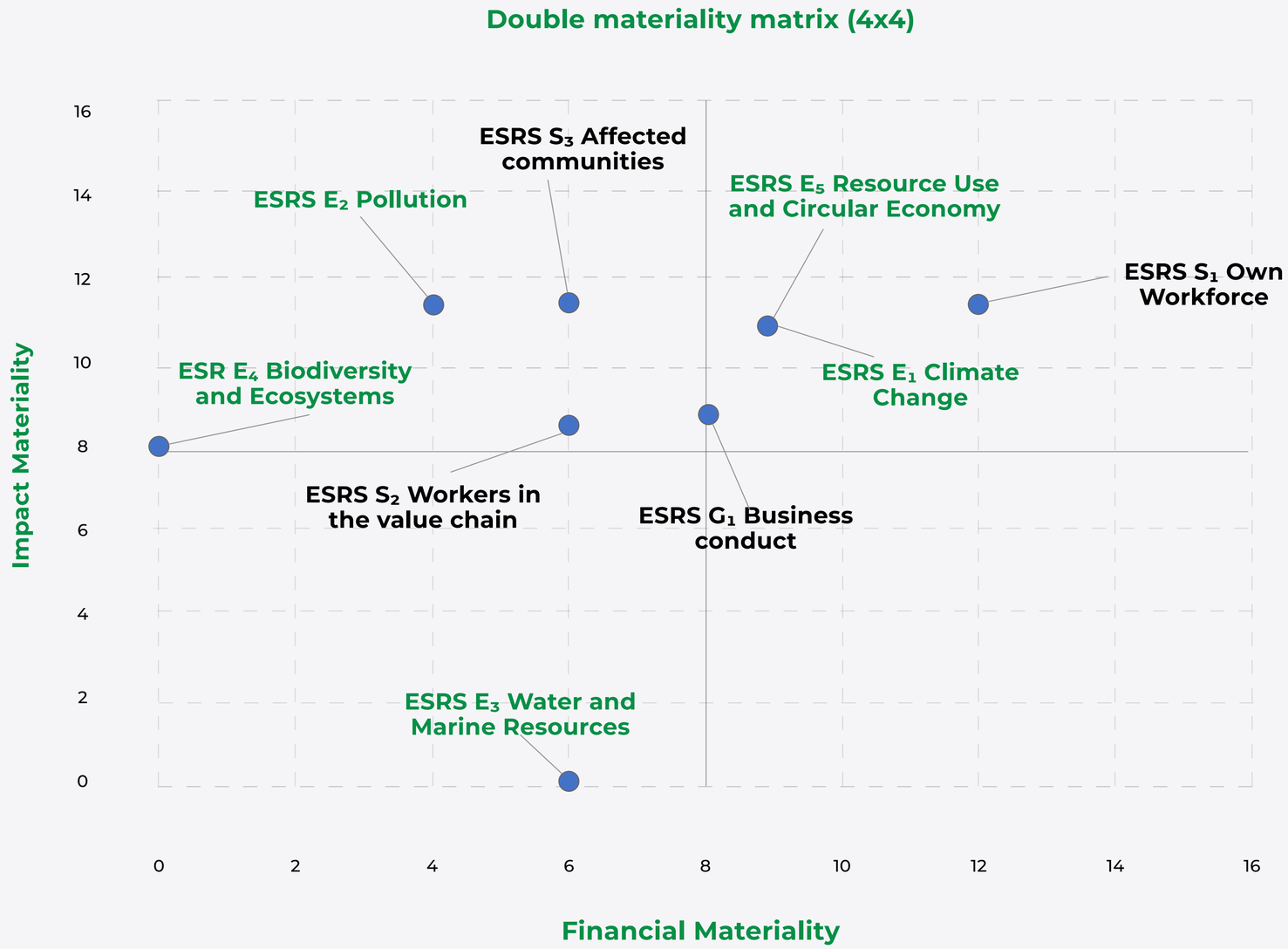
Each IRO was scored using a 4×4 matrix. For impact materiality, criteria included scale, scope, and irremediability, while for financial materiality, a probability × magnitude approach was applied to estimate potential financial effects.

Aggregation and threshold setting

Results from internal and external assessments were consolidated at ESRS theme level, applying a threshold score of 8 (out of 16) to define materiality.



The results of year 2024 **Double Materiality Analysis** are illustrated in the adjacent matrix. The visual representation shows how each ESRS theme was positioned across the two perspectives. The analysis confirmed that all nine ESRS themes are material from an impact perspective, but only three emerged as material in both dimensions — impact and financial:



The other six themes — **E2 Pollution, E3 Water resources, E4 Biodiversity and ecosystems, S2 Value chain workers, S3 Affected communities, and G1 Business conduct** — were considered material primarily from an impact perspective. Although they do not currently present major financial risks, these issues are subject to increasing regulatory pressure and stakeholder expectations, which may elevate their financial relevance in the future. Notably, water resources (E3) emerged as financially relevant due to scarcity risks, even though stakeholders did not perceive it as a material impact.

The conclusions of the double materiality matrix demonstrate that **Bog'Art must give priority to the three critical themes (E1, E5, and S1) where impact and financial dimensions converge.** At the same time, the company will continue to maintain a robust monitoring framework for emerging topics such as pollution, biodiversity, and community impacts, ensuring the ability to anticipate regulatory changes and market shifts.

By integrating these results into our sustainability strategy, Bog'Art ensures that its environmental and social approach is grounded in rigorous analysis and directly aligned with European standards (CSRD, EU Taxonomy), while also strengthening the company's resilience and competitiveness over the long term.

The outcomes of the Double Materiality Analysis, as illustrated in the related matrix, not only define Bog'Art's environmental and social priorities but also demonstrate strong alignment with the United Nations Sustainable Development Goals (SDGs). The SDGs provide a global framework that reinforces the material issues identified through the DMA, showing how our local actions contribute to broader sustainability ambitions.

Other material topics, such as biodiversity, pollution, and community engagement, further contribute to SDGs 15 (Life on Land), 3 (Good Health and Well-being), and 16 (Peace, Justice, and Strong Institutions).

By framing our DMA results within the SDG agenda, we emphasize both the global relevance of our actions and the local accountability of our projects, creating value for our stakeholders and the environment alike.

E1 – Climate Change

Significant due to GHG emissions and energy use, combined with financial risks such as carbon taxes, regulatory compliance, and client requirements.

Directly supports **SDG 13 (Climate Action)** and **SDG 11 (Sustainable Cities and Communities)** through emission reduction, energy efficiency, and climate resilience initiatives.

E5 – Resource Use and Circular Economy

Critical because of high consumption of carbon-intensive materials, waste generation, and the direct financial implications of circularity requirements.

Aligns with **SDG 12 (Responsible Consumption and Production)** and **SDG 9 (Industry, Innovation, and Infrastructure)** by promoting resource efficiency, waste minimization, and sustainable construction practices.

S1 – Own Workforce

Health, safety, and equity issues are central both for social responsibility and for ensuring operational continuity and financial stability.

Connects with **SDG 8 (Decent Work and Economic Growth)** and **SDG 5 (Gender Equality)**, reflecting our commitment to safety, well-being, and diversity.

Environmental Progress

Site Operation Sustainability

To strengthen sustainability performance on construction sites, Bog'Art identified the absence of consistent KPIs and standardized methodologies for comprehensive site assessments. To close this gap and reinforce our commitment to responsible development, we collaborated with BuildGreen, whose technical expertise supported the creation of a tailored site assessment framework, adapted from the UK's Considerate Constructors Scheme.

This framework evaluates how effectively construction sites safeguard the environment, respect the workforce, and engage with local communities. Adaptations were made to align with local conditions and regional challenges, ensuring the assessment remains rooted in global benchmarks while responding to specific project needs and constraints.

With proven expertise in meeting BREEAM and LEED sustainability requirements, our team integrates these standards into the new procedure, enhancing them with practical knowledge gained from project experience. The assessment examines environmental, social, and governance aspects of site operations in a structured way, reflecting our holistic approach to sustainability, with the main areas of focus being:

Environmental Awareness and Policy

Our comprehensive Environmental Policy defines our site sustainability approach, outlining both foundational practices and advanced strategies.

This includes energy-saving measures, adoption of renewable energy sources, and targeted lighting efficiency upgrades — all aimed at reducing operational emissions.

Energy Efficiency and Conservation

Energy conservation is central to site operations. We apply strict protocols for machinery use, optimize lighting through technology, and integrate smart systems to achieve measurable reductions in energy consumption and greenhouse gas emissions.

Water Management

Water-saving measures are embedded in our environmental approach, from innovative conservation techniques to systematic leak inspections.

We also invest in rainwater harvesting and surplus water management systems to minimize waste and protect resources.

Waste Management and Recycling

Our waste strategy focuses on maximum recycling and minimal landfill use. By separating materials at the source and training site staff in best practices, we reduce pollution risks and improve environmental outcomes.

Safety, Health, and Training

Worker and visitor safety is paramount. We maintain robust incident reporting, conduct safety drills, and ensure clear evacuation procedures, while providing ongoing training in health and safety excellence.

Site Organization and Accessibility

Well-organized, accessible sites improve safety and efficiency. We prioritize clear access routes, proximity to public transport, and well-maintained facilities, fostering an inclusive and respectful working environment.

Community Engagement and Good Neighbor Practices

We maintain open communication with local communities through information boards, consultation processes, and feedback channels, reinforcing our role as a responsible and considerate contractor.

2024 vs. 2023 Performance

The first full implementation of our proprietary sustainability assessment was completed in 2023, marking an important milestone in formalizing how we evaluate and improve our ESG performance across projects. This initial cycle allowed us to test the robustness of our methodology, build familiarity among project teams, and identify areas where immediate improvements could be made. The results, detailed in our previous Sustainability Report, confirmed that our teams can quickly adapt, integrate new practices into day-to-day operations, and deliver measurable enhancements in sustainability outcomes.

In 2024, we built on this foundation, further refining our assessment framework and embedding sustainability practices more deeply across all projects. The results show an annual average score of 77.74 points, representing a 7% improvement compared to 2023.

Performance increased in most months, with the highest gains recorded in January (+25%), April (+27%), and March (+16%). These figures demonstrate not only year-on-year progress but also the growing consistency with which sustainability considerations are applied across our operations.

Building on these foundations, in 2024 we have implemented targeted refinements such enhanced supplier engagement, optimized waste management strategies, expanded use of renewable energy sources, and advanced energy performance monitoring. The findings for this year are presented in detail later in the report, illustrating how sustainability practices are becoming an integral and standardized part of our way of working.

We look ahead with confidence, supported by the strong foundation and valuable lessons gained from our first assessment cycle. What initially required significant adaptation is now embedded into our operational culture, shaping a mindset where sustainability is the rule, not the exception.

This ongoing integration strengthens our capacity to meet the demands of sustainable construction and positions us to consistently raise our performance.

Projects`s month	2023 Average	2024 Average	Performance (2024 vs 2023)
January	69.38	86.43	125%
February	67.50	71.50	106%
March	69.88	80.80	116%
April	68.25	87	127%
May	74.25	82.83	112%
June	72.88	83.50	115%
July	74.25	81.50	110%
August	75.63	79.63	105%
September	75.13	78.25	104%
October	77.25	68.17	88%
November	77.13	75.75	98%
December	77.13	57.50	75%
Annual average	**73.22**	**77.74**	**107%**

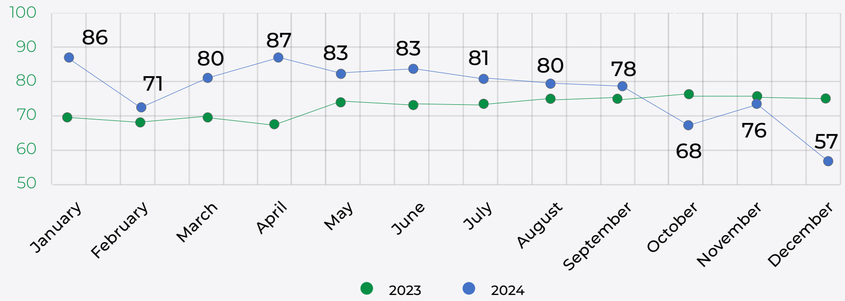
The chart compares monthly sustainability performance for 2023 and 2024.

2023 shows a relatively stable profile, with most monthly values in the range of 73–76 points and a yearly average of 73.22, indicating a consistent baseline level. 2024 performs stronger overall, with a clear uplift in the first half—values consistently above 80 and a peak of 87 in April—followed by a normalization in late Q3 and a seasonal dip in Q4, most visible in December (57.5) due to shorter working periods and resource constraints.

Even with this year-end trough, the annual average of 77.74 confirms that 2024 outperformed 2023 and that recent initiatives can deliver higher results when conditions are stable.

Looking ahead, scaling the practices that drove the H1 2024 highs and better protecting late-year performance (planning, staffing, supplier readiness).

Average points/month



Water

Water Resource Protection

Water is a vital resource, and its responsible use is at the core of our sustainable construction practices.

We are committed to reducing drinking water consumption on our sites, recognizing that every drop saved contributes to a greener future.

Our approach is not only about compliance or cost efficiency, but about safeguarding a resource that is essential for both people and the environment.

Alternative Water Sources

We actively seek innovative ways to limit our reliance on potable water. By integrating reclaimed water systems and reusing water directly on-site, we significantly ease the pressure on municipal supplies.

These alternatives ensure a reliable and sustainable water source for construction, while also reflecting our forward-looking approach to resource management.

Prefabrication and Dry Construction Methods

A major contribution to water savings comes from the adoption of prefabrication and dry construction techniques. By shifting significant parts of the construction process to controlled off-site environments, we are able to manage water use more effectively.

This reduces the dependency on water-intensive site operations and, at the same time, improves efficiency and lowers the environmental footprint of our projects.

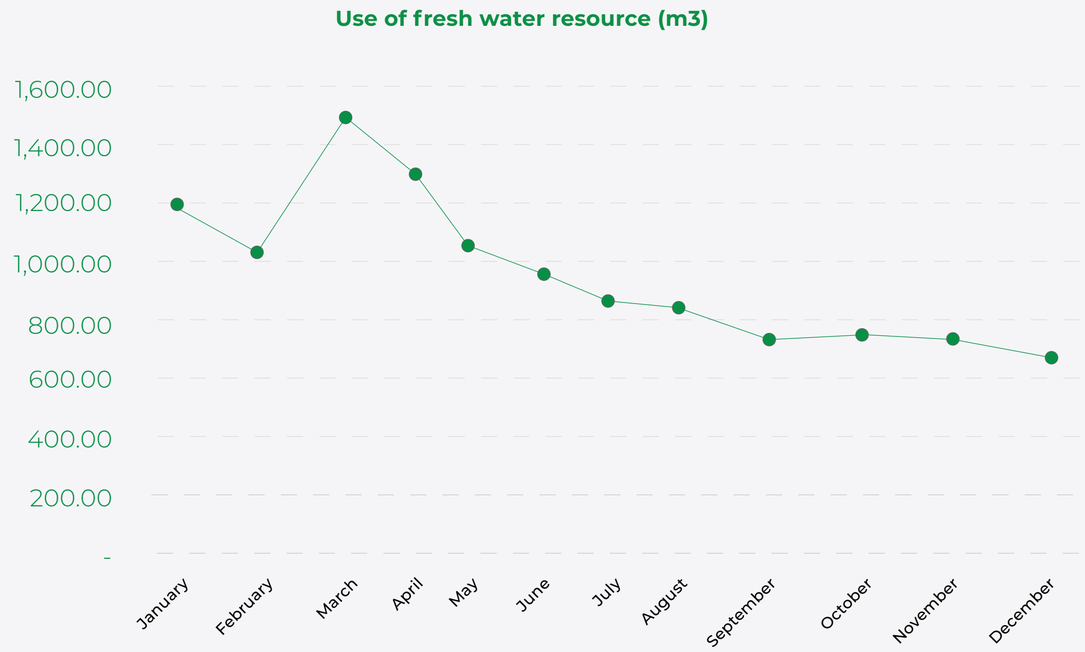
Monitoring and Reporting

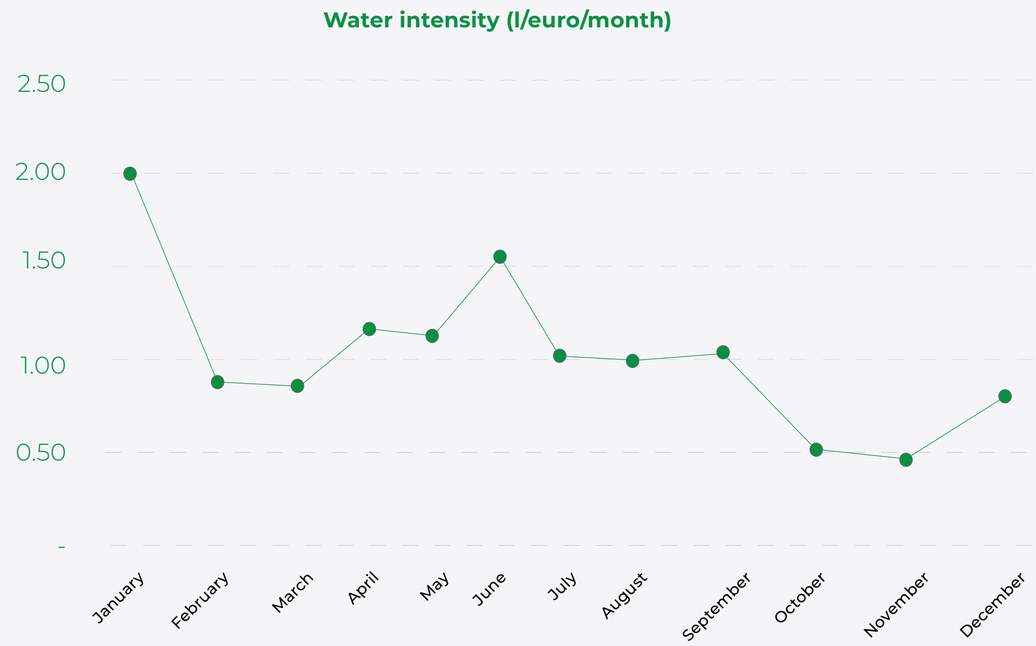
To maintain progress, we monitor water consumption across all sites and report results regularly. This data-driven approach helps us identify opportunities for improvement, implement targeted conservation measures, and ensure accountability. Insights from monitoring are shared with management, supporting transparency and reinforcing our commitment to continuous improvement in water stewardship.

Month	Use of fresh water resource (total m^3)	Use of fresh water resource (total L)	Emission factor Kg CO_2e / m^3	Total kgCO2e	Total material cost €	Water intensity (l/euro/month)
January	1,208.04	1,208,042	0.099	119.60	595,132	2.03
February	1,059.71	1,059,710	0.099	104.91	1,272,737	0.83
March	1,489.78	1,489,775	0.099	147.49	1,857,546	0.80
April	1,306.47	1,306,473	0.099	129.34	1,047,399	1.25
May	1,156.89	1,156,894	0.099	114.53	1,005,322	1.15
June	974.88	974,880	0.099	96.51	632,385	1.54
July	843.59	843,585	0.099	83.51	810,992	1.04
August	810.89	810,885	0.099	80.28	814,899	1.00
September	721.72	721,716	0.099	71.45	658,365	1.10
October	736.29	736,285	0.099	72.89	1,407,522	0.52
November	741.96	741,960	0.099	73.45	1,559,662	0.48
December	679.66	679,660	0.099	67.29	961,813	0,71
Total	**11,729.87**	**11,729,865**	**0.099**	**1,161.26**	**12,623,774**	**12.44**

The analysis of fresh water consumption across construction sites in 2024 shows a total usage of 11.729,87 m³, representing a 32% reduction compared to 2023 (17.350 m³).

The monthly distribution highlights a peak in March (1,490 m³), followed by a steady downward trend reaching 680 m³ in December. This trajectory reflects how water-saving practices—such as prefabrication, dry construction methods, and the integration of monitoring systems—became increasingly effective over time, easing pressure on municipal resources and reinforcing efficiency across site operations.





The Water Intensity KPI (liters per euro of material cost per month) shows a clear improvement compared to 2023. While in the previous reporting year the indicator peaked at 5.67 l/euro, in 2024 it consistently remained below 2.1 l/euro, with most months fluctuating around or below 1.0 l/euro.

This trend demonstrates that construction activities now require significantly less water in relation to material use, confirming that water is being managed more efficiently on-site. Overall, the results validate the effectiveness of resource optimization measures and position water efficiency as a consolidated achievement in the company's sustainability strategy.

Energy

Energy and Emissions

Energy efficiency and the shift toward renewable sources are central to the transition to a low-carbon economy. Since buildings consume large amounts of energy and generate greenhouse gas emissions, improving their efficiency is essential. The European Green Deal sets out the ambition of making buildings greener by 2050, and we are determined to contribute to this vision.

At Bog'Art, our target is clear: to reduce CO_2 emissions and reach climate neutrality by 2040. To achieve this, we have designed a step-by-step approach for cutting energy-related emissions and embedded it into our broader sustainability strategy.

Our energy management framework is applied in two main directions: at our headquarters and permanent facilities, and across our construction sites nationwide. This dual approach enables us to address the specific needs of each operational context, from offices and production units to on-site project execution.

Energy Management in Headquarters and Permanent Locations

In our headquarters and fixed facilities, we rely on a structured energy management system to monitor and reduce energy consumption and emissions. Detailed data collection and analysis form the backbone of this process, supporting informed decisions and long-term planning.

Our management team, together with in-house energy specialists, regularly set operational targets and recommends measures for improving efficiency. These actions ensure that energy optimization is pursued consistently across the organization and that progress is tracked against corporate-wide sustainability goals.

Energy Management on Construction Sites

Construction sites present unique challenges, so our energy management approach here is highly adaptable. Local energy audits, targeted conservation measures, and site-specific strategies are applied to lower consumption and minimize emissions, while also improving project efficiency.

By tailoring solutions to the realities of each site and project phase, we reduce the environmental footprint of our operations and improve the responsible use of resources. This flexibility allows us to balance efficiency at the office, in production facilities, and in dynamic site environments.

Energy management at Bog'Art is understood not only as a matter of reducing costs or meeting compliance requirements, but as a way of actively contributing to a sustainable economy. By adopting this perspective, we focus our efforts where they can have the greatest positive impact — on construction sites, in offices, and in production facilities — while constantly improving our practices year after year. This principle helps us balance efficiency with responsibility, ensuring that resource use is optimized and environmental impact is minimized.

To make these commitments tangible, Bog'Art translates sustainability goals into measurable actions. We systematically collect and analyze energy and CO_2 data from all operations, using the CarbonTool platform to monitor our carbon footprint and identify emission hotspots. This structured approach allows us to align results with internationally recognized standards, such as the Greenhouse Gas (GHG) Protocol, and to provide full transparency on performance. The detailed results for 2024, covering Scope 1 and Scope 2 emissions, are presented in the following chapters.

This data-driven approach provides us with a precise picture of our environmental impact and guides us toward targeted measures for emission reduction.

On construction sites, the bulk of energy demand comes from electricity-intensive operations - cranes, machinery, lighting, and site organization as well as diesel-powered generators and vehicles.

Electricity Use on Construction Sites

- **Energy-Efficient Equipment:** We prioritize modern lighting systems, tools, and machinery that consume less electricity while maintaining productivity.
- **On-site Renewable Energy:** Where conditions allow, we integrate renewable solutions such as solar panels to reduce dependency on grid electricity.
- **Smart Energy Management:** Real-time monitoring with smart meters helps us adjust consumption, shift demand away from peak hours, and optimize efficiency.

Diesel Use in Generators and Machinery

Our sites often depend on diesel generators and heavy machinery. To reduce environmental impacts, we are moving towards cleaner alternatives and better practices:

- **Alternative Fuel Generators:** Replacing traditional diesel with biodiesel or other low-carbon fuels.
- **Hybrid and Electric Machinery:** Expanding our fleet with electric or hybrid excavators, cranes, and loaders that cut diesel use and emissions.
- **Operator Training:** Empowering teams with skills to run machinery efficiently, minimize idling, and optimize performance.

Future Directions and Innovations

We are committed to advancing site energy management by adopting new solutions and partnerships:

- **Advanced Energy Storage:** Investing in battery storage to secure renewable energy use even when sunlight is not available.
- **Green Procurement:** Strengthening procurement standards to favor suppliers offering efficient, low-emission equipment.
- **Collaborative Innovation:** Partnering with technology providers, manufacturers, and research institutions to test and scale emerging energy solutions for the construction sector.

Site and Production Energy

At Bog'Art, we closely track and report energy consumption on our construction sites, focusing primarily on electricity and diesel, which power site operations, machinery, and equipment. This monitoring process helps us understand our energy needs and design better management strategies for the future.

In 2024, we monitorized electricity use across all sites, providing a clear baseline of our demand. This baseline will serve as a reference point for evaluating the impact of future energy-saving measures. Although renewable energy was not yet integrated into our site operations during the reporting year, knowing our total consumption highlights the opportunities to include renewable sources in our future energy mix. The tables below present a comparative overview between the current reporting year (2024) and 2023, providing a clear basis for tracking progress in the years ahead. However, establishing this year's baseline is a vital step toward measuring progress effectively in the years ahead.

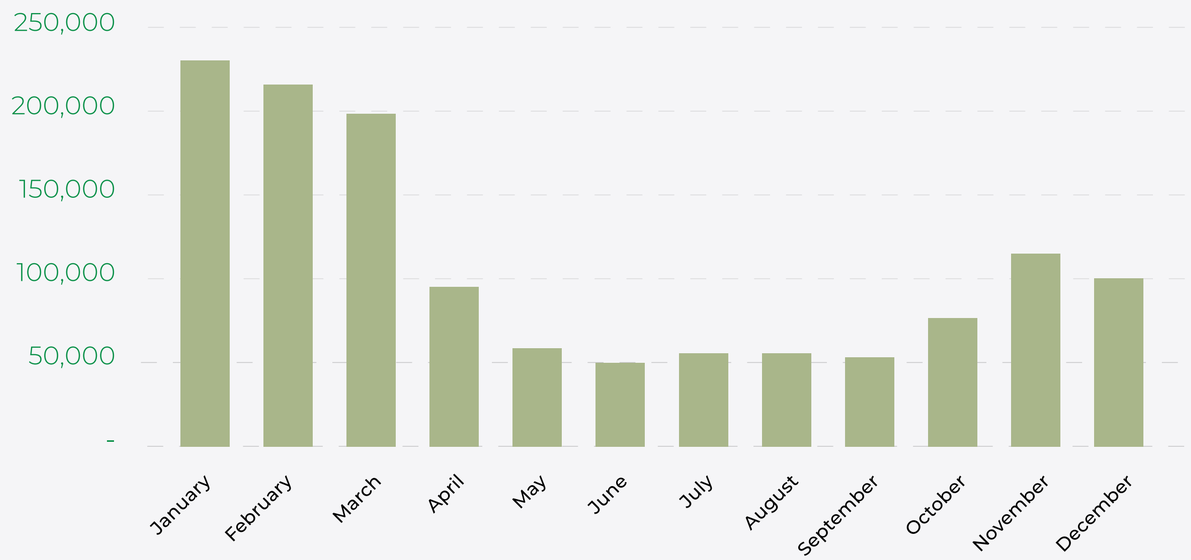
This second energy report marks the continuation of Bog'Art's sustainability journey. Building on the foundation established in the previous year, we are prepared to introduce significant changes, monitor improvements, and align with the global effort to reduce the environmental footprint of the construction industry. It represents an essential milestone in our long-term commitment to lowering emissions and advancing a more sustainable built environment.

In 2024, electricity use across all sites totaled 1,394,920 kWh, representing a 9% increase compared to 2023 (1,274,429 kWh). Despite this rise, overall CO_2 emissions decreased significantly by 43% (146,477 $kgCO_2eq$ in 2024 compared to 439,678 $kgCO_2eq$ in 2023), reflecting the lower carbon intensity of the energy mix used in 2024 (0.15 $kgCO_2eq/kWh$ compared to 0.84 $kgCO_2eq/kWh$ in 2023). This substantial improvement underlines the effectiveness of transitioning towards cleaner energy sources and reducing reliance on high-carbon electricity.

Month	Energy kWh	CO2 Emissions kgCO2e	Cost €	Electricity intensity (kwh/euro/month)	Carbon intensity
January '24	240,307	43,015	595,132	0.40	0.07
February '24	230,952	41,340	1,272,737	0.18	0.03
March '24	203,195	36,372	1,857,546	0.11	0.02
April '24	96,519	17,277	1,047,399	0.09	0.02
May '24	66,325	11,872	1,005,322	0.07	0.01
June '24	55,336	9,905	632,385	0.09	0.02
July '24	62,473	11,183	810,992	0.08	0.01
August '24	61,319	10,976	814,899	0.08	0.01
September '24	59,558	10,661	658,365	0.09	0.02
October '24	82,067	14,690	1,407,522	0.06	0.01
November '24	126,525	22,648	1,559,662	0.08	0.01
December '24	110,344	19,752	961,813	0.11	0.02
Total	**1,394,920**	**249,691**	**12,623,774**	**1.44**	**0.26**

Monthly dynamics show a high in January–March (≈240–203 kWh/month), followed by a sharp reduction and stabilization during late spring and summer (~55–65 kWh/month). Activity picked up again in the last quarter, with November at ~126 kWh and December at ~110 kWh. Throughout the year, the carbon-intensity curve drops quickly after January and remains low and stable for most months, confirming the decoupling between energy use and emissions.

Electricity Consumption on Construction Sites



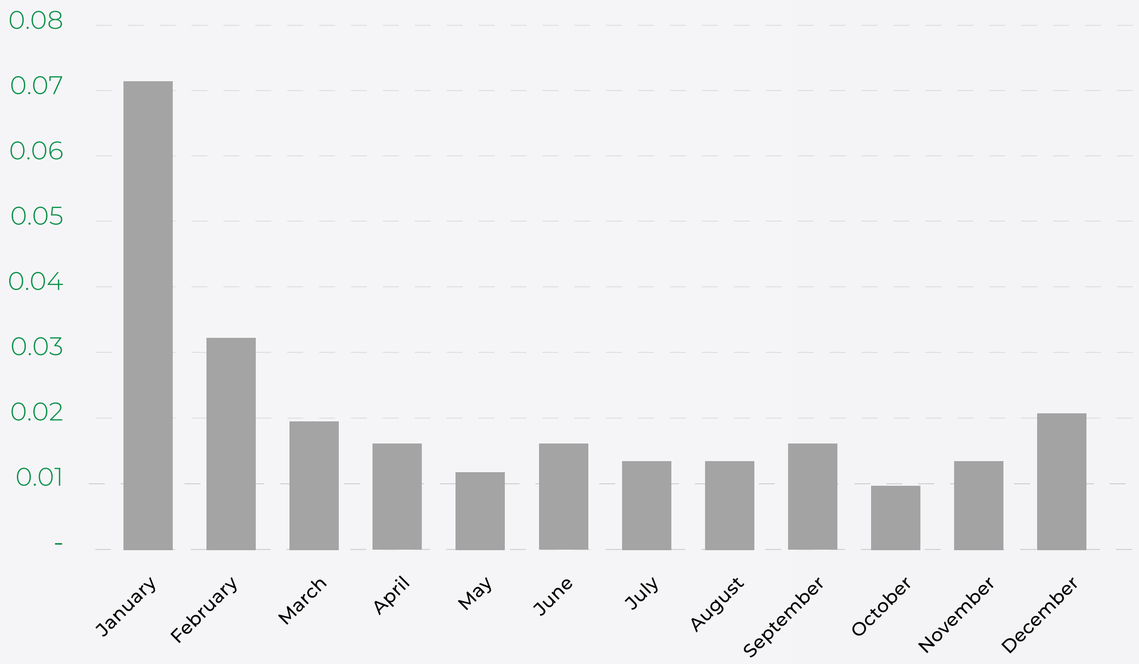
Comparative table

Indicator	2024	2023	2024/2023
Energy kWh	1,394,920	1,274,429	9%
CO2 Emissions kgCO2e	146,477	439,678	-43%
Cost €	12,623,773	10,374,540	22%
Electricity intensity kwh/euro/month	0.85	2.42	-65%
Carbon intensity	0.15	0.84	-41%

The carbon intensity chart highlights a clear peak in January (0.07 $kgCO_2e/kWh$), after which intensity rapidly declined and remained below 0.02 $kgCO_2e/kWh$ for most of the year.

This demonstrates a strong decoupling between electricity consumption and emissions, showing that even when activity levels increased towards the end of the year, the carbon impact per unit of electricity stayed consistently low.

Carbon intensity



This second energy report marks the continuation of Bog'Art's sustainability commitment. Building on the foundation established in the previous year, 2024 stands out as a turning point: while electricity consumption increased moderately, the significant reduction in carbon intensity demonstrates the effectiveness of cleaner energy integration and efficiency measures. By monitoring progress, introducing targeted improvements, and aligning with the global effort to reduce the environmental footprint of the construction industry, Bog'Art reaffirms its long-term commitment to lowering emissions and advancing a more sustainable built environment.

Company Fleet Management and Sustainability

At Bog'Art, sustainability extends beyond our construction sites to the way we operate our company fleet. Vehicles are essential for ensuring mobility, transporting staff, and supporting logistics across multiple projects. Recognizing their environmental impact, we continue to monitor and optimize our fleet performance to balance operational needs with sustainability objectives

Fleet Composition and Usage

In 2024, fuel consumption across the company's fleet and on-site equipment showed an upward trend, reflecting the scale and intensity of ongoing operations. While this led to temporary increase in associated emissions, Bog'Art continues to prioritize improvements in efficiency, vehicle performance, and overall fleet sustainability.

Fleet Management and Operational Efficiency

Bog'Art continues to improve the sustainability of its vehicle fleet as part of its broader efforts to reduce direct (Scope 1) emissions. While vehicles remain essential to ensuring mobility, logistics, and project operations, the company places growing emphasis on minimizing their environmental footprint through practical, efficiency-driven measures.

Ongoing actions focus on enhancing vehicle efficiency, optimizing route planning, and promoting responsible driving practices among staff. The gradual transition toward lower-emission and electric vehicles also remains a key consideration, aligned with Bog'Art's long-term sustainability objectives.

By continuously monitoring performance and seeking operational improvements, the company aims to further reduce fuel use and emissions intensity in the coming years.

Waste and Circularity

The construction sector is one of the most resource-intensive industries, generating substantial amounts of waste - particularly mineral waste such as rubble and soil, which place a heavy burden on the environment and landfill capacity. Addressing this challenge requires more than simply reducing what we discard; it calls for rethinking how materials are designed, used, recovered, and reintroduced into the value chain.

At Bog'Art, we aim to reshape the way construction operates. We integrate innovative technologies, prioritize materials with recycled content, and manage resources according to life cycle value principles to ensure optimal utilization. Our approach aligns with and actively supports the European Union's Circular Economy Action Plan, designed to foster a more sustainable and circular economy. By doing so, we minimize our environmental footprint while setting a benchmark for industry peers.

Circularity and waste reduction are embedded in our broader sustainability vision. We focus on reducing waste generation, maximizing material recovery, and ensuring the safe disposal of residual waste streams across all operational contexts from construction sites and production facilities to administrative offices and specialized waste management operations.

Categories of Waste Flows

Construction sites generate the majority of our waste, followed by production facilities and administrative spaces. While administrative areas offer fewer opportunities for waste reduction, our primary efforts are directed towards improving waste handling at construction sites and strengthening the capacity of specialized facilities for mineral waste treatment.

Environmental Management System

Waste management is a core component of Bog'Art's environmental management system and is subject to regular internal and external audits. In line with our commitment to excellence and continuous improvement, a substantial share of our operations is ISO:14001 certified, demonstrating our adherence to internationally recognized environmental management standards.

Roles and Responsibilities

Dedicated waste management officers oversee the implementation of our waste strategies across facilities and specialized operations. Their responsibilities include ensuring compliance with waste handling regulations, managing hazardous materials, optimising the use of recycled materials, and conducting regular audits to maintain both regulatory compliance and alignment with internal best practices.

Audit and Certification

Our waste management processes and compliance with environmental regulations are verified through scheduled audits under the applicable management systems. These assessments not only confirm adherence to legal requirements but also identify opportunities to enhance performance, ensuring our waste strategies consistently reflect industry's best practices.

Waste Management Performance

At Bog'Art, the majority of waste generated originates from mineral construction and demolition debris, a natural outcome of the sector's project-based and material-intensive operations. Unlike industries with standardized production, construction waste volumes can vary greatly depending on project type, scale, and complexity.

These include building developments, infrastructure works, excavation, dismantling, and specialized recycling activities. Waste quantities are also influenced by external standards, often set by third parties, which determine how materials are recorded and reported.

Managing these diverse waste flows demands tailored strategies. Mineral waste, due to its bulk and weight, requires efficient on-site separation, safe handling, and effective transport to recovery or recycling facilities. Non-mineral waste, although a smaller portion of the total, includes valuable recyclable streams such as metals, plastics, wood, and packaging materials. These are carefully segregated to maximize recovery rates and reduce landfill dependency.

Our waste management strategy is built on three core pillars:

Prevention and minimization

Applying construction methods and material selection processes that reduce waste from the outset, such as precise material ordering, modular construction techniques, and optimized design.

Reuse and recycling

Identifying opportunities to reuse materials within the same project or across different sites, while maintaining high recycling rates for segregated waste streams.

Responsible disposal

Ensuring that any residual waste is handled through certified waste management partners in compliance with legal and environmental standards.

To strengthen these pillars, we invest in training site teams on waste segregation protocols, partner with specialized waste handlers to enhance recycling efficiency, and integrate waste performance indicators into our project monitoring systems. This approach enables us to track progress, pinpoint improvement areas, and tailor practicesto specific site conditions.

We recognize that progress in waste management is not uniform across all regions. In urban settings, projects often benefit from well-developed infrastructure for waste collection, sorting, and recycling, as well as a wider network of specialized service providers. In contrast, secondary locations may face constraints such as limited access to certified recycling facilities, higher transportation distances to treatment centres, or less consistent local regulations. These differences influence how effectively diversion and recycling targets can be met on site.

Despite these variations, our commitment is consistent: to advance waste avoidance and embed circular economy practices throughout our operations. We view this transition not just as a compliance requirement, but as a strategic opportunity to reduce the environmental impact of resource consumption and waste generation. Our vision is to foster a culture of efficiency and recovery, where materials are valued and reused whenever possible. This approach extends from careful planning at the design stage to minimize excess ordering and material waste to on-site segregation, recycling partnerships, and responsible disposal for residuals.

The table below presents the quantities of waste generated, diverted, and eliminated by Bog'Art in 2024. Compared to the previous reporting year, total waste volumes increased by approximately 22%, a growth linked to the expansion in the number and scale of projects. At the same time, the recyclability of waste streams improved significantly, reflecting enhanced site practices, stronger partnerships with certified handlers, and a more consistent approach to waste segregation.

	Waste Flows (tons)			Emission Factor (kg/CO2e)		Total emissions (tCO2e)	
Waste category	**Generated**	**Diverted**	**Eliminated**	**Diverted**	**Eliminated**	**Diverted**	**Eliminated**
Mixtures of concrete, tiles, bricks and ceramic materials	5,893	5,893		0.001	0.001	5.89	
Construction and demolition mixes	8,886	8,604	282	0.001	0.52	8.60	0.28
Municipal mixed waste	14.74						7.66
Mixed metal	124.01	124.01	14.74	0.021		2.60	
Paper and board	3.78	3.78		0.002		0.01	
Plastics	0.14	0.14		0.004		0.001	
Aluminium	1.08	1.08		0.021		0.02	
Wood	83.63	83.63		0.014		1.17	
Concrete	6,948	6,948		0.001		6.95	
Discarded equipment other than those specified in 16 02 09 to 16 02 13	4.8	4.8		0.021		0.10	
Insulation material waste other than those specified in 17 06 01* and 17 06 03*	2,270		2,270		0.006		13.62
Total	**24,230**	**21,663**	**2,567**			**25.35**	**21.57**

% Diverted 89%

Measuring and Managing Waste Impact

We monitor waste generation, diversion, and disposal using defined performance indicators, including their CO_2e impact. This allows us to continuously refine our waste management approach and strengthen our contribution to a more sustainable construction industry. Our process covers the entire waste management cycle — from collection and processing to recycling, recovery, and safe disposal. We clearly distinguish between recycling, where materials are reintroduced into the production process, and recovery, where they replace the need for virgin resources.

Innovative Solutions for Waste Reduction and Recycling

Recognizing the essential role of waste management in sustainable construction, Bog'Art develops innovative solutions to minimize waste and maximize reuse. Our actions focus on creating efficient recycling processes that maintain material quality, applying best practices in segregation, exploring advanced recycling technologies, and building strong partnerships with certified recycling and disposal facilities. By improving site coordination and streamlining waste logistics, we aim to further reduce environmental impact and accelerate the transition towards a circular economy.

Resource Optimization through Technology and Collaboration

We harness technology and collaborative partnerships to optimize resource use across all our projects. By continuously expanding our knowledge and applying sustainable materials and construction methods, we work to reduce both waste and energy consumption. This includes assessing and integrating innovative materials, as well as adopting construction methods that deliver efficiency gains. We actively collaborate with suppliers, clients, and communities to promote shared responsibility for sustainability and operational excellence.

Continuous Improvement and Sustainability Strategies

Our path toward sustainability and operational excellence is a continuous one. We regularly review our processes to identify opportunities for improvement, set ambitious targets for reducing carbon emissions, energy consumption, and waste generation, and align these objectives with our global commitments to climate action and responsible resource use. Transparency is central to our approach — we report openly on both progress and challenges, ensuring stakeholders are informed and engaged as we work collectively towards a more sustainable future.

Integrating Life Cycle Perspectives

In the increasingly dynamic landscape of sustainable construction, integrating a life cycle perspective remains a central pillar of Bog'Art's commitment to environmental performance. In 2024, we strengthened our strategic actions to incorporate Life Cycle Assessment (LCA) into our projects, applying strict sustainability standards and meeting the extended criteria of the National Recovery and Resilience Plan (NRRP).

Our approach is grounded in concrete data, quantitative evaluations, and measurable indicators that support decision-making processes, material selection, and the optimization of construction solutions. **LCA provides a clear and structured framework** for assessing the environmental impacts of every stage in a building's life cycle, guiding our actions in **three priority areas:**

Material selection

We prioritize materials with lower environmental impacts throughout their entire life cycle, evaluating factors such as embodied carbon, resource depletion, and recycling or reuse potential. Environmental Product Declarations (EPD) play a critical role by providing transparent, standardized, and independently verified information on material impacts.

Design optimization

We use LCA insights early in the design phase, we identify and address potential environmental impacts from the outset. This enables us to optimize projects for energy performance, resource efficiency, and waste reduction, aligned with circular economy principles.

Operational efficiency

We use LCA to evaluate the operational phase of our buildings, identifying measures to reduce energy and water consumption through high-performance systems, water-efficient technologies, and renewable energy integration.

Sustainability Certifications and NRRP Compliance

Our sustainability performance in 2024 continued to be recognized through internationally accredited certifications and full compliance with NRRP (National Recovery and Resilience Plan) requirements — confirming both technical excellence and environmental responsibility.

Sustainability certifications

Achieving LEED, BREEAM, and WELL certifications for several projects reinforces Bog'Art's firm commitment to sustainable construction and third-party-verified performance. These certifications cover a wide range of ESG criteria, from energy and water efficiency to responsible material sourcing and indoor environmental quality.

Our teams integrate certification requirements from the earliest design stages and monitor them throughout the building’s life cycle.

NRRP alignment

Our publicly funded NRRP projects are designed to advance national and EU objectives for sustainable development and the green transition. These include:

- Improving building energy performance
- Implementing innovative emissions-reduction solutions
- Protecting biodiversity
- Promoting sustainable land use.

In a constantly evolving industry, we continuously refine our methods and explore new opportunities from bio-based materials and recycled content to products with low embodied carbon – all selected based on comprehensive LCA analysis. Today, life cycle perspective is naturally integrated into the way we design and build, delivering not only sustainable outcomes but also long-term resilience in the built environment.

Materials

In 2024, we continued to address the challenge of balancing the high resource demands of construction with the need to reduce climate impacts. The sector relies heavily on essential but finite raw materials such as sand, gravel, and stone, whose extraction can pose both environmental and availability risks.

Bog'Art remains on track to achieve climate neutrality across aits entire value chain by 2040, a goal driven by the responsible use of materials and the development of low-carbon construction solutions. Our approach combines innovation with life cycle-based project management, enabling us to meet future market demands while generating lasting value for the environment, society, and the economy. We actively manage risks related to material availability and price volatility through our risk management framework, ensuring project continuity and operational efficiency even in fluctuating market conditions.

Indicators

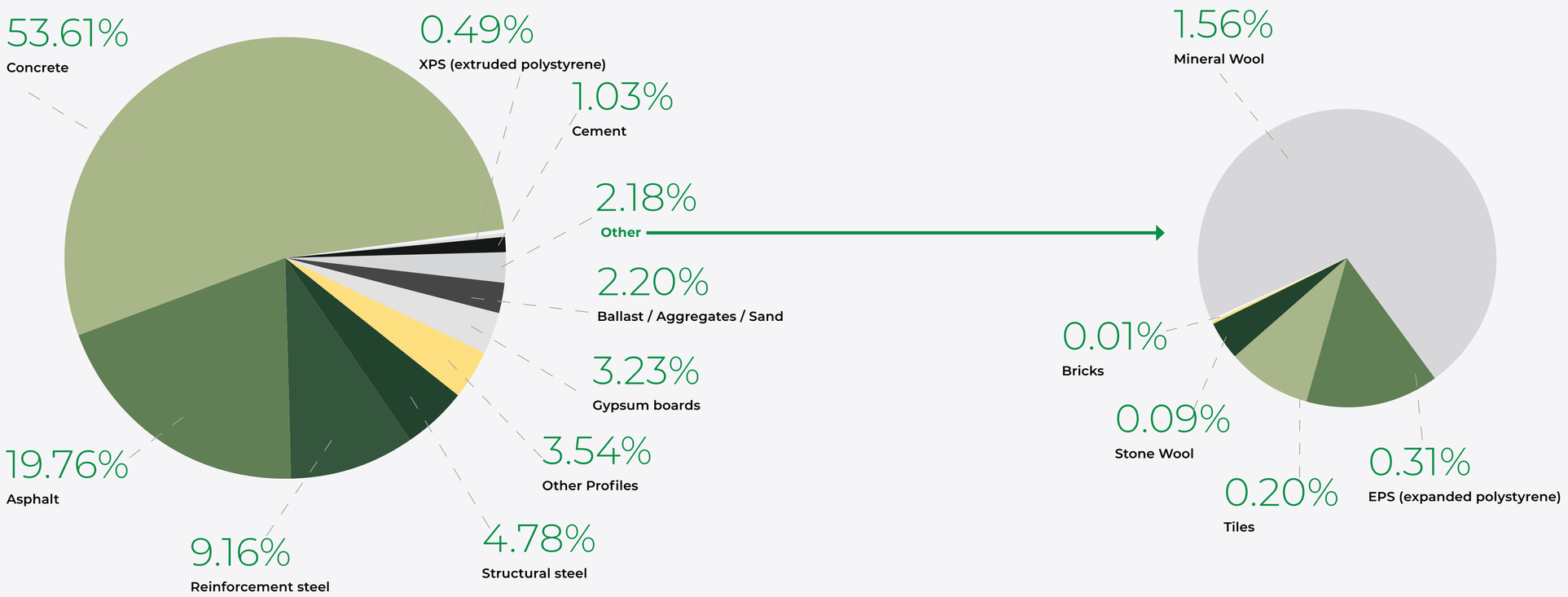
To maximize our environmental goals and considering the specific context of our operations in Romania, we focus on areas where we can have the greatest direct impact, particularly on material use and recycling. In 2024, we maintained close monitoring of material consumption and placed particular emphasis on metallic materials as a distinct category, allowing us to optimize resource efficiency across our projects.

CONSTRUCTION MATERIALS TABLE

Construction Materials	2024 Quantity	2023 Quantity	Unit of measure (U.M.)	Emission factor (kg CO2e/U.M)	Total 2024 Carbon Footprint (kg CO2e/U.M.)	Total 2023 Carbon Footprint (kg CO2e/U.M.)
Asphalt	23,948,100	60,221,580	kg	0.07	1,676,367	4,402,198
Ballast / Aggregates / Sand	18,696,460	19,495,732	kg	0.01	186,965	177,916
Reinforcement steel	1,554,777	2,338,082	kg	0.50	777,389	1,169,041
Structural steel	161,664	134,905	kg	2.51	405,777	338,611
Cement	159,240	153,160	kg	0.55	87,582	84,238
Gypsum boards	137,154	134,606	sqm/10 cm	2.00	274,308	269,211
Other Profiles	109,329	405,526	kg	2.75	300,653	1,115,197
Concrete	21,250	29,420	m^3	214.00	4,547,596	6,288,569
XPS (extruded polystyrene)	11,826	6,476	sqm/10 cm	3.48	41,156	22,535
Mineral Wool	8,292	11,290	sqm/10 cm	16.00	132,672	181,049
Stone Wool	5,870	6,510	sqm/10 cm	1.32	7,748	8,622
EPS (expanded polystyrene)	5,172	1,583	sqm/10 cm	5.16	26,688	8,168
Bricks	2,227	440	sqm/10 cm	0.24	535	107
Tiles	2,003	22,777	sqm/10 cm	8.63	17,288	196,568
					8,482,722.68	**14,262,030**

In 2024, the total carbon footprint associated with construction materials decreased by approximately 40% compared to 2023, mainly due to lower asphalt and steel consumption. Concrete remained the dominant contributor, accounting for more than half of total material-related emissions.

Construction Materials by use in Bog'Art Construction sites 2024



Metallic Materials Usage and Recycling Strategy

Grouping Strategy

To improve efficiency and reduce environmental impact, all metallic materials used in our projects—such as:

Structural steel

Reinforcement bars

Various profiles

are considered under one consolidated group. This approach allows us to streamline recycling processes and minimize the overall carbon footprint associated with the production and use of metals.

2024 Overview of Metallic Material Consumption

- Total Quantity: The combined use of metallic materials in our projects amounted to 1,825.77 tonnes, representing 37% decrease year-on-year.
- Value and Environmental Impact: The associated use of these materials resulted in an estimated total carbon footprint of 1,483,819 kgCO_2e.
- Recycling and Sustainability Efforts: In line with our objective to increase the recycled content in materials, we are adopting practices that enable greater use of recycled metal in construction.

This reduces reliance on virgin raw materials and significantly lowers the environmental impact associated with metal production.

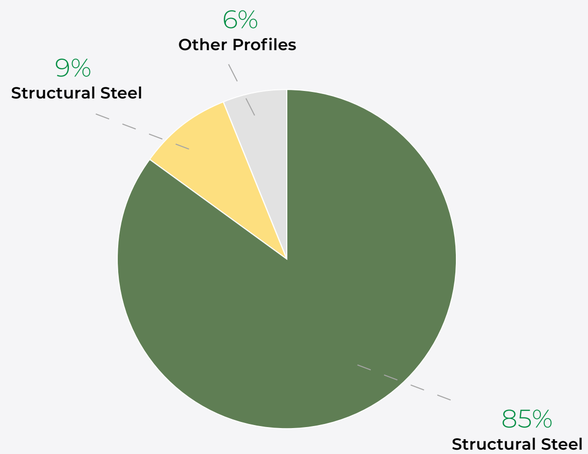
Material type	Unit of measure	Quantity	Total CO2e
Structural steel	kg	161,664.28	405,777.34
Other Profiles	kg	109,328.52	300,653.43
Reinforcement steel	kg	1,554.777	1,483,819.27
Total	**t**	**1825.77**	**1,483.81**

Asphalt Materials Usage and Recycling Strategy

2024 Overview of Asphalt Material Consumption

- Total Quantity: Asphalt usage within our projects for the year amounted to 23,948.10 tonnes, marking a 60% decrease vs. 2023 consumption.
- Value and Environmental Impact: The environmental impact of asphalt usage generated an estimated carbon footprint of 1,676,367 kg CO_2e.
- Recycling and Sustainability Efforts: In pursuit of our goal to increase the recycling share in asphalt production, Bog'Art is committed to adopting advanced recycling technologies and methodologies. Our strategy emphasizes the reuse of asphalt materials, aiming to substantially raise the proportion of recycled asphalt in our mixes. This reduces waste, conserves natural resources, and aligns with the growing demand for sustainable construction practices.
- Stakeholder Collaboration: We work closely with suppliers, regulatory bodies, and clients to encourage the use of recycled asphalt. Through collaboration, we aim to drive wider industry change and promote sustainable material practices across the construction sector.

Quantity Share (% of total material quantity)

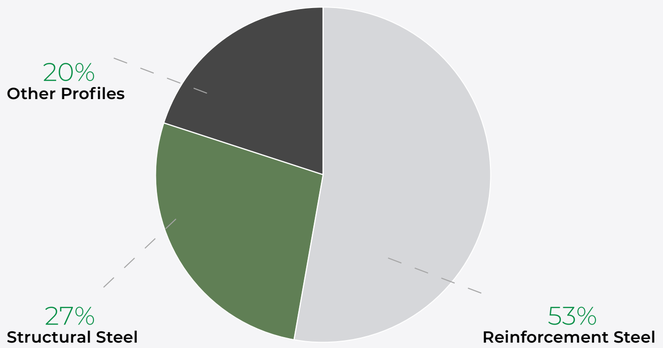


Total Quantity: The combined use of metallic materials in our projects amounted to 1,825.77 tons, representing a 37% decrease year-on-year.

Value and Environmental Impact: The associated use of these materials resulted in an estimated total carbon footprint of 1,483,819 kg CO_2e.

Recycling and Sustainability Efforts: In line with our objective to increase the recycled content in materials, we are adopting practices that enable greater use of recycled metal in construction. This reduces reliance on virgin raw materials and significantly lowers the environmental impact associated with metal production.

Carbon Footprint Share (% of total CO_2e emissions).



Concrete Materials Usage and Sustainability Strategy

Bog'Art used 21,250.45 cubic meters of concrete in 2024 for various construction projects. Concrete remains a core material in our building activities but is also associated with a significant carbon footprint. The use of concrete generated an estimated 4,547,596 $kgCO_2e$, representing 54% of the total footprint from all construction materials.

Our key efforts are:

- **More Recycled Content:** We continue to explore and test solutions for increasing the share of recycled materials in our concrete mixes. This reduces the need for virgin raw materials and lowers the carbon footprint of production.
- **Resource Efficiency:** By adopting improved concrete mix designs and innovative technologies, we aim to use less concrete for the same structural performance, without compromising on quality or safety.
- **Construction Code Compliance:** Regulatory codes often limit the amount of recycled content allowed in structural concrete. We work to balance compliance with innovation, ensuring safety while still advancing sustainability.
- **Research and Development:** We collaborate with industry experts, academic institutions, and material suppliers to identify and apply sustainable practices for concrete. Ongoing R&D helps us integrate new technologies and reduce environmental impact in our projects.

Sustainable Concrete Solutions

As part of our commitment to reducing the impact of concrete in construction, Bog'Art collaborates with leading global suppliers of innovative and sustainable materials. Through this partnership, we gain access to advanced concrete products designed to lower CO_2 emissions and improve recyclability, helping us align with both our sustainability targets and regulatory requirements.

- **Innovative Products:** We test and integrate new concrete solutions that deliver improved environmental performance, with lower carbon intensity and higher recycling potential.
- **Technical Support:** Our partners provide technical expertise to ensure that sustainable products meet strict quality and compliance standards.

Joint Efforts in Sustainability: Long-term collaboration reflects a shared vision for more responsible construction, where resource efficiency and environmental performance are at the core.

Concrete emissions represent

54%

of total emissions from all construction materials

Addressing Limitations and Regulatory Compliance

Although our ambition is to expand the recycled content in concrete mixes, current regulations limit the proportion of recycled material that can be safely used. These rules, while essential for durability and safety, create constraints for innovation.

To address this, Bog'Art works closely with international producers to identify and promote solutions that meet sustainability objectives while remaining compliant. By leading through example and advocating for change, we aim to accelerate the transition to more sustainable concrete practices. Our broader strategy emphasizes responsible material use, recycling, and compliance as key elements of building a sustainable future.

Insulation Materials Usage and Sustainability Strategy

Bog'Art continues to prioritize the use of insulation materials in its projects, recognizing their essential role in improving energy efficiency and advancing sustainability. By carefully selecting products that not only optimize thermal performance but also meet rigorous environmental standards, we ensure that our projects deliver both comfort and responsibility.

Our insulation materials are sourced from trusted suppliers committed to sustainable production, backed by Environmental Product Declarations (EPD) and other relevant certifications. This approach reflects our long-term vision to consistently integrate solutions that reduce environmental impact and support green building performance.

Strategic Approach to Sustainable Insulation Usage

- **Sustainability Certification and Selection:** The insulation materials we choose are strongly influenced by the sustainability profile of our suppliers. We actively prioritize manufacturers recognized for their environmental responsibility, ensuring that the products we use come with Environmental Product Declarations (EPD) and sustainability certifications. By integrating materials with verified environmental benefits into our projects, Bog'Art contributes directly to reducing the impact of insulation from production to end-of-life.

- **Energy Efficiency and Building Performance:** Insulation is essential not only for comfort but also for long-term energy performance. By working with trusted suppliers, we integrate advanced insulation solutions that enhance thermal efficiency, reduce the energy needed for heating and cooling, and improve overall sustainability. These materials are carefully selected to meet stringent energy performance standards, helping our projects achieve green building certifications.

- **Recycling and Lifecycle Management:** In line with circular economy principles, we emphasize recycling and lifecycle considerations when selecting insulation products. We opt for solutions that can be reused or recycled at the end of their life, minimizing waste and promoting resource efficiency. Collaborating with suppliers that have strong recycling programs, and a lifecycle approach ensures that the insulation materials used in Bog'Art's projects remain sustainable throughout their entire lifespan.

Collaborative Efforts for Sustainable Solutions

At Bog'Art, collaboration with industry leaders is essential to advancing the sustainability of our projects. By working with innovative producers such as Saint-Gobain, we gain access to state-of-the-art insulation technologies that combine energy efficiency with reduced environmental impact. These partnerships are built on a shared commitment to sustainability and enable us to implement solutions that meet our strict criteria for performance, compliance, and environmental responsibility.

- **Partnerships for Environmental Innovation:** Through close collaboration with trusted suppliers, we are able to test and adopt cutting-edge insulation materials that set new benchmarks in energy performance and sustainability. These partnerships ensure that our projects remain aligned with global innovation trends and that we continuously raise the standard of materials used in construction.

- **Adaptation to Regulatory and Environmental Standards:** As building regulations and environmental requirements evolve, Bog'Art maintains an adaptive approach. We consistently review and update our material selection to reflect the latest sustainability practices and building codes. This ensures our projects not only comply with existing regulations but also anticipate future trends, making our construction practices resilient and forward-looking.

Our approach to insulation materials goes beyond regulatory compliance — it demonstrates Bog'Art's commitment to leading by example in sustainable construction practices. By prioritizing certified products, improving energy performance, and integrating recycling and lifecycle principles, we actively reduce the environmental footprint of our projects. These collaborative efforts highlight our role in promoting industry-wide transformation towards a more energy-efficient and sustainable built environment.

Overview of Glass Material Usage

In 2024, Bog'Art continued to extensively utilize glass across a wide range of projects, further enhancing the aesthetic and functional qualities of building designs. Glass materials were primarily sourced through Alusystem, the group company specialized in integrated façade design, procurement, and installation. Our supply chain partners, including Saint-Gobain and Guardian, remain recognized for their strong commitment to sustainability, evidenced by Environmental Product Declarations (EPD) and BES certificates. This consistent collaboration highlights our dedication to eco-friendly production processes, energy performance, and lifecycle management of glass products.

Strategic Approach to Sustainable Glass Usage

- **Sustainability Certification and Selection:** The ongoing partnership with Saint-Gobain and Guardian reinforces our strategy of integrating sustainable materials into construction projects. Their certified products, backed by EPD and BES documentation, ensure that verified environmental credentials are embedded in our buildings. By maintaining this alignment with certified providers, Bog'Art further reduces the environmental impact of glass use, from production to recycling and reuse.

- **Energy Efficiency and Innovation:** In 2024, glass solutions played a central role in advancing energy-efficient building design. State-of-the-art glazing technologies supported enhanced thermal insulation, light management, and solar control, translating into measurable energy savings. These innovations are directly aligned with our sustainability roadmap and client targets for high-performing green buildings.

- **Recycling and Lifecycle Consideration:** Our sustainability strategy for glass continues to prioritize recycling and resource efficiency. By selecting suppliers with robust recycling programs and lifecycle approaches, Bog'Art ensures that glass used in 2024 projects contributes to the circular economy, reduces construction waste, and supports long-term sustainability objectives.

Gypsum Boards, Bricks, and Finishing Materials Strategy

In 2024, Bog'Art's construction projects continued to integrate gypsum boards, bricks, and finishing materials, reinforcing our commitment to sustainable building practices. These materials are carefully sourced from providers that demonstrate environmental responsibility and innovative approaches to resource efficiency. By consolidating partnerships with trusted suppliers, we ensured that our projects met both performance and sustainability expectations.

Gypsum Boards

Our gypsum board suppliers maintained strict environmental standards in 2024, focusing on responsible manufacturing with reduced energy and water use, and increased material recycling. The use of gypsum boards supported improved indoor air quality and energy-efficient insulation, contributing to the comfort and health of building occupants.

Bricks

The bricks incorporated into Bog'Art's 2024 projects were selected for durability, energy efficiency, and responsible production practices. Suppliers were chosen based on their commitment to reducing emissions during manufacturing and optimizing resource use, ensuring that raw materials were utilized responsibly and with lower environmental impact.

Finishing Materials

Finishing materials, such as paints, tiles, and flooring, were procured from providers emphasizing eco-friendly production. Products with low Volatile Organic Compounds (VOCs), high recycled content, and sustainability certifications were prioritized, further enhancing the environmental credentials of our finished projects and aligning with green building requirements.

Commitment to Sustainability and Quality

Bog'Art's 2024 approach to material selection - covering glass, gypsum boards, bricks, and finishing materials, reflects a continuous effort to combine sustainability, quality, and innovation. By working with Alusystem and other partners who share our environmental ethos, we ensured that all projects not only met but often surpassed international sustainability benchmarks. This careful selection strategy reinforces Bog'Art's mission to deliver buildings that balance functionality and aesthetics with long-term positive environmental impact.

Equipment and Installations Selection Strategy

In 2024, the selection of equipment and installations remained a cornerstone of Bog'Art's approach to enhancing building performance and sustainability. Our strategy was guided by a dual objective: optimizing energy efficiency while strengthening the overall sustainability credentials of our projects. Beyond energy performance, we also prioritized equipment with recycled content and sustainability certifications, reflecting our holistic commitment to responsible construction practices.

Energy Performance as the Primary Criterion

- **Energy-Efficient Equipment:** In 2024, our focus on energy efficiency was reinforced through the integration of high-performance HVAC systems, advanced lighting solutions, and other installations designed to minimize energy consumption. These measures significantly reduced the operational carbon footprint of our projects, ensuring that buildings delivered both long-term cost efficiency and environmental responsibility. By prioritizing products that exceeded current energy standards, Bog'Art aligned project outcomes with evolving green building requirements.

- **Sustainability Certifications:** Equipment and installations were carefully selected for compliance with recognized sustainability certifications such as Energy Star, LEED, or equivalent benchmarks. These certifications provided a transparent framework for assessing energy efficiency and environmental impact. By embedding these standards into our selection process, Bog'Art ensured that every component integrated in 2024 projects contributed to sustainability targets and regulatory compliance.

Recycled Content as a Valued Addition

In 2024, Bog'Art further strengthened its commitment to integrating recycled content into equipment and installations, whenever available and applicable. This approach reinforced our contribution to the circular economy by reducing the demand for virgin materials, minimizing waste, and maintaining performance and durability standards across our projects.

Preference for Recycled Content

During 2024, we consistently prioritized suppliers offering products with recycled content. This ensured that our material and equipment choices not only met technical and performance requirements but also aligned with our sustainability strategy of resource efficiency and waste reduction.

Holistic Environmental Impact

Our selection process in 2024 emphasized a lifecycle-based evaluation of environmental impact, covering manufacturing methods, potential for end-of-life recycling, and carbon footprint reduction. This holistic perspective guaranteed that the materials and installations we integrated had a measurable positive effect on each project's sustainability profile.

Collaborative Approach with Suppliers and Manufacturers

- **Engagement for Innovation:** In 2024, Bog'Art deepened its collaboration with suppliers and manufacturers to promote innovation in sustainable equipment and installations. By encouraging the development and delivery of energy-efficient solutions incorporating recycled materials, we contributed to making sustainable options more accessible and scalable in the construction market.

- **Continuous Improvement:** Our approach remained dynamic throughout 2024, adapting to evolving sustainability standards and technological advances. By consistently learning and integrating new practices, we ensured that our equipment and installation selection processes stayed at the forefront of industry's best practices.

Bog'Art's 2024 strategy for equipment and installations reflects our unwavering commitment to high-performance, energy-efficient, and sustainable projects. By prioritizing energy efficiency and maximizing the use of recycled content, we achieved superior project outcomes that met client needs while contributing to a more sustainable and responsible built environment.

Bog'Art Headquarters: A Pathway to Sustainability

In 2024, Bog'Art Headquarters advanced significantly on its pathway to becoming a more sustainable operation. Located at Str. Ion Brezoianu nr. 27, Sector 1, Bucharest, with a Gross Built Area of 3,750 sqm, the building continued to demonstrate our dedication to sustainability and innovation. Constructed between 2000 and 2001, and in use for over two decades, our headquarters is now firmly engaged in a transformation journey focused on environmental responsibility and operational excellence.

During 2024, we initiated the certification process for our headquarters under **LEED v4.1 Certification for Operations and Maintenance.** This step reinforces our commitment to align building operations with international sustainability benchmarks and marks an important milestone in our long-term transformation journey.

2024: From Planning to Implementation

Building on the foundation laid in 2023, Bog'Art Headquarters transitioned from assessment and planning into the implementation phase of key sustainability measures. Following the energy audit and strategic evaluation initiated in the previous year, 2024 was marked by concrete actions that enhanced the building's environmental profile and reduced its operational impact.

Strategies and Objectives in 2024

Our path to sustainability is guided by a comprehensive strategy that brings together a series of focused objectives:

- **Carbon Footprint Monitoring:** Continued evaluation of our headquarters' carbon footprint allowed us to track reductions achieved and refine our decarbonization actions.
- **Decarbonization Strategy in Action:** Specific energy efficiency measures and renewable energy solutions were deployed to lower emissions, aligning with our long-term net-zero vision.
- **LEED Operational and Maintenance Certification:** Preparations for certification advanced in 2024, with operational practices updated to meet LEED v4.1 criteria.
- **Renewable Energy Expansion:** We optimized the operation and monitoring of the existing photovoltaic system to maximize on-site self-consumption of clean electricity and reduce reliance on non-renewable sources.
- **Energy Performance and Comfort Enhancement:** Upgrades in HVAC operation and indoor climate control optimized comfort for occupants while reducing energy intensity.
- **Addressing Infrastructure Challenges:** With the building surpassing 20 years of operation, targeted retrofitting actions were implemented to meet evolving environmental and energy performance standards.

Sustainability Actions and Progress in 2024

As part of our continued goal to operate more sustainably, Bog'Art Headquarters moved decisively into implementing energy, gas, water, and maintenance improvements during 2024. The initiatives launched established not only pathways for achieving our sustainability targets but also a model of corporate environmental responsibility in Romania's construction industry.

With innovative solutions and strengthened operational practices, our headquarters is being transformed into a reference for green building management and operational excellence.

Energy and Gas Consumption

Energy and gas management remained a cornerstone of our sustainability agenda in 2024. Continuous monitoring not only ensured accurate tracking of performance but also supported targeted actions that drove measurable reductions in both consumption and emissions.

Energy Efficiency

Electricity consumption reached 318,162 kWh, being a moderate 6% decrease compared to 2023. The impact on emissions, however, was far more substantial, with levels falling by 51% (to 56,951 $kgCO_2e$) due to both operational improvements and the lower national grid emission factor. Seasonal patterns remained evident, with demand peaking in January and July, while spring and early summer months recorded the lowest levels.

Gas Use Reduction

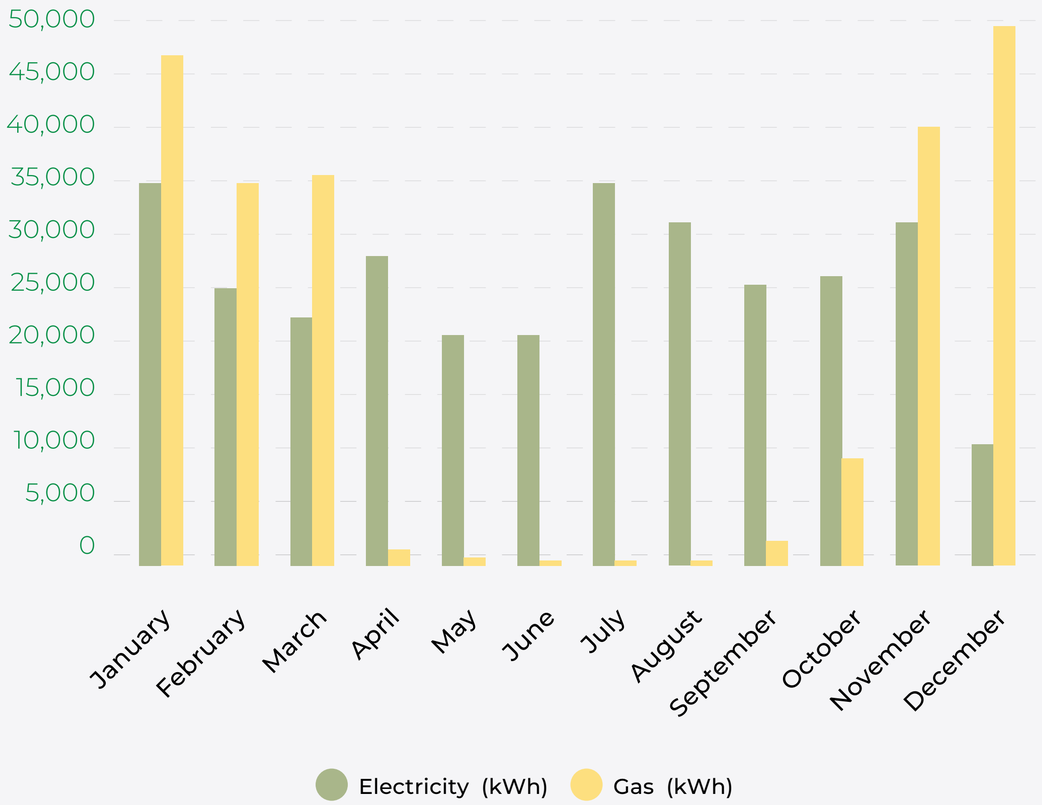
Through adjusted heating and cooling schedules, combined with improved equipment performance, gas consumption decreased with 34% compared to the previous reporting year, reflecting more efficient energy management. Usage was concentrated in the cold season, particularly in January and December, while it was almost negligible during the summer months, illustrating the effectiveness of optimized heating schedules and improved system performance.

Operational Benefits

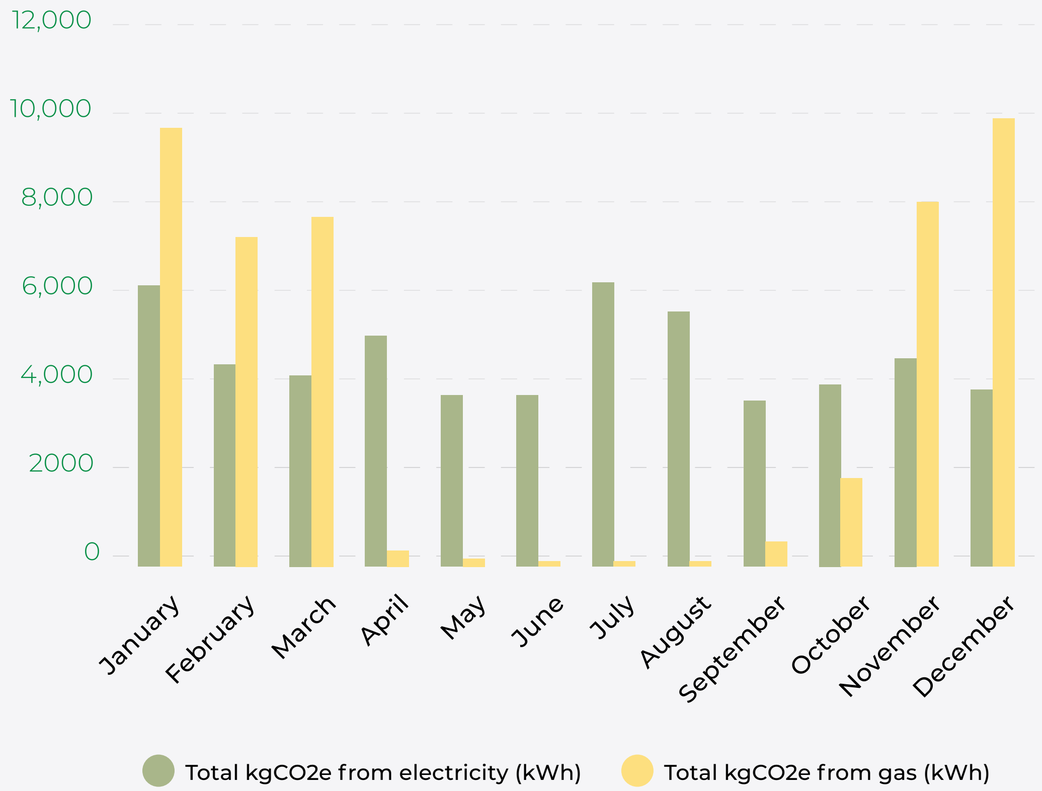
Combined, these efficiency gains resulted in a 45% reduction in total emissions from electricity and gas (from 187,013 $kgCO_2e$ in 2023 to 102,764 $kgCO_2e$ in 2024). Beyond lowering the carbon footprint, these outcomes reinforced Bog'Art's ability to align operational practices with long-term sustainability objectives while maintaining cost efficiency.

HQ Electricity Consumption	Electricity (kWh)	Total kgCO2e from electricity	Gas (kWh)	Total kgCO2e from gas
January	35,265	6,312	48,023	9,701
February	25,585	4,580	35,798	7,231
March	23,529	4,212	37,389	7,552
April	29,220	5,230	1,580	319
May	21,920	3,924	479	97
June	21,695	3,883	-	0
July	35,505	6,355	-	0
August	31,845	5,700	-	0
September	21,298	3,812	3,263	659
October	22,155	3,966	9,727	1,965
November	27,975	5,008	40,835	8,249
December	22,170	3,968	49,705	10,040
Total 2024	**318,162**	**56,951**	**226,799**	**45,813**

HQ Electricity and Gas Consumption (kWh)



HQ Electricity and Carbon Footprint(kWh)



HQ Water Usage

In 2024, water conservation continued to be a critical focus at our headquarters. Monthly metering helped identify new opportunities for reducing consumption, leading to the wider use of low-flow fixtures and the operationalization of a rainwater harvesting system dedicated to landscaping and maintenance needs. These actions brought our monthly water consumption consistently below 150 cubic meters, reinforcing our commitment to resource efficiency and the responsible use of natural resources.

Maintenance and Infrastructure Upgrades

The modernization of our headquarters advanced in 2024 through detailed planning and preparation for retrofit initiatives designed to enhance building performance and occupant comfort. The year focused on technical groundwork, design development, and procurement readiness, with the key steps including:

Defining scope and specifications for insulation improvements to deliver energy-efficiency gains.

Developing design options and evaluating vendors for high-performance window systems.

Establishing a preventive maintenance program with schedules, checklists, and performance indicators to support operational reliability.

These preparations position us to implement upgrades with minimal disruption to building operations while maximizing environmental benefits and workplace comfort.

Looking Forward

Throughout 2024, the strategies implemented, and the lessons learned at our headquarters have already begun to shape broader sustainability practices across Bog'Art operations. This year has demonstrated that continuous improvement in building performance not only reduces environmental impact but also enhances the well-being of our employees and the communities we serve.

Our headquarters at 27 Ion Brezoianu has become a reference point for sustainability within the company, symbolizing our dedication to green building practices and responsible resource management. The progress achieved in 2024 establishes a strong foundation for maintaining this trajectory, ensuring that Bog'Art continues to meet ambitious sustainability milestones in the years ahead.

Carbon Footprint

Commitment to Sustainability

Bog'Art demonstrates a strong and consistent commitment to sustainability and environmental responsibility. Guided by a corporate philosophy focused on reducing our carbon footprint, we continue to embed sustainable practices throughout all areas of our operations. In the context of increasing climate challenges, our strategy prioritizes the transition to a low-carbon economy, the careful management of GHG emissions, improved energy performance, and the gradual integration of renewable energy sources. In 2024, we remain determined not only to maintain but to strengthen and refine our environmental actions, ensuring that our objectives contribute meaningfully to global sustainability goals.

Purpose of the chapter

This chapter provides a transparent and structured account of Bog'Art's greenhouse gas (GHG) emissions for 2024. It supports our ability to record and monitor environmental impact, identify opportunities for emission reduction, and establish benchmarks for future performance evaluation.

It also reflects our sustained commitment to accountability and continuous improvement, serving as a foundation for designing strategies that align with our long-term sustainability objectives. Furthermore, this chapter aims to foster stakeholder trust and engagement by providing a clear overview of both our environmental impact and the concrete actions we are taking to control, reduce, and progressively decarbonize our operations.

High-Level Summary of GHG Emissions Data

During the reporting period, Bog'Art completed a comprehensive greenhouse-gas inventory covering Scopes 1, 2, and relevant Scope 3 categories. Total emissions were 30,764.55 tCO_2e, comprising Scope 1: 663.56 tCO_2e, Scope 2: 306.86 tCO_2e, and Scope 3: 29,793.15 tCO_2e, which accounts for 97% of the total footprint. The inventory of the organizational boundary of Bog'Art Headquarters and construction sites under operational control in Romania for 2024 year, consolidated using the operational control approach; Scope 2 is reported on a location-based basis, and Scope 3 covers many categories using spend-and mass-based methods as available.

Key Findings and Future Goals

In 2024, **Scope 1** emissions increased by 76%, mainly due to higher stationary combustion and refrigerant leaks driven by expanded on-site energy and cooling demands. **Scope 2** emissions slightly decreased by 2%, reflecting modest efficiency gains and a relatively stable electricity supply mix. **Scope 3** emissions, on the other hand, remained broadly consistent with 2023 levels (+1.6%), with marginal increases from capital goods and fuel-related activities.

Building on the progress and lessons from the last two years, Bog'Art continues to advance its decarbonization strategy with a strengthened focus on operational efficiency and responsible energy management. While the dynamics of on-site activities in 2024 led to higher direct emissions, these insights have helped refine the company's approach toward achieving long-term reduction goals.

In the year ahead, Bog'Art will enhance its energy optimization initiatives, expand renewable energy integration, and accelerate the transition to low-emission technologies—further reinforcing its commitment to continuous environmental improvement and transparency.

The Challenge

Climate change remains a serious and urgent challenge, evidenced by the continued rise in global temperatures and the intensification of extreme weather events. Scientific consensus confirms that human activities, particularly fossil fuel use, are the main drivers of these changes. In recent years, record-high average annual temperatures and increasingly severe weather patterns, such as prolonged heatwaves, intense storms, and flooding, have underscored the urgency of coordinated action.

This situation highlights the ongoing need for reliable carbon footprint calculations. By accurately measuring greenhouse gas emissions, organizations can identify key areas for reduction, align their strategies with climate action, and contribute to the global effort of mitigating climate change.

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 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. Scope 3, which includes other indirect emissions not covered in Scope 2, remains partly reflected in this chapter, with further analysis to be expanded in future reporting cycles.

Reporting Period

The reporting period for this GHG inventory is 01.01.2024 – 31.12.2024. This timeframe is aligned with Bog'Art's financial year, ensuring consistency between environmental and financial reporting and enabling a clear evaluation of sustainability performance alongside economic results.

Organizational Boundaries

This report covers the construction division of Bog'Art SRL, the headquarters, and the "Teclu" - manufacturing and warehouse facilities in Bucharest, which represent the main areas of operational energy use. The reporting approach follows the operational control method defined by the Greenhouse Gas Protocol, ensuring accuracy, transparency, and reliability of sustainability reporting.

Operational Boundaries

The operational boundaries include all physical locations and assets directly controlled by Bog'Art SRL, focusing on offices, the "Teclu" production and warehouse hall, and construction sites managed by the company. External facilities, third-party data centers, and transportation fleets not operated by Bog'Art are excluded. This clear delineation ensures accurate measurement of emissions and supports the development of targeted reduction strategies.

Methodology

Climate change's most immediate consequence remains the worldwide increase in temperatures, largely driven by greenhouse gas (GHG) emissions from human activities. In this context, the carbon footprint emerges as a key concept, quantifying the total emissions of CO_2 and other GHGs throughout the life cycle of products, services, and organizational activities. Expressed in metric tons of CO_2 equivalent (tCO_2e), the carbon footprint is essential for identifying primary emission sources and understanding the broader climate impact of an entity.

The main function of a carbon footprint is to help organizations recognize their significant GHG emission sources, establish a baseline for monitoring, and design targeted reduction strategies. It serves as a versatile tool, applicable across industries such as construction, manufacturing, hospitality, education, agriculture, and healthcare. For Bog'Art, the measurement of emissions across all relevant activities ensures a comprehensive GHG inventory that informs performance monitoring, reduction programs, and long-term improvements.

While voluntary in nature, the calculation of the carbon footprint provides strategic, environmental, economic, and reputational benefits. It supports energy management, guides the setting of specific reduction targets, and influences the selection of materials, technologies, and processes based on their emission profiles. By taking a proactive approach, Bog'Art ensures that its methodology is aligned with future regulatory frameworks, market expectations, and sustainability best practices.

For accuracy and comparability, Bog'Art's carbon footprint for 2024 was calculated in line with the Greenhouse Gas Protocol (GHG Protocol) and ISO 14064 standards. These international frameworks emphasize relevance, completeness, consistency, transparency, and accuracy, ensuring that results provide a truthful representation of our emissions and inform sound decision-making. The GHG Protocol, widely adopted globally, has also shaped the ISO 14064 standard, which is increasingly referenced in EU sustainability regulations.

The calculation process relies on recognized emission factors from DEFRA, IPCC, and national sources, covering both direct (Scope 1) and indirect emissions (Scope 2). Selected categories of Scope 3 emissions are also included, where reliable data was available, in order to broaden the analysis across our value chain. Boundaries for the assessment were defined under the operational control approach, including headquarters, the Teclu production and warehouse hall, and construction sites directly managed by Bog'Art. Through this structured methodology, our GHG inventory provides a transparent overview of our environmental impact, supports the development of effective emission reduction strategies, and strengthens stakeholder engagement by ensuring accountability and comparability across reporting years.

Emission Factors and Global Warming Potentials

Emission factors were sourced from DEFRA, IPCC, and national databases. Global warming potentials (GWPs) are based on the latest IPCC guidance, ensuring standardized comparison of gases and consistency across reporting cycles.

Data Collection Processes

Data collection was carried out through the CarbonTool platform, using both direct measurements and estimations, depending on source type. Robust internal data management practices safeguarded accuracy, completeness, and consistency, ensuring high reliability of the final inventory.

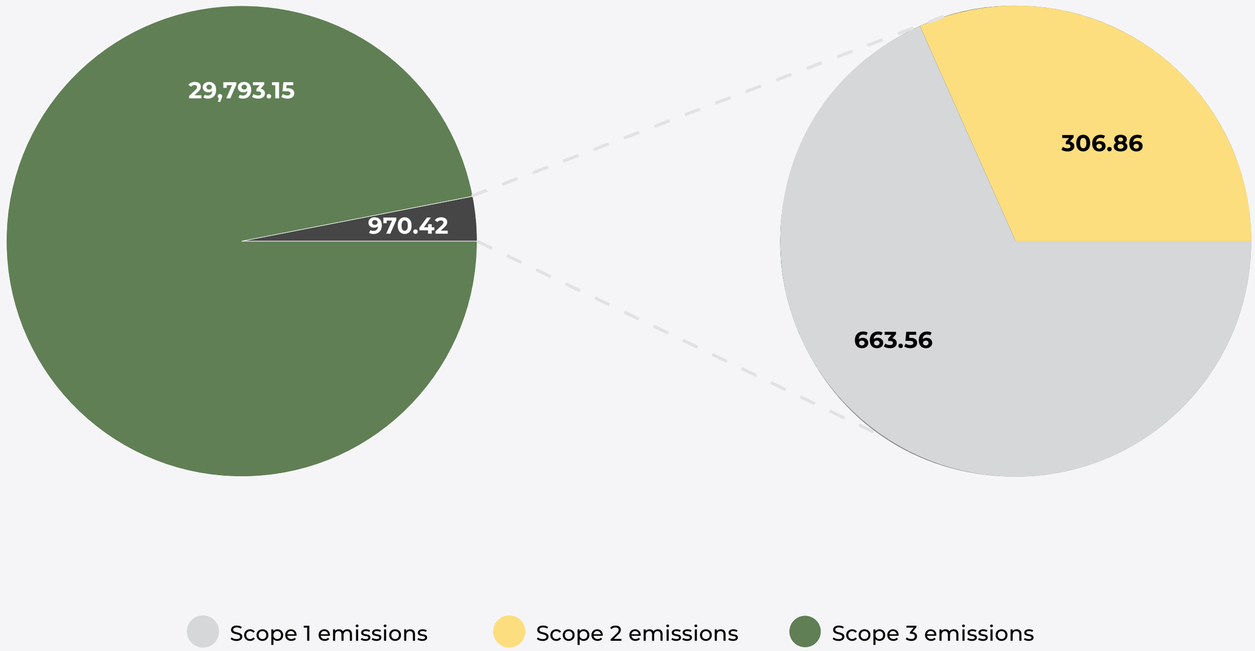
Emissions Results

The following pages present the results of Bog'Art's greenhouse gas (GHG) inventory for 2024, covering Scope 1, Scope 2, and, where applicable, Scope 3 emissions. The data provides a foundation for trend analysis, performance benchmarking, and strategic planning for future reduction initiatives.

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

- Scope 1: The direct emissions for the reporting period amounted to 663.56 tons of CO_2e. The main contributor was fuel combustion in company-operated machinery, generators, and vehicles used on construction sites.
- Scope 2: Indirect emissions from purchased electricity, heating, and cooling totaled 306.86 tCO_2e. These emissions represent the portion of energy supplied to Bog'Art but produced externally.
- Scope 3: Indirect emissions from value chain activities reached 29,793.15 tCO_2e, covering categories such as [capital goods, business travel, purchased goods and services, waste management, so on].

Total emission split (tCO2e)



Direct Emissions (Scope 1)

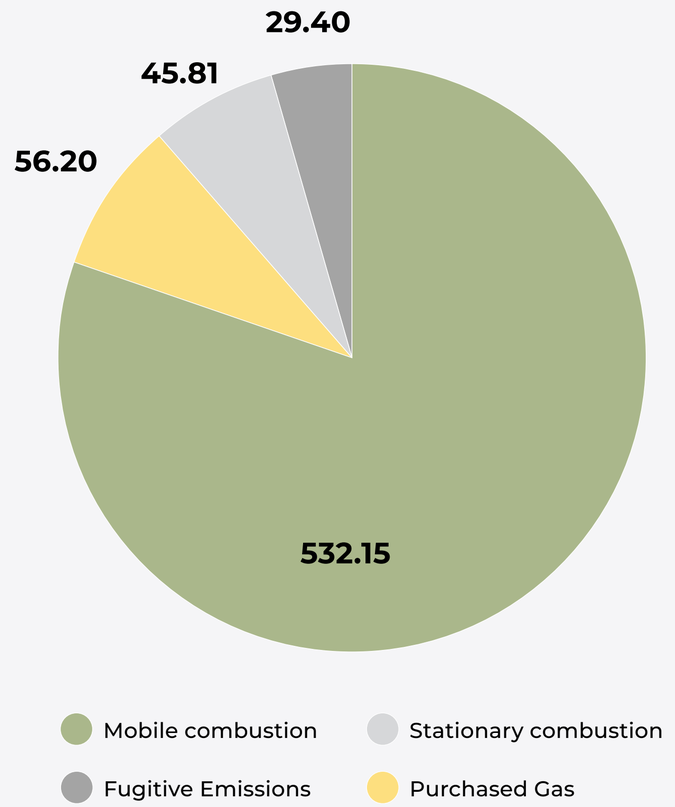
Scope 1 covers all direct GHG emissions from sources owned or controlled by Bog'Art. This includes, but is not limited to, fuel combustion within company operations, emissions from company-owned vehicles, and other direct emission activities.

For 2024, Scope 1 emissions were calculated from fuel-consumption records (fuel-card statements, invoices, and equipment runtime logs) and maintenance registers. Data sources covered: (i) diesel and petrol used in company-operated vehicles, generators, and site machinery; (ii) gas used at HQ for heating; (iii) industrial/process gases used on sites; and (iv) fugitive releases from refrigerants recorded at HQ and construction sites. Emissions were quantified with 2024 emission factors matched to each fuel/gas and 100-year GWPs for refrigerants, with results expressed in tCO_2e.

The primary sources of Scope 1 emissions for Bog'Art in 2024 include:

- **Mobile combustion:** 87.1% (≈ 532.15 tCO_2e) – fuel consumption from company vehicles and site machinery.
- **Purchased gases:** 8.5% (≈ 56.2 tCO_2e) – industrial gases used on site (CO_2, butane, acetylene, bottled nitrogen, propylene).
- **Fugitive emissions:** 4.4% (≈ 29.4 tCO_2e) – mainly from refrigerant losses and other process-related leaks.
- **Stationary combustion:** 6.9% (≈ 45.81 tCO_2e) – natural gas used at headquarters for heating

Category	tCO2e 2024	tCO2e 2023	2024/2023 (%)
Mobile combustion	532.15	243.56	
Stationary combustion	45.81	86.21	
Purchased gases	56.2	Not measured	76%
Fugitive emissions	29.4	46.33	
Total Scope 1	**663.56**	**376.10**	



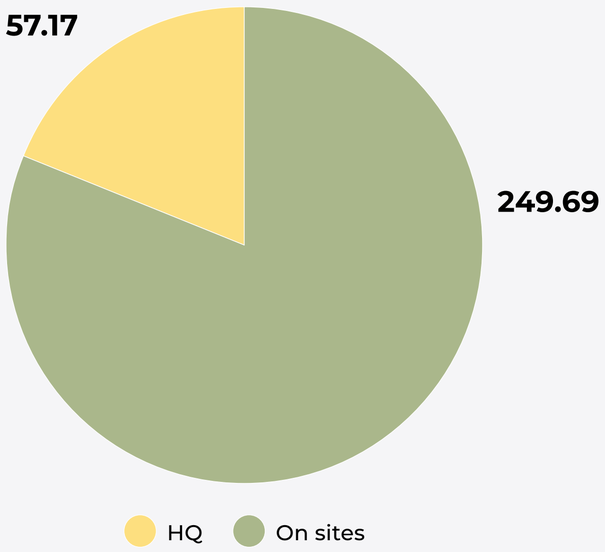
Energy Indirect Emissions (Scope 2)

Scope 2 accounts for greenhouse gas (GHG) emissions generated from the production of purchased electricity, consumed by Bog'Art, in its administrative activities and construction sites. These are indirect emissions, as they result from the company's energy use but occur at facilities owned or operated by external entities. For 2024, Scope 2 emissions were calculated based on the electricity purchased from the national grid, using regional emission factors that reflect the grid's energy mix and ensure consistency across reporting years.

The sources of Scope 2 emissions typically include:

Category Electricity from grid (location based)	**tCO2e 2024**	**tCO2e 2023**	**2024/2023 (%)**
HQ Electricity Consumption	57.17	116.55	
Usage of electricity on sites	249.69	195.36	**-2%**
Total Scope 2	**306.86**	**311.91**	

Electricity from Grid (location based)

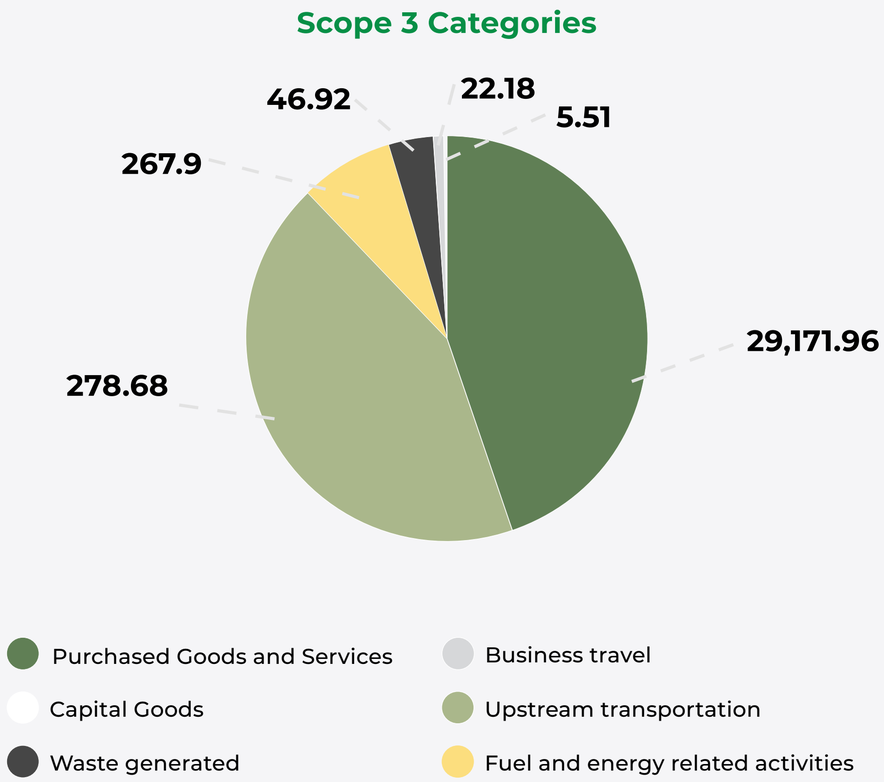


Other Indirect Emissions (Scope 3)

Scope 3 emissions represent indirect greenhouse gas emissions occurring throughout Bog'Art's value chain, from purchased goods and services to waste generation, business travel, and upstream transportation.

In 2024, Scope 3 emissions remained broadly consistent with 2023 levels (+1.6%), with minor variations across categories. Purchased goods and services continued to account for the vast majority of emissions, reflecting the material intensity of ongoing construction projects. The inclusion of additional upstream activities and fuel-related emissions has improved completeness and comparability across reporting years, reinforcing Bog'Art's commitment to refining the accuracy of its carbon accounting practices.

Category	tCO2e 2024	tCO2e 2023	2024/2023 (%)
Purchased Goods and Services	29,171.96	*29,275.377	+1,62%
Capital Goods	5.51	4.42	
Waste generated	46.92	38.46	
Business travel	22.18	Not measured	
Upstream transportation	278.68	Not measured	
Fuel and energy related activities	267.9	Not measured	
Total Scope 3	**29,793.15**	**29,318.26 tCO2e**	



*Emissions under category Purchased Goods and Services have been revised to include expenses related to external services, in line with the interpretation and calculation methodology applied for the current reporting year (2024). This adjustment was made to ensure greater accuracy in the year-to-year comparative analysis. Therefore the 2023 data was adjusted higher by adding also subcontractors activities and a broader range of purchased materials for correctness of data comparability. The adjusted 2023 data of Scope 3 is 29,318.257 tCO2e versus 14,331.38 tCO2e.

Data Management

The following section outlines the robust data management practices employed by Bog'Art to ensure the integrity, accuracy, and reliability of the greenhouse gas (GHG) emissions data reported for 2024. Recognizing the importance of trustworthy data in GHG reporting, Bog'Art has established stringent quality assurance and control measures, supported by advanced systems for data tracking, verification, and inventory management.

Data Quality Assurance and Quality Control (QA/QC) Procedures

To guarantee the quality of emissions data, Bog'Art has implemented a comprehensive set of QA/QC procedures, which include:

- **Verification of Data Sources:** All sources of activity data are checked for reliability and consistency before being integrated into emissions calculations.
- **Routine Data Audits:** Regular audits are conducted to verify accuracy, completeness, and precision of the data. Any discrepancies identified are promptly investigated and corrected.
- **Cross-Functional Reviews:** Emissions data undergoes review by multiple departments to ensure it withstands scrutiny from different operational and technical perspectives.
- **Training and Capacity Building:** Staff responsible for data collection and reporting are provided with ongoing training on the latest GHG inventory methodologies, protocols, and best practices, ensuring high standards of data quality are consistently maintained.

Data Tracking and Inventory Management Systems

To ensure accurate and transparent reporting of greenhouse gas (GHG) emissions, Bog'Art relies on CarbonTool, a digital platform designed for advanced data tracking and inventory management. Rather than functioning only as a repository, the platform integrates multiple features that strengthen the reliability and efficiency of the GHG inventory process:

- **Integrated Data Repository:** Consolidates all GHG-related information in one secure location, simplifying data access and analysis.
- **Dynamic Monitoring:** Provides continuous, real-time updates on emissions, allowing Bog'Art to track its carbon footprint as operations evolve.
- **Automated Data Flows:** Streamlines the collection of information from utilities and direct emission sources, significantly reducing manual effort and error risk.
- **Adaptive Reporting Tools:** Offers flexible reporting options tailored to both international standards and the needs of stakeholders.
- **Future-Ready Architecture:** Designed to scale with Bog'Art's growth and adapt to new compliance or disclosure requirements.

By embedding these functions into its sustainability management, Bog'Art ensures that emissions data is not only collected with precision but also transformed into meaningful insights that guide decision-making and continuous improvement.

Emission Reduction Initiatives and Challenges

Bog'Art continues to implement proactive measures to reduce its greenhouse gas (GHG) emissions, track progress against established objectives, and design strategies for further improvement. Alongside the initiatives pursued during the reporting year, the company also faced several challenges, which in turn created opportunities for innovation and enhanced environmental performance.

Emission Reduction Initiatives

In 2024, Bog'Art advanced several initiatives aimed at minimizing its carbon footprint:

- **Renewable Energy Conversion:** Expanding the share of electricity from renewable sources to significantly reduce Scope 2 emissions.
- **Fleet Modernization:** Transitioning company vehicles towards hybrid and electric models to lower Scope 1 emissions from transport.
- **Energy Efficiency Programs:** Rolling out energy-saving measures across all facilities, such as LED lighting systems, efficient HVAC solutions, and optimized equipment use.

Challenges and Opportunities

Despite steady progress, Bog'Art encountered certain obstacles:

- **Supply Chain Complexity:** Difficulties in assessing and influencing Scope 3 emissions due to the global and multi-tiered nature of supply chains.
- **Technological Limitations:** Barriers linked to the availability and cost of renewable energy and energy storage solutions in some regions.

These challenges also highlight opportunities for future growth and improvement:

- **Investment in Technology:** Supporting R&D and innovation in renewable energy integration and advanced storage solutions.
- **Collaboration with Suppliers:** Working closely with partners to promote joint actions on emissions reduction, particularly in Scope 3 categories, facilitated through digital tools such as CarbonTool.
- **Policy Advocacy:** Engaging in sector initiatives and supporting policies that accelerate the transition to a low-carbon economy.

Category	tCO2e 2024	tCO2e 2023	2024/2023 (%)
Scope 1 Emissions	**663.56**	**376.1**	**76%**
Mobile combustion	532.15	243.56	118%
Stationary combustion	45.81	86.21	-47%
Purchased gases	56.20	Not measured	N/A
Fugitive emissions	29.40	46.33	-37%
Scope 2 Emissions (Location-Based)	**306.86**	**311.91**	**-2%**
HQ Electricity Consumption	57.17	116.55	-51%
Usage of electricity on sites	249.69	195.36	28%
Scope 3 Emissions	**29,793.15**	**29,318.26 tCO2e (adj)**	**1.62%**
Purchased Goods and Services	29,171.96	29,275.38	-0.35%
Capital Goods	5.51	4.42	25%
Waste generated in operations	46.92	38.46	22%
Business travel	22.18	Not measured	N/A
Upstream transportation and distribution	278.68	Not measured	N/A
Fuel and Energy-Related Activities	267.90	Not measured	N/A
KPI 1: Emissions per employee (t CO2e)	75.03	75.97	-1%
KPI 2: Emissions per 1000 Euro of income (t CO2e)	0.17	0.18	-3%
KPI 3: Emissions per 1000 Euro of project materials (t CO2e)	0.26	0.25	4%

In 2024, Scope 1 emissions increased by 76%, mainly due to more intensive construction activity and higher fuel consumption from site equipment and generators. Scope 2 emissions (location-based) decreased slightly (–2%), reflecting a 6% reduction in total electricity consumption and a 51% decrease in electricity-related emissions, driven by both operational efficiency and the lower national grid emission factor. Scope 3 emissions remained relatively stable (+2%), with slight variations across categories: Purchased Goods and Services (–0.35%), Capital Goods (+25%), and Waste Generated in Operations (+22%).

Overall, the 2024 GHG inventory reflects broader data coverage and more detailed tracking of direct and indirect sources, while maintaining stable performance across electricity use and supply chain emissions. Intensity indicators remained stable compared to 2023, with minor variations across performance metrics: –1% per employee, –3% per 1,000 EUR of income, and +4% per 1,000 EUR of purchased materials. These results indicate consistent emissions efficiency relative to business growth and procurement volume.

Climate Resilience and Adaptation Strategies

Bog'Art continues its journey towards sustainability, recognizing the urgent need to address and mitigate the effects of climate change. In 2024, this commitment has been further strengthened and embedded in both our strategic planning and operational practices, with a greater emphasis on innovation and resilience-by-design. Our approach reflects not only the need to adapt to evolving environmental challenges but also to anticipate transition requirements under the European Green Deal, CSRD and EU Taxonomy.

This section presents Bog'Art's comprehensive approach to assessing both transition and physical climate risks, implementing adaptive measures across our projects and operations, and fostering the development of sustainable, climate-resilient urban environments in close collaboration with our stakeholders.

Transition Risks and Opportunities

In 2024, the transition to a low-carbon economy has accelerated, bringing both risks and opportunities for Bog'Art. Our strategic response now integrates regulatory alignment, technological innovation, and stakeholder collaboration, ensuring that we remain resilient and competitive in a rapidly evolving market.

Risk Area and Description	Potential Impact	Mitigation Measures/Activities
Policy and Legal	Enhanced reporting requirements, stricter energy performance mandates, and evolving EU regulations may influence operating costs and brand reputation.	Leveraging our leadership in sustainability to meet increased demand for green buildings, aligning with CSRD, EU Taxonomy, and nZEB standards.
Technology	Accelerated need for low-carbon technologies presents risks and opportunities in innovation, supply chains, and compliance.	Investment in digital monitoring tools (CarbonTool), energy-efficient equipment, and low-carbon materials strengthens competitiveness in the transition.
Market	Changes in client expectations and investor focus on sustainable assets drive opportunities for growth and competitive advantage.	With a proven track record in certified green buildings, Bog'Art is well-positioned to capture growing market demand.
Reputation	Increasing scrutiny from stakeholders can impact credibility if not proactively addressed.	Setting ambitious emission reduction targets and maintaining high standards in transparency and ESG reporting.

Physical Risks and Opportunities

Climate change brings both risks and opportunities for Bog'Art, with tangible effects that can influence our projects and operations:

Risk Area and Description	Potential Impact	Mitigation Measures/Activities
Acute	The growing occurrence of extreme weather conditions can delay construction activities and generate additional costs.	Introducing protective infrastructure such as flood barriers, as well as establishing rapid-response protocols to reduce disruptions.
Chronic	Long-term shifts, including higher temperatures, sea level rise, and altered weather dynamics, may reduce asset performance and increase the need for resilient infrastructure.	Adjusting construction practices to ensure worker safety in heat conditions and integrating climate risk assessments into design and planning stages.

Building Resilience and Adaptation

Bog'Art's approach to climate change adaptation combines strengthening infrastructure resilience with adjusting daily operations:

Risk Assessment

Carrying out systematic evaluations of climate-related risks to identify weak points and improve response strategies.

Resilient Infrastructure

Embedding adaptive design principles and construction techniques that enhance the capacity of our projects to with stand climate pressures.

Operational Agility

Ensuring continuity through contingency plans and adaptive management, allowing projects to function effectively under diverse climate scenarios.

By following this path, Bog'Art not only reduces exposure to climate-related risks but also leverages opportunities for innovation and sustainability. Our dedication to resilience reflects our broader mission of supporting communities while delivering long-term value. Efforts undertaken in 2023 have reinforced the foundation for a robust and future-ready company, consolidating Bog'Art's role as a driver of sustainable urban development.

Adaptation Measures for Changing Environmental Conditions

To address the evolving environmental challenges, Bog'Art has introduced practical adaptation initiatives that enhance both the sustainability and resilience of our operations. These actions help mitigate the direct consequences of climate change while advancing broader environmental objectives.

Water Management

- Advanced Water Efficiency Solutions: In response to increasing concerns over water scarcity, we integrate technologies such as rainwater harvesting, efficient irrigation systems, and water recycling methods that substantially reduce consumption during construction and in completed buildings.
- Smart Water Practices: By using digital metering and monitoring tools, we optimize water usage, detect inefficiencies in real time, and minimize waste, ensuring a sustainable management of water resources.

Energy Efficiency

- High-Performance Buildings: Bog'Art is dedicated to developing projects that exemplify energy efficiency. By applying advanced insulation methods, next-generation HVAC systems, and intelligent building technologies, we significantly cut the energy requirements of our buildings, leading to a measurable decrease in greenhouse gas emissions.
- Renewable Energy Integration: Whenever possible, our projects integrate renewable energy systems such as solar and wind power. This strategy not only limits dependence on fossil fuels but also strengthens the resilience of our buildings against shifting energy markets and regulatory frameworks.

Sustainable Materials

- Eco-conscious Material Sourcing: To minimize the environmental impact of our projects, Bog'Art prioritizes sustainable material use. This includes sourcing locally to reduce transportation-related emissions, employing recycled inputs to lower demand for virgin resources, and selecting certified materials with reduced environmental footprints.
- Resilient Construction Approaches: Acknowledging the need to adapt to climate-related stressors, we adopt construction practices that improve durability and flexibility. From considering extreme weather impacts during design to selecting robust materials, our projects are prepared to adapt and perform under future environmental shifts.

Implementation and Continuous Improvement

- Bog'Art actively addresses current climate challenges while setting a benchmark for sustainable practices in the construction industry. We consistently refine our methods, embrace innovative tools, and strengthen project resilience.
- Collaboration with stakeholders including clients, suppliers, and community partners, helps us create adaptive and sustainable built environments that are ready to meet future demands. We remain partnership-oriented because sustainable progress can only be achieved through shared responsibility.

Fostering Healthy and Climate-Resilient Urban Spaces

Our sustainability vision extends beyond the construction site to the broader urban context. Recognizing the role of urban spaces in community well-being and climate adaptation, Bog'Art promotes development that supports both resilience and quality of life. By integrating green infrastructure, engaging communities, and building strong partnerships, we create urban areas that are environmentally responsible and socially beneficial.

Green Infrastructure

- Innovative Urban Solutions: Bog'Art integrates green elements into urban developments, including green roofs to mitigate heat island effects, urban forests to improve air quality and biodiversity, and permeable pavements to enhance stormwater management, reduce flooding risks, and restore groundwater.

- Sustainable Construction Responsibility: We adopt practices and select materials that reduce ecological impact while ensuring long-term resilience of urban spaces. This approach emphasizes optimizing green space, fostering biodiversity, and promoting sustainable mobility across the cities where we operate.

Community Engagement

- Collaborative Approaches with Communities: Recognizing the value of local perspectives, Bog'Art works closely with communities to co-develop solutions for specific urban challenges. Through participatory methods—such as workshops, forums, and joint planning—we ensure that projects reflect the aspirations of residents and local authorities, building a sense of shared responsibility for the urban environment.

- Educational Programs: We design and support initiatives that raise awareness of sustainability and climate resilience among city residents. These programs empower people to actively engage in adopting sustainable practices and contribute to the environmental stewardship of their neighborhoods.

Collaboration with Stakeholders

- Strategic Partnerships: Given the complex nature of urban sustainability, Bog'Art strengthens its impact by partnering with public institutions, NGOs, and industry peers. Together, we promote policies and practices that foster climate resilience, encourage sustainable development, and enable adaptive urban growth.

- Policy Engagement: Leveraging our expertise in sustainable construction, we contribute to shaping planning frameworks and policy agendas. By participating in the development of regulations and standards that prioritize climate adaptation and sustainability, Bog'Art plays an active role in defining the future of urban development.

As we advance toward a more integrated and accountable sustainability framework, it becomes essential to contextualize our actions within globally recognized systems of measurement. Beyond describing initiatives, Bog'Art places significant emphasis on ensuring that our efforts are traceable, comparable, and anchored in credible international standards. The following alignment tables therefore serve a strategic function: they translate our performance, commitments, and areas of impact into structured disclosures that reflect both global expectations and our internal priorities.

By mapping each chapter of this report to the United Nations Sustainable Development Goals (UN SDGs), we illustrate how our local actions contribute to broader societal transformations. Aligning our disclosures with the Global Reporting Initiative (GRI) Standards further reinforces transparency, offering stakeholders a clear view of how Bog'Art manages environmental, social, and governance topics across the value chain. Finally, the material topics emerging from our 2024 Double Materiality Analysis reveal the issues of highest relevance to both our business resilience and our wider impact, shaping the roadmap through which we anticipate regulatory changes, stakeholder needs, and emerging risks.

Together, these three analytical layers—SDG contribution, GRI alignment, and materiality prioritization—form the backbone of Bog'Art's sustainability strategy. They guide decision-making, reinforce accountability, and support the company's long-term ambition to lead responsibly within Romania's construction sector. The tables below consolidate this approach, offering a concise yet comprehensive reference point for all stakeholders who seek to understand the depth, structure, and direction of our sustainability performance.

UN SDGs Alignment

Subchapter	UN SDGs
Foreword; Vision, Mission, Values, Services and Achievements	SDG 8 – Decent Work and Economic Growth; SDG 9 – Industry, Innovation and Infrastructure; SDG 11 – Sustainable Cities and Communities;
Financial Impact	SDG 8 – Decent Work and Economic Growth;
Project Highlights – 2024 Deliveries & Ongoing Works	SDG 9 – Industry, Innovation and Infrastructure; SDG 11 – Sustainable Cities and Communities;
Our Team (Fabric)	SDG 8 – Decent Work and Economic Growth;
Employment Metrics	SDG 8 – Decent Work and Economic Growth; SDG 5 – Gender Equality;
Work Environment & Employee Well-Being	SDG 3 – Good Health and Well-Being; SDG 8 – Decent Work and Economic Growth; SDG 5 – Gender Equality;
CSR Initiatives (Education, Culture, Housing, Youth, Aviation)	SDG 4 – Quality Education; SDG 5 – Gender Equality; SDG 10 – Reduced Inequalities; SDG 11 – Sustainable Cities and Communities;

Subchapter	UN SDGs
Bog'Art Foundation	SDG 4 – Quality Education; SDG 10 – Reduced Inequalities; SDG 11 – Sustainable Cities and Communities;
ESG Governance (Policies, Integrity, AML, GDPR, HR)	SDG 16 – Peace, Justice and Strong Institutions;
Digital Transformation & Data Governance	SDG 9 – Industry, Innovation and Infrastructure; SDG 12 – Responsible Consumption and Production;
Environmental Progress (site sustainability)	SDG 11 – Sustainable Cities and Communities, SDG 13 – Climate Action;
Energy (HQ + Sites)	SDG 7 – Affordable and Clean Energy; SDG 13 – Climate Action;
Waste and Circularity	SDG 12 – Responsible Consumption and Production; SDG 13 – Climate Action;
Materials (Responsible sourcing)	SDG 9 – Industry, Innovation and Infrastructure, SDG 12 – Responsible Consumption and Production;
Bog'Art Headquarters – Pathway to Sustainability	SDG 9 – Industry, Innovation and Infrastructure; SDG 11 – Sustainable Cities and Communities;
Carbon Footprint (incl. Scope 1, 2, 3)	SDG 13 – Climate Action;
Double Materiality Analysis	SDG 12 – Responsible Consumption and Production; SDG 13 – Climate Action; SDG 8 – Decent Work and Economic Growth; SDG 5 – Gender Equality;
Emission Reduction Initiatives & Challenges	SDG 13 – Climate Action;

Note: While SDG 15 (Life on Land) is not explicitly mapped to a standalone chapter in this report, it is referenced within the Double Materiality Analysis through the material topic E4 – Biodiversity and Ecosystems. This topic contributes conceptually to SDG 15 by addressing potential impacts on land-based ecosystems within Bog'Art's project contexts.

GRI Alignments

GRI Standard Disclosure	Relevant Chapter(s) in the Repor	Comments / Notes
GRI 2: General Disclosures	ESG Governance; Governance & Compliance; IT Governance & Cybersecurity; Transparency & Ethics; Digital Transformation	Covers the company's governance structure, ethics, data protection, risk management, and policy framework.
GRI 3: Material Topics	Double Materiality Analysis	Describes the methodology for identifying impacts, risks, and opportunities aligned with ESRS and stakeholder input.
GRI 201: Economic Performance	Financial Impact	Reflects financial resilience and economic contribution.
GRI 202: Market Presence	Employment Metrics; Workforce; Local economic contributions	Addresses local employment practices and community-level economic benefits.
GRI 203: Indirect Economic Impacts	CSR Initiatives; Community engagement	Shows positive economic and social contributions to local communities.
GRI 205: Anti-corruption	Code of Ethics; Whistleblowing Policy; Compliance Record	Includes ethics, anti-fraud systems, zero fines, and internal controls.
GRI 206: Anti-competitive Behavior	Legal Governance; Contract Management	Outlines procedures ensuring fair competition and responsible business conduct.
GRI 301: Materials	Materials; Sustainable Procurement Criteria	Addresses sustainable sourcing, circularity, EPD requirements, and DNSH principles.
GRI 302: Energy	Energy (HQ & sites); Carbon Footprint; Bog'Art Headquarters – Pathway to Sustainability	Details energy performance, efficiency measures, renewables, and reductions.
GRI 303: Water and Effluents	Environmental Progress; Water Use KPIs	Covers water efficiency, monitoring, reductions, and responsible use.
GRI 305: Emissions	Carbon Footprint; Scope 1, 2, 3; Emission Reduction Initiatives	Includes complete GHG inventory, reduction strategies, and performance trends.
GRI 306: Waste	Waste and Circularity	Waste management, segregation, recycling, diversion rates, and circular practices.
GRI 308: Supplier Environmental Assessment	Sustainable Procurement Plans; Materials	Sustainability criteria applied in the procurement process and supplier engagement.
GRI 401: Employment	Workforce; Employment Metrics	Workforce structure, turnover, employment conditions.
GRI 402: Labor/Management Relations	HR Policies; Employee Representation	Employee dialogue, collective bargaining, and labor-management practices.

GRI Standard Disclosure	Relevant Chapter(s) in the Repor	Comments / Notes
GRI 403: Occupational Health and Safety	Health & Safety; Site Operation Sustainability; ISO 45001	Comprehensive OHS systems implemented across projects and HQ.
GRI 404: Training and Education	CSR Educational Programs; Internships; Training & Development Policies	Employee training, skill development, internships, and professional growth.
GRI 405: Diversity and Equal Opportunity	HR Policies; Inclusion & Equality Framework	Diversity, equal treatment, gender equality, and inclusion measures.
GRI 406: Non-discrimination	Code of Conduct; HR Policies; Compliance Record	Workplace equity and zero-tolerance for discrimination.
GRI 413: Local Communities	CSR Initiatives; Habitat for Humanity; Community Programs	Engagement with local communities and social impact.
GRI 416: Customer Health and Safety	Quality Management; ISO 9001; Construction Safety Practices	Ensures safety and quality across delivered projects
GRI 418: Customer Privacy	GDPR Compliance; Cybersecurity Policies	Data privacy, secure digital processes, and IT governance.

Material Topics and their corresponding GRI Standards

According to the 2024 Double Materiality Analysis, three topics (E1 – Climate Change, E5 – Resource Use and Circular Economy, and S1 – Own Workforce) were assessed as material from both impact and financial perspectives. All other ESRS topics listed below are material from an impact perspective only.

Material Topic	Corresponding GRI Standard(s)	Relevant Report Chapters	Comments / Notes
E1 – Climate Change	GRI 305 (Emissions); GRI 302 (Energy)	Carbon Footprint; Energy; Emission Reduction Initiatives; Headquarters Sustainability	One of the three critical topics (material both from impact and financial perspectives). Strong exposure due to energy use, GHG emissions, climate risks, and regulatory implications.
E5 – Resource Use and Circular Economy	GRI 301 (Materials); GRI 306 (Waste)	Materials; Waste and Circularity; Integrating Life Cycle Perspectives	Critical topic due to material consumption, waste generation, and circularity requirements. Carries financial implications tied to resource efficiency.
S1 – Own Workforce	GRI 401; GRI 403; GRI 404; GRI 405; GRI 406	Our Team; Employment Metrics; OHS; Well-being; HR Policies	Critical social topic. High impact and financial relevance due to workforce safety, talent, equality, and operational continuity.

Material Topic	Corresponding GRI Standard(s)	Relevant Report Chapters	Comments / Notes
E2 – Pollution	GRI 305; GRI 306	Waste and Circularity; Environmental Progress	Material from an impact perspective. Linked to emissions control, site pollution risks, and waste handling.
E3 – Water and Marine Resources	GRI 303 (Water)	Environmental Progress; Water Use Indicators	Material at impact level and financially relevant in the DMA due to scarcity risks.
E4 – Biodiversity and Ecosystems	GRI 304 (Biodiversity)	Site Operation Sustainability	Indirectly addressed via construction site practices, environmental protection measures, and risk prevention.
S2 – Workers in the Value Chain	GRI 308; GRI 414	Sustainable Procurement; Supplier Assessment	Focuses on environmental and social criteria applied to suppliers and subcontractors.
S3 – Affected Communities	GRI 413	CSR Initiatives; Community Programs; Habitat for Humanity	Material from an impact perspective; community engagement and local development.
G1 – Business Conduct	GRI 2; GRI 205; GRI 206	ESG Governance; Ethics & Compliance; AML & GDPR	Covers ethics, integrity, anti-corruption, governance practices, and regulatory compliance. Material from an impact perspective.

ESG Assessment

Build Green®

NAME

First name | Last name | Title

E-MAIL

E-mail

COMPANY

Company

PROJECT INFORMATION

Project name | Street address

City | Country

Date-Time

Start | Management | Energy | Water | Pollution | Waste | Community | Health & Safety | Facilities

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

Start | Management | Energy | Water | Pollution | Waste | Community | Health & Safety | Facilities

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 ○

Start | Management | Energy | Water | Pollution | Waste | Community | Health & Safety | Facilities

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 ○

Start | Management | Energy | Water | Pollution | Waste | Community | Health & Safety | Facilities

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

Start | Management | Energy | Water | Pollution | Waste | Community | Health & Safety | Facilities

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 ○

Start | Management | Energy | Water | Pollution | Waste | Community | Health & Safety | Facilities

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

Start | Management | Energy | Water | Pollution | Waste | Community | Health & Safety | Facilities

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

Start | Management | Energy | Water | Pollution | Waste | Community | Health & Safety | Facilities

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 ○

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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

Start | Management | Energy | Water | Pollution | Waste | Community | Health & Safety | Facilities

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

Start | Management | Energy | Water | Pollution | Waste | Community | Health & Safety | Facilities

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

Start | Management | Energy | Water | Pollution | Waste | Community | Health & Safety | Facilities

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

Start | Management | Energy | Water | Pollution | Waste | Community | Health & Safety | Facilities

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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