



**MARCO  
MARTINI**  
CHIEF ACCOUNTING,  
CONTROLLING & FINANCIAL OFFICER  
MANNI GROUP

# OUR VISION FOR GOVERNANCE

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certifications.

In carrying out the Group governance, the Board of Directors is supported by an Advisory Board for strategic advice and by an integrated risk management structure involving all levels of the Group to ensure business continuity.

Since 2016, the Group has had a specific Sustainability Governance: the work of the relevant committee has made it possible to **manage and monitor sustainability strategies and results** in order to be a real player in the process of adapting to the ongoing changes.

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# CORPORATE GOVERNANCE

By governance, we refer to the practices and processes through which the Group is guided, controlled and managed to ensure that value is created for our stakeholders.

Topics relevant to long-term sustainability and business success are:

- ▶ ECONOMIC PERFORMANCE
- ▶ PROCUREMENT PRACTICES
- ▶ ENTERPRISE RISK MANAGEMENT
- ▶ INFRASTRUCTURE INVESTMENTS
- ▶ ANTI-CORRUPTION



Manni Group SpA is the holding company that exercises management and coordination functions over its subsidiaries, defining their strategies and administering their shareholdings including through service contracts.

The Group's Corporate Governance document intends to lay down some rules on the fundamental aspects that qualify our governance as the need to delegate to the outside world and to cope with potential risks increases, with the aim of balancing autonomy and control correctly.

The business is run through a system of delegated powers combined with audit tools, which still leave ample room for operational independence of the subsidiaries and professional autonomy of the employees. Furthermore, through the structure of delegation and control, the Board of Directors (BoD) guarantees its stakeholders that the business is run correctly, responsibly and transparently.

In the Corporate Governance document, the Board of Directors has defined 23 rules, including:

- ▶ the board of the holding company must represent the owners and have a broad-based, high level of expertise
- ▶ in assessing risks, the Group must give primary importance to management continuity
- ▶ succession planning
- ▶ an age limit of 75 years for members of the Boards of Directors of Group companies

- ▶ the criteria for recruiting, assigning or appointing relatives and persons with interests in the Group
- ▶ transparency in procedures for appointing and selecting the Board of Directors and its committees (Executive Committee and Sustainability Committee)
- ▶ ways of preventing and mitigating conflicts of interest

The structure of the Group's Boards of Directors allows for a clear separation between the strategic guidance and control roles and the duties of operational implementation. The Manni Group SpA's Board of Directors features a combination of high levels of expertise in various fields, with the firm belief that

qualified leadership in the holding company combined with the managerial skills of the subsidiaries generates value. As part of the process of internationalisation, we consider it strategic to extend the governance model to all subsidiaries, including foreign ones, adapting them to local regulations as required. The Disciplinary Code summarises the Group's commitments to responsible business conduct. The document outlines expectations and rules of conduct that respect human rights, based on the provisions of the Italian national collective labour agreement. The Disciplinary Code is shared with employees when they are recruited. There were no significant instances of non-compliance with laws and regulations in 2023.

▶ **Manni Group Governance System**

**Board of Directors**

Chairman: Francesco Manni  
CEO: Enrico Frizzera  
Board member: Carlo Mapelli



**CEO & General Manager**

Enrico Frizzera



**Assistant CEO Special Projects – Sustainability Manager – ERM**

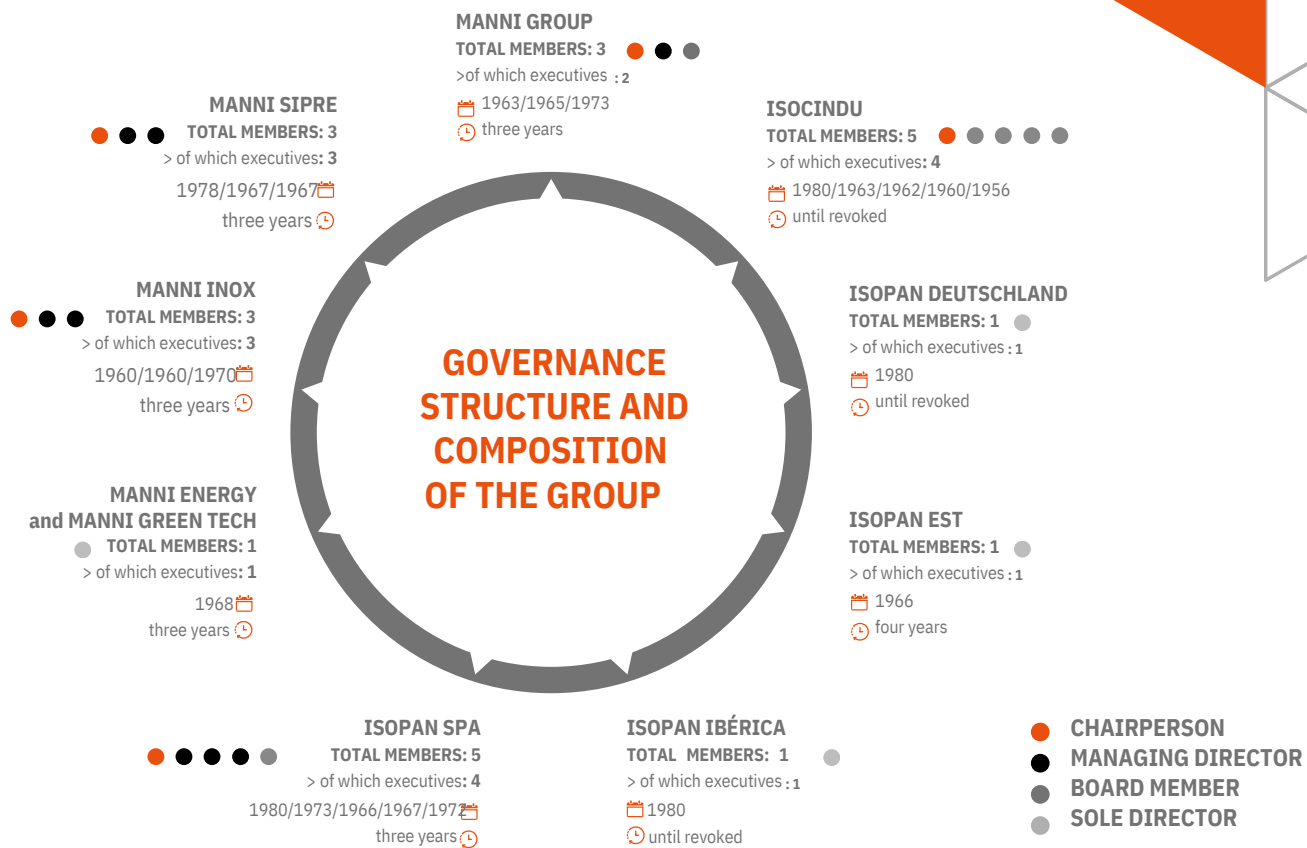


**Enterprise Risk Management Internal Audit**

**Sustainability Specialist**

The members of the Board of Directors and the Executive Committee are the same. All board members are male and in the over-50 age category. The Chairman of Manni Group SpA is not also a senior manager of the organisation. In order to mitigate the risk of a conflict of interest, the Chairman left the BoD of Manni Sipre in 2023. Following the passing of our esteemed Chairman, Giuseppe Manni, Carlo Mapelli joined the BoD of Manni Group SpA at the beginning of the year.

# GOVERNANCE STRUCTURE AND COMPOSITION OF MANNI GROUP



The boards of directors of Isopan and Manni Inox each have one female member; all other members are male. There is one independent member on the boards of each of Manni Group and Isocindu.



© Flavio Chiesa

## Sustainability Governance

In 2016, the Sustainability role was established when the Business Sustainability Officer (BSO) was appointed with the task of **guiding the Group towards an increasingly sustainable business model** by implementing and managing corporate strategies and initiatives aimed at promoting ESG issues. The BSO is also responsible for drafting the Business Sustainability Plan (BSP) and monitoring its implementation.

The Group CEO oversees the progress of Sustainable Development issues, since the Board of Directors has delegated responsibility for Sustainability to him given

the expertise he has accrued over the years. The CEO reports to the Board of Directors on implementation of the Sustainable Development Plan and potential ESG impacts relating to the Group's products, services and other activities. The current 2023/2025 BSP was approved by the BoD in November 2022. The Manni Group CEO is also responsible for reviewing and approving the data and information in the Annual ESG Report. The Chief Executive Officer's package has a variable remuneration component linked to the achievement of the objectives set out in the Sustainable Development Plan.

Managers in charge of staff functions and operating companies are responsible for implementing the action plans and achieving the KPIs set out in the Sustainable Development Plan. They have a variable remuneration component linked to MBO-ESG.

To achieve the goals set out in the BSP and to facilitate the involvement and relations between the ESG team and other departments, an ESG Ambassador was appointed in each department.

## Sustainability Committee

The Group Sustainability Committee serves to **promote, implement and monitor the sustainable development** of the activities of Manni Group and its operating subsidiaries, with the aim of minimising potential negative impacts on the environment and communities in the countries where it operates.

In order to ensure a holistic perspective and to involve different areas of expertise in promoting sustainable development, the Sustainability Committee is composed of senior management professionals from the different business units, with the ability to significantly influence business processes in ESG terms. This ensures that the goals and action plans of the BSP are transferred properly.

### THE SUSTAINABILITY COMMITTEE IS ASSIGNED SEVERAL TASKS INCLUDING:

- ▶ **promoting the ESG culture among stakeholders**
- ▶ **examining the scenarios for the preparation of the Sustainable Development Plan**
- ▶ **sharing the Sustainable Business Principles which take into account changes in the benchmark scenarios, and which identify opportunities and create value for stakeholders**
- ▶ **checking the implementation of the Annual ESG Report**
- ▶ **periodically analysing the Sustainability Policy**
- ▶ **monitoring the implementation of the Groups vision**

The Sustainability Committee consists of 14 managers, of whom 4 are women and 10 are men.

The Sustainability Committee met once during 2023; the Group Decarbonisation Plan was presented and discussed, and 15 department managers (5 women and 10 men) took part.

Progetto Workshop Off-site Technologies for Architecture by Manni Group  
Team Luciola-Berlin-Giacomobono



### Sustainability Manager and Sustainability Practitioner

In 2023, the Sustainability department managers certified as Sustainability Manager and Sustainability Practitioner by CEPAS, and qualified by the ALTIS – Università Cattolica del Sacro Cuore executive course on “Professione Sostenibilità” (Sustainability Profession). The awards issued by CEPAS (Institute for the Certification of Skills and Training) of

Bureau Veritas, follow the UNI/PdR 109.1 procedure, which defines the requirements for professionals performing activities in the field of sustainability.

The names are available in the CEPAS Register of Certified Professionals.



### Advisory Board Manni Group

In 2022, the Manni Group Advisory Board was set up. It is a proactive committee with the task of **assisting the Board of Directors and providing strategic advisory opinions** on:

- ▶ research & development activities
- ▶ evaluation of opportunities for extraordinary transactions (M&A) and partnerships
- ▶ definition of strategic guidelines for the three-year Business Plan and Annual Budget
- ▶ specific topics at the request of the BoD

The Advisory Board meets four times a year and is composed of three external independent members who have proven experience and skills in the Group’s target markets. All members are male.

# ENTERPRISE RISK MANAGEMENT



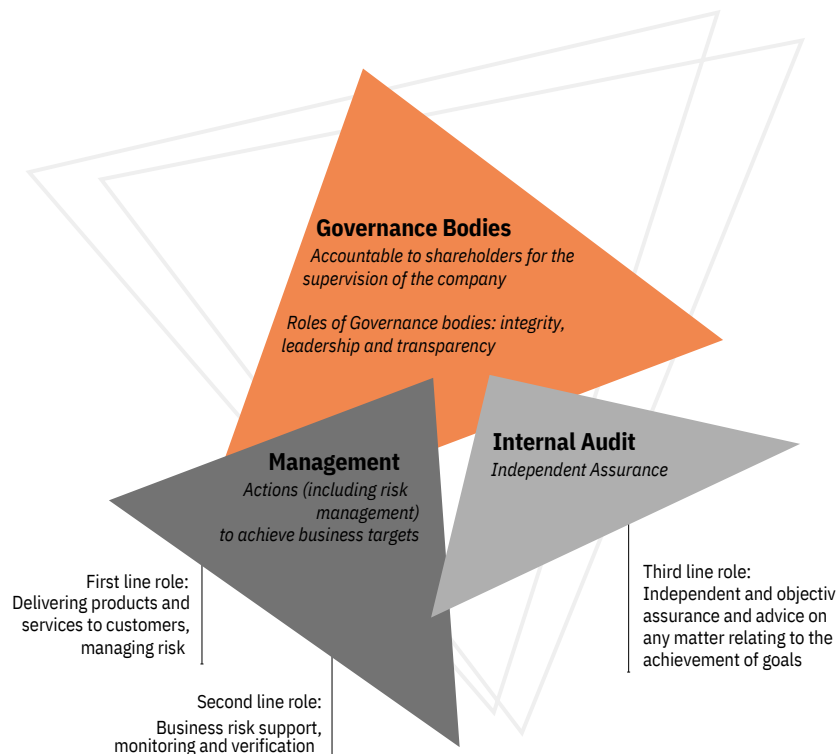
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The governance of Manni Group includes a risk management system (ERM – Enterprise Risk Management) that involves many stakeholders from all Group companies. The clear ERM structure starts from the governance of the holding and runs through the governance of all the companies, implementing **all aspects of integrated risk management to safeguard assets and business continuity.**

The management focusses on markets, customers and products, as well as on risks strictly related to the business. This ensures that a fair balance is achieved

that protects the company from potential losses and damage, while leaving room for the entrepreneurship of the management, with full knowledge of the delegated powers.

The ERM structure allows the governance **to constantly monitor the corporate risk situation**, identifying the negative impacts that the organisation could cause (or may have caused), broken down by areas of responsibility. This makes it possible to intervene where necessary with specific preventive or remedial actions, through improvement plans.



## Business continuity

Business continuity is a dynamic process that allows the organisation to **adapt to changing corporate and environmental conditions** and fulfil its obligations to stakeholders.

In 2023, we started the business continuity process in the Manni Group companies Isopan SpA and Manni Sipre, a set of activities consisting of:

- ▶ identifying critical operations
- ▶ planning continuity
- ▶ developing emergency infrastructure
- ▶ training and informing personnel
- ▶ monitoring the effectiveness of the plans

We expect to complete the project for all companies in 2025.

## A software package for risk control

Enterprise Risk Management activities, combined with Internal Audits (Integrated Risk Management Model, IRM), have been enhanced by implementing dedicated software. This has enabled the Group to dynamically manage business risks, assessing priorities for action to ensure compliance with the policies adopted by the Board of Directors.

## Opportunities linked to climate change

- ▶ Using and generating power and products more efficiently and using energy-efficient products.
- ▶ Creation of new technologies and markets.
- ▶ Manni Energy is the Group company that offers services in the field of renewable energy and energy transition, supporting its customers in defining a decarbonisation strategy (GHG assessment, reduction strategy, carbon neutrality plan, monitoring and reporting).
- ▶ Through its R&D department, Isopan develops cutting-edge solutions aimed at reducing environmental impact and increasing yield of materials used in its production processes.

## THREE LINES OF DEFENCE IN RISK MANAGEMENT

We believe that it is of paramount importance to have a **comprehensive and accurate overview of the risk situation**. This is why we have identified three lines of defence, subdivided on the basis of the role played by the stakeholders involved.

### First line

Operational managers and risk owners detect signs of change in ESG factors from the company. Information is channelled to their managers (including senior management) or to the stakeholders in the second or third line of defence. The result of the customer satisfaction surveys is channelled to the senior management and governance. In addition, a Stakeholder Engagement process was established by the Human Resources department to monitor staff development and draw up action plans to improve retention.

### Second line

Internal control and risk managers identify risk situations by examining aggregated indicators with the help of historical and current benchmarks. They receive the information from the front line and assess its relevance, bringing it to the attention of senior management.

### Third line

The Internal Audit function and the Supervisory Board are responsible for preparing the risk matrix for use by governance. Monthly alignment meetings are scheduled with senior management. External assurance providers (compliance audit, quality and safety management system and statutory audit) are also involved in the risk assessment process and interact with the components of the three-line defence.

- ▶ Manni Green Tech offers highly modular off-site solutions that require less processing time and reduce costs, waste and eliminate off-site water consumption.

The frameworks used by Manni Group to manage climate change goals and risks are: internal framework, Enterprise Risk Management, EU-taxonomy and EN ISO 14064-1:2019. The identified risks and opportunities due to climate change were shared with the following stakeholders: Board of Directors, Sole Director/ Delegate, Sustainability, Risk Management and Internal Audit.

## Risks linked to climate change

- ▶ Extreme weather events can cause damage to systems, products and can jeopardise the safety of stakeholders
- ▶ Rising temperatures may impact workers (health effects, including illness or disease)
- ▶ The need to make investments to cope with transition risks



# ORGANISATIONAL



Following the assessment of the risks of crimes being committed, we have provided the main Group companies with an Organisational Model pursuant to Italian Legislative Decree 231/2001 and have appointed a Supervisory Board for the Italian companies. For smaller companies or those with no employees, since their main activities are centralised in the parent company, it was considered unnecessary to provide them with their own Organisational Model.

The Organisational Model is aligned with the local regulations in the countries where we operate. In Italy, for example, it complies with

Italian Legislative Decree 231/01, as does the Group’s Code of Ethics, with the aim of preventing misconduct and potential crimes, as described in Model 231. The Group’s Code of Ethics, which involves all stakeholders, is available in the download section of our website.

The Manni Group Supervisory Board informs all personnel about any regulatory updates via an internal newsletter.

During 2023, an occupational health and safety audit was carried out on the billing cycle.

## ▶ Anti-corruption policies and procedures

In compliance with the principles contained in the Code of Ethics and the safeguards set out in the Organisational Model, Manni Group is committed to **combating any instance of corruption** in its relations with both the public administration and other stakeholders. As required by Italian Legislative Decree 231, anti-corruption policies and procedures have been shared in full with stakeholders. When recruited all employees receive the necessary training, which is assessed through an evaluation questionnaire. During the 2023 financial year, the department

managers from four plants participated in information and training activities.

The Organisational Model update scheduled for 2024 will contain specific anti-corruption checks and all Group employees will be informed as a whole.

The Group’s activities to raise awareness of corruption-related issues meant that in 2023 there were no confirmed incidents of corruption or actions taken, no complaints or data breaches.

## ▶ An advanced risk analysis

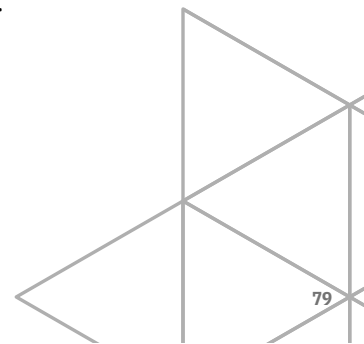
In recent years, the Group’s risk analysis has been extended to cover external geo-political and financial risks by **monitoring KPIs with a strong impact on business continuity**. The Group’s IT system is able to map the level of risk analysis related to the management of procedures; this allows us to perform an advanced risk analysis, including risks relating to privacy.

The software makes it possible to carry out predictive analyses, report progress made and identify areas for improvement.

The results mapped by the system are analysed by the Supervisory Board, made up of internal and external members, which defines new areas for improvement to ensure risks are definitely mitigated.

Specific training is provided periodically to all members of the boards of directors, as well as to workers involved in the department.

The Internal Audit function and the Supervisory Board are in contact for their mutual benefit; the system for managing the risk of crimes is actually complementary to the Enterprise Risk Management system and runs in parallel to it.



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## ▶ Corporate criminal liability training

All members of Manni Group’s board of directors, all employees who carry out organisational activities, as well as business partners, were offered **specific training on corporate criminal liability**.

## ▶ Control of risks of environmental crimes

The company management considers **environmental protection to be a fundamental objective**: all production and service activities are aimed at ensuring compliance with the requirements of environmental regulations. For the entire Group, compliance with these standards constitutes a minimum and essential condition for production processes to be considered valid.

## ▶ Whistleblowing

During 2023, the system allowing European Group companies to collect reports, including anonymously, was adapted to comply with the provisions of Italian Legislative Decree 24/2023 implementing EU Directive 2019/1937. All stakeholders have the **opportunity to submit reports via the portal, after which they are then managed and analysed by the Supervisory Board**.

Only one report was received during the year, and after being examined, it was dismissed due to a lack of the minimum content required by the procedure. If complaints are significant, they are promptly reported to the Board of Directors.

In 2023, there were no reports of discrimination.

# CERTIFICATIONS

For a multinational company, the ability to have the management system verified through third-party audits makes it possible to guarantee that the internal management system can meet stakeholders' expectations. The following certifications attest to the quality standards we offer to our employees, the market and communities.

**MANNI SIPRE**

- ▶ **EN ISO 9001:2015**  
Quality management systems
- ▶ **EN ISO 14001:2015**  
Environmental management systems
- ▶ **ISO 45001:2018**  
Occupational health and safety management systems
- ▶ **EN 1090-1:2012**  
Execution of steel and aluminium structures
- ▶ **EN ISO 3834-2:2021**  
Quality requirements for fusion welding of metallic materials
- ▶ **AISC CERTIFIED FABRICATOR**

**ISOPAN GROUP**

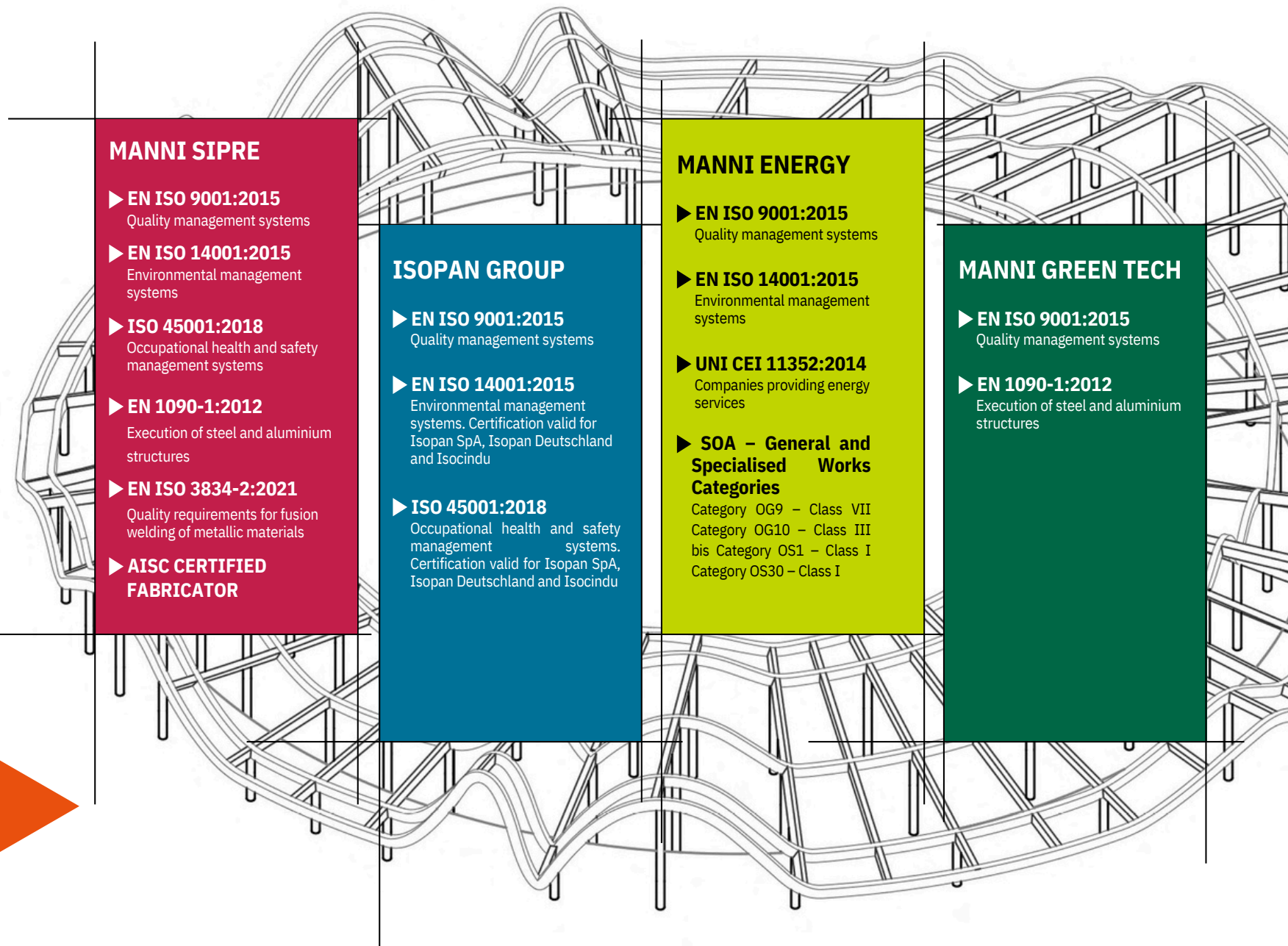
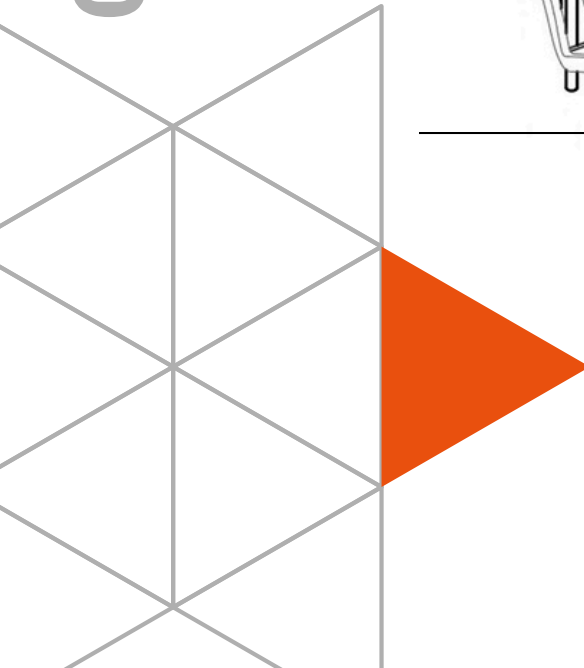
- ▶ **EN ISO 9001:2015**  
Quality management systems
- ▶ **EN ISO 14001:2015**  
Environmental management systems. Certification valid for Isopan SpA, Isopan Deutschland and Isocindu
- ▶ **ISO 45001:2018**  
Occupational health and safety management systems. Certification valid for Isopan SpA, Isopan Deutschland and Isocindu

**MANNI ENERGY**

- ▶ **EN ISO 9001:2015**  
Quality management systems
- ▶ **EN ISO 14001:2015**  
Environmental management systems
- ▶ **UNI CEI 11352:2014**  
Companies providing energy services
- ▶ **SOA – General and Specialised Works Categories**  
Category OG9 – Class VII  
Category OG10 – Class III  
bis Category OS1 – Class I  
Category OS30 – Class I

**MANNI GREEN TECH**

- ▶ **EN ISO 9001:2015**  
Quality management systems
- ▶ **EN 1090-1:2012**  
Execution of steel and aluminium structures



# ESG RATINGS, AWARDS AND RECOGNITIONS

## ► ESG Rating Solicited

Measuring the ESG rating against the relevant sector allows us to implement strategic actions **that further enhance corporate practices in pursuit of robust accountability.**

To support this, from 2021 we voluntarily invited Cerved Rating Agency to assess all of our activities in terms of ESG criteria, demonstrating a responsible approach that reflects the Group’s concrete commitment to transparency towards its stakeholders. The experience gained led us to implement improvement actions. The commitment made bore well-deserved fruit: the score increased to 70.1, compared to 67.5 in the previous year, allowing us to move up to an A rating and confirm a position in the “High” category.

According to the ESG Score Breakdown, the Group ranks above the average for companies in the “Equipment & Machinery” sector. Positive aspects highlighted in the assessment conducted for the 2022 tax year include an increase in the share of renewable energy in relation to the total energy consumption, implementation of an ISO 14001 and ISO 45001 certified management system by Isopan’s Italian sites, a reduction in the registered accident rate, and setting ambitious environmental goals as part of a Group strategic sustainability plan.

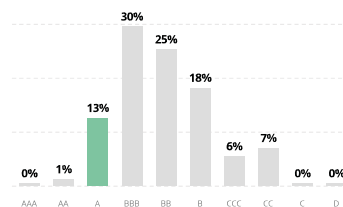
In addition, implementation of an **energy efficiency improvement plan**, application of a **procurement policy**, a percentage of **permanent employment contracts** and the presence of an **Enterprise Risk Management (ERM)** system are some of the factors that have enabled these positive results to be achieved.



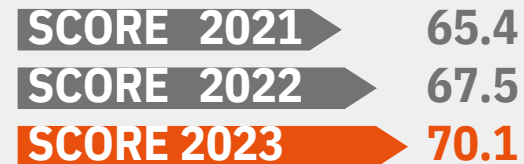
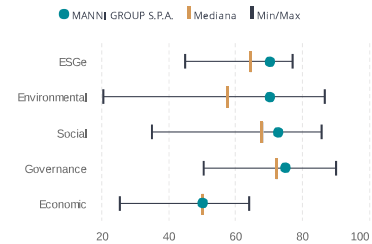
ESGe RATING CATEGORIES AND RISK MANAGEMENT CAPABILITY



ESGe RATING DISTRIBUTION



ESGe SCORE BREAKDOWN





▶ Workshop of Off-site Technologies for Architecture by Manni Group Team Bonilla Bazaev Al-Nahawi

### ▶ EcoVadis

EcoVadis is a platform that assesses Corporate Social Responsibility and sustainable procurement. The EcoVadis survey is based on four themes: environment, labour protection and human rights, ethics, and sustainable procurement.



EcoVadis has provided a reliable assessment of Isopan SpA's sustainability performance, giving us comprehensive feedback, benchmark comparisons and tools that enable us to develop a continuous improvement path. With renewal of the assessment, Isopan in 2023 improved its score and achieved the "Silver" medal.

### ▶ Leaders in sustainability



Leaders in Sustainability is a list of the most sustainable and transparent Italian companies in terms of reporting.

The report was prepared by Il Sole 24 Ore in cooperation with the analysis company Statista. For the second year, Manni Group was one of 240 Italian companies recognised in 2023 for its commitment to sustainability from an environmental, social and governance perspective.

### ▶ NIS (NATURA Impact Score)

As part of its "Excellence in sustainable finance" sustainability programme, PRADER BANK trialled an internally developed tool that tests how and to what extent companies meet the sustainability requirements to achieve positive environmental, social and economic impacts. SDGs (Sustainable Development Goals) are the benchmarks used for this analysis. Manni Group participated as a "pilot" in this process, providing the bank with data and information about its sustainable development strategy.

This proactive approach has enabled the bank to gain a deeper understanding of sustainability-related corporate dynamics.

### ▶ Mérito Laboral

In 2023, Isocindu was awarded the Mérito Laboral 2023 prize, which recognises workers from companies and trade unions in the State of Guanajuato who have taken actions to improve productivity and innovation in their workplaces.

The aim of the award is to recognise individuals as the main drivers of organisational development.

## Great Place To Work

For the second year in a row, Isocindu received the Great Place to Work award, reaching 4th place in the ranking of companies in the Bajío region. This award recognises the focus on creating a healthy, inclusive and welcoming working environment.



**PABLO APASEO**  
QUALITY MANAGER  
ISOCINDU

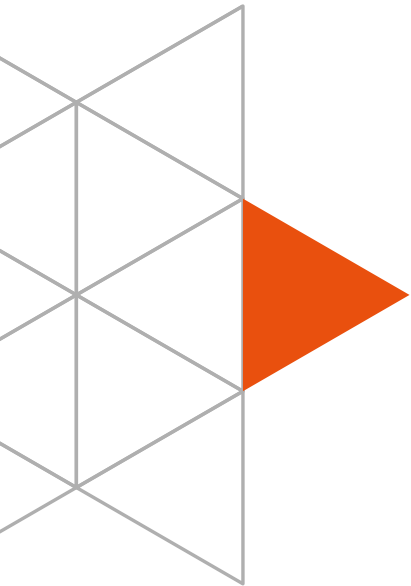
“I’m immensely proud to work

a positive and stimulating atmosphere that I breathe every day, and that motivates both me and my colleagues.

This working environment unites our team, bring us together and makes us more determined to achieve our goals. It’s a pleasure to be part of this business, which values people and their contribution.

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# Archiproducts Design Award 2023

In 2023, Manni Group was again nominated as one of the winners of the Archiproducts Design Awards, making it one of the leaders in international design.

After receiving the award for GreenROOF in 2019, for CAPSULE in 2020, and for ADDMIRA2D in 2022, this year the jury rewarded Isopan’s ADDCross system for its virtuous development of concept and design in the “Building Shell” category. The most recent application of ADDCross can be found within the large residential energy redevelopment project of Trento’s Madonna Bianca Towers, where Isopan’s solution proved to be the winning choice for guaranteeing energy performance targets, completion times and compliance with landscape constraints.

## ► MANNI GREEN TECH AND ISOPAN win first prize at the first YouBuild awards

On 8 November 2023, Milan hosted the 7th YouBuild Conference “Towards Regenerative Construction: New Building Materials and Components”, where major players in the sector discussed the challenges and opportunities related to modernising the building stock, a need brought about by the current situation in which buildings represent a significant source of CO2 emissions.

The award ceremonies of the Sustainable and Regenerative Construction Competition took place within this context, and Manni Group demonstrated how its solutions are perfectly aligned with the pursuit of sustainability and innovation in the construction sector, receiving:



**1st Prize**  
**Decarbonisation and Energy**  
 ADDMIRA2D UP WALL  
 by Manni Green Tech



**1st Prize**  
**Declare**  
 GreenROOF  
 by Isopan





# MOBILITY MANAGER



The Group's Mobility Manager is responsible for updating the Home-Work Travel Plan annually, which, in addition of being a regulatory requirement for the Manni Group's Verona site (according to Italian Interministerial Decree 179 of 12/05/2021), represents a further step in our ESG commitment.

The plan is a strategic document which seeks to **identify measures for advising employees on their home-work journeys**, to help relieve congestion in urban and metropolitan areas, reducing the environmental impact of vehicular traffic, along with noise pollution and the accident rate.

The drivers that guided the Group in this project can be summarised as follows:

- ▶ **environmental sustainability, to pursue the Group's greenhouse gas emission reduction project**
- ▶ **social sustainability, to improve the personal wellbeing of employees and the overall employee experience**
- ▶ **the link with the local area and community in which we operate, establishing a mutually beneficial proactive cooperation with local authorities**