

ENVIRONMENTAL, SOCIAL, GOVERNANCE.

NFS

2023—
CONSOLIDATED
NON-FINANCIAL
STATEMENT

SANLORENZO

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INTRODUCTION

This is the fourth Consolidated Non-Financial Statement (hereinafter also referred to as the “NFS”) prepared by the Sanlorenzo Group (hereinafter also referred to as the “Group”), starting from the listing, in 2019, of the Parent Company Sanlorenzo S.p.A. (hereinafter also referred to as the “Company”, “Sanlorenzo” or the “Parent Company”) on the Euronext STAR Milan segment of Borsa Italiana S.p.A.

The NFS is drafted pursuant to Italian Legislative Decree 254/2016 (hereinafter also referred to as the “Decree”), implementing Directive 2014/95/EU, which requires public interest entities, as identified by the characteristics set out in Article 2, paragraph 1 of the aforementioned Decree, to draft and publish a report of a non-financial nature for each financial year.

In line with the provisions of Article 2, paragraph 2 of the Decree, the NFS is drawn up on a consolidated basis: the reporting perimeter therefore includes the Parent Company and all Group subsidiaries (any exclusions are reported in the “Methodological note” section). Even though it was prepared as a separate document from the Report on Operations and the Group’s Annual Financial Reports, the NFS forms an integral part of such documentation.

The reporting period of the NFS includes the period running from 1 January 2023 to 31 December 2023, consistent with the Group’s financial reporting time horizon. An overview is also provided regarding the quality and extent of information pertaining to the previous two financial years, the purpose being to ensure, where possible, broad comparability and a comprehensive view of the Group’s performance over time.

In line with the requirements set out in Articles 4 and 5 of the Decree, the NFS focuses on the performance, actions and initiatives developed and/or supported by the Sanlorenzo Group in relation to the Group’s topics of concern, including environmental and social

issues, HR management, respect for human rights and the fight against bribery and corruption.

Sanlorenzo has prepared the Consolidated Non-Financial Statement in accordance with the GRI Standards¹ for the aforementioned period (from 1 January 2023 to 31 December 2023).

Complying with the requirements of the GRI Standard 1 “Foundation”, the reporting provides adequate coverage of the key concepts of impact – explored in depth by examining the main risks and opportunities associated with the Group’s main topics of interest, i.e. material topics – on which this document is constructed (for more details see the “Materiality and impacts” and “Methodological note” sections), stakeholder interest – namely the implementation of activities aimed at ensuring inclusiveness and listening to the requests of both internal and external stakeholders (see the “Listening to stakeholders” section) – and due diligence, with particular reference to the protection of fundamental human rights. Similarly, the contents of the document are inspired by the principles of completeness and balance of information (exploring both the positive and negative aspects), clarity, transparency and reliability in the presentation and re-processing of the data collected and the calculation methodologies used.

It should be noted that this document also incorporates a first approach to the so-called “double materiality”, a method of analysing the relevance of the different aspects relating to the various dimensions of sustainability not yet made mandatory, but which will become so for the Sanlorenzo Group as of 2025 (relative to the 2024 financial year), in line with the provisions of the new Directive (EU) 2022/2464 (Corporate Sustainability Reporting Directive – CSRD) and the European Sustainability Reporting Standards (ESRS). The “double materiality” analysis makes it possible to address, in a

targeted manner, both the relevance of sustainability issues, as well as the relevance of the related positive (opportunities) and negative (risks) impacts, from the point of view of the effects generated on the external context (inside-out perspective) and on the Company (outside-in perspective).

However, it should be noted that, for the purposes of ensuring compliance with the guidelines, the results of impact materiality were taken into consideration, in line with the definition of the GRI Standards.

In addition, the Agenda 2030 for Sustainable Development of the United Nations and the related Sustainable Development Goals (SDGs), to which the Group adheres and undertakes to contribute, both directly and indirectly, as well as the Ten Principles of the United Nations Global Compact constitute a fundamental external reference.

The SDGs, the Global Compact Principles² and the GRI indicators to which reference is made are explicitly noted in the technical fact sheets at the end of each chapter, which also summarise the following aspects: the materiality of the topics covered by the chapter for the Group and its stakeholders; the impact of the topic along the value chain, with a clear explanation of the risks and opportunities involved; the policies, programmes and any certifications obtained in the social and environmental sphere. Within the Annexes, as well as in the closing notes at the end of each chapter, the technical specifications of the topics covered within the main pages of the document are provided.

Finally, it should be noted that the NFS was subjected to a limited external review by BDO Italia S.p.A., in line with the criteria established by the ISAE 3000 (Revised) principle – “International Standard on Assurance Engagement”.



NOTES

- I © The Global Reporting Initiative (GRI) is an independent international organisation whose mission is to define standards for reporting on the sustainability impacts of public and private organisations. The GRI Standards – of a universal and specific nature, i.e. inherent to the various sustainability dimensions – are recognised worldwide as the main frame of reference in non-financial reporting. The application of the GRI Standards is voluntary. The Standards propose multiple indicators, enabling organisations to comply with national and international best practices in sustainability reporting. In 2021, the updated version of the Universal Standards – to which this document refers – was published. For the Topic Specific Standards, the most recent version dates back to 2016 (publication in Italian in 2018), with the exception of the GRI Standards 303 “Water and Effluents” and 403 “Occupational Health and Safety” updated in 2018, GRI Standard 207 “Tax” published in 2019 and GRI Standard 306 “Waste” updated in 2020.

- II © The Global Compact is a voluntary United Nations initiative aimed at guiding companies around the world towards adopting sustainable business practices and working with UN Agencies to achieve sustainable development goals. The Ten Principles of the UN Global Compact are a call to action for all companies to define strategies and operations that respect human, labour and environmental rights and adopt fair and equitable behaviour.





LETTER TO STAKEHOLDERS

Dear stakeholders,

It is with great pride that we conclude another year filled with success for our company, marked by a growth across all the financial and asset indicators. 2023 has been a hectic year, and the results we achieved are even more valuable when considered in the challenging geopolitical context and the resulting complexity in global supply chains.

The key to Sanlorenzo success remains our unique business model. Sanlorenzo products are recognized as authentic icons of the seas and made-in-Italy excellence ambassadors around the world, representing the maximum expression of hand-made quality, sophisticated design, innovative vision and enhanced technological capabilities.

This uniqueness arising from Italian traditional craftsmanship is accentuated by a clear strategy of positioning our brand in the high-end market. This strategy not only focuses on maintaining the excellence of our products, which remains a crucial aspect of all our endeavours, but also expands the experiential dimension of our brand. This allows us to contribute to the enhancement and consolidation of the prestigious positioning we have established within the global landscape.

Product innovation, which has always been at the core of our strategy, is now increasingly focused on sustainability. We firmly believe that significant and necessary technological advancements in this direction will emerge in the coming years.

We are proceeding with two extremely innovative projects: the Bluegame BGH tender for the America's Cup, a 10-metre boat with foils and a fuel cell, which will not be equipped with a combustion engine and will be able to reach a speed of 50 knots and a range of 180 miles

at zero emissions; and the 50 Steel, the first superyacht in the world equipped with green methanol fuel cells, developed together with Siemens Energy. This system will transform methanol into hydrogen and then into electricity to power all the on-board services, without the need for hydrogen to be stored on board. Both projects will end in 2024 and will be a starting point to further innovation in our Road to 2030.

It is also important to acknowledge that sustainability goes beyond propulsion systems innovation and requires a holistic approach encompassing all the areas impacted by a company operation. Indeed, Sanlorenzo is actively engaged in addressing topics in manufacturing process, supply chain, and social area.

In our manufacturing process, we are increasing our self-produced renewable electricity through significant investments in solar panels. In 2023, we completed the construction of three photovoltaic systems, totaling 1.5 MW in power, which supplements the existing 500 kW already present in Sanlorenzo sites. These installations are projected to reduce CO₂ emissions by 600 tonnes annually. Moreover, we plan to further enhance our total power capacity to 3.1 MW by the end of 2024. Furthermore, our Ameglia shipyard became the first to procure 100% renewable electricity, thereby eliminating its Scope 2 emissions.

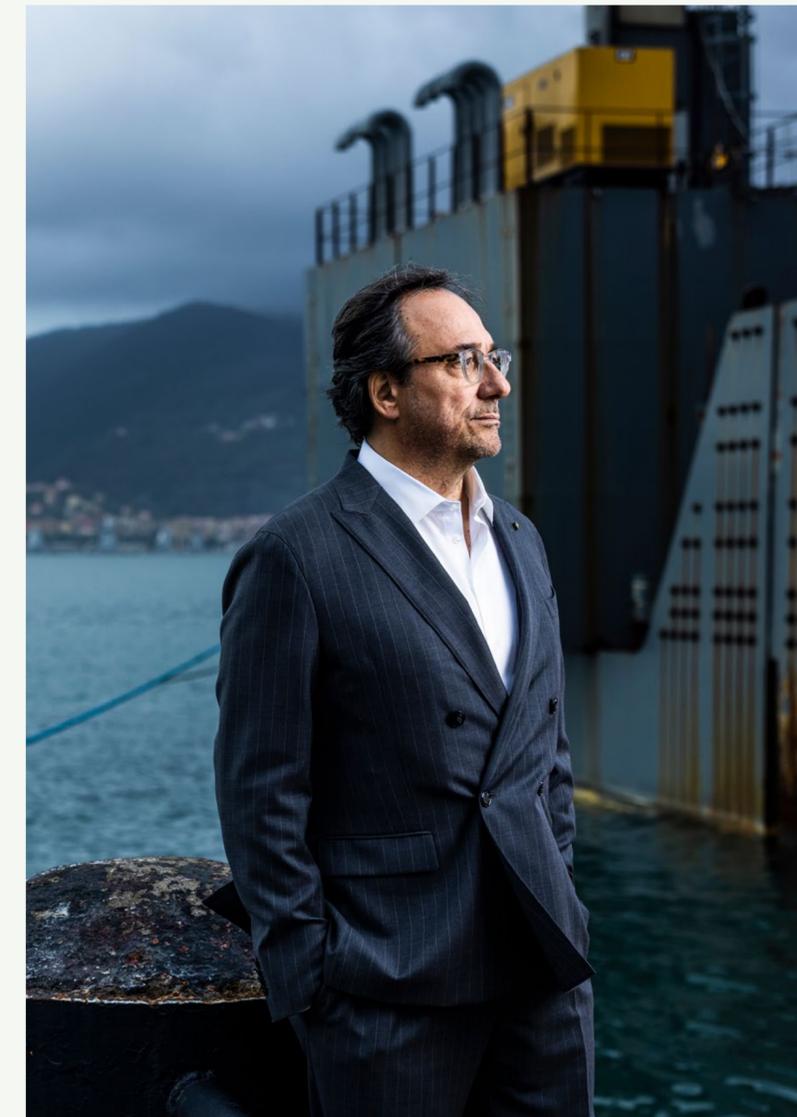
In our relationship with suppliers and contractors, we are starting a path to take onboard our supply chain in our sustainability journey, starting with extensive ESG assessments.

In the social sphere, we are pleased to have signed a new Corporate Supplementary Agreement, which promotes a work environment attentive to people needs, while enhancing their virtuous performances. This agreement represents an absolute novelty for the labour relations in

the nautical sector and introduces significant measures linked to the cultural integration model, the welfare programme, and the productivity bonuses. Throughout 2023, we remained dedicated to enhancing our skills development initiatives, achieving the milestone of providing over 10,000 hours of training. In parallel, we reinforced our organizational efforts to promote sustainability. This involved establishing an internal task force to coordinate various initiatives in the environmental and social areas.

Lastly, through the Fondazione Sanlorenzo, we keep on sustaining Italy's minor islands and the local communities, financing projects that contribute to their sociocultural, economic, and environmental development. I proudly invite you to read Sanlorenzo 2023 Non-Financial Statement, which has the ambitious goal to convey the commitment of all the Sanlorenzo People, to whom I wish to express deep gratitude for the work done.

Cav. Massimo Perotti
President and Chief Executive Officer
Sanlorenzo Group





OUTSIDE PERSPECTIVES

THE CONTEXT: CATALYSTS FOR CHANGE^I

The yachting sector comprises a diverse range of business sub-sectors, each of which plays a fundamental and complementary role in the construction, maintenance and use of boats.

In particular, the following segments can be noted:

- **shipbuilding**, which includes the construction and import of new yachts – which in turn can be broken down into specific product categories – as well as refitting^{II}, repair and storage services;
- **accessories and components**;
- **engines**.

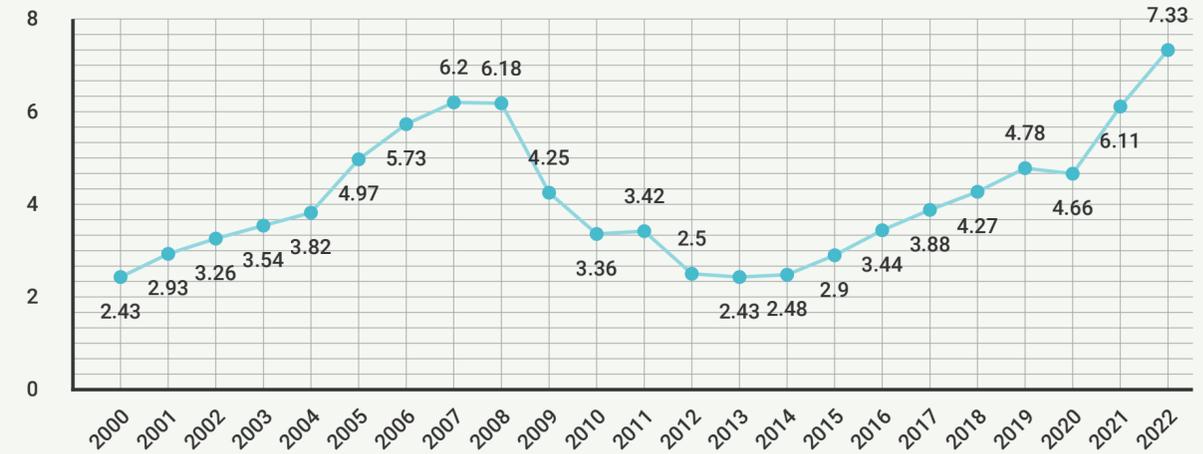
Pleasure shipbuilding, especially that of luxury yachts, is a **strategic production sector** for Italy, both in terms of the excellent economic performance achieved – particularly significant in 2021, as well as in 2022 (representing 66.8% of the global naval industry turnover) – and in terms of employment (with approximately 67.7% of the industry employees employed in the shipbuilding segment), considering the country’s vast craftsmanship heritage in the design, production and outfitting of yachts and superyachts^{III}.

Thanks to the extremely high degree of specialisation in pleasure craft shipbuilding, Italy is in a **leading position worldwide**. This leadership is not limited only to size, but also extends to competitiveness on an international scale, both

in terms of exports and of the positive balance achieved between exports and imports.

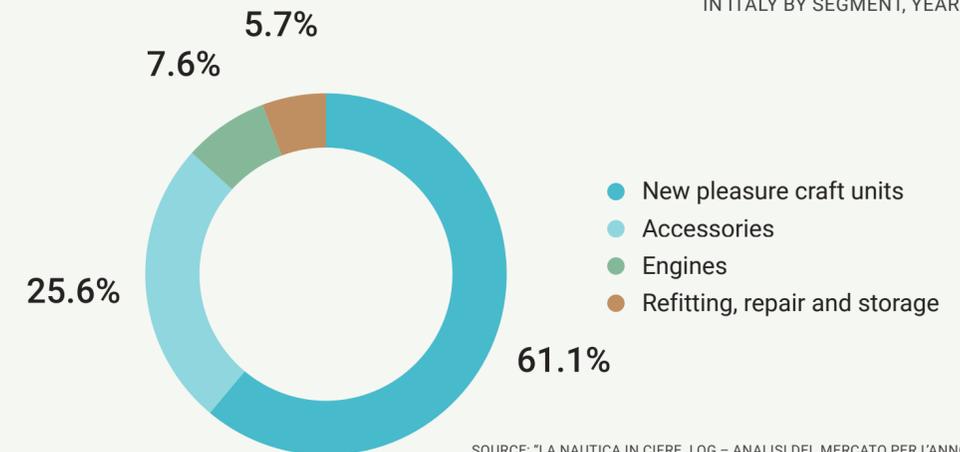
In 2022, the global turnover of the Italian nautical industry recorded an extraordinary growth (+20.0% compared to 2021), which sets a **new record** for the sector, reaching **Euro 7.33 billion** (see Figure 0.1) and surpassing the record achieved in the 2007-2008 two-year period by Euro 1.13 billion. The largest contribution (see Figure 0.2) came from the construction of new pleasure craft units (61.1% of total turnover), followed by accessories and components (25.6%), engines (7.6%) and refitting, repair and storage activities (5.7%). Exports remain a driving factor for the industry (76.6% of Italian production is sold in foreign markets). Pleasure and sports boats are one of the most exported product classes over the last year: in fact they account for 3.5% of Italian manufacturing exports and their exports have grown by +13.3% compared to 2021.

FIGURE 0.1 – TREND IN THE GLOBAL TURNOVER OF THE ITALIAN NAUTICAL INDUSTRY (2000-2022) – VALUES IN BILLIONS OF EURO



SOURCE: CONFINDUSTRIA NAUTICA

FIGURE 0.2 – BREAKDOWN OF THE GLOBAL TURNOVER OF THE NAUTICAL INDUSTRY IN ITALY BY SEGMENT, YEAR 2022



SOURCE: "LA NAUTICA IN CIFRE. LOG – ANALISI DEL MERCATO PER L'ANNO 2022"



Confirming Italy's global leadership – in this case in the specific sector of pleasure craft and yachts with inboard engines – the Global Order Book 2023^{IV}, published by the Showboats International magazine, places the country's industry first in the ranking for superyacht orders (with a total of 22,056 metres commissioned and 593 yachts under construction).

According to recent market trends, the main levers of value creation from 2023 onwards will be related to infrastructure improvement, increasing interest in the yachting lifestyle and **sustainability**. The growing awareness of the **environmental and social impacts generated by the nautical sector** along the industry's value chains and the entire product life cycle (e.g. boat production phase, subsequent use phases, end-of-life management), is driving important **regulatory developments at the European and international level**. The main objective of these regulations is to address – based on a **precautionary** approach – the key ethical and environmental issues that require timely action. During the course of 2023, there was particular interest in some key megatrends related to environmental, social and economic sustainability in the nautical sector, both nationally

and internationally (see Figure 0.3). These megatrends confirm the trends already highlighted in previous years.

From an environmental point of view, primary attention is paid to the issues of **combating climate change** and the **protection of biodiversity** (for the nautical sector, the protection of marine ecosystems is crucial). These issues have played a central role in numerous events throughout 2023. Technological and sustainable innovation was discussed during the first edition of **"Shaping the future – World Yachting Sustainability"**, a forum organised in June 2023 by the International Boat Industry publication and Confindustria Nautica in Genoa. During this forum, a growing degree of awareness on the issues of innovation and sustainability was highlighted, with the aim of reducing environmental impact: a challenge that requires a collective approach on the industry's part. The ecological transition was also the main topic of discussion at the **"Economia del Mare"** summit (held in July 2023 in Genoa and Venice), underlining how it represents an engine of development and job creation for the industry. In September 2023, during the 63rd Genoa

Boat Show, the **European Sustainable Boating Roundtable** was held, an initiative promoted by the European Boating Industry together with Confindustria Nautica and the Liguria Region. The crucial issue of sustainability was once again one of the main topics of discussion, exploring strategies to promote and export "Made In Europe" sustainability, both in Europe and globally.

From a social point of view, in addition to ensuring stricter control with reference to the management and traceability of the supply chain, above all in order to guarantee greater protection of fundamental human rights, the issue of the **lack of a skilled workforce** – both in terms of manpower and of engineering – is central, in part also as a result of the crisis caused by the Covid-19 pandemic and the changes that this situation has brought about in working methods.

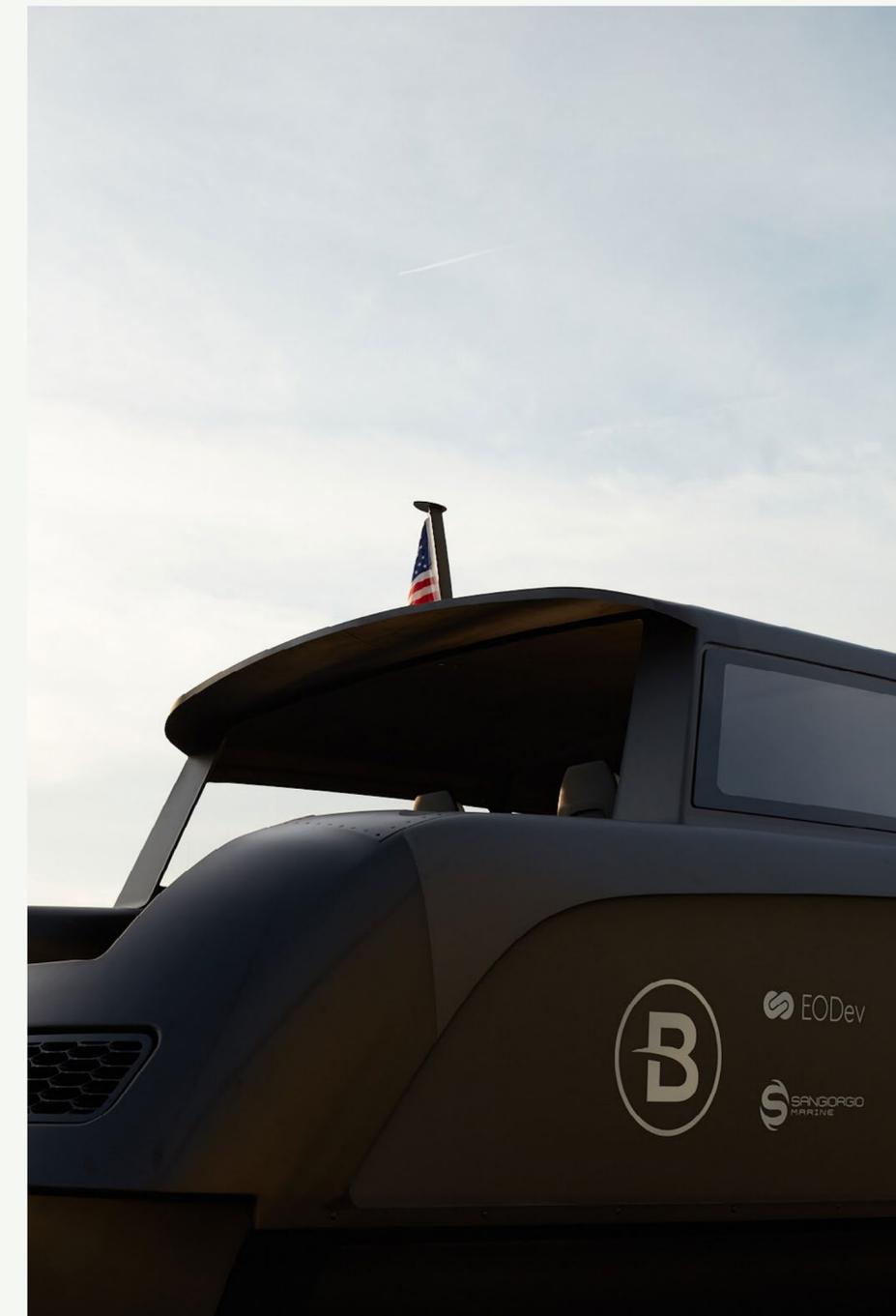




FIGURE 0.3 – THE MAIN SUSTAINABILITY MEGATRENDS IN 2023 FOR THE SECTOR



THE MAIN SUSTAINABILITY MEGATRENDS IN 2023 FOR THE SECTOR

Procurement of raw materials

- Ban on the import and use of teak from Myanmar
- Bottlenecks in global supply chains and consequent higher prices and difficulty in obtaining raw material (particularly metals) for the construction of yachts
- Search for alternative raw materials with a lower environmental impact to be used for hulls, superstructures and furnishings (for example bamboo, linen or basalt)
- Management of the energy crisis arising from geopolitical tensions

Sustainable design

- New regulations at the European level on product eco-design:
 - Definition of requirements for product eco-design
 - Digital product passport
- Project developments from an eco-design point of view:
 - Use of recycled and recovered materials
 - Gradual reduction in the use of styrene, formaldehyde and ammonia
 - Reduction of energy consumption and emissions generated during the production phases
 - On-board energy efficiency
 - Design for Disassembly and end of life management of the yacht
 - Greater energy efficiency in design
- Scientific methods for the calculation of the impact of the whole life cycle of the product

Climate change

- Tightening of European and international regulations (Paris Agreements 2015; European Green Deal 2020; IMO's Initial GHG Strategy; MARPOL - International Convention for the Prevention of Pollution from Ships)
- Design developments:
 - alternative propulsion (biofuels, hybrid, electric, hydrogen)
 - installation of specific fume treatment systems
 - energy efficiency processes in boats (for example, insulation systems and use of crystals) and use of electricity from renewable sources
- Sector partnerships to create homogeneous solutions able to demonstrate the contribution of the yachting sector to the fight against climate change
- Increase of plastic pollution

Marine biodiversity

- Tightening of European and international regulations (COM(2020)/380, EU Biodiversity Strategy 2030)
- Contribution to protecting biodiversity, identified by the United Nations as an environmental threat on a par with climate change
- Elimination of water pollution inputs
- Reduction of acoustic pollution and vibrations
- Biofouling and antifouling paints
- Attention to anchoring aspects (developments in terms of establishment of "no-go areas" and "no-anchoring areas")
- Global partnerships for the protection of marine ecosystems

Sustainable supply chain management

- Labour standards in the supply chain (protection of basic human rights) and use of ESG criteria
- Traceability of the supply chain (identification and management of environmental impacts and guarantee of greater knowledge of information on production processes, up to the origin of the raw materials to be procured)
- Search for local suppliers to shorten the supply chain

Workforce

- Labour shortage for the sector (lack of availability of specialised operators)
- Need for greater integration and empowerment of the female component of the workforce in the nautical industry (employees and external workers)
- Health and safety for workers (e.g. usage of chemical substances)



SANLORENZO'S ANSWER

Well-aware of the main sustainability issues characterising its operating context, the Group has laid the foundations for a structured supervision from both an environmental and a social point of view, through the development and implementation of projects and initiatives that make it possible to offer a concrete answer to the challenges analysed.

The Group's actions – completed or currently in progress – are summarised below (see Figure 0.4) and subsequently presented in greater detail in the various chapters of this NFS.





FIGURE 0.4 – THE SANLORENZO GROUP'S ACTIONS IMPLEMENTED IN RESPONSE TO GLOBAL AND SECTOR CHALLENGES



THE SANLORENZO GROUP'S ACTIONS IMPLEMENTED IN RESPONSE TO GLOBAL AND SECTOR CHALLENGES

Procurement of raw materials

- Prevention of delays in the delivery of raw materials by suppliers through a continuous planning process – to anticipate the actual production needs – and verification of supplier operations, complemented by a supplier diversification strategy (see Chapter 5)
- Creation of inventories for materials characterised by a higher level of vulnerability (see Chapter 5)
- Internal presentation of alternatives to teak: for example, teak from other countries (Thailand, Indonesia), other types of wood, bamboo, laminate, synthetic (see Chapter 3)

Sustainable design

- Interventions on the use of eco-compatible materials, with a view to circularity of materials (see Chapter 3)
- Interventions for the recycling of materials and components - Design for Disassembly (see Chapter 3)
- On-board energy efficiency (see Chapter 3)
- Interventions to reduce energy consumption in the production phase (see Chapter 3)

Climate change

- Exclusive strategic partnership with Siemens Energy on methanol fuel cells (see Chapter 3)
- Study on the use of yachts by shipowners to maximise energy generation and storage according to use (see Chapter 3)
- Lightness of construction, hull efficiency and propulsion efficiency (electric diesel on models > 50 m; Volvo IPS system; fuel cell/batteries; SCR system and selective catalyst; ZEM cruising mode) for the reduction of GHG emissions generated by the use of the yachts (see Chapter 3)
- Search for solutions for the abatement of particulate matter and unburned material (see Chapter 3)

Marine biodiversity

- Pilot application of non-toxic antifouling paints and checks with respect to the occurrence of secondary risks (see Chapter 3)
- Water Revolution Foundation and Blue Marine Foundation Membership (see Chapter 7)

Sustainable supply chain management

- Further formalisation of document verification processes regarding contracts with separate management between Sanlorenzo and Bluegame (see Chapter 5)
- Launch of the supply chain mapping project through a dedicated platform (see Chapter 5)
- Implementation of the Confirming Programme (see Chapter 5)

Workforce

- Collaboration with local institutions (e.g. Confindustria La Spezia) for the promotion of local technical-craftsmanship know-how (see Chapter 6)
- Implementation of initiatives aimed at attracting new talent (see Chapter 6)
- Implementation of initiatives to support employee retention (see Chapter 6)
- Training on nautical trades through the Sanlorenzo Academy (see Chapter 6)
- Signing of the new Corporate Supplementary Agreement (see Chapter 6)



NOTES

- I © The information provided in the following section was sourced from the publications “La Nautica in Cifre. LOG. Analisi del mercato per l’anno 2022” and “La Nautica in cifre. MONITOR. Trend di mercato 2022/2023”, published by Confindustria Nautica and the Edison Foundation. Figures relating to the performance of the sector in 2022 are the most recent available to date.
- II © Marine market segment that includes a range of activities designed to make improvements to the vessel, in line with new shipowner’s requests, in order to restore worn out parts or add new technology items for improved navigation.
- III © While the term “yacht” generally refers to the identification of pleasure craft, in common usage it is used in reference to luxury vessels of significant size (lengths ranging between 24 and 40 metres). “Superyachts” are defined as vessels exceeding 40 metres in length.
- IV © The Global Order Book is an annual publication on superyacht construction, compiled by Boat International since 1992.

PASSION FOR THE SEA





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1.1 ANCHORED TO OUR HISTORY TO NAVIGATE TOWARDS THE FUTURE

Sanlorenzo's long tradition in yacht manufacturing began in 1958 with the construction of luxury wooden flybridge motor yachts, when shipwrights Gianfranco Cecchi and Giuliano Pecchia founded Cantieri Navali Sanlorenzo in Limite sull'Arno, near Florence. In 1985, the first composite yacht model was built.

With Massimo Perotti joining the Group in 2005, Sanlorenzo started marketing its yachts worldwide. While maintaining the concept of a unique and made-to-measure yacht, the company has constantly expanded its product range: from composite yachts to semi-displacement composite boats, to superyachts with aluminium hull introduced in 2007 and with steel hull from 2010.

In more recent years, the Group has further expanded its offering, in particular with its entry, as of 2018, into the composite sport utility yacht segment under the Bluegame brand.

The evolution of the Maison Sanlorenzo brand and of Bluegame yachts finds its natural continuation in the interventions aimed at integrating the principles of sustainability in the design of our boats. Remaining faithful to the traditional lines that characterise the Group's yachts and superyachts, 2023 marks another key milestone in the history of the Company, with the introduction of models featuring important stylistic and above all technological innovations, with reduced environmental impact, including the use of hybrid engines.





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1974-2004 CREATING THE LEGEND

1985: Presentation of the SL57, the Cantieri Sanlorenzo's first fibreglass model, which is immediately a great success. Launch of the Company's customisation services offer, allowing shipowners to customise the style and design of their yacht.

1995: With the launch of the first SL100 – following the SL70 and SL80 models – Sanlorenzo officially enters the superyachts world.

1999: The Company's headquarters are moved to Ameglia (in the province of La Spezia), inside the Montemarcello-Magra-Vara Natural Park.



1958-1974 THE EARLY DAYS

1958: Sanlorenzo is founded in Limite sull'Arno, near Florence. The first Sanlorenzo motor boats – just over 9 metres long – are built in Viareggio.

Late **1960s:** Expansion of Company production to 36-60 foot wooden yachts, which quickly sees great success in the world of competition.

1972: Acquisition of the Company by Giovanni Jannetti and presentation of two models of boats in marine plywood: the Sanlorenzo 15.5 and the Sanlorenzo 20.





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2005-2022: A NEW PHASE OF GROWTH

2005: Acquisition of a majority stake in Cantieri Navali Sanlorenzo S.p.A. by Massimo Perotti. The company is renamed Sanlorenzo S.p.A.

2007: Opening of the facility in Viareggio with a second division for the production of new lines.

2007: With the launch of the first SD92, the new SD line of semi-displacement hull yachts is introduced, tied to a new concept of experience at sea, with attention to quality and the pleasure of reaching one's destination without haste.

2007: launch of the first metal Sanlorenzo yacht, the 40Alloy, winner of the Show Boats Design Award and of two World Superyacht Awards. This marks Cantieri Sanlorenzo's definitive entry into the superyacht segment.

2011: Sanlorenzo becomes the third biggest shipyard in the world in the construction of yachts over 24 metres, reaching second place in 2014.

2016: Opening of the facility dedicated to the construction of metal superyachts in La Spezia.

2018: Bluegame S.r.l. becomes part of the Sanlorenzo Group. Together with the Zuccon firm, the production of the first BG42 and BG62 models gets underway.

2019: On December 10, listing of Sanlorenzo on the Euronext STAR Milan segment of Borsa Italiana, marking a major milestone and a symbol

of the Company's evolution.

2019: Introduction of the new BGX line, representing the combination of the typical elements of Bluegame yachts and the crossover concept, created by Sanlorenzo in its SX line, a revolutionary project in the superstructure and in the intertwining of use of spaces and functions.

2020: Launch of the first SX112, a boat in direct relationship with the marine context.

2021: Presentation of the new Bluegame project, the BGM range, revolutionary in its segment.

2021: Part of the Bluegame production – construction of the hull of the BG72 model and initial work necessary for the production of the new BGM75 – is internalised within the Ameglia shipyard.

2021: Acquisition of a new site in Massa dedicated to semi-finished composite products.

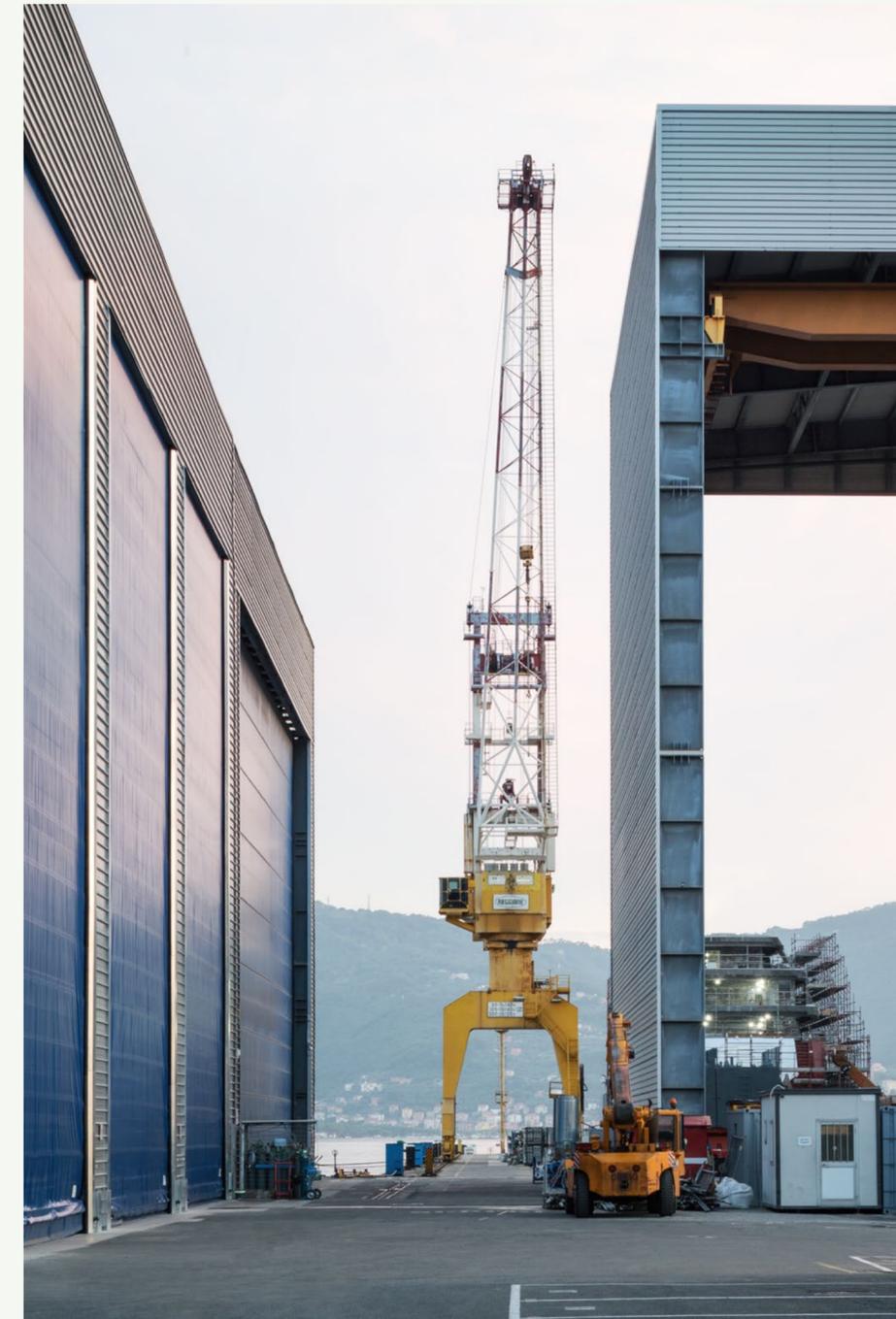
2022: With a view to product innovation, the first SP110 and SD90 were launched, and the keel was laid of the first 72 Steel, the largest superyacht ever built by the shipyard, fitted with a diesel-electric hybrid engine system.

2022: As part of a strategy aimed at the verticalisation of the product value chain, Sanlorenzo acquires 48% of Carpensalda Yacht Division S.r.l., a key supplier for the production

of metal structures for superyachts, and 33% of Duerre S.r.l., a long-established company specialised in the artisanal production of top-quality furnishings. The Group also gains a majority stake in Polo Nautico S.r.l. and establishes a newco called Sanlorenzo Arbatax S.r.l. for the production of small/medium-sized semi-finished composite products. At the same time, Bluegame acquires 60% of I.C.Y. S.r.l., a historical partner in the production of some product lines.

2022: Sanlorenzo enriches its range of services dedicated to customers with the acquisition of 100% of Equinoxe S.r.l., a long-established company operating in the charter sector.

2022: Bluegame signs an agreement with New York Yacht Club American Magic, challenger in the 37th edition of the America's Cup, for the design and construction of the first "chase boat" featuring an exclusively hydrogen propulsion system and the use of foils to reach a speed of 50 knots and a range of 180 miles with zero emissions.





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2023-ON: ON A NEW COURSE

2023: In February, Sanlorenzo S.p.A. and PN Sviluppo S.r.l. finalise the acquisition from Marco Segato of a 9.9% and 0.1% stake, respectively, in Sanlorenzo of the Americas LLC. Following this transaction, Sanlorenzo holds a 99.9% stake in Sanlorenzo of the Americas LLC.

2023: In March, Sanlorenzo S.p.A. acquires a 49.0% stake in Sea Energy S.r.l., a leading company in the design, construction and maintenance of electrical systems for yachts and superyachts. Sea Energy held a 100% stake in Key S.r.l., operating in the same business sector. In June, the deed of merger by incorporation of Key S.r.l. into Sea Energy S.r.l. is drafted and registered in the Business Register of North-West Tuscany on 30 June 2023. In December, Sanlorenzo S.p.A. acquires a further 16% stake in Sea Energy. As a result of this transaction, Sanlorenzo S.p.A. holds a 65% stake in Sea Energy.

2023: In April, Sanlorenzo and Michael Rowland Simpson sign a non-binding Memorandum of Understanding to evaluate the entry of Sanlorenzo S.p.A. into the Simpson Marine Group and other associated companies. The Simpson Marine Group, which has represented Sanlorenzo in Asia since 2015, has been for over 40 years one of the leading operators in the APAC region in sales and services in the yachting sector, and in 2018 it was awarded as Sanlorenzo Best Worldwide Yacht Dealer. In December 2023, Sanlorenzo signs a binding agreement for the purchase of 95% of the share capital of Simpson Marine Limited, a company owned by Mike Simpson.

2023: In April, the deed of merger by incorporation

of Equinoxe Yachts International S.r.l., 100% owned, into Equinoxe S.r.l. is drafted.

2023: In May, Sanlorenzo S.p.A. finalises the deed of purchase of an additional 33% stake in Duerre S.r.l., thus reaching a majority stake of 66%, taking into account the purchase of a first 33% stake of share capital in April 2022.

2023: Restart S.p.A., an investee of Sanlorenzo S.p.A. through its subsidiary PN Sviluppo S.r.l., a 50/50 joint venture established with the Ferretti Group to participate in the auction for the acquisition of Perini Navi S.p.A., is placed in liquidation. In June, the company is removed from the Business Register.

2023: In July, Sanlorenzo S.p.A. acquires a 0.51% stake in the share capital of Polo Nautico Viareggio S.r.l. from VSS S.r.l. The equity investment therefore reaches 53.0% of the share capital.

2023: In July, following the enforcement action brought by Banca Monte dei Paschi di Siena S.p.A., the Court of Lanusei orders the transfer of an industrial building, owned by Arbatax Cantieri Nautici S.r.l. in liquidazione, located in Tortoli (within the "Sardinia SEZ", i.e. Special Economic Zone), to Sanlorenzo Arbatax S.r.l. This acquisition will enable Sanlorenzo Arbatax S.r.l. and the Sanlorenzo Group to develop their production capacity, primarily with reference to the Yacht Business Unit.

2023: In September, Bluegame and K-Challenge LAB, company that owns the French Orient Express Racing Team, challenger of the 37th edition of the America's Cup, sign an agreement

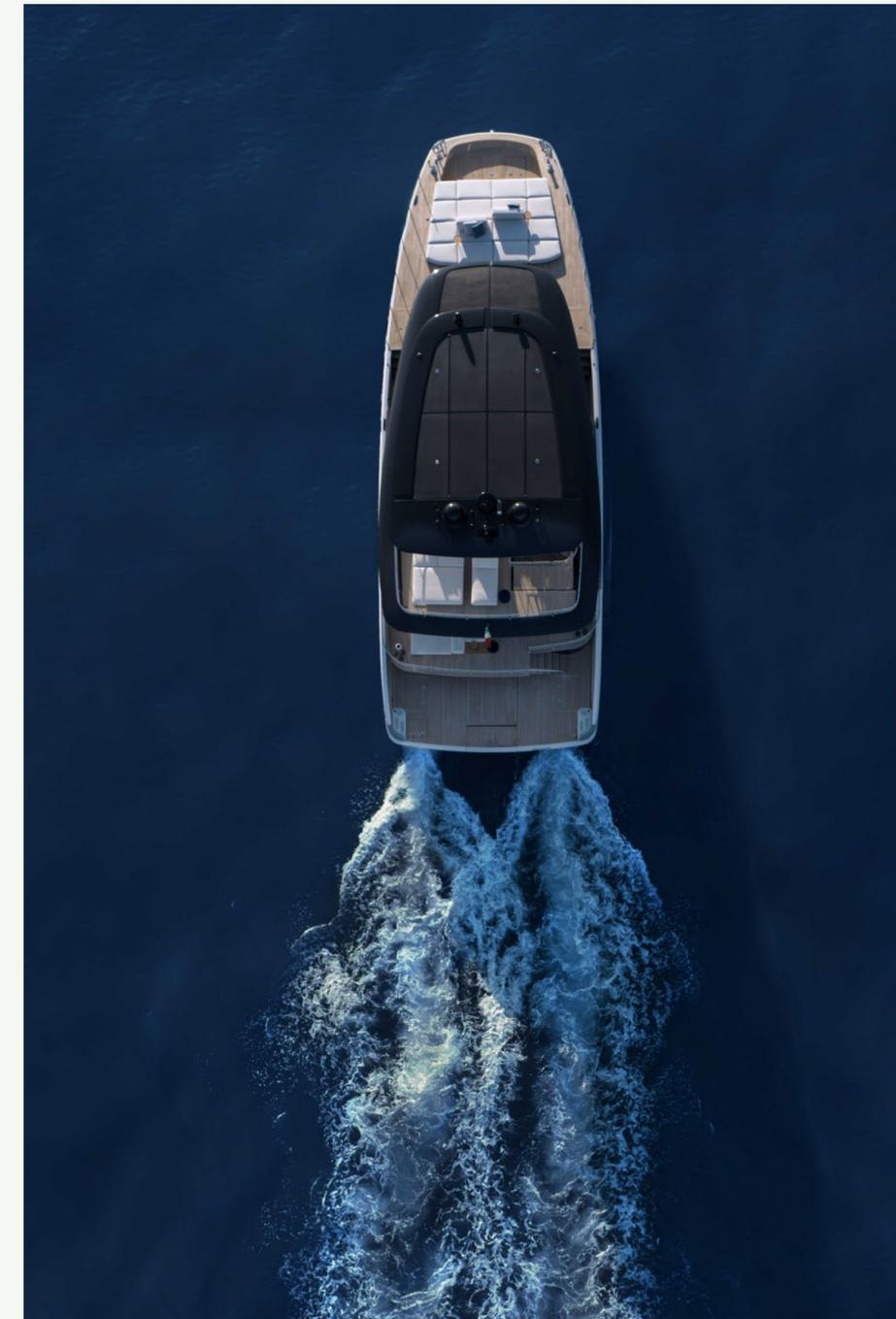
for the design and construction of a second "chase boat".

2023: In July, Sanlorenzo S.p.A. consolidates its presence on the French market with the establishment of "Sanlorenzo Côte d'Azur SAS", a wholly-owned subsidiary of Sanlorenzo S.p.A.

2023: In September, the new "Villa Portofino" headquarters of Sanlorenzo Monaco S.A.M. (formerly Marine Yachting Monaco S.A.M.) are inaugurated.

2023: In September, Lloyd's Register (LR) awards Sanlorenzo the homologation certificate for the Fuel Cell system and the Type-C containment tank designed by the shipyard in collaboration with Siemens Energy.

2023: in December, Sanlorenzo S.p.A. and Sawa S.r.l., a subsidiary of Leonardo Ferragamo, sign a Memorandum of Understanding that provides for an exclusivity period to evaluate possible opportunities for a strategic alliance between the Nautor Swan Group, controlled by Sawa, and the Sanlorenzo Group.





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OTHER SANLORENZO GROUP COMPANIES

INSIGHT

Bluegame S.r.l.

The company is headquartered in Ameglia. The Bluegame Business Unit, introduced in 2018, designs, manufactures and markets Bluegame sport utility yachts, made of composite and with a length between 13 and 23 metres.

Equinoxe S.r.l.

Founded in 1986 and based in Turin, in over 30 years of business activity the company has established itself as a point of reference in charter services. It was fully acquired by Sanlorenzo S.p.A. in December 2022, together with its wholly-owned subsidiary Equinoxe Yachts International S.r.l., operating in the same sector: in April 2023, the deed of merger by incorporation of the latter into Equinoxe S.r.l. was drafted. A little more than a year after the acquisition, numerous yachts are part of the Sanlorenzo Charter Fleet, the world's first single-brand charter fleet.

Sanlorenzo Arbatax S.r.l.

The company was incorporated in October 2022 and, since 2023, has its registered office in Tortoli (NU) – Loc. Baccasara. The company's business is focused on the production of small/medium-sized semi-finished composite products. Thanks to the allocation of the ownership of an industrial building, from July 2023 the company was able to expand the Sanlorenzo Group's production sites in Sardinia.

PN Sviluppo S.r.l.

Company based in Viareggio, it held 50% of the share capital of a joint venture established with the Ferretti Group to participate in the auction for the acquisition of Perini Navi S.p.A., awarded in December 2021 to a third-party bidder. In 2023, the joint venture was liquidated and PN Sviluppo will be used to develop a range of services for the Sanlorenzo Group and for external customers.

Duerre S.r.l.

Long-established company operating since the 1940s in the artisanal production of high-quality furnishings intended in particular for superyachts, with headquarters in Vicopisano (PI). Sanlorenzo S.p.A. first acquired a minority stake (33%) in the company in April 2022, reaching a majority stake of 66% in May 2023, with a further acquisition of 33%.

I.C.Y. S.r.l.

I.C.Y. is a company based in Adro (Brescia) and a long-standing partner in the production of some of Bluegame's product lines. In 2022, the latter acquired 60% of its shares in order to consolidate and increase Bluegame's production capacity to support growth.

Polo Nautico Viareggio S.r.l.

Polo Nautico Viareggio is a company that has been offering nautical services in Viareggio (LU) since 2005. Established in a 36,000 square metre area of the historic SEC merchant shipyards, it is a company that specialises in and owns various equipment for handling, refitting and repair activities, over which Sanlorenzo has had control since June 2022.

Sea Energy S.r.l.

Founded in 2001 and based in Viareggio, the company's core business focuses on the design and installation of electrical systems for yachts with a length of 20 to 50 metres. Over the years, it has established itself as a technical reference point for market-leading brands and accessories. Sanlorenzo has control over it since December 2023.

Sanlorenzo Baleari SL

Company based in Puerto Portals – Mallorca (Spain), which provides support for commercial and customer service activities in the area.

Sanlorenzo Côte d'Azur S.A.S.

Company based in Cannes (France), it was established in July 2023 and is wholly owned by Sanlorenzo S.p.A., with the aim of consolidating its presence on the French market. The company will focus on the distribution and marketing of the Group's products and services in the Côte d'Azur and France, a key market in the international yachting landscape.

Sanlorenzo Monaco S.A.M.

Formerly Marine Yachting Monaco S.A.M., in 2023 the Group's Monaco headquarters became operational with the opening of "Villa Portofino", to expand the operations of the Monegasque company: the new offices are located near the marina, in an exclusive space perfectly in line with the positioning of the Sanlorenzo Group.

Sanlorenzo of the Americas LLC

The company was founded in 2008 and is headquartered in Fort Lauderdale (Florida). Its purpose is to market the Group's products to customers in Canada, the United States, Central and South America, as well as to carry out brokerage and after-sales services in the same markets. Since the beginning of its business activity, Sanlorenzo of the Americas has been able to steadily establish the Sanlorenzo brand in the American markets.

Fortune Yacht LLC

Company based in Fort Lauderdale and 100% controlled by Sanlorenzo of the Americas LLC, it carries out brokerage activities in the American market.



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THE SANLORENZO GROUP TODAY: AN INTERNATIONAL PLAYER

FIGURE 1.1 – PRODUCTION SITES

The Sanlorenzo Group is a leading global operator in luxury yachting, specialised in the design, production and marketing of made-to-measure motor yachts, superyachts and sport utility yachts, fitted out and customised according to the requests and desires of an exclusive clientele. The Group’s activities are organised into **three Business Units**, diversified according to the specific product lines:

- the **Yacht** Business Unit, dedicated to the design, production and marketing of composite yachts between 24 to 38 metres in length, under the Sanlorenzo brand, whose production is carried out in the shipyards in Ameglia – the Company’s main headquarters –, Viareggio and Massa;
- the **Superyacht** Business Unit, dedicated to the design, production and marketing of aluminium and steel superyachts between 40 to 73 metres in length, under the Sanlorenzo brand, operating at the shipyards in La Spezia and Viareggio, the latter within the Polo Nautico complex;

- the **Bluegame** Business Unit, dedicated to the design, production and marketing of composite sport utility yachts between 13 and 23 metres in length, under the Bluegame brand, whose current production is carried out at the Ameglia shipyard¹ and other shipyards located in the Lombard nautical district, in the area that extends around Lake Iseo.

In addition to the production divisions mentioned above, through the **High-End Services Business Unit** – created in 2020 – the Group offers an exclusive range of services dedicated entirely to Sanlorenzo and Bluegame customers, including a single-brand charter programme (Sanlorenzo Charter Fleet), maintenance, restyling and refitting services (Sanlorenzo Timeless) and training activities for crew members.





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The Group markets its yachts both directly – through Sanlorenzo or other Group companies or brokers – and over a closely meshed network of sales and after-sales services worldwide, consisting of **19 Brand Representatives**, brand ambassadors worldwide and service points for their geographical areas of competence. It also makes use of **9 Service Points**, namely independent shipyards able to directly manage any requests for technical intervention made by shipowners and to intervene on board in less than 72 hours from being notified. In addition, 9 Brand Representatives independently manage the Service and 4 partners have a Service Point contract in development (so-called “Privileged Partners”).

FIGURE 1.2 – THE SANLORENZO GROUP’S INTERNATIONAL PRESENCE

AMERICAS

- Sanlorenzo Fort Lauderdale
- Sanlorenzo Sag Harbor
- Sanlorenzo Montauk
- Sanlorenzo Messico
- Sanlorenzo Venezuela
- Sanlorenzo Colombia
- Sanlorenzo Panama
- Sanlorenzo Nicaragua
- Sanlorenzo Honduras
- Sanlorenzo Perú
- Sanlorenzo El Salvador

EMEA

- Sanlorenzo Italia
- Sanlorenzo Côte d’Azur
- Sanlorenzo Monaco
- Sanlorenzo UK
- Sanlorenzo Germany & Benelux (Düsseldorf, Muiden, Knokke-B, Munchen)
- Sanlorenzo Adria (Croatia, Hungary, Czech Republic, Montenegro)
- Sanlorenzo Spain (Mallorca, Portugal, Malaga)
- Sanlorenzo Greece
- Sanlorenzo Egypt (Il Cairo, El Gouna)
- Sanlorenzo Israel
- Sanlorenzo Bulgaria
- Sanlorenzo Poland
- Sanlorenzo Istanbul
- Sanlorenzo Cyprus
- Sanlorenzo Malta
- Sanlorenzo Russia
- Sanlorenzo Gulf (Dubai, Beirut, Kuwait, Saudi Arabia)

APAC

- Sanlorenzo Asia (Phuket, Thailand)
- Sanlorenzo Asia (Pattaya, Thailand)
- Sanlorenzo Asia (Malaysia)
- Sanlorenzo Asia (Hainan, China)
- Sanlorenzo Asia (Shenzhen, China)
- Sanlorenzo Asia (Shanghai, China)
- Sanlorenzo Asia (Hong Kong SAR)
- Sanlorenzo Asia (Singapore)
- Sanlorenzo Asia (Taiwan)
- Sanlorenzo Asia (Jakarta, Indonesia)
- Sanlorenzo Japan
- Sanlorenzo Australia (Brisbane)





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1.2 BRAND IDENTITY

SANLORENZO'S MISSION AND VISION

Today, the Sanlorenzo Group is the only luxury yacht player to compete in several segments under a **single brand**, building made-to-measure yachts and superyachts, outfitted and customised according to the specific requests and desires of an **exclusive clientele** and characterised by a **distinctive** and **timeless** design. The **uniqueness of the product, constant innovation** of design in **respect of tradition, communication** and **customer loyalty** are the key drivers that underpin the Group's business model and its success in the luxury yachting sector, as a symbol of **Made in Italy excellence and exclusivity**. The extreme **attention paid to design** – both with regard to the lines of the yachts and the attention to detail in the interiors – distinguishes the Group as a true **Boating Maison**. The distinctive values of the two souls of the Group – Sanlorenzo and Bluegame – intertwine around these shared drivers, as better described below.

MISSION

"To be the shipyard of choice for uncompromising yachtsmen. A place to explore innovation by experience, where you come to craft your own yacht and have it built to stand the tests of time and of sea."

VISION

"To be recognised as the ultimate reference in made-to-measure yachts and superyachts."





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THE DISTINCTIVE FEATURES OF SANLORENZO AND BLUEGAME

FIGURE 1.3 – THE DISTINCTIVE FEATURES OF SANLORENZO AND BLUEGAME

SANLORENZO

YOUR NEEDS

Attention and listening to the customer’s needs lies at the heart of the construction of every vessel. Communication between shipyard and shipowner lays the foundations for a unique and special connection, building a forward-looking **personal relationship**, which is in fact the main focus of the “Sanlorenzo Club” of yacht owners who share the same passion.

YOUR STYLE

A Sanlorenzo yacht is the result of timeless design, melding tradition with innovation: a sense of balance, simple lines, elegance, with a consistent, calm, clear style.

ENDLESS POSSIBILITIES

Nothing is standard in a Sanlorenzo yacht, except the high levels of on-board quality and safety. The excellence of the materials used, the handcrafted production process, the care and workmanship of the highest quality ensure that every detail and every decision of the shipowner harmonises is in perfect harmony with the rest of the elements.

CRAFTSMANSHIP

Sanlorenzo’s unique Made-in-Italy creations embody a **heritage of craftsmanship and intelligence**, passed down from generation to generation. The skills of our cabinetmakers, carpenters, upholsterers and installers represent a know-how unique to Sanlorenzo, resulting in products of extraordinary craftsmanship.

YOUR UNIQUE CREATION

A Sanlorenzo yacht goes beyond fashion. Each Sanlorenzo yacht is as **unique as a work of art**, with its own story to tell. **Each model is as different and inimitable** as a tailored suit.



BLUEGAME

UNCONVENTIONAL PERSONALITY

Personality is the unique and genuine outcome of a journey. It is not opposed to conventionality, as it is already well ahead of it. Aesthetics and functionality are beauty criteria that complement each other. Just like Bluegame, the shipowner, called “**Bluegamer**”, is a person who eschews set patterns and labels, is capable of creating bold and intriguing combinations and finding creative solutions where others only see obstacles.

MARINE SEAWORTHINESS

Marine seaworthiness is a way of interpreting the world, and the identity of Bluegame is defined by the sea. Freedom and closeness to the water, as in sailing, define every model and every detail of the yacht. There is a strong link between functionality, safety and marine seaworthiness.

SUSTAINABLE INNOVATION

Innovation and sustainability arise from the desire to improve the world in which we live, by playing an active role and taking concrete actions that have never been seen before.

MELTING POT

The best ideas come from existing ideas interweaving with one another and then becoming something unique. It all begins with the critical ability to observe, to see beyond things as they appear to be, to go through them in order to break them down and put them back together, with a view to moving constantly beyond.

EXPERIENCE AND PASSION

Knowledge is locked together with passion. What we learn does not just feed into expertise. Head and heart work together to innovate.

UNIQUE CONCEPT

Bluegame does not follow established trends, it creates new ones by exploring different perspectives. It is not a matter of whether we choose to go with the flow or not. It is about asking ourselves where it will lead us. Uniqueness is not only visible to the eye, but also emerges from a thought, a construction, a distinctive path.



1.3 “YOUR VISION, OUR CRAFT”

FIGURE 1.4 –THE SANLORENZO GROUP VALUE CHAIN

The business model of the Sanlorenzo Group is based on the delivery of a limited number of yachts per year: in 2023, 64 under the Sanlorenzo brand and 36 under the Bluegame brand.

Their production is commissioned, on the basis of long-term partnerships, to a **supply chain of over 1,500 highly qualified artisanal companies**, mostly located in the nautical district of the Upper Tyrrhenian Sea, between La Spezia and Viareggio, and in Lombardy, in the nautical district of Lake Iseo.

The meticulous attention to every detail and the phases of the Group’s value chain linked to the definition of new innovative and sustainable products, quality control, enhancement of the two brands and direct interaction with the customer, on the other hand, are the responsibility of the Group.

Building a yacht takes time and dedication. The Group’s value chain, in fact, is articulated on the succession of eight phases, of a strategic and operational nature, which are carried out in compliance with two of the pillars of the Group’s action to achieve responsible development: commitment to the **production process** and commitment to the **product**.

In line with the values that shape the work of Sanlorenzo and Bluegame, the Group’s business model is oriented towards **creating value for all its stakeholders** and **minimising the environmental and social impacts generated directly and indirectly**. Moreover, the implementation of the business model is fully integrated with the reference context in which the Group operates, relying in particular on the close link with the local area and with local communities, aspect that plays a key role in the overall creation value.

The first stage consists in the **STRATEGIC DEFINITION OF RANGE PLANS**, in other words the identification of the lines and model of the craft to be produced in relation to the specific historical and commercial context and to the evolution of customer needs. Collaboration with the R&D Department is fundamental from the dual point of view of carrying out R&D activities on potential new application fields and the implementation of innovative technical solutions for the new models that will be developed.

The next stage involves the **DESIGN OF THE IDENTIFIED MODELS**, with the collaboration of renowned architects and designers, in line with the specific requests made by the shipowner and with a view to maximum customisation of the yacht.

The Group relies on a single design studio for the creation of the external lines, with the aim of ensuring uniformity and making the distinctive features of Sanlorenzo and Bluegame visible in each craft that is built.

PROCUREMENT management and **SUPPLY CHAIN ORGANISATION** are the direct responsibility of the procurement offices of the individual Business Units and generally follow the formula of the order based on production plans with visibility up to about 36 months.

This is how the **PRODUCTION** phase of each individual yacht begins. With regard to the Yacht and Superyacht Business Units, production is carried out by contractors mainly operating at the Sanlorenzo shipyards. In the case of Bluegame, fibreglass production is entrusted to subcontractor shipyards, while – as of 2022 – assembly and outfitting are carried out in the Ameglia shipyard,

within the area managed directly by Bluegame.

The companies with which the Group has partnered are local artisanal businesses of excellence. Moreover, thanks to this industrial structure – which has no equal in the yachting sector – the Group is able to offer the flexibility of execution necessary to maintain the promise of “made-to-measure, handmade and done well” for each of its yachts.

Both in the case of Sanlorenzo and Bluegame, the production activity is frequently interspersed with **QUALITY CONTROLS**, which are subsequently also carried out before delivery of the final product. This phase is essential to ensure full compliance with the quality and technical standards defined by the Group and the Italian Naval Register (RINA). In addition, the production progress is checked on a daily basis by Bluegame’s technical staff, including on site at the subcontractors’ facilities. Additional tests can also be conducted at the shipowner’s request, as deemed necessary, during the control phases carried out by the latter’s surveyor.

MARKETING AND COMMUNICATION activities – carried out using different communication tools, participation in industry and non-industry trade fairs, the organisation of events and participation in external events – are aimed at identifying market needs and promoting the Group’s product ranges. Specifically, the Group implements an experiential communication and marketing strategy, focused on the exclusive workmanship, high quality, connection with art, design and elegance of its yachts, combined with the exclusive nature of its relationship with the shipowner.

COMMERCIAL activities, mainly carried out in spring and autumn, consist of sales-related activities through which the Companies acquire the orders and conclude with the direct – or indirect, through Brand Representatives – delivery of the yacht to the owner. In the case of Bluegame, sales take place exclusively through the network of Brand Representatives.

Moreover, it should also be noted that the Sanlorenzo business model also provides for the trade-in of used yachts (both Sanlorenzo and other brands), which the Company refurbishes through a specific maintenance programme entrusted to the expert hands of a specialised technical team.

The relationship with the shipowner does not end with the delivery of the yacht. The Group, in fact, guarantees its customers a series of **AFTER-SALES SERVICES** which include ongoing technical assistance, in-port hospitality services, maintenance and restyling services for yachts (both Sanlorenzo and other brands) and training services for captains, crew members and service technicians. Bluegame relies on the after-sales services offered by dealers and maintains a constant dialogue with trusted service points, to be able to respond to customer assistance needs even during navigation. In the event of structural problems, it is Bluegame that intervenes directly. The high complexity of the value chain requires numerous and specific skills. Some key figures are described below.



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THE PROFESSIONAL FIGURES INVOLVED ALONG THE VALUE CHAIN

INSIGHT

BOAT MANAGER

coordinates the workers – mainly contractors – on board the yacht in production.

ON-BOARD QUALITY MANAGERÀ

responsible for the quality control phase of the various on-board processes and pre-delivery checks.

SALES TEAM

coordinates the contractual and financial part of the order, from the initial contact with the customer to delivery.

PROJECT MANAGER

supervises the yacht configuration phase; deals with the technical side of the sale and, together with the sales team, interfaces with the customer throughout the production process.

PROJECT ENGINEER

a technical figure with expertise in the specific type of model; coordinates the executive design of customisation and modifications of the product line under his responsibility.





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1.4 SANLORENZO GROUP PERFORMANCE IN 2023

2023 was another year characterised by strong growth and great results for the yachting sector, which has confirmed itself as a key representative of Made in Italy abroad.

The year that just ended was, nevertheless, still characterised by significant challenges from an economic, political and social point of view. Some of the key challenges included the difficulties in the procurement of components, price fluctuations and the lower availability of raw materials, the shortage of skilled manpower and the energy, economic and humanitarian crises following the outbreak of the Russian-Ukrainian war.

With reference to the disruptions in global supply chains, however, the effectiveness of the Italian manufacturing model, articulated in many niche productions that carry out “made-to-measure” instead of mass production as typically occurs in the large productions of other countries, can certainly be affirmed.

The strength inherent in the product, the high level of customer loyalty and the implementation of an efficient management model based on a flexible cost structure, while ensuring manufacturing excellence, are the key factors that drive **sustainable growth** and **ongoing resilience** that have distinguished the Sanlorenzo Group from the outset.

These elements, together with a large percentage of direct sales to end customers, with a limited “sell-in/sell-out” risk by resellers and a more favourable cash-in profile, allow the Group to register higher growth than the market. In particular, 132 yachts over 24 metres were built in 2023 (128 in 2022), corresponding to a total length of 4,503 metres (4,577 in 2022)².

Underpinning the constant growth trend over the years is the Group’s planning of expected revenues, based on contract forecasts and production progress expected for each yacht, coupled with its ability to plan revenues in advance and consequently manage liquid assets. This is thanks to the prevalence of sales to order directly from the end customer: the net consolidated backlog³ as at 31 December 2023, after deducting the Net Revenues New Yachts⁴ generated during the year, amounts to Euro 1,041.7 million, compared to Euro 1,069.6 million as at 31 December 2022.

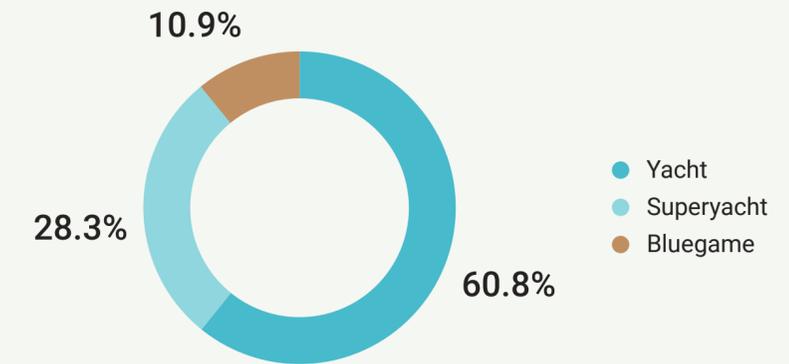
The Value of Production for the year was equal to Euro 885,7 million (the approximately 16.16% increase compared to 2022 is mainly attributable to higher Gross Revenues).

Net Revenues New Yachts amounted to Euro 840.2 million, up 13.4% compared to Euro 740.7 million in 2022. Specifically, with regard to new yachts, 60.8% of revenues are attributable to the Yacht Business Unit, followed by the Superyacht Business Unit (28.3%) and the Bluegame Business Unit (10.9% of total revenues).

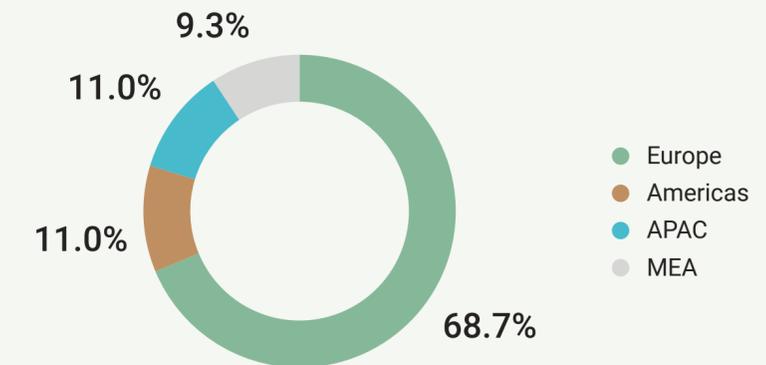
With reference to the sales made in the various geographical areas, it can be noted that the largest share of the Group’s Net Revenues New Yachts pertains to Europe.

FIGURE 1.5 – DISTRIBUTION OF NET REVENUES NEW YACHTS IN 2023

BY BUSINESS UNIT



BY GEOGRAPHICAL AREA

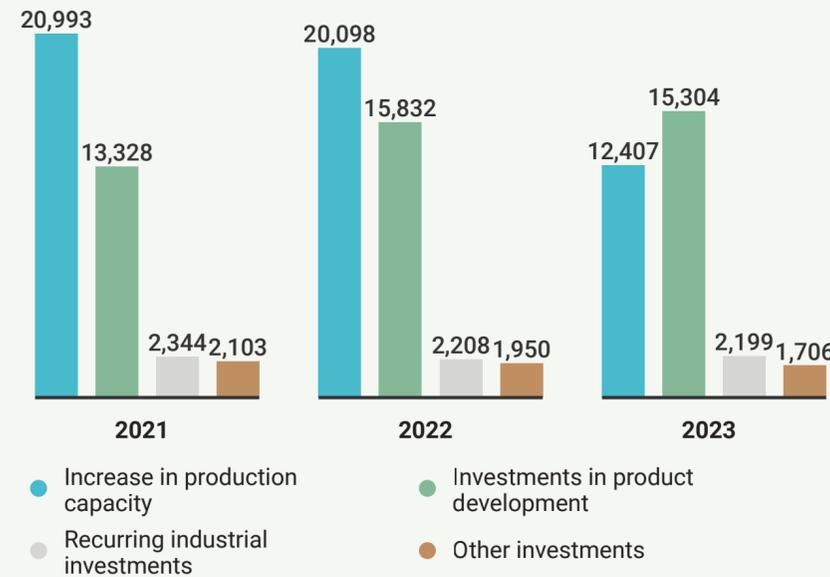




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FIGURE 1.6 – INVESTMENTS MADE IN THE 2021-2023 THREE-YEAR PERIOD, BY AREA (K EUR)

SANLORENZO



BLUEGAME

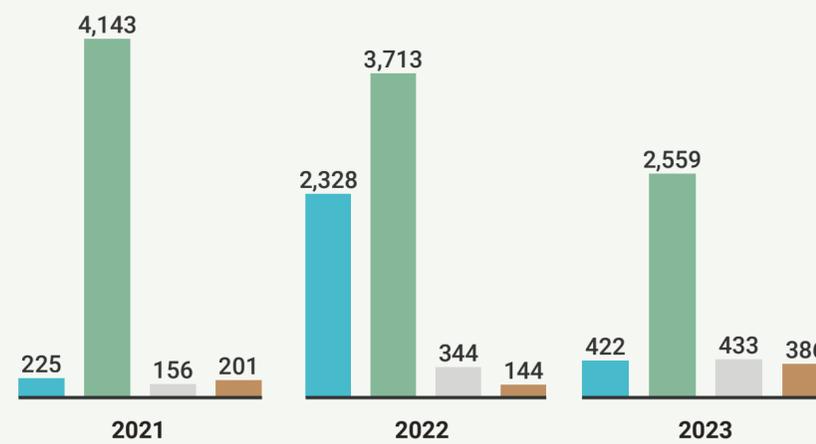
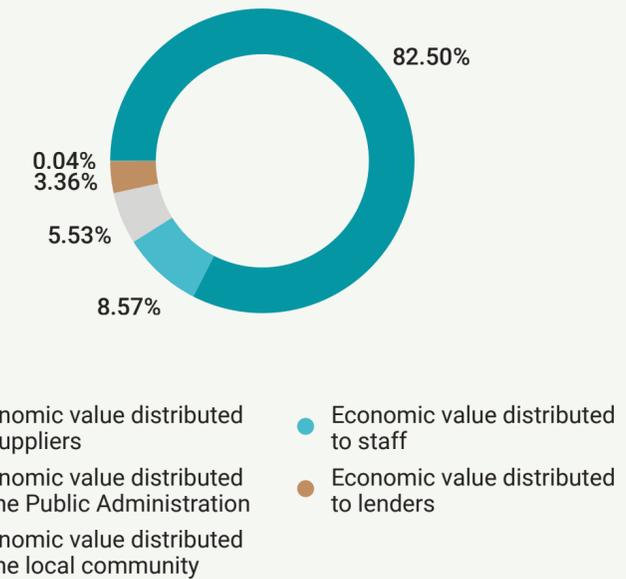


FIGURE 1.7 – ECONOMIC VALUE GENERATED AND DISTRIBUTED TO STAKEHOLDERS BY THE GROUP IN 2023



EBITDA amounted to Euro 157.5 million, up 21.5% compared to Euro 129.6 million in 2022, with a margin on Net Revenues New Yachts up 120 basis points from 17.5% to 18.7%. The profit generated during the year amounts to Euro 93.3 million.

The steady increase in operating profitability is linked, in particular, to the change in the product mix in favour of larger yachts in each Business Unit and to the increase in average selling prices over the last year.

In 2023, Sanlorenzo S.p.A. and Bluegame S.r.l.'s investment plan –

amounting to Euro 35.4 million – mainly consisted of R&D, product development and the production of models and moulds (50.44% of the total investments made), aimed at the development of new lines and models for the Group. In addition to this allocation of investments, during the year Sanlorenzo and Bluegame allocated 36.22% of the resources budgeted for the year to activities aimed at increasing production capacity to support growth, 7.43% to recurring industrial investments for equipment and plants and, finally, 5.91% to other investments.

For Sanlorenzo, pursuing sustainable growth also means ensuring the **creation of value to be shared with its own stakeholders**. Of the total economic value generated in 2023, equal to approximately Euro 871.8 million (approximately +15% compared to 2022), around 86% was distributed among the various categories of Group stakeholders, as shown in the graph above⁵.



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THE IMPACT OF THE VALUE GENERATED BY THE SANLORENZO GROUP ON THE ITALIAN CONTEXT

In 2022, the contribution of the yachting sector to the national GDP⁶ stood at around Euro 6.17 billion, up by 19.9% on 2021. The GDP of the yachting sector therefore has a weight equal to 3.23% compared to the Italian GDP. The largest share of this value (59.5%) is determined by the intermediate costs of the sub-sectors⁷, followed by the component (28.5%) deriving from added value and, finally, the remaining share (12%) associated with intermediation margins⁸ for shipbuilding⁹. In particular, the “production hub of the Upper Mediterranean¹⁰” – an area where Sanlorenzo Group’s activities are also located – ranks first in terms of turnover generated in Italy in 2022. In 2022, the Italian yachting sector employed **26,000 employees** (24,000 in 2021) and 3,520 external workers (2,590 if calculated as “full-time equivalent workers¹¹”). Most of the employees and external workers are employed in the shipbuilding segment (production and import of new units).

Based on the productivity indicator identified in the value of turnover per employee¹², it can be noted that in 2022 the most significant share is associated – both with reference to employees and actual workers – to the engine segment. It is specified that this indicator is representative of the type of activity carried out by each segment, which can be more or less people-intensive. In fact, in the case of the engine segment, the number of employees is lower than in other segments and, therefore, the per capita turnover is higher¹³.

The Sanlorenzo Group also wanted to calculate – as of 2021 – its impact in terms of contribution to the generation of induced employment in Italy, through the employment of its direct employees, but also indirectly through the suppliers and contractors working for the Group. The objective of the induced employment indicator created by the Sanlorenzo Group is to determine the total number of jobs attributable, both directly and indirectly, to the Sanlorenzo Group in Italy.

The yachting sector is quite heterogeneous. It is therefore necessary to refer to a wider range of conceptual categories such as the macro-sector, the value system and the sectoral system, which allow us to understand all the necessary and complementary activities for the construction, maintenance and use of yachts.

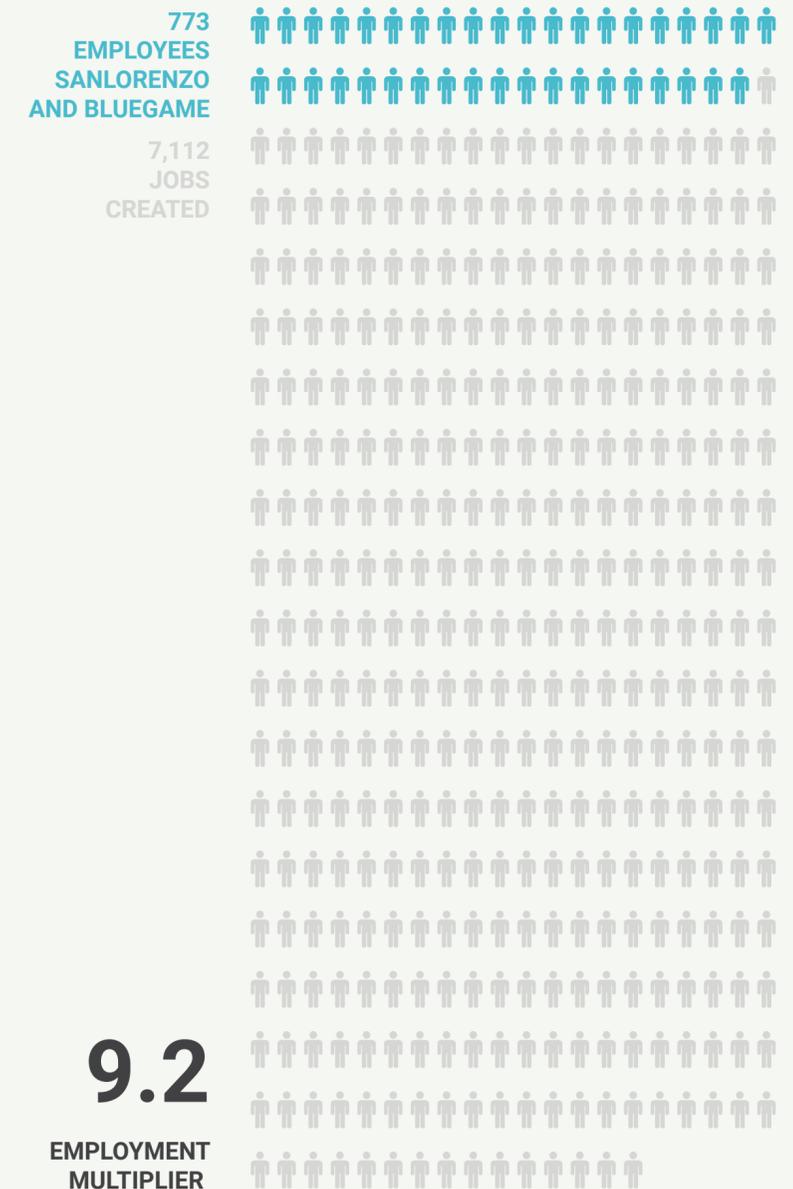
The Italian yachting sector – second in the world after the United States and the absolute leader in the superyacht segment – is in full development. It is one of the sectors with one of the highest income and employment multiplier ever, with an employment multiplier of 9.2 (Symbola, 2022).

Finally, the Group’s contribution to the **generation of economic and social value for the areas in which it operates** is also expressed through the correct management of taxation and the payment of taxes, carried out in accordance with the values of **honesty** and **integrity** and, in line with the Company’s sustainability strategy.

Tax compliance therefore contributes to ensuring the ethical and responsible management of the Company.

In 2023, the Group’s income taxes, paid on a cash basis, amounted to Euro 39.1 million (approximately +43% compared to 2022); taxes accrued on profits, on the other hand, amounted to Euro 36.4 million (approximately +32% compared to 2022). Please refer to the “Technical insights” section for more detailed information.

FIGURE 1.8 – THE INDUCED EMPLOYMENT CREATED BY SANLORENZO AND BLUEGAME¹⁴





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CHAPTER OVERVIEW: TECHNICAL DETAILS

Reference GRIs

2-1; 2-6; 2-29; 3-3; 201-1; 203-1; 207-1; 207-2; 207-3

Reference SDGs



target: 8.1; 8.2

Description and relevance of the “Brand identity” topic

The Sanlorenzo brand is recognised throughout the world as a representation of an authentic and quality Made in Italy. The promotion of the brand in Italy and abroad also involves the promotion of the fundamental values that guide the Group’s operations in its day-to-day activities and in the definition of short, medium and long term strategies.

A central part of the brand’s identity is the attention paid to satisfying customer needs and to the relationship – often of a multi-year nature – created on the basis of the promise of a design which, in addition to being characterised by high quality, also assumes an approach that is faithful to the “made to measure” concept.

Impacts along the value chain

1. Inside-out perspective (impacts on the external context)

- **Risk:** Compromise of the value of Made in Italy and of the areas in which the Group operates, due to conduct that is not in line with the founding values of the Group and the expectations of stakeholders;
- **Opportunity:** Strengthening of the value of Made in Italy through the promotion of Italian culture and art;
- **Opportunity:** Promotion of Made in Italy, through Sanlorenzo and Bluegame brand awareness and reputation worldwide.

2. Outside-in perspective (impacts on Group cash flows)

- **Risk:** Reputational, with consequences in terms of increased costs for the Group, due to events or conduct not in line with the brand’s founding values;
- **Opportunity:** Increase in the level of profitability (application of a premium price) thanks to the enhancement of the brand identity and the strengthening of the brand’s positioning within the luxury market segment.

Key stakeholders

- Customers
- Shareholders and investors
- Local communities
- Public Administration and Regulatory Bodies
- Contractors



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NOTES

- 1 © Area D1 of the Ameglia shipyard dedicated to the assembly and outfitting of Bluegame yachts.
- 2 © 2024 Global Order Book – Top shipyards by length. BOAT International, December 2023.
- 3 © The backlog is the sum of the value of all orders and sales agreements executed with customers or relevant Brand Representatives regarding yachts to be delivered or delivered in the current financial year or to be delivered in the following financial years. The value of the orders and sales agreements included in the backlog refers, in each period, to the part of the residual value of jurisdiction from January, 1st of the year considered to the date of delivery. The discharge of the backlog, relatively to the part of revenues deriving from the current year, conventionally happens on December, 31st.
- 4 © Net Revenues New Yachts are calculated as the sum of revenues deriving from contracts with customers relating to the sale of new yachts (accounted for over time with the “cost-to-cost” method) and used yachts, net of the related selling expenses pertaining to commissions and the costs of collecting and handling used yachts traded-in.
- 5 © More details are provided in the Annexes at the end of the document (“Technical insights” section).
- 6 © Calculated as the value of production at market prices.
- 7 © Calculated net of purchases by each sub-sector from other areas.
- 8 © Namely, intermediation margins for placing production on the market.
- 9 © Data were sourced from the publication “La Nautica in Cifre. LOG – Analisi del mercato per l’anno 2022” published by Confindustria Nautica. Data relating to the performance of the sector in 2022 are the most recent available to date. The calculation of the impact of the sector on GDP has been carried out according to the “input-output matrix” methodology.
- 10 © This includes the provinces of Genoa, La Spezia, Massa Carrara, Lucca, Pisa and Livorno.
- 11 © The number of “full-time equivalent workers” is obtained by converting the volumes of work performed by external workers (number of workers and duration in months of the relative contracts); on average, a duration of 9 months is estimated in full-time jobs.
- 12 © Namely, the human factor performance. The value is obtained from the ratio between the Company’s production value and the number of effective employees and workers.
- 13 © Data were sourced from the publication “La Nautica in Cifre. LOG – Analisi del mercato per l’anno 2022” published by Confindustria Nautica.
- 14 © For the purposes of calculating the induced employment, the two companies that directly manage shipyards were considered.

OUR STRATEGIC VISION





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2.1 THE STRATEGIC GUIDELINES OF THE GROUP

The Sanlorenzo Group continues on its “Road to 2030” journey, a decade focused on **strategic drivers** that steer a **programme focused on three strategic areas**.

In the previous decade, Maison Sanlorenzo and later Bluegame based their strategy on design, art and innovation in tradition. Today, this vision has been enriched in new directions: **sustainability, technology, services and supply chain** are the key pillars for the Group’s growth path to 2030.

The first strategic driver, focused on **sustainability and technology**, consists of the implementation of innovative solutions to reduce the ecological footprint of the Group’s yachts. Thanks to its extensive expertise, the R&D Department has established strategic agreements with global leaders in the field of power generation and energy (for more details see the “Research and Development” section).

The second step is that of **strengthening the offer of high-end services**, in line with the Group’s approach focused on excellence and “made to measure”, combining craftsmanship, quality, innovation and design to develop exclusive relationships with customers (for more details see the “Timeless quality” section). Finally, a further area of priority in the Company’s current and future strategy is the strengthening of the **supply chain**. Craftsmanship is central to the Group’s business model, which aims to consolidate increasingly close partnerships with suppliers and contractors. This includes support initiatives such as expanding their sustainability journey, sharing best practices, employing staff trained through the Sanlorenzo Academy and providing structured financial support (for more details see chapter “Supply chain: a shared commitment”).

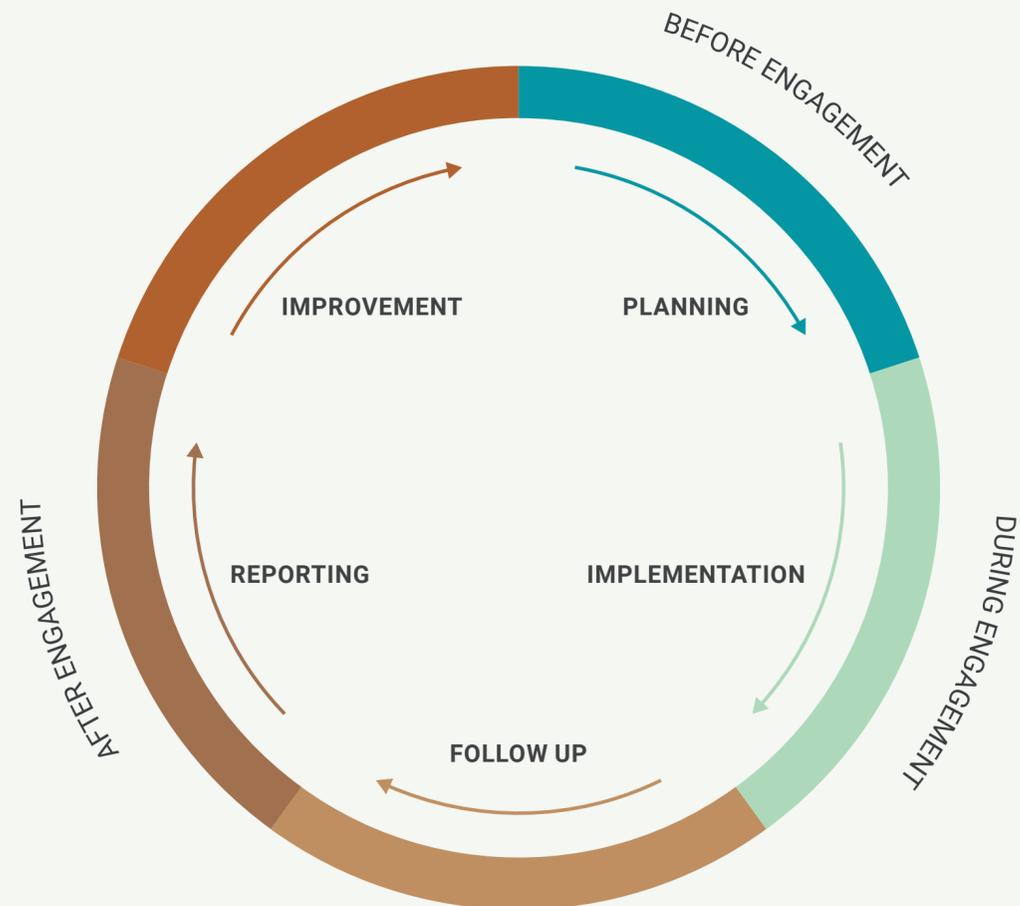
FIGURE 2.1 – THE EVOLUTION OF THE GROUP’S STRATEGIC GUIDELINES





2.2 STAKEHOLDER ENGAGEMENT

FIGURE 2.2 – THE ACTION FRAMEWORK FOR STAKEHOLDER ENGAGEMENT



The establishment and maintenance of a **constant and reciprocal dialogue with stakeholders** is considered an essential and strategic factor for the Group. This approach, rooted in the Group's corporate culture, advocates responsible and transformative development, aiming to create long-term sustainable value. Group companies adopt a proactive approach through dedicated corporate functions and channels, interacting with a wide range of stakeholders.

The Group's structured oversight during its engagement with stakeholders reflects **responsibility, transparency and reliability** towards the broader social, environmental and economic context in which it operates and interacts.

The dialogue with stakeholders is based on the following key principles:

- each interaction represents a crucial moment to **understand their point of view and their interests**, in turn providing key feedback for the definition of objectives;
- whenever possible, the Group seeks to establish a collaboration to develop **strategies and projects** aimed at generating value for both parties, as well as for the territory;
- the engagement of stakeholders aims to constantly increase their satisfaction, therefore intensifying their trust in the Group.

These guiding principles for the management of dialogue and stakeholder engagement are based on compliance with the following conditions: **inclusiveness** of the interests represented, **relevance** of the topics covered in alignment with stakeholder expectations, **completeness and transparency** of the information, and **responsiveness** to the needs expressed by stakeholders.

In March 2023, the Board of Directors approved the Group's **Stakeholder Engagement Policy**, aimed at formalising dialogue processes and discussion methods. This policy also integrates with other documents, such as the **Code of Ethics**, which underlines the values underpinning the business model.

The Policy also includes an **action framework** (Figure 2.2) which guides the different phases of the **stakeholder engagement cycle**, ensuring correct planning, management and feedback of interactions, in line with the principles identified, as well as ensuring adequate feedback following the actual interaction.



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The **Policy for Managing Dialogue with Shareholders**, approved by the Board of Directors in March 2021, is a specific in-depth document with respect to the Stakeholder Engagement Policy. It focuses on shareholders, detailing specific principles and guidelines based on stakeholder influence and dependence. The Policy institutionalises the various opportunities for engagement, assigns internal responsibilities for the management of each stakeholder category and the related requests, and identifies the main dialogue channels available. The Group's ultimate goal is therefore that of **continuous development and improvement**, maximising the value of its dialogue with stakeholders. This engagement, both internal and external, is fully integrated into the Company's operations, allowing to **influence decision-making processes** with inputs that are representative of the various requests. This approach ensures **maximum inclusivity of viewpoints and interests**, identifying opportunities and mitigating key risks. The Sustainability Function – in accordance with the Policy – collects the main outcomes of the opportunities for dialogue, sharing them with the Control, Risk and Sustainability Committee, which in turn uses them as information inputs to ensure an informed and multi-stakeholder decision-making process. On the other hand, for managing **negative feedback** dedicated meetings are organised – in addition to the use of ordinary

channels – in order to thoroughly explore critical issues, provide feedback to stakeholders and, if necessary, define an appropriate remediation plan. **Management is updated on a regular basis on any critical issues that arise and on the actions taken to resolve them.** The Group has identified relevant stakeholder categories based on the **influence and dependency** dimensions, following international standards such as the **AA1000 Stakeholder Engagement Standard (2015)**. This mapping is key for defining the most effective engagement directions, which guide the dialogue with the different categories of stakeholders based on their individual characteristics. Below (see Figure 2.3) we present the priority **categories**, prevailing **dialogue channels**, **engagement directions** and **stakeholder requests**, expressed during the opportunities for dialogue. The frequency of use of the various dialogue channels varies between the Companies and Business Functions involved, reflecting the diversity and specific characteristics of each context. The Group is also committed to integrating and addressing an increasing number of **issues related to ESG (environmental, social and governance) sustainability during the dialogue with its stakeholders**. This is done in a manner that is appropriate for each category, enabling shared assessments to be carried out and stimulating the Group towards the achievement of its responsible development objectives.





THE GROUP'S STAKEHOLDERS

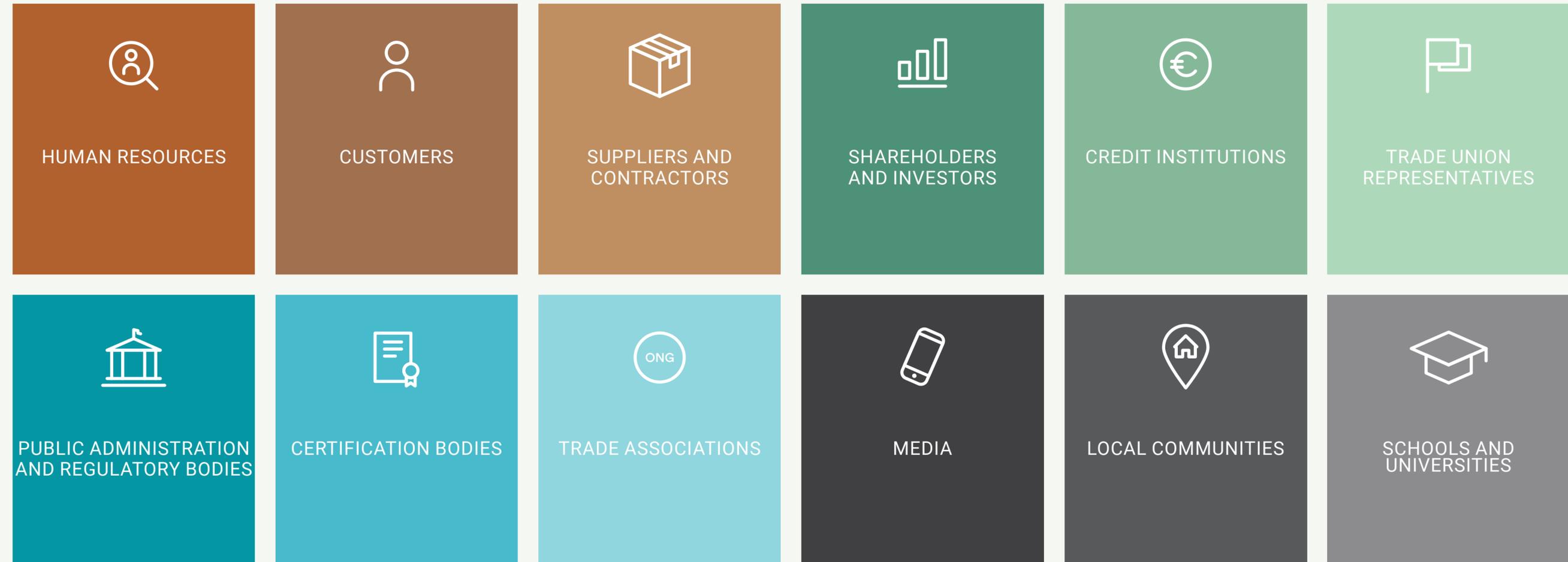




FIGURE 2.3 – STAKEHOLDERS, DIALOGUE CHANNELS AND REQUESTS MADE

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STAKEHOLDER CATEGORY	ENGAGEMENT GUIDELINES	DIALOGUE CHANNELS	ENGAGEMENT FOR MATERIALITY ANALYSIS PURPOSES	REQUESTS MADE AND MAIN TOPICS OF INTEREST
Human resources 	Inform Consult Collaborate	Corporate meetings to provide updates on business performance Intranet Climate analysis Feedback and feedforward meetings Sanlorenzo Academy and other training courses HR Service Social assistance and psychological support programme	Yes	Gender equality and reduction of the gender pay gap Work-life balance Protection of workers' rights Strengthening of occupational safety practices Strengthening of the culture of feedback in the company People training Partnerships for responsible development (greater synergy) Raising awareness within the company on sustainability issues
Customers 	Inform Consult Collaborate	Elite Days/Weekends Boat shows Exclusive evenings to discover art and Made-in-Italy products Days dedicated to visiting design showrooms Visits and meetings at the shipyard Direct dialogue with shipowners (including through online meetings) Value- and experience-related communications (e.g. storytelling) Harbour hospitality services Support services On-board services Sanlorenzo Timeless (Service activity)	No	Greenwashing Reduction of emissions from product use (hybrid propulsion systems) Construction processes Sustainability of raw materials used on board Technological and product innovations
Suppliers and contractors 	Inform Consult Collaborate	Visits to the supplier's/contractor's sites Industry-specific trade shows Dialogue by phone/email Production and order progress control meetings Conventions/conferences/webinars	Yes (suppliers)	Durability and modularity of production Product innovations (eco-sustainable technologies) Yacht end-of-life management Use of recyclable materials Recycling of production waste Sustainability of the supply chain (verification of the level of environmental, social and economic/governance maturity) Greater information flows to suppliers on sustainability issues Wage inequality Respect for diversity Ethics and fight against corruption Cybersecurity Risk management Involvement of universities and technicians Implementation of supply chain actions for sustainability management
Shareholders and investors 	Inform Consult	Shareholders' Meeting Seminars, industry conferences, roadshows and meetings, including meetings entirely dedicated to sustainability Conference calls or periodic meetings following the release of financial information for the period or other significant communications Price-sensitive communications and information Dialogue by phone/email or in person Institutional website Completion of questionnaires aimed at evaluating the Group's sustainability strategy and performance	Yes	Management of emissions into water Protection of marine ecosystems Programmes on ESG issues, with special reference to environmental and social issues Financial and operational performance (financial and non-financial results and targets) and pursuit of the goal of sustainable success Corporate strategy and business model Management remuneration policies Regulatory issues



FIGURE 2.3 – STAKEHOLDERS, DIALOGUE CHANNELS AND REQUESTS MADE

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Credit institutions 	Inform	Conference calls or periodic meetings following the release of financial information for the period or other significant communications Price-sensitive communications and information Dialogue by phone/email or in person Institutional website	No	/
Trade union representatives 	Inform Consult	Dialogue by phone/email Ad-hoc meetings	No	People management
Public Administration and Regulatory Bodies 	Inform Consult	Meetings with representatives Dialogue by phone/email Industry-specific trade shows Conventions/conferences/webinars	Yes	General focus on sustainability issues Programmes on ESG issues, with special reference to environmental and social issues Reducing emissions from vessels
Certification bodies 	Inform Consult	Meetings with representatives Dialogue by phone/email Industry-specific trade shows Conventions/conferences/webinars	Yes	General focus on sustainability issues Programmes on ESG issues, with special reference to environmental and social issues Reducing emissions from vessels
Industry/trade associations, NGOs, associations committed to sustainability 	Inform Consult Include Collaborate	Dialogue by phone/email Collaborations and partnerships Participation in working groups Industry-specific trade shows Conventions/conferences/webinars Meetings with representatives Planning and carrying out activities taking into account the environmental impact that may result from them Information and training programmes for internal staff on environmental protection issues	Yes (trade associations)	Development of innovative solutions Regulatory developments
Media 	Inform Collaborate	Interviews Press releases Dialogue by phone/email	No	Product innovations related to sustainability Focus on the environment (especially on emissions) Production-related issues
Local communities 	Inform	Organisation of events focusing on local area enhancement Dedicated investments Collaborations and partnerships	No	Attention to the reference area
Schools and universities 	Inform Collaborate	Apprenticeship programmes Work-related learning programmes University dissertation projects University career guidance days Partnerships for the rollout of projects/development of product-related innovative solutions	No	Attenzione all'ambiente Attenzione al territorio di riferimento



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DIRECT STAKEHOLDER ENGAGEMENT ON SUSTAINABILITY

INSIGHT

During the previous year, the Group carried out – for the first time – direct stakeholders engagement activities aimed at listening to their point of view on sustainability.

In particular, a first representative sample of priority stakeholders was engaged, including: Sanlorenzo and Bluegame employees, shareholders and investors, associations, regulatory bodies, certification bodies, and local Public Administration.

The selected sample was asked – through the use of a survey – to express their opinion and their judgment with regard to the relevance of the following aspects:

- compliance of the **2021 NFS** with the quality and content principles required by the GRI;
- **materiality of the sustainability issues** submitted to them, using these answers to carry out the materiality analysis;
- **satisfaction with the Group's supervision** in terms of strategies and objectives, management methods, actions, projects and initiatives implemented in the various ESG areas.

The analysis of the answers to the last point made it possible to obtain an assessment of how stakeholders perceive the approach, strategies and actions adopted by the Sanlorenzo Group to achieve responsible development.

Based on the results obtained, the Group has become aware of the level of satisfaction expressed by its main stakeholders and pledged to continue the efforts already undertaken, as well as to constantly monitor the needs and expectations of stakeholders, aligning its corporate supervision in this regard.

During 2023, the analysis was not updated and the Group undertakes to once again carry out a detailed survey with its stakeholder categories in 2024, in line with **the update of its materiality analysis**, providing, as also suggested by the new European CSRD Directive, a greater degree of engagement and listening to its stakeholders.





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2.3 MATERIALITY AND IMPACTS

The identification of the material topics – in other words the sustainability topics on which the Group has the greatest impact in social and environmental terms – represents one of the key concepts underlying sustainability reporting, but also a critical input for the Sanlorenzo Group, with a view to the strategic integration of the aspects relating to sustainability in conducting business. In alignment with the provisions of the **Sustainability Information Reporting Procedure**, during the previous year, steps were taken to update **the materiality analysis** based on a **more formalised, structured and extensive** approach, thanks also to the **direct engagement of a sample of priority stakeholders** (for more details see the “Stakeholder engagement” section). For the 2023 NFS, the Group has instead opted not to update the analysis carried out and to maintain it unchanged, with the aim of proceeding with its update during 2024 in view of the formal alignment with the provisions of the new European legislation (CSRD). Already during the previous year, however, the Sanlorenzo Group’s intent was to begin to gradually integrate in its reporting the obligations that in the future would be envisaged for companies falling within the scope of application of the Corporate Sustainability Reporting Directive (CSRD), and the related European Sustainability Reporting Standards (ESRS), with reference to the aspect of “double materiality”. The Group has

therefore approached this new methodology in a simplified manner for the stakeholders involved, analysing both the **impact materiality** (inside-out perspective) and the **financial materiality** perspectives (outside-in perspective). The study was based on a detailed **contextual analysis**, relying on national and international sources, to identify potentially relevant topics and sustainability megatrends for the yachting sector. This activity led to the identification of **fifteen** potentially relevant topics. The execution of this analysis subsequently saw the participation of the Group’s Top Management¹ (**24 managers**) and selected stakeholders – employees, suppliers and contractors, associations, regulatory bodies, certification bodies, local Public Administration, for a total of **109 stakeholders involved** – through specific **questionnaires** that make it possible to get their view on the materiality and impact of the sustainability topics proposed. The table beside summarises the Group’s material topics that emerged from the analysis carried out, with a description of each one.

TABLE 2.1 – THE NFS 2023 TOPICS

MATERIAL TOPICS	DESCRIPTION
Environmental topics	
Sustainable yacht design	Optimal yacht end-of-life management through sustainable design methodologies (Eco-design) which, by assessing characteristics such as shape, size, functionality, modularity and materials, are able to develop industrial products that can be easily disassembled (Design for disassembly) in order to reduce the environmental impact of the yachts, including by using renewable and recyclable materials
Social topics	
Health and safety	Implementation of initiatives aimed at protecting the health and safety of employees and workers of the contractor companies with which the Group collaborates and guaranteeing a healthy workplace
Diversity and inclusion	Ensure an inclusive working environment that encourages respect, promotion and fair treatment of the diversity present in the Company
Protection of fundamental human and workers’ rights	Promote, respect and protect fundamental human and workers’ rights (non-discrimination, equal pay for staff, trade union activity, etc.)
Attraction, retention and development of talent	Strategy and methods for the management of the entire Employee Life-Cycle, paying attention to all the phases that make it up, from the attraction and selection of talent to their retention, ensuring a satisfactory and rewarding working climate, offering training courses in relation to soft and hard skills, enhancing the professional experience of the individual thanks to specific development paths and promoting the well-being of the individual with the implementation of appropriate welfare plans
Economic and governance topics	
Sustainable supply chain management	Ensure sustainable management of the supply chain by gearing relations with suppliers towards mutual growth and value creation through improved performance in terms of risk mitigation, management process innovation, increased operational efficiency and promotion of responsible governance procedures
Research and development	Investments in research, development and innovation aimed at guaranteeing more efficient production processes as well as applications and solutions inspired by sustainability and eco-compatibility criteria, able to guarantee a lower environmental impact associated with the use of the yacht
Brand identity	Promotion of the brand’s founding values, including the enhancement of Made In Italy, attention to customer needs and the development of a made-to-measure design, in order to increase stakeholders’ positive perception of the Group’s activities and performance and thus increase their trust in the brand



Moreover, the assessment carried out by stakeholders brought to light additional topics to those submitted to their attention, suggested as aspects requiring attention and of strategic importance for the Group. In particular, some topics relating to the various ESG aspects were mentioned, with a particular focus on the issues of respect for diversity and gender equality. These assessments, as well as the materiality findings, were shared with the **Company's Management** and with the **Control, Risk and Sustainability Committee**.

This allowed Top Management not only to validate the results of the materiality analysis that emerged, but also to integrate within the materiality matrix the two topics detailed below, which had not been found to be relevant from the overall evaluation of the scores assigned by the stakeholders involved and by Top Management.

The material topics identified are described below, with details of their impact from an inside-out and outside-in perspective.

In addition to the above, the following topics have also been covered within this NFS, in line with the requirements set out in the Decree: "Energy consumption"; "Waste management"; "Air emissions"; "Governance"; "Fight against corruption".

For more details on the materiality analysis process, please refer to the Sanlorenzo Group's Non-Financial Statement 2022 (see the "Materiality and impacts" section).

The correct management of these impacts related to material topics and the monitoring that the Group has implemented in these areas contribute to the achievement of the Group's Sustainable Development Goals (SDGs) defined in the UN Agenda 2030.

In particular, the Group believes it can actively and concretely contribute to the following SDGs:

- SDG #4 (target 4.4) – Quality education;
- SDG #5 (target 5.1; 5.5) – Gender equality;
- SDG #8 (target 8.2) – Decent work and economic growth;
- SDG #10 (target 10.3) – Reduced inequality;
- SDG #12 (target 12.4; 12.5) – Responsible consumption and production;
- SDG #13 (target 13.1) – Climate action;
- SDG #14 (target 14.2) – Life below water;
- SDG #16 (target 16.5; 16.7; 16.10) – Peace, justice and strong institutions.

Moreover, through its actions and the development of business relationships along the value chain, the Group can also have an indirect impact on the achievement of SDGs #3 – Good health and well-being and #7 – Affordable and clean energy.



TABLE 2.2 – THE IMPACTS OF MATERIAL TOPICS

MATERIAL TOPICS	INSIDE-OUT IMPACT	OUTSIDE-IN IMPACT
Environmental topics		
Sustainable yacht design	● ●	● ● ●
Social topics		
Health and safety	● ●	●
Diversity and inclusion	● ●	●
Protection of fundamental human and workers' rights	● ●	●
Attraction, retention and development of talent	● ●	● ●
Economic and governance topics		
Sustainable supply chain management	● ●	● ●
Research and development	● ●	● ●
Brand identity	● ● ●	● ● ●



2.4 THE PILLARS OF SUSTAINABILITY WITHIN THE SANLORENZO GROUP

FIGURE 2.4 – STRATEGIC PILLARS AND ENABLERS OF SUSTAINABILITY WITHIN THE SANLORENZO GROUP

During 2023, Sanlorenzo took a further step towards a strategic approach to sustainability, developing a framework based on four key pillars.

The first of these pillars focuses on analysing and reducing the impact of the product. This implies a continuous assessment of the life cycle of the yachts, from the design to the use of materials and propulsion systems.

The second pillar concerns the sustainability of production processes. Key topics therefore include the energy consumption of the shipyards, CO₂ and VOC emissions, waste generation and water consumption.

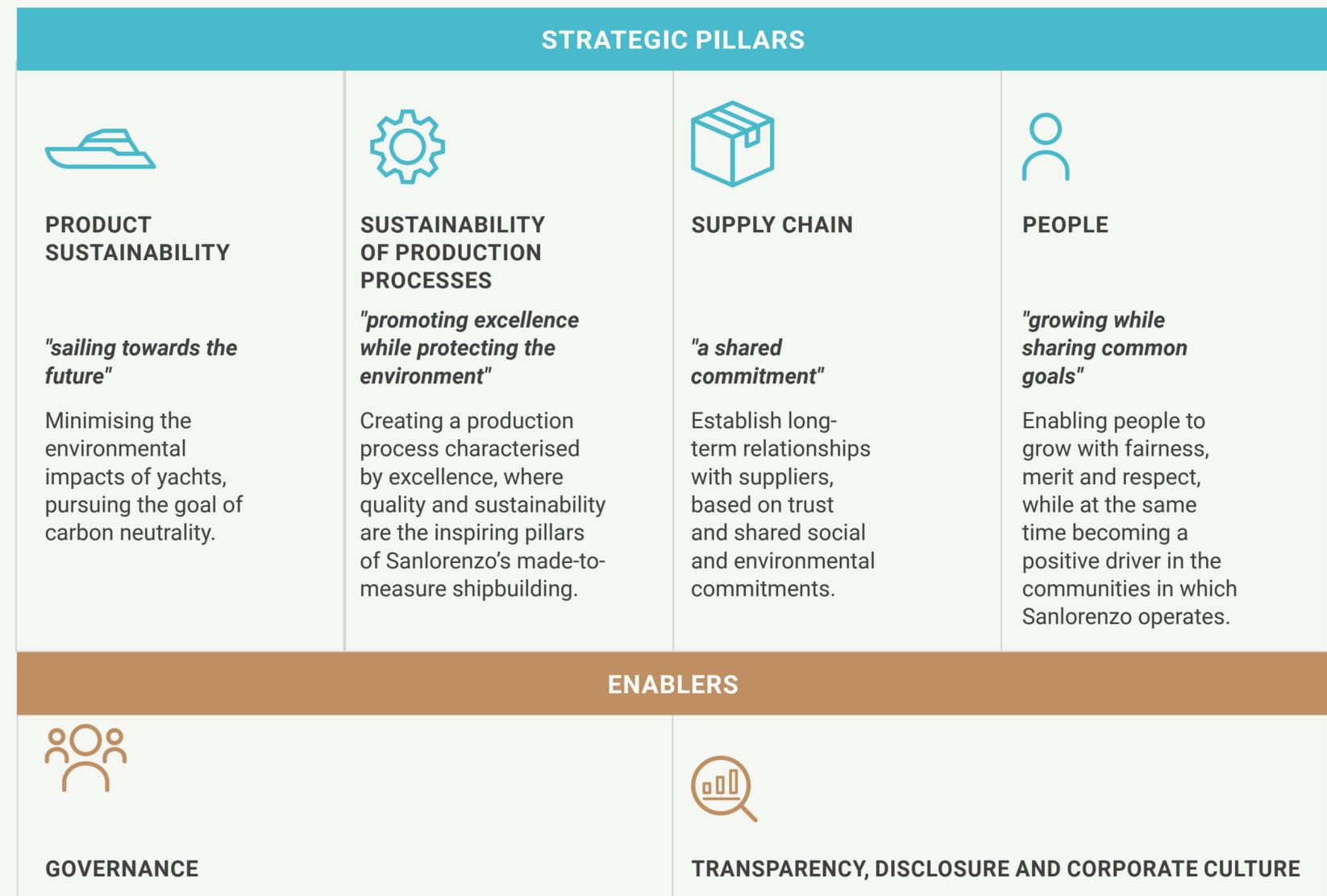
The third pillar is sustainable supply chain management, which emphasises collaboration with our suppliers and sharing the same social and environmental principles.

Finally, the fourth pillar is focused on the well-being of people, whether internal or external to the company. This involves adopting appropriate policies that promote fair working conditions, skills development, as well as including socially responsible practices in the Company's overall strategy.

At the same time, two enablers were identified to ensure the implementation of the strategy.

First, a solid governance that guarantees a coordinated effort among the functions involved and a correct flow of information to the governing bodies.

Second, a commitment to transparency and proper disclosure, together with the promotion of a corporate culture focused on sustainability.





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2.5 SANLORENZO'S DECARBONISATION JOURNEY

Sanlorenzo has embarked on a journey towards a gradual reduction of the various categories of CO₂ emissions.

During 2023, the Group worked on the analysis of its carbon footprint with a twofold objective:

- Identify targets for emissions from directly managed activities (so-called Scope 1 and Scope 2 emissions);
- Measure, for the first time, the most relevant categories of upstream and downstream emissions (so-called Scope 3 emissions).

These activities have made it possible to start a process to align the disclosure with the requirements of the GHG Protocol.

Emissions from production activities – Scope 1

The Sanlorenzo Group's sources of Scope 1 emissions derive mainly from the purchase of natural gas and fuel, which is used both for sea trials of yachts and for the management of the corporate car fleet. During 2023, in order to start a process aimed at reducing Scope 1 emissions, Sanlorenzo carried out tests on the use of HVO (Hydrotreated Vegetable Oil) during sea trials. HVO is a biofuel originating from renewable sources such as waste from agri-food supply chains. A gradual introduction of HVO will significantly reduce emissions from sea trials (between 60 to 90% less CO₂ emissions for the same quantity). This approach facilitates the Group's transition journey and complements the roadmap for

sustainable propulsion (for more details see the "Research and development" section).

The positive results obtained in this experimental phase prompted the Company to plan the expansion of the adoption of this technology.

At the same time, the Group is implementing a gradual process of electrification of the corporate car fleet.

Although there was an increase in Scope 1 emissions in 2023, attributable to the growth in units delivered (Table 2.3), it is important to note that, compared to Net Revenues New Yachts, these emissions are in line with previous years, as illustrated in Figure 2.5.

TABLE 2.3 – SCOPE 1 EMISSIONS (TON CO₂E) 2021-2023, SANLORENZO GROUP

	2023	2022	2021
Scope 1 emissions	3,836.17	3,127.23	2,945.88





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Emissions from production activities – Scope 2

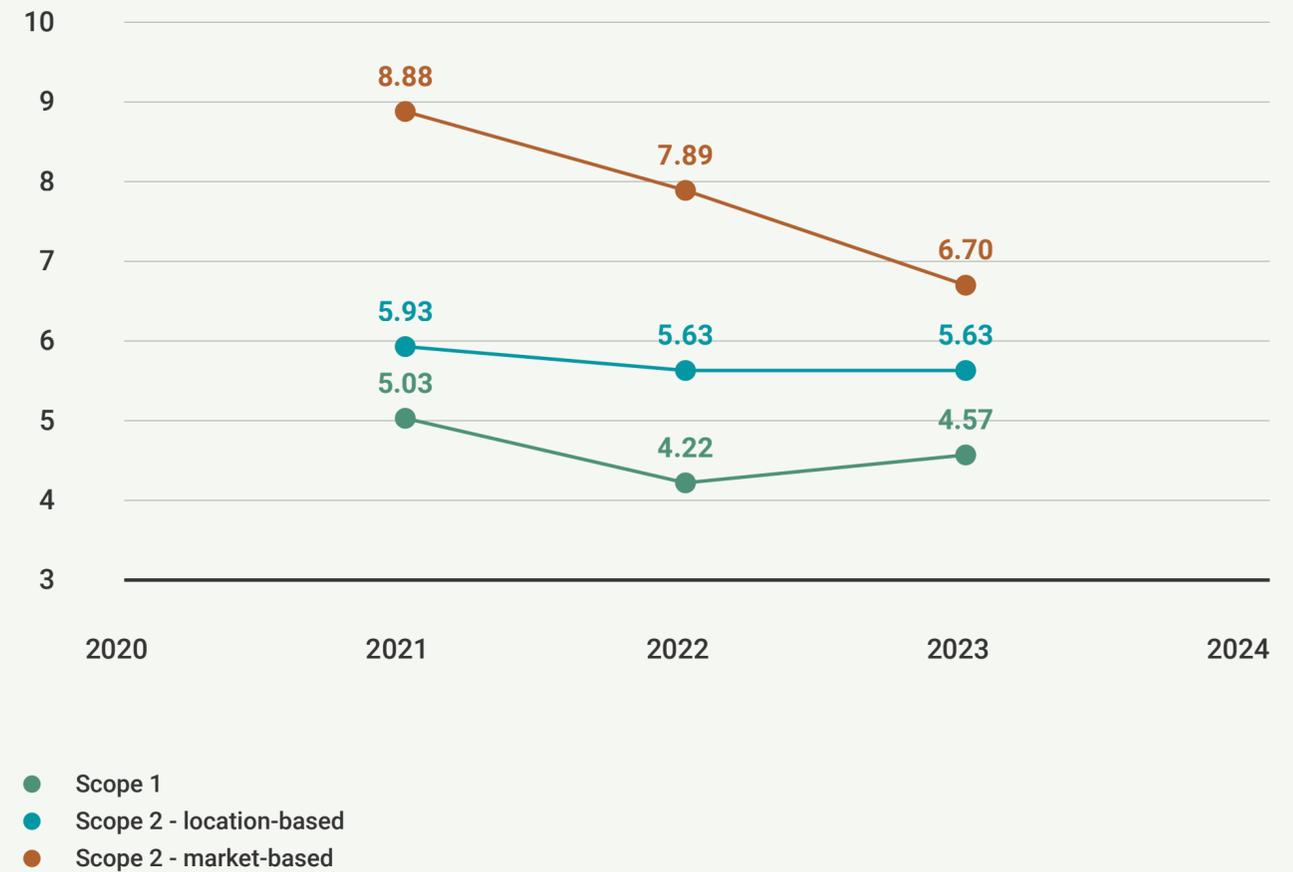
As far as Scope 2 emissions are concerned, they derive exclusively from the electricity purchased. Starting in 2021, Sanlorenzo began investing in photovoltaic systems to increase the share of self-produced renewable energy. In 2023, further investments were made and completed at the Ameglia, La Spezia and Viareggio shipyards, which will lead to a reduction of up to 600 tonnes of CO₂e per year². Additional investment steps are planned for 2024 on photovoltaic systems at the Group’s shipyards, further reducing the need for purchased electricity and covering up to 40% of the needs of some of the sites.

During 2023, the entire electricity needs of the Ameglia shipyard were met through the purchase of Guarantees of Origin. This makes Ameglia the first site within the Group to achieve 100% use of electricity from renewable sources. Currently, the aim is to extend this practice to the Group’s other shipyards, thus consolidating its commitment to green energy supply. Thanks to these initiatives, Scope 2 (market-based) emissions are down compared to the previous year (Table 2.4). The decrease is even more significant when compared to Net Revenues New Yachts (Figure 2.5).

TABLE 2.4 – SCOPE 2 EMISSIONS (TON CO₂E) 2021-2023, SANLORENZO GROUP

	2023	2022	2021
Scope 2 emissions – location-based	4,733.41	4,169.48	3,475.30
Scope 2 emissions – market-based	5,626.83	5,844.56	5,202.46

FIGURE 2.5 – SCOPE 1 AND SCOPE 2 EMISSIONS TRENDS (TONCO₂E) PER M EUR OF NET REVENUES NEW YACHTS 2021-2023, SANLORENZO GROUP





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Upstream and downstream emissions – Scope 3

Scope 3 emissions are the most complex to measure and reduce, since they derive from activities outside of the Group’s direct control. During 2023, an analysis was carried out that led to an initial estimate of the most impactful categories of the GHG Protocol. Emissions were assessed according to the 15 categories into which the GHG Protocol divides Scope 3 emissions.

These categories were assessed first as to their applicability to Sanlorenzo, and subsequently according to six criteria: size; influence; reputational risk; importance for stakeholders; presence in industry guidelines; and data availability.

The assessment was carried out by assigning scores from 1 (very insignificant) to 5 (very significant) for each criterion and category. The final score for each category was obtained by averaging the scores of the individual criteria. An emission category is deemed significant when its score is greater than 2.

Based on this prioritisation, the following categories were found to be the most relevant and were subjected to further analysis and calculation of the CO₂e estimate.

- Cat. 1 Purchased goods and services
- Cat. 3 Fuel- and energy-related activities (not included in scope 1 or scope 2)
- Cat. 4 Upstream transportation and distribution
- Cat. 5 Waste generated in operations
- Cat. 7 Employee commuting
- Cat. 11 Use of sold products
- Cat. 12 End-of-life treatment of sold products

Of these categories, in 2023 it was possible to quantify those reported in the following table for the years 2022 and 2023, with the aim of extending to the others in the subsequent reporting year.

For information on how Scope 1, 2 and 3 emissions are calculated and the emission factors used, please refer to the “Methodological note”. With regards to the strategy for reducing emissions from the materials used and from the Sanlorenzo fleet (Scope 3 – Cat. 1 and Cat. 11), please refer to section 3.4.

TABLE 2.5 – SCOPE 3 EMISSIONS (TON CO₂E) 2022-2023, SANLORENZO GROUP

GHG PROTOCOL CATEGORY	2023	2022
Cat. 1 Purchased goods and services	41,087.68	33,528.48
Cat. 3 Fuel- and energy-related activities (not included in scope 1 or scope 2)	2,609.05	2,400.73
Cat. 5 Waste generated in operations	894.14	618.97
Cat. 11 Use of sold products ³	250,981.50	201,453.00



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CHAPTER OVERVIEW: TECHNICAL DETAILS

Reference GRIs

2-12; 2-13; 2-14; 2-16; 2-23; 2-24; 2-29; 3-1; 3-2; 305-1; 305-2; 305-4; 305-5

Reference SDGs



target: 16.6; 16.7; 16.b



indirect contribution

Key stakeholder

All Group stakeholders

Adopted Policies, Programmes and Certifications

Stakeholder Engagement Policy

Policy for Managing Dialogue with Shareholders

Sustainability Information Reporting Procedure

Ten Principles of the UN Global Compact

Principle 1 – Support and respect the protection of internationally proclaimed human rights

Description and relevance of the “Air emissions” topic (topic dealt with in alignment with Legislative Decree 254/2016)

Particular attention is paid to the reduction of emissions generated by the activity of the Group’s production plants (both air emissions of polluting substances and Scope 2 direct and indirect GHG emissions) through the use of production techniques with a lower impact (for example, infusion) and the use of renewable energy sources. The commitment to combating climate change is also monitored through multiple R&D initiatives and the application of on-board technological solutions for low-emission navigation.

Impacts along the value chain

1. Inside-out perspective (impacts on the external context)

- **Risk:** failure to contribute to the fight against climate change, due to non-alignment with more stringent national and international regulations on emissions;
- **Risk:** increase in the effects of climate change, such as extreme climatic events, as a result of management and production practices that do not comply with the principles of environmental sustainability;
- **Opportunity:** reduction of CO₂ emissions and other pollutants thanks to activities within the Group’s business sphere (replacement of energy sources, reduction of consumption, etc.).



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NOTES

- 1 © Top Management from Sanlorenzo, Bluegame, Sanlorenzo Baleari and Sanlorenzo of the Americas were involved.
- 2 © The tonnes of emissions avoided are calculated through a comparison with purchased electricity (GHG air emission factors in the national electricity sector and in the main European countries. ISPRA Report no. 363/2022).
- 3 © The increase in Scope 3 Cat. 11 emissions is mainly linked to a higher number of superyachts delivered in comparison to the previous year.



PRODUCT SUSTAINABILITY: SAILING TOWARDS THE FUTURE





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COMMITMENT TO THE PRODUCT

The first strategic pillar of the Group's approach to responsible development focuses on **commitment to the product**. This commitment translates into the following areas of attention, described in this chapter:

- continuous search for innovation aimed, in particular, at implementing solutions to reduce the environmental impact of yachts;
- guaranteeing quality and safety on board, through dedicated attention to shipowners, including through after-sales services.

The Sanlorenzo Group continues its journey towards more and more sustainable sailing, with great determination: a consolidated strategy, an ambitious vision that the Company has decided to share.





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3.1 MAISON SANLORENZO

Over the past decade, Sanlorenzo has firmly consolidated its leading position in the market, distinguishing itself for the high level of **tailoring** underpinning the Group's recognition as "Maison Sanlorenzo". This statement is based on the **extreme attention paid to design**, not only as regards the lines of the yachts, whose controlled evolution has made them iconic, but also of the interiors. Sanlorenzo has, in fact, established prestigious collaborations with some of the most renowned names in home design, bringing a sea change to the interiors of yachts.

The creations of the **Yacht Business Unit** (in fibreglass) – from 1972 to today, the shipyard has completed over 1,000 yachts – have been meticulously developed to meet the needs of a wide variety of yacht owners: the range – consisting of the historic SL line, the SD line, the Sanlorenzo semi-displacement yachts, the SX line of "crossover" yachts and the SP line, "Smart Performance" – makes it possible to respond to the different approaches to life at sea.

In 2023, at the Cannes Yachting Festival, Sanlorenzo presented its new models and features for the year, supported by some of the yachts that most represent the Maison's philosophy, which has always been rooted in tradition and aimed at innovation. Among the new products presented, Sanlorenzo launched, as a world premiere, the **SX100**, yet another piece of Sanlorenzo's most revolutionary and innovative range that

has created a brand new segment in which other shipyards have subsequently ventured. A crossover yacht where spaces and functions come together in large, open environments in close contact with the sea.

Building vessels with metal hulls and superstructures, Sanlorenzo's **Superyacht Business Unit** – with yachts from 40 to 73 metres in length – offers the highest level of customisation. The 40Alloy, the first metal (aluminium) yacht built by Sanlorenzo, marks the launch – in 2007 – of this Business Unit, whose models have become iconic. These include the 46Steel released in 2010, the Explorer released in 2015 and the 52Steel released in 2017. To date, the shipyard has built and delivered 51 superyachts, with another 22 currently under construction. The following table provides an overview of current ranges and models of Sanlorenzo yachts.





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SANLORENZO SX100

INSIGHT

Sanlorenzo presented the new SX100 model at the Genoa Boat Show and at the Cannes Yachting Festival. It is a new **crossover yacht** concept offering spaces and functions that come together into large and open environments. The result of a constant dialogue with shipowners, this model is easily integrated into the SX range, reinterpreting its stylistic features to further optimise on-board content. The Zuccon International Project studio developed the concept and the exterior lines of the yacht, while the interiors of the unit on display at the boat show are customised to a design by Piero Lissoni. Elegance, linearity and connection are key elements of the SX100's design.





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TABLE 3.1 – THE SANLORENZO FLEET

BUSINESS UNIT	PRODUCTION SITE	RANGE	MODEL	LENGTH	LEAD TIME ¹	NUMBER OF YACHTS DELIVERED IN 2023
Yacht	Ameglia	SL range	SL78 SL86 SL90 Asymmetric SL96 Asymmetric	24,6-36,5 metres	7-15 months	56
	Viareggio		SL106 Asymmetric/SL110 Asymmetric (2025) SL120 Asymmetric			
	Viareggio	SD range	SD90/SD90S SD96 SD118 SD132	28,8-40,2 metres	10-16 months	
	Ameglia	SX range	SX76 SX88	23,7-39,6 metres	7-16 months	
	Viareggio		SX112/SX120 (2025) SX100			
	Viareggio	SP range	SP92 SP110	27,4-33,5 metres	11-15 months	
Superyacht	La Spezia	Alloy	44Alloy	44,5 metres	24-30 months	8
	Viareggio	Steel	50Steel 52Steel 58Steel DE 62/64 Steel DE 73Steel DE	50-73 metres	28-36 mesi fino a 58 metri 38-42 mesi da 60 metri a 73 metri	
		Explorer	500Exp 1000Exp DE	47-58 metres	24-36 months	
		X-Space	44Xsp 50Xsp	44-50 metres	24-30 months	



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3.2 FOR BLUEGAMERS ONLY

Bluegame yachts are a synthesis of different types of boats, characterised by an innovative all-around design and defined as Sport Utility Boats. The expertise and the deep passion for the sea of their designer are reflected in the creation of a range of boats with fast planing hulls and variable deadrise² which, thanks to the Penta IPS propulsion system, can navigate at speeds in excess of 30 knots, while ensuring easy manoeuvrability and making it possible to face any navigation condition.

The BG42 was the first model built by the Business Unit, characterised by its compact dimensions. In 2019, the BGX range followed, a boat that synthesises the characteristics of the BG range with the comfort of the interior spaces typical of flybridges³. To date, 123 Bluegame yachts have been delivered.

In 2023, at the Cannes Yachting Festival, Sanlorenzo presented the world premiere of the BGM75 and the BGH-HSV (Hydrogen Support Vessel) models. The BGM75 – Bluegame’s first multihull model – was built at the Ameglia shipyard, with a design strongly driven by sustainability and innovation. The new range offers specific features which belong to different segments, but which share the founding values underpinning the brand’s uniqueness, such as attention to design, large lounge areas and sober elegance. These are further complemented by energy efficiency and reduction of CO₂ emissions

generated by the navigation of the yachts, thanks to the application of the IPS hybrid propulsion pilot system exclusively for Bluegame following the agreement signed with Volvo Penta (for more details see the “Research and development” section), as well as the sustainability of the materials chosen for production and outfitting. The double hull of the BGM offers greater lightness (30% less weight) thanks to the use of smaller engines, resulting in the reduction of diesel consumption and, consequently, in the reduction of CO₂ emissions generated.

Another world premiere presented by the Group was the BGH-HSV, a symbol of Bluegame and Sanlorenzo’s commitment to sustainability. This first “chase boat” featuring an exclusively hydrogen propulsion system and the use of foils to reach a speed of up to 50 knots, will sail alongside the American Magic of the New York Yacht Club and the Orient Express Racing Team, two of the challengers at the 37th edition of the prestigious America’s Cup to be held in 2024 in Barcelona. Finally, in 2026, the first BGM65HH, a hybrid hydrogen-powered multihull model will be born.

BLUEGAME BGM75

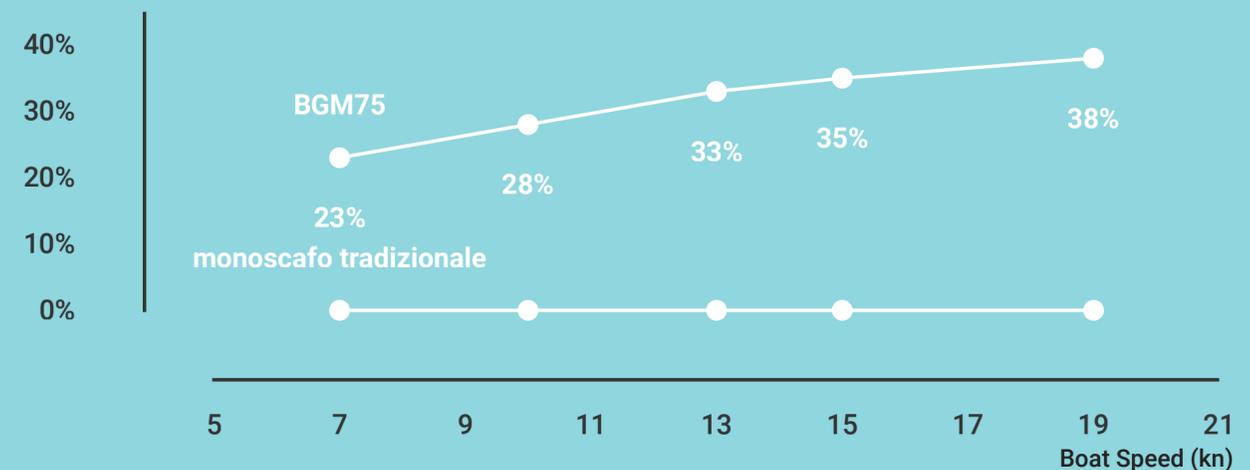
The BGM75, the first model of the BGM (Bluegame Multihull) range, creates a unique segment in the panorama of yachts, far from the conventional multihulls currently available on the market.

This innovation mainly derives from its shape, which moves away from the square design of catamarans, presenting a reduced width that favours a beam-to-length ratio more similar to that of a monohull. This feature makes it possible to connect the horizontal surfaces between the two hulls, creating a single volume

with **larger spaces** and the possibility of having an **extremely large owner’s cabin**.

Its launch at the Cannes Yachting Festival 2023, after three years of in-depth studies and analysis, marked the conclusion of a process that included the construction of a full-scale prototype to ensure unprecedented sailing comfort and confirm the advantages of its configuration in terms of sustainability. Compared to a traditional monohull yacht, the BGM75 saves up to 38% of the power required at the same speed (see the graph below).

% Effective power savings compared to a 90’ displacement vessel





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TABLE 3.2 – THE BLUEGAME FLEET

BUSINESS UNIT	PRODUCTION SITE	RANGE	MODEL *	LENGTH	LEAD TIME	NUMBER OF YACHTS DELIVERED IN 2023
Bluegame	Bergamo outsourced (fibreglass) / Ameglia and Brescia (assembly and outfitting)	BG	BG42 BG54 BG72	13,15 metres 16,57 metres 22,82 metres	3 months 4 months 6 months	36
		BGX	BGX63 BGX73 BGX83 (2026)	20 metres 22,6 metres 25,6 metres	5 months 5 months 8 months	
	Ameglia	BGM	BGM75 BGM75HH (2025) BGM65HH (2026)	22,75 metres 22,75 metres 20 metres	8 months 8 months 7 months	
	Brescia	BGF	BGF45 (2025)	13,91 metres	4 months	



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3.3 ENVIRONMENTAL IMPACT OF THE PRODUCT

MATERIALS USED

One of the key aspects that define the environmental impact of the yachts produced by the Group is that of the materials used for their construction. Materials generate a direct impact during production activities, as well as an indirect impact downstream of production, related to their disposal and use. They also represent one of the most significant contributors to Scope 3 emissions (for more details see the “Sanlorenzo’s decarbonisation journey” section).

The total quantities of materials used to build and fit out the Sanlorenzo and Bluegame yachts vary with production. With a view to sustainable innovation (for more details see the “Research and development” section), the Group focuses on the procurement of raw materials with a low environmental impact. In accordance with the latest update of the Single Environmental Authorisation (AUA), a strict control of **incoming raw materials** is ensured, tracing the entire material through the archiving of BOMs⁵.

In addition, the warehouses are carefully managed – planning incoming and outgoing materials in detail – in order to **avoid surpluses that could generate obsolete material**, collaborating with the Service Team for reuse during the refitting of the yachts (for more details see the “Timeless quality” section). This approach aims to reduce the consumption and waste of materials, contributing to the Group’s environmental sustainability.

Details of the main types of materials used for the construction and outfitting of yachts during the reporting year are shown below (see Figure 3.1), with the reference quantities⁶.

Overall, between the three Business Units, 10,579,919 kg of materials were used, 18% of which were renewable (wooden materials). The largest proportion (50%) of the total materials used is attributable to the Yacht Business Unit. These data must be considered in relation to the number of Sanlorenzo yachts (56) and superyachts (8) and Bluegame yachts (36) delivered in 2023: in this regard, the ratio between the overall quantity of material used and the GT (Gross Tonnage) parameter is given with reference to each Business Unit.

In particular, materials of renewable origin include wood, which the Group uses as follows: plywood for partitioning, wood for furniture and furnishings, and **teak**. The sourcing of the latter requires strict European controls on provenance and compliance with EU standards⁷. Suppliers must submit a certificate attesting to regulated imports, ensuring that the teak complies with Regulation (EU) 2021/998. To address this limitation, the Group has evaluated and tested more sustainable alternatives from an environmental, social and ethical point of view, as part of its sustainable innovation strategy (for more details see the “Research and development” section).

Particular attention is paid to the compliance of **furnishings with the most restrictive regulations** regarding adhesive materials, such as glues. For its furniture purchases, all of which are from Italian suppliers, the Group complies with European class 3-E1 standard on formaldehyde emissions, which are harmful and potentially carcinogenic.

Moreover, among the renewable materials used, leather requires

particular attention from Sanlorenzo. The Group is in fact 100% supplied by Italian partners and has consolidated a collaboration with a partner that uses **ecological and odourless tanning processes, such as “vegetable tanning”**, replacing chemical tanning. Tests have shown that this reduces the environmental impact without compromising functional characteristics. In addition to this, Sanlorenzo has also started to use leather from hybrid chrome tanning.

Finally, with regard to the management of **chemical agents** in paints, fillers and antifouling treatments, the Group operates in accordance with the **2009 IMO⁸ Hong Kong Convention**. The Convention requires an inventory of hazardous substances in vessels over 500 GT operating in international waters. This provides fundamental information during dismantling to ensure the careful handling of the materials present.

For Sanlorenzo, most supplies of gelcoat, resins, glass and carbon fibre materials are procured from Italy (35.48%) and Spain (34.80%), and some of the remainder from other European countries, including Switzerland, Hungary and Turkey. For Bluegame, 94% of these supplies come from Spain. These materials are crucial to the production process, but have potential environmental impacts, related to their use and disposal. For this reason, the Group is committed to carefully monitoring the development of alternative solutions and innovative production processes, capable of generating a lower environmental impact.



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FIGURE 3.1 – MATERIALS USED AND GT, BY BUSINESS UNIT (2023)



YACHT BUSINESS UNIT

GLASS	WOOD	FERROUS MATERIALS	INSULATION MATERIALS	LAMINATING MATERIALS	METALLIC MATERIALS
111,954 kg	1,037,704 kg (includes plywood for partitioning, wood for furnishings/ décor and teak)	1,153,207 kg (includes copper)	162,293 kg	1,847,695 kg (includes resin, glass fibre, carbon fibre, PU/PVC)	475,466 kg (includes aluminium alloys and stainless steel)

561.23 TOTAL KG/TOTAL GT



SUPERYACHT BUSINESS UNIT

GLASS	WOOD	FERROUS MATERIALS	INSULATION MATERIALS	FILLER	METALLIC MATERIALS
92,000 kg	705,390 kg (includes plywood for partitioning, wood for furnishings/ décor and teak)	2,281,750 kg (includes copper)	234,500 kg	178,400 kg	519,500 kg (includes aluminium alloys and stainless steel)

736.24 TOTAL KG/TOTAL GT



BLUEGAME BUSINESS UNIT

GLASS	WOOD	FERROUS MATERIALS	INSULATION MATERIALS	LAMINATING MATERIALS	METALLIC MATERIALS
41,600 kg	153,980 kg (includes plywood for partitioning, wood for furnishings/ décor and teak)	265,570 kg (includes copper)	23,040 kg	316,290 kg (includes resin, glass fibre, carbon fibre, PU/PVC)	69,480 kg (includes aluminium alloys and stainless steel)

619.77 TOTAL KG/TOTAL GT



ON-BOARD ENERGY CONSUMPTION

Another of the elements that must be considered in the analysis of the impacts of the Group's yachts is, no doubt, their energy consumption and consequently also their emission impact, primarily related to fuel and electricity consumption (for more details see the "Sanlorenzo's decarbonisation journey" section).

The Sanlorenzo Group's R&D team is constantly looking for solutions capable of reducing the emission impact of the yachts built (for more details see the "Research and Development" section). This is primarily achieved through the **reduction of fuel consumption** – both through efficiency measures and solutions aimed at reducing the weight of the yacht or modifying the shape of the hull to improve its performance – and through interventions aimed at the **replacement of current fuels with others with a lower environmental impact**, such as hydrogen and green methanol.

Depending on the size of the yacht, the energy absorption values can vary from 30 to 200 kW. In the case of Bluegame yachts, on the other hand, the average consumption of the different models ranges from 6 to 20 kW.

In addition to this, the Group is also committed to **minimising on-board electricity consumption**.

The high electrical loads, in fact, fed by the generators installed in the engine room, are generated by various utilities which determine energy absorption. Among these, the most energy-intensive are: the air conditioning and stabilisation systems, the kitchen and laundry utilities, the boilers, the lighting system and the electrical sockets in the cabins, the audio-video system, the utilities in the engine room and on deck and the manoeuvring and mooring systems.

The R&D department, in collaboration with Siemens Energy, has developed a power generation system based on green methanol fuel cell technology. This innovative system will be used to power on-board services. The yacht, in fact, will have a full week of autonomy at anchor in Net Zero Emission conditions. The waste substances are only H₂O and CO₂, whose emission is, however, compensated by the use of the same in the production of green methanol. This system will be installed on the prototype of the new 50 Steel model to be launched in 2024. It has been developed as part of the "LIFE OCEAN" project co-funded by the European Union and, for the next two years, the prototype will be monitored in order to verify the actual reduction in emissions resulting from the use of the system.

ON-BOARD WATER CONSUMPTION

As regards the use of water resources on board, special reference must be made to **ballast water**, which is treated through systems approved in accordance with the regulations currently in force. All Sanlorenzo and Bluegame yachts are equipped with **greywater and blackwater storage tanks** (smaller in size on Bluegame yachts), fitted with special connections for the payment of the fee for the discharge of wastewater once they arrive in port.

Larger yachts are also fitted with an **on-board desalination system capable of self-generating drinking water** without polluting the marine environment in any way.

Moreover, Bluegame has introduced an optional system for its yachts which allows the shipowner to use **certified treatments for blackwater and greywater**, which are merged into a tank to be treated and subsequently discharged, in line with the reference regulation⁹. The company is evaluating the integration of this system within the BGM range.





3.4 RESEARCH AND DEVELOPMENT

Relentless innovation is constantly accompanied by the distinctive design of the external lines, which has remained consistent over time, allowing **Sanlorenzo yachts to be readily recognised**.

Engineering and stylistic innovation is one of the key success drivers for the Group, increasingly oriented towards the study of sustainable ways of designing and using yachts.

In this respect, the Group undertakes to adopt an **incremental and open approach to innovation**, based on a **continuous dialogue with its partners and customers**, thus pursuing the goal to be pioneers in the sector in the application of new criteria for the design and development of yachts that are inspired by the concepts of sustainability, technology, innovation and interdisciplinary know-how.

The **R&D Function** operates with reference to both brands. It's a key department that performs a dual role: on the one hand, it carries out research activities on thematic fields not yet explored in the yachting sector; on the other, it collaborates with the **New Product Development (NPD)** functions of the three Business Units in the application of innovative technical solutions to new models or to yachts, already in the range, undergoing restyling work. It is supported by the **Quality Function**, which also oversees the verification of aspects concerning the sustainability of the materials and construction solutions applied to the product. Two **Product Committees**, common to the two

companies, have also been established, in which the Chairman and CEO Massimo Perotti and architect Luca Santella, head of Product Strategy in Bluegame, participate on a reciprocal basis. R&D activities are carried out in line with the development proposals promoted by the same Function, on the basis of market analyses and of the solutions already available, or, in some cases, starting from the inputs received from the Strategic Committee and the BoD relating to the development of new strategic projects. Or, in other cases, from the requests received from the New Product Development, Sustainability, Quality or Service Functions regarding specific projects. With reference to the requests made by Management, these may be, for example, requests that have emerged in relation to shareholders' interests, as well as inputs expressed by the independent Directors with expertise and specific insight into innovations in related sectors, such as automotive and luxury. In addition, Sanlorenzo's R&D Function and General Management (to which the function reports directly) meet monthly to discuss the status of the projects and evaluate the new solutions tested.

R&D is developed around **five pillars**, which are described below together with an overview of the main phases underlying the development and construction of the Sanlorenzo and Bluegame yachts (see Figure 3.2).



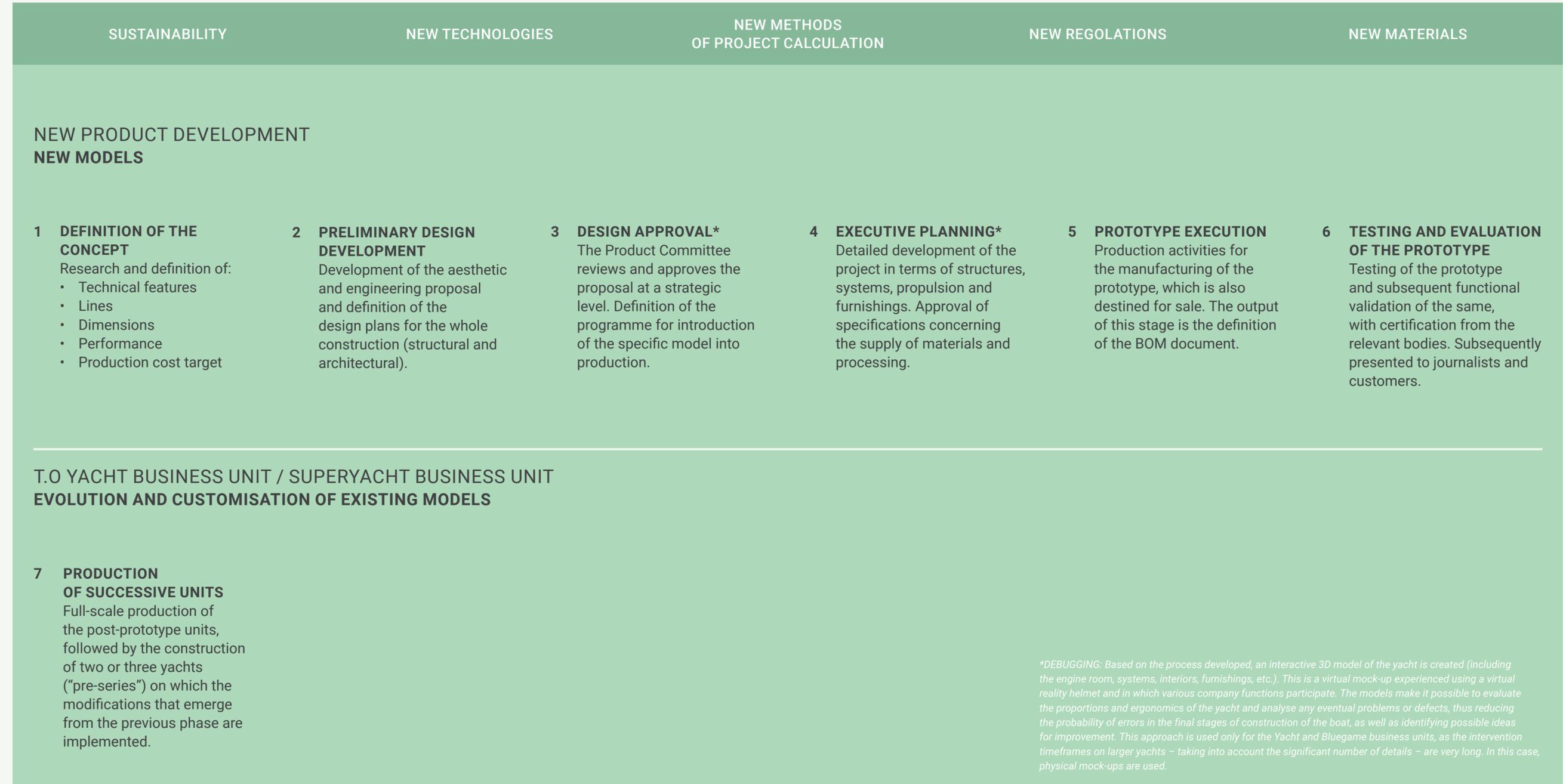


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R&D NEW PRODUCT DEVELOPMENT

FIGURE 3.2 – MAIN AREAS OF R&D AND DEVELOPMENT OF NEW MODELS

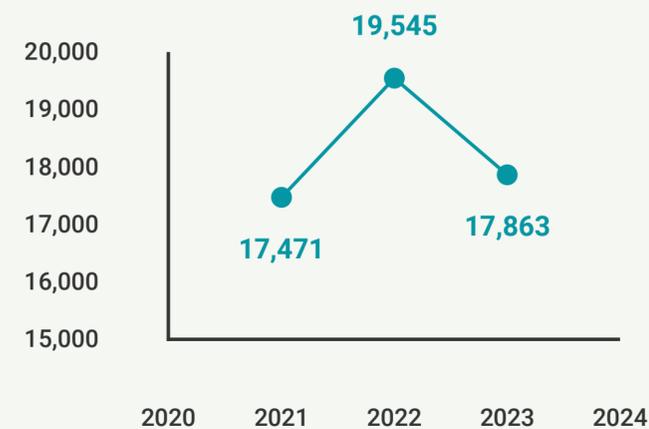


**DEBUGGING: Based on the process developed, an interactive 3D model of the yacht is created (including the engine room, systems, interiors, furnishings, etc.). This is a virtual mock-up experienced using a virtual reality helmet and in which various company functions participate. The models make it possible to evaluate the proportions and ergonomics of the yacht and analyse any eventual problems or defects, thus reducing the probability of errors in the final stages of construction of the boat, as well as identifying possible ideas for improvement. This approach is used only for the Yacht and Bluegame business units, as the intervention timeframes on larger yachts – taking into account the significant number of details – are very long. In this case, physical mock-ups are used.*



Some of the solutions designed and implemented over the years have led to the **registration of patents**, such as the asymmetrical configuration introduced on some models or the launching and hauling system for the tenders housed on board. To date, two patents have been registered at international level, while three others have been registered in Italy. Moreover, additional patent applications are pending. Similarly, some design-focused developments have also become true aesthetic icons of the brand: for example, the swimming pool with a transparent floor, which also serves as a skylight in the ceiling of the 52Steel beach club or the hidden stern davit of the SX line.

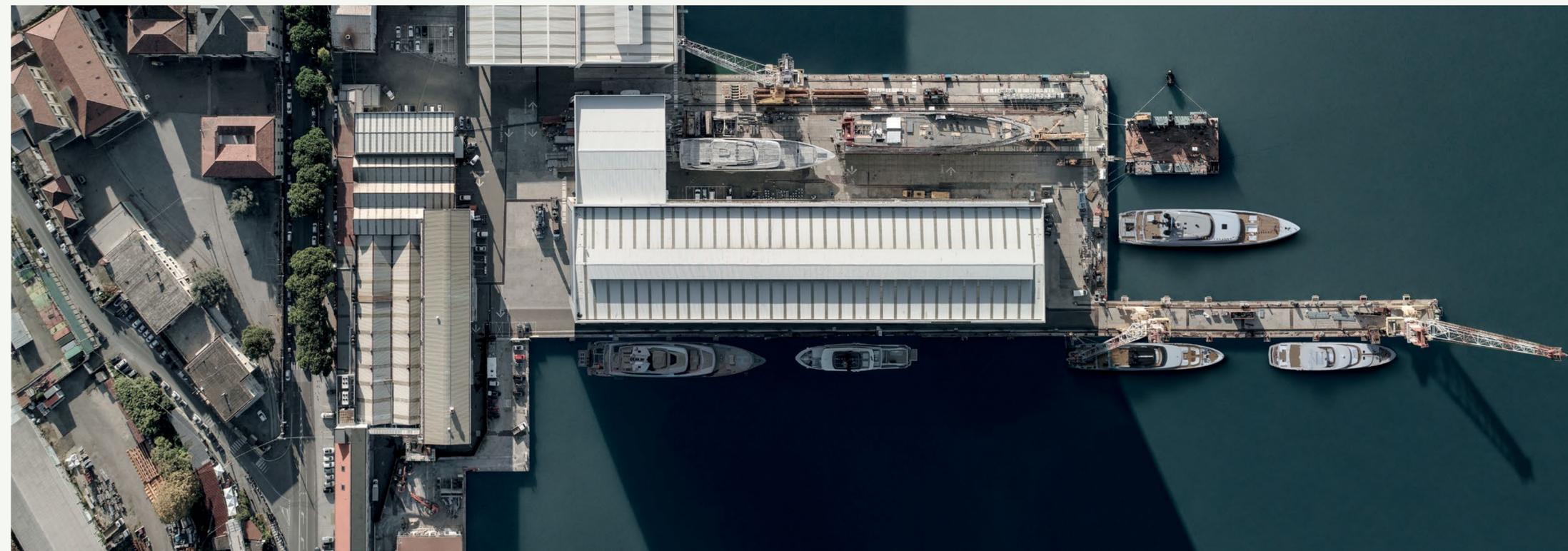
FIGURE 3.3 – INVESTMENTS IN R&D AND PRODUCT DEVELOPMENT (K EUR)



DIGITAL TWIN

As part of the MILDS (Maintenance, Infotainment, Learning Digital Services) project carried out in collaboration with the Alta Scuola Politecnica, Sanlorenzo's Superyacht Business Unit is working on the development of a Digital Twin, i.e. the 3D digital representation of the real yacht. The purpose of this innovation is twofold: it is an integration tool for the development of digitalisation and for product and process innovation, but also a centre for collecting and integrating across business functions all information – Central Hub Data – relating to the different phases of the yacht's life cycle (Design, Production, Tests and inspections and Post-delivery).

The development of the Digital Twin, among other aspects, aims to improve the overall efficiency of the design and production process and to anticipate and increase its control, as well as to define a solid reference for post-delivery maintenance services, to enable remote support and training services for the crew and to support the use of the Digital Room for proposals to other customers. For the Business Unit, this is a highly cross-functional project. In fact, the areas involved are: Information Technology (IT), technical areas (New Product Development, Style Office, Technical Office, Architects), Project Engineering, Production and Testing Department, and Aftersales.





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R&D ACTIVITIES IN THE SUSTAINABILITY AREA

The sustainable innovation strategy pursued by the Group and implemented through the work carried out by the R&D department consists of **two main types** of initiatives, highlighted in Figure 3.4.

The Group has already implemented several application developments in the sustainable innovation sphere, as demonstrated by the recent innovations presented on the market. In particular, the Group’s commitment to the introduction of new models characterised by low environmental impact technologies continues in 2023 (for more details see the “Maison

Sanlorenzo” and “For Bluegamers only” sections). The study of the yachts’ use phase is a key element in evaluating the possible innovations to be applied. This aspect is illustrated through the analysis of usage data collected directly by Sanlorenzo, also thanks to the adoption of a **remote detection system** capable of collecting on-board information. Following installation on two prototypes in 2022, this year the system has been tested on four additional yachts in order to carry out a more accurate analysis. The goal for the future is an extensive installation on all the product lines of the Sanlorenzo Group.

FIGURE 3.4 – CATEGORIES OF INITIATIVES IN THE GROUP’S SUSTAINABLE INNOVATION STRATEGY

1. SOLUTIONS TO REDUCE ON BOARD EMISSIONS

2. INTRODUCTION OF SUSTAINABLE AND ECO-COMPATIBLE MATERIALS



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1. SOLUTIONS FOR REDUCING ON-BOARD EMISSIONS

With an eye to this issue since 2015, Sanlorenzo was the first shipyard in the world to use a first-generation hybrid system for planing yachts over 30 metres (SL106 Hybrid). Over the years, the Group has continued to carry out studies on the various types of alternative propulsion available from a technological and application point of view, in search of solutions capable of guaranteeing **greater efficiency in on-board energy consumption and the consequent reduction of resulting CO₂ emissions**.

The systems used so far have, on the one hand, served this purpose, thanks to navigation carried out using generators or batteries, and, on the other hand, also ensured **greater safety at sea**, as the electrical system is redundant and therefore able to function even in the event of a failure.

To date, the Group has identified **hydrogen fuel cells** and **green methanol** as the best answer to the demand for sustainability in yachting. In particular, the use of green methanol as a fuel – produced with solar or wind energy and with CO₂ captured from the atmosphere – ensures carbon-neutral power generation on board. In the research and development of technological solutions to reduce the environmental impact of yachts, partnerships established with major market players are crucial. In particular, the following agreements entered into in the last three years should be noted:

- The exclusive partnership with **Siemens Energy** (August 2021) for the development of solutions for the integration of methanol fuel cell technology for yachts between 24 and 80 metres in length, for the on-board generation of electricity when the engines and generators are switched off, significantly extending the time spent at anchor and manoeuvring without consuming diesel fuel. The agreement also provides for the signing of two development and purchase contracts for new-generation **diesel-electric propulsion systems** for yachts over 50 metres and for new-generation **hybrid systems** for boats smaller than 50 metres, made compatible with the limited space on board and aimed at reducing GHG emissions

and fuel consumption. Thanks to this partnership, Sanlorenzo will build the first 50-metre superyacht (50Steel), equipped with fuel cells powered by hydrogen obtained from methanol, with delivery scheduled for 2024;

- The important exclusive agreement (in the form of a Memorandum of Understanding) with **Rolls Royce Solutions GmbH – Global Marine** (MTU), with which Sanlorenzo will collaborate to integrate a traditional internal combustion propulsion system, powered by methanol;
- The agreement signed by Bluegame with **American Magic** and **Orient Express**, two of the challengers at the 37th edition of the America’s Cup to be held in Barcelona in 2024, for the design and construction of the first “chase boat” featuring an exclusively hydrogen propulsion system and the use of foils, built according to the strict requirements of the event protocol;

- The partnership with **Volvo Penta** for the installation of a hybrid IPS propulsion pilot system on the BGM75, which will subsequently be combined with hydrogen fuel cells developed starting from the America’s Cup project. The BGM65HH (hydrogen-hybrid) model will be the first to integrate this cutting-edge technology.

With regard to the refuelling of the yacht with methanol, the Group is working on the definition of protocols for the transfer on board, contributing to the development of specific regulations on the matter. In addition, approvals in principle defined by Sanlorenzo are in the process of being implemented.

FIGURE 3.5 – ROADMAP FOR DECARBONISATION OF THE SANLORENZO FLEET

100% G-methanol or dual fuel engines and/or high power HTPEM* fuel cell	Carbon neutral in any condition	2030
G-methanol bi-fuel engines and genset or HTPEM* fuel cell	70% carbon neutral in any condition	2028
Diesel engines + hybrid and hydrogen fuel cell	80nm zero emission @ 8KN, zero emission at anchor	2025/2026
G-methanol HTPEM* fuel cell + hybrid system	Carbon neutral at anchor and slow speed	2024
Hydrogen fuel cell + foil	Zero emission	2023/2024
*HTPEM – High Temperature Proton Exchange Membrane, Advanced Fuel Cell System		



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SANLORENZO'S FUEL CELL SYSTEM CERTIFIED BY LLOYD'S REGISTER

INSIGHT

During the 2023 edition of the Monaco Yacht Show, Lloyd's Register (LR) awarded Sanlorenzo the homologation certificate for the Fuel Cell system and the Type-C containment tank designed by the shipyard in collaboration with Siemens Energy. The prestigious certification validates the system's compliance with internationally recognised environmental standards. The technology will allow the yacht to generate electricity for on-board hotellerie services, with engines and generators switched off, significantly extending the time spent at anchor and manoeuvring without consuming diesel fuel.





2. INTRODUCTION OF SUSTAINABLE AND ECO-COMPATIBLE MATERIALS

Several study and testing activities have been launched with reference to the introduction of alternative materials with a lower environmental impact.

With specific reference to Bluegame yachts, tests are underway for the of all-natural linen, jute or cotton cladding panels. Basalt fibre is also being considered for the bulkheads.

Furthermore, particular attention is being paid to **teak**, above all as a result of the need to adapt the Group's supply sources, in order to comply with the recent and more stringent regulations concerning this raw material coming from Myanmar. In addition to a careful assessment of the origin of its teak stocks available on the market, the Group's focus is on the research for **alternative materials** that guarantee **equal quality and resistance**. In addition, other teak types from other geographical areas, particularly Indonesia, are being initially evaluated.

In recent years, the R&D Department has investigated solutions with a lower environmental impact with regard to antifouling paints used in order to limit the occurrence of the marine biofouling phenomenon¹⁰. In 2023, the testing phase was completed on the following yachts: SD92, SL118 and 44 Alloy, which gave highly

positive results in all cases. The Company chose Hempel Hard X7, an antifouling paint that has obtained certification from the Water Revolution Foundation, in view of the reduced environmental impact over the entire life cycle and thus the increased level of sustainability. **The reduction of the environmental impact was ascertained by performing a comparative Life Cycle Assessment (LCA) study** between the products concerned and their traditional version at the time of release. In addition, the **speed performance of the boats tested was shown to improve**.

The goal for the future is to monitor the condition of the paint over the next few years, in order to assess the hold on the hulls.

To reduce the environmental impact of the product, it was crucial to work on one of the main components of the yachts, namely composite materials (for more details see the "Environmental impact of the product" section).

In November, the first real components were made, in particular small hatches for outboard exhausts, in various sustainable composite materials, a mix of mineral and plant-based fibres and thermoplastic resins, and then tested in the laboratory of the Massa shipyard and likely to be installed on a yacht in 2024.

Also at the end of 2023, given the success of the components described above, further sustainable lamination alternatives for interesting on-board components were launched. This includes ventilation trunks made of linen, thanks to its particular sound-absorbing properties, or thermoplastic resins from which it is possible to recover raw material to be reintroduced into the composites' life cycle.

These solutions are important both from the point of view of the direct impact that fibreglass has on the environment, as well as to begin filling the gap in technological and production know-how existing in this area. The transfer of working knowledge to Sanlorenzo's technicians – but also to its suppliers – is crucial to introduce the use of these materials on a large scale, even on key parts such as hulls, decks and deckhouses, in order to be able to significantly reduce the impact.

The last particularly significant point concerning the Group's R&D activities on sustainability related to materials concerns the standardisation of interior design components. In particular, during the year the Yacht Business Unit launched a project to improve the design and implementation of the interior outfitting, which has a significant impact both from an economic

point of view and in terms of emissions. The R&D Function was involved in studying the use of alternative materials to steel or fiberglass in the construction of shower trays, especially in the crew area. The analysis showed that switching from multiple components made of different materials to a single standard for all yachts can reduce emissions from the production of a single piece by up to 60%. This study also resulted in a proposal to introduce alternative materials (linen or thermoplastic resins) that, in addition to improving the reduction of emissions (up to 70% on production), would also have positive effects on the recyclability at the end of the yacht's life; in order to validate the construction methodology, operational tests are still ongoing, to assure durability of the proposed products, managed by R&D.



3.5 TIMELESS QUALITY

The Group is committed to ensuring the highest standards of quality and safety on board, paying constant attention to the entire production process. The unique characteristics of the yachts, fittings that do not rely on mass production, coupled with the lead time for larger yachts – which may well exceed 3 years – require the Group to define quality control plans with a **very long time span** and **systematic and continuous checks** by highly skilled internal staff.

At Sanlorenzo, the Quality Function, reporting directly to CEO, has a staff of 27 qualified technicians seconded to the various production units. Each yacht is individually checked by Quality officers according to their specialisation, across all models in production. In addition, the aforesaid Function is responsible for **checking sustainability aspects concerning materials and construction solutions** applied to the product.

Checks are performed by relying on highly detailed checklists, based on which parameters such as, for example, the yacht's noise and vibration levels can be verified, as well as characteristics

relating to construction, size and installation of the furnishings. Quality Booklets¹¹, also shared with the shipowner and aimed at everyone involved in the production process, are a key tool to support quality control activities. As of 2023, this tool has been further developed, with specifications regarding galvanic corrosion for the Production Function. The outputs of the checks carried consist of specific reference tables, with an indication of the quality parameters to be respected.

In addition to the Quality Booklets, the Group shares with the shipowners – through specific documents – information of a commercial, regulatory – with reference to the compliance of the yachts with the many applicable regulatory requirements – and technical nature, the latter relating to the characteristics and specificities of the yacht¹². The purpose of preparing this technical and information material is to ensure **maximum transparency** and **consistency** regarding quality and safety on board the yachts.



THE RELATIONSHIP WITH SHIPOWNERS AND THE OFFER OF HIGH-END SERVICES

Sanlorenzo shipowners are sophisticated and loyal customers – so-called “**Connoisseurs**” – whose tastes are perfectly captured by the yachts that the Company builds for them. Bluegame’s customers are referred to as **Bluegamers**, in other words owners characterised by an instinctive nature, independence and non-conformism, unique individuals just like the yachts they choose to become owners of. The **relationship with shipowners is direct and personal** – especially in the case of yachts that require a high degree of customisation – and in most cases long-standing. **Professionalism, competence, availability, respect and correctness** are the key principles and the style of behaviour that the Group adopts in the creation and development of these relationships over time.

This approach has led to a high degree of customer loyalty being built up over time, which has led to the creation of the **Sanlorenzo Club**, representing the approximately 1,000 individuals who have become owners of a Sanlorenzo yacht over the years.

A solid relationship enhancing **the emotional aspect** and the **experience of using the yachts** allows for continuous and quality dialogue with the shipowners. In this sense, the Group’s communication and marketing strategy is focused on exclusive manufacturing, high quality, the design and elegance of yachts, combined with exclusivity and the centrality of the relationship with the customer.

As for meeting opportunities with shipowners, before and during the construction of the yacht they are able to take part in **visits to the design showrooms** in Milan, during which they can immerse themselves in the history of Italian design and view unique pieces that they will be able to select for the layout and décor of their yacht. On such occasions, shipowners also have the opportunity to attend **exclusive evenings** and take part in **guided tours** – with the support of the Sanlorenzo Style Director – to some of the most renowned **art galleries**, so as to fully experience and grasp the Italian artistic tradition and help reinforce the intertwining between the world of yachts and that of art, always at the centre of Sanlorenzo’s projects.

Boat shows are also planned – opportunities for first contact and lead generation with future customers – during which the Company pays particular attention to the protection of the information shared by the participants. At the time of registration, in fact, participants are asked to carefully read and accept the conditions of the Privacy Policy, so that the data collected is protected, in accordance with the provisions of the European GDPR regulation¹³.

Special attention is also paid to the **training of dealers** – who play a key role especially with regard to the relationship with Bluegame shipowners, as the Company does not engage in direct sales – ensuring that they are fully aware of the **characteristics of the product** they sell, of the **language** used by the brands to communicate these characteristics and the **values** that guide the Group’s work.

The Group also offers **high-end services** designed to enhance the experience of using the yachts, consisting of the following commitments:

- Charter activity
- Maintenance services (Restyling and Refitting)
- Sanlorenzo Academy
- Possibility of customised financing/leasing solutions

One of the most important aspects is, no doubt, the **charter activity**, which has experienced a strong expansion particularly during periods of contraction in the demand for new yachts. Sanlorenzo offers it to its customers through a programme directly managed by the Company and accompanied by exclusive benefits.

On the other hand, as far as **assistance services** are concerned, the Group makes available a dedicated office for the supply of spare parts, with shipments all over the world, storage at the specific area called Marina Travel Lift inside the Ameglia shipyard, mechanical, electrical and hydraulic maintenance, as well as testing and consulting services, together with the areas of the Superyacht Business Unit in La Spezia and the VA8 Nautical Centre near Viareggio.





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Shipowners can also count on an **after-sales service network** made up not only of the Sanlorenzo shipyards, but also of Brand Representatives and Service Points present all over the world. In the case of Bluegame, these services are first and foremost managed by the direct presence of dealers across the territory, which has been increasing since 2023: when coverage is not ensured by them, the Company relies on trusted Service Points and only in more limited cases do Bluegame technicians intervene directly.

Finally, with regard to service centres, specific local centres were opened in northern Sardinia in 2023, during the summer period, in order to offer more on-site support to the Group's yachts sailing in those areas.

Each yacht is also equipped with a tablet on which the Wosa Yacht Surveyor (WYSR) application is installed, the official tool for managing warranties

and related communications between the shipyard and the customer, through which the crew can send requests for assistance to Sanlorenzo technicians, and which allows the latter to interact with the crew.

At the same time, the yacht's documentation and manuals are also available on the application, ensuring that the shipowner and the crew are in possession of all the tools necessary to manage the yacht.

Since 2023, the Sanlorenzo Group has been the first on the market to have installed a remote monitoring system for customers: when an alarm is triggered, both the shipowner and Sanlorenzo receive a notification. In addition, from the application it is possible to check the operating data and conditions of use of the yacht. The goal for the future is to increase the installations of these applications on new prototypes.



SAFETY ON BOARD

Safety on board is a priority to ensure safe and pleasant sailing experiences. The crews are trained and prepared, with knowledge of the boat and all of its characteristics, to handle in the best possible way emergency situations. Sanlorenzo and Bluegame yachts stand out for their use of the latest safety technologies, in accordance to the standards, including sophisticated monitoring systems and fire-fighting devices. In the rare cases of adverse events, Sanlorenzo intervenes immediately.

Specifically with regard to fire risk, an incident involving an engine on a SX76 model took place in 2023, which triggered a fire. This incident had no impact on the people on board and Sanlorenzo intervened by restoring the navigability conditions of the unit in about three days. With respect to the episode reported in the 2022 NFS that took place in 2021 (SL96-720), it should be noted that the investigation activities are still ongoing and there are no relevant developments for Sanlorenzo.



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The offer of “**Sanlorenzo Timeless¹⁴**” services also falls within the scope of after-sales services, with the aim of preserving the value and the “timeless” character of Sanlorenzo yachts, adapting them to the specific style and taste of the owners and modernising the on-board equipment. The specific services offered are the following:

- **Refitting** – focused on replacing or updating on-board instruments and equipment through the use of the most advanced technologies, improving their safety and functionality.
- **Restyling** – focused on renewing the design of yachts through targeted interventions on furnishings, the replacement of materials and upholstery, and the design of new spaces and structures, with a view to finding new solutions with a low environmental impact;
- **Lifetime Care** – focused on constant care and maintenance (routine and extraordinary) of the yacht through rigorous checks, services, tests, servicing and certifications.

The **Timeless Brochure** and the monthly “**Sanlorenzo Service Bulletin**” newsletter are aimed at providing old and new customers with information on the services offered.

During the year, 44 yachts were refitted in the Yacht Business Unit (+51.2% compared to 2022), for a total of 100 in the last three years.

Of the total yachts renovated in 2023, 9,09% are yachts from other brands. The Superyacht Business Unit has refitted 11 boats, all Sanlorenzo.

In addition, **crew training** is carried out both through the Sanlorenzo Academy, which trains specialised nautical operators, as well as through the Captains’ Academy events reserved for yacht captains, organised through the collaboration between the Marketing & Communication function and the Service & Deliveries department. This enables customers to count on **highly qualified** and **skilled** staff on board, reflecting the engineering and aesthetic quality of the yachts. In particular, mention should be made of the “**Sanlorenzo Service School**” initiative, launched in 2019, consisting in a training course developed for Service Points and the Service departments of Sanlorenzo Brand Representatives, with the aim of enhancing their technical expertise by offering them the opportunity to come into contact with shipyards and fully understanding their values and philosophy.

Finally, Sanlorenzo’s high-end services include the possibility of accessing a **customised financing/leasing plan** defined in coordination with the Group’s main financial partners.



FRANCY, AN EXCEPTIONAL REFITTING

A wooden boat, as it was during Sanlorenzo’s early days: Francy, a 5.30-metre-long launch motor boat, built in 1961, three years after the shipyard was founded.

After several changes of ownership, it laid, disassembled, in a warehouse. An important trace of its past, which Sanlorenzo could not ignore. Hence the purchase and the decision to bring it back to life, while preserving its integrity

as much as possible. The result was an important yet conservative refitting, thanks to which not only was a second opportunity given to a boat that attests to Sanlorenzo’s history, but an important message was also conveyed: a boat has value, and for this reason it must be preserved.



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CAPTAINS' ACADEMY

INSIGHT

The Captains' Academy is another type of training event provided by Sanlorenzo Aftersales, exclusively dedicated to the captains of the yachts. These events are divided into macro-areas (America, Asia, Europe, Italy and Turkey).

After the non-EU edition held in Hong Kong in March 2023, the fifth edition of the Captains' Academy – this time dedicated to the European captains of the brand's yachts – was held at Sanlorenzo's shipyards in Italy, for an extraordinary experience characterised by added value and a unique atmosphere.

The four-day event, during which the captains had the opportunity to visit all the production sites of Sanlorenzo's shipyards, offered a full immersion in the tradition of craftsmanship, highlighting the quality of the product and also providing a first look at some of the latest technologies and implementations.

The event included sea trials on board Sanlorenzo yachts and interactive workshops led by technicians and expert suppliers, with practical sessions aimed at introducing captains first-hand to the processes and materials that make Sanlorenzo yachts a true excellence in the sector. Training activities were complemented by team building activities – such as a visit to the Carrara marble quarries and a test drive of Fiat 500 Abarth Full Electric prototypes – which allowed participants to immerse themselves in the artistic and cultural heritage of our territory, always with a keen eye to the future and to the latest technologies. Indeed, solid relationships and fruitful partnerships are one of the cornerstones that contribute to Sanlorenzo's continued success, confirming the Captains' Academy as a unique opportunity to maintain a true "timeless" bond between the shipyard and captains.





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SANLORENZO SERVICE SCHOOL

INSIGHT

Given the ever-increasing number of yachts and markets in which the Aftersales service needs to engage, Sanlorenzo regularly organises so-called Service Schools, i.e. specialised master classes designed for the specific network (Brand Representatives – Service Points – Privileged Partners), which promote the sharing of knowledge and a stronger collaboration between the members of the service network, reinforcing the common vision of the brand and the customer-oriented approach that has always distinguished Sanlorenzo.

The initiative consists of training and refresher courses on products, with a specific focus on operating and delivery procedures and documents, communication technologies, Service intervention methods and much more. It is only thanks to the continuous updating and development of staff and organisations all over the world that Sanlorenzo can guarantee the safety of a unique experience during the life of its yachts.

The 2023 edition of the Service School initiative was reserved for the Italian service network and was held in the splendid setting of Venice where, taking advantage of the Boat Show that was held in parallel, a meeting was organised aimed at strengthening and further consolidating the excellence of the Italian service network.





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YARE: YACHT AND REFIT EXPERIENCE

INSIGHT

Organised by Navigo in collaboration with The Superyacht Group, YARE (the Yachting Aftersales and Refit Experience) is a B2C event aimed at companies and shipyards focused on refitting and after-sales services for superyachts, but also at captains and yacht managers. The event includes meetings, forums on the topic and major networking opportunities. With the aim of creating a network between captains, shipyards and suppliers to disseminate knowledge and comprehensively enhance the after-sales services sector, the last three editions have seen Sanlorenzo participate in all the planned activities. The Company is considering participating in the 2024 edition as well.





CHAPTER OVERVIEW: TECHNICAL DETAILS

Reference GRIs

2-29; 3-3; 203-1; 416-2; 417-1; 417-2; 417-3

Reference SDGs



target: 12.4; 12.5



target: 13.1

The Ten Principles of the UN Global Compact

Principle VII – Adopt a precautionary approach to environmental challenges

Principle VIII – Undertake initiatives to promote greater environmental responsibility

Principle IX – Encourage the development and diffusion of environmentally friendly technologies

Description and relevance of the “Sustainable yacht design” topic

Optimal yacht end-of-life management through sustainable design methodologies (Eco-design) which, by assessing characteristics such as shape, size, functionality, modularity and materials, are able to develop industrial products that can be easily disassembled (Design for disassembly) in order to reduce the environmental impact of the yachts, including by using renewable and recyclable materials.

Impacts along the value chain

1. Inside-out perspective (impact on the external context)

- **Risk:** pollution connected to the use of materials with a greater environmental impact in the construction phase, such as non-renewable, non-recyclable, non-disassemblable materials;
- **Risk:** problems related to the disposal of non-renewable, non-recyclable, non-disassemblable materials used in the production of yachts (non-application of Eco-design principles for end-of-life management);
- **Risk:** marine pollution following the use of potentially hazardous chemicals (old-generation antifouling paints) for the construction of the hulls;
- **Risk:** failure to contribute to the reduction of environmental impacts, as a result of the failure to align with current European legislation on Eco-design;
- **Opportunity:** increase in the percentage of production materials recovered at the end of the useful life of the yachts, thanks to a higher percentage of

recyclable materials used in the design and construction phases;

- **Opportunity:** extension of the useful life of yachts, with consequent lower environmental impacts along the life cycle.
2. Outside-in perspective (impacts on Group cash flows)
- **Risk:** reputational, in the short term, deriving from the negative perception of the Group by shipowners as a result of a lack of attention to the implementation of sustainable yacht design principles, as well as from the increase in negative environmental impacts associated with the various phases of the life cycle of the yacht;
 - **Risk:** failure to align, in the long term, with regulatory developments on the subject – which are having an increasingly significant weight on the sector – with consequent negative impacts on revenues, access to credit and in terms of depreciation of shares on the stock market.
 - **Opportunity:** the development of an approach to sustainable yacht design is a key success driver for the Group and, therefore, a source of competitive advantage, with positive consequences on the expansion of the Group’s customer base and on the revenues generated.

Description and relevance of the “Research and development” topic

Investments in research, development and innovation aimed at guaranteeing more efficient production processes as well as applications and solutions inspired by sustainability and eco-compatibility criteria, able to guarantee a lower environmental impact associated with the use of the yacht.

Impacts along the value chain

1. Inside-out perspective (impact on the external context)

- **Risk:** failure to provide technical solutions in good time, in order to comply with new environmental or safety regulations, resulting in negative social and environmental impacts generated by the Group;
- **Risk:** no or minimal contribution to the growth and technological development of the maritime sector and therefore to the fight against climate change;
- **Opportunity:** growth of scientific research linked to sustainability issues and sustainable yacht design criteria, positively impacting the entire sector and contributing to the fight against climate change;
- **Opportunity:** identification of innovative and digital solutions enabling research and innovation to progress in the Sanlorenzo Group’s areas of application.

2. Outside-in perspective (impacts on Group cash flows)

- **Risk:** delay by the Sanlorenzo Group, compared to other peers and competitors in the sector, in the development of innovative, technological and sustainable applications for its yachts, with negative consequences in terms of loss of competitive and reputational advantage. The impact would not only be in terms of lower revenues, but also of higher costs to be incurred.

Key stakeholders

Customers

Shareholders and investors

Suppliers of materials, components and systems

Universities and research centres

Shipowners

Adopted Policies, Programmes and Certifications

Quality Booklets

Sustainable Design Handbook (under development)



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NOTES

- 1 © “Lead time” refers to the time between the start of construction and delivery to the end customer.
- 2 © Angle formed between the bottom of the hull and the horizontal plane, on both sides of the hull.
- 3 © Flybridge yachts have an upper deck area where a helm station is located as well as a sundeck. This area is known as the “Fly bridge”.
- 4 © In September 2023, following a lengthening of the platforms, the models BGX60 and BGX70 were renamed BGX63 and BGX73.
- 5 © This is material that is part of the contracts, therefore purchased by contractors.
- 6 © The reference is to materials purchased directly by Sanlorenzo and Bluegame.
- 7 © Reference is to Regulation (EU) no. 995/2010, also known as the “Wood Regulation”.
- 8 © International Maritime Organisation.
- 9 © MARPOL 73/78 Convention.
- 10 © i.e. the growth on the surfaces of objects in the water environment – including yachts (for example, on the hulls) – of algae, bacteria and other small invertebrates which, as the vessel travels, reach various marine areas, thus becoming harmful alien species for the native ones.
- 11 © The Quality Booklets currently in use refer to technical solutions, operating instructions for the application of Prospeed (antifouling coating), cooling and fixing of appliances, carpentry and cable routing.
- 12 © Additional information is provided in the Annex, in the “Technical insights” section.
- 13 © Regulation (EU) 2016/679.
- 14 © Currently, the activity concerns only Sanlorenzo yachts and not the Bluegame brand.

SUSTAINABILITY OF PRODUCTION PROCESSES





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4.1 THE PRODUCTION PROCESS WITHIN THE SANLORENZO GROUP

FIGURE 4.1 – ENVIRONMENTAL POLICY PRINCIPLES AND OBJECTIVES

The Group has adopted an integrated approach to the management of the **environmental factors** associated with its business, in compliance with the values and principles outlined in the **Environmental Policy**¹. To make this commitment a reality, the Group has implemented an Environmental Management System (EMS) certified according to the **ISO 14001:2015** standard for all its main production sites, which are subject to strict constraints aimed at protecting the environment. The Environmental Policy emphasises that respect for the environment is an essential condition for correct business management, promoting a control process aimed at **continuous improvement**, in order to enhance environmental performance and reduce impacts. By adopting a preventive approach to avoid pollution, the Group is committed to ensure full **compliance with applicable laws and regulations**. These principles are accompanied by specific objectives that guide the implementation of the Group’s business activities, thus consolidating a solid commitment to environmental sustainability (see Figure 4.1).

PURSUE CONTINUOUS IMPROVEMENT OF ENVIRONMENTAL PERFORMANCE AND REDUCTION OF IMPACT	PURSUE POLLUTION PREVENTION	ENSURE COMPLIANCE WITH CURRENT ENVIRONMENTAL LAWS AND REGULATIONS
<p>Efficient use of natural resources</p> <p>Implementation of eco-compatible production technologies, with a reduced impact on workplace health and safety</p> <p>More effective planning of the corporate business units, aimed at respecting the environment both in normal and emergency conditions</p> <p>Promotion of the selection of suppliers who respect the principles defined in the Environmental Policy.</p> <p>Design of new models characterised by high eco-sustainability standards</p>	<p>Development of solutions for the recovery and reuse of fibreglass in the production process</p> <p>Minimisation and optimal management of the waste produced and promotion of the differentiation and recovery of the same</p> <p>Promotion of employee accountability at all levels and provision of training on environmental matters</p> <p>Monitoring of the activities carried out by contractors; promoting awareness and offering training to contractors concerning their environmental impacts</p>	<p>Cooperate with Public Authorities and Supervisory Bodies</p>



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Sanlorenzo’s management of business activities and creation of value must take place with the **full awareness of the urgency dictated by the challenges posed by climate change**. The Group has defined specific **Environmental Programmes** for each of its shipyards, which are based on the annual context analysis carried out in compliance with the **ISO 14001** standards. These programmes include projects and corrective or improvement activities based on the assessments carried out.

TABLE 4.1 – SITES COVERED BY THE SANLORENZO GROUP’S ISO 14001 CERTIFICATION

COMPANY	PRODUCTION SITES
Sanlorenzo S.p.A.	Ameglia, La Spezia, Massa, Viareggio
Bluegame S.r.l.	Ameglia
I.C.Y.	Cologne

It is important to note that the Group’s shipyards are subject to the so-called Single **Environmental Authorisation** (A.U.A. – Italian Legislative Decree 152/2006), which is kept constantly updated for each shipyard, in accordance with the requirements and deadlines indicated therein. Every year, at each shipyard environmental monitoring is carried out as provided for in the various authorisations, in order to ensure compliance with the specified emission limits. The Group’s environmental impacts can be broken down into two macro-categories according to the direct or indirect impact by the Group companies:

- **direct impacts**, deriving from the activities carried out within the Sanlorenzo shipyards, with specific reference to the energy consumption necessary for the processes and the consequent emissions generated (CO₂, VOC, SOV and MPT dust emissions), as well as consumption of fuel used for sea trials of yachts and for moving company vehicles. On the other hand, as far as water resources are concerned, the Group’s impact is for the most part associated with the use of water for civil purposes and, to a lesser extent, for washing boats in the storage area;
- **indirect impacts**, namely impacts generated by the activities that take place upstream and downstream of the Group’s value chain, with particular reference to the impacts generated by so-called “beyond tier 1” suppliers (i.e. beyond the first link in the supply chain) and the use of the yachts by shipowners. With respect to this last point, it primarily relates to energy

consumption and emissions generated by the use of yachts, the use of water on board them and the possible impacts generated on marine ecosystems, as well as the impacts related to the disposal of the yachts, linked both to their design and to the materials used for their construction.

The environmental factors relevant to the Group, in particular with regard to the direct impacts generated by it, are described in the following sections. As far as indirect impacts are concerned, please refer to the “Environmental impact of the product” section. Tables providing more in-depth quantitative information are given in the Annexes (for more details see the “Technical insights” section).





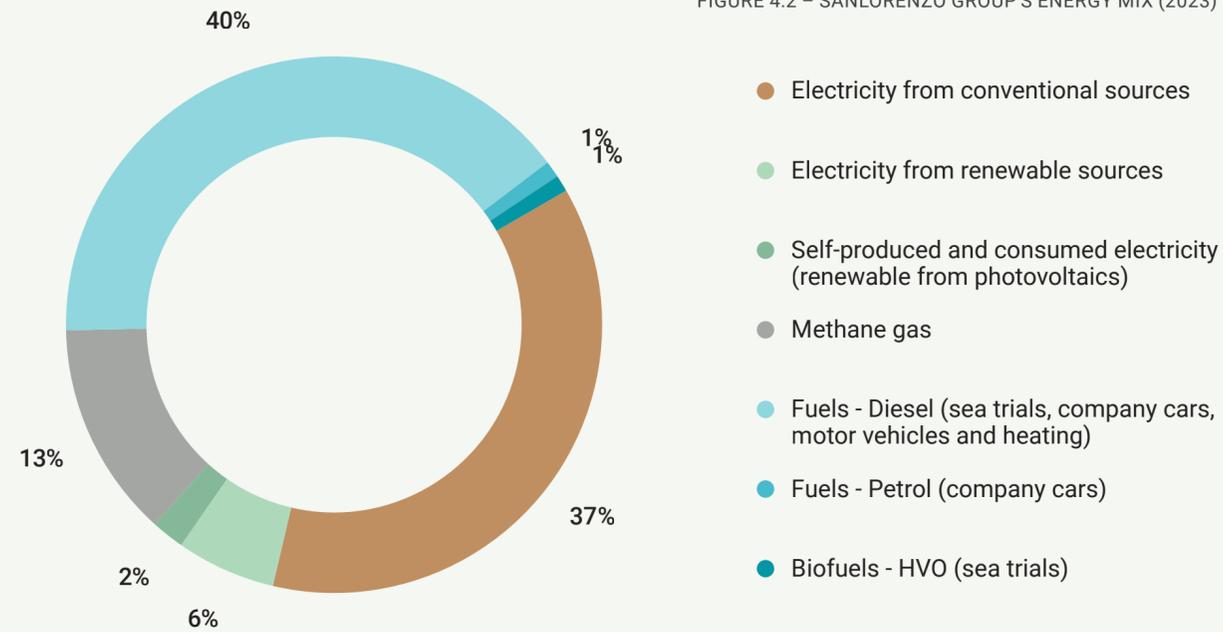
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4.2 ENERGY CONSUMPTION

Although energy consumption is a source of direct environmental impact for the Group, it is important to underline that the main production activities – those carried out by Sanlorenzo and Bluegame – are not classified as energy-intensive.

With regard to direct energy impacts, management of energy supply is entrusted to the competent Sanlorenzo and Bluegame functions, which collaborate closely with Consorzio Energia

Confindustria (i.e. Confindustria Energy Consortium) and with the competent authorities, including the Italian Regulatory Authority for Electricity and the Regions of Liguria and Tuscany. In 2023, the Sanlorenzo Group's energy consumption can be broken down on the basis of the following sources (see Figure 4.2). The main components are fuels for sea trials and the company fleet, and purchased electricity.





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It should be noted that, starting from the 2023 NFS, only self-produced photovoltaic electricity or electricity covered by Guarantees of Origin is considered renewable, regardless of the supplier's energy mix.

The table beside (Table 4.2) provides a breakdown of energy consumption at the Group level in the 2021-2023 three-year period. The 17% increase recorded in 2023 is attributable to both the increase in the number of units delivered compared to the previous year, and to the inclusion of the Group's new subsidiaries (Duerre and SL Arbatax) in the projected figures.

TABLE 4.2 – ENERGY CONSUMPTION (GJ) 2021-2023, SANLORENZO GROUP

	2023	2022	2021
Purchased electricity			
Total	51,848.60	45,671.48	41,641.70
of which from traditional sources	44,310.56	45,671.48	41,641.70
of which from renewable sources	7,538.04	–	–
Self-produced electricity (photovoltaic system)			
Total	2,139.66	2,466.72	2,273.40
of which self-consumed	1,948.67	2,176.42	1,663.56
of which sold/sold to the grid	190.99	290.30	609.84
Natural gas			
Total	14,766.07	12,740.50	10,967.12
for heating	14,766.07	12,740.50	10,967.12
Fuel Used			
Total Diesel	48,066.85	38,707.82	36,846.89
Diesel for sea trials	30,957.21	27,447.38	28,086.39
Diesel for shipyard heating	236.11	118.75	111.63
Diesel for motor vehicles	3,931.13	855.33	963.02
Diesel for company cars	12,942.41	10,286.37	7,685.84
of which for business use (70%)	9,059.68	7,290.11	5,380.09
Total Petrol	625.37	915.38	700.82
Petrol for company cars	625.37	915.38	700.82
of which for business use (70%)	437.76	640.77	490.57
Total Biofuel	714.99	–	–
HVO (Hydrotreated Vegetable Oil) for sea trials	714.99	–	–
Total Energy Consumption	117,970.54	100,211.60	91,820.09



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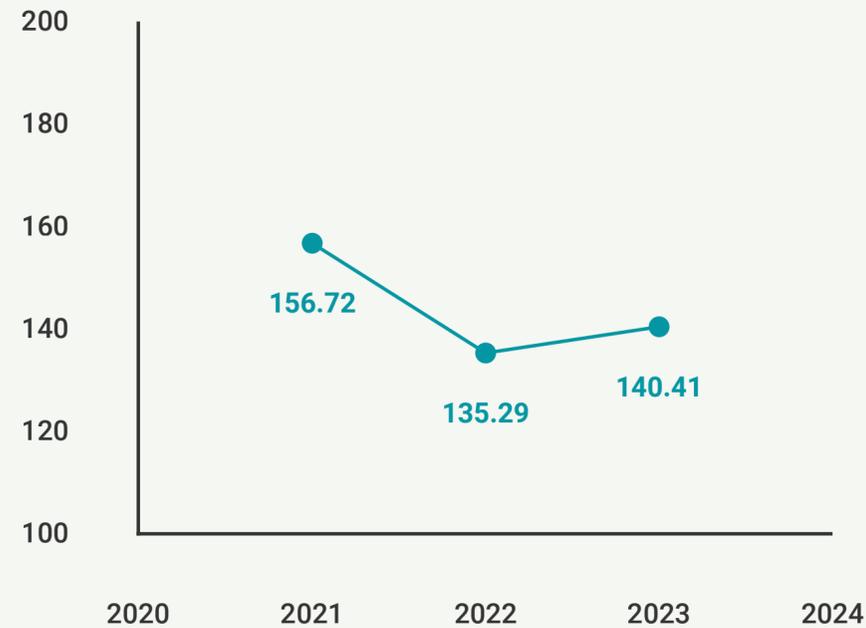
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In 2023, the Sanlorenzo Group's energy intensity, equal to 140.41, increased by 3.6% compared to 2022 (see Figure 4.3).

FIGURE 4.3 – 2021-2023 TREND OF THE SANLORENZO GROUP'S ENERGY CONSUMPTION PER M EUR OF NET REVENUES NEW YACHTS



ENERGY EFFICIENCY INITIATIVES

The plant engineering interventions started in previous years aimed at obtaining higher energy efficiency at the Group's shipyards continued in 2023.

These interventions (see Table 4.3) allow the Company not only to reduce its energy consumption, but above all to operate with a view to progressively reducing the Greenhouse Gas (GHG) emissions generated.

TABLE 4.3 – ENERGY EFFICIENCY MEASURES AT SANLORENZO SHIPYARDS

SHIPYARD	ACTION AND RESULTS
Ameglia	During 2023, 2,056 photovoltaic panels have been installed, reaching an installed capacity of over 850 kWp, added to the already produced 500 kWp from another system. This additional investment will result in an annual production of over 985,000 kWh. Moreover, still from an energy efficiency point of view, 160 metal halide lamps have been substituted with new LED lamps.
La Spezia	During 2023, 617 photovoltaic panels have been installed, corresponding to more than 250 kWp. This additional investment will lead to an annual production of over 3000,000 kWh.
Massa	During 2023, an insulating cover which allows for a better performance of the post-curing oven, with consequent lower heat dispersion, was acquired. Moreover, works for soundproofing of the dust extraction systems have taken place, leading to a better acoustic impact.
Viareggio	During 2023, 878 photovoltaic panels have been installed, corresponding to more than 360 kWp. This additional investment will lead to an annual production of over 450,000 kWh.



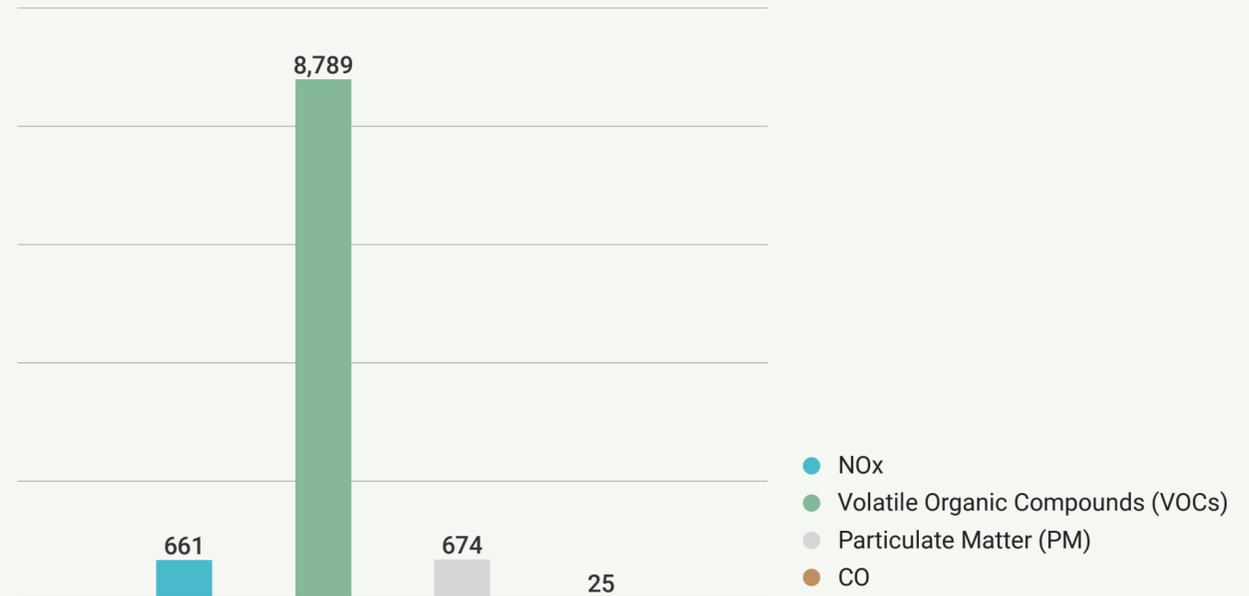
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4.3 EMISSIONS

The emissions generated during the construction of fibreglass yacht components, carried out mainly at the Massa shipyard and to a lesser extent at the Ameglia shipyard (Bluegame), mainly come from lamination activities: some types of resin used (polyester resin) do in fact contain styrene, a hazardous substance (to date not classified as carcinogenic), with respect to which specific obligations are provided for by the regulations in force in terms of monitoring the health of workers involved. Other solvents are also used in the painting phase which, in some cases, can be a source of odorous emissions. In addition, there are also direct (Scope 1) and indirect (Scope 2 and 3) GHG emissions resulting from consumption and activities along the Group's value chain (for more details see the "Sanlorenzo's decarbonisation journey" section). In accordance with Italian Legislative Decree 152/2006² (Consolidated Environment Act), the Group's shipyards are subject to the issuance of the Single Environmental Authorisation (AUA) and to the system of mandatory periodic checks, indicated in said Authorisations, at the time of issue by the competent local authorities. Compliance with the requirements of the Single Environmental Authorisation (AUA) and the management of authorisation procedures are carefully monitored through the processes and documentation provided for by the Environmental Management System (EMS). The Ameglia

shipyard, located in the protected area of the Montemarcello-Magra-Vara Regional Park, is subject to stricter limits than those required by national and regional air quality standards. These limits are indicated in the shipyard's specific AUA. For the La Spezia shipyard, the only one to exceed 5,000 kg of volatile organic compounds (VOCs³) emitted annually, a solvent management plan has been implemented, with monthly monitoring of emissions in the air. Given the shipyard's production volumes, the Company has initiated a procedure to request from the Province a further increase in the limit. The quantities of air emissions generated by shipyard activities over the last year are shown below (see Figure 4.4), with an indication of the specific type of emission. In addition to constant monitoring, the Group is implementing new systems aimed at reducing and/or limiting the emissions generated. An example of this is the fibreglass **infusion technique** – which Sanlorenzo has been using since 2007 – that allows for a **reduction of approximately 98% of the styrene emissions generated**, thus also improving the health conditions of the working environment. It should also be noted that the Ameglia shipyard has **three abatement lines**, whose filters are changed approximately every 250 hours to guarantee the continuous efficiency of the system. These are complemented by **bag filters** and **mobile aspirators**, all fitted with replacement indicators.

FIGURE 4.4 – OTHER AIR EMISSIONS IN KG, SANLORENZO GROUP (2023)





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**INFUSION TECHNIQUE FOR FIBREGLASS PROCESSING**

The infusion process, which can last up to about four hours depending on the size of the infused piece, involves mats, polyurethanes, structural reinforcing elements and fibreglass or carbon tapes, giving mechanical strength to the infused components. The process involves dry laying the elements on the mould, followed by impregnation with resin flowing through tubes fitted with nozzles into the vacuum bag that covers the materials on the mould.

Compared to classic lamination, this technique offers environmental and safety advantages thanks to the **almost closed cycle, reducing VOC emissions and the risks of fire and explosion.**

However, it is not suitable for large-size structures, such as hulls, as the resin cannot easily flow for more than 3 metres above the container: the Group manages this limitation adopting, in all cases where it relies on classic lamination, **suitable systems for capturing pollutants, filters with activated carbon abatement, which allow styrene emissions to be kept within the prescribed limits.**

With regard to the **painting** processes carried out on metal superyachts at the La Spezia shipyard, the Company once again adopts special suction systems to prevent the dispersion of chemical agents into the air. The Port Authority has established an operational protocol that requires the prior communication of any painting activity to the competent local authorities, with authorisation granted only after an inspection by the Port Chemist. Currently, the careful management of these activities has avoided environmental problems inside and outside the shipyard, as well as reports from neighbours, be they other industrial businesses or residential buildings.

When it comes **to outfitting the Group's yachts**, the selection of formaldehyde-free materials and components is a priority. Certain steps in the outfitting process may involve exposure to "hardwood" dusts classified as carcinogenic. The Group uses different types of wood, including teak, iroko, African mahogany, birch, American walnut, poplar, cherry, MDF⁴ and wenge, according to the shipowner's needs. Some of these are classified as carcinogenic⁵. The Group's objective is therefore **to reduce the exposure** of workers as well as air emissions of potentially harmful substances **to below statutory minimum levels**, through the use of plant and process technologies currently applicable.

Finally, with regard to the presence of airborne asbestos fibres in the shipyards, the following activities were carried out in 2023:

- after the first removal phase carried out in 2022, the presence of asbestos at the Ameglia shipyard is limited to asbestos in compact form in the roof of Building B, for an area of approximately 770 square metres. Following the sampling and analysis of asbestiform fibres, carried out in October 2023, the average concentration of fibres/litre on the three samples in the area was found to be below the reference limit value of 20 fibres/litre set out in the Health Ministerial Decree of 6 September 1994 (analytical tests were carried out using the Phase Contrast Optical Microscopy – PCOM – method). Complete removal is planned for this roof by 2025;
- Following the sampling and analysis of asbestiform fibres, carried out in October 2023, the average concentration of fibres/litre on the three samples in the area was found to be below the reference limit value of 20 fibres/litre set out in the Health Ministerial Decree of 6 September 1994 (analytical tests were carried out using the Phase Contrast Optical Microscopy – PCOM – method).

CLIMATE-CHANGING GAS EMISSIONS

With reference, instead, to direct (Scope 1) and indirect (Scope 2) CO₂ emissions, please refer to the "Sanlorenzo's decarbonisation journey" section. To facilitate the reader's understanding, Scope 1, 2 and 3 emissions for the 2021-2023 period are reported below.

TABLE 4.4 – SCOPE1, 2 AND 3 EMISSIONS (TON CO₂E) 2021-2023, SANLORENZO GROUP

	2023	2022	2021
Scope 1 emissions	3,836.17	3,127.23	2,945.88
Scope 2 emissions – location-based	4,733.41	4,169.48	3,475.30
Scope 2 emissions – market-based	5,626.83	5,844.56	5,202.46
Scope 3 emissions – Cat. 1, 3, 5 and 11	295,572.37	238,001.18	n.a.



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4.4 WATER RESOURCES

The Group’s activities do not have a significant impact on water resources.

Industrial water withdrawals and discharges in the Sanlorenzo and Bluegame shipyards are minimal, as the activities carried out do not require the intensive use of water, with the exception of the washing of yachts in the storage area before launch and delivery. This is done without the use of detergents or chemicals that could compromise the quality of the discharged water. The main water withdrawals⁶ are made from **civil sources**⁷, such as the public aqueduct or wells. For example, in the Ameglia shipyard two wells are present, one for fire-fighting and irrigation use and the other to supply water to the toilet facilities found in the storage, deliveries and second-hand management area⁸. Consumption is mainly associated with the use of toilet facilities and showers in the shipyard changing rooms, available to contractors’ workers. At the La Spezia shipyard, in the storage area of

the diesel tank for refuelling company vehicles (for example trolleys and cranes) and the temporary storage of industrial waste, an area has been delimited for the collection of any spills of polluting wastewater, which flow into a special tank and, from here, to a water treatment unit before being discharged.

At the Ameglia and Viareggio shipyards, fire-fighting water reserves are in place with storage capacities of 144 and 195 m³, respectively. In addition, at the Ameglia shipyard, near the Magra river, in a protected habitat, the Park Authority also monitors the quality of the river water.

The quantity of water withdrawn at the Group’s shipyards is detailed in the following graph (see Table 4.5). The figure in absolute terms is on the rise due to an increase in the activities carried out at the shipyards. However, water intensity in 2023 is equal to 107.34 m³ per M EUR of Net Revenues New Yachts, decreasing compared to 2022.

FIGURE 4.5 – 2021-2023 TREND OF WATER WITHDRAWALS (IN ML) PER M EUR OF NET REVENUES NEW YACHTS

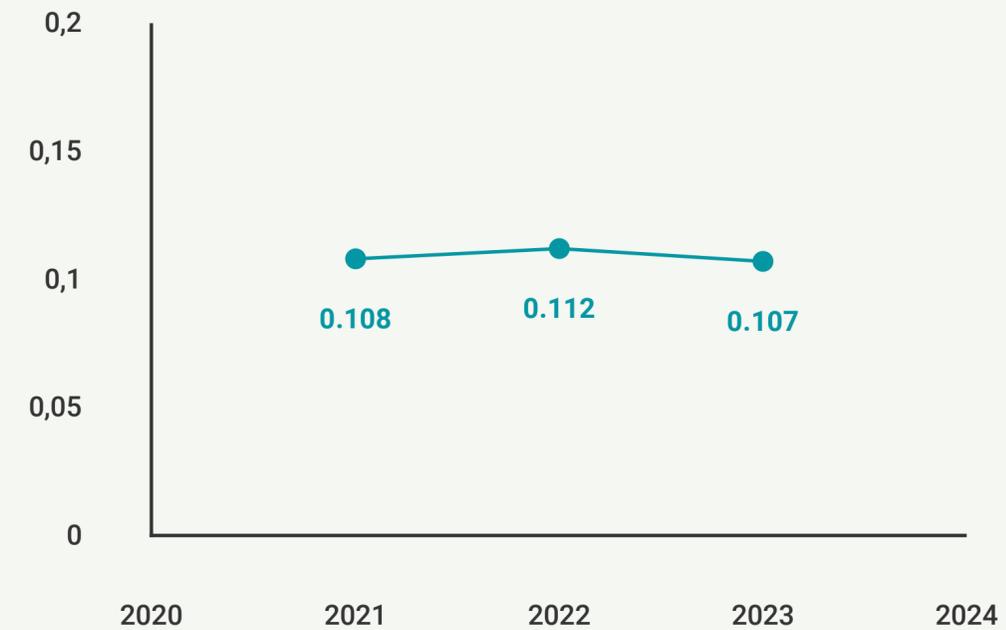


TABLE 4.5 – WATER WITHDRAWALS IN THE 2021-2023 THREE-YEAR PERIOD (ML)

	2023	2022	2021
Water withdrawals from third parties (aqueduct)	89.61	83.31	59.92
Water withdrawals from underground (well)	0.57	–	3.93



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4.5 WASTE

The complexity and number of processes involved in the construction of yachts and superyachts (for more details see the “Description of the Group’s supply chain” section) makes the issue of waste management fundamental, especially considering the **different types of production waste generated**. In addition to production waste, the Group’s shipyards can also manage **packaging from suppliers and wastewater from yacht washing activities** (for more details see the “Water resources” section). The Group manages waste in accordance with applicable regulations, keeping loading and unloading records and entrusting the activity to specifically trained staff. Signage systems are in place within the shipyards to ensure that workers sort waste correctly.

Particular attention is paid to hazardous waste, with a specific focus on the treatment of acetone, which is used in significant quantities in fibreglass processing. At the Massa shipyard, **two acetone distillers allow the recovery of 85% of the product used**, reducing the generation of special hazardous waste and facilitating the reuse of the recovered substance for washing machinery and hand tools.

The figure in absolute terms is on the rise due to an increase in the activities carried out at the shipyards (Table 4.6). However, waste intensity in 2023 is equal to 5.07 (see Figure 4.6), slight increasing from the previous year.

TABLE 4.6 – WASTE GENERATED IN THE 2021-2023 THREE-YEAR PERIOD (TON)

	2023	2022	2021
Hazardous waste	697.04	507.85	469.19
Non-hazardous waste	3,562.43	3,141.05	3,136.63
Recovered waste	3,744.24	2,914.71	2,943.22
Waste disposed of	515.23	734.19	662.59

FIGURE 4.6 – 2021-2023 TREND OF WASTE GENERATION PER M EUR OF NET REVENUES NEW YACHTS



SAFE HANDLING OF HAZARDOUS CHEMICALS

The Sanlorenzo integrated system, certified according to the ISO 14001 and ISO 45001 standards, includes specific procedures and instructions relating to the handling of hazardous substances in the various phases.

During the **procurement** process, criteria that favour substances with the least impact on the environment and health are applied.

As regards **storage**, measures are taken at all Sanlorenzo shipyards to limit soil and/or sea contamination, as well as to ensure fire prevention.

As regards **disposal**, residues of hazardous substances, including packaging, produced by direct and indirect staff, are stored separately and sent for recovery or disposal.



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4.6 PROTECTION OF BIODIVERSITY

As far as **terrestrial biodiversity** is concerned, the location of the Ameglia and Viareggio shipyards, within or near protected natural areas, plays a role of major importance. The Ameglia shipyard is located in the area of the Magra river, extending for 0.17 km² in the **Montemarcello-Magra-Vara Regional Park**⁹ (see Figure 4.7), characterised by three **Special Areas of Conservation (SACs)**¹⁰, which cover more than 60% of Liguria's residual alluvial forests. The Viareggio shipyard, covering 0.02 km², develops along the coast near the border with the **Migliarino-S. Rossore-Massaciuccoli Natural Park**¹¹ (see Figure 4.8), an area of regional¹² and community¹³ interest, recognised as "Coastal Forests of Tuscany" Biosphere Reserve by UNESCO¹⁴ and as Special Area of Conservation of the Natura 2000 network.

The production and administrative activities carried out by the Group in these areas could affect local biodiversity with various potential impacts:

- **Noise pollution**, resulting from shipbuilding activities, which could be a source of disturbance for local fauna;
- **Air pollution**, caused by the release of chemicals, such as flue gases and gaseous compounds;
- **Water pollution**, where soluble substances are present on the shipyard, which could make their way into the aquifer and the surrounding hydrological system, affecting amphibious species;
- **Light pollution**, generated by artificial lighting that could alter natural lighting and affect the behaviour of animals.

The activities carried out on the shipyards are, however, bound by strict Park regulations, protocols for the dredging of the Magra riverbed and ISO 14001:2015 requirements to ensure the protection of the terrestrial ecosystem.





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AMEGLIA

Plant species present in the Park::

1. in the tree layer, black poplar (*Populus nigra*), white willow (*Salix alba*), bramble (*Rubus ulmifolius*)
2. in the shrub layer, vitalba (*Clematis vitalba*)
3. beds of perennial cane (*Arundo donax*)
4. on the banks of the Magra, strips of common reed (*Phragmites australis*) of limited extension due to the extreme anthropisation of the banks
5. to the north of the shipyard, in the residual fluvial oxbow (called the “Camisano” dead branch) – in other words a body of water gradually being buried, detached from the main course of the river and subject to periodic flooding – a small reed bed, the marsh iris (*Iris pseudacorus*) and the Scolopendria fern can be found

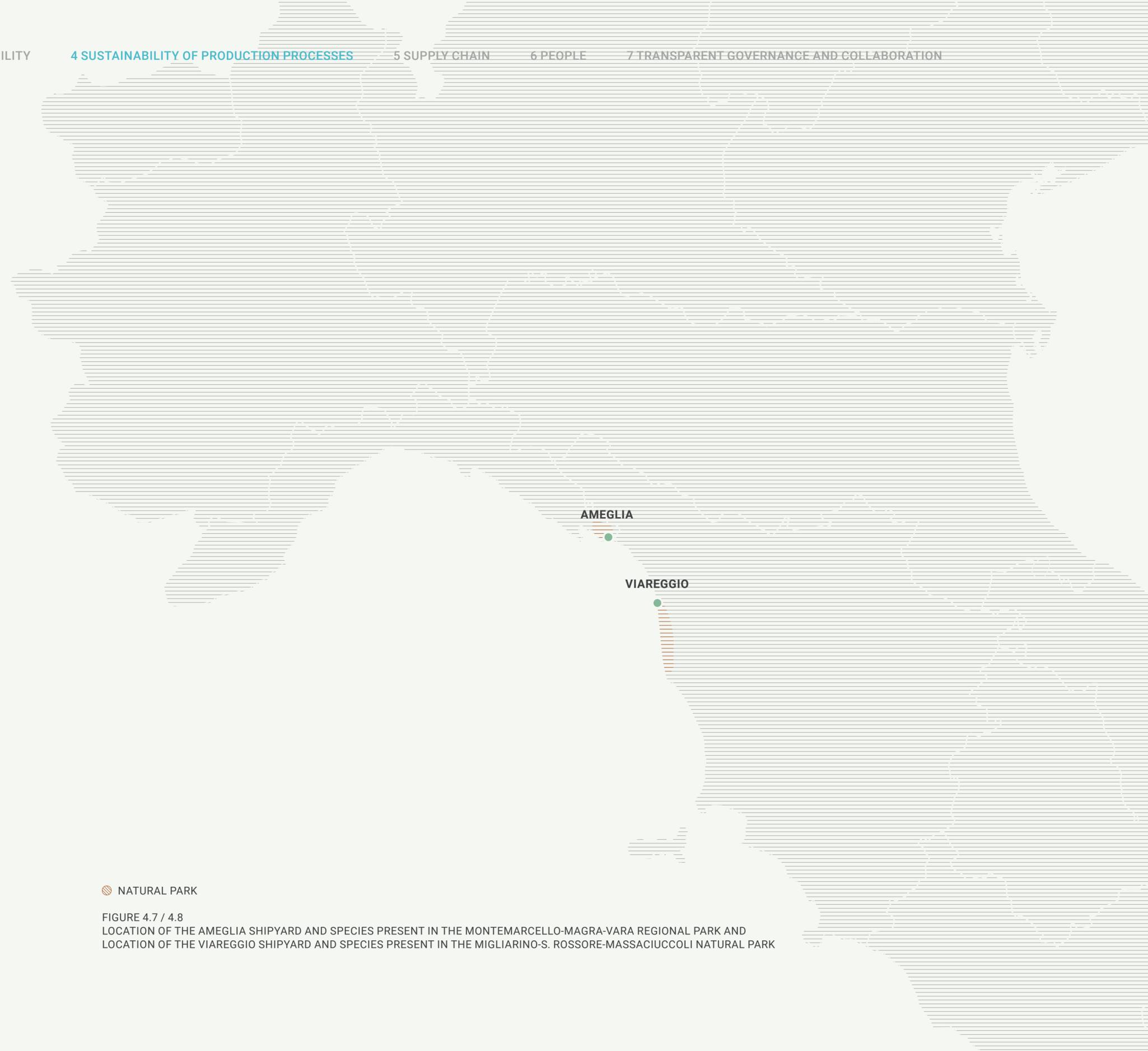
Animal species present in the Park:

1. Batracofauna
2. Avifauna

VIAREGGIO

Habitats present in the Park (northern portion):

1. Coastal dune
2. Mediterranean pine forest behind the dunes



⊗ NATURAL PARK

FIGURE 4.7 / 4.8
LOCATION OF THE AMEGLIA SHIPYARD AND SPECIES PRESENT IN THE MONTEMARCELLO-MAGRA-VARA REGIONAL PARK AND
LOCATION OF THE VIAREGGIO SHIPYARD AND SPECIES PRESENT IN THE MIGLIARINO-S. ROSSORE-MASSACIUCCOLI NATURAL PARK



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IUCN RED LIST CATEGORIES



FIGURE 4.9 – THE SPECIES OF THE AMEGLIA PARK INCLUDED IN THE IUCN RED LIST

To further contextualise its impact with respect to the species of flora and fauna present in the Montemarcello-Magra-Vara Regional Park, in 2022 Sanlorenzo again renewed the mapping activity of the biodiversity of this protected natural area, using the Red List of the International Union for Conservation of Nature (IUCN), which allows species to be classified on the basis of their vulnerability. According to the IUCN Red List, the **plant species** mentioned above (see Figures 4.7 and 4.8) are considered “of minor concern”. The number of **autochthonous animal species** –

including birds and other vertebrates – included in the IUCN Red List is presented below, broken down according to the categories defined by the List, of which the details relating to the current demographic trend of the species considered are also reported (see Figure 4.9).

Moreover Sanlorenzo continues to support the **“Important Marine Mammal Areas” (IMMA) project** – created by the IUCN Task Force dedicated to protected areas for marine mammals and supported by the Water Revolution Foundation (for more details see the “Partnerships and

collaborations” section) – aiming to protect the oceans and their ecosystems from degradation caused by the effects of climate change and pollution. The IMMA project therefore stands as a driver of transformative action that can simultaneously reduce the environmental impact generated by the marine industry and increase nature’s resilience to negative impacts. More specifically, the programme aims to support the restoration of the vital balance of the oceans – of prime importance in the fight against climate change – through the identification of **important areas for marine mammals**, considering all **130**

species, including whales, dolphins, porpoises, manatees, dugongs, seals, sea lions, sea otters and polar bears. These areas are identified on the basis of four specific criteria – vulnerability of the species or of the population, distribution and abundance, key life cycle activities, special attributes – and allows for the definition of ad hoc protection measures.

4.7 HEALTH AND SAFETY

Occupational health and safety is a crucial issue in the shipbuilding industry.

The main risks of injury concern falls from heights (the danger, in fact, is associated with slipping, tripping and falling from scaffolding¹⁵ or lifting platforms, which can reach approximately 14 metres in height on 50/60 metre yachts), falling objects from heights and the handling of loads. In the fibreglass production process, there is also the risk of exposure to hazardous chemicals resulting from styrene emissions to which workers are exposed by both inhalation and skin absorption. These specific risks such as exposure to styrene emissions are managed through the adoption of appropriate collective protection measures, including the installation of appropriately positioned suction systems, as well as personal protective equipment such as masks with filters.

In addition, thanks to the use of the infusion technique, the Group is able to further reduce workers' exposure to this risk. Carpentry, painting and bodywork activities also entail risks of exposure to chemical agents and are constantly monitored.

Fire risk, common in the shipbuilding industry, is also relevant due the type of materials and substances used and their large quantities. In this regard, all the Group's shipyards have obtained and keep up-to-date a **Fire Prevention Certificate (CPI)** issued by the relevant Provincial Fire Brigade, certifying the compliance of the shipyard with the specific fire prevention regulations in force and specific to each individual site.

With reference to employees who carry out office work, the most significant risks identified include, among others, the risk of fire, risks arising from the use of work equipment and the storage of office materials, and risks associated with the use of company and/or private vehicles for the performance of work activities.





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The assessment of hazards and risks regarding occupational health and safety and the related measures to eliminate them are identified within the **Risk Assessment Documents** (RADs), specific to each shipyard, which are kept up to date in compliance with the law. Among the most important risk assessment documents, given the many and diverse activities carried out simultaneously, the **DUVRI (i.e. the interference risk assessment report)** plays a key role. The assessment of risks during the course of production is constantly updated, including through numerous site inspections, carried out by internal and external technicians of the Company's Prevention and Protection Service, coordinated by the Prevention and Protection Service Managers (RSPP) of each shipyard. In compliance with the provisions of Italian Legislative Decree 81/08, a Safety Office is set up at each shipyard, made up of carefully trained internal staff (see Figure 4.10).

The Sanlorenzo shipyards in Ameglia, La Spezia, Massa and Viareggio have also adopted an ISO 45001:2018 certified Health and Safety Management System (HSMS). In accordance with the provisions of the ISO 45001:2018 standard,

FIGURE 4.10 – OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM: THE FIGURES PRESENT ON EACH SHIPYARD

SEDE	FIGURE PRESENTI
Viareggio	A HEALTH AND SAFETY MANAGER AND A PREVENTION AND PROTECTION SERVICE OFFICER supported by 1 resources in charge of administrative document management
La Spezia	A HEALTH AND SAFETY MANAGER AND TWO PREVENTION AND PROTECTION SERVICE OFFICERS
Massa	A HEALTH AND SAFETY MANAGER AND A PREVENTION AND PROTECTION SERVICE OFFICER
Ameglia	A HEALTH AND SAFETY MANAGER AND A PREVENTION AND PROTECTION SERVICE OFFICER

There is a fifth production site under the Superyacht Business Unit, under the La Spezia management, but located in Viareggio: this production site has its own health and safety manager

Sanlorenzo has adopted a **Safety Policy**, which pursues the Company's dialogue and training commitments on the subject, expressed through the following general objectives:

- to promote the responsibility of all employees towards hygiene and safety and the implementation of information and training programmes;
- to effectively plan production activities in order to ensure hygiene and safety in the workplace;
- to select suppliers that comply with the provisions of the aforementioned Policy;
- to assess and monitor the activities of contractors for the correct coordination of the various phases of work processes and adequate awareness regarding hygiene and safety;
- to cooperate with public authorities and supervisory bodies.

It should be noted that, in 2023, the Ameglia, Massa, Viareggio and La Spezia shipyards were subject to the audit required by the ISO 45001:2018 certification, with a successful outcome. Bluegame has also adopted its own Safety Policy, implementing in 2023 an ISO 45001:2018 certified HSMS. The goal for the future is to obtain the ISO 45001 certification for all subsidiaries, starting with those in which the Company has a larger stake and with a higher risk profile. Among the subsidiaries, I.C.Y. is already in possession of this certification.

All Group employees are required to comply with and disseminate the provisions of the corporate **Safety Policy** and **Code of Ethics** and to safeguard not only their own health and safety, but also that of other colleagues and third parties. In order to verify the effective implementation of the provisions of the above-mentioned reference standards and procedures, during the reporting year on-site checks were carried out by both internal offices and third parties, consisting of **250 site inspections** (about 20 per month)¹⁶.

TABLE 4.7 – SANLORENZO GROUP'S SITES COVERED BY ISO 45001 CERTIFICATION

COMPANY	PRODUCTION SITES
Sanlorenzo S.p.A.	Ameglia, La Spezia, Massa, Viareggio
Bluegame S.r.l.	Ameglia
I.C.Y. S.r.l.	Cologne

These inspections resulted in a **mostly acceptable risk assessment of health and safety conditions**, with a few limited cases in which a moderate level of risk was identified and **no situations of medium or high risk**.

In order to eliminate identified risks and minimise the likelihood of accidents, special attention is also placed on information, education and training of staff. Mandatory training pursuant to Italian Legislative Decree no. 81/08 is provided through an intense training programme, which guarantees the availability of courses on a weekly basis for approximately ten months a year (September to June). The Sanlorenzo Academy has also been operating for a number of years: the programme has made it possible manage staff increases and changes in recent years, delivering more than 4,000 man-hours of training in health and safety.

General and specific training obligations (for example regarding the use of equipment such as forklifts, MEWPs and overhead cranes) are also reiterated in the General Terms and Conditions of Contract (CGA) for contractors. Sanlorenzo and Bluegame, in fact, require contractors to guarantee the training of their staff with regard to the training referred to in Article 37 of Italian Legislative Decree no. 81/08, by means of a declaration in lieu of affidavit or by **providing a copies of the certificates of training in the use of equipment and in dealing with specific major risks, such as working at heights**.



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Furthermore, a specific **health surveillance protocol**, prepared by the Competent Medical Officer, is provided for each task. The type and frequency of medical examinations depend on the role held and the annual assessment of related risks.

Awareness-raising on occupational health and safety issues is also carried out within the shipyards, including through the signs and billboards translated into various languages to facilitate the understanding of the provisions in force by all the workers present.

With specific reference **to work-related stress risks**, in 2023 an update and in-depth analysis was carried out through interviews – managed by employees who are experts in HSE issues and by an industrial psychologist specialised in work-related stress, under the supervision of the Human Resources Function – aimed at mapping this risk and the subsequent definition of a detailed report.

In addition to ensuring safety in the workplace, all employees also have the option of joining health plans partially financed by the Company. In October 2023, a **free flu vaccination campaign** was also launched in Italy for Sanlorenzo and Bluegame employees, which saw a high level of participation.

DATA ON WORK-RELATED INJURIES

In 2023, with regard to Group employees, a total of 28 work-related injuries were recorded, of which 18 in Sanlorenzo and Bluegame (see Figure 4.11).

The recordable work-related injury rate among the two companies' employees is equal to 11.88 (11.66 in 2022).

In addition, in 2023, 2 occupational disease claims were registered at Sanlorenzo and none at Bluegame.

During 2023, the number of work-related injuries (without serious consequences) among workers of the Group's contractors was in line with the previous year. Specifically, out of the total number of recordable injuries, 55 are attributable to workers of Sanlorenzo's contractors and 2 to workers of Bluegame's contractors (see Figure 4.12). The overall recordable work-related injury rate¹⁷ is equal to 10.36 (9.11 in 2022).

FIGURE 4.11 – RECORDABLE WORK-RELATED INJURY RATE IN THE 2021-2023 THREE-YEAR PERIOD RELATING TO SANLORENZO AND BLUEGAME'S EMPLOYEES

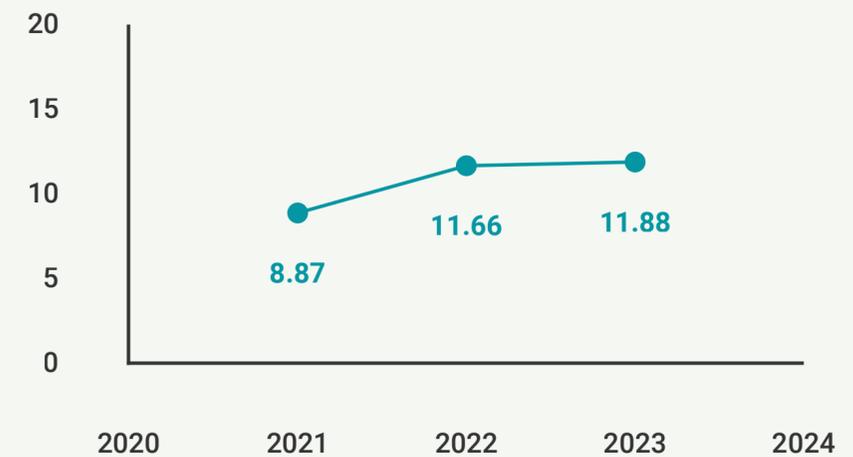
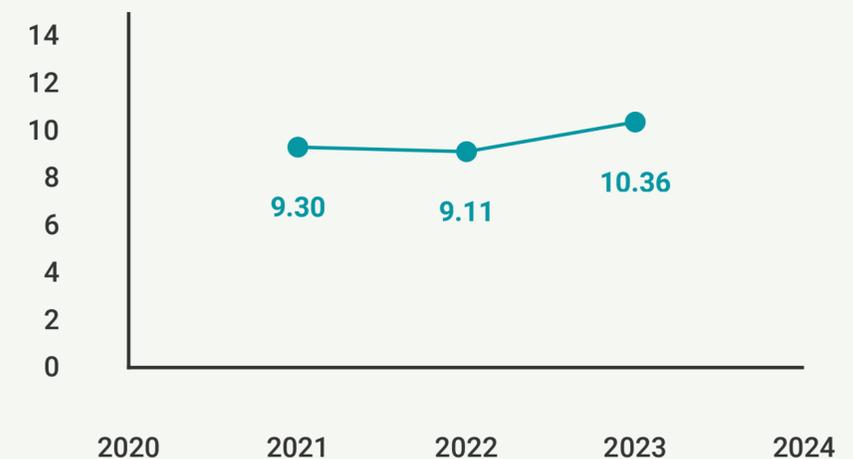


FIGURE 4.12 – WORK-RELATED INJURIES IN THE 2021-2023 THREE-YEAR PERIOD RELATING TO WORKERS OF SANLORENZO AND BLUEGAME'S CONTRACTORS





CHAPTER OVERVIEW: TECHNICAL DETAILS

Reference GRIs

3-3; 301-1; 301-2; 302-1; 302-3; 302-4; 303-1; 303-2; 303-3; 303-4; 303-5; 304-1; 304-2; 304-4; 305-1; 305-2; 305-3; 305-4; 305-5; 305-7; 306-2; 306-3; 306-4; 306-5; 307-1; 403-1; 403-2; 403-3; 403-4; 403-5; 403-6; 403-7; 403-8; 403-9; 403-10

Reference SDGs



indirect contribution



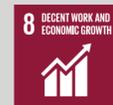
target: 12.4; 12.5



indirect contribution



target: 13.1



target: 8.2



target: 14.2

Ten Principles of the UN Global Compact

Principle VII – Adopt a precautionary approach to environmental challenges

Principle VIII – Undertake initiatives to promote greater environmental responsibility

Principle IX – Encourage the development and diffusion of environmentally friendly technologies

Description and relevance of the “Energy consumption” topic (topic dealt with in alignment with Legislative Decree 254/2016)

Commitment of the Group in the definition and implementation of projects aimed at containing and making energy consumption associated with the Group’s production more efficient, in order to reduce the environmental impacts generated directly through its operations.

Impacts along the value chain

1. Inside-out perspective (impacts on the external context)

- **Risk:** increase in emissions and other relevant environmental impacts associated with high energy consumption from non-renewable sources

within the organisation;

- **Risk:** contribution to the national and international energy crisis, due to a high level of consumption and the failure to implement efficiency actions;
- **Opportunity:** reduction of the environmental impact, thanks to the transition from a supply from conventional energy sources to renewable energy sources.

Description and relevance of the “Air emissions” topic (topic dealt with in alignment with Legislative Decree 254/2016)

Particular attention is paid to the reduction of emissions generated by the activity of the Group’s production plants (both air emissions of polluting substances and direct and indirect Scope 2 GHG emissions) through the use of production techniques with a lower impact (for example, infusion) and the use of renewable energy sources. The commitment to combating climate change is also monitored through multiple R&D initiatives and the application of on-board technological solutions for low-emission navigation.

Impacts along the value chain

1. Inside-out perspective (impacts on the external context)

- **Risk:** failure to contribute to the fight against climate change, due to non-alignment with more stringent national and international regulations on emissions;
- **Risk:** increase in the effects of climate change, such as extreme climatic events, as a result of management and production practices that do not comply with the principles of environmental sustainability;
- **Opportunity:** reduction of CO₂ emissions and other pollutants thanks to activities within the Group’s business sphere (replacement of energy sources, reduction of consumption, etc.).

Description and relevance of the “Waste management” topic (topic dealt with in alignment with Legislative Decree 254/2016)

The choice and use of materials for production and office purposes is made with the awareness of having to reduce the quantity of general waste and production waste generated, committing to progressively increase waste sorting and recovery, according to a circular approach.

Impacts along the value chain

1. Inside-out perspective (impacts on the external context)

- **Risk:** spilling on the ground/accidental dragging of chemical agents on surface waters;
- **Opportunity:** transition from a linear to a circular economy model.

Description and relevance of the “Health and safety” topic

The Group implements initiatives aimed at protecting the health and safety of employees and workers of the contractor companies with which it collaborates and at guaranteeing a healthy workplace.

Impacts along the value chain

1. Inside-out perspective (impacts on the external context)

- **Risk:** fire risk with consequences to the health and safety of workers, in particular of contractors at the Group’s shipyards, arising from the mixing of incompatible production waste;
- **Risk:** increase in occupational diseases due to the inhalation of dangerous chemical substances, such as styrene, among the workers of Group’s contractors;
- **Risk:** negative impact on the health and safety of contractors’ workers due to a poor understanding of the provisions and documentation made available on the subject, resulting from language problems;
- **Opportunity:** decrease in occupational diseases associated with styrene inhalation, through the implementation of the infusion technique.

Key stakeholders

Suppliers and contractors
Environment
Employees

Adopted Policies, Programmes and Certifications

Environmental Policy
ISO 14001
Safety Policy
ISO 45001



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NOTES

- 1 © The Environmental Policy was last updated in April 2023.
- 2 © Updated to Legislative Decree 77/2021, converted with amendments by Law no. 108 of 29 July 2021.
- 3 © Volatile organic compounds.
- 4 © Medium Density Fibreboard, a wood derivative.
- 5 © Identified in Volume 62 of the monographs on the assessment of carcinogenic risks to human health “Wood Dust and Formaldehyde” published by the International Agency for Research on Cancer (Lyon 1995) to which Italian Legislative Decree no. 81/2008 refers.
- 6 © All four Sanlorenzo sites are located in areas considered to be subject to medium to high water stress (20-40%), as reported in the Water Resources Institute’s “The Aqueduct Water Risk Atlas” database. Water stress is assessed on the basis of the availability, quality or accessibility of water in a given area, and therefore, in accordance with the definition given by the GRI Standards, it refers to the ability, or lack thereof, of such area to meet the human and ecological demand for water.
- 7 © Since these are water withdrawals for human purposes, it is estimated that the total water withdrawn is equal to the water discharged. Therefore water consumption – calculated as the difference between withdrawals and discharges – is not significant.
- 8 © The data on withdrawals from both wells are derived from the Company’s annual reporting to the Province of La Spezia.
- 9 © Reference law: Regional Law no. 12 of 22 February 1995.
- 10 © Pursuant to the “Natura 2000” ecological network established by Directive 43/1992/EEC29 and subsequent amendments.
- 11 © Reference law: Tuscany Regional Law n. 24 of 16 March 1994.
- 12 © Regional Law no. 30 of 19 March 2015, “Regulations for the protection and enhancement of the regional natural-environmental heritage”.
- 13 © Directive 92/43/EEC as amended.
- 14 © “Man and Biosphere” (MAB) UNESCO programme.
- 15 © The scaffolding used at Sanlorenzo shipyards are set up with reference to the “PiMUS” (i.e. the assembly, use and disassembly plan) of the same, which must also be consulted by the staff assigned to the work in order for them to be familiar with all the measures required to ensure maximum safety at height.
- 16 © More information in this regard is given in the Annexes, in the “Technical insights” section.
- 17 © The rate is calculated as the ratio of the number of recordable injuries occurred during the year, excluding commuting incidents, to the total number of hours worked during the year. The rate is calculated based on 1,000,000 hours worked. Given that no injury was recorded among the other subsidiary companies’ contractors, this rate was calculated considering only Sanlorenzo and Bluegame’s data.

SUPPLY CHAIN: A SHARED COMMITMENT





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Commitment across the entire supply chain is a key pillar of the Group's approach to responsible development, particularly with regard to the ethical aspects and responsibilities of the supply chain, as well as the relationship with suppliers in the social and environmental area.

Suppliers of goods and services (the latter, defined as contractors) are key strategic partners in ensuring the continuity and development of our business. The Group's **strategic focus** permeates all stages of the relationship with these partners, from selection, to qualification, up to the daily management of the relationship with each and every one of them.

The distinctiveness of the Sanlorenzo and Bluegame yachts lies precisely in the **technical skills** and **craftsmanship** of the workers responsible for the individual processes. In these processes, in fact, the direct intervention of the Group's staff is limited to the organisation, control and supervision phases and, if necessary, to performing certain handling operations.

The search for **high-quality raw materials** that comply with the technical specifications and

production standards defined by the Group plays an equally central role. To this end, Group companies turn to leading suppliers with whom they establish **long-lasting relationships**.

These aspects highlight the reasons underlying the Group's desire to make the **strengthening of its supply chain** one of the key drivers of its growth and evolution strategy of the next decade (for more details see "The strategic guidelines of the Group" section). This overall objective is supported by the following aims:

- ensuring the supply of key materials and works;
- increasing the available production capacity;
- increasing the agility and flexibility of production processes;
- ensuring strict production quality control;
- extending the Group's standards of responsibility and sustainability along the entire supply chain.

The strategic investments made by the Group during 2023 are in line with this growth strategy (for more details see the "Description of the Group's supply chain" section).





5.1 DESCRIPTION OF THE GROUP'S SUPPLY CHAIN

The search for and selection of suppliers and contractors is carried out internally through the **Procurement Offices**, specific to each Business Unit (Yacht, Superyacht and Bluegame). A distinctive feature characterising the Group is the **synergy between the Procurement Offices**, a function of a corporate nature, and the **Supply Chain Function**, which optimises and supports production, ensuring maximum flexibility and speed in responding to shipowners' requests.

In particular, at Sanlorenzo the Supply Chain Function is integrated as a business function that reports directly to Operations for the Yacht Business Unit and to the President for the Superyacht Business Unit. At Bluegame, the Supply Chain Function reports directly to the Procurement Office (the two departments are not as distinct as is the case for the Parent Company), which in turn reports directly to the CEO. The administrative area of the subsidiary, in turn, coordinates with the respective functions of Sanlorenzo.

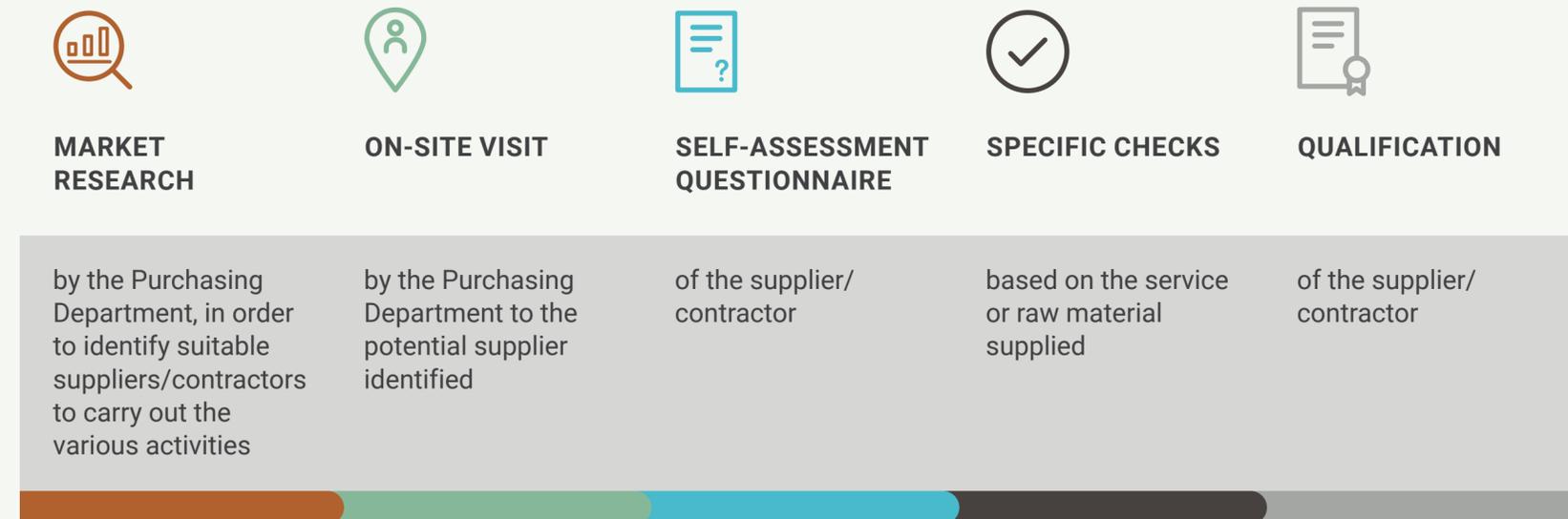
Moreover, the Ameglia, Viareggio, La Spezia and Massa shipyards also include an Office dealing with the supply chain.

This organisational structure is supported by a Strategic Committee, composed of the Chairman and CEO, the General Manager and Managing Director of Sanlorenzo, the President of the Yacht Business Unit, the Managing Director of Sanlorenzo and CEO of Bluegame, the Group HR Manager and the Group CFO.

The organisational structure thus defined allows the two companies to **operate in a uniform and synergetic way**. The Group, which is constantly growing, is always on the lookout for new suppliers.

With reference to the first stages of managing the relationship with these partners, the process is organised as described beside (see Figure 5.1).

FIGURE 5.1 – THE SUPPLIER/CONTRACTOR SELECTION PROCESS





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In particular, the initial assessment of the supplier or contractor is based on compliance with the following criteria:

- **lawfulness** of operations;
- **expertise and production capacity**, in line with the needs set out in the orders in terms of technical aspects, quality and organisational reliability;
- **competitiveness and quality** of the end result;
- **fairness** towards the Group;
- **respectability, reputation and equal opportunities** for each supplier;
- **economic and financial soundness**, to make sure – using tools such as Cerved – that the supplier/contractor is able to independently manage and complete the required activities;
- **competitiveness of the price** of the materials and services offered;
- **geographical location**, seeking to favour local firms as much as possible, so as to enhance and empower the community in which the Group operates and, more broadly, the Italian territory and Made in Italy. This choice not only allows the income generated to be redistributed fairly, but also offers multiple advantages in terms of logistical practicality, since the contractors must be physically present at the Group's shipyards.

Suppliers and contractors who meet the criteria listed above are subsequently involved in an **on-site** visit conducted by the Procurement Offices, often with the support of other corporate functions engaged in the process as needed (for example, the technical office and the quality office). These

on-site visits are a key element in the selection and information collection process and, in particular, are aimed at verifying the following aspects:

- availability of technical staff and compliance of working conditions with the minimum social guarantees in terms of respect for fundamental human rights, international conventions and applicable laws;
- availability of all the necessary facilities for carrying out the required work/supplies;
- compliance with technical and organisational requirements (such as tools, machinery and equipment);
- compliance with the requirements laid down with regard to organisational controls in the health, safety and environment fields, including obtaining the relevant certification as applicable;
- management and control methods of the supply chain (sub-suppliers/sub-contractors).

Further specific controls may follow, as in the case, for example, of supplies of **raw materials**, for which the Group carries out an initial sampling to verify their quality, reliability and safety. With reference to the three production Business Units, in 2023 the following changes were made to the supply chains. Specifically, as regards the Yacht Business Unit, the new suppliers of raw materials and components¹ qualified during the year amount to 30, plus 40 new manufacturing contractors². For the Superyacht Business Unit, instead, there was the entry of 89 new suppliers of raw materials and components and 12 new

contractors. Finally, Bluegame has seen a significant increase of contractors, reaching a total of 67, and also an increase in suppliers of raw materials and components.

To date, there are therefore **3,678 active suppliers** (2,790 for Sanlorenzo and 888 for Bluegame), of which 3,253 are suppliers of raw materials and components (2,652 for Sanlorenzo and 601 for Bluegame) and 205 are manufacturing contractors (138 for Sanlorenzo and 67 for Bluegame).

TABLE 5.1 – SANLORENZO'S AND BLUEGAME'S SUPPLIERS AND CONTRACTORS³

	YACHT BUSINESS UNIT	SUPERYACHT BUSINESS UNIT	BLUEGAME
	2023	2023	2023
New suppliers of raw materials and components	30	89	70
New manufacturing contractors	40	12	21

	SANLORENZO		BLUEGAME	
	2023	2022	2023	2022
Total number of active suppliers	2,790	2,619	888	818
Total number of active suppliers of raw materials	2,652	2,470	601	580
Total number of manufacturing contractors	138	–	67	--



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The Group's supply chain also includes suppliers that support the corporate structure, for example in the areas of IT, marketing, maintenance and facility materials.

The total volume of the Group's procurement expenditure in 2023 amounts to approximately Euro 722 million (approximately Euro 645 million in 2022), of which 35% paid to local suppliers⁴.

As specified in the previous Non-Financial Statement, during 2022 the yachting sector was affected by the increase in raw material prices. The Group was able to manage and offset the impact of this increase through the diversification of suppliers, favouring multi-year contracts with set prices, also thanks to the optimisation of production planning resulting from its large order portfolio and the verticalisation strategy adopted in key supply chains starting in 2022. This price increase trend slowed down during 2023, while the problem related to the search for contractors in areas with the greatest presence of industry operators has intensified. In particular, to mitigate this challenge related to procurement and territory, the Group has expanded its activities in Lombardy (with the production of transportable boats).

Moreover, an effort was made to collect all the necessary information on the materials used, allowing to identify new suppliers in addition to those generally considered by contractors. Specific framework agreements were signed with them with a duration of no less than 3-4 years, adopting a medium/long-term business vision. These agreements make it possible to formalise guarantee clauses aimed at maintaining inventories with suppliers of strategic materials. The Group's ability to anticipate and forecast orders over the medium to long term was once again confirmed in 2023, while at the same time trying to manage the Company's warehouse spaces as effectively as possible.

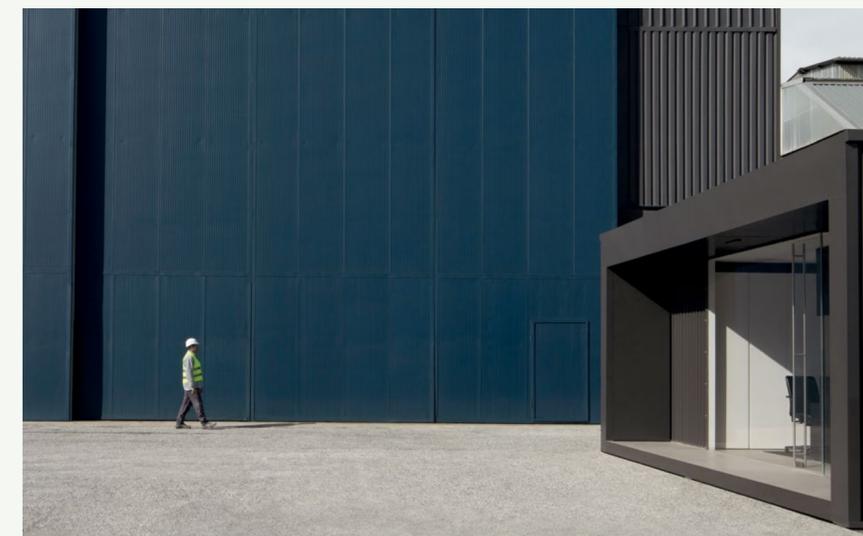
The continuity of production is also guaranteed through the development of **corporate alliances** relating to fibreglass processing and work on the hulls of yachts longer than 44 metres.

The production chain involves thousands of artisanal firms of absolute excellence, which are a key element of the Sanlorenzo Group's business model. For these reasons, the Sanlorenzo Group has implemented various projects to support the supply chain in recent years. Following the agreement signed in 2020 with two major banking institutions, the Confirming programme was strengthened in 2022 with the entry of a third institution, making available approximately Euro 120 million of credit lines for Sanlorenzo and Bluegame suppliers, which are thus able to discount the invoices due to Sanlorenzo and Bluegame without recourse, at advantageous interest rates. To date, this programme has been adopted by over 125 suppliers, and has recently been supported and completed by the launch of the innovative Dynamic Discounting project, through which suppliers can obtain the advance payment of invoices at preferential conditions. Since the start of the new programme, the suppliers using the platform – currently totalling 45 – have discounted more than 2,000 invoices for a total amount in excess of Euro 28 million.

The additional critical factor that has recently influenced supply chains, with specific reference to processing, is the **shortage of technical manpower**. The Group tries to address this challenge through the training offered by the **Sanlorenzo Academy**, from which contractors can draw to recruit new resources. The **collaboration with Confindustria La Spezia** further complements this channel, in particular in the context of the B2B Mare La Spezia event, organised by the association and in which the Group participates with the aim of promoting collaboration with local supplier companies and making the most of the local know-how.

VERTICALISATION OF THE SUPPLY CHAIN

Starting in 2022, the Group has embarked on a strategy of verticalisation in key production chains, through partnerships and investments in strategic suppliers. These are aimed at ensuring the supply of strategic materials and processing, increasing production capacity, increasing the agility and flexibility of production processes, maintaining a strict quality control and extending Sanlorenzo Group's standards of responsibility and sustainability to the supply chain. In addition to the companies Duerre S.r.l., I.C.Y. S.r.l. and Sea Energy S.r.l., included in the scope of the current document since Sanlorenzo holds a stake of more than 50%, the Group has invested in the capital of other key suppliers such as Carpensalda Yacht Division S.r.l., specialised in metal carpentry, and its subsidiary Sa.La. S.r.l., specialised in sheet metal shaping.





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5.2 ETHICAL AND RESPONSIBLE SUPPLY CHAIN

There is an ongoing dialogue with players in the supply chain, and any problems and risks are discussed, evaluated and addressed collaboratively, often through face-to-face meetings.

Particularly with reference to contractors, this **partnership and joint growth approach** allows the Group to rely on long-term relationships, thus helping to keep turnover rates low.

The Group is committed to ensuring that the management of relations with suppliers and contractors reflects and maintains a **constant alignment with the highest national and international standards in terms of quality, safety, social and environmental issues**. Particular attention is paid to **respect for fundamental human and labour rights**, so that suppliers and contractors, and related sub-suppliers and sub-contractors are not complicit in any abuses. The relationship between Group Companies and their suppliers and contractors is, in fact, governed by a **Framework Agreement** within which all the following contractual documents are referred to:

- the **General Terms and Conditions of Purchase** or the General Terms and **Conditions of Contract (CGA)**, which, by accepting the Order in which they are expressly referred to, the suppliers and contractors undertake to fully read, understand and comply with. The issues

governed by these documents also include aspects concerning the phenomenon of illegal hiring, in line with what is set out in the “Memorandum of understanding to combat labour exploitation and illegal labour brokering in the yachting sector”;

- reference **technical specifications**;
- the **Quality Booklets**, which serve as the support base for the Quality Office during systematic and daily inspections on board the yachts during all stages of production (for more details see the “Timeless quality” section);
- the **economic conditions** of supply;
- in the case of contractors, the **production planning** for the period established by the Framework Agreement;
- the **forecast plan** containing details on the order lead time, with a Gantt chart to support and align with Production for this purpose;
- the **order form**;
- any **operating instructions** for **packaging** and **transport**.

Similarly, suppliers and contractors are asked to read, understand and accept the provisions included in the Group’s Code of Ethics and Model 231. Moreover, the list of documents required of suppliers and contractors to access the Sanlorenzo and Bluegame shipyards was further integrated, as part of the project to **improve the**

document verification carried out by the Company on its contracts.

Finally, the supply chain mapping activity continued during the year. This was originally launched in 2021, through the selection of a sample that was then asked to complete a self-assessment questionnaire on ESG topics. A total of 119 responses were obtained, which made it possible to gain an initial view of how the Group’s suppliers and contractors approach these aspects. In order to take advantage of a standardised question scheme aligned with European regulations, but also to obtain results that are recognised outside the Group, in 2023 it was decided to identify an external platform to be used for this purpose. The selected tool is Open-Es, with which an agreement was reached at the end of the year and which will thus be implemented as of 2024. To implement the tool, a new sample of suppliers to be surveyed has already been defined, prioritising them according to risk criteria. The three factors identified are:

- **Country Risk**: a standard score assigned by the Global Risk Profile to all countries in the world, considered with reference to both the country where the Group’s distributor is located, as well as that of the parent company;
- **Sector Risk**: risk classification assigned to 13 manufacturing sectors clusters by S&P Global⁵;

- **Material Risk**: risk score assigned by the Group to the various critical materials that its suppliers handle.

By first selecting the Group’s significant suppliers, it was possible to calculate an overall risk coefficient for each one of them. The companies that will be asked to complete the Open-Es questionnaire in 2024 will therefore be those with a higher overall score.

THE VALUES UNDERLYING THE RELATIONSHIP BETWEEN THE GROUP AND ITS SUPPLIERS/CONTRACTORS

- Transparency
- Loyalty
- Integrity
- Confidentiality
- Due diligence
- Professionalism



5.3 RULES GOVERNING RELATIONS WITH SUPPLIERS IN SOCIAL AND ENVIRONMENTAL MATTERS

RULES GOVERNING RELATIONS WITH SUPPLIERS IN SOCIAL MATTERS

The assessments carried out in the social area through documentary checks concern the contractor's/supplier's ability to ensure the correct and timely payment of remuneration, in terms of salary and contributions, to employees who must be regularly employed by the company. In addition, they must comply with the regulations on the prevention of work-related injuries. As far as contractors operating on the Group's shipyards are concerned, the Company's Works Supervisor and/or Site Manager are expected to be present on site during full working hours. These figures are in charge of ensuring the correct technical management of the works specified in the contract, the proper behaviour of all employees and their full and continued compliance with any applicable environmental, fire prevention and occupational health and safety regulations (for more details see the "Technical insights" section). The number of contractors' employees who work on the Group's shipyards on a daily basis may vary slightly depending on current orders and seasonality. In 2023, there were **2,700 employees from such firms, between 500 and 900 at each shipyard**. Each one carries an identification card

(badge), with photo and details of their company, which must be displayed at all times during the working day.

In 2023, the Group strengthened its measures concerning the containment of the **phenomenon of illegal hiring**, which represents a widespread risk within the marine industry. In this regard, it should be pointed out that in 2021 the Group signed the Memorandum of understanding to combat labour exploitation and illegal labour brokering in the yachting sector⁶ – valid for a two-year period – in which it undertook to adopt all the necessary measures to combat undeclared work practices, helping to disseminate a culture of legality and the performance of contracting activities in full compliance with national regulations concerning employment relations as well as social security contributions, insurance and occupational safety requirements by companies in the sector.

In fact, during the current financial year, this commitment has translated into two main initiatives: the launch, in November, of an **information and intercultural mediation help desk at each of the Sanlorenzo shipyards** and the offer

of training courses, held by cultural mediators, for foreign workers and for contractors' employees in charge of contract management and of related checks.

Finally, in the event of **subcontracting** – which must be used in limited and justified cases and which must be authorised by Sanlorenzo and Bluegame after verifying the existence of the technical-professional and economic skills and the existence of a procurement contract signed by the contractor and by the subcontractor – the management of aspects concerning employee protection is entrusted directly to the contractor. Once authorisation has been obtained, subcontracting is governed according to the provisions set out in the relevant General Terms and Conditions of Contract (CGA).

RULES GOVERNING RELATIONS WITH SUPPLIERS IN ENVIRONMENTAL MATTERS

From an environmental point of view, the General Terms and Conditions of Contract (CGA) require contractors to carry out the contracted activities in compliance with the environmental conditions and requirements defined by the Environmental Management System (EMS) in force for the

reference shipyard. Particular attention is paid to the work carried out at the Ameglia shipyard, where, in addition to the provisions of the ISO 14001:2015 standard, compliance with the technical standards defined by the Montemarcello-Magra-Vara Park Authority is required (for more details see the "Sustainability of production processes: promoting excellence while protecting the environment" section). In particular, as far as ISO 14001 certification is concerned, Sanlorenzo, Bluegame and ICY have obtained this certification for all their shipyards. Moreover, special attention is paid to waste management, with particular reference to any processing residues (such as packaging, materials and raw materials of normal use and consumption), which the Group takes care of by informing the contractor on relevant disposal procedures.



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THE SANLORENZO MODEL OF CULTURAL INTEGRATION

INSIGHT

On 26 October 2023, in a meeting with the company's Unitary Trade Union Representation (RSU), Sanlorenzo and Bluegame agreed on the renewal of the Corporate Supplementary Agreement for the 2023-2026 four-year period. One of the main points covered by Industrial Relations, starting with the provisions already included in the previous Agreement dated 4 December 2020, was the introduction of a business model aimed at accompanying foreign workers employed by contractors on a path of cultural integration.

The first initiative consists of the cultural mediation helpdesks, aimed at promoting communication between individuals of different cultures and languages, but also created with the goal of providing assistance and guidance to local services and streamlining the use of public services.

The helpdesks were piloted during 2023 and, also taking into consideration the provisions of the Protocol to combat illegal hiring, the project is expected to be implemented at each of Sanlorenzo's four sites by 1 March 2024.

In addition to this initiative, to facilitate the integration process of foreign workers who are part of the Group's supply chain, the new Corporate Supplementary Agreement also provides for the launch of language literacy and civic training courses. Spaces at Sanlorenzo's shipyards will be made available for the meetings.





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CHAPTER OVERVIEW: TECHNICAL DETAILS

Reference GRIs

2-6; 2-29; 3-3; 204-1

Reference SDGs



indirect contribution



target: 8.2

Ten Principles of the UN Global Compact

Principle 1 – Support and respect the protection of internationally proclaimed human rights

Principle II – Not to be, even indirectly, complicit in human rights abuses

Principle IV – Uphold the elimination of all forms of forced and compulsory labour

Principle V – Uphold the effective abolition of child labour

Principle VI – Uphold the elimination of discrimination in respect of employment and occupation

Principle VIII – Undertake initiatives to promote greater environmental responsibility

Description and relevance of the “Sustainable management of the supply chain” topic

For the Group, ensuring sustainable management of the supply chain means gearing relations with suppliers and contractors towards mutual growth and value creation, supporting the improvement of their environmental, social, economic, governance and ethical performance, in terms of risk mitigation, management process innovation, increased operational efficiency and promotion of responsible governance procedures.

Impacts along the value chain

1. Inside-out perspective (impacts on the external context)

- **Risk:** environmental impacts related to the activities carried out by the Group's suppliers and contractors (waste production, energy consumption and air emissions);
- **Risk:** social impacts related to the activities carried out by the Group's suppliers and contractors (failure to respect human and workers' rights);
- **Risk:** loss of value for the local area and community, as a result of a lack of collaboration between the Group and its network of suppliers – both

with a view to optimising relationships and to starting a path of continuous growth through learning economies;

- **Opportunity:** creation of a local economic spin-off;
 - **Opportunity:** promotion of a fair redistribution of contracts and supplies;
 - **Opportunity:** implementation of awareness-raising policies on sustainability issues and improvement of the ESG performance of the Group's suppliers, through the influence that the Group has on them.
2. Outside-in perspective (impacts on Group cash flows)
- **Risk:** decrease in revenues in the event of requests from the shipowner regarding the use of sustainable materials on board, which the Group's suppliers cannot satisfy;
 - **Risk:** potential loss of access to credit at advantageous conditions, and depreciation of shares on the stock market as a result of the impossibility to guarantee the sustainability of the Group's supply chain (for example, use of unsustainable materials, lack of transparency on the traceability of raw materials, etc.);
 - **Risk:** reputational, as a result of actions/conduct not aligned with sustainability principles by the Group's suppliers and/or contractors.
 - **Opportunity:** investment in strengthening the supply chain, including from the point of view of the relative sustainability performance, with consequent improvement in the perception/reputation of the Group, increase in revenues and better access to credit.

Description and relevance of the “Health and safety” topic

The Group implements initiatives aimed at protecting the health and safety of employees and workers of the contractor companies with which it collaborates and at guaranteeing a healthy workplace.

Impatti lungo la catena del valore

2. Outside-in perspective (impacts on Group cash flows)

- **Risk:** fire risk with consequences to the health and safety of workers, in particular of contractors at the Group's shipyards, arising from the mixing of incompatible production waste;
- **Risk:** increase in occupational diseases due to the inhalation of dangerous chemical substances, such as styrene, among the workers of Group's contractors;
- **Risk:** negative impact on the health and safety of contractors' workers due to a poor understanding of the provisions and documentation made available on the subject, resulting from language problems;

- **Opportunity:** decrease in occupational diseases associated with styrene inhalation, through the implementation of the infusion technique.

Description and relevance of the “Protection of fundamental human and workers' rights” topic

The management of people within the Company, as well as relations with suppliers and contractors, are based on the promotion, respect and protection of fundamental human and workers' rights, including, for example, the prohibition of discrimination, equal pay for staff, and the protection of trade union activities.

Impatti lungo la catena del valore

1. Inside-out perspective (impacts on the external context)

- **Risk:** failure to respect human and workers' rights, in business activities and along the Group's value chain;
- **Risk:** contribution to the increase in the phenomenon of illegal hiring within the Group's shipyards, due to insufficient supervision of the operations carried out by contractors;
- **Risk:** forced or compulsory labour within the Group's supply chain in countries potentially exposed to this risk, with respect to which the Group could contribute indirectly, by not implementing adequate control and verification measures;
- **Opportunity:** fight against illegal hiring, through the Group's participation in initiatives to combat labour exploitation and illegal labour brokering in the yachting sector, contributing to the protection of human rights in the sector;
- **Opportunity:** protection of fundamental human and workers' rights through the sharing, with contractors and suppliers of materials, of general terms and conditions of contract and supply containing specific clauses on the subject.

Stakeholder chiave

Suppliers and contractors

Environment

Policy, Programmi e Certificazioni adottati

Safety Policy

General Terms and Conditions of Purchase and of Contract

ISO 45001



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NOTES

1 © This includes suppliers of: steel parts (for example, portholes, stern doors, chains and anchors); fibreglass details to complement and integrate the main parts of the hull, deck and superstructure; fibreglass raw materials for the lamination and bodywork of semi-finished products; external glasses; materials for on-board electronics; appliances; fire-fighting system materials; air conditioning system materials; parts for propulsion systems; generator system materials; bow thrusters and stabiliser fins; steering system, flaps, propellers; bathroom accessories, taps and fittings; interior furnishings; outdoor furnishings; kitchen components and accessories; cushions; tenders; outdoor tables and seating, teak details; equipment.

2 © In addition to providing the material necessary to perform a specific type of service/contract, contractors also provide the relative manpower to install it according to the standards required by the shipyard. Such suppliers include those involved in: lamination of the fibreglass mouldings (hull, deck and steel superstructure); construction of steel/aluminium semi-finished products; construction of the bodywork and painting of the fibreglass mouldings; construction of internal resin-coating; construction of the electrical system; fitting out of the technical rooms, engine room and external assembly; construction of the hydraulic system; construction of internal carpentry; preparation/assembly of furniture; window assembly; installation/construction of internal insulation; supply and installation of teak decks and accessories; construction of the audio/video system; construction of external carpentry; supply and installation of marble.

3 © Data for 2023 were collected with an updated methodology compared to the one used in the previous NFS.

4 © For Sanlorenzo S.p.A. “local suppliers” refer to all those suppliers based in the provinces of La Spezia, Massa Carrara and Lucca. For Bluegame S.r.l., instead, “local suppliers” refer to all those suppliers based in the provinces of La Spezia, Massa Carrara, Lucca and Brescia.

5 © https://www.spglobal.com/marketintelligence/en/documents/theesgriskatlassectorandregionalrationalesandscores_july-22-2020.pdf

6 © The Protocol was signed in July 2021 by the Prefecture of La Spezia, Confindustria La Spezia, the Port System Authority of the Eastern Ligurian Sea, the Territorial Labour Inspectorate, ASL (i.e. the local health authority) no. 5 of La Spezia, INPS, INAIL, CGIL, CISL and UIL.

SANLORENZO

PEOPLE: GROWING WHILE SHARING COMMON GOALS

DAY
ONE

DAY
ONE





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6.1 HUMAN CAPITAL

In managing its human resources, the Group is committed to creating an optimal working environment, with the goal of providing each individual with a comfortable environment in which to feel at ease, and in which their skills are recognised and their contribution valued.

Sanlorenzo's **Human Resources Function** is responsible for the administrative management of staff as far as the Parent Company, Bluegame and Sanlorenzo Arbatax are concerned, while the other companies are managed independently by consultants, with oversight carried out at the Parent Company level.

The significant commitment dedicated to the Human Resources sector in the last year is clearly reflected in the new **Corporate Supplementary Agreement of Sanlorenzo and Bluegame, signed on 26 October**, which relies on three key pillars: Innovation, Sustainability and Inclusion.

This Second-Level Agreement was unanimously adopted during the meetings held, marking a turning point in the marine industry.

The Agreement, focused on the needs of Sanlorenzo's People, will be valid from 2023 to 2026 and covers the following main issues:

- The creation of an **innovative and unique cultural integration model**;
- The **corporate welfare programme**, renamed SLPeople.Care, which develops along three key lines: education, family and leisure;
- A **redefinition of the performance bonus parameters**, which now include ESG and incentives for individual and collective training on behavioural and cultural safety.

Massimo Perotti, Executive Chairman of the Sanlorenzo Group, had the following inspiring words to share in this regard: "This agreement represents a significant step in our journey. Together, we will continue to build a working environment that promotes the well-being and growth of each member of our valued team."

MISSION

"To ensure ethical and efficient HR management, guaranteeing a positive working environment respectful of differences, fostering accountability and collaboration, supporting the business, developing work-life balance policies, investing in the training and skills development of the Company's human capital, facilitating internal mobility through career planning and steering labour relations."

VISION

"To create an ideal working environment, where people make excellent products for the customer."



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OUR PEOPLE

In 2023, the Group employed 1,065 resources, taking into account all Italian and foreign companies.

The employees of Sanlorenzo e Bluegame are organised according to the following **four professional categories**: Executives (to whom the Industry Executives national collective bargaining agreement applies); Middle managers, Office workers and Manual workers (to whom the Rubber, Plastics, Metalworking and Mechanical Engineering national collective bargaining agreement applies). With reference to the subsidiaries, the Wood and Industrial Furniture national collective bargaining agreement applies to Duerre and ICY, while the Metalworking and Mechanical Engineering national collective bargaining agreement applies to Engineering Polo Nautico. With reference, instead, to the American subsidiary, in line with local legislation, there is no coverage for employees in terms of collective bargaining. In 2023, 78% of Sanlorenzo's and 50% of Bluegame's senior managers have been hired locally, a percentage which at the Group level is equal to 74%. The above staff is further complemented by trainees, formally non-employee workers of the various Group companies, who in 2023 amounted to 36. In addition to the latter, non-employee workers also include the contractors' staff working at the Group's sites. They include woodworkers, electricians, carpenters and craftsmen.

TALENT ACQUISITION

Right from the talent attraction and selection phase, Sanlorenzo adopts criteria of fairness and merit, principles that permeate all phases of the employee's working life. The search focuses on highly qualified and motivated individuals, with a strong passion for the sea and yachting.

The management of this initial phase, which is fundamental for effectively building the subsequent working relationship, is manifested through the Group's commitment to provide recruits with all the tools they need to grow and discover their own excellence, embarking on a stimulating professional journey which, over time,

will contribute to the development of the new generations of the Company. At the beginning of the year, a hiring budget is set based on the number of resources needed, the seniority required and the estimated hiring date. Subsequently, a pipeline is defined and the Talent Acquisition team initiates the selection process, on the basis of the closest hiring dates identified or of internal needs. In the event of special needs or requirements for additional staff over and above the budget, an approval process is initiated involving the Area Managers, the Presidents of the different Business Units and, ultimately, the Chief Executive Officer.

In order **to attract the most qualified talent**, new partnerships have been established since 2022 and existing ties have been strengthened with leading internationally-renowned Business Schools. This effort initially focuses on the acquisition of new talented staff, but later also pays close attention to development and training fronts, offering opportunities such as Master's Degrees and training initiatives through educational institutions. This issue is part of the Company's updated roadmap, which is currently being defined, with the aim of implementing further initiatives with universities in 2024. Potential candidates have many channels at their disposal to contact the Group, differentiated according to the type of open position and the professional figure sought (see Figure 6.3). Once the CVs have been short-listed, the selection process is broken down into various phases aimed at assessing the candidates' skills and motivation with respect to the role and working environment, as summarised in the figure below. Digital forms for the selection process are currently being developed: Sanlorenzo is, in fact, working on an application that allows CVs to be catalogued. The end of the activity is scheduled for 2024 (for more details see the "Human Capital Management System" insight). In addition, a new process introduced in 2023 concerns internal job postings, allowing Sanlorenzo employees to apply for new open positions on a priority basis. Only after this step, the job offer is also posted externally.

FIGURE 6.1 – STAFF TRENDS IN THE 2021-2023 THREE-YEAR PERIOD, SANLORENZO GROUP

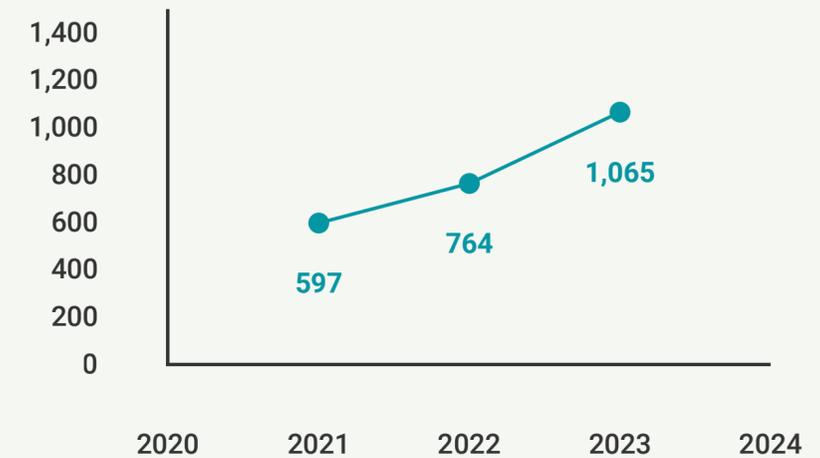
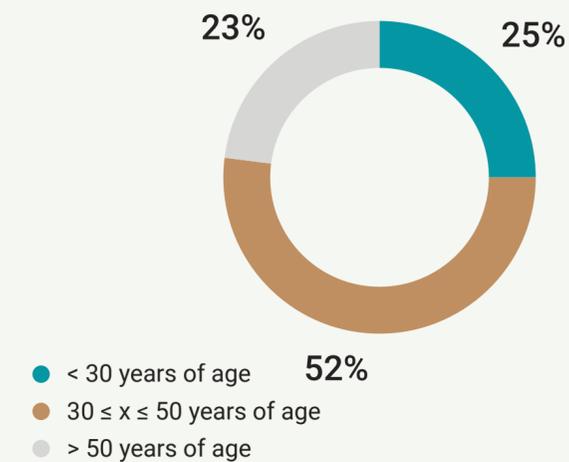


FIGURE 6.2 – BREAKDOWN OF GROUP STAFF BY AGE GROUP





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THE CHANNELS OF CONTACT WITH THE COMPANY FOR THE FUTURE RESOURCES

FIGURE 6.3 – METHODS, CHANNELS AND SELECTION PROCESS

FOR MORE JUNIOR RESOURCES

UNIVERSITY CAREER ORIENTATION DAYS

In collaboration with national and local universities (for example, University of Genoa, University of Pisa, Milan Polytechnic).

PAID CURRICULAR INTERNSHIPS AND THESIS PROJECTS

PAID EXTRA-CURRICULAR INTERNSHIPS (6 MONTHS AND MORE)

In collaboration with the universities mentioned above, as well as the Turin Polytechnic, the University of Bologna (Master's in Composite Materials), the University of Parma, the University of Florence, the University of Modena-Reggio Emilia and the European Institute of Design (IED).

SCHOOL/WORK ALTERNATION PROGRAMME (HIGH SCHOOL STUDENTS)

Project dedicated to high school students – including in the summer period – to experience corporate life and learn more about the trade. Participants have canteen costs covered.

SANLORENZO ACADEMY

Through the technical-professional training provided by the different courses of the Sanlorenzo Academy, which has the aim to train professional figures for the Organization. The learning takes place through in-class activities, laboratories and meetings, which can lead to an internship to strengthen various skills.

SPECIAL PROJECTS

Involvement of university students through special projects, such as the MILDS project focused on technological and business innovation, organised in collaboration with the Alta Scuola Politecnica.

FOR OTHER RESOURCES

UNSOLICITED APPLICATION

- Application submitted by uploading the candidate's CV in the "Work with us" section of the Sanlorenzo website, where it is possible to add information of a motivational and organisational nature (e.g. personal logistical needs)

CURRENT OPENINGS

- Application submitted through the "Work with us" section of the Sanlorenzo website, in response to the specific open positions
- Application through the Sanlorenzo institutional channel on the reference professional social media networks (for example, LinkedIn)
- Direct headhunting by the Sanlorenzo functions in charge
- Headhunting through external professional agencies for key corporate figures



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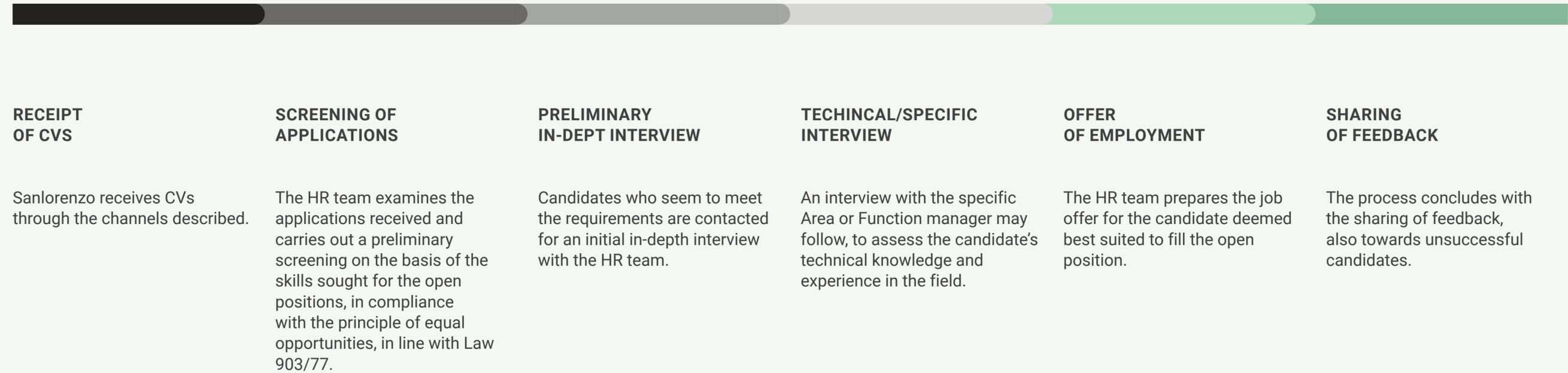
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STAGES OF THE SELECTION PROCESS

FIGURE 6.3 – METHODS, CHANNELS AND SELECTION PROCESS





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At the beginning of their career at Group companies, new hires receive a **Welcome Kit** intended to convey the passion, tradition and forward-looking approach intrinsic to the Group’s way of working. The Kit contains various documents, including the main human resource management policies and internal procedures in force, as well as the Code of Ethics, the Sanlorenzo Logbook and some videos that narrate the identity of the Sanlorenzo and Bluegame brands and the Group’s NFS.

This is followed by the **onboarding** activity, a welcome day held on the 16th day of the month with all new hires, regardless of their function, location and role.

Onboarding consists of a training day that sees the participation of various company figures, who organise an institutional presentation of the Group and a visit to the shipyard. In addition to providing new hires with an **appropriate level of knowledge of the history, characteristics and activities of the Group, bringing them closer to the product** and sharing the practical information underlying the working relationship (for example, occupational health and safety regulations), the goal is also to **facilitate and improve cross-functional communication**.

In order to support the Talent Acquisition strategy, two training sessions on recruiting were also organised in 2023 for Business Leaders. The aim of the training is to provide an insight into and learn about the selection process, the main

techniques for using the right levers to attract people, and how to analyse CVs and conduct selection interviews (for more details see the “Development and training” section).

Overall, in 2023 the Group hired 222 people (97% circa at Italian companies), with an incoming turnover of 29% (34% in 2022). At the same time, however, there were also 122 terminations (around 55% at Sanlorenzo), which resulted in an outgoing turnover of circa 16%. More information is provided in the Annexes.

In order to more accurately gauge and map the reasons behind the termination of the employment relationship, in 2021 the Group defined and implemented an **exit interview** process, as a key opportunity for **two-way feedback**. The process allows the Company to collect qualitative feedback to promptly identify the processes and actions to be implemented in order to improve the capacity to retain people in the Company. Starting in 2023, an anonymous questionnaire has also been introduced, which outgoing employees can fill out before the end of the employment relationship.

FIGURE 6.4 – NEW HIRES AND TERMINATIONS¹ IN THE 2021-2023 THREE-YEAR PERIOD, SANLORENZO GROUP



Human Capital Management (HCM) System

Within a broader context of digital transformation, in 2023 Sanlorenzo launched a project for the implementation of a strategic Human Resources Information System (HRIS). The new system supports the business, facilitating issues related to the management of human capital throughout the entire corporate life cycle: from selection, to remuneration, to organisational charts and performance evaluation. An HR information system can facilitate the automation of tasks, the optimisation of processes and communications, as well as contribute to improving governance, in terms of the effectiveness and efficiency of the activities.

The project is focused on three key points:

- Selection module: work began in August with the description of the current process, the ultimate goal being to ensure that the managers concerned have real-time and autonomous visibility of the status of selection processes, of candidates and of any critical issues.
- Personal information module: the purpose is to provide People Managers with access to information regarding their employees.
- Compensation module: aimed at automating the end-to-end process of assigning and evaluating objectives.



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EQUAL OPPORTUNITIES

Valuing diversity and acknowledging **pluralism** are fundamental principles that contribute to creating an **open and stimulating work environment**, ensuring multiple and unique points of view and encouraging discussion, as well as the emergence of innovative ideas and the development of more respectful and inclusive behaviour.

This area is one of the priorities of the implemented roadmap, enabling important actions to be undertaken in the coming year. In fact, a people management approach that is ethical and equal must carefully consider all phases of working life within the company: the recruitment phase, which must be fair and recognise and reward talent, skills and experience; the performance of work activities, which must take place in safety and in full respect of the rights to health, dignity, diversity and inclusion; theoretical and technical training; and the enhancement and professional and personal growth of individuals.

The Group therefore undertakes to **prevent** and – should they occur – to carefully **manage**² any form of conduct that may be viewed as discriminatory, intimidating, offensive, marginalising, violent – either verbally or physically – as well as any form of prejudice directed at employees, based on personal attitudes and characteristics such as ethnic origin, gender, language, religion, disability, ideology, age or sexual orientation, by others colleagues or third parties, such as customers and partners.

In this regard, in 2023 specific training was carried out on the topic of Diversity and Inclusion, through the Skilla Cloud platform, which saw a large participation by company employees: 72 new hires completed this course, for a total of 216 hours on the topic. The measures implemented to date have made it possible, including in the current year, to ascertain that no episodes of discrimination have occurred.

With specific regard to the **gender** aspect, the yachting sector continues to be affected by the legacy of a tradition that has always associated career opportunities in the sector mainly with the male gender. This is particularly true for some professional figures working in the production area.

The Group recognises the importance of moving towards a progressive inclusion of women in the professions of the sector and ensuring equal working conditions, in terms of recognising and valuing each and every person's work.

In 2023, women represent around 27% of the Group's workforce. Women make up around 19% of staff falling into the professional category of Executives and middle managers, around 37% of Office workers and around 6% of the Group's Manual workers (see Figures 6.5 and 6.6).

FIGURE 6.5 – COMPOSITION OF THE GROUP WORKFORCE, BY GENDER (2021-2023)

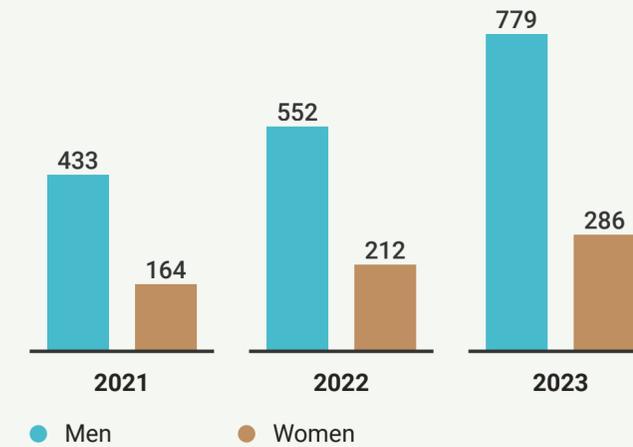
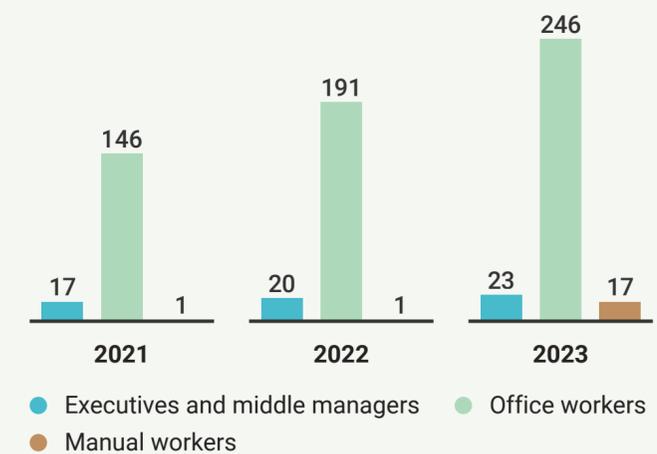


FIGURE 6.6 – EVOLUTION OF THE PRESENCE OF WOMEN IN THE GROUP, BY PROFESSIONAL CATEGORY (2021-2023)





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In line with the main Group internal, as well as national and international, rules, regulations and disciplinary provisions³, the **“Measures to promote equal treatment and opportunities between genders in the company organisation”** – approved by the Company’s Board of Directors in 2021 – formalise the Group’s commitment to guarantee equal employment opportunities and professional advancement, without any discrimination, for all employees on the basis of each individual’s specific professional qualifications and performance capabilities. The implementation of the initiatives provided for in the above-mentioned measures is entrusted to the Human Resources Function, which is asked to develop **action plans** containing specific quantifiable and measurable objectives concerning the promotion of equal treatment and gender opportunities.

To this end, the Function is also tasked with collecting and analysing relevant data to monitor the level of diversity among the Group’s resources⁴. Finally, the Function has the duty to report, at least annually, to the Board of Directors and to the Control, Risk and Sustainability Committee in relation to the application and compliance with the relevant measures, identifying any critical issues or the need for priority action. Regarding in particular the **remuneration** paid to its employees, the Group prohibits any payment lower than that established for individual job levels defined by national or regional collective bargaining agreements stipulated by the most representative trade unions at national level, or remuneration that is disproportionate to the quantity and quality of work performed by the individual. Specifically, the determination of remuneration⁵ is carried out on the basis of the candidate’s experience and competence. In certain situations, additional elements are also taken into account when defining the employment offer, such as, for example, the difficulty of finding the specific professional figure. In Sanlorenzo and Bluegame, the reference basis is the Rubber and Plastics national collective bargaining agreement, through which the correct job level is identified (based

on the responsibilities and decision-making autonomy of the position, as well as the candidate’s experience), to which a super-minimum and a variable bonus can be added according to the role, experience and expertise. At the same time, the balance point with the resources already in force must be found.

The Company has also introduced entry and exit salary bands for apprenticeship contracts. In 2023, the Group measured the possible presence of a gender pay gap within the organisation. With reference to Sanlorenzo, the analysis showed that a pay gap between men and women (both in terms of basic salary and total remuneration) actually exists within the Senior managers, the Middle managers and Office workers professional categories. The basic salary and total remuneration of the only female employee in the Manual workers professional category are instead higher than the average basic salary and remuneration of men in this segment of the employee base. In the case of Bluegame, on the other hand, the existence of a gender pay gap emerged within the Office workers professional category, with reference to both basic salary and total remuneration, and a slight difference in the Middle managers professional category.

As in the case of the gender aspect, the Group’s remuneration policies are developed in such a way as not to allow discriminatory practices based on age in the definition of the remuneration of individual employees. It should also be noted that, in most Group companies, the salary offered to new hires (including younger resources) is higher than the minimum wage set at the local level and never lower (see Table 6.1).

Furthermore, in order to make the most of the opportunities arising from generational differences within the Company – as at 31 December 2023 the average age of the Group’s employees is 40 years, highlighting a greater concentration of employees in the 30-50 age bracket – mentoring between different figures is increasingly encouraged within the organisation. This mentoring allows younger

resources to develop their technical skills, learning from individuals with more seniority in the Company, and at the same time triggers a mechanism of continuous and profitable exchange of ideas and inputs between different generations.

Finally, a further important aspect in the sphere of diversity within the Group is that concerning physical and intellectual disabilities. In particular, in 2023, the Sanlorenzo Group employs 29 individuals (17 in 2022) who are included among the most vulnerable categories, of whom 17 are men and 12 are women. In order to guarantee the best possible inclusion of people with physical or intellectual disabilities in the world of work, Sanlorenzo, with the support of Confindustria La Spezia, has signed an agreement with a local social cooperative to support a more consistent work integration of these vulnerable categories.

The Group has also set itself the goal to formalise a Policy on diversity and inclusion in the near future.

TABLE 6.1 – RATIO OF THE MINIMUM ENTRY LEVEL WAGE COMPARED TO THE LOCAL MINIMUM WAGE, BY COMPANY AND BY GENDER

COMPANY	MEN	WOMEN
Sanlorenzo S.p.A.	103%	105%
Bluegame S.r.l.	105%	104%



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DEVELOPMENT AND TRAINING

Professional and personal growth and the appreciation of the goals achieved by Group employees characterise the guiding principles underlying the daily management of people within the Company. This is put into practice through the offering of training and development opportunities, the definition of specific welfare plans and reward mechanisms, and the creation of channels for listening and direct dialogue between the Group and its People.

Particular attention is given to the **Sanlorenzo Academy**, i.e. the Group's platform for the development of technical, managerial and soft skills. The Sanlorenzo Academy consists of three different dimensions:

1. the first provides for courses aimed at training external individuals with a view to their subsequent inclusion within the Group;
2. the second, internal, provides for a training plan tailored to the needs of Sanlorenzo's People and aimed at the development and growth of the Organisation;
3. finally, the third dimension focuses on the training and hiring of staff to support contractors.

With reference to the external dimension, the Sanlorenzo Academy was founded in 2018 with the goal of promoting training programmes aimed at developing professional figures in the yachting sector, to be employed by the Sanlorenzo Group and its contractors.

The Academy is an ambitious training project focused on graduate students, with the end goal of creating a synergistic link between industry,

training and work. The Academy seeks to anticipate the needs of the market and create new professional opportunities in the reference area. Over time, it has continued to grow and develop and today, in its external dimension, offers diversified training paths, alternating between theoretical learning and practical experimentation opportunities that allow for a unique training experience.

The Yachting Operations Specialist course, launched in October 2023, involves ten students engaged in an intensive 600-hour course, supported by expert staff to put into practice and further develop the technical and management skills acquired in the classroom modules. At the end of the training course, the participants will be able to join the Sanlorenzo Group, thus gaining the necessary experience to respond to our customers' requests with the skill, attention to detail and commitment that have always distinguished us.

In its internal dimension, on the other hand, the Academy aims to develop and enhance the skills, knowledge and above all the **experience** of Sanlorenzo's People. The Academy is structured across three **training pillars: Technical**, linked to technical knowledge and tools to support work-related activities; **Cultural** with a focus on corporate identity; and finally **Managerial**, with the aim to develop managerial, relational and collaboration skills within the Group.

Overall, in 2023 the Group provided a total of **10,615 hours of training** (6,359 hours in 2022). On average each employee therefore received

10.70 hours of training (8.5 in 2022). With specific reference to Sanlorenzo and Bluegame, a total of 10,005 training hours were offered, corresponding to 12.94 hours of training per capita.

Particular emphasis is given to the development of soft skills, for example through the **Leadership Gym – Gain Your Mind** course, which saw the participation of about one thousand employees. The course, divided into four different areas of focus, starts from the idea that our mind must be trained. The more training it receives, the better the individual and team performance. Moreover, leadership requires awareness, evaluation, reflection, focus and training: in other words "putting oneself to the test".

The element that unites the four paths is therefore the goal of training our mind and getting the most out of it, improving ourselves continuously through the development of the mental mechanisms necessary to break the mould and developing greater individual and team awareness.

Various internal training initiatives on flows and processes have been provided in order to encourage a more digital approach. Again with a view to flexibility, the Group has adopted a number of digital platforms for the provision of language and soft skill training. Through the platforms, all employees can independently access content and training courses beneficial for their development. During the second half of the year, the MLU | Managerial Level Up training course was launched for all People Managers with the aim of training and developing key skills for the management

of their employees. The course, which involved over forty People, will involve just as many in the second edition scheduled for 2024.

In addition, twelve Senior Leaders took part in the Group's Mentoring Programme, designed to encourage more and more listening and feedback between different organisational seniorities and generations.

In addition to the above training courses, various training activities were provided during the year to support People in carrying out their daily work as effectively as possible. In order to foster more effective communication between the different functions and/or with the outside world, two dedicated training courses were organised: presentation techniques and effective email writing.

On 25 May, OUR ROAD TO 2030 was held, the first in-house event involving all the Group, which saw the participation of over 700 People. The two-hour meeting was held at the Group's Ameglia Headquarters and saw all participants wearing a t-shirt dedicated to the event.

Other Engagement initiatives were carried out during the year: in particular, in June the entire Administration, Finance and Control function took part in the "AFC – Ambitions in the Future Challenges" initiative. Through activities, group work and feedback, the team was able to focus on the function's main objectives, sharing rules and mechanisms of exchange and interaction.



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DNA & CORE COMPETENCIES

INSIGHT

One of the key points of the HR Roadmap 2023 is the project aimed at defining the identity, values and core competencies of the Sanlorenzo Group. Following a bottom-up approach, the project involved about 10% of the Company's workforce in various initiatives focused on listening and reflecting on the history, values and distinctive characteristics of Sanlorenzo's People and their way of working. Thanks to what emerged from these meetings and the collection of additional feedback through "totems" positioned in the various sites and featuring an interactive QR code, the Sanlorenzo Group's "DNA & CORE COMPETENCIES" model will be communicated starting in early 2024.





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As far as **growth paths** are concerned, **development plans** are centred around key choices that respond to the specific characteristics of people, taking into account the role covered and the task performed.

Moreover, the Group has defined an **MBO** (Management by Objectives) policy – based on an internal policy – aimed at both Parent Company and Bluegame employees, based on the professional category, as well as on the role/function performed within the Company. These policies offer a valid method for evaluating performance based on the results achieved against Group and individual objectives. When these objectives are attained, the variable part of the salary is paid out. Over the course of 2023, these policies were revised, incorporating specific ESG metrics within the mechanism.

With the introduction of the new MBO policy, the **performance evaluation** was formalised and in 2023 it concerned: 86% of managers, 26% of office workers and 6% of manual workers at Sanlorenzo; 83% of executives and 25% of office workers at Bluegame.

With the strengthening of the corporate welfare system, now known as **Sanlorenzo People.Care**, strategic measures have been implemented which develop along three main lines: **Education, Family and Leisure**. In the area of Education, called Edu. Care, **generous contributions are provided for educational attainment**, both for employees and their children. This also includes reimbursement for obtaining a boating licence, with the goal of developing key skills in the yachting industry.

Family.Care initiatives, dedicated to supporting employees with families, instead provide for a **baby bonus** in the event of the birth of a child, **annual contributions for each child** in the form of a Welfare credit for nurseries and extracurricular programmes, a 10% increase in the INPS payment for optional maternity leave and the extension of mandatory paternity leave to 15 days.

Lastly, in the Leisure area, within the Time4.Care programme, an annual **Welfare credit that can be spent on culture, sports and travel** has been introduced, along with other activities aimed at promoting well-being. Significant improvements have also been made with regard to Flexible Working Hours and Remote Work, with the introduction of schemes aimed at enhancing the empowerment of people while supporting better work-life balance.

The benefits included in the corporate welfare plan – managed through a digital platform – are summarised beside (see Table 6.2).

It is also important to underline that, in the Group's Italian companies, the right to parental leave is legally regulated and guaranteed for all employees, regardless of gender.

To enhance the importance of the culture of safety and with the aim of increasingly disseminating it within the organisation, starting from 2023, two new individual indicators linked to the 2023 Performance Bonus have been introduced, thanks to the signing of the new Corporate Supplementary Agreement.

Therefore, part of the Performance Bonus will be

conditional on the completion of the two-hour "Culture of Safety | 1st Edition" training course, designed to provide employees with the key skills needed to foster a safe and secure working environment.

The training will be delivered through a digital platform accessible to all Sanlorenzo Group employees. In addition, important awareness-raising and sharing events will be organised throughout 2024.

TABLE 6.2 – BENEFITS PROVIDED TO PERMANENT AND FULL-TIME EMPLOYEES, BY COMPANY

TYPE OF BENEFIT	SANLORENZO	BLUEGAME
Life insurance	Executives, Middle managers	Executives, Middle managers
Health insurance	Executives, Middle managers, Office workers, Manual workers	Executives, Middle managers, Office workers
Insurance coverage in the event of disability and invalidity	Executives, Middle managers, Office workers, Manual workers	Executives, Middle managers, Office workers
Parental leave	Executives, Middle managers, Office workers, Manual workers	Executives, Middle managers, Office workers
Pension contributions	Executives, Middle managers, Office workers, Manual workers	Executives, Middle managers, Office workers
Stock Option Plan	Executives, Middle managers, Office workers	Executives, Middle managers, Office workers
Advantageous bank services	Executives, Middle managers, Office workers, Manual workers	Executives, Middle managers, Office workers
Solidarity Time Bank	Middle managers, Office workers, Manual workers	Middle workers, Office workers
Confindustria CAF (Standard Service option)	Executives, Middle managers, Office workers, Manual workers	Executives, Middle managers, Office workers



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REFUGEE JOB PLACEMENT PROJECT

INSIGHT

The project was launched in collaboration with the Operti Foundation in Turin, the Italian Red Cross and a local employment agency, and aims to assist political refugees on their path towards entering the world of work.

The project includes a first phase of theoretical and practical training, provided by the employment agency and the Operti Foundation, to ensure that the resources gain the skills necessary to perform the relevant activities, for a total of 80 hours of training.

At the end of this phase, the participants will begin working at the companies participating in the project.

The pilot project began in October 2022 and, to date, the third edition is underway, with the participation of 6 new companies. A total of 20 partner companies were involved in the initiative, with 34 candidates trained and 28 resources successfully hired.

In 2024, in addition to the current one, two additional training courses will be made available.





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6.2 A STRATEGIC PARTNER FOR THE LOCAL AREA

Strongly rooted in the context in which the Company was originally founded and thrived, over time Sanlorenzo has evolved to become a strategic partner for the surrounding community. Its constant search for an open and synergistic dialogue with local stakeholders is manifested through a solid commitment to initiatives, cultural associations and local redevelopment projects. In 2023, the Group confirmed and strengthened its deep connection with the local area, consolidating the major collaborations undertaken in the past. In particular, the Company is the promoter and sponsor of notable cultural and artistic events,

including the **LericiPea Golfo dei Poeti Award**, of which it has been a partner since 2019, together with the Municipality of Lerici.

Moreover, in 2023 boat shows again saw the active participation of Sanlorenzo and Bluegame. These are events of great importance for the local area and for the recognition of the Sanlorenzo Group as a key promoter of Made in Italy abroad. First of all, the Group took part, for the second year in a row, in the **Salone Nautico di Venezia (Venice Boat Show)**, now in its fourth edition and held from 31 May to 4 June 2023.

THE LERICIPEA GOLFO DEI POETI AWARD

For years, Sanlorenzo has supported the prestigious LericiPea Golfo dei Poeti Award, which for seventy years has been rewarding the greatest personalities in international poetry. In 2024, Percy Bysshe Shelley's bicentenary will be celebrated.

For Sanlorenzo, it is essential to support local cultural initiatives and convey to all of its employees the attention to events that contribute to further enhancing the quality of

its craftsmanship. It is no coincidence that in recent years these award ceremonies have also been held inside the Group's shipyards.





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The Group also took part in the **63rd Salone Nautico di Genova (Genoa Boat Show)**, held from 21 to 26 September. It is one of the main international events for the sector, attended by the top players in the national and international pleasure boating industry. It extends over an exhibition area of over 200,000 square metres (on land and sea) and showcases approximately 1,000 boats and 1,000 exhibitors.

In the evocative setting of the Levante Waterfront designed by Renzo Piano, Sanlorenzo presented the SX100, a crossover yacht from the SX range developed in collaboration with the Zuccon International Project studio (concept and exterior lines) and Piero Lissoni (interiors of the yacht on display). Other previous models were also on display alongside this one, in particular the SL78, SL90A and SL106A, SD90 and SD96, SP110, SX76 and SX88 (for more details see the “Maison Sanlorenzo” section). A new feature for the 2023 edition was the installation of two separate stands for Sanlorenzo and Bluegame, strategically designed in every detail to communicate the individual souls and traits of the two brands to visitors. The prototype of the BG-HSV (Hydrogen Support Vessel), displayed right at the Show’s entrance, was a source of great pride for the Group. The model is a chase boat powered exclusively by hydrogen, which will join the two teams of the 37th America’s Cup (2024), the New York Yacht Club’s American Magic and the Orient Express Racing Team. In addition, Bluegame brought its entire fleet to the Show: the three models of its historic BG line (BG42, BG54 and

BG74) and the two crossovers of the BGX line (BGX63 and BGX73). The new addition for 2023 was the BGM75, Sanlorenzo Group’s first multihull model built in collaboration with the Zuccon International Project studio and Piero Lissoni. The activity of **Fondazione Sanlorenzo**⁶ – the Foundation established by the Perotti family and Sanlorenzo S.p.A. in 2021 – continued during the year, in particular through support for Italy’s minor islands and their communities, through the financing of projects to contribute to the development of these areas and, in parallel, by supporting the study path of deserving youth. In line with both objectives, Fondazione Sanlorenzo – together with the Cecilia Gilardi Foundation – launched also in 2023 a **call for scholarships** for dissertations or projects concerning Italy’s minor islands.

Since last year, Sanlorenzo has become a co-founder of the **Fondazione Venezia Capitale Mondiale della Sostenibilità/Venice Sustainability Foundation**. Specifically, the Foundation was created with the aim of developing an integrated model of sustainable development for the City of Venice and the surrounding area, embracing all dimensions of sustainability. The Foundation’s initiatives aim to stimulate local social and economic development, while preserving the rich environmental, historical and cultural heritage, as well as strengthening local communities. The main areas of intervention include hydrogen propulsion, energy transition, housing, sustainable tourism and cultural projects.





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VENICE BOAT SHOW

INSIGHT

Sanlorenzo had the honour of participating in the fourth edition of the Venice Boat Show, focused on the theme of sustainability. The event, held from 31 May to 4 June 2023, coincided with the start of the Biennale of Sustainability.

On 1 June, Sanlorenzo – as a trailblazer on the road to sustainable yachting – presented its participation as a co-founding partner in the Fondazione Venezia Capitale Mondiale della Sostenibilità/Venice Sustainability Foundation, at the Venice Arsenal.

On this occasion the shipyard exhibited its **“Sanlorenzo: hydrogen, (our) road to 2030”**, a pathway towards carbon neutrality based on research conducted in collaboration with Siemens Energy on the use of hydrogen from green methanol. BGH, Bluegame’s sustainable tender to accompany American Magic in the 2024 America’s Cup, was also presented.

In Venice, Sanlorenzo was represented by the SL78 model, moored next to Lorenzo Quinn’s “Building Bridges”. The shipyard also **presented Fondazione Sanlorenzo**, dedicated to promoting sustainability and environmental conservation, by supporting projects to enhance Italy’s minor islands (for more details see “The activities of Fondazione Sanlorenzo: the call for scholarships” insight).





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THE ACTIVITIES OF FONDAZIONE SANLORENZO: THE CALL FOR SCHOLARSHIPS

INSIGHT

Fondazione Sanlorenzo and the Cecilia Gilardi Foundation partnered to launch a competition for the award of **scholarships**, to be awarded in relation to deserving projects concerning Italy's minor islands. Both Bachelor's and Master's Degree dissertations, as well as innovative and significant university projects are included. The partnership with the Cecilia Gilardi Foundation is driven by the common values shared by the two organisations. In fact, the latter supports highly deserving individuals during their education and entry into the world of work. The call, which includes a specific list of minor islands that can be considered as such in the various Italian archipelagos, meticulously and consistently promotes the importance of both local area and community support. During 2023, in particular, seven scholarships were awarded to deserving students.





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6.3 ART AND DESIGN

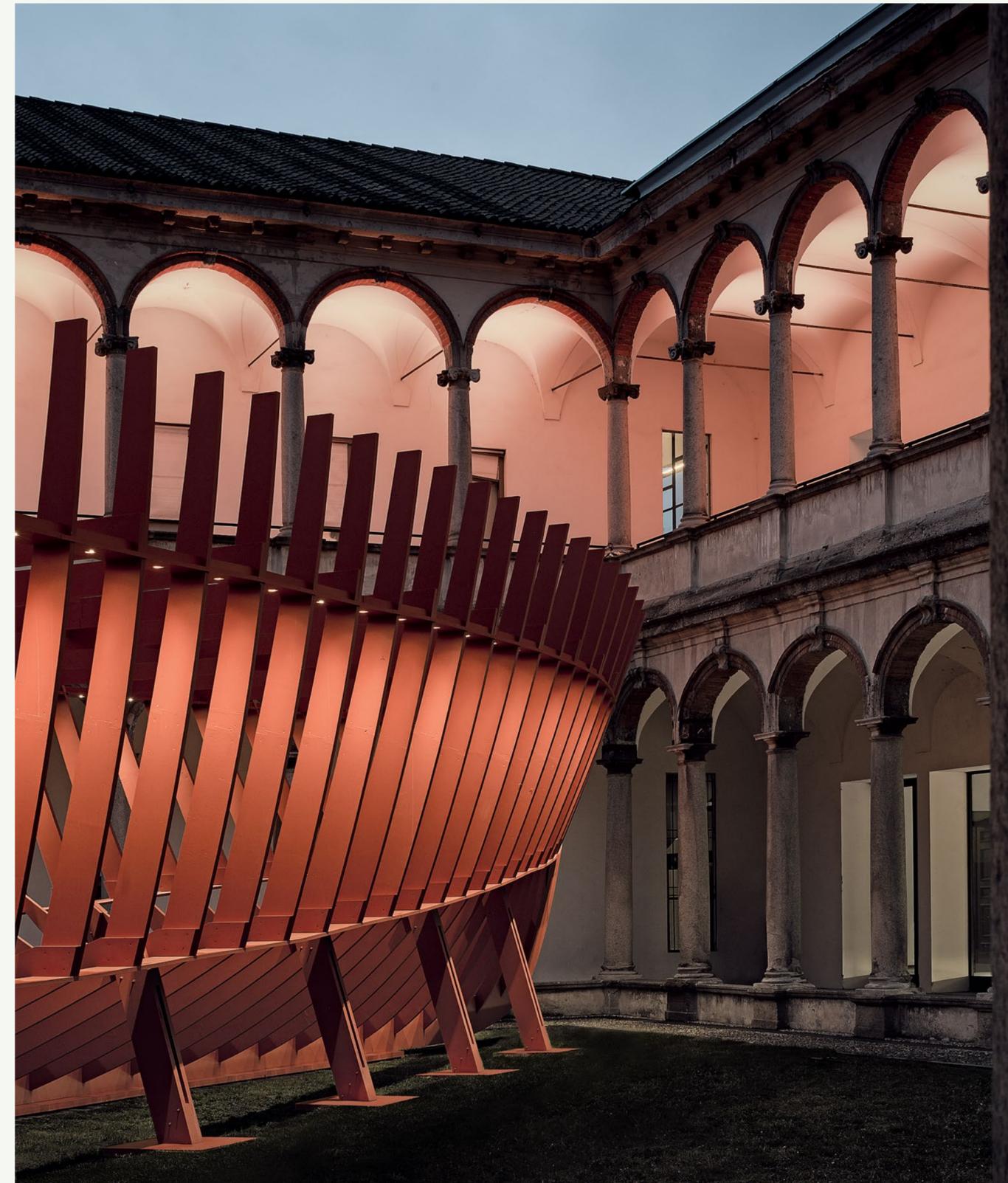
The Group has **brought art and design on board** its yachts, mindful of the excellent quality of Italian yachting history, which is inspired by the work of Giò Ponti and Gustavo Pulitzer, whose yachts combined technology with design and contemporary art.

Over time, the link with art has become a distinctive and strategic element in the evolution of the design characterising Sanlorenzo and Bluegame yachts. The two companies have, in fact, long collaborated with prestigious Italian designers in the field of luxury interior design. In addition, partnerships with contemporary artists and galleries have been consolidated, helping to realise the Group's vision of bringing art on board its yachts.

It is with this spirit that over the years Sanlorenzo has taken part in **important international artistic events**, including: **Art Basel**, with which a global partnership has been consolidated since 2018; the Venice **Art Biennale** and the Milan **FuoriSalone del Mobile**.

In addition, in 2024, Sanlorenzo will inaugurate its **Sanlorenzo Arts** premises in Venice, which will not only house a collection of important works of art, but will become a reference place to welcome and stimulate artistic, cultural and educational discussion.

Finally, in 2023, the Company returned to take part in the Milan Design Week. At the very forefront of promoting responsible development in the yacht sector, the Group once again participated in the Milan FuoriSalone, presenting a project that outlines the future of pleasure boat propulsion in a sophisticated and subtle way.





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ART BASEL 2023: FONDAZIONE SANLORENZO REVEALS ITSELF

INSIGHT

Art Basel, the leading international fair for modern and contemporary art, opened the doors of its historic **Basel** venue for the **2023** edition, with Sanlorenzo as host partner.

From 15 to 18 June 2023, in the Sanlorenzo Lounge at Art Basel, the shipyard offered a first glimpse of what will be Sanlorenzo Arts in Venice, which will be housed in a historic building a few steps away from the Basilica of Santa Maria della Salute and will be inaugurated in 2024.

On this occasion, Sanlorenzo presented the project of the Fondazione Sanlorenzo, an institution dedicated to promoting sustainability and environmental conservation.

Subsequently, from 6 to 10 December, the Group participated in **Art Basel Miami Beach 2023**, held at the Miami Beach Convention Centre.





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MILAN DESIGN WEEK 2023: LA MACCHINA IMPOSSIBILE

INSIGHT

During the **Design Week 2023**, as part of the “**INTERNI Design Re-Evolution**” exhibition-event, whose theme explores Evolutionary Thinking as a tool for designing known and unknown, physical and digital, contemporary and future territories, **organised by the University of Milan**, Sanlorenzo participated in the FuoriSalone with an installation by Piero Lissoni that reflects the shipyard’s commitment to technologically advanced solutions to reduce the environmental impact of yachting.

The installation, called “La macchina impossibile” (i.e. the impossible machine), is a complex metal sculpture that was positioned in the 18th-century Courtyard, illuminated by a backlit platform. This structure is intended to represent the mechanism powered by the new hydrogen system developed by Sanlorenzo in partnership with Siemens Energy, based on the use of combined green methanol reformer/fuel cell modules. This technology will be used to power the hotellerie services on yachts between 24 and 73 metres in length, starting in 2024 on the new 50Steel model. The installation is immersed in a light water vapour, the only emission produced by the turbine powered by the fuel cell system.





CHAPTER OVERVIEW: TECHNICAL DETAILS

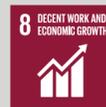
Reference GRIs

2-1; 2-7; 2-8; 2-9; 2-10; 2-11; 2-12; 2-13; 2-15; 2-16; 2-17; 2-19; 2-28; 2-29; 2-30; 3-3; 205-1; 205-2; 205-3; 206-1; 401-1; 401-2; 401-3; 403-1; 403-3; 403-4; 403-5; 403-6; 403-7; 403-8; 403-9; 403-10; 404-1; 404-3; 405-1; 405-2; 406-1; 407-1; 408-1; 409-1

Reference SDGs



indirect contribution



target: 8.2



target: 4.4



target: 16.5; 16.7; 16.10



target: 5.1; 5.5

Ten Principles of the UN Global Compact

Principle 1 – Promotion and respect for universally recognised human rights

Principle II – Not to be, even indirectly, complicit in human rights abuses

Principle III – Uphold the freedom of association and the effective recognition of the right to collective bargaining

Principle IV – Uphold the elimination of all forms of forced and compulsory labour

Principle V – Uphold the effective abolition of child labour

Principle VI – Uphold the elimination of discrimination in respect of employment and occupation

Principle X – Work against corruption in all its forms

Description and relevance of the “Health and safety” topic

The Group implements initiatives aimed at protecting the health and safety of employees and workers of the contractor companies with which it collaborates and at guaranteeing a healthy workplace.

Impatti lungo la catena del valore

1. Inside-out perspective (impacts on the external context)

- **Risk:** fire risk with consequences to the health and safety of workers, in particular of contractors at the Group’s shipyards, arising from the mixing of incompatible production waste;
 - **Risk:** increase in work-related injuries as a result of failure to cover the topic and to implement adequate safety measures
 - **Risk:** increase in occupational diseases due to the inhalation of dangerous chemical substances, such as styrene, among the workers of Group’s contractors;
 - **Risk:** negative impact on the health and safety of contractors’ workers due to a poor understanding of the provisions and documentation made available on the subject, resulting from language problems;
 - **Opportunity:** decrease in work-related injuries following the implementation of appropriate control, prevention and monitoring policies and “near miss” management measures implemented within the Group;
 - **Opportunity:** lower social cost associated with work-related injuries, borne by the Group and by the local community;
 - **Opportunity:** decrease in occupational diseases associated with styrene inhalation, through the implementation of the infusion technique.
2. Outside-in perspective (impacts on Group cash flows)
- **Risk:** reputational, following the occurrence of work-related injuries, resulting in financial outlays to address poor management of health and safety aspects and related implications.

Description and relevance of the “Protection of fundamental human and workers’ rights” topic

The management of people within the Company, as well as relations with suppliers and contractors, are based on the promotion, respect and protection of fundamental human and workers’ rights, including, for example, the prohibition of discrimination, equal pay for staff, and the protection of trade union activities.

Impatti lungo la catena del valore

1. Inside-out perspective (impacts on the external context)

- **Risk:** failure to respect human and workers’ rights, in business activities and along the Group’s value chain;
 - **Risk:** worsening of the living conditions of people whose fundamental rights have been violated;
 - **Risk:** contribution to the increase in the phenomenon of illegal hiring within the Group’s shipyards, due to insufficient supervision of the operations carried out by contractors;
 - **Risk:** forced or compulsory labour within the Group’s supply chain in countries potentially exposed to this risk, with respect to which the Group could contribute indirectly, by not implementing adequate control and verification measures
 - **Opportunity:** fight against illegal hiring, through the Group’s participation in initiatives to combat labour exploitation and illegal labour brokering in the yachting sector, contributing to the protection of human rights in the sector;
 - **Opportunity:** protection of fundamental human and workers’ rights through the sharing, with contractors and suppliers of materials, of general terms and conditions of contract and supply containing specific clauses on the subject.
2. Outside-in perspective (impacts on Group cash flows)
- **Risk:** in extremely serious circumstances, the violation of fundamental human rights could lead to the exit from Sanlorenzo’s shareholder base of investment funds that pay particular attention to social aspects in their evaluations.



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**Description and relevance of the “Diversity and inclusion” topic**

Staff management geared towards continuous listening and empowerment implies the need to ensure an inclusive working environment that encourages respect, appreciation and fair treatment of diversity in the company.

Impacts along the value chain

1. Inside-out perspective (impacts on the external context)

- **Risk:** discrimination and unfair treatment of people (in particular of the Group’s employees and of contractors’ workers) on the basis of: gender, religion, age, sexual orientation, geographical origin and other individual characteristics;
- **Risk:** failure to value diversity with a view to the continuous growth of the organisation and the context in which it operates, within an increasingly global and globalised scenario;
- **Risk:** impacts on the psychological health of people who work for the Group, due to the presence of stereotypical and discriminatory situations and behaviours;
- **Opportunity:** positive contribution to the development of better knowledge and awareness – among people in the areas in which the Group operates – of the issues of diversity and inclusion, contributing to the development of a more inclusive model of society;
- **Opportunity:** promotion of equal treatment and opportunities between genders in the company organisation;
- **Opportunity:** development of measures (such as career plans, performance assessment and professional growth based on meritocracy) aimed at creating an organisational context that supports the inclusion and enhancement of diversity, guaranteeing different points of view and favouring discussion and dialogue;
- **Opportunity:** promotion of an inclusive environment throughout the Group’s value chain;
- **Opportunity:** guarantee of a better integration of individuals with physical and intellectual disabilities into the world of work, thanks to the development of partnerships with local players.

Description and relevance of the “Attraction, retention and development of talent” topic

The strategy and methods for the management of the entire Employee Life-Cycle within the Group are developed by paying attention to all the phases that make it up, from the attraction and selection of talent to their retention, ensuring a satisfactory and rewarding working climate, offering training courses in relation to soft and hard skills, enhancing the professional experience of the individual thanks to specific development paths and promoting the well-being of the individual with the implementation of appropriate welfare plans.

Impacts along the value chain

1. Inside-out perspective (impacts on the external context)

- **Risk:** failure to meet the expectations and needs for individual and professional growth of the Group’s human resources;
- **Risk:** failure to implement training programmes, resulting in a standstill in the growth of employees’ hard and soft skills;
- **Risk:** lack of employee engagement resulting in reduced loyalty to the corporate culture;
- **Risk:** limited impact on employment in the reference area due to recruitment choices that do not take into account the labour needs of the local population;
- **Opportunity:** development of the Group’s human capital and opportunity to pass on, to new incoming generations, the skills of those who have more seniority in the Company;
- **Opportunity:** development of technical training programmes (Sanlorenzo Academy) aimed at guaranteeing the preservation of specific sector skills within the reference area, also contributing to the creation of induced employment in the local area;
- **Opportunity:** creation of partnerships with local players to attract and develop new talent.

Key stakeholders

Suppliers and contractors
Employees
Schools and universities
Trade union representatives
Shareholders and investors, Local community

Adopted Policies, Programmes and Certifications

ISO 14001
ISO 45001
Human resources management policy
Measures to promote equal treatment and opportunities between genders in the company organisation
Guidelines for managing MBOs
Code of Ethics, Model 231
Code of Conduct
Anti-Corruption Policy
Antitrust Compliance Programme
OFAC Compliance Policy and Sanctions Compliance Programme
Procedure governing Related Party Transactions
Procedure for Internal Management of Relevant and Inside Information
Stakeholder Engagement Policy
Policy for Managing Dialogue with Shareholders



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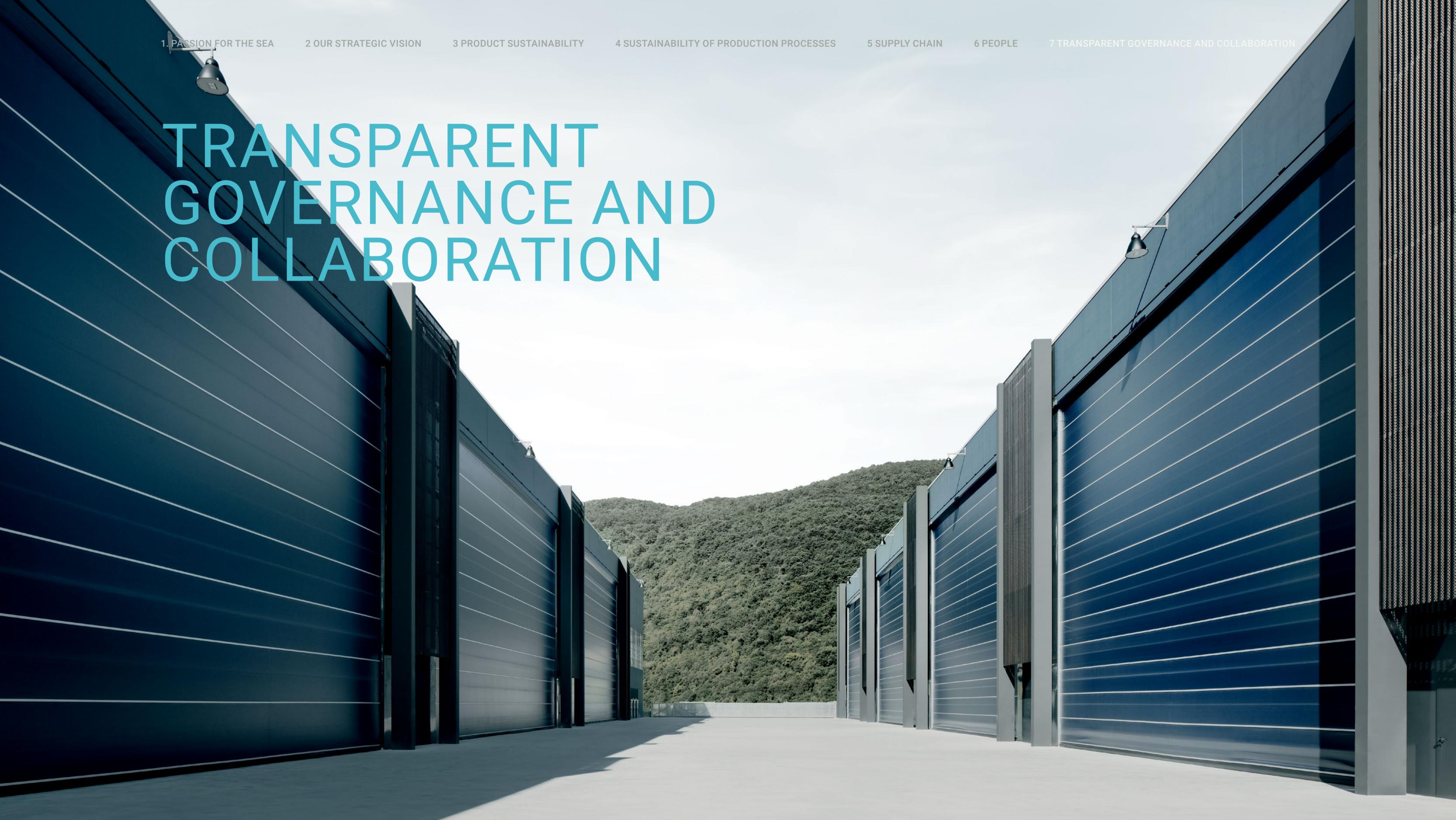
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NOTES

- 1 © Temporary contracts that have come to an end, in accordance with the contract's predefined expiry date, are also included in the calculation of terminations.
- 2 © As explained in the Code of Conduct, infringements in this respect are punished with disciplinary measures appropriate to the specific case, or, if necessary, with criminal proceedings.
- 3 © It should be noted that the document has been drawn up ensuring alignment with the principles, declarations and requirements set out in the following national and international regulatory references: Code of Ethics of Sanlorenzo S.p.A.; Corporate Governance Code, Italian Constitution, Universal Declaration of Human Rights of the United Nations, Fundamental Conventions of the International Labour Organisation, Charter of Fundamental Rights of the European Union and European Convention on Human Rights. The document is communicated and disseminated within the organisation, including through publication on the company intranet.
- 4 © In compliance with the provisions of Law 205/2017 concerning the national Code of Equal Opportunities between Women and Men (Italian Legislative Decree 198/2006), Sanlorenzo also prepares, every two years, the report on the situation of male and female staff in the company in each of the professional categories envisaged, highlighting in particular the processes of selection and hiring, training, professional development, changes in level, category or qualification, other mobility issues, remuneration paid and any dismissals.
- 5 © In the case of I.C.Y. S.r.l., the remuneration is determined with the support of an independent external consultant.
- 6 © Fondazione Sanlorenzo (sanlorenzofondazione.org) is a non-profit organisation (neither for direct nor indirect profit) and pursues civic, solidarity and socially useful purposes. It constitutes a separate entity with respect to Sanlorenzo S.p.A. and therefore is not included within the reporting scope of this NFS. However, it was deemed appropriate to report on its operation and purpose.

TRANSPARENT GOVERNANCE AND COLLABORATION





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7.1 RESPONSIBILITY, INTEGRITY AND TRANSPARENCY

Integrity, transparency and responsibility are the principles that inspire Sanlorenzo S.p.A.'s management. These values are shared throughout the Company and the Group and outlined in the corporate governance system, defined in compliance with the recommendations of the Corporate Governance Code issued by Borsa Italiana and the regulatory provisions governing Italian listed companies.

Sanlorenzo S.p.A.'s corporate governance system¹ is a cornerstone of the Company's business model, underpinning the business strategy, fostering the relationship of trust with all stakeholders and contributing to the achievement of business results, creating long-term sustainable value. Sanlorenzo adopts the traditional management and control system. The Board of Directors (BoD) and the Board of Statutory Auditors are regularly established and the statutory audit of the accounts is entrusted to an independent auditing firm.

The main corporate, administrative and control bodies and the related functions are illustrated in Figure 7.1 below:

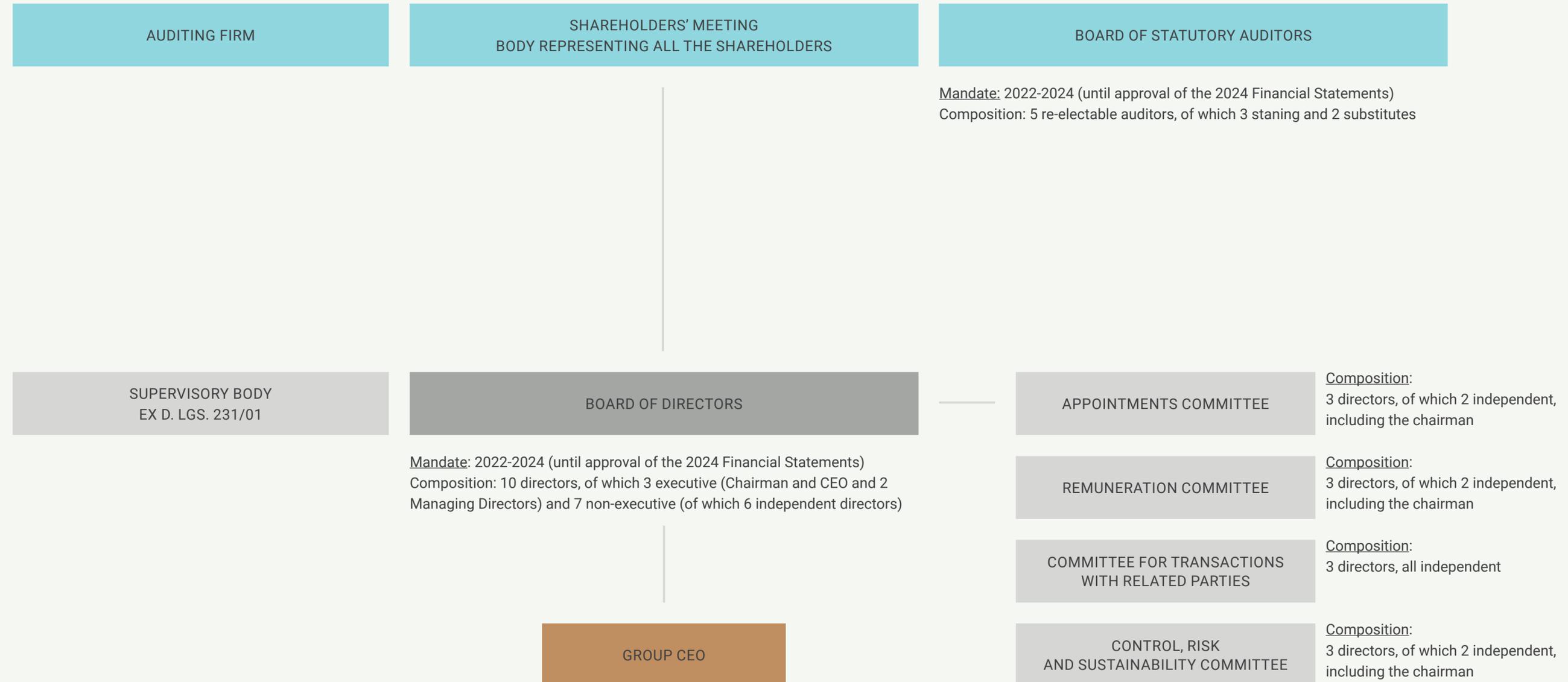




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CORPORATE GOVERNANCE STRUCTURE OF THE PARENT COMPANY

FIGURE 7.1 – CORPORATE GOVERNANCE STRUCTURE OF THE PARENT COMPANY





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It should be noted that in the previous year a new **Board of Directors** was appointed, currently consisting of 10 members who can be re-elected². For the first time, the appointment took place on the basis of lists of candidates presented by the shareholders (**list voting mechanism**). The new BoD will be in office until the Shareholders' Meeting which will be called to approve the Financial Statements as at 31 December 2024³.

The following committees are set up within the Board of Directors to conduct audits, make recommendations and provide advice: Nomination Committee; Remuneration Committee; Related Party Transactions Committee; Control, Risk and Sustainability Committee (for more details see the "Sustainability governance" and "Risk management" sections).

Details concerning the composition of the Board of Directors and related Committees are provided in the Annex (see the "Technical insights" section).

The educational and professional background of the Directors in office provides for a balanced mix of skills and expertise within the governing body, ensuring that its duties are performed correctly.

FIGURE 7.2 – BOARD MEMBERS' EXPERTISE IN SUSTAINABILITY

BOARD OF DIRECTORS' EXPERTISE	2023
Yachting sector	30%
Sustainability	40%
Economic and financial sector	90%
Listed companies	90%
Legal area	10%
International development	60%

The Board of Directors consists of managers of Sanlorenzo S.p.A. who have been working in the luxury yachting sector for several years⁴, as well as independent directors⁵ with experience in the listed companies area (see Figure 7.2).

In May 2023, an induction session was held for the members of the Board of Directors, covering topics including, but not limited to: remuneration policy, market disclosure and internal dealing, internal control system, cybersecurity and sustainability, with a focus on climate change and European regulations soon to come into force.

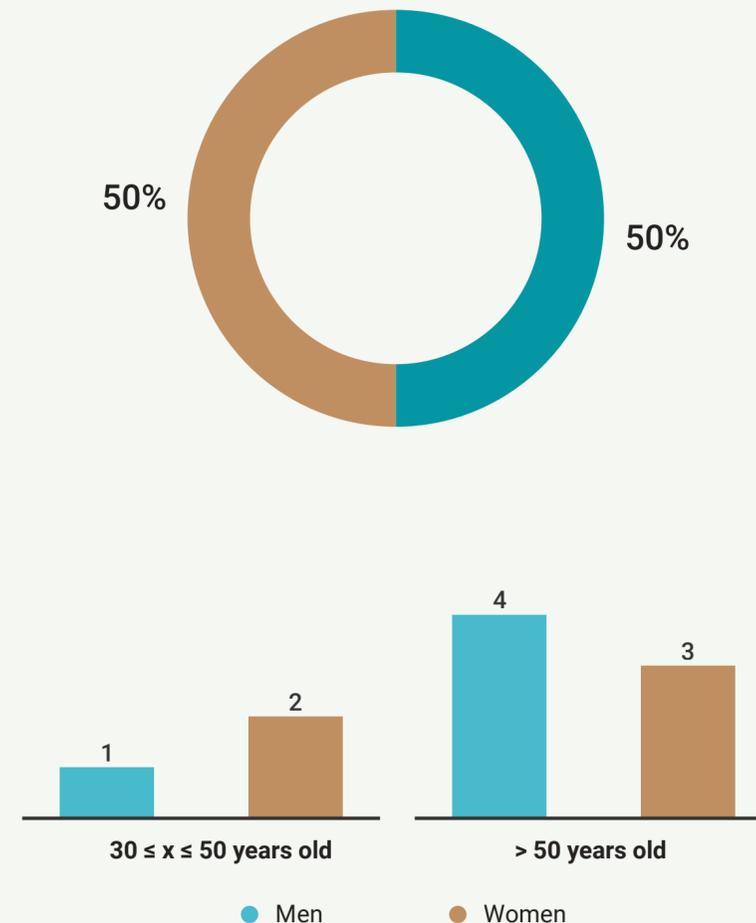
The Directors perform duties pertaining to the ordinary and extraordinary administration of the Company. Massimo Perotti holds the position of Chairman and CEO (Chief Executive Officer) of the Group⁶. The composition of the Board reflects compliance with age, educational and professional background, and gender diversity criteria. The Board is made up of 5 men and 5 women – including Carla Demaria, who holds the position of Managing Director, with executive powers – aged between 30 and 64.

With regard to the remuneration of Board members, it should be noted that the **Remuneration Policy**⁷ stipulates that the emoluments paid should be commensurate with their expertise, professionalism and commitment in performing the tasks assigned to them.

The remuneration of non-executive directors does not include performance-related incentives, in compliance with the Corporate Governance Code, nor is there any additional remuneration for the positions of Chairman, Vice-Chairman and Lead Independent Director. Executive directors may be among the beneficiaries of the **Stock Option Plan** established for the current year or, alternatively, of **variable ad personam remuneration** linked to annual, pre-defined and measurable performance objectives.

In addition, in March 2023, the criteria for calculating bonuses linked to the MBO plan, which includes ESG criteria, were defined.

FIGURE 7.3 – BOARD MEMBERS BY GENDER AND AGE





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7.2 SUSTAINABILITY GOVERNANCE

FIGURE 7.4 – ORGANISATIONAL STRUCTURE AND SUSTAINABILITY GOVERNANCE



Collaboration between the Sustainability Function and other functions to ensure the implementation of sustainability activities and initiatives

- | | |
|-------------------------------------|--------------------------------|
| Administration, finance and control | Quality |
| Operations | R&D |
| Marketing and communication | HR and organisation management |
| Purchasing and procurement | |

The integration of sustainability into the Company’s strategy and operations is an increasingly important factor for the Sanlorenzo Group. Consequently, the notion of responsible development has taken on an increasingly central role in the day-to-day activities of various corporate figures, functions and bodies. The organisational structure – shown in Figure 7.4 – highlights the cross-cutting nature of sustainability within the Group.

At the executive level, the ultimate responsibility for strategic decisions and guidance relating to sustainability, including reporting, lies with the Company’s **Board of Directors (BoD)**. During 2023, the BoD was regularly updated on sustainability developments and related reporting. Specific responsibilities in this area are then delegated to the **Control, Risk and Sustainability Committee**. In particular, with reference to sustainability aspects, the Committee supports the Board of Directors in the preparation of the Non-Financial Statement (NFS) pursuant to Italian Legislative Decree no. 254/2016. To this end, the Committee meets every two years to approve the list of topics deemed to be material for the Group, and its opinion is submitted to the BoD, which decides on the matter. Moreover, given its nature and sphere of competence, the Committee evaluates the risks and opportunities associated with the material topics.

At an operational level, the Sustainability Function, responsible for managing sustainability activities and led by the Sustainability Officer, operationally coordinates sustainability initiatives and developments. This Function was established in 2022 out of the spin-off of the R&D Sustainability Function, in order to structure the vision of sustainability within the corporate organisation and business even more effectively. The Function is also in charge of managing and carrying out NFS reporting activities.

The heads of the various corporate functions of the Parent Company and of the subsidiaries actively participate in the NFS reporting process, based on the opinion and considerations of the Sustainability Function. The corporate functions are also responsible for the day-to-day implementation of the activities aimed at ensuring ongoing monitoring of the various areas of sustainability.

Finally, the Group fosters the **engagement of all its People** in contributing to corporate responsibility to ensure sustainable development, through training activities on the subject (as was the case in 2021) and the sharing of the NFS, which is also included in the Welcome Kit for new hires.



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RISK MANAGEMENT

Through the Internal Control and Risk Management System (**ICRMS**), the Group implements its supervision with respect to the identification and management of the following corporate risks⁸:

- Market and operational risks;
- Financial risks;
- Risks related to litigation and tax assessments;
- Environmental risks and risks related to compliance with occupational health and safety principles.

From the point of view of the responsibility system defined in accordance with the Internal Control and Risk Management System (ICRMS), it should be noted that the Control, Risk and Sustainability Committee performs the following functions:

- defines the guidelines for the Internal Control and Risk Management System (ICRMS), ensuring the effective identification, measurement, management and monitoring of the main risks for the Company and its subsidiaries. In addition, it supports the Board of Directors in defining the criteria for determining the compatibility of these risks with corporate management in line with strategic objectives;
- periodically assesses, at least annually, the adequacy and effectiveness of the ICRMS with respect to the characteristics of the Group and the risk profile adopted.

The assessment and prioritisation of the main risks, carried out by the Risk Manager, generates

the approved corporate Risk Control Matrix, which is periodically updated and approved by the Control, Risk and Sustainability Committee. The latest version of the **Risk Control Matrix** identified three critical areas for the Company: Finance; Information and Communication Technology (ICT); Certifications, Compliance, Safety and Environment.

In 2022, the Internal Audit (IA) function carried out audits on the Parent Company, Bluegame and Sanlorenzo of the Americas LLC. The Three-Year Audit Plan for 2023-2025 provides for a gradual extension to the other Group companies, including the auditing of interim financial closing. In 2023, the Internal Audit function carried out audits on the Parent Company, Bluegame and Sanlorenzo of the Americas LLC in the areas referred to above.

In addition, in accordance with the planning defined in the Audit Plan approved by the Board of Directors, the scope of the audits was extended to the subsidiaries Sanlorenzo Baleari, Sanlorenzo Monaco, I.C.Y., Equinoxe and Polo Nautico Viareggio, having carried out audits of interim financial closing.

The Group's future goal is to integrate the assessment of sustainability-related risks into the corporate risk assessment system. In 2022, a specific analysis was conducted as part of the impact materiality and financial materiality process to identify and measure sustainability-related risks and opportunities for the Group. These impacts, examined from an "inside-out" and "outside-in" perspective, are detailed in the technical fact sheets at the end of each chapter.

ETHICS AND FAIR BEHAVIOUR

Business management is based on fundamental principles such as **legality** (i.e. compliance with applicable national and international law, in every activity carried out), **fairness** and **impartiality** with regard to the duties of due diligence and expertise, **transparency** and **integrity**, lying at basis of the guarantee of correctness, accuracy, completeness, uniformity and timeliness in managing and disclosing corporate information and in relations with stakeholders.

The Group's approach to managing the potential **risk of corruption or bribery** and of **unfair competition** is implemented through various tools, detailed in Figure 7.5. The Company has developed and shared them with its employees, with other Group companies and their staff, as well as with its key external stakeholders.

In order to ensure the **widest possible internal and external** (towards its partners) **dissemination and knowledge** of the provisions governing the fight against corruption and the adoption of fair competitive behaviour, Sanlorenzo publishes online some of the aforementioned documents – in particular Model 231 and the Code of Ethics –, ensures that all internal and external stakeholders are aware of the existence and functioning of the mechanisms for reporting to the Supervisory Body and provides for the organisation of **dedicated training programmes** for its employees, both when joining the Company and for subsequent periodic updates.

As was the case in 2022, in 2023 the Group

organised a training programme (recorded and provided via an e-learning platform) for Sanlorenzo and Bluegame employees, relating to the provisions contained in the Code of Ethics and Model 231, with users also being able to test themselves on the topics learned.

In addition, in December 2023 a new Whistleblowing procedure was also adopted for Bluegame S.r.l., expanding the scope of application of the one currently implemented at Sanlorenzo. During the year, Polo Nautico Viareggio and Duerre also approved the Whistleblowing procedure, in accordance with the provisions of Legislative Decree no. 24/2023.

SUSTAINABILITY TASK FORCE

In 2023, a Sustainability Task Force was established with the aim of making the Group's sustainability efforts more effective and coordinated.

The Task Force includes representatives from different business areas, including Procurement, Administration, Finance and Control, Marketing, Production, Research and Development (R&D), Human Resources, and Sales. This working group monitors the development of the sustainability strategy, puts forward new initiatives and approves decisions on key issues.

In 2023, the Task Force meetings were mainly focused on climate strategy and responsible sourcing.



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FIGURE 7.5 – THE TOOLS FOR ETHICAL AND FAIR BUSINESS MANAGEMENT

1 – Model pursuant to Legislative Decree 231/01:

The Organisation, Management and Control Model pursuant to Legislative Decree 231/01 (hereinafter referred to as “Model 231”) defines specific rules of conduct, suitable for avoiding the commission of the crimes envisaged by the aforementioned Decree and identifies the areas of activity that are most sensitive and therefore potentially exposed to greater risk. At present, “sensitive areas” include: relations with the Public Administration; activities relating to occupational health and safety; environmental compliance; corporate relations-corruption between private individuals; use and management of the IT system; management of non-EU employees. Model 231 is also the tool through which the Group governs any form of unlawful conduct.

2 – Code of Ethics:

The Code of Ethics constitutes an ethical reference framework in the application of the provisions set out in Model 231, of which it is an essential part. It defines the ethical principles, commitments and responsibilities that guide the conduct of business and corporate activities and are aimed at the numerous corporate stakeholders.

3 – Whistleblowing procedure pursuant to Legislative Decree 24/2023:

All Sanlorenzo and Bluegame employees and other stakeholders may send a report to the Whistleblowing Officer regarding any actual or potential act that they suspect of violating the law or any other internal regulation.

Until 2022, reports were made using the email address odv@sanlorenzoyacht.com, access to which was restricted to members of the Supervisory Body. However, since August 2023, Sanlorenzo has implemented its own Zucchetti whistleblowing platform pursuant to Legislative Decree no. 24/2023, through which reports can be sent, thus ensuring the confidentiality of the identity of whistleblowers, of the other individuals involved and of the content of the reports.

Reference to the online platform and to Sanlorenzo’s and Bluegame’s Whistleblowing Procedure can be found on the respective websites,

in order to ensure that information is highly accessible and that the service is available to everyone. In addition to the above, it should be noted that Polo Nautico Viareggio and Duerre have approved the Whistleblowing procedure in 2023, in accordance with the provisions of Legislative Decree no. 24/2023.

4 – Anti-Corruption Policy:

Presented within a section of the Code of Ethics, the Anti-Corruption Policy further regulates the cases falling under the crime of corruption and discourages all those who are included among its recipients from engaging in any action or conduct deemed unlawful. In particular, attention is placed on the prohibition, by all recipients, to exploit private connections or relationships with public entities to obtain favours for the Company.

5 – Code of Conduct:

Approved by the Board of Directors in August 2020, unlike the Code of Ethics, the Code of Conduct applies to all Group companies, including foreign ones, with the aim of protecting the interests of both internal and external stakeholders, guaranteeing unambiguous guidelines in terms of conduct.

6 – Antitrust Compliance Programme:

Adopted in May 2020, the Antitrust Compliance Programme is designed to prevent the risk of incurring anti-competitive conduct, in alignment with the national and European rules and regulations in force on the matter. The application, monitoring and updating of the Programme, as well as the assessment of any eventual anti-competitive conduct, are monitored by the Head of Antitrust Compliance, elected by the BoD in March 2020, vested with the necessary autonomy and adequate resources.

7 – OFAC (Office of Foreign Assets Control) Compliance Policy:

Adopted by the Parent Company and its subsidiaries in 2019, it is the tool with which the Group undertakes to comply with OFAC policies and related sanctions. An ad hoc Sanctions Compliance Programme (SCP) was also launched and an SCP Unit was set up, tasked with overseeing and ensuring the adaptation of internal processes to the

objectives defined and the prohibitions imposed by OFAC. In the second half of 2023, the Group carried out specific checks on this policy for Sanlorenzo, Bluegame and SLOTA, also evaluating the possible update of the policy over the next few years.

8 – Procedure governing Related Party Transactions:

It’s a documentary procedure that governs transactions with related parties, entered into by both the Parent Company and subsidiaries. It was last updated in 2023.

9 – Procedure for Internal Management of Relevant and Inside Information and for Public Disclosure of Inside Information

The Procedure is defined in accordance with Article 17 of Regulation (EU) no. 596/2014 of the European Parliament and of the Council on Market Abuse (“MAR Regulation”) and applies to directors of Sanlorenzo S.p.A. and of Subsidiaries, to their statutory auditors, general managers, executives and employees and to external parties registered in the Relevant Information List and Insider List, i.e. the lists of persons who have access to Relevant and Inside Information concerning Sanlorenzo S.p.A. and its Subsidiaries. Through the Procedure, the Company restricts and controls access to Relevant and Inside Information, ensuring its organisational, physical and logical security. The document was last updated in March 2021.

10 – Procedure for Managing the Relevant Information List and the Insider List

This Procedure complies with the laws and regulations provided for in Article 18 of Regulation (EU) no. 596/2014 of the European Parliament and of the Council on Market Abuse. In particular, the Procedure governs the list of persons who have access to Relevant Information (Relevant Information List or “RIL”) and the list of persons who have access to inside information (Insider List). The two lists must include, inter alia, the identity of the persons who have access to such information and the reason why they are included in the RIL or in the Insider List. The Procedure was last updated in June 2022.



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7.3 PARTNERSHIPS AND COLLABORATIONS

TABLE 7.1 – MEMBERSHIPS AND PARTNERSHIPS WITH ASSOCIATIONS

ASSOCIATIONS	MEMBERSHIP/PARTNERSHIP DESCRIPTION
Sybass	Association that brings the needs of superyacht manufacturers to an international level; membership (Sanlorenzo S.p.A.).
Miglio Blu Association (La Spezia)	The Company has been a member since February 2021, with a particular focus on activities falling within the following areas: infrastructure, environment, innovation and training. In particular, Sanlorenzo S.p.A. (Superyacht Business Unit) coordinates the work group for the design and construction of a cluster of energy expertise.
Atena	Italian Association of Naval Technology, founded in 1947 in Genoa; collective member (Sanlorenzo S.p.A.).
Federazione Nazionale dei Cavalieri del Lavoro	Federation whose members are Cavalieri del Lavoro, i.e. entrepreneurs who have been awarded the "Merit for Labour"; Massimo Perotti.
ADI (Associazione Disegno Industriale, i.e. industrial design association)	Founded in 1956, the association brings together different players around design issues; annual membership (Sanlorenzo S.p.A.).
Consorzio Zona Industriale Apuana (Z.I.A.)	Consortium based in Massa and with direct jurisdiction over the Apuan industrial area, across the municipal territories of Massa and Carrara; contribution (Sanlorenzo S.p.A.).
Promostudi La Spezia	Participatory foundation that coordinates and manages the La Spezia University Campus since 2002; Supporter (Sanlorenzo S.p.A.).
Water Revolution Foundation	Foundation created with the aim of introducing sustainability into the superyacht industry; Anchor Partner (Sanlorenzo S.p.A.).
Blue Marine Foundation	Organisation dedicated to the protection of the sea through a number of measures; membership (Bluegame) since 2018
UCINA – Confindustria Nautica	A non-profit association representing pleasure boating industries and businesses since 1967; Sanlorenzo S.p.A., Bluegame S.r.l. and Polo Nautico S.r.l. are registered as partners.
Distretto Ligure delle Tecnologie Marine SCA	A limited-liability consortium company with a private majority, established in 2009; Alfa Partner (Sanlorenzo S.p.A.)
Charter Yacht Brokers Association	Partner: Equinox S.r.l.
ASCOM Confcommercio Torino	Partner: Equinox S.r.l.
MYBA – The worldwide yachting association	Partner: Equinox S.r.l.

The external collaborations of Sanlorenzo, Bluegame and other Group companies in various areas include memberships of international non-profit organisations and associations, with the aim of effectively contributing to the pursuit of sustainable development and the improvement of the social and environmental performance of the sector and its players.

Since 2020, Sanlorenzo has been an Anchor Partner – i.e. the highest level of support and involvement envisaged – of the Water Revolution Foundation, with which it collaborates to develop solutions that allow the yachting industry to move towards the improvement of its environmental performance.

Bluegame has, instead, joined the Blue Marine Foundation since 2018, an association dedicated to the protection of marine ecosystems through the implementation of measures that include the creation of marine reserves, the restoration of vital habitats and the development of sustainable fishing models.

The companies are also active in other national and international industry associations and organisations. Among these, special mention should be made of **SYBAss (Superyacht Builders Association)**, which brings together and represents the manufacturers of the largest yachts in the world, ensuring that their needs are addressed at an international level. The role of Sanlorenzo S.p.A. within the Association was further strengthened in 2022, the year in which Chairman and CEO Massimo Perotti became one of the members of the Board of Directors of SYBAss.

Other associations of which Group companies are members are outlined in the table to the left.



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7.4 ESG RATINGS AND RECOGNITIONS

The Sanlorenzo Group is subject to assessment and evaluation by the main ESG rating agencies. In 2023⁹, the Group improved its score in the main indices, as outlined below.

- **S&P Global ESG Score:** in 2023, Sanlorenzo achieved a Corporate Sustainability Assessment (CSA) score of 31 (an improvement compared to 26 in 2022), ranking in the 84th percentile, i.e. in the top 16% of the benchmark industry (LEG: Leisure Equipment & Products and Consumer Electronics). In addition to the CSA score (31), the Group also obtained a score of 4 on the “Modeled Score” (namely the contribution to the score for questions for which the scores have been modelled in the absence of disclosed data), for a Global ESG Score of 35/100.
- **MSCI:** in 2023, Sanlorenzo achieved an ESG rating of A, an improvement compared to 2022 (BBB). The Group ranks in the top 34% of the industry (Leisure). MSCI’s ESG ratings range from leader (AAA, AA), average (A, BBB, BB) to laggard (B, CCC).
- **Sustainalytics:** at the beginning of 2024, Sanlorenzo achieved a score of 10.3 (Low), an improvement from a score of 12. Its ranking in the industry (Consumer Durables) therefore saw an improvement from 21 out of 225 to 9 out of 231. In the Sustainalytics system, a low score is

an indication of low risk. In fact, five categories of ESG risk severity that could affect the value of a company are identified (Negligible, Low, Medium, High, Severe).

- **ISS ESG:** in 2023, Sanlorenzo confirmed its C- rating, which places it in the 3rd decile (top 30%) of the industry (Leisure). The ISS ESG ratings are excellent (A+, A, A-), good (B+, B, B-), medium (C+, C, C-) and poor (D+, D, D-).

In addition to improving its score in the main ESG indices, during 2023 the Group won numerous awards related to ESG issues.

For the second year in a row, Sanlorenzo has been included in the Top100 of the Sustainability Award. This award, promoted by the Kon Group and Elite, intends to recognise businesses that have distinguished themselves for their commitment to sustainability.

In addition, Sanlorenzo has been included in the Sustainability Leaders ranking of Il Sole 24 Ore and Statista.





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CHAPTER OVERVIEW: TECHNICAL DETAILS

Reference GRIs

2-1; 2-9; 2-10; 2-11; 2-12; 2-13; 2-15; 2-16; 2-17; 2-19; 2-28; 2-29; 3-3; 205-1; 205-2; 205-3; 206-1; 405-1

Reference SDGs



target: 16.5; 16.7; 16.10



target: 16.5; 16.7; 16.10

Ten Principles of the UN Global Compact

Principle X – Work against corruption in all its forms

Key stakeholders

Shareholders and investors

Local community

Adopted Policies, Programmes and Certifications

Code of Ethics, Model 231

Code of Conduct

Anti-Corruption Policy

Antitrust Compliance Programme

OFAC Compliance Policy and Sanctions Compliance Programme

Procedure governing Related Party Transactions

Procedure for Internal Management of Relevant and Inside Information

Stakeholder Engagement Policy

Policy for Managing Dialogue with Shareholders



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NOTES

- 1 © For additional information on the structure of Sanlorenzo's corporate governance system, please refer to the Annex at the end of the document ("Technical insights" section) and, for more details, to the Report on Corporate Governance and Ownership Structures as at 31 December 2023, approved by the Board of Directors on 15 March 2024.
- 2 © The Ordinary Shareholders' Meeting of 28 April 2022 appointed the new BoD, made up of 12 members. However, following the resignation of two Directors (one in 2022 and one in 2023), the Board of Directors currently consists of 10 members. Following the resolution of the Ordinary Shareholders' Meeting, held on 27 April 2023, the number of the Board of Directors was reduced from 12 to 10, without replacing Marco Viti, out of the Board since 2022, and Pietro Gussalli Beretta, who left on 27 April 2023.
- 3 © More details regarding the mechanism for appointing Directors, delegated powers, as well as induction and training initiatives for the BoD are provided in the Annex, "Technical Insights" section.
- 4 © They have therefore gained significant expertise, including at an international level, in relation to the Group's business market and products offered.
- 5 © With regard to "independence", reference is made to the definition provided in Article 147-ter of Italian Legislative Decree 58/1998 and to the Corporate Governance Code of Borsa Italiana S.p.A..
- 6 © It should be noted that Massimo Perotti's dual role as Chairman and CEO is, in the opinion of the Board, warranted by the Company's organisational structure, his professional attitude and experience and the significance of the activities he carries out for the Company and the Group as a whole. In view of the above-mentioned dual office format, the Board of Directors also appointed one of the independent directors as Lead Independent Director, in line with the recommendations set out in the Code of Conduct and in the Corporate Governance Code of Borsa Italiana S.p.A. This position entails (i) acting as a liaison officer for the requests and contributions made by non-executive directors, with special reference to independent directors, and (ii) convening and coordinating the meetings, at least on a yearly basis, of independent directors only.
- 7 © The Remuneration Policy, valid for the 2023 financial year – that is until the date of approval of the Financial Statements as at 31 December 2023 – was approved by the Shareholders' Meeting of Sanlorenzo S.p.A. during the April 2023 session. More information about this Policy can be found in the "Technical insights" section in the Annex.
- 8 © As to market and operational risks, financial risks and risks related to litigation and tax assessments, reference should be made to the Annual Financial Report as at 31 December 2023, available on the website www.sanlorenzoyacht.com, in the section "Investors/Financial Results and Documents".
- 9 © ESG ratings may change over time depending on the date on which the assessment is updated. All ratings reported refer to 31 December 2023 except the Sustainalytics score, updated as at 4 January 2024.



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Independent Auditors' Report

on the consolidated non-financial statement pursuant to article 3, paragraph 10 of Legislative Decree no. 254 of December 30 2016 and article 5 of CONSOB Regulation n. 20267 of January 18 2018

To the Board of Directors of
SANLORENZO S.p.A.

Pursuant to article 3, paragraph 10, of the Legislative Decree no. 254 of December 30, 2016 ("Decree") and to article 5 of the CONSOB Regulation n. 20267 of January 18 2018, we have been engaged to perform a limited assurance engagement on the Consolidated Non-Financial Statement of SANLORENZO S.p.A. and its subsidiaries (the "Group") as at December 31, 2023 prepared in accordance with article 4 of the Decree, and approved by the Board of Directors on March 15, 2024 (hereinafter the "NFS").

The limited assurance engagement performed by us does not extend to the information set out in the "The activities of the Sanlorenzo Group and the European taxonomy" paragraph of the NFS, required by article 8 of the European Regulation 2020/852.

Responsibilities of the Directors and the Board of Statutory Auditors for the NFS

The Directors are responsible for the preparation of a NFS in accordance with articles 3 and 4 of the Decree and "Global Reporting Initiative Sustainability Reporting Standards" established by GRI - Global Reporting Initiative ("GRI Standards"), disclosed in the paragraph "methodological note" of the NFS, identified by them as reporting standards.

The Directors are also responsible, within the terms established by law, for such internal control as they determine is necessary to enable the preparation of a NFS that is free from material misstatement, whether due to fraud or error.

Moreover, the Directors are responsible for the identification of the content of the NFS, within the topics specified in article 3, paragraph 1, of the Decree, taking into account the Group's business and characteristics, to the extent necessary to ensure an understanding of the Group's business, performance, results and the related impacts.

Finally, the Directors are responsible for defining the business and organisational model of the Group and, with reference to the matters identified and reported in the NFS, for the policies for the identification and management of the risks generated or undertaken by the Group.

The Board of Statutory Auditors is responsible for overseeing, within the terms prescribed by law, compliance with the Decree.

Auditors' Independence and quality control

We are independent in compliance with the ethics and independence principles of the International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) issued by the International Ethics Standards Board for Accountants, based on fundamental principles of integrity, objectivity, professional competence and diligence, confidentiality and professional behaviour. During the period to which the current engagement refers, our firm applied the International Standard on Quality Control 1 (ISQC Italia 1), and as a result, maintained a quality control system that includes documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable laws and regulations.

Bari, Bergamo, Bologna, Brescia, Cagliari, Firenze, Genova, Milano, Napoli, Padova, Palermo, Pescara, Potenza, Roma, Torino, Treviso, Trieste, Verona, Vicenza

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Auditors' responsibility

Our responsibility is to express our conclusion based on the procedures performed about the compliance of the NFS with the requirements of the Decree and the GRI Standards disclosed in paragraph "methodological note" of the NFS. We carried out our work in accordance with the criteria established in the International Standard on Assurance Engagements 3000 (Revised) - Assurance Engagements Other than Audits or Reviews of Historical Financial Information ("ISAE 3000 Revised"), issued by the International Auditing and Assurance Standards Board (IAASB) for limited assurance engagements. This standard requires that we plan and perform the engagement to obtain limited assurance whether the NFS is free from material misstatement. A limited assurance engagement is less in scope than a reasonable assurance engagement carried out in accordance with ISAE 3000 Revised, and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

The procedures performed on the NFS are based on our professional judgement and include inquiries, primarily of the company's personnel responsible for the preparation of the information presented in the NFS, analysis of documents, recalculations and other procedures aimed to obtain evidence, as appropriate.

Specifically, we carried out the following procedures:

1. Analysis of relevant topics with reference to the Group's activities and characteristics disclosed in the NFS, in order to assess the reasonableness of the process in place for the selection process in the light of the provisions of article 3 of the Decree and taking into account the adopted reporting standard.
2. Analysis and assessment of the identification criteria of the consolidation area, in order to assess its compliance to the Decree.
3. Comparison of data and financial economic disclosures presented in the NFS with those included in the Group's consolidated financial statements.
4. Understanding of the following matters:
 - business management model of the Group's activity, with reference to the management of the topics set out in article 3 of the Decree;
 - policies adopted by the entity in connection with the topics set out in article 3 of the Decree, achieved results and related key performance indicators;
 - key risks generated and/or undertaken, in connection with the topics set out in article 3 of the Decree.

With reference to these matters, we compared them with the disclosures presented in the NFS and carried out the procedures described under point 5, letter a) below.

5. Understanding of the processes underlying the origination, recording and management of significant qualitative and quantitative information disclosed in the NFS.

Specifically, we carried out interviews and discussions with the management of SANLORENZO S.p.A. and with the employees of Bluegame, Duerre, Polo Nautico Viareggio Srl. We also performed limited analysis of documentary evidence, in order to gather information on the processes and procedures supporting the collection, aggregation, processing and transmittal of non-financial data and information to the department responsible for the preparation of the NFS.

In addition, with respect to significant information, taking into consideration the Group's business and characteristics:

- at parent company's and subsidiaries level:
 - a) with regards to qualitative information included in the NFS, and specifically with reference to the business model, policies applied and main risks, we carried out interviews and gathered supporting documentation to check for consistency with available evidence.
 - b) with regards to quantitative information, we carried out both analytical and limited procedures to ensure, on a sample basis, the correct aggregation of data.

SANLORENZO S.p.A. | Independent auditors' report on the consolidated non-financial statement pursuant to article 3, paragraph 10 of legislative decree no. 254 of December 30, 2016 and art. 5 of CONSOB regulation n. 20267



- for the following subsidiaries, divisions and sites, selected on the basis of their business, their contribution to the key performance indicators at consolidated level and location, we carried out site visits, to meet their management and gather supporting documentation with reference to the correct application of the procedures and methods used to calculate the indicators.

Conclusion

Based on the work performed, nothing has come to our attention that causes us to believe that the NFS of SANLORENZO Group as of December, 31 2023 is not prepared, in all material respects, in accordance with the requirements of articles 3 and 4 of the Decree and with *GRI Standards*.

Our conclusions on the NFS of SANLORENZO Group do not extend to the information set out in the “*The activities of the Sanlorenzo Group and the European taxonomy*” paragraph of the NFS, required by article 8 of the European Regulation 2020/852.

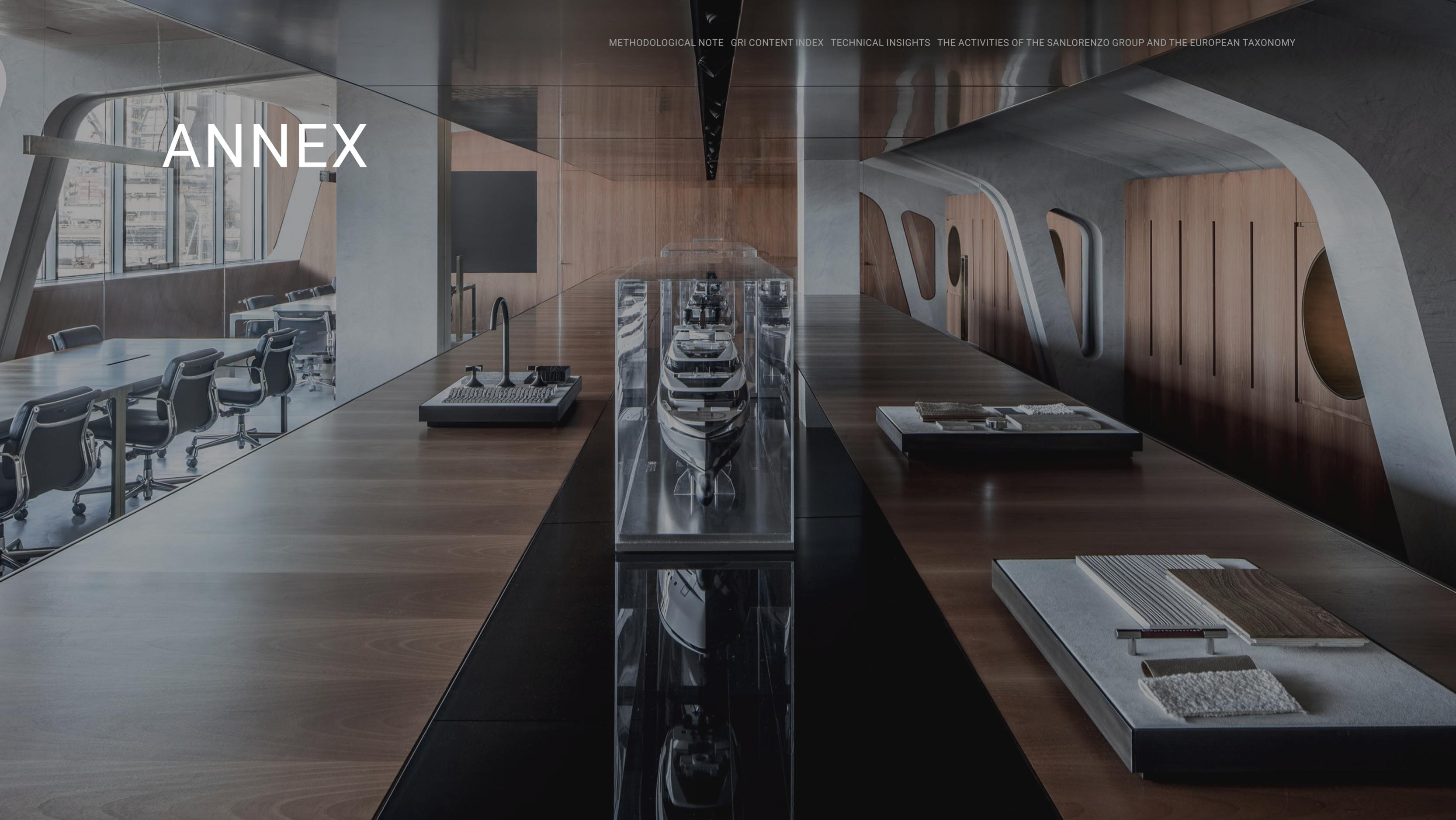
Genoa, March, 28 2024

BDO Italia S.p.A.

Paolo Maloberti
Socio - Revisore legale

*This report has been translated from the Italian original
solely for the convenience of international readers.*

ANNEX





1 METHODOLOGICAL NOTE

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This Non-Financial Statement (NFS) is the fourth edition of the document for the Sanlorenzo Group. The document is issued on a yearly basis consistent with the timelines defined for financial reporting.

The NFS is prepared in accordance with the GRI standards for the period from 1 January 2023 to 31 December 2023. The information contained in the document pertains to this period.

Consistent with the Annual Financial Report, the reporting scope is the entire Sanlorenzo Group: the Parent Company Sanlorenzo S.p.A., with specific reference to the two Yacht and Superyacht Business Units and the company's shipyards; the Italian and foreign subsidiaries, including Bluegame S.r.l. and the related Business Unit.

It should be noted that Sanlorenzo S.p.A.'s main production activities are carried out across four sites located within a radius of approximately 50 kilometres in the nautical district bounded by the Apuan Alps and the Tyrrhenian Sea, which lies between the north of the Tuscan coast and the Riviera di Levante in Liguria:

- Ameglia (in the Province of La Spezia), with registered office in Via Armezzone 3, on the banks of the Magra river, dedicated to the outfitting of Sanlorenzo composite yachts of less than 100 feet in length (Yacht Business Unit) and of Bluegame yachts (assembly, outfitting and production of the BGM line within the D1 area of the shipyard, as of 2022);
- La Spezia, dedicated to the outfitting of metal superyachts (Superyacht Business Unit);
- Massa, dedicated to the production of composite semi-finished products for outfitting in the Ameglia and Viareggio shipyards (primarily the Yacht Business Unit) and to the development of new models;
- Viareggio (in the Province of Lucca), dedicated to the outfitting of Sanlorenzo composite yachts longer than 100 feet (Yacht Business Unit) and of some metal superyacht models (Superyacht Business Unit).

As of the date of this report, the subsidiaries Duerre S.r.l. (66% controlled by Sanlorenzo S.p.A.), Sanlorenzo Arbatax (100% controlled), and Sea Energy S.r.l. (65% controlled) are also included

in the scope of the document. The associated company Carpensalda Yacht Division S.r.l. and its subsidiary SA.LA. S.r.l. are not included in the scope of reporting.

The NFS has been drawn up in compliance with the key concepts of impact, material topics, stakeholder interest and due diligence (for more details see the "Introduction" section). The reporting is also based on the following principles:

- **Sustainability context:** assessment of the Group's performance taking into account the identification of the environmental, social and economic trends that, in the reporting period, characterise the specific sector in which the Group operates, as well as the broader sustainability context (for more details see the "Outside perspectives" chapter);
- **Completeness:** coverage of all material topics, with clear indication of their scope, so as to sufficiently reflect significant economic, environmental and social impacts and enable stakeholders to assess the Group's performance;
- **Accuracy:** the qualitative and quantitative

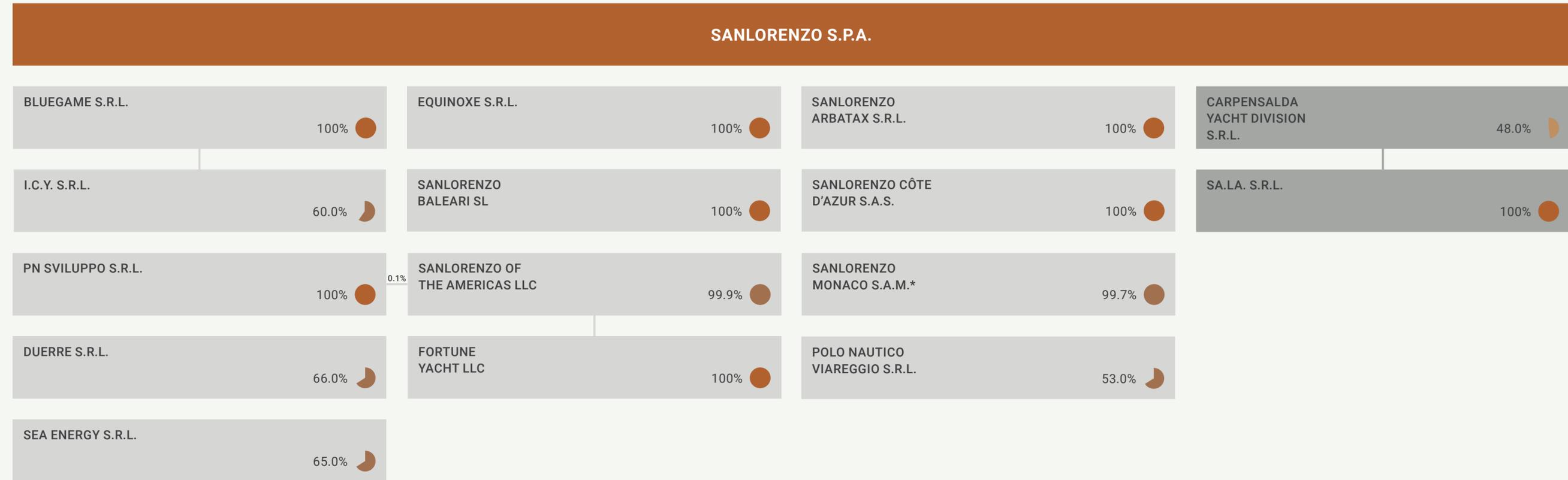
information reported in the NFS must be accurate and sufficiently detailed to allow stakeholders to properly assess the Group's performance and the impacts generated;

- **Balance:** the qualitative information and quantitative data reported should reflect, in a balanced manner, both positive and negative aspects associated with the Group's performance;
- **Clarity:** the contents of the NFS must be presented in a manner that is understandable and accessible to all the Group's stakeholders;
- **Comparability:** data and information must be reported across at least a three-year timespan to enable stakeholders to analyse changes in the Group's performance over time;
- **Reliability:** stakeholders must be assured that they can verify internal controls or view documents supporting the information and data presented;
- **Timeliness:** the NFS must be prepared and published on an annual basis and be consistent with current provisions concerning financial reporting.



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FIGURE 8.1 – THE REPORTING SCOPE OF THE SANLORENZO GROUP'S NFS 2023



- PERCENTAGE OF OWNERSHIP
- SUBSIDIARIES
- ASSOCIATES

* Previously named Marine Yachting Monaco S.A.M.



MATERIALITY ANALYSIS AND IDENTIFICATION OF MATERIAL TOPICS

The Group updates its materiality analysis at least every two years: the analysis to which this document refers is the 2022 version. In line with the requirements of the new GRI Universal Standards (2021) regarding impact materiality and in anticipation of what will be required, at the European level, by the Corporate Sustainability Reporting Directive (CSRD) and the European

Sustainability Reporting Standards (ESRS), the NFS 2023 incorporates a first approach to the so-called “double materiality” implemented, in the 2022 analysis, according to a comprehensive but simplified approach, in particular for stakeholders directly involved. This type of analysis takes into account both the impacts on the external context (“inside-out” perspective, or impact materiality)

and the impacts on the Group (“outside-in” perspective, or financial materiality). It should be noted, however, that for the purposes of ensuring compliance with the guidelines used for the NFS 2023 (GRI Standards), the results of the impact materiality were considered. The detailed outcomes of the materiality analysis carried out in 2022 are shown in the table below.

TABLE 8.1 – IMPACT MATERIALITY OUTCOMES

Material topics (in bold) in line with Legislative Decree 254/2016	Impacts	Type of impact	Impact materiality
Environmental topics			
Sustainable yacht design	Pollution connected to the use of materials with a greater environmental impact in the construction phase, such as non-renewable, non-recyclable, non-disassemblable materials	Risk	Significant
	Problems related to the disposal of non-renewable, non-recyclable, non-disassemblable materials used in the production of yachts (non-application of eco-design principles for end-of-life management)	Risk	Critical
	Marine pollution following the use of potentially hazardous chemicals (old-generation antifouling paints) for the construction of the hulls	Risk	Informational
	Failure to contribute to the reduction of environmental impacts, as a result of the failure to align with current European legislation on eco-design	Risk	Important
	Increase in the percentage of production materials recovered at the end of the useful life of the yachts, thanks to an eco-design geared towards the smart disassembly of the yachts	Opportunity	Critical
	Extension of the useful life of yachts, with consequent lower environmental impacts along the life cycle	Opportunity	Critical
Energy consumption	Increase in emissions and other relevant environmental impacts associated with high energy consumption from non-renewable sources within the organisation	Risk	Critical
	Risk of contributing to the national and international energy crisis, due to a high level of consumption and the failure to implement efficiency actions	Risk	Critical
	Reduction of the environmental impact, thanks to the transition from a supply from conventional energy sources to renewable energy sources	Opportunity	Critical



TABLE 8.1 – IMPACT MATERIALITY OUTCOMES

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Air emissions	Failure to contribute to the fight against climate change, due to non-alignment with more stringent national and international regulations on emissions	Risk	Critical
	Increase in the effects of climate change, such as extreme climatic events, as a result of management and production practices that do not comply with the principles of environmental sustainability	Risk	Critical
	Reduction of CO ₂ emissions and other pollutants thanks to activities within the Group's business sphere (replacement of energy sources, reduction of consumption, etc.)	Opportunity	Critical
Waste management	Spilling on the ground/accidental dragging of chemical agents on surface waters	Risk	Significant
	Positive consequences in terms of shifting from a linear to a circular economy model	Opportunity	Significant
Economic/governance topics			
Sustainable supply chain management	Environmental impacts related to the activities carried out by the Group's suppliers and contractors (waste production, energy consumption and air emissions)	Risk	Important
	Social impacts related to the activities carried out by the Group's suppliers and contractors (failure to respect human and workers' rights)	Risk	Significant
	Loss of value for the local area and community, as a result of a lack of collaboration between the Group and its network of suppliers – both with a view to optimising relationships and to starting a path of continuous growth through learning economies	Risk	Significant
	Creation of a local economic spin-off	Opportunity	Critical
	Promotion of a fair redistribution of contracts and supplies	Opportunity	Critical
	Implementation of awareness-raising policies on sustainability issues and improvement of the ESG performance of the Group's suppliers, through the influence that the Group has on them	Opportunity	Critical



TABLE 8.1 – IMPACT MATERIALITY OUTCOMES

1 2 3 4	Research and development	Failure to provide technical solutions in good time, in order to comply with new environmental or safety regulations, resulting in negative social and environmental impacts generated by the Group	Risk	Important
		No or minimal contribution to the growth and technological development of the maritime sector and therefore to the fight against climate change	Risk	Important
		Growth of scientific research linked to sustainability issues and sustainable yacht design criteria, positively impacting the entire sector and contributing to the fight against climate change	Opportunity	Critical
		Identification of innovative and digital solutions enabling research and innovation to progress in the Sanlorenzo Group's areas of application	Opportunity	Critical
Brand identity		Impact compromising the value of Made in Italy and of the areas in which the Group operates, due to conduct that is not in line with the founding values of the Group and the expectations of stakeholders	Risk	Critical
		Strengthening of the value of Made in Italy through the promotion of Italian culture and art	Opportunity	Critical
		Promotion of Made in Italy, Promotion of Made in Italy, through Sanlorenzo and Bluegame brand awareness and reputation worldwide	Opportunity	Critical
Social topics				
	Health and safety	Fire risk with consequences to the health and safety of workers, in particular of contractors at the Group's shipyards, arising from the mixing of incompatible production waste	Risk	Significant
		Increase in work-related injuries as a result of failure to cover the topic and to implement adequate safety measures	Risk	Significant
		Increase in occupational diseases due to the inhalation of dangerous chemical substances, such as styrene, among the workers of Group's contractors	Risk	Informational
		Negative impact on the health and safety of Sanlorenzo contractors' workers due to a poor understanding of the provisions and documentation made available on the subject, resulting from language problems	Risk	Significant
		Decrease in work-related injuries following the implementation of appropriate control, prevention and monitoring policies and "near miss" management measures implemented within the Group	Opportunity	Critical
		Lower social cost associated with work-related injuries, borne by the Group and by the local community	Opportunity	Critical
		Decrease in occupational diseases associated with styrene inhalation, through the implementation of the infusion technique	Opportunity	Critical



TABLE 8.1 – IMPACT MATERIALITY OUTCOMES

1 2 3 4	Protection of fundamental human and workers' rights	Failure to respect human and workers' rights, in business activities and along the Group's value chain	Risk	Informational
		Worsening of the living conditions of people whose fundamental rights have been violated	Risk	Important
		Contribution to the increase in the phenomenon of illegal hiring within the Group's shipyards, due to insufficient supervision of the operations carried out by contractors	Risk	Important
		Forced or compulsory labour within the Group's supply chain in countries potentially exposed to this risk, with respect to which the Group could contribute indirectly, by not implementing adequate control and verification	Risk	Important
		Fight against illegal hiring, through the Group's participation in initiatives to combat labour exploitation and illegal labour brokering in the yachting sector, contributing to the protection of human rights in the sector	Opportunity	Critical
		Protection of fundamental human and workers' rights through the sharing, with contractors and suppliers of materials, of general terms and conditions of contract and supply containing specific clauses on the subject	Opportunity	Critical
Attraction, retention and development of talent	Failure to meet the expectations and needs for individual and professional growth of the Group's human resources	Risk	Critical	
	Failure to implement training programmes, resulting in a standstill in the growth of employees' hard and soft skills	Risk	Informational	
	Lack of employee engagement resulting in reduced loyalty to the corporate culture	Risk	Informational	
	Limited impact on employment in the reference area due to recruitment choices that do not take into account the labour needs of the local population	Risk	Minimo	
	Development of the Group's human capital and opportunity to pass on, to new incoming generations, the skills of those who have more seniority in the Company	Opportunity	Critical	
	Development of technical training programmes (Sanlorenzo Academy) aimed at guaranteeing the preservation of specific sector skills within the reference area, also contributing to the creation of induced employment in the local area	Opportunity	Critical	
	Creation of partnerships with local players to attract and develop new talent	Opportunity	Critical	
Diversity and inclusion	Discrimination and unfair treatment of people (in particular of the Group's employees and of contractors' workers) on the basis of: gender, religion, age, sexual orientation, geographical origin and other individual characteristics	Risk	Informational	
	Failure to value diversity with a view to the continuous growth of the organisation and the context in which it operates, within an increasingly global and globalised scenario	Risk	Minimum	
	Impacts on the psychological health of people who work for the Group, due to the presence of stereotypical and discriminatory situations and behaviours	Risk	Informational	
	Positive contribution to the development of better knowledge and awareness – among people in the areas in which the Group operates – of the issues of diversity and inclusion, contributing to the development of a more inclusive model of society	Opportunity	Critical	
	Promotion of equal treatment and opportunities between genders in the company organisation	Opportunity	Critical	
	Development of measures (such as career plans, performance assessment and professional growth based on meritocracy) aimed at creating an organisational context that supports the inclusion and enhancement of diversity, guaranteeing different points of view and favouring discussion and dialogue	Opportunity	Critical	
	Promotion of an inclusive environment throughout the Group's value chain	Opportunity	Critical	
	Guarantee of a better integration of individuals with physical and intellectual disabilities into the world of work, thanks to the development of partnerships with local players	Opportunity	Critical	

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Only for priority topics, the Company's Investor Relator was also asked – as the interviewed contact person with specific financial expertise – to assess (taking into account the parameters indicated in the draft ESRS and expressing his assessment according to a rating scale from 1 to 4) the topics on the basis of their financial materiality and therefore in line with the outside-in perspective. In his assessment, the Investor Relator also outlined the main risks and

opportunities (of a financial nature) potentially connected to the topics being assessed, which are described – where relevant – in the technical fact sheets that can be found at the end of each chapter of this NFS.
The Group's material topics are set out below, along with an indication of how they relate to the areas of sustainability defined by Legislative Decree 254/2016, the reference GRI Standards and the scope of internal and/or external impact.

TABLE 8.2 – TABLE RELATING MATERIAL TOPICS WITH THE AREAS PROVIDED FOR IN LEGISLATIVE DECREE 254/2016, THE GRI STANDARDS AND THE SCOPE OF INTERNAL AND EXTERNAL IMPACT

Material topics (in bold) in line with Legislative Decree 254/2016	Area provided for in Legislative Decree 254/2016	GRI Standard	Scope of impact of the topic	
			Internal	External
Sustainable yacht design	Environment	GRI 301 – Materials	Sanlorenzo S.p.A. Bluegame S.r.l.	Customers
Energy consumption	Environment	GRI 302 – Energy	Sanlorenzo S.p.A. Bluegame S.r.l. Polo Nautico Viareggio S.r.l. I.C.Y. S.r.l. Sanlorenzo Arbatax S.r.l. Duerre S.r.l. (limited to the second half of 2023)	Suppliers/contractors Customers
Air emissions	Environment	GRI 305 – Emissions	Sanlorenzo S.p.A. Bluegame S.r.l. Polo Nautico Viareggio S.r.l. I.C.Y. S.r.l. Sanlorenzo Arbatax S.r.l. Duerre S.r.l. (limited to the second half of 2023)	Suppliers/contractors Community
Waste management	Environment	GRI 306 – Waste	Sanlorenzo S.p.A. Bluegame S.r.l. Polo Nautico Viareggio S.r.l. I.C.Y. S.r.l. Sanlorenzo Arbatax S.r.l. Duerre S.r.l. (limited to the second half of 2023)	Suppliers/contractors
Health and safety	Staff management Social impacts	GRI 403 – Occupational Health and Safety	Sanlorenzo S.p.A. Bluegame S.r.l. Polo Nautico Viareggio S.r.l. I.C.Y. S.r.l. Sanlorenzo Arbatax S.r.l. Duerre S.r.l. (limited to the second half of 2023)	Suppliers/contractors



TABLE 8.2 – TABLE RELATING MATERIAL TOPICS WITH THE AREAS PROVIDED FOR IN LEGISLATIVE DECREE 254/2016, THE GRI STANDARDS AND THE SCOPE OF INTERNAL AND EXTERNAL IMPACT

<p>Attraction, retention and development of talent</p>	<p>Staff management Social impacts Human rights</p>	<p>GRI 202 – Market Presence GRI 401 – Employment GRI 402 – Labour/Management Relations GRI 404 – Training and Education</p>	<p>Sanlorenzo S.p.A. Bluegame S.r.l. Polo Nautico Viareggio S.r.l. I.C.Y. S.r.l. Sanlorenzo Arbatax S.r.l. Duerre S.r.l. Sea Energy S.r.l. Equinoxe S.r.l. Sanlorenzo of the Americas LLC (Fortune Yacht LLC) Sanlorenzo Baleari SL Sanlorenzo Côte d’Azur S.a.s. PN Sviluppo S.r.l. Sanlorenzo Monaco S.a.m</p>	<p>Suppliers/contractors</p>
<p>Diversity and inclusion</p>	<p>Staff management Social impacts Human rights</p>	<p>GRI 405 – Diversity and Equal Opportunity GRI 406 – Non-discrimination</p>	<p>Sanlorenzo S.p.A. Bluegame S.r.l. Polo Nautico Viareggio S.r.l. I.C.Y. S.r.l. Sanlorenzo Arbatax S.r.l. Duerre S.r.l. Sea Energy S.r.l. Equinoxe S.r.l. Sanlorenzo of the Americas LLC (Fortune Yacht LLC) Sanlorenzo Baleari SL Sanlorenzo Côte d’Azur S.a.s. PN Sviluppo S.r.l. Sanlorenzo Monaco S.a.m</p>	<p>Suppliers/contractors</p>
<p>Protection of fundamental human and workers’ rights</p>	<p>Staff management Social impacts Human rights</p>	<p>GRI 407 – Freedom of Association and Collective Bargaining GRI 408 – Child Labour GRI 409 – Forced or Compulsory Labour</p>	<p>Sanlorenzo S.p.A. Bluegame S.r.l. Polo Nautico Viareggio S.r.l. I.C.Y. S.r.l. Sanlorenzo Arbatax S.r.l. Duerre S.r.l. Sea Energy S.r.l. Equinoxe S.r.l. Sanlorenzo of the Americas LLC (Fortune Yacht LLC) Sanlorenzo Baleari SL Sanlorenzo Côte d’Azur S.a.s. PN Sviluppo S.r.l. Sanlorenzo Monaco S.a.m</p>	<p>Suppliers/contractors</p>
<p>Brand identity</p>	<p>Social impacts</p>	<p>GRI 203 – Indirect Economic Impacts GRI 417 – Marketing and Labelling</p>	<p>Sanlorenzo S.p.A. Bluegame S.r.l.</p>	<p>Customers</p>
<p>Sustainable supply chain management</p>	<p>Social impacts Environment Human rights Fight against bribery and corruption</p>	<p>GRI 204 – Procurement Practices</p>	<p>Sanlorenzo S.p.A. Bluegame S.r.l.</p>	<p>Suppliers/contractors</p>
<p>Research and development</p>	<p>Environment Social impacts</p>	<p>GRI 203 – Indirect Economic Impacts</p>	<p>Sanlorenzo S.p.A. Bluegame S.r.l.</p>	<p>Partners</p>
<p>Fight against corruption</p>	<p>Fight against bribery and corruption</p>	<p>GRI 205 – Anti-Corruption</p>	<p>Sanlorenzo Group / Sanlorenzo S.p.A. Bluegame S.r.l.</p>	<p>Suppliers/contractors Customers</p>

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COLLECTION AND CONSOLIDATION OF DATA

The collection of qualitative and quantitative information in compliance with the GRI Standards involved corporate functions through the identification of specific functional area managers and data owners responsible for the topics covered within this NFS.

With reference to the processing of quantitative data within the document, it should be noted that: With regard to the **social** area, data are shown by geographical area or by Company. In particular, “Italy” includes the companies Sanlorenzo S.p.A., Bluegame S.r.l., Polo Nautico Viareggio S.r.l., I.C.Y. S.r.l., Sanlorenzo Arbatax S.r.l., Duerre S.r.l., Equinoxe S.r.l., PN Sviluppo S.r.l. and Sea Energy S.r.l.; on the other hand, “Abroad” includes data for Sanlorenzo of the Americas LLC (Fortune Yacht LLC), Sanlorenzo Baleari SL, Sanlorenzo Côte d’Azur S.a.s. and Sanlorenzo Monaco S.a.m.. The text contains specific indications regarding the scope of application of the individual GRI disclosures reported, with reference to the Group companies for which it was possible to collect data. With reference to some specific aspects relating to data collection, mention should be made of the GRI 403-8 Standard “Workers covered by an occupational health and safety management system”, which contains information relating to employees of Sanlorenzo S.p.A. and Bluegame S.r.l., as well as to contractors’ workers who work in the shipyards of the two Companies. Also the disclosures GRI 403-9 “Work-related injuries”, GRI 403-10 “Work-related ill health” and GRI 407-

1 “Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk”, with reference to Sanlorenzo S.p.A. and Bluegame S.r.l., have been covered with information relating to direct employees, trainees, and contractors’ workers.

Regarding **environmental** aspects, data are shown at the Group level, including all the Companies that manage production activities and excluding the sales offices. This scope therefore includes Sanlorenzo S.p.A., Bluegame S.r.l., I.C.Y. S.r.l., Sanlorenzo Arbatax S.r.l., Polo Nautico Viareggio S.r.l., and Duerre S.r.l. With specific reference to GRI 301-1 “Materials used by weight or volume”, data are available for Sanlorenzo S.p.A. and Bluegame S.r.l.. The GRI Standards relating to the topic of biodiversity are covered with reference to the Sanlorenzo S.p.A. and Bluegame S.r.l. shipyards in Ameglia and Viareggio, located within or near a protected natural context. It should be noted, however, that GRI 304-4 “IUCN Red List species and national conservation list species with habitats in areas affected by operations” was considered only with reference to the Ameglia shipyard, where the impacts generated on local plant and animal species have a greater relevance, since the shipyard lies within the Montemarcello-Magra-Vara Natural Park. It is noted that some data regarding subsidiaries (Duerre S.r.l., I.C.Y. S.r.l., Polo Nautico Viareggio S.r.l. and Sanlorenzo Arbatax S.r.l.) might be estimated from historical data. In the **economic/governance** area, data are

reported in aggregate form at a Group level. Any specific characteristics inherent to one or more companies are clearly indicated in the notes at the end of the chapter. Below are the main methods used to calculate some specific quantitative Key Performance Indicators (KPIs):

GRI 403-9 “Work-related injuries”: The recordable work-related injury rate is calculated as the ratio of the number of recordable work-related injuries occurred during the year – including commuting incidents only if the transport was organised directly by the Company – to the total number of hours worked during the year, multiplied by 1,000,000. The rate of high-consequence work-related injuries (excluding fatalities) is calculated as the ratio of the number of recordable high-consequence work-related injuries (excluding fatalities) occurred during the year to the total number of hours worked during the year, multiplied by 1,000,000. The rate of fatalities is calculated as the ratio of the number of fatalities as a result of work-related injury occurred during the year to the total number of hours worked during the year, multiplied by 1,000,000.

GRI 302-1 “Energy consumption within the organisation”: Unlike in previous NFSs, to determine the composition of the electricity purchased (renewable and non-renewable), reference was made exclusively to the presence of certificates of origin. Consequently, data relating to 2021 and 2022 were recalculated. Specific indications accompany the data in the notes at

the end of the chapter. The energy consumption conversion factors used are those proposed by DEFRA (Department for Environment, Food & Rural Affairs) (2023, 2022 and 2021)

GRI 302-3 “Energy intensity”: energy intensity was calculated as the ratio of energy consumption for the year to Net Revenues New Yachts for the same year.

GRI 305 “Emissions”: with regard to the calculation of direct (Scope 1) GHG emissions from the consumption of natural gas, diesel for company motor vehicles (e.g. cranes, trolleys used for moving boats), diesel and petrol for company cars (of which 70% was considered for work use, while 30% for private use was excluded) and diesel for sea trials of yachts emission factors were calculated starting from the “Fattori di emissione della combustione in Italia” (ISPRA, 2019) for the GHG emission per GJ of energy produced and from the EU Implement Regulation 2018/2066 of the Commission for the calorific powers. For the calculation of indirect GHG (Scope 2) emissions from electricity consumption, the AIB Residual Mix factors were used for Market Based and Ecoinvent v3.9.1. The share of electricity purchased covered by guarantees of origin was considered to be zero-emission. The emission intensity (GRI 305-4) was calculated as the ratio of the emissions generated (Scope 1 and Scope 2) to Net New Revenues for the relevant year.

With respect to Scope 3 emissions, the following is specified for the estimated emission categories.

- **Cat. 1 Purchased goods and services:** this item includes emissions from materials and components purchased by Sanlorenzo for the construction of the yachts. The source of the emission factors used is Ecoinvent 3.9.1.
- **Cat. 3 Fuel- and energy-related activities:** this item includes emissions from the upstream phases of the fuels used and the transformation and distribution of electricity. The source of the emission factors used is Ecoinvent 3.9.1.
- **Cat. 5 Waste generated in operations:** this item includes emissions from waste generated by Sanlorenzo; waste is sorted on the basis of its nature and final destination; each of these scenarios is assigned a different emission coefficient. The source of the emission factors used is Ecoinvent 3.9.1.
- **Cat. 11 Use of sold products:** this item includes emissions generated by the yachts built by Sanlorenzo during their use phase; conventionally, the emissions generated over the entire expected lifetime (30 years) of yachts produced in the same year are attributed to the reference reporting year. It should be noted that this figure refers only to yachts in the Sanlorenzo fleet whose use profile has been studied, while the Bluegame brand was not included. The source of the emission factors is the same as that used for Scope 1 emissions from the use of fuels.

It should be noted that the following KPIs were also calculated:

- Materials used in relation to the value of the gross tonnage (GT) of the yachts delivered during the year, with reference to the Superyacht, Yacht and Bluegame Business Units;
- Energy intensity calculated as the ratio of total energy consumed (in GJ) to Net Revenues New Yachts for the year (in M EUR);
- Water intensity calculated as the ratio of total water withdrawals (in ML) to Net Revenues New Yachts for the year (in M EUR);
- Waste intensity calculated as the ratio of total waste generated (in tonnes) to Net Revenues New Yachts for the year (in M EUR);
- Value of linked activities generated at the Italian level, in terms of job creation.

In order to guarantee the reliability of the information reported in the document, the Company resorted as little as possible to the use of estimates. Where it was deemed necessary to resort to estimates, this is indicated in the notes at the end of the chapter.

Finally, it should be noted that in this NFS the Group complied, in both qualitative and quantitative terms, with the requirements of Regulation (EU) 2020/852. The evidence regarding indicators – Turnover, CapEx and OpEx – provided for by the EU Taxonomy is reported in the “Technical insights” section.





GRI CONTENT INDEX

The table below provides information on the GRI Standards and the related disclosures that were used for the reporting of the Sanlorenzo Group's NFS 2023. The indicators are aligned with the most recent versions of the GRI Standards, in particular:

- Universal GRI Standards 2021;
- Topic-Specific GRI Standards 2016;
- Topic-Specific GRI Standards 2018 (GRI 303 "Water and Effluents"; GRI 403 "Occupational Health and Safety");

- Topic-Specific GRI Standards 2019 (GRI 207 "Tax");
- Topic-Specific GRI Standards 2020 (GRI 306 "Waste").

The table shows the reference pages where the information required by the Standards are dealt with, or any cross-references to other publicly accessible company documents. Where necessary, the omissions made and the relative reasons are also reported.

Statement of Use	Sanlorenzo S.p.A. has reported the sustainability information relating to the entities included in the scope of the document, in accordance with GRI Standards, for the period between 1 January 2022 and 31 December 2023.				
GRI 1 used	GRI 1: Foundation 2021				
GRI STANDARD	DISCLOSURE	DOCUMENT PAGE/OTHER SOURCES	OMISSIONS		
			REQUIREMENT(S) OMITTED	REASONS	EXPLANATION
General Disclosures					
GRI 2: General Disclosures 2021	2-1 Organisational details	Sanlorenzo S.p.A. is a company listed on the Euronext STAR Milan segment of Borsa Italiana.			
	2-2 Entities included in the organisation's sustainability reporting	p.135			
	2-3 Reporting period, frequency and contact point	pp.135, 209			
	2-4 Restatement of information	pp.167, 183, 197			
	2-5 External assurance	pp.132-133			



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GRI 2: General Disclosures 2021	2-6 Activities, value chain and other business relationships	pp. 18-19, 22-23, 91-93			
	2-7 Employees	p.170			
	2-8 Workers who are not employees	p.101			
	2-9 Governance structure and composition	pp.122-124, 185-188			
	2-10 Nomination and selection of the highest governance body	pp.122-124, 185			
	2-11 Chair of the highest governance body	pp.124, 186			
	2-12 Role of the highest governance body in overseeing the management of impacts	pp.32, 37-38, 125-126			
	2-13 Delegation of responsibility for managing impacts	pp.125-126, 185			
	2-14 Role of the highest governance body in sustainability reporting	pp.38, 125			
	2-15 Conflicts of Interest	pp.122-124 Ref. Code of Ethics (Chapter 5) of the companies Sanlorenzo S.p.A. and Bluegame S.r.l.; Procedure for Transactions with Related Parties of the Company Sanlorenzo S.p.A. In the case of Sanlorenzo both documents are available online on the company website and therefore consultable by all. In addition, the information relating to transactions with related parties are reported in the periodic financial reports regularly published.			
	2-16 Communication of critical concerns	pp.32-35, 64			
	2-17 Collective knowledge of the highest governance body	p.124			
	2-18 Evaluation of the performance of the highest governance body	Ref. Remuneration Report, available on the Sanlorenzo website, in the Corporate Governance section.			
	2-19 Remuneration policies	pp.105-106, 124, 189 Ref. Remuneration Report, available on the Sanlorenzo website, in the Corporate Governance section.			
	2-20 Process to determine remuneration	pp.106, 124, 189 Ref. Remuneration Report, available on the Sanlorenzo website, in the Corporate Governance section.			
	2-21 Annual total compensation ratio	pp. 106, 171 Ref. Remuneration Report, available on the Sanlorenzo website, in the Corporate Governance section.			
2-22 Statement on sustainable development strategy	p.5				
2-23 Policy commitments	pp.31-32, 72, 84-85, 126-127, 190-191				
2-24 Embedding policy commitments	The compliance with policy commitments is guaranteed by several corporate entities: the CRS Committee, that monitors the compliance with the commitments defined in the company policies as part of its duties; the Supervisory Body, in the 231 Model and associated documents; the employer, in order to respect the environmental (ISO 1400) and health and safety (ISO 45001) regulations; the Internal Audit (currently operating in Sanlorenzo, Bluegame and SLOTA) that, by order of the BoD, develops an annual plan of checks/inspections in order to evaluate the correct application of the various procedure.				
2-25 Process to remediate negative impacts	Through the Whistleblowing procedure pursuant to Italian Legislative Decree no. 24/2023, All Sanlorenzo and Bluegame employees and other stakeholders may send a report to the Whistleblowing Officer regarding any actual or potential act that they suspect of violating the law or any other internal regulation.				



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GRI 2: General Disclosures 2021	2-26 Mechanisms for seeking advice and raising concerns	Ref. Model 231 and Whistleblowing Procedure of Sanlorenzo S.p.A. and Bluegame S.r.l.			
	2-27 Compliance with laws and regulations	Monetary value of fines paid definitively for cases of non-compliance with laws and regulations in the year 2023: euro 28,707 approx. There are no reported significant cases of non-compliance to laws and regulations for which sanctions have been imposed non-monetary sanctions.			
	2-28 Membership associations	p.128			
	2-29 Approach to stakeholder engagement	pp.31-36			
	2-30 Collective bargaining agreements	p.171			
Material Topics					
GRI 3: Material Topics 2021	3-1 Process to determine material topics	pp.37-38, 137-142			
	3-2 List of material topics	pp.37-38, 137-142			
Economic performance					
GRI 3: Material Topics 2021	3-3 Management of material topics	pp.24-26, 36, 126, 190-191			
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	pp.25-26, 155			
	201-2 Financial implications and other risks and opportunities due to climate change	pp.190-191			
Market Presence					
GRI 3: Material Topics 2021	3-3 Management of material topics	pp.36, 101, 105-106, 126, 171			
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	pp.106, 171			
	202-2 Proportion of senior management hired from the local community	p.101			
Indirect Economic Impacts					
GRI 3: Material Topics 2021	3-3 Management of material topics	pp.24-26, 36, 126, 156			
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	pp.25, 156			
Procurement Practices					
GRI 3: Material Topics 2021	3-3 Management of material topics	pp.36, 38, 90-93, 97, 126, 138, 156			
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	pp.93, 156			



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Anti-corruption					
GRI 3: Material Topics 2021	3-3 Management of material topics	pp.36, 126-127, 193-195			
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	pp.193-194			
	205-2 Communication and training about anti-corruption policies and procedures	p.195 With regard to the information conveyed to commercial partners on the subject of anti-corruption, it should be noted that the Code of Ethics and Model 231 of Sanlorenzo are available online and accessible to everyone. On the other hand, the Code of Ethics of Bluegame is not published on the company website. Moreover, the General Terms and Conditions of Contract (CGA) of Sanlorenzo and Bluegame, addressed to the relative suppliers and contractors, include specific measures to combat corruption.			
	205-3 Confirmed incidents of corruption and actions taken	There were no (confirmed) incidents of corruption during the three-year reporting period with reference to the companies Sanlorenzo and Bluegame.			
Anti-competitive Behaviour					
GRI 3: Material Topics 2021	3-3 Management of material topics	pp.36, 126-127			
GRI 206: Anti-competitive Behaviour	206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	During the year, as in previous years, no legal action was taken within the Group in relation to anti-competitive behaviour, anti-trust and monopolistic practices.			
Tax					
GRI 3: Material Topics 2021	3-3 Management of material topics	pp.24-26, 36, 126, 154-157			
GRI 207: Tax 2019	207-1 Approach to tax	p.154			
	207-2 Tax governance, control, and risk management	p.154			
	207-3 Stakeholder engagement and management of concerns related to tax	p.154			
	207-4 Country-by-country reporting	p.156			
Materials					
GRI 3: Material Topics 2021	3-3 Management of material topics	pp.36, 52-52, 72-73, 126, 158-160			
GRI 301: Materials 2016	301-1 Materials used by weight or volume	pp.53, 158-160			

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Energy					
GRI 3: Material Topics 2021	3-3 Management of material topics	pp.36, 72-76, 87, 126, 137, 161-162			
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	pp.74-76, 161			
	302-3 Energy intensity	pp.76, 162			
	302-4 Reduction of energy consumption	p.76			
Water and Effluents					
GRI 3: Material Topics 2021	3-3 Management of material topics	pp.36, 72-73, 79, 126, 162			
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	p.79			
	303-2 Management of water discharge-related impacts	p.79			
	303-3 Water withdrawal	pp.79, 162			
	303-4 Water discharge	p.79			
	303-5 Water consumption	p.162			
Biodiversity					
GRI 3: Material Topics 2021	3-3 Management of material topics	pp.36, 72-73, 81-83, 126			
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	pp.81-83			
	304-2 Significant impacts of activities, products and services on biodiversity	pp.81-83			
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	p.83			



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Emissions					
GRI 3: Material Topics 2021	3-3 Management of material topics	pp.36, 76-78, 87, 126, 138, 163-164			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	pp.78, 163			
	305-2 Energy indirect (Scope 2) GHG emissions	pp.78, 163			
	305-3 Other indirect (Scope 3) GHG emissions	pp.78, 163			
	305-4 GHG emissions intensity	p.164			
	305-5 Reduction of GHG emissions	p.76			
	305-7 Nitrogen oxides (NO _x), sulphur oxides (SO _x), and other significant air emissions	pp.77, 164			
Waste					
GRI 3: Material Topics 2021	3-3 Management of material topics	pp.36, 72-73, 80, 87, 126, 138, 165-166			
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	p.80			
	306-2 Management of significant waste-related impacts	p.80			
	306-3 Waste generated	pp.80, 165-166			
	306-4 Waste diverted from disposal	pp.80, 165-166			
	306-5 Waste directed to disposal	pp.80, 165-166			
Employment					
GRI 3: Material Topics 2021	3-3 Management of material topics	pp.36, 38, 101-104, 109, 119, 126, 140, 172-173			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	pp.104, 172-173			
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	p.109			



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Labour/Management Relations					
GRI 3: Material Topics 2021	3-3 Management of material topics	pp.36, 101, 126			
GRI 402: Labour/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Sanlorenzo and Bluegame employees are given two weeks' notice in the case of transfers from one job to another or from one site to another. In the latter case, this is in line with the "adequate notice" formula provided for in national collective bargaining agreements. For I.C.Y. employees, on the other hand, the corporate policy provides for four weeks. The indicator does not apply to SLOTA.			
Occupational Health and Safety					
GRI 3: Material Topics 2021	3-3 Management of material topics	pp.36, 38, 84-87, 95, 107, 126, 139, 168-169, 174-176			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	pp.84-86, 95			
	403-2 Hazard identification, risk assessment, and incident investigation	pp.84-86, 95			
	403-3 Occupational health services	p.86			
	403-4 Worker participation, consultation, and communication on occupational health and safety	There are no management-worker committees dedicated to occupational health and safety issues within Group companies.			
	403-5 Worker training on occupational health and safety	pp.86, 95, 107			
	403-6 Promotion of worker health	p.86			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	p.95			
	403-8 Workers covered by an occupational health and safety management system	pp.174-176			
	403-9 Work-related injuries	pp.174-176			
	403-10 Work-related ill health	In the last three years there have been no occupational diseases confirmed with reference to employees and collaborators of the Group.			



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Training and Education			
GRI 3: Material Topics 2021	3-3 Management of material topics	pp.36, 38, 107, 109, 119, 126, 140, 177-179	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	pp.107, 177-178	
	404-3 Percentage of employees receiving periodic performance and career development reviews	pp.109, 179	
Diversity and Equal Opportunities			
GRI 3: Material Topics 2021	3-3 Management of material topics	pp.36, 38, 105-106, 119, 124, 126, 140	
GRI 405: Diversity and Equal Opportunities 2016	405-1 Diversity of governance bodies and employees	pp.105, 124, 180-181	
	405-2 Ratio of basic salary and remuneration of women to men	pp.106, 181	
Non-discrimination			
GRI 3: Material Topics 2021	3-3 Management of material topics	pp.36, 38, 105-106, 119, 124, 126, 140, 180-181	
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	p.105	
Freedom of Association and Collective Bargaining			
GRI 3: Material Topics 2021	3-3 Management of material topics	pp.36, 38, 95, 97, 126, 140	
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	The Group protects the freedom of association and collective bargaining of its employees and contractors. With reference to the latter, the protection is granted via the arrangements included in the General Purchasing and Procurement Conditions. In this regard, the provisions of the Memorandum of Understanding for the fight against illegal hiring subscribed by Sanlorenzo S.p.A. should also be noted. Moreover, the new Corporate Supplementary Agreement includes definitively in all the four sites of the Group the establishment of a cultural mediation help desk, in order to facilitate the communication and the interactions between people from different countries and speaking different languages, as well as literacy classes and civic courses held in the Company's sites, for foreign workers employed by contractors. This initiative also aims at facilitating workers' understanding of their rights.	
Child Labour			
GRI 3: Material Topics 2021	3-3 Management of material topics	pp.36, 38, 95, 97, 126, 140	
GRI 408: Child Labour 2016	408-1 Operations and suppliers at significant risk for incidents of child labour	The suppliers from which Sanlorenzo and Bluegame procure are all located in European and North American countries where clear legislation on the subject is in place. Controls in the area of child labour are entrusted to the competent state bodies and based on compliance with the regulations in force in each country.	
Forced or Compulsory Labour			
GRI 3: Material Topics 2021	3-3 Management of material topics	pp.36, 38, 95, 97, 126, 140	
GRI 409: Forced or Compulsory Labour 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	The suppliers from which Sanlorenzo and Bluegame procure are all located in European and North American countries where clear legislation on the subject is in place. Controls in the area of forced or compulsory labour are entrusted to the competent state bodies and based on compliance with the regulations in force in each country.	



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Public Policy					
GRI 3: Material Topics 2021	3-3 Management of material topics	pp.36, 126			
GRI 415: Public Policy	GRI 415-1 Political contributions	In 2023, Sanlorenzo S.p.A. paid Euro 11,000.00 as political contributions.			
Customer Health and Safety					
GRI 3: Material Topics 2021	3-3 Management of material topics	pp.22, 36, 63-65, 126			
GRI 416: Customer Health and Safety	GRI 416-2: Incidents of non-compliance concerning the health and safety impacts of products and services	p.64			
Marketing and Labelling					
GRI 3: Material Topics 2021	3-3 Management of material topics	pp.36, 62-65, 126			
GRI 417: Marketing and Labelling 2016	417-3 Incidents of non-compliance concerning marketing communications	It is confirmed that, also in 2023 as in the previous two-year period, there were no non-conformities at the Group level of non-compliance to regulations and/or self-regulatory codes in the field of marketing communications.			
Customer Privacy					
GRI 3: Material Topics 2021	3-3 Management of material topics	pp.36, 63-65, 126			
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	In 2023, as in the previous two years, no cases of data breaches or loss of data, with reference to both owners of Sanlorenzo products and Group employees were reported.			
Other Material Topics					
Research and Development					
GRI 3: Material Topics 2021	3-3 Management of material topics	pp. 36, 38, 55-61, 69, 126, 139			
Brand Identity					
GRI 3: Material Topics 2021	3-3 Management of material topics	pp.20-21, 27, 36, 38, 126, 139			
Sustainable Yacht Design					
GRI 3: Material Topics 2021	3-3 Management of material topics	pp.36, 38, 58-61, 69, 126, 137			



TECHNICAL INSIGHTS – ECONOMIC AREA

CHAPTER 1 – “SANLORENZO GROUP PERFORMANCE IN 2023” SECTION CHAPTER 5 – “SUPPLY CHAIN”

APPROACH TO TAXATION

The Parent Company recognises that the tax system must be based on a relationship of trust and collaboration between the citizen and the competent Authority, in a regime of transparency, balance and effective reciprocity. The approach adopted is oriented towards compliance with the laws and regulations in force on the matter, through the fulfilment of the required declaration obligations and, at the same time, the minimisation of fiscal risks, including through the use of tax facilitation regulations. The Sanlorenzo and the Bluegame Codes of Ethics outline the “ethical supervision” sphere in which Group companies must operate. The provisions regarding Code of Ethics breaches are in place to ensure effectiveness of the document itself and are extended to the contents of the tax strategy. Group companies are indeed required to comply with the principle of legality, applying the tax laws of the countries in which they operate in a timely manner, in compliance with the principles and purpose laid down in the law or regulations

governing the matter, and availing themselves of internal and, where necessary, external advice, should rules be unclear or ambiguous in their meaning. It should also be noted that the Group complies with the provisions on transfer pricing documentation, in compliance with the indications of the Transfer Pricing Guidelines defined by the Organisation for Economic Cooperation and Development (OECD).

The Parent Company coordinates the Group’s tax strategy and, in particular, entrusts the CFO, supported by the Administration, Finance and Control Department and IA Function, with the task of ensuring compliance across all Group companies. Taxation management also falls within the scope of the Internal Control and Risk Management System (ICRMS), which sees the following bodies and figures as the main responsible players: the BoD; the Control, Risk and Sustainability Committee; the CFO; and the Risk Manager. In particular, the Risk Control Matrix tool enables Sanlorenzo to constantly carry out checks aimed at ascertaining the Company’s

compliance with the relevant tax legislation and at monitoring the different corporate procedures and areas to identify any elements of risk, adopting adequate countermeasures in time. In the event of illegal or unethical conduct, the Model 231 (i.e. The Organisation, Management and Control Model) and the Whistleblowing Procedure are in place at Sanlorenzo and Bluegame, governing procedures for reporting critical issues, including those relating to tax matters. Sanlorenzo and Bluegame have also adopted procedures to ensure the proper conduct of its suppliers and subcontractors, also in the area of tax. Examples are the CGA (i.e. the General Terms and Conditions of Contract), where explicit reference is made to tax matters. Special attention is also paid to anti-money laundering legislation, also with reference to customer relations. For foreign companies, however, the ethical conduct of the business is governed by the Code of Conduct, within which attention is also paid to anti-money laundering legislation.

GRI 201-1 DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED¹

EURO/000	2023	2022	2021
Net revenues ²	854,301	751,132	668,045
Other income	11,367	7,412	5,488
Financial income	6,131	281	193
Economic value generated	871,799	758,825	673,726
Costs for the consumption of raw materials and consumables and finished products	270,863	247,677	247,780
Costs for outsourcing and services	345,376	295,932	230,987
Economic value distributed to suppliers	616,239	543,609	478,767
Labour costs	64,013	53,299	45,527
Economic value distributed to staff	64,013	53,299	45,527
Financial charges	2,108	1,021	1,203
Dividends	22,978	20,649	10,331
Economic value distributed to lenders	25,086	21,670	11,534
Income taxes	41,107	28,176	18,767
Income taxes referring to the actuarial change in provisions for employee benefits	11	-52	-6
Income taxes referring to changes in the cash flow hedge reserve	200	-1,095	352
Economic value distributed to the Public Administration	41,318	27,029	19,113
Investments for local communities	335	208	187
Economic value distributed to the local community	335	208	187
Economic value distributed	746,991	645,815	555,128
Economic value retained (Economic value generated - Economic value distributed)	124,808	113,010	118,598



GRI 203-1 INFRASTRUCTURE INVESTMENTS AND SERVICES SUPPORTED

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EURO/000	2023			2022			2021		
	Sanlorenzo	Bluegame	Total	Sanlorenzo	Bluegame	Total	Sanlorenzo	Bluegame	Total
Increase in production capacity	12,407	422	12,829	20,098	2,328	22,426	20,993	225	21,218
Investments in product development	15,304	2,559	17,863	15,832	3,713	19,545	13,328	4,143	17,471
Recurring industrial investments	2,199	433	2,632	2,208	344	2,552	2,344	156	2,500
Other investments	1,706	386	2,092	1,950	144	2,094	2,103	201	2,304
TOTAL INVESTMENTS	31,616	3,800	35,416	40,088	6,529	46,617	38,768	4,725	43,493

GRI 207-4 COUNTRY-BY-COUNTRY REPORTING (CONSOLIDATED, ITALIAN TAX JURISDICTION)

MAIN ACTIVITIES: CONSTRUCTION OF PLEASURE AND SPORTS BOATS			
	2023	2022	2021
Number of employees	1,065	764	597
Revenues from sales to third parties (Euro/000)	854,301	751,132	668,045
Revenues from intercompany transactions with other tax jurisdictions (Euro/000)	74,423	119,179	71,131
Profit/loss before tax (Euro/000)	129,672	102,279	71,006
Tangible assets other than cash and cash equivalents (Euro/000)	179,820	158,710	134,988
Corporate income taxes paid on a cash basis (Euro/000) ³	39,068	27,257	17,622
Corporate income taxes accrued on profits/losses (Euro/000)	36,385	27,540	19,655
The items that determine the difference between the income taxes accrued on profits and the taxes due consist of incentives linked to research and development activities (Research and Development Credit), from which Sanlorenzo benefits as a result of the significant investments in research and development activities.			

GRI 204-1 PROPORTION OF SPENDING ON LOCAL SUPPLIERS

SPENDING ON LOCAL SUPPLIERS	2023			2022			2021		
	Sanlorenzo	Bluegame	Total	Sanlorenzo	Bluegame	Total	Sanlorenzo	Bluegame	Total
Total expenditure for procurement	635,247,311	86,917,418	722,164,729	573,301,992	71,622,938	644,924,930	536,675,185	40,586,043	577,261,228
Spending on local suppliers	213,013,409	38,862,293	251,875,702	205,437,497	30,804,788	236,242,285	187,590,540	17,596,196	205,186,736
% spent on local suppliers	34%	45%	35%	36%	43%	37%	35%	43%	36%

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NOTES

- 1 © Data from the Consolidated Financial Statements of the Sanlorenzo Group, restated on an accrual basis.
- 2 © Net Revenues are calculated as the algebraic sum of the revenues from sales agreements with clients that regard the sales of boats, new and pre-owned, the provision of services and sales of materials, net of marketing costs of boats, which include commissions and collection costs, management and sales of second-hand boats in barter.
- 3 © Tax returns and regional tax on business concerns (IRAP).



TECHNICAL INSIGHTS – ENVIRONMENTAL AREA

CHAPTER 2 – “SANLORENZO’S DECARBONISATION JOURNEY” SECTION
 CHAPTER 3 – “ENVIRONMENTAL IMPACT OF THE PRODUCT” SECTION
 CHAPTER 4 – “SUSTAINABILITY OF PRODUCTION PROCESSES”

GRI 301-1 MATERIALS USED BY WEIGHT OR VOLUME

YACHT BUSINESS UNIT	2023	2022	2021
Number of yachts delivered	56	59	54
Renewable materials used (in kg)	1,037,704	1,010,858	868,548
Plywood for subdivision	207,882	205,196	175,115
Wood for furniture/furnishings	726,692	703,478	597,046
Teak	103,130	102,184	96,387
Non-renewable materials used (in kg)	4,290,065	4,259,491	3,821,403
Gelcoat	91,721	93,685	85,284
Laminating resin	956,702	935,554	850,421
Laminating glass fibre	699,145	701,241	649,165
Laminating carbon fibre	90,598	86,591	80,333
PU/PVC for lamination	101,250	100,481	90,436
Catalysts	18,559	19,202	16,884
Filler	16,180	16,109	14,816
Paints	31,823	33,302	28,687
Adhesives	77,584	79,396	75,023
Ferrous materials	938,959	934,971	809.852
Aluminium alloys	116,769	117,254	103,597
Stainless steel	358,697	346,646	322,203
Copper	214,248	210,839	183,182
Technopolymer pipes	77,872	69,930	61,534
Batteries	87,048	88,290	82,257
Crystals	111,954	121,299	93,752
Insulation material	162,293	160.004	141,079
Marble and Stones	62,778	68,203	64,093
Fabrics/tapestry/carpeting	60,395	60,992	55,005
Lubricating oils	15,490	15,502	13,800
Total	5,327,769	5,270,349	4.689.951
% of renewable materials out of the total of materials used	19.48%	19.18%	19.00%
Total GT delivered¹	9,493	9,725	8,277
Total kg/GT	561.23	541.88	566.62



GRI 301-1 MATERIALS USED BY WEIGHT OR VOLUME

SUPERYACHT BUSINESS UNIT	2023	2022	2021
Number of yachts delivered	8	5	7
Renewable materials used (in kg)	705,390	381,690	470,490
Plywood for subdivision	349,390	205,990	250,790
Wood for furniture/furnishings	310,300	147,300	185,100
Teak	45,700	28,400	34,600
Non-renewable materials used (in kg)	3,562,570	2,036,670	2,523,270
Ferrous materials	2,113,300	1,158,300	1,282,900
Stainless steel	133,500	91,300	120,300
Aluminium alloys	386,000	255,300	462,300
Copper	168,450	99,950	124,850
Insulation material	234,500	122,000	143,000
Technopolymer pipes	63,050	34,050	46,350
Fabrics/tapestry/carpeting/upholstered furniture	23,250	11,750	14,550
Marble and Stones	65,850	37,850	42,150
Filler	178,400	116,900	149,700
Paints	51,200	29,600	34,100
Adhesives	16,360	9,460	12,460
Lamination resin (stabiliser fins)	4,160	3,960	5,160
Crystals	92,000	50,000	64,000
Batteries	19,300	9,200	12,800
Lubricating oils	13,250	7,050	8,650
Total	4,267,960	2,418,360	2,993,760
% of renewable materials out of the total of materials used	16.53%	17.00%	16.00%
Total GT delivered¹	5,797	3,258	4,222
Total kg/GT	736.24	742.28	709.09



GRI 301-1 MATERIALS USED BY WEIGHT OR VOLUME

BLUEGAME BUSINESS UNIT	2023	2022	2021
Number of yachts delivered	36	32	22
Renewable materials used (in kg)	153,980	137,650	111,900
Plywood for subdivision	25,430	22,890	18,820
Wood for furniture/furnishings	109,800	98,250	80,200
Teak	18,750	16,510	12,880
Non-renewable materials used (in kg)	830,210	735,330	590,380
Gelcoat	16,120	14,830	11,580
Laminating resin	172,010	152,940	123,390
Laminating glass fibre	112,540	100,660	81,860
Laminating carbon fibre	2,510	2,040	1,390
PU/PVC for lamination	29,230	25,830	20,710
Catalysts	2,360	2,140	1,760
Filler	2,460	2,170	1,740
Paints	4,070	3,690	3,000
Adhesives	19,300	17,190	13,880
Ferrous materials	224,400	196,100	154,700
Crystals	41,600	37,150	30,300
Stainless steel	44,280	39,640	32,230
Aluminium alloys	25,200	22,700	17,750
Copper	41,170	36,760	29,820
Insulation material	23,040	20,660	16,910
Technopolymer pipes	12,990	11,420	9,070
Fabrics/tapestry/carpeting/upholstered furniture	15,300	13,450	10,750
Marble and Stones	12,680	11,310	9,180
Batteries	24,800	21,900	17,500
Lubricating oils	4,150	3,620	2,860
Total	984,190	872,980	702,280
% of renewable materials out of the total of materials used	15.65%	16.00%	16.00%
Total GT delivered¹	1,588	1,411	1,147
Total kg/GT	619.77	618.66	611.78



GRI 302-1 ENERGY CONSUMPTION WITHIN THE ORGANISATION (GJ)

GROUP ²	2023	2022	2021
Total purchased electricity	51,848.60	45,671.48	41,641.71
Electricity from conventional sources	44,310.56	45,671.48	41,641.71
Electricity from renewable sources ³	7,538.04	0.00	0.00
Total self-produced electricity	2,139.66	2,466.72	2,273.40
Self-produced and consumed electricity (renewable from photovoltaics)	1,948.67	2,176.42	1,663.56
Self-produced electricity fed into the grid (renewable from photovoltaics)	190.99	290.30	609.84
Methane gas	14,766.07	12,740.50	10,967.12
Fuels	49,407.22	39,623.20	37,547.70
Diesel for sea trials ⁴	30,957.21	27,447.38	28,086.39
HVO for sea trials	714.99	0.00	0.00
Diesel for heating	236.11	118.75	111.63
Diesel for motor vehicles	3,931.13	855.33	963.02
Diesel for company cars	12,942.41	10,286.37	7,685.84
Petrol for company cars	625.37	915.38	700.82
Total consumed energy	117,970.56	100,211.60	91,820.09
of which renewable	8.65%	2.17%	1.81%



GRI 302-3 ENERGY INTENSITY

GROUP ²	2023	2022	2021
Total energy consumption (GJ)	117,970.56	100,211.60	91,820.09
Net Revenues New Yachts (M EUR)	840.20	740.68	585.90
Energy intensity (GJ/M EUR)	140.41	135.30	156.72

GRI 303-3 WATER WITHDRAWAL (ML)

GROUP ²	2023	2022	2021
Water withdrawal from areas with water stress	90.18	83.31	63.84
Water withdrawal from groundwater (well) – ML	0.57	–	3.93
Water withdrawals from third-party water sources (aqueduct) – ML	89.61	83.31	59.92

GRI 303-5 WATER CONSUMPTION (WATER STORAGE) (ML)

SANLORENZO S.P.A.	2023	2022	2021
Ameglia (Fire-fighting water reserve)			
Total water storage at the end of the year	0.14	0.24	0.24
Total water storage at the beginning of the year	0.14	0.24	0.24
Change in water storage	0	0	0
Viareggio (Fire-fighting water reserve)			
Total water storage at the end of the year	0.20	0.22	0.14
Total water storage at the beginning of the year	0.20	0.22	0.14
Change in water storage	0	0	0



305-1 DIRECT (SCOPE 1) GHG EMISSIONS / 305-2 ENERGY INDIRECT (SCOPE 2) GHG EMISSIONS / 305-3 OTHER INDIRECT (SCOPE 3) GHG EMISSIONS

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GROUP ²	2023	2022	2021
Direct emissions (Scope 1, ton CO₂e)	3,836.17	3,127.23	2,945.89
Natural gas	714.54	624.80	533.10
Diesel	3,091.67	2,458.67	2,379.52
Petrol	29.95	43.76	33.27
Indirect emissions (Scope 2, ton CO₂e)			
Purchased electricity (location-based)	4,733.41	4,169.48	3,475.30
Purchased electricity (market-based)	5,626.83	5,844.56	5,202.46
Indirect emissions (Scope 3, ton CO₂e)	293,002.64	235,644.37	n.a.
Cat 1. Purchased goods and services	41,087.68	33,528.48	n.a.
Cat 3. Fuel- and energy-related activities	2,609.05	2,400.73	n.a.
Cat 5. Waste disposal and treatment	894.14	618.97	n.a.
Cat 11. Use of sold products	250,981.50	201,453.00	n.a.
Total Scope 1, Scope 2 (location-based) and Scope 3 Emissions	304,141.95	245,297.89	n.a.
Total Scope 1, Scope 2 (market-based) and Scope 3 Emissions	305,035.37	246,972.97	n.a.



GRI 305-4 GHG EMISSIONS INTENSITY

YACHT BUSINESS UNIT (TON CO ₂ E / M EUR NET REVENUES NEW YACHTS)		2023	2022	2021
Scope 1 emissions intensity		4.57	4.22	5.03
Scope 2 emissions intensity (location-based)		5.63	5.63	5.93
Scope 2 emissions intensity (market-based)		6.70	7.89	8.88
Total Scope 1 + Scope 2 (location-based) emission intensity				
		10.20	9.85	10.96
Total Scope 1 + Scope 2 (market-based) emission intensity				
		11.26	12.11	13.91

GRI 305-7: NITROGEN OXIDES (NO_x), SULPHUR OXIDES (SO_x), AND OTHER SIGNIFICANT AIR EMISSIONS⁵

AIR EMISSIONS (KG)		2023		2022
		Group	Yacht	Superyacht
NO _x		661.00	200.00	–
Volatile Organic Compounds (VOCs)		8,789.00	1,537.00	1,445.00
Particulate Matter (PM)		674.00	341.00	391.00
CO		25.00	19.00	–



GRI 306-3 WASTE GENERATED / GRI 306-4 WASTE DIVERTED FROM DISPOSAL / GRI 306-5 WASTE DIRECTED TO DISPOSAL

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SANLORENZO YACHT, SUPERYACHT AND BLUEGAME			
	2023	2022 ⁶	2021
Waste category			
Spent activated carbon	115.20	60.49	69.41
Plastic waste	156.01	123.62	92.79
Wooden packaging	752.08	610.68	625.83
Mixed-material packaging	1,602.48	1,330.58	1,348.13
Organic waste, other than those mentioned in item 16 03 05	221.72	187.62	110.98
Iron and steel	186.21	157.10	201.97
Sandblasting	79.76	40.82	15.06
Aqueous waste solutions	83.72	343.44	386.27
Cement	167.94	110.74	11.02
Other	576.63	649.99	744.35
Total	3,941.75	3,615.08	3,605.81



GRI 306-3 WASTE GENERATED / GRI 306-4 WASTE DIVERTED FROM DISPOSAL / GRI 306-5 WASTE DIRECTED TO DISPOSAL

GROUP ²	2023	2022	2021
Sanlorenzo Yacht, Superyacht and Bluegame			
Non-hazardous waste	3,283.49	3,114.27	3,136.63
Of which directed to recycling	3,105.06	2,626.48	2,640.66
Recycling/reclamation of other inorganic materials (R5)	168.27	110.74	56.64
Exchange (R12)	147.29	92.87	133.09
Accumulation (R13)	2,789.50	2,422.87	2,450.93
Of which disposed of	178.43	487.79	495.97
Biological treatment (D8)	–	33.63	86.17
Physico-chemical treatment (D9)	79.86	344.82	382.53
Preliminary blending or mixing (D13)	14.07	47.25	21.52
Preliminary storage (D15)	84.50	62.09	5.75
Hazardous waste	658.26	500.81	469.19
Of which directed to recycling	381.36	269.64	302.57
Recovery of components used for pollution abatement (R7)	–	0.00	54.00
Exchange (R12)	2.46	1.86	10.04
Accumulation (R13)	378.90	267.78	238.53
Of which disposed of	276.90	231.17	166.62
Physico-chemical treatment (D9)	40.74	55.80	58.60
Preliminary blending or mixing (D13)	57.20	52.89	56.26
Preliminary storage (D15)	178.96	122.48	51.76
Other Group Companies (Polo Nautico, I.C.Y., Duerre and Sanlorenzo Arbatax)			
Hazardous waste	38.78	7.04	ND
Non-hazardous waste	278.94	26.79	ND
Recovered waste ⁷	257.82	18.60	ND
Waste directed to disposal	59.90	15.23	ND
Total hazardous waste (Group)	697.04	507.85	469.19
Total non-hazardous waste (Group)	3,562.43	3,141.05	3,136.63
Total recovered waste (Group)	3,744.24	2,914.71	2,943.22
Total waste directed to disposal (Group)	515.23	734.19	662.59
Total waste generated⁸	4,259.47	3,648.90	3,605.82
Total Waste (ton)/M EUR Net Revenues New Yachts	5.07	4.93	6.15



NOTES

- 1 © In 2022, a change was made in the methods used for calculating the total GT, in order to ensure alignment with the internationally defined parameters.
- 2 © Group consumption includes: for 2021, the Companies Sanlorenzo S.p.A. and Bluegame S.rl., for 2022, the Companies Sanlorenzo S.p.A., Bluegame S.rl., I.C.Y. S.r.l., Polo Nautico Viareggio S.r.l., for 2023, the Companies Sanlorenzo S.p.A., Bluegame S.rl., I.C.Y. S.r.l. and Polo Nautico Viareggio S.r.l., Sanlorenzo Arbatax S.r.l. and Duerre S.r.l.
- 3 © Purchased electricity from renewable sources was calculated considering only the share covered by Guarantees of Origin. Therefore, the figures for 2021 and 2022 have been recalculated.
- 4 © Diesel for sea trials includes the quantity purchased by the Companies, excluding the portion of diesel not used directly by them for this purpose and therefore kept inside the yachts and subsequently used by the shipowner.
- 5 © Polo Nautico Viareggio S.r.l., I.C.Y S.r.l., Duerre S.r.l. and Sanlorenzo Arbatax S.r.l. have not generated these types of air emissions in the reported years.
- 6 © Compared to what was reported in 2022, the values relating to I.C.Y. S.r.l. and Polo Nautico Viareggio S.r.l. were subtracted from this column, in order to allow comparison over the three-year period.
- 7 © For 2022, under Recovered waste/Waste directed to disposal, the quantities relating to Polo Nautico Viareggio S.r.l. have been restated according to the 2023 classification.
- 8 © 227 ton of waste were not considered in the total waste generated, classifiable under to code CER 20.03.04 "Septic tank sludge", deriving from cleaning activities of boats and sanitary facilities carried out by Polo Nautico Viareggio S.r.l. Those boats can be either Sanlorenzo's or belonging to private clients of Polo Nautico.



TECHNICAL INSIGHTS – SOCIAL AREA

CHAPTER 4 – “HEALTH AND SAFETY” SECTION CHAPTER 6 – “PEOPLE”

ACCESS TO SANLORENZO SHIPYARDS: DOCUMENTATION CONTRACTORS ARE REQUIRED TO PRODUCE

Access to the shipyards will be granted only subject to submission – within two days of the beginning of works – of all the documentation required and prescribed under the CGA (i.e. the General Terms and Conditions of Contract). More specifically, contractors must – on a monthly basis – deliver to Sanlorenzo and Bluegame a self-certification signed by their workers employed as part of the contract, confirming payment of the salary as set out in the payroll of each worker. In addition to this document, contractors are also required to provide the following information (by way of illustration and not limitation): a copy of the notice of employment of each employee assigned to the contract; a copy of the staff leasing, collaboration and/or consultancy contracts executed; a list of the names of the staff present at the shipyard stating the task carried out, the relative personal data, place of

residence and the details of the identity document; a declaration certifying the Collective Bargaining Agreement (CCNL) applied to the employees and any supplementary agreements; the statement certifying compliance with welfare contribution obligations (locally known as DURC – Documento Unico di Regolarità Contributiva), to be submitted on a quarterly basis; a copy of the residence permit, if applicable.

Both companies are also required to provide specific and additional documentation with respect to that previously mentioned concerning the prevention of work-related injuries and occupational hygiene. It should also be noted that, as of 2022, the management of access to shipyards – previously managed by Sanlorenzo, including for Bluegame, through a specific application – has been entrusted to the Human Resources function, after a transition period in which it was the responsibility of the Business Units’ Procurement Office. The responsibility for managing payments is however kept separate.

**CONDUCTING SHIPYARD AUDITS ON OCCUPATIONAL HEALTH AND SAFETY AND ENVIRONMENTAL PROTECTION**

Audits regarding health, safety and the environment are usually conducted within the departments and yachts in production, using checklists that have been in place for a number of years and are subject to periodic updating, to which, starting from the beginning of 2020, a particular verification activity was also added concerning the application of the prevention and protection measures related to the Covid-19 emergency, which were eased at the end of 2022 following the improvement of the health situation. The outcome of shipyard visits is collected in special reports, subsequently shared with the Employer or with the Special Attorney, with the

Managers and with the Prevention and Protection Service Managers of the various sites, with the aim of punctually verifying the aspects considered priorities to guarantee adequate safety and health conditions in all work environments, and forwarded by them to all the supervisors involved. Specifically, the checks carried out lead to the achievement of a score in the form of a percentage corresponding to a risk assessment, structured on four different levels (from high risk to acceptable risk). In order to increase the level of attention on health, safety and environmental issues within the various sites, it was decided to raise the objective difficulty to achieve the acceptable risk level required by the Group as a primary objective.

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	2023			2022			2021		
	Italy ¹	Abroad ²	Total	Italy	Abroad	Total	Italy	Abroad ³	Total
Employees, by type of contract and gender⁴									
Permanent contract	1,009	14	1,023	709	2	711	565	3	568
Men	742	5	747	515	1	516	414	1	415
Women	267	9	276	194	1	195	151	2	153
Temporary contract	41	0	41	41	11	52	18	11	29
Men	31	0	31	29	6	35	13	5	18
Women	10	0	10	12	5	17	5	6	11
Hourly contract with non-guaranteed hours	1	0	1	1	0	1	0	0	0
Men	1	0	1	1	0	1	–	–	–
Women	0	0	0	0	0	0	–	–	–
Total	1,051	14	1,065	751	13	764	583	14	597
Employees, by type of job and gender									
Full-time	1,023	14	1,037	731	13	744	572	13	585
Men	768	5	773	544	7	551	426	6	432
Women	255	9	264	187	6	193	146	7	153
Part-time	28	0	28	20	0	20	11	1	12
Men	6	0	6	1	0	1	1	0	1
Women	22	0	22	19	0	19	10	1	11
Total	1,051	14	1,065	751	13	764	583	14	597



GRI 2-21 ANNUAL TOTAL COMPENSATION RATIO

	2023		2022		2021	
	Sanlorenzo	Bluegame	Sanlorenzo	Bluegame	Sanlorenzo	Bluegame
Annual total compensation ratio	3,143%	267%	2,640%	258%	2,970%	703%
Change in the total annual compensation ratio	1,021%	141%	-526%	1,449%	5,178%	-629%

GRI 2-30 COLLECTIVE BARGAINING AGREEMENTS

Employees covered by collective bargaining agreements, by professional category	2023			2022			2021		
	Italy ¹	Abroad ²	Total	Italy	Abroad	Total	Italy	Abroad	Total
Executives and middle managers (number)	115	1	116	96	3	99	89	4	93
Executives and middle managers (% of total)	100%	25%	97%	100%	33%	98%	100%	25%	97%
Office workers (number)	655	2	657	535	10	545	406	6	414
Office workers (% of total)	100%	20%	99%	100%	10%	98%	100%	25%	99%
Manual workers (number)	281	0	281	120	0	120	88	2	90
Manual workers (% of total)	100%	–	100%	100%	0%	100%	100%	0%	98%
Total (number)	1,051	3	154	751	13	764	583	14	597
Total (% of total)	100%	21%	99%	100%	15%	99%	100%	21%	98%

GRI 202-1 RATIOS OF STANDARD ENTRY LEVEL WAGE BY GENDER COMPARED TO LOCAL MINIMUM WAGE⁵

	2023		2022		2021	
	Sanlorenzo	Bluegame	Sanlorenzo	Bluegame	Sanlorenzo	Bluegame
Ratio between the standard wage of a new employee and the local minimum wage (Rubber and plastic national collective bargaining agreement) ⁶						
Men	103%	105%	103%	105%	106%	91%
Women	105%	104%	104%	105%	103%	104%



GRI 401-1 NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER⁷

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	2023			2022			2021		
New employee hires, by age and gender	Italy ¹	Abroad ²	Total	Italy	Abroad	Total	Italy	Abroad	Total
< 30 years old	106	1	107	79	0	79	58	0	58
Men	70	1	71	54	0	54	36	0	36
Women	36	0	36	25	0	25	22	0	22
30 ≤ x ≤ 50 years old	91	5	96	89	3	92	55	1	56
Men	72	1	73	60	3	63	33	0	33
Women	19	4	23	29	0	29	22	1	23
> 50 years old	18	1	19	32	1	33	21	2	23
Men	15	1	16	28	1	29	20	2	22
Women	3	0	3	4	0	4	1	0	1
Total	215	7	222	200	4	204	134	3	137
Total hires (women)	58	4	62	58	0	58	45	1	46
Total hires (men)	157	3	160	142	4	146	89	2	91
Incoming turnover	29%	54%	29%	34%	36%	35%	27%	30%	27%



GRI 401-1 NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER⁷

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	2023			2022			2021		
Terminations, by age and gender	Italy ¹	Abroad ²	Total	Italy	Abroad	Total	Italy	Abroad	Total
< 30 years old	34	0	34	10	0	10	10	0	10
Men	25	0	25	10	0	10	8	0	8
Women	9	0	9	0	0	0	2	0	2
30 ≤ x ≤ 50 years old	58	4	62	39	3	42	28	2	30
Men	40	3	43	25	2	27	19	2	21
Women	18	1	19	14	1	15	9	0	9
> 50 years old	24	2	26	22	1	23	23	0	23
Men	21	2	23	17	1	18	19	0	19
Women	3	0	3	5	0	5	4	0	4
Total	116	6	122	71	4	75	61	2	63
Total terminations (women)	30	1	31	19	1	20	15	0	15
Total terminations (men)	86	5	91	52	3	55	46	2	48
Outgoing turnover	15%	46%	16%	12%	36%	13%	12%	20%	12%

GRI 403-8 WORKERS COVERED BY AN OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM⁸

EMPLOYEES AND INTERNS COVERED BY THE OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM ⁹			
	2023	2022	2021
Total number of employees and interns	773	692	588
Number of employees covered by such a system	773	692	588
Percentage of employees covered by such a system	100%	100%	100%
Number of employees covered by such a system audited internally¹⁰	773	692	28
Percentage of employees covered by such a system audited internally	100%	100%	5%
Number of employees covered by such a system audited by independent third parties¹¹	773	692	28
Percentage of employees covered by such a system audited by independent third parties	100%	100%	5%
WORKERS OF CONTRACTORS COVERED BY THE OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM			
	2023	2022 ¹²	2021
Total number of external workers ¹³	2,700	2,200	2,155
Number of employees covered by such a system	2,700	2,200	2,155
Percentage of employees covered by such a system	100%	100%	100%
Number of employees covered by such a system audited internally¹⁴	2,700	2,200	1,905
Percentage of employees covered by such a system audited internally	100%	100%	100%
Number of employees covered by such a system audited by independent third parties¹⁵	2,700	2,200	5
Percentage of employees covered by such a system audited by independent third parties	100%	100%	0.26%



GRI 403-9 WORK-RELATED INJURIES

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WORK-RELATED INJURIES – EMPLOYEES (GROUP)		2023
Number of hours worked		1,814,335
Number of recordable work-related injuries		28
of which as a result of commuting incidents		2
Recordable work-related injury rate (including fatalities) ¹⁶		14.33
Number of high-consequence work-related injuries (excluding fatalities)		1
Rate of high-consequence work-related injuries (excluding fatalities)		0.55
Number of fatalities resulting from work-related injuries		0
Rate of fatalities resulting from work-related injuries		0

WORK-RELATED INJURIES – EMPLOYEES (SANLORENZO AND BLUEGAME)	2023	2022	2021
Number of hours worked	1,347,108	1,200,438	1,014,259
Number of recordable work-related injuries	18	14	9
of which as a result of commuting incidents	2	0	0
Recordable work-related injury rate (including fatalities)	11.88	11.66	8.87
Number of high-consequence work-related injuries (excluding fatalities)	1	0	0
Rate of high-consequence work-related injuries (excluding fatalities)	0.74	0	0
Number of fatalities resulting from work-related injuries	0	0	0
Rate of fatalities resulting from work-related injuries	0	0	0



GRI 403-9 WORK-RELATED INJURIES

WORK-RELATED INJURIES – WORKERS OF SANLORENZO AND BLUEGAME CONTRACTORS	2023	2022	2021
Number of hours worked ¹⁷	5,500,000	4,500,000	4,300,000
Number of recordable work-related injuries	57	41	40
of which as a result of commuting incidents (only where the transport has been organised by the organisation)	0	0	0
Recordable work-related injury rate (including fatalities)	10.36	9.11	9.30
Number of high-consequence work-related injuries (excluding fatalities)	3	0	0
Rate of high-consequence work-related injuries (excluding fatalities)	0.55	0	0
Number of fatalities resulting from work-related injuries	0	0	0
Rate of fatalities resulting from work-related injuries	0	0	0



GRI 404-1 AVERAGE HOURS OF TRAINING PER YEAR PER EMPLOYEE (ITALY)

TRAINING HOURS PROVIDED TO EMPLOYEES, BY GENDER AND PROFESSIONAL CATEGORY	2023	2022	2021
Executives and middle managers	2,716.4	635	436
Men	1,921.2	471	388
Women	795.2	164	48
Office workers	7,391	4,770	2,188
Men	4,476	3,026	1,326
Women	2,915	1,744	862
Manual workers	507.2	955	187
Men	507.2	955	187
Women	0	0	0
Total training hours	10,615	6,359	2,811
Total training hours (women)	3,710	1,908	910
Total training hours (men)	6,905	4,451	1,901
Average training hours¹⁸	10.70	8.50	4.8
Average training hours (women)	13.16	9.30	5.8
Average training hours (men)	9.72	8.20	4.5
Average training hours, by professional category	10.70	8.50	4.8
Average training hours (Executives and middle managers)	23.22	6.60	4.9
Average training hours (Office workers)	11.27	8.90	5.4
Average training hours (Manual workers)	2.32	8.00	2.1



GRI 404-1 AVERAGE HOURS OF TRAINING PER YEAR PER EMPLOYEE (SANLORENZO AND BLUEGAME)

TRAINING HOURS PROVIDED TO EMPLOYEES, BY GENDER AND PROFESSIONAL CATEGORY	2023	2022	2021
Executives and middle managers	2,716	635	436
Men	1,921	471	388
Women	795	164	48
Office workers	7,133	4,430	2,188
Men	4,358	2,846	1,326
Women	2,775	1,584	862
Manual workers	155	145	187
Men	155	145	187
Women	0	0	0
Total training hours	10,005	5,209	2,811
Total training hours (women)	3,570	1,748	910
Total training hours (men)	6,435	3,461	1,901
Average training hours	12.94	7.53	4.80
Average training hours (women)	16.30	9.20	5.80
Average training hours (men)	11.61	6.89	4.50
Average training hours, by professional category	12.94	7.53	4.80
Average training hours (Executives and middle managers)	24.25	6.75	4.90
Average training hours (Office workers)	12.36	8.62	5.40
Average training hours (Manual workers)	1.85	1.72	2.10



GRI 404-3 PERCENTAGE OF EMPLOYEES RECEIVING REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEWS

	2023		2022		2021	
	Sanlorenzo	Bluegame	Sanlorenzo	Bluegame	Sanlorenzo	Bluegame
Employees who received a performance review, by professional category and gender (%)¹⁹						
Executives and middle managers	86	83	100	100	88	100
Men	84	80	100	100	87	100
Women	95	100	100	100	93	100
Office workers	26	25	20	21	44	18
Men	30	41	22	26	41	28
Women	17	0	17	14	21	6
Manual workers	6	0	1	/	18	/
Men	6	0	1	/	19	/
Women	0	0	0	/	0	/
Governance bodies (BoD)	100	100	100	100	100	100
Men	100	100	100	100	100	100
Women	100	100	100	100	100	100

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Employees, by professional category	2023			2022			2021		
	Italy ¹	Abroad ²	Total	Italy	Abroad	Total	Italy	Abroad	Total
Executives and middle managers	115	4	119	96	3	99	89	4	93
< 30 years old	0	0	0	0	0	0	0	0	0
Men	0	0	0	0	0	0	0	0	0
Women	0	0	0	0	0	0	0	0	0
30 ≤ x ≤ 50 years old	65	1	66	47	0	47	43	0	43
Men	51	1	52	35	0	35	32	0	32
Women	14	0	14	12	0	12	11	0	11
> 50 years old	50	3	53	49	3	52	46	4	50
Men	42	2	44	42	2	44	41	3	44
Women	8	1	9	7	1	8	5	1	6
Office workers	655	10	665	535	10	545	406	8	414
< 30 years old	194	1	195	146	0	146	105	0	105
Men	113	1	114	91	0	91	64	0	64
Women	81	0	81	55	0	55	41	0	41
30 ≤ x ≤ 50 years old	368	7	375	311	8	319	249	6	255
Men	236	1	237	199	4	203	163	0	163
Women	132	6	138	112	4	116	86	6	92
> 50 years old	93	2	95	78	2	80	52	2	54
Men	68	0	68	59	1	60	40	1	41
Women	25	2	27	19	1	20	12	1	13
Manual workers	281	0	281	120	0	120	88	2	90
< 30 years old	68	0	68	18	0	18	7	0	7
Men	67	0	67	18	0	18	7	0	7
Women	1	0	1	0	0	0	0	0	0
30 ≤ x ≤ 50 years old	115	0	115	50	0	50	35	2	37
Men	109	0	109	50	0	50	35	2	37
Women	6	0	6	0	0	0	0	0	0
> 50 years old	98	0	98	52	0	52	46	0	46
Men	88	0	88	51	0	51	45	0	45
Women	10	0	10	1	0	1	1	0	1
Total	1,051	14	1,065	751	13	764	583	14	597



GRI 405-1 DIVERSITY OF EMPLOYEES

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VULNERABLE GROUPS, BY PROFESSIONAL TYPE AND GENDER (GROUP)		2023	2022	2021
Executives and middle managers		1	1	1
Men		1	1	1
Women		0	0	0
Office workers		18	9	8
Men		7	4	3
Women		11	5	5
Manual workers		10	7	6
Men		9	6	6
Women		1	1	0
Total		29	17	15

GRI 405-2 RATIO OF BASIC SALARY AND REMUNERATION OF WOMEN TO MEN

Gender Pay Gap	2023		2022	
	Sanlorenzo	Bluegame	Sanlorenzo	Bluegame
Basic salary				
Executives	64%	/	/	/
Middle managers	87%	95%	87%	/
Office workers	87%	78%	87%	86%
Manual workers	111%	0%	111%	/
Remuneration				
Executives	55%	/	/	/
Middle managers	86%	96%	91%	/
Office workers	85%	75%	85%	84%
Manual workers	111%	0%	111%	/



CHAPTER 3 – “TIMELESS QUALITY” SECTION

INFORMATION ON YACHTS SHARED WITH SHIPOWNERS

Upon delivery of the yachts, the Group shares the following documents with the shipowners, in order to guarantee maximum knowledge and transparency of the information necessary for the correct functioning and use of the vessel: documents of a commercial nature, including, for example, the Construction Certificate and the Delivery and Acceptance Protocol; documents of a regulatory nature, including, for example, the Certificate of Classification issued by the company for the hull and machinery, the permanent or temporary Certificates of Compliance of the yacht with the Class and Flag requirements, the Certificate of Compliance with the REG Code (Declaration of Conformity), the

Certificate of Compliance with the essential safety requirements set out in Directive 2013/53/EU²⁰, or the Certificate of application of the MARPOL rules and regulations, where applicable; documents of a technical nature, including, for example, manuals, drawings, instructions and other documents relating to the characteristics (in terms of systems, propulsion, instrumentation, equipment and layout), operation (in particular, speed, consumption, autonomy and noise levels) and maintenance of the yacht, certificates relating to life-saving equipment, anchor and chains, nautical instruments and fire-fighting equipment, inventory of equipment and spare parts, and the list of minor non-conformities (in which the painting report is included).



NOTES

- 1 © Figures for People – Italy include: for 2022, the Companies Sanlorenzo S.p.A., Bluegame S.r.l., Polo Nautico Viareggio S.r.l., I.C.Y. S.r.l., Equinoxe S.r.l. and Equinoxe Yachts International S.r.l.; for 2023, the Companies Sanlorenzo S.p.A., Bluegame S.r.l., Polo Nautico Viareggio S.r.l., I.C.Y. S.r.l., Duerre S.r.l., Sanlorenzo Arbatax S.r.l., Sea Energy S.r.l. and Equinoxe S.r.l. It should be noted that the number of employees at 31.12.2023 is not equal to the algebraic sum of hires and terminations to the employees at 31.12.2022, as new companies became part of the perimeter.
- 2 © Figures for People – Abroad include: for 2022, the Companies Sanlorenzo of the Americas LLC and Sanlorenzo Baleari SL; for 2023, the Companies Sanlorenzo of the Americas LLC, Sanlorenzo Baleari SL, Sanlorenzo Monaco S.a.m. and Sanlorenzo Côte d'Azur S.a.s.
- 3 © 2021 figures have been restated to include the company Sanlorenzo Baleari S.L. in the calculation of foreign employees.
- 4 © There are no documents in which the employee is asked to declare his or her gender, as this information is derived from the Tax Code.
- 5 © The local minimum wage in Italy was taken as the wage provided for by the national collective bargaining agreement (CCNL).
- 6 © In 2022 and 2023, the standard wage of a new employee was taken as the average wage of C- and E-level apprentices; in 2021, H- and F-level apprentices were considered.
- 7 © The turnover rates were calculated as follows: incoming turnover is the ratio of the number of hires in the year n to the total number of employees in the year n-1; outgoing turnover is the ratio of the number of terminations in the year n to the number of employees in the year n-1.
- 8 © Figures refers to Sanlorenzo S.p.A. and Bluegame S.r.l. and include their respective employees and trainees as at 31.12.2022.
- 9 © In order to continuously improve the drafting of this document, starting from 2022 it was decided not to include the number of trainees among employees, unlike what was done in 2021.
- 10 © For 2021, the figures given in the table referred to the number of reports of negative audits carried out on employees covered by the HSMS. As of 2022, however, the methodology for calculating this indicator has been modified, with reference being made to company staff of the shipyards subjected to internal audits/inspections during the year (e.g. inspections by the reference Prevention and Protection Service Managers).
- 11 © For 2021, the figures given in the table referred to the number of reports of negative audits carried out on employees covered by the HSMS. As of 2022, however, the methodology for calculating this indicator has been modified, with reference being made to company staff of the shipyards subjected to audits by third-party certification bodies during the year (in relation to the renewals of the ISO 45001 certification).
- 12 © Figures for 2021 refer exclusively to Sanlorenzo S.p.A.
- 13 © Estimated number.
- 14 © For 2021, the figures given in the table referred to the number of reports of negative audits carried out on contractors' workers covered by the HSMS. As of 2022, however, the methodology for calculating this indicator has been modified, with reference being made to contractors' workers working on the shipyards subjected to internal audits/inspections during the year (e.g. inspections by the reference Prevention and Protection Service Managers).
- 15 © For 2021, the figures given in the table referred to the number of reports of negative audits carried out on contractors' workers covered by the HSMS. As of 2022, however, the methodology for calculating this indicator has been modified, with reference being made to contractors' workers working on the shipyards subjected to audits by third-party certification bodies during the year (in relation to the renewals of the ISO 45001 certification).



NOTES

- 16 © Throughout this Document, the work-related injury rate is calculated as the number of injuries, excluding commuting incidents, per 1,000,000 hours worked.
- 17 © Estimated figure. Starting from the estimated number of non-employed workers, this figure was obtained by multiplying them by the total working days in the year, minus the number of holidays, and considering a 9-hour working day.
- 18 © In order to calculate the average training hours, Sea Energy S.r.l.'s employees were subtracted from the denominators, as the company became part of the Group at the end of 2023 and was not accounted for in the total training hours.
- 19 © Since 2023, the scope of employees receiving periodic performance reviews has been revised. With the introduction of the new MBO policy, the performance evaluation was formalised and in 2023 it concerned: 86% of managers, 26% of office workers and 6% of manual workers at Sanlorenzo; 83% of executives and 25% of office workers at Bluegame.
- 20 © Rules for the CE Certification of Pleasure Boats and related Components, jet skis, noise emission and exhaust emissions from propulsion engines. More specifically, the main requirements for which compliance is required include: general requirements (for example, the main data of the boat or the owner's manual); integrity and structural requirements (such as stability and buoyancy); handling characteristics; engines and spaces for engines; power supply system; electric system; piloting system; gas systems; fire protection; navigation lights, shapes and sound signals; prevention of discharges; exhaust emissions; noise emissions.



TECHNICAL INSIGHTS – GOVERNANCE AREA

CHAPTER 7 – “TRANSPARENT GOVERNANCE AND COLLABORATION”

THE HIGHEST GOVERNANCE BODY (BoD)

On 10 March 2022, the Board of Directors (“BoD”) of Sanlorenzo S.p.A., with the support of the Nomination Committee established within it, approved its Guidelines (the “Guidelines”) regarding the quantitative and qualitative composition of the BoD previously in office, considered optimal in view of the renewal of the Board of Directors, which took place on 28 April 2022. In particular, the Guidelines were drawn up with the hope that, when presenting the lists of candidates for the appointment of the new Board of Directors, the Shareholders would evaluate, also in the light of the same, the personal characteristics, experience, including managerial, and gender of the candidates, in relation to the size of Sanlorenzo and of the Sanlorenzo Group, the complexity and the special characteristics of the business sector in which it operates, as well as the size of the BoD. For these reasons, the Board of Directors decided to comply

with Recommendation no. 23 of the Corporate Governance Code, despite Sanlorenzo being a company with concentrated ownership. With regard to gender equality, the Guidelines approved by the Board of Directors and addressed to Shareholders consider it necessary for Shareholders to pay adequate attention to the need to comply with the gender criteria set out by the By-laws of Sanlorenzo, which the Board of Directors deems suitable to ensure representation of the less represented gender in compliance with the provisions of the law and with the Corporate Governance Code, and in any case adequate, in compliance with the priority objective of ensuring the adequate expertise and professionalism of its members.

The process of appointing Directors¹ - Through the entry into force in 2022 of the list voting mechanism, the new Directors were appointed by the Shareholders’ Meeting on the basis of lists of candidates submitted by the Shareholders, in

compliance with the provisions of the law and the Company’s By-laws. In 2022, the majority shareholder submitted a list that received the highest number of votes and thus expressed the majority of Directors and Auditors.

According to the Company’s By-laws and current legislation, a Director and the Chairman of the Board of Statutory Auditors were elected from the minority list.

The Chairman of the highest governance body, i.e. the Chairman of the BoD, chosen from among the Directors, is appointed by the Shareholders’ Meeting or, if not appointed by the latter, by the BoD itself. He/she shall exercise such powers as may be necessary to carry out any administrative transaction and act on behalf of the Company, including the implementation of Board resolutions, with the power to delegate, with the sole exception of the powers reserved to the Board of Directors pursuant to the Company’s By-laws.



GRI 2-9 GOVERNANCE STRUCTURE AND COMPOSITION

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MEMBER	OFFICE	POSITION	INDEPENDENCE	EXPERTISE ON ECONOMIC, ENVIRONMENTAL AND SOCIAL ISSUES	Representation of stakeholders	Nomination Committee	Remuneration Committee	Related Party Transactions Committee	Control, Risk and Sustainability Committee
Massimo Perotti	Chairman and CEO	Executive	No		Si				
Carla Demaria	Managing Director	Executive	No	Winner of the 2018 “Marisa Bellisario” award for women distinguished themselves in management; speaker at many seminars on the role of women in the world of work	Si				
Ferruccio Rossi	Managing Director and General Manager	Executive	No						
Paolo Olivieri	Deputy Chairman and Director	Non-Executive	No		Si	•			
Cecilia Maria Perotti	Director	Non-Executive	No		Si				
Silvia Merlo	Director	Non-Executive	No	Stanford Graduate School of Business, “BNP Paribas Women Entrepreneur Programme”; “In the Boardroom” training programme organised by Valore D Association, working for diversity inclusion; Risk management			•		•
Licia Mattioli	Director and Lead Independent Director	Non-Executive	Yes	“Mela d’Oro” award from the Bellisario Foundation; “Alda Croce” award from the Pannunzio Centre in Turin; “Excellence in Italian jewellery” award from the Italian Women’s Jewellery Association; “Melvin Jones Fellow” award - Lions International Foundation		• (Chair)		• (Chair)	
Leonardo Luca Etro	Director	Non-Executive	Yes	International development; Scientific Director of “Best Performance Award” granted annually by SDA Bocconi for the excellence of Italian companies in the area of sustainable development; Risk management			• (Chair)	•	• (Chair)
Francesca Culasso	Director	Non-Executive	Yes	Director of the Department of Management of the University of Turin			•	•	•
Marco Francesco Mazzù	Director	Non-Executive	Yes			•			



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The Board of Statutory Auditors oversees compliance with the law and the By-laws, with the principles of correct corporate governance, as well as the adequacy of the organisational, management and accounting structure adopted by the Company and its proper functioning. The Board of Statutory Auditors consists of three standing members and two alternate members. The auditors remain in office for three financial years and may be re-elected.

The Board of Statutory Auditors currently in office was appointed by the Shareholders' Meeting on 28 April 2022 to serve until the date of the Shareholders' Meeting convened to approve the financial statements for the year ending 31 December 2024.

GRI 2-9 GOVERNANCE STRUCTURE AND COMPOSITION

MEMBER	OFFICE	TERM OF OFFICE
Enrico Fossa	Chairman	General Meeting convened to approve the financial statements for the year ending 31 December 2024
Andrea Caretti	Standing Auditor	
Margherita Spainì	Standing Auditor	
Luca Trabattoni	Alternate Auditor	
Maria Cristina Ramenzoni	Alternate Auditor	

**THE POWERS OF SANLORENZO S.P.A.
EXECUTIVE DIRECTORS**

Massimo Perotti, the Company Chief Executive Officer (CEO) is vested with all the necessary powers to carry out any transaction and any act of ordinary and extraordinary administration of Sanlorenzo S.p.A., including the implementation of Board of Directors' resolutions, with the exception of the matters reserved by law and the Company's By-laws to the collegial competence of the BoD, and of the matters reserved by the Corporate Governance Code to the collegial competence of the BoD.

In addition, the Company's Board of Directors has granted management powers to:

Ferruccio Rossi, appointed Managing Director and General Manager in 2022. Director Ferruccio Rossi has been vested with the powers necessary for the

management of the production and sales process of the yachts built and/or marketed by Sanlorenzo S.p.A., to be exercised autonomously and in compliance with the industrial plan, the annual budget and the guidelines and general criteria approved by the BoD;

Carla Demaria. Director Carla Demaria has been vested with the powers necessary for the management of yacht rental activities, training in the yachting sector and management of tourist marinas and, in any case, Sanlorenzo S.p.A. activities other than those considered as core business activities relating to the management of the production process and sale of the boats built and/or marketed, to be exercised autonomously and in compliance with the industrial plan, the annual budget and the general guidelines and criteria approved by the Board of Directors.

**REMUNERATION OF BOD MEMBERS**

In the meeting held in April 2023, the Shareholders' Meeting of Sanlorenzo S.p.A. approved the Remuneration Policy for the 2023 financial year. This document contributes to the corporate strategy and is functional to the pursuit of the Group's sustainable success, as it is inspired by principles of meritocracy and fairness in the attribution of remuneration to Directors, as well as to managers with strategic responsibilities of Group companies. Decisions on remuneration entail a broad and conscious involvement of

shareholders, who are called upon not only to deliberate on the remuneration of Directors and Statutory Auditors, but also to cast their binding vote on the Policy itself.

In December 2023, work was underway to finalise the Remuneration Policy for 2024.

In April 2024, the Shareholders' Meeting of Sanlorenzo S.p.A. will approve the Remuneration Policy for 2024.

**CORPORATE RISK MANAGEMENT²**

The aim of the ICRMS (Internal Control and Risk Management System) is to identify, measure, manage and effectively monitor the corporate risks that are potentially capable of affecting the Group's ability to achieve its strategic and operational objectives, and of causing harm to the value of the assets of the Group and to the brand reputation.

The bodies that operate in various capacities within the ICRMS include:

BoD;

Control, Risk and Sustainability Committee;

Chief Executive Officer (CEO);

Responsible Officer for the preparation of company's accounting documents;

Risk Manager;

Internal Audit Function;

Board of Statutory Auditors.

The implementation of the ICRMS is governed by the Internal Control and Risk Management System Guidelines – approved by the Board of Directors of Sanlorenzo S.p.A. in 2023 – which break down the process into three macro-phases: Identification of Risk Areas; Risk Treatment; Risk Monitoring.

In December 2023, work was underway to finalise the Remuneration Policy for 2024.

In April 2024, the Shareholders' Meeting of Sanlorenzo S.p.A. will approve the Remuneration Policy for 2024.

**CONTROL ACTIVITIES CARRIED OUT BY THE INTERNAL AUDIT FUNCTION**

The planning of activities carried out by the Internal Audit function is defined in a Three-Year Audit Plan with the aim of planning periodic audits covering the various Company Areas. With reference to the audit activities carried out in 2023, we briefly, though not exhaustively, mention the following:

1. Audits of compliance with occupational Health,

Hygiene and Safety standards as defined by international standards ISO 45001 and ISO14001 and in accordance with the provisions of Italian Legislative Decrees 231/01, 81/08 and 152/06;

2. Audits on computer data security and security awareness training (anti-phishing);

3. Audits of the main financial flows pursuant to Italian Legislative Decree 262/05, covering: accounts receivable, accounts payable,

production and inventories, financial resources, investments and fixed assets, periodic closing of accounts, taxes, and staff.

In the course of 2023, the audits also involved Bluegame, Sanlorenzo of the Americas, Sanlorenzo Baleari, Sanlorenzo Monaco, I.C.Y., Equinoxe and Polo Nautico Viareggio, where audits were carried out on certain processes.

GRI 201-2 FINANCIAL IMPLICATIONS AND OTHER RISKS AND OPPORTUNITIES DUE TO CLIMATE CHANGE

DESCRIPTION OF THE RISK OR OPPORTUNITY	CLASSIFICATION	ASSOCIATED IMPACT	FINANCIAL IMPLICATIONS (BEFORE THE IMPLEMENTATION OF INTERVENTIONS)	METHODS OF RISK OR OPPORTUNITY MANAGEMENT	COSTS OF ACTIONS TAKEN TO MANAGE RISKS OR OPPORTUNITIES
Opportunity: Reduction of CO ₂ emissions and other pollutants thanks to activities within the Group's business sphere	Other	Production of electricity from renewable sources	Increase in electricity costs following the various tensions on international markets	New investment for a photovoltaic system at the Ameglia and Viareggio sites	Euro 1,203 thousand
Risk: Changes in shipowners' purchasing choices, as a result of greater awareness of sustainability and the application of related principles in the study and design of yachts	Other	Development of new product ranges with lower environmental impact and improvement of existing ones		The Company is developing new product ranges and efficiency solutions for existing product lines according to environmental sustainability criteria, with particular reference to alternative propulsion types and other ways to power the yachts	Ref. Taxonomy
Opportunity: use of HVO for sea trials of yachts	Other	Reduced emissions from the use of a lower-emission fuel than standard diesel fuel	NA	Implementation of a new fuel supply method for sea trials	The cost of HVO in 2023 was in line with conventional fuel (diesel).



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- 1 © For additional details, please refer to the “Report on Corporate Governance and Ownership Structures” for 2023, available online.
- 2 © Please refer to the 2021 NFS for additional information: <https://www.sanlorenzoyacht.com/uk/responsible-development/non-financial-statement.asp>



TECHNICAL INSIGHTS – ANTI-CORRUPTION AREA

CHAPTER 7 – “TRANSPARENT GOVERNANCE AND COLLABORATION”

ANTI-CORRUPTION AND ANTI-TRUST TOOLS

With specific reference to the contents of Model 231 (for Sanlorenzo S.p.A. and Bluegame), special attention is paid to the issue of procurement and suppliers. Sanlorenzo has defined a series of internal steps to ensure an adequate level of control in relation to business processes in which corruption events could potentially occur: for example, controls on orders and signatures. The corporate Policy on suppliers, as well as the General Terms and Conditions of Contract, explicitly identifies the measures aimed at combating bribery and corruption. Another key area to be monitored is customer relations: Sanlorenzo aims to ensure the full satisfaction of its customers at every stage of the relationship based on the utmost trust, and considers it essential to conduct its business with them on the basis of transparency and fairness, in compliance with the law and guaranteeing independence from any form of internal and external conditioning. In this sense, all communications sent directly to customers, as well as all contracts, must meet the requirements of clarity, simplicity, completeness, maximum correctness and compliance with current legislation and internal commercial policies. The Company continuously monitors these business processes in order to define

preventive actions to counter the risks identified, and is committed to developing business relations based on the principle of reciprocity, according to which both parties to the relationship must have as their ultimate goal the success of the relationship, thus preventing obstacles and difficulties from arising. In particular, Model 231 provides for a disciplinary system that defines sanctions commensurate with the extent of the violation committed and based on the provisions of the specific contractual clauses: for example, reference is made to the national collective bargaining agreement (CCNL) of the specific category in the case of employees and executives, or to what is set out in the letters of appointment, in the case of contractors and external suppliers. Dismissal, with or without notice, and termination of the commercial contract are considered as the most severe sanction, and are therefore only applied in the case of extremely serious unlawful actions or conduct. Everyone acting in the name and/or on behalf of the Company is informed of the procedures for dealing with and sanctioning any unlawful conduct, related either to acts committed or omitted. On the other hand, the Code of Conduct sets out the Group’s duties and responsibilities towards all its stakeholders as well as the principles and rules of business conduct to

which the addressees must adhere. Specifically, Sanlorenzo sets out three commitments in the Code:

1. Commitment to people and the environment;
2. Commitment to responsible business conduct and integrity;
3. Commitment to asset management and business information management.

The Code of Conduct also identifies the ethical and professional standards that Group companies must meet when performing their business, also in terms of efficiency and reliability. This system therefore integrates with the internal control of each company. The Code calls on all employees to act responsibly and seek advice in the event of difficult decisions or in specific situations. In particular, it goes through some key questions to guide human resources to always adopt a correct conduct and appropriately assess other people’s conduct. In keeping with the policy of maximum empowerment of people, the aim is to ensure that employees can autonomously assess the legal and moral correctness of their actions and decisions in order to protect both their role within the Company and the Company’s reputation, but also to enable them to turn to specific internal figures, should they require support in this regard. Lastly, with reference to the Sanctions Compliance

Programme, a specific risk assessment was carried out with the aim of identifying threats or weaknesses that could lead to the violation of OFAC’s sanction programmes, jeopardise the Group’s reputation or its business, as well as lead to the imposition of sanctions. The assessment showed that OFAC’s main area of risk is that concerning the relationship with existing or potential customers. Therefore, strict KYC (Know Your Customer) procedures have been put in place since 2021, along with a Customer Due Diligence Process, developed based on both the information provided by the customer himself and through research and checks carried out independently by Sanlorenzo when the relationship with the customer is created. Controls on countries and individuals sanctioned by OFAC are normally also carried out by the counterparties of the Company, in particular financial institutions and insurance companies.

In addition to the above, it should be noted that also the Code of Ethics of Sanlorenzo S.p.A. and the Code of Ethics of Bluegame may be included among the anti-corruption and anti-trust tools. It is also worth noting that, in 2023, Bluegame, Polo Nautico Viareggio and Duerre approved the Whistleblowing procedure, in accordance with the provisions of Legislative Decree 24/2023.

**LISTENING TO STAKEHOLDERS: POLICY FOR MANAGING DIALOGUE WITH SHAREHOLDERS¹**

On 16 March 2021, the Board of Directors of Sanlorenzo S.p.A. approved the Policy for Managing Dialogue with Shareholders. It sets out the general principles, the management methods and the main contents of the dialogue between the Company and the Shareholders with a view to formalising Sanlorenzo's commitment to ensuring active and constructive communication with all its shareholders and to building a relationship based on dialogue and meaningful exchange. Therefore, the implementation of the provisions set out in the Policy allows the Company to engage with its shareholders in a responsible, transparent and trustworthy manner, sharing with

them the actions and strategic visions underlying the Company's management and creating shared value. Communication and dialogue are also informed by the principles of: equal treatment and information symmetry to ensure shareholders receive all the information they need to exercise their rights; timeliness and regularity in the communication and publication of matters of interest to shareholders; promotion of the corporate purpose when sharing information; compliance with legal provisions and internal rules on market abuse and governance. The topics underlying the dialogue with shareholders governed by the aforesaid Policy include all aspects concerning the corporate governance system, financial and

accounting reporting, remuneration policy and the risk management and control system. Special attention is also paid to aspects relating to environmental, social and governance (ESG) issues, as Sanlorenzo considers them relevant to building a corporate identity of sustainability integrated with the business, with a view to creating current and future value. Through the Chairman of the BoD and the CFO, the Board is informed – at least on an annual basis – of the developments and contents of the dialogue between Directors and shareholders governed by the Policy, in line with the provisions of Recommendation No. 3 of Borsa Italiana's Corporate Governance Code.



GRI 205-2 COMMUNICATION AND TRAINING ABOUT ANTI-CORRUPTION POLICIES AND PROCEDURES

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	2023		2022		2021	
	Sanlorenzo	Bluegame	Sanlorenzo	Bluegame	Sanlorenzo	Bluegame
Communication on anti-corruption policies and procedures provided to the BoD						
Total number of Sanlorenzo BoD members	10	n.a.	11	6	9	6
Percentage of BoD members to whom anti-corruption policies and procedures have been communicated	100%	n.a.	100%	100%	100%	100%

	2023		2022		2021	
	Sanlorenzo	Bluegame	Sanlorenzo	Bluegame	Sanlorenzo	Bluegame
Communication on anti-corruption policies and procedures provided to employees						
Total number of executives and middle managers	106	6	91	3	85	4
Percentage of executives and middle managers to whom anti-corruption policies and procedures have been communicated	100%	100%	100%	100%	100%	100%
Total number of office workers	516	61	463	51	366	34
Percentage of office workers and middle managers to whom anti-corruption policies and procedures have been communicated	100%	100%	100%	100%	100%	100%
Total number of manual workers	81	3	82	2	88	–
Percentage of manual workers to whom anti-corruption policies and procedures have been communicated	100%	100%	100%	100%	100%	–

	2023		2022		2021	
	Sanlorenzo	Bluegame	Sanlorenzo	Bluegame	Sanlorenzo	Bluegame
Training on anti-corruption policies and procedures delivered to employees						
Training on Antitrust Compliance						
Percentage of executives and middle managers who have received training on antitrust issues	25%	17%	/	/	29%	25%
Percentage of office workers who have received training on antitrust issues	0%	0%	/	/	0%	3%
Percentage of manual workers who have received training on antitrust issues	0%	0%	/	/	0%	/
Training pursuant to Legislative Decree 231/2001²						
Percentage of executives and middle managers who have received training on Model 231	85%	25%	/	/	44%	50%
Percentage of office workers who have received training on Model 231	32%	20%	/	/	0%	0%
Percentage of manual workers who have received training on Model 231	0%	0%	/	/	0%	/

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- 1 © The Policy is published on the Company's corporate website, in the "Documents and Procedures" section. For more information, please consult the following link <https://www.sanlorenzoyacht.com/uk/corporate-governance/documents-and-procedures.asp>
- 2 © For the year 2023, the percentage of completion of training pursuant to Legislative Decree 231/2001 is calculated on new employee hires, not on the total number of employees.

THE ACTIVITIES OF THE SANLORENZO GROUP AND THE EUROPEAN TAXONOMY

CONTEXT

In the context of the action plan on sustainable finance adopted in 2018, the European Commission has developed a specific classification system, a "taxonomy" that allows a univocal definition of economic activities - and investments - that can be considered sustainable. This system was defined with EU Regulation 2020/852 of the European Parliament and of the Council of 18 June 2020, made effective from 12 July 2020 and identified by the term "EU Taxonomy". In particular, the European taxonomy includes six objectives of a climatic and environmental nature:

- climate change mitigation;
- climate change adaptation;
- sustainable use and protection of water and marine resources;
- transition to a circular economy;
- pollution prevention and control;
- protection and restoration of biodiversity and ecosystems.

In July 2021, with EU Regulation 2021/2178, the requests for disclosure of the Taxonomy were further integrated to clarify the methods of calculation and representation of the information. The European Commission subsequently defined, through the EU Delegated Regulation 2021/2139 ("Taxonomy Climate Delegate Act") – approved on 9 December 2021 by the Council of the EU and in force since 1 January 2022 – the list of eligible activities and the related technical screening criteria of the first two objectives of the Taxonomy, those of mitigation and adaptation to climate

change. To date, the field of application has been further expanded with to the publication of the EU Delegated Regulation 2023/2486 ("Taxonomy Environmental Delegate Act") which defined the eligible activities and the alignment criteria for the remaining four environmental objectives.

Furthermore, the EU Delegated Regulation 2023/2485 was published which defined further economic activities identified as eligible for climate-related objectives.

Based on the parameters defined by the Taxonomy, to be considered eligible, an economic activity must fall within the list of economic activities contained in the Delegated Acts on Climate and the Environment. Once the admissibility of the economic activities has been verified, the Taxonomy also requires verification of their alignment with the technical screening criteria established by the Delegated Acts, as well as with the following requirements:

1. in contributing to one or more of the environmental objectives, it must not harm any of the others (so-called "Do No Significant Harm");
2. must be carried out in compliance with the minimum safeguard guarantees, i.e. carried out in line with the provisions of the main international references on fundamental human rights. In particular, the OECD Guidelines for Multinational Enterprises, the United Nations Guiding Principles on Business and Human Rights, the International Labor Organization

(ILO) Declaration on Fundamental Principles and Rights at Work, the eight fundamental ILO conventions and the International Bill of Human Rights.

In the art. 8 of EU Regulation 2020/852, the reporting obligations currently applicable to non-financial companies subject to the Non Financial Reporting Directive are defined. Starting from publications after 1 January 2022, all companies that fall within the cases defined by Legislative Decree 254/2016 have had to report the share of turnover, the percentage of capital expenditure (CAPEX) and the percentage of operating expenses (OPEX) qualify as eligible for the first two objectives. Please refer to the EU Delegated Regulation 2021/2178 for the definition of these indicators.

Starting from the publications after 1 January 2023, the aforementioned companies have the obligation to verify the alignment of the eligible economic activities with the criteria defined above. Finally, for the publications of the period 1 January - 31 December 2024, it is also expected that companies subject to the regulatory obligation provide disclosure of the aforementioned indicators both in relation to the admissibility of their economic activities to the four environmental objectives of the Taxonomy (sustainable use and protection of waters and marine resources, transition towards a circular economy, prevention and reduction of pollution and protection and restoration of biodiversity and ecosystems), as

well as with reference to the additional economic activities identified for the climate objectives by the Delegated Regulation EU 2023/2485.

With reference to the information pursuant to art. 8 paragraphs 6 and 7 of Delegated Regulation (EU) 2021/2178, it is finally specified that the Group has not reported the models provided in Annex XII for the communication of activities related to nuclear power and fossil gases as no activities have been identified to eligible and/or aligned with reference to these areas.

METHODOLOGICAL APPROACH

Sanlorenzo considers this regulatory evolution an important tool to allow the private sector to move in the field of sustainability according to common and coherent methods and language, guaranteeing environmental information conveyed to all stakeholders in an understandable, comparable and transparent way.

To respond to the Taxonomy's requests, Sanlorenzo first carried out an eligibility analysis of its activities with respect to the objectives of mitigation and adaptation to climate change for the first time in 2021. In 2023 the eligibility analysis was updated, and as required by the legislation it was integrated with the eligibility assessment also for the four environmental objectives and for the activities referred to in the EU Delegated Regulation 2023/2485.

In continuity with the approach of the previous exercise and taking into account the document "Commission Notice on the interpretation of

certain legal provisions of the Disclosures Delegated Act under Article 8 of EU Taxonomy Regulation on the reporting of eligible economic activities and assets", published on 6 October 2022 by the European Commission, which specifies to: (i) consider the NACE codes as a general and non-exhaustive indication and (ii) evaluate eligibility for the taxonomy on the basis of the description of the activity where there are descriptions with qualifiers such as "low carbon emissions", the Group has considered including the main activity in "3.3 Manufacturing of low carbon emissions technologies for transport", with particular reference to the objective of climate change mitigation, predominantly identified as most suitable in relation to the types of economic activities carried out by the Group. With reference to the new objectives and new activities linked to climate objectives, the Group has not currently considered any economic activity eligible.

TECHNICAL SCREENING CRITERIA

After completing the eligibility analysis of its economic activities, the Group proceeded with further analyses to determine the alignment of activity 3.3, as mentioned earlier, with respect to the climate change mitigation objective:

- Analysis of the substantial contribution, through verification of compliance with the technical screening criteria required by law;
- Evaluation of alignment with the "Do Not Significant Harm" principle;
- Verification of minimum social protection guarantees.

In order to verify the alignment of the activity identified as eligible by the Group (3.3 Manufacturing of low carbon emission technologies for transport), we then proceeded with the analysis of the specific technical screening criteria relating to the mitigation objective of climate change and only vessels that do not produce CO₂ emissions have been identified as potentially assessable for alignment purposes, since they are powered exclusively by hydrogen.

For the eligible economic activity (3.3) for the purposes of the mitigation objective, the DNSH criteria identified by the Delegated Climate Regulation were analyzed and the activities carried out were mapped from which the following findings emerged.

DNSH – DO NOT SIGNIFICANT HARM

With the aim of verifying that the activity that contributes to the climate change mitigation objective does not cause significant damage to the remaining five objectives, the following checks were carried out:

- With reference to the objective of adapting to climate change, the Group considered environmental and climate risks into consideration when carrying out its activities;
- For the objective of sustainable use and protection of water and marine resources, an analysis of the impacts of water consumption and an analysis of the water-stressed areas in which the Group operates was carried out. In this regard, it is noted that the impact of the

Group's activities on water resources is limited: in fact, no industrial withdrawals and discharges are carried out with the exception of the use of the storage area used for washing the pre-launch and pre-delivery boats;

- For the transition towards a circular economy, the Group is committed to the introduction of sustainable and eco-compatible materials, reuse and use of secondary raw materials and reused components and responsible waste management;
- In relation to the objective of preventing and reducing pollution, the activity does not involve the manufacture, placing on the market or use of dangerous substances as defined by the Taxonomy legislation. In this context, Sanlorenzo is equipped with an integrated system certified ISO 14001 and ISO 45001, which includes, among other things, specific procedures and instructions for replacement, already during the procurement phase, of dangerous products with others with less impact from an environmental and health point of view;
- Finally, for the objective of protecting and restoring biodiversity and ecosystems, the Group operates in compliance with the regulatory constraints aimed specifically at the protection of the terrestrial ecosystem in the areas where the company sites are located.

MINIMUM SOCIAL SAFEGUARDS

In addition to the analysis related to the technical screening criteria and the DNSH, the Group

verified the compliance with the Minimum Safeguards regarding human rights, corruption, fair competition and taxation, defined in the EU Regulation on Taxonomy, also with reference to the suggestions proposed in the "Final Report on Minimum Safeguards" document of the Platform on Sustainable Finance of October 2022.

The Code of Ethics and the policies implemented by the Group for the management of its activities establish the principles and standards relating to the protection of human rights, fundamental rights and the rules of ethical conduct, also with reference to the scope of the companies of which the Group is used for the execution of shipbuilding activities. These principles constitute binding obligations for all interested stakeholders. For further details, please refer to the Code of Ethics and the relevant paragraphs of this document, in particular "Approach to taxation" and "Access to Sanlorenzo shipyards: documentation contractors are required to produce".



ANALYSIS OF TURNOVER, CAPEX AND OPEX AND RELATED INDICATORS OF THE EU TAXONOMY

REVENUES

The KPI relating to turnover referred to in Article 8, paragraph 2, letter a) of Regulation (EU) 2020/852 was calculated as the part of the revenues obtained from products or services, including intangible ones, associated with economic activities eligible for taxonomy (numerator), divided by the total revenues (denominator) pursuant to article 2, point 5, of directive 2013/34/EU as recognized in the accounts and represented in the consolidated financial statements drawn up in accordance with IFRS. The denominator of the calculation corresponds to the total revenues, also reported in the chapter “Consolidated financial statements” of the Annual Financial Report. Regarding the numerator, we considered as eligible the total revenues deriving from the sale and maintenance of ships, and as aligned the revenues deriving from the sale and maintenance of hydrogen boats that satisfy the following requirement (3.3, (m) of the delegated regulation (EU) 2021/2139):

- “have zero direct (tailpipe) CO₂ emissions”

Within the total revenues, were not considered as admissible the revenues deriving from the sale of various materials and other revenues (reported within the item “Revenues from maintenance and other services” of the consolidated financial statements), and the item “other income”.



TURNOVER

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Financial year 2023	YEAR 2023			SUBSTANTIAL CONTRIBUTION CRITERIA						DNSH CRITERIA (DOES NOT SIGNIFICANTLY HARM)(h)						Minimum safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover, year N-1 (18)	Category (enabling activity or) (19)	Category (transitional activity) (20)
ECONOMIC ACTIVITES (1)	Code (a) (2)	Turnover (3)	Proportion of Turnover, year N (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity and ecosystems (16)		%	E	T
Text		EUR thousands	%	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N			
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmental sustainable activities (Taxonomy-aligned)																			
Manufacture of low carbon technologies for transport (d)	CCM 3.3	1,671	0.19%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	N/A	Y	Y	Y	Y	Y	Y	0%	E	
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		1,671	0.19%	100%	0%	0%	0%	0%	0%	N/A	Y	Y	Y	Y	Y	Y	0%		
Of which enabling		1,671	0.19%	100%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	0%	E	
Of which transitional			0.00%							N	N	N	N	N	N	N	N/A		T
A.2 Taxonomy-Eligible but not environmental sustainable activities (not Taxonomy-aligned activities) (g)																			
				EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)										
Manufacture of low carbon technologies for transport (e)	CCM 3.3	849,130	98.09%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								98.72%		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		849,130	98.09%	100%	0%	0%	0%	0%	0%								98.72%		
A. Turnover of Taxonomy eligible activities (A.1+A.2)		850,800	98.28%	100%	0%	0%	0%	0%	0%								98.72%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		14,867	1.72%																
TOTAL		865,668	100%																

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(a) The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the section number of the activity in the relevant Annex covering the objective, i.e.:

- Climate Change Mitigation: CCM
- Climate Change Adaptation: CCA
- Water and Marine Resources: WTR
- Circular Economy: CE
- Pollution Prevention and Control: PPC
- Biodiversity and ecosystems: BIO.

(b) Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective

N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective

N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective.

(c) Where an economic activity contributes substantially to multiple environmental objectives, non-financial undertakings shall indicate, in bold, the most relevant environmental objective for the purpose of computing the KPIs of financial undertakings while avoiding double counting. In their respective KPIs, where the use of proceeds from the financing is not known, financial undertakings shall compute the financing of economic activities contributing to multiple environmental objectives under the most relevant environmental objective that is reported in bold in this template by non-financial undertakings. An environmental objective may only be reported in bold once in one row to avoid double counting of economic activities in the KPIs of financial undertakings. This shall not apply to the computation of Taxonomy-alignment of economic activities for financial products defined in point (12) of Article 2 of Regulation (EU) 2019/2088. Non-financial undertakings shall also report the extent of eligibility and alignment per environmental objective, that includes alignment with each of environmental objectives for activities contributing substantially to several objectives, by using the template below:

	PROPORTION OF TURNOVER/TOTAL TURN-OVER	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0.19%	98.28%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

(d) This activity is aligned with only climate change mitigation objective.

(e) This activity is eligible and not aligned only climate change mitigation objective.

(f) EL - Taxonomy eligible activity for the relevant objective N/EL - Taxonomy non-eligible activity for the relevant objective

(g) Activities shall be reported in Section A.2 of this template only if they are not aligning to any environmental objective for which they are eligible. Activities that align to at least one environmental objective shall be reported in Section A.1 of this template.

(h) For an activity to be reported in Section A.1 all DNSH criteria and minimum safeguards shall be met. For activities listed under A2, columns (5) to (17) may be filled in on a voluntary basis by non-financial undertakings. Non-financial undertakings may indicate the substantial contribution and DNSH criteria that they meet or do not meet in Section A.2 by using: (a) for substantial contribution - Y/N and N/EL codes instead of EL and N/EL and (b) for DNSH – Y/N codes

**CAPEX**

The KPI relating to capital expenditure referred to in Article 8(2)(b) of Regulation (EU) 2020/852 has been calculated considering the following denominator and numerator.

The denominator includes increases to tangible and intangible assets during the period considered before depreciation and any revaluation, including those arising from revaluations and reductions in value, for the period in question, and excluding changes in the fair value.

The denominator also includes increases to tangible and intangible assets deriving from business combinations. In particular, capital expenditures include costs accounted for in the consolidated financial statements on the basis of: (a) IAS 16 “Property, plant and equipment”, point 73, letter e), subpoints i) and iii); (b) IAS 38 “Intangible assets”, point 118, letter e), subpoint i); (c) IAS 40 “Investment property”, point 76, letters a) and b) (for the fair value model); (d) IAS 40 “Investment

property”, point 79, letter d), subpoints i) and ii) (for the cost model); (e) IAS 41 “Agriculture”, point 50, letters b) and e); (f) IFRS 16 “Leasing”, point 53, letter h). Leases that do not determine the recognition of a right of use on the assets are not counted as capital account expenses.

The numerator corresponds to the portion of capital expenditure included in the denominator that satisfies the condition of being related to assets or processes associated with economic activities eligible and/or aligned to the taxonomy.



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Financial year 2023	YEAR 2023			SUBSTANTIAL CONTRIBUTION CRITERIA						DNSH CRITERIA (DOES NOT SIGNIFICANTLY HARM) (h)						Minimum safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CapEx, year N-1 (18)	Category (enabling activity or) (19)	Category (transitional activity) (20)
ECONOMIC ACTIVITES (1)	Code (a) (2)	CapEx (3)	Proportion of CapEx, year N (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)				
Text		EUR thousands	%	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmental sustainable activities (Taxonomy-aligned)																			
Manufacture of low carbon technologies for transport (d)	CCM 3.3	781	1.21%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	N/A	Y	Y	Y	Y	Y	Y	1.16%	E	
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		781	1.21%	100%	0%	0%	0%	0%	0%	N/A	Y	Y	Y	Y	Y	Y	1.16%		
Of which enabling		781	1.21%	100%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	1.16%	E	
Of which transitional			0.00%							N	N	N	N	N	N	N	N/A		T
A.2 Taxonomy-Eligible but not environmental sustainable activities (not Taxonomy-aligned activities) (g)																			
				EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)										
Manufacture of low carbon technologies for transport (e)	CCM 3.3	59,981	92.77%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								88.83%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		59,981	92.77%	100%	0%	0%	0%	0%	0%								88.83%		
A. CapEx of Taxonomy eligible activities (A.1+A.2)		60,762	93.98%	100%	0%	0%	0%	0%	0%								89.99%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		3,894	6.02%																
TOTAL		64,656	100%																

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(a) The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the section number of the activity in the relevant Annex covering the objective, i.e.:

- Climate Change Mitigation: CCM
- Climate Change Adaptation: CCA
- Water and Marine Resources: WTR
- Circular Economy: CE
- Pollution Prevention and Control: PPC
- Biodiversity and ecosystems: BIO.

(b) Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective

N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective

N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective.

(c) Where an economic activity contributes substantially to multiple environmental objectives, non-financial undertakings shall indicate, in bold, the most relevant environmental objective for the purpose of computing the KPIs of financial undertakings while avoiding double counting. In their respective KPIs, where the use of proceeds from the financing is not known, financial undertakings shall compute the financing of economic activities contributing to multiple environmental objectives under the most relevant environmental objective that is reported in bold in this template by non-financial undertakings. An environmental objective may only be reported in bold once in one row to avoid double counting of economic activities in the KPIs of financial undertakings. This shall not apply to the computation of Taxonomy-alignment of economic activities for financial products defined in point (12) of Article 2 of Regulation (EU) 2019/2088. Non-financial undertakings shall also report the extent of eligibility and alignment per environmental objective, that includes alignment with each of environmental objectives for activities contributing substantially to several objectives, by using the template below:

PROPORTION OF CAPEX/TOTAL CAPEX		
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	1.21%	93.98%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

(d) This activity is aligned with only climate change mitigation objective.

(e) This activity is eligible and not aligned only climate change mitigation objective.

(f) EL - Taxonomy eligible activity for the relevant objective N/EL - Taxonomy non-eligible activity for the relevant objective

(g) Activities shall be reported in Section A.2 of this template only if they are not aligning to any environmental objective for which they are eligible. Activities that align to at least one environmental objective shall be reported in Section A.1 of this template.

(h) For an activity to be reported in Section A.1 all DNSH criteria and minimum safeguards shall be met. For activities listed under A2, columns (5) to (17) may be filled in on a voluntary basis by non-financial undertakings. Non-financial undertakings may indicate the substantial contribution and DNSH criteria that they meet or do not meet in Section A.2 by using: (a) for substantial contribution - Y/N and N/EL codes instead of EL and N/EL and (b) for DNSH – Y/N codes



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OPEX

The KPI relating to operating expenses referred to in Article 8(2)(b) of Regulation (EU) 2020/852 has been calculated considering the following denominator and numerator.

The denominator includes the uncapitalized direct costs relating to maintenance, building renovations, research and development, short-term leasing and any other direct expense relating to the daily maintenance of property, plant and machinery. The numerator corresponds to the portion of operating expenses included in the denominator that meet the condition of being related to assets or processes associated with taxonomy-aligned economic activities, including training and other human resource adaptation needs, as well as uncapitalized direct costs of research and development.

R&D costs that are already accounted for in the Capital Expenditure KPI cannot be accounted for as operating expenses.



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Financial year 2023	YEAR 2023			SUBSTANTIAL CONTRIBUTION CRITERIA						DNSH CRITERIA (DOES NOT SIGNIFICANTLY HARM) (h)						Minimum safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) OpEx, year N-1 (18)	Category (enabling activity or) (19)	Category (transitional activity) (20)
ECONOMIC ACTIVITES (1)	Code (a) (2)	OpEx (3)	Proportion of OpEx, year N (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)				
Text		EUR thousands	%	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmental sustainable activities (Taxonomy-aligned)																			
Manufacture of low carbon technologies for transport (d)	CCM 3.3	0	0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	N/A	Y	Y	Y	Y	Y	Y	0%	E	
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%	0%	0%	0%	0%	0%	0%	N/A	Y	Y	Y	Y	Y	Y	0%		
Of which enabling		0	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	0%	E	
Of which transitional		0	0%							N	N	N	N	N	N	N	0%		T
A.2 Taxonomy-Eligible but not environmental sustainable activities (not Taxonomy-aligned activities) (g)																			
				EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)										
Manufacture of low carbon technologies for transport (e)	CCM 3.3	8,162	100%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								100%		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		8,162	100%	100%	0%	0%	0%	0%	0%								100%		
A. OpEx of Taxonomy eligible activities (A.1+A.2)		8,162	100%	100%	0%	0%	0%	0%	0%								100%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		0	0%																
TOTAL		8,162	100%																

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(a) The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the section number of the activity in the relevant Annex covering the objective, i.e.:

- Climate Change Mitigation: CCM
- Climate Change Adaptation: CCA
- Water and Marine Resources: WTR
- Circular Economy: CE
- Pollution Prevention and Control: PPC
- Biodiversity and ecosystems: BIO.

(b) Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective

N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective

N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective.

(c) Where an economic activity contributes substantially to multiple environmental objectives, non-financial undertakings shall indicate, in bold, the most relevant environmental objective for the purpose of computing the KPIs of financial undertakings while avoiding double counting. In their respective KPIs, where the use of proceeds from the financing is not known, financial undertakings shall compute the financing of economic activities contributing to multiple environmental objectives under the most relevant environmental objective that is reported in bold in this template by non-financial undertakings. An environmental objective may only be reported in bold once in one row to avoid double counting of economic activities in the KPIs of financial undertakings. This shall not apply to the computation of Taxonomy-alignment of economic activities for financial products defined in point (12) of Article 2 of Regulation (EU) 2019/2088. Non-financial undertakings shall also report the extent of eligibility and alignment per environmental objective, that includes alignment with each of environmental objectives for activities contributing substantially to several objectives, by using the template below:

PROPORTION OF OPEX/TOTAL OPEX			
	Taxonomy-aligned per objective		Taxonomy-eligible per objective
CCM	0%		100%
CCA	0%		0%
WTR	0%		0%
CE	0%		0%
PPC	0%		0%
BIO	0%		0%

(d) This activity is aligned with only climate change mitigation objective.

(e) This activity is eligible and not aligned only climate change mitigation objective.

(f) EL - Taxonomy eligible activity for the relevant objective N/EL - Taxonomy non-eligible activity for the relevant objective

(g) Activities shall be reported in Section A.2 of this template only if they are not aligning to any environmental objective for which they are eligible. Activities that align to at least one environmental objective shall be reported in Section A.1 of this template.

(h) For an activity to be reported in Section A.1 all DNSH criteria and minimum safeguards shall be met. For activities listed under A2, columns (5) to (17) may be filled in on a voluntary basis by non-financial undertakings. Non-financial undertakings may indicate the substantial contribution and DNSH criteria that they meet or do not meet in Section A.2 by using: (a) for substantial contribution - Y/N and N/EL codes instead of EL and N/EL and (b) for DNSH – Y/N codes

**NOTE ON THE EVOLUTION OF THE LEGISLATION**

The analysis conducted was carried out based on the interpretations of the Taxonomy regulation available to date, as well as taking into account the clarifications provided by the EU Commission regarding the application and the preparation of the related disclosures. In this context, in line with the evolution of interpretations and regulatory requirements, the information presented in this chapter may be subject to further updates and revisions.

It is underlined that for the nautical sector the criteria defined for the alignment of economic activity with the Taxonomy are very stringent and can only be satisfied with a shared and coordinated effort of the entire sector, of which the Sanlorenzo Group aims to be an active actor. As presented in its Business Plan, the Group has a plan for the gradual decarbonisation of some models.

In order to understand the Sanlorenzo Group's strategy with respect to product sustainability, further study is recommended in chapter 3.4 Product Sustainability - Research and Development (Solutions for reducing emissions generated on board).

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Technical-methodological support
Message

External Assurance
BDO

Project
Lissoni Graph.x

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