2024

grupa unibep

MANAGEMENT BOARD'S REPORT

ON THE OPERATIONS OF UNIBEP GROUP IN 2024 INCLUDING DISCLOSURE REQUIREMENTS FOR THE MANAGEMENT BOARD'S REPORT ON THE OPERATIONS OF THE PARENT COMPANY FOR THE AFOREMENTIONED PERIOD

BIELSK PODLASKI, 14 April 2025

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1. LETTER FROM THE PRESIDENT TO SHAREHOLDERS

Dear Sir/Madam,

The entire construction market has been subject to various turbulences in recent times. Uncertainty and permanent volatility have become a daily reality for many companies, including our Group. The impact of global factors, the geopolitical turmoil resulting from the ongoing war in Ukraine, continued high inflation and the continually difficult labour market situation have made doing business much more difficult and risky.

Given a number of unfavourable trends, including very weak results for construction and assembly production in the fourth quarter of 2024, we forecast that the total value of construction and assembly production for companies employing more than nine people decreased in real terms – i.e. after eliminating inflationary factors – in 2024 by as much as ca. 14% compared to 2023 figures.

Against this backdrop, Unibep Group's performance is satisfactory. For our business, 2024, compared to 2023, is a time of definite improvement in terms of the financial results achieved. Unibep Group ended 2024 with a net profit of PLN 107.7 m compared to a loss the year before of - PLN 156.5 m, with sales at ca. PLN 2.61 bn (up 7.3 per cent year-on-year). And the result of the Parent Company – Unibep SA – reached PLN 29.2 m against a loss of - PLN 160.9 m a year before.

In 2024, across the Unibep Group, we continued the review of many aspects of our operations, which had already been initiated the year before, including processes for identifying and managing risks and internal processes. We also made an effort to redirect our contracting activities so that, in a difficult market environment, we can focus our acquisition energies on finding contracts with sound financial terms, avoiding participation in exhausting price wars between tender participants.

We also paid particular attention to market communication to make sure the intention of actions and activities during 2024 to improve the financial situation was clear to all stakeholders.

In terms of corporate governance issues, we ordered and supplemented organisational structures, including structures for controlling business decisions, which are now made on the basis of careful analysis of business risks and threats, identified by the support teams covering a broad spectrum.

I would like to point out that, in defining our future, we discussed and created various action scenarios relating to all areas of our activity and chose from among them those that will guarantee a sustainable improvement in shareholder value. Last year, we were looking for a strategic investor for Unihouse S.A. and a joint venture partner for Unidevelopment S.A. Both processes failed to deliver on the intended results, the source of which we see in the generally unfavourable macroeconomic environment, in which a sense of mistrust and uncertainty has become the main factor plaguing potential investors.

All of the above-mentioned measures had a very positive effect and have resulted in marginalising the risk of a going concern, which was ultimately confirmed by the independent auditor who audited these financial statements. We consider the economic effects achieved in 2024 to be satisfactory.

Following this formulation, I would like to point out that as at 31 December 2024, the Group's cash balance was at PLN 262.5 m, compared to PLN 311.1 m in 2023. This item neutralises financial debt (excluding liabilities from leases) reaching PLN 365.2 m as at 31 December 2024, against PLN 295.6 m as at 31 December 2023.

Consequently, the net debt level of PLN 103 m for Unibep Group as at 31 December 2024 remains at a safe level, ensuring that all financial ratios (so-called covenants) expected by financial institutions and bondholders are met. It provides a very good basis to make further economic activity more dynamic from 2025.

We are particularly pleased to see a change in trend in the most important sector of our business, general contracting. For the large-scale, energy/industrial and infrastructure construction segments, total gross profitability on sales improved, from a gross loss on sales of -4.1% in 2023 to a gross profit on sales of +3.7%, including:

- for the energy and industry sector: a decrease in gross sales margin from a gross profit on sales of -12.6% to a gross loss on sales of -7.7%,
- for the large-scale construction sector (domestic and export): an increase in gross sales margin from a gross sales loss of -1.1% to a gross sales profit of 5.8%,
- for the infrastructure sector: a decrease in gross sales margin from a gross profit on sales of -1.5% to a gross loss on sales of 7.6%.

Throughout 2024, the Group has secured contracts with a total value of around PLN 1.6 bn for implementation within this segment. This was less than in 2023, when contracting amounted to more than PLN 2.2 bn, but our deliberate selection of contracts with sound financial assumptions, signed in 2024, gives a very good quality order book for execution in 2025 and beyond. It amounted to PLN 3 bn (down 15% year-on-year). In the current year, the Management Board of Unibep SA intends to continue its selective policy of choosing contracts from the construction segment whose economic values will be optimal in terms of results. This policy will contribute decisively and positively to further improvements in operational profitability.

In 2024, our developer, Unidevelopment SA, recorded sales revenues of PLN 299.0 m compared to PLN 315.8 m in the same period of the previous year. The decrease in the segment turnover of around 5.3% was in line with the assumptions based on the schedules of ongoing real estate development projects. Throughout 2024, apartments were handed over to customers on more profitable projects than was the case in 2023, as evidenced by the direct return on sales generated at 30.6%, as compared to 26.1% for the same period of the previous year.

In the results of this segment in 2024, the Group recognised sales (apartment handover reports) of 491 units compared to 584 units in the same period in 2023. At the same time, the real estate development sales reached a volume of 231 apartments (including 66 as part of joint ventures) as compared to 423 units (including 203 as part of joint ventures) in the corresponding period of 2023.

In the analysed period, the volume of the aforementioned development sales was affected by the timing of completion of the investments by Unidevelopment Group companies as well as market conditions and the unfavourable macroeconomic environment, which translated into the limited availability of mortgage loans and the holding back of some customers' purchase decisions. In the opinion of the Company's Management Board, the market's eagerly awaited reduction in interest rates, possible as early as this year, should become a factor in the clear stimulation of demand for residential units.
In the current year, the Management Board will continue to implement sales plans in line with the implementation schedules of individual projects and a sensibly considered pricing policy for individual customers. We will be making efforts to ensure that our development projects – in addition to the popular segment – also target customers in the premium segment, which is less sensitive to geopolitical turmoil.

In 2024, the modular segment completed and supervised by Unihouse SA achieved sales of ca. PLN 170 m, i.e. more than PLN 54 m lower than in the same period of the previous year (down 24.2%). In this segment, as in the construction segment, we have worked hard to win contracts that are safe in terms of the results. The operating loss, caused mainly by the inability to utilise the full capacity of our Bielsko Podlaskie plant, was at - PLN 5 m, but was significantly lower (by more than PLN 26 m) than the loss recorded in 2023. It is noteworthy that, following deep optimisations of operating costs to bring them in line with current economic and market conditions, our subsidiary improved its EBITDA result in 2024 by PLN 25.8 m over the previous year.

Now, after a year full of deep internal reconstruction, the Group is facing great prospects from the market. They relate to each of the specific areas of our business:

- infrastructure sector, which has been working since 2025 to effectively penetrate the market in places and locations outside of our current comfort zone (i.e. the Warmian-Masurian and Podlaskie Voivodeships),
- energy sector – focused on contracts in the area of acquired references, i.e. heating, incineration and cogeneration,
- the general construction sector, where our current activities are focused on finding new, more performance-optimised segments such as high-tech large-scale construction and the military.

At the same time – following the Unibep Supervisory Board's decision to keep Unihouse SA within the Group's structures – we see significant potential in the development of modular, prefabricated construction mainly in Poland and Germany, especially in view of the latest plans for investments of a military character (barracks).

As we close 2024, on behalf of myself and the entire staff I would like to thank you sincerely for your trust. The year 2025 is a special year for us – it is the 75th anniversary of the founding of our company. We are probably one of the oldest companies in the construction industry in Poland that has continued and developed its business for such a long time. We are proud of this, but at the same time we have plans on how to develop our Group and be an effective company in this difficult but – by all indications and estimates – promising market for large investments.

I would like to assure you that we will do our utmost not to disappoint the trust of both you and our business partners. In particular, I would like to thank the Group's employees for their great commitment, flexible approach to the customer and passion for improvement. These are values that, combined with the professionalism on display, allow us to be optimistic and to see the future as a great opportunity.

Andrzej Sterczyński
President of the Management Board of Unibep SA

SELECTED FINANCIAL DATA OF UNIBEP GROUP

CONTRACTS SIGNED
In 2024
1,688
PLN m

NET PROFIT ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT COMPANY
45
PLN m

NET PROFIT (169%)
108
PLN m

ORDER PORTFOLIO
OD 2025
3,083
PLN m

CASH (-16%)
263
PLN m

EBITDA
199
PLN m

REVENUE (7%)
2,607
PLN m

WSE CAPITALISATION
(31 DECEMBER 2024)
255
PLN m

HEADCOUNT
(AS AT 31 DECEMBER 2024)
1,680
people

DEVELOPER SALES OF RESIDENTIAL UNITS
IN 2024
231
units

2. INTRODUCTION

2.1. INTRODUCTORY INFORMATION

Unibep SA (the "Company", "Parent Company", "Issuer") is a predominantly family-owned entity. The Company operated as a state-owned enterprise until 1998. It was subsequently transformed into a limited liability company, and in 2006 into a public limited company. In 2008, Unibep SA entered the Warsaw Stock Exchange. Unibep SA is currently one of the leading general contracting construction companies in the country.

The company's head office is located in Bielsk Podlaski, but also has offices in Warsaw, Białystok, Łomża, Poznań, Katowice, Racibórz, as well as abroad in Minsk and Lviv. Unibep SA operates mainly on the Polish market, but it is also an exporter of construction services to countries such as Norway, Sweden and Germany. In eastern markets, it is currently implementing the construction of the Polish Embassy in Minsk and construction of the Szeginie border crossing on the Ukrainian-Polish border.

Unibep Group's operations are focused on three business segments, i.e. construction, property development and modular. Within the construction segment, the large-scale, infrastructure and energy/industrial sectors are recognised. In 2025, the Company's Management Board has reshaped the organisational structure in such a way that synergies within the organisation can be leveraged and market opportunities be pursued more effectively. To this end, industrial construction was separated from the energy sector and merged with large-scale construction to form the general construction sector. Activity within the modular segment is carried out by Unihouse SA. Through Unidevelopment SA, the Group also conducts property development activities focusing on large agglomerations (Warsaw, Poznań, Radom, Tricity).

The Group's main activity in 2024 was construction in the large-scale sector. This activity accounted for ca. 42% of total sales in 2024. In this segment, the Group has a solid order portfolio for 2025 and beyond, amounting to ca. PLN 1 bn.

On the other hand, the road (infrastructure) segment accounts for around 26% of the Group's revenue, with an order portfolio of PLN 1.5 bn for 2025 and beyond. Thanks to large infrastructure investments in Eastern Poland, this segment of Unibep Group's business may be expected to grow.

New growth prospects for the Group are provided by the energy and industrial Sector. Sales effected in that segment account for 17% of revenues, and the order portfolio for 2025 and beyond amounted to ca. PLN 0.5 bn.

In the results of the real estate development segment for the four quarters of 2024, the Group recognised the sale of 491 apartments based on handover reports. At the same time, real estate development sales reached 231 apartments.

The remaining 6% of revenue is generated by modular construction. Unihouse S.A., which is responsible for the development of this segment of the Group's business, has recently been developing its activity intensively on the Polish market, maintaining an important role also on the German and Scandinavian markets. Unihouse SA's products are part of the global trend regarding the development of sustainable construction, as this part of the Group's business concerns the construction of multi-family buildings, public buildings and military infrastructure buildings using modular wood technology.

In 2024, ca. 93% of the Group's total revenue was generated domestically. The remaining 7% is attributable to Unibep Group's foreign operations.

The total order book for 2025 and future years for the construction and modular segment as at December 2024 is ca. PLN 3.1 bn, with the Group continuing to take active steps to increase it.

Building a profitable order portfolio in all business segments is a priority of the Group's Management Board in the coming periods. The overriding objective of all activities and initiatives is to prepare a sustainable, operationally profitable and financially liquid Unibep Group, taking advantage of market opportunities and delivering shareholder value.

2.2. EVENT TIMELINE

JANUARY 2024

- Unihouse SA signed a contract for an investment in Trondheim, Norway
- Topping out of SOHO phase III development
- The topping out ceremony for the Academy of Music in Bydgoszcz
- Conclusion of a contract for the 'design and build' conversion of coal-fired boilers to gas and/or oil-fired boilers at the 'Zachód' Heat Plant in Białystok.

FEBRUARY 2024

- Topping out of the Cityflow building in Warsaw
- Infrastructure Division signed contract for construction of Dobrzyniewo – Sokółka S19 road section
- On 20 February 2024, the Supervisory Board of Unibep SA adopted a resolution on appointing Mr Andrzej Sterczyński as a Member of the Company's Management Board effective from 1 March 2024

MARCH 2024

- The Infrastructure Division took over the construction site of the southern bypass of Bielsko Podlaskie
- Topping out of the Nova Talarowa development
- Unibep SA signed a contract for the modernisation of the Szeginie border crossing
- On 11 March 2024, the Infrastructure Division of Unibep SA took over the site for the construction of the key section of the S19 Krynice – Białystok West road.
- Symbolic topping out of the Polish Embassy in Minsk
- The Infrastructure Division signed a contract for the construction of provincial road No. 679 between Łomża and Mężenin

APRIL 2024

- Tertio Ponte office building in Włocławek officially opened

- Unibep Group is among the "Builder's Ranking Stars" in the category of the highest revenue in the Podlaskie Voivodeship
- Ceremony laying the foundation stone and capsule for the construction of the Innovation and Cyber Security Centre of the Military University of Technology in Warsaw
- Publication of the separate and consolidated annual report for 2023
- The Supervisory Board of Unibep SA passed a resolution to appoint Zbigniew Gościcki as a Member of the Company's Management Board for the current seventh joint term of office with effect from 1 May 2024.
- The Boards of Directors of the Group's companies decided to adopt the Environmental Protection Standards (EPS), which were developed by the Environmental Protection Office, for application

MAY 2024

- Topping out at the Abrahama 14 development in Warsaw
- Start of the 11th Covenant for Safety in Construction Safety Week
- The Infrastructure Division signed a contract for the construction of another section of the S19 road, the Dobrzyniewo – Białystok North section
- Unibep Group ranked 193rd on the Rzeczpospolita 500 List
- The first Unique Run in the Młociny Forest in Warsaw

JUNE 2024

- Unibep SA and Unihouse SA at Ukraine Recovery Conference 2024 in Berlin
- Topping out of the Olimpijczyk Estate (stage II) in Łódź
- Unibep SA signed a contract for the construction of 'Esa Floresa', two buildings on Cybernetyki Street in Warsaw
- Heat plant in Orzysz officially opened

JULY 2024

- Unibep SA to build two residential buildings for Unidevelopment SA at Marywilska Street in Warsaw
- Unihouse SA built Poland's first SIM Modular Multi-Family Building
- Unihouse SA signed two new contracts – a modular kindergarten to be built in Iceland, a nursery school in Iceland and a multi-family residential building in Trzebiatów.

AUGUST 2024

- Unibep Group published its preliminary results for H1 2024.

SEPTEMBER 2024

- Handover of the construction site for the S19 Deniski – Haćki project

- Unihouse SA has signed a contract for a public contract titled: "Construction of a multi-family building with technical infrastructure and landscaping at Kolorowa 18 in Gdańsk"
- Unihouse SA to build a school in Norway
- A contract came into force, under which we will build a cogeneration system for a major player in the energy sector at a thermal power plant in Poland

OCTOBER 2024

- Foundation stone laid for Esy Flores development
- Renovation of the school in Nowy Świętów near Głuchołazy began
- Construction of the new Polish Embassy in Minsk reached the milestone – shell building
- Signing of the contract for the task titled "Construction of a modular facility in lightweight structure for the needs of the DZSW subdivision in Tomaszów Mazowiecki – Task 11877".
- Foundation stone laying at Fokus Ursus estate
- The Infrastructure Division contract signed for expansion of provincial road 653
- Unihouse SA signed a contract to develop a 2-storey community centre building with staff facilities and three 2-storey patient buildings in Oslo, Norway

NOVEMBER 2024

- Lizbońska estate in Warsaw received the "Golden Compasses" award in the "residential development" category
- Unibep Group ranked 4th in the Podlaska Złota Setka Przedsiębiorstw "Kurier Poranny" ranking
- Conclusion of a contract for the implementation of the task titled: "Integrated network for innovative transformation and decarbonisation of the district heating sector (UNITED HEAT), Phase I Construction of a biomass heating plant" in Zgorzelec
- In Tübingen, Germany, Unihouse SA to build a 3-storey office building using modular technology.
- Announcement of changes to the management and supervisory board of Unibep SA – Andrzej Sterczyński to take up the position of the President of Unibep SA from 2 January 2025. He will succeed Dariusz Blocher, who is moving to the company's supervisory board.

DECEMBER 2024

- Conclusion of a public procurement contract titled: "Reconstruction of the 'Pod Grapą' District Boiler House for the needs of high-efficiency cogeneration and new gas-fired generation units" in Żywiec in Silesian Voivodeship.
- Topping out of a building made using modular technology at ul. Kolorowa 18 in Gdańsk. It is being developed as part of the Gdańsk Social Housing Programme

2.3. SUMMARY OF SELECTED FINANCIAL DATA OF UNIBEP GROUP

Definitions of alternative performance measures and methodologies for their calculation are presented below and are consistent with selected alternative performance measures presented historically. Information on the presented indicators is periodically monitored and presented in the next interim reports.

SELECTED FINANCIAL DATA FROM THE PROFIT AND LOSS ACCOUNT

	PLN thousand		YoY	EUR thousand	
	2024	2023		2024	2023
Net revenue from sale	2 606 858	2 429 768	7.3%	605,655	536,562
EBIDTA (EBIT + depreciation and amortisation)	198 881	-109,409	281.8%	46,206	-24,161
% sales	*7.63%*	*-4.50%*	*12.13 P.P.*		
EBIT (operating profit)	168,647	-137,809	222.4%	39,182	-30,432
% sales	*6.47%*	*-5.67%*	*12.14 P.P.*		
Net profit	107 655	-156,486	168.8%	25,012	-34,557
% sales	*4.13%*	*-6.44%*	*10.57 p.p.*		
Net profit attributable to the shareholders of the Parent Company	44 856	-165,859	127.0%	10,421	-36,634
% sales	*1.72%*	*-6.83%*	*8.55 p.p.*		

SELECTED FINANCIAL DATA FROM THE BALANCE SHEET

	PLN thousand, as of		YoY	PLN thousand, as of	
	31/12/2024	31/12/2024		31/12/2024	31/12/2024
Fixed assets	474,096	350,815	35.1%	110,952	80,684
Current assets	1 501 391	1 456 502	3.1%	351,367	334,982
Assets/Liabilities	1,975,487	1,807,317	9.3%	462,318	415,666
Equity	319,265	213,126	49.8%	74,717	49,017
External capital	1 656 221	1 594 191	3.9%	387,602	366,649
Closing balance of cash	262 504	311,060	-15.6%	61,433	71,541

SELECTED FINANCIAL DATA FROM THE CASH FLOW STATEMENT

	PLN thousand		EUR thousand	
	2024	2023	2024	2023
Cash flows from operating activities	-82,743	157,096	-19,224	34,961
Cash flows from investing activities	21,157	3,847	4,915	850
Cash flows from financing activities	13,023	12,319	3,026	2,720
Total net cash flows	-48,563	173,262	-11,283	38,261

Conversion rules adopted

Items in the profit and loss account and cash flow statement were converted at an exchange rate of EUR 1 = PLN 4.3042 for the period 01.01.2024 to 31.12.2024, and EUR 1 = PLN 4.5284 for the period 01.01.2023 to 31.12.2023.

Balance sheet items were converted at an exchange rate of EUR 1 = PLN 4.2730 as at 31 December 2024, EUR 1 = PLN 4.3480 as at 31 December 2022.

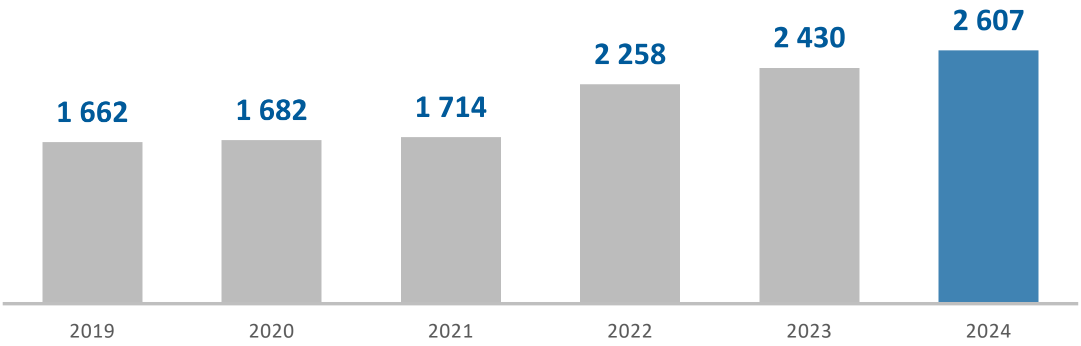
SELECTED FINANCIAL INDICATORS

Ratios	2024	2023	Ratio calculation principles
EBIT margin	6.47%	-5.67%	= EBIT in the period/revenue from sales in the period
EBITDA margin	7.63%	-4.50%	= EBITDA in the period/revenue from sales in the period
Return on sales (ROS)	4.13%	-6.44%	= Net profit in the period/revenue from sales in the period
Return on equity (ROE)	40.4%	-52.42%	= net profit in the period/average equity in the period
General and administrative costs to revenue ratio	3.88%	2.94%	= general and administrative costs in the period/revenue from sales in the period
Overall debt ratio	0.84	0.88	= (long- and short-term liabilities)/total liabilities
Current liquidity ratio	1.21	1.23	= current assets/current liabilities
Cash liquidity ratio	0.21	0.26	= cash/current liabilities

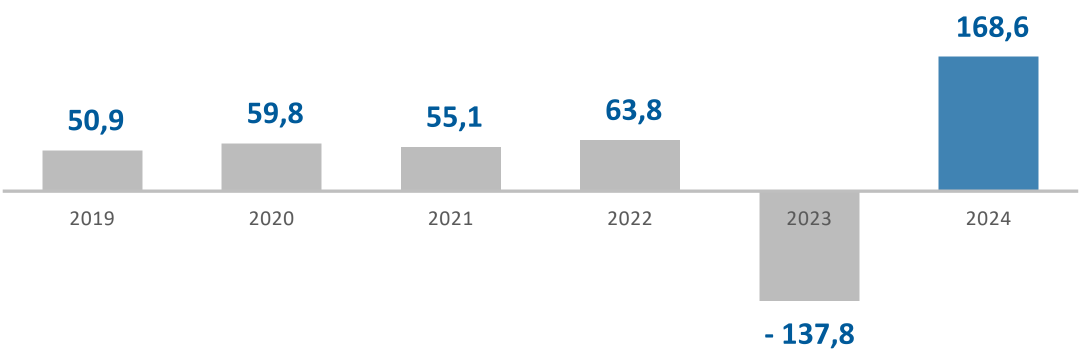
2024 has contributed significantly to the strong improvement in Unibep Group's financial performance. After a challenging year for the Group in 2023, ending with a loss of PLN 156.5m, in 2024, the Management Board reviewed and adjusted many aspects of the Group's operations, including the contracting process, procurement and overseeing the execution of contracts. As a result, the consolidated financial results of Unibep Group showed a net profit for 2024 of PLN 107.7 m.

In 2024, the Group achieved an operating profit of PLN 168.6 m. As compared to the previous year, which recorded an operating profit of ca. PLN 137.8 m, this represents a negative deviation by ca. PLN 306.5 m.

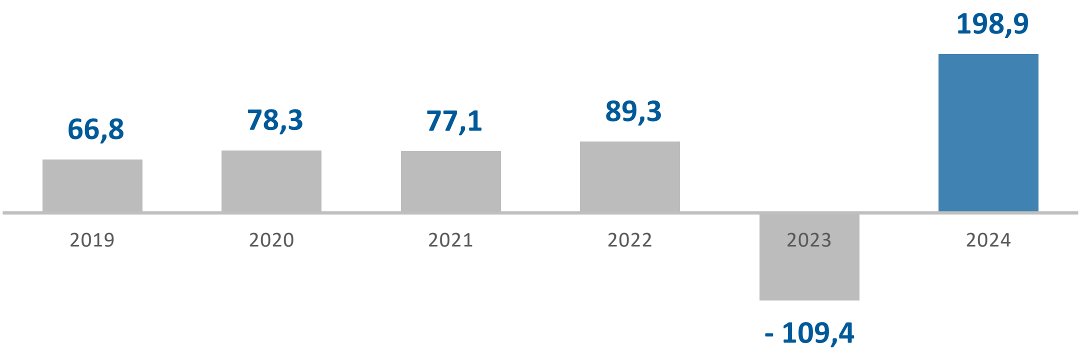
REVENUE [PLN M]



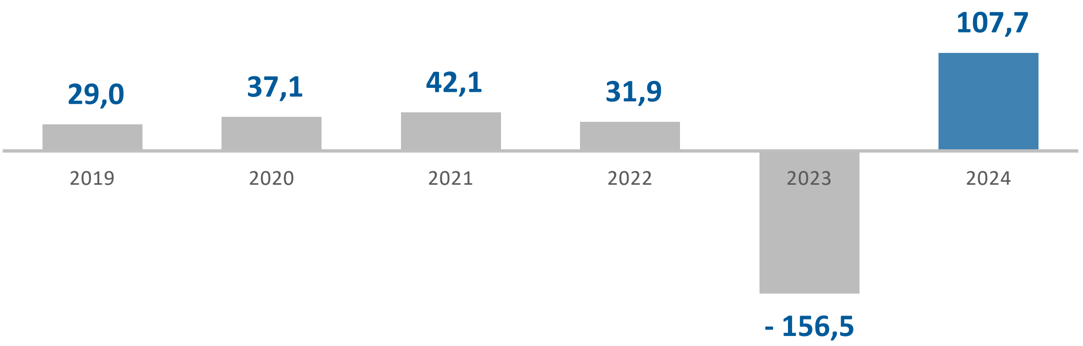
EBIT [PLN M]



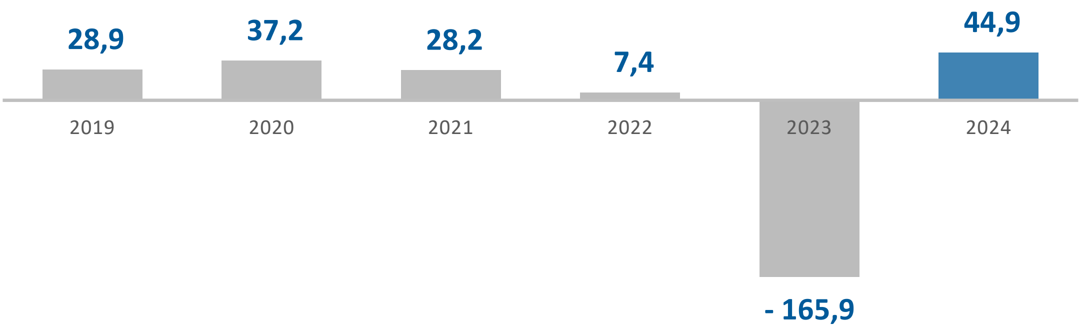
EBITDA [PLN M]



NET PROFIT [PLN M]



NET PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY [PLN M]



OBSZAR DZIAŁALNOŚCI GRUPY UNIBEP ZA GRANICĄ

LEGENDA

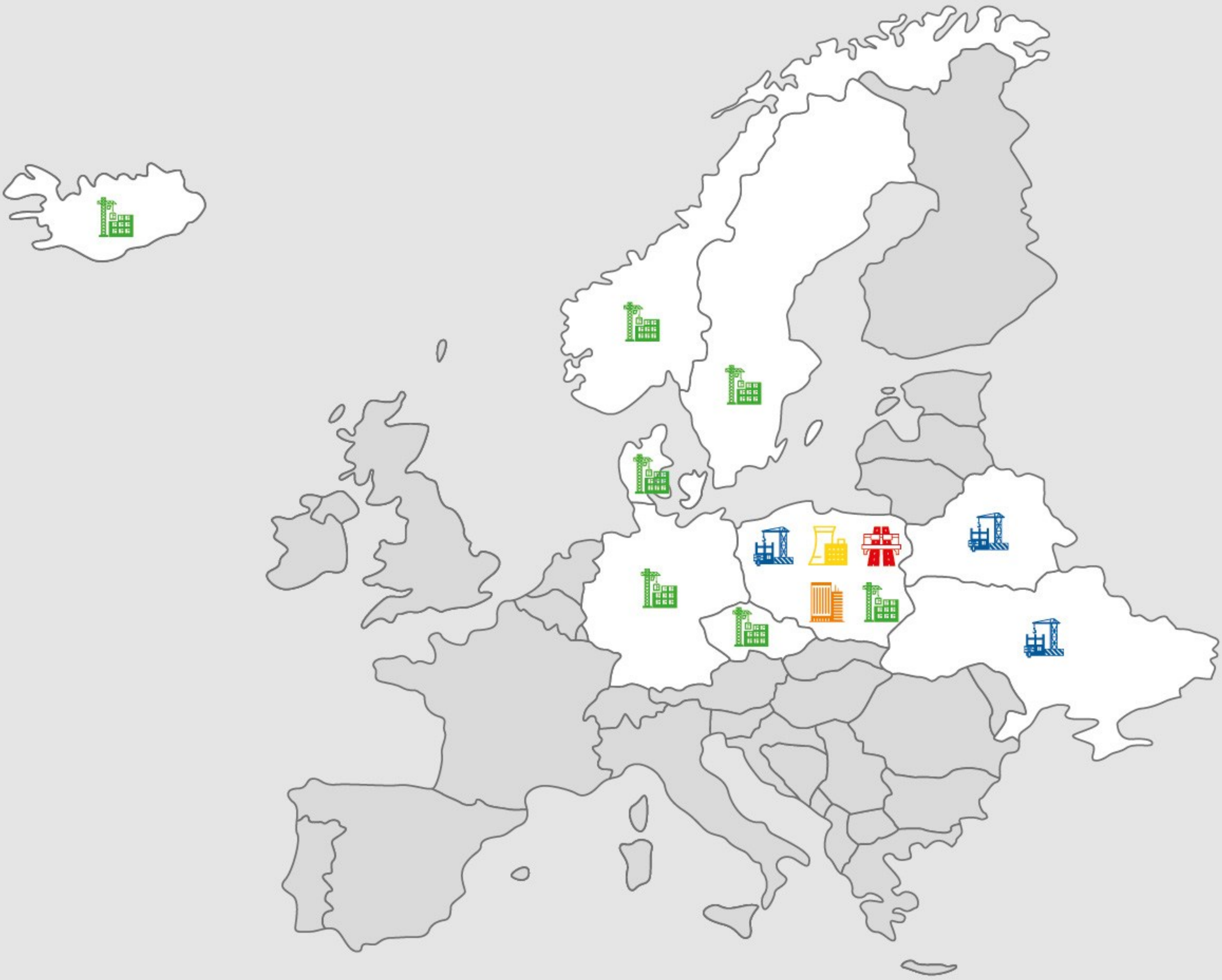
Segment BUDOWLANY
Sektor: BUDOWNICTWO KUBATUROWE
UNIBEP SA

Segment BUDOWLANY
Sektor: BUDOWNICTWO ENERGETYCZNO-PRZEMYSŁOWE
UNIBEP SA

Segment BUDOWLANY
Sektor: INFRASTRUKTURA
UNIBEP SA

Segment DZIAŁALNOŚĆ DEWELOPERSKA
UNIDEVELOPMENT SA

Segment BUDOWNICTWO MODUŁOWE
UNIHOUSE SA



OBSZAR DZIAŁALNOŚCI GRUPY UNIBEP W POLSCE

LEGENDA

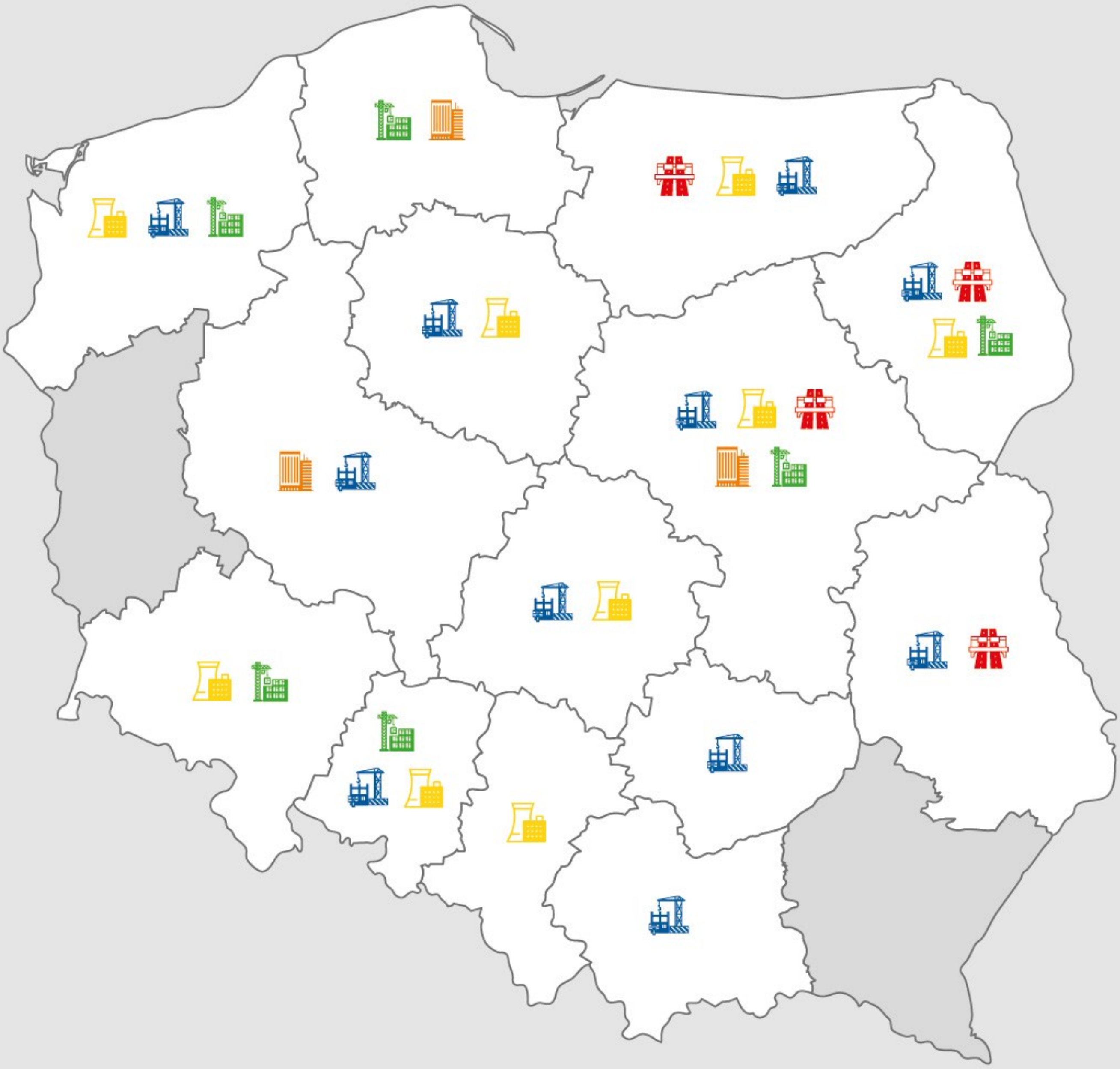
Segment BUDOWLANY
Sektor: BUDOWNICTWO KUBATUROWE
UNIBEP SA

Segment BUDOWLANY
Sektor: BUDOWNICTWO ENERGETYCZNO-PRZEMYSŁOWE
UNIBEP SA

Segment BUDOWLANY
Sektor: INFRASTRUKTURA
UNIBEP SA

Segment DZIAŁALNOŚĆ DEWELOPERSKA
UNIDEVELOPMENT SA

Segment BUDOWNICTWO MODUŁOWE
UNIHOUSE SA



3. OPERATIONS OF UNIBEP GROUP

3.1. CORE BUSINESS

Business segments

UNIBEP Group's operations are based on the following segments:

Segment BUDOWLANY
Sektor: BUDOWNICTWO KUBATUROWE
Unibep SA

Generalne wykonastwo jest realizowane przez podmiot dominujący Unibep SA. Głównym filarem jest budownictwo mieszkaniowe. Spółka realizuje też projekty związane z budownictwem komercyjnym (obiekty hotelowe, biurowe, handlowo–usługowe). W ramach obszaru prowadzona jest działalność na terenie Polski oraz eksport usług budowlanych.

Segment BUDOWLANY
Sektor: BUDOWNICTWO ENERGETYCZNO-PRZEMYSŁOWE
Unibep SA

Unibep SA rozwija nowy obszar działalności, co jest odpowiedzią na potrzeby związane z koniecznością transformacji polskiej gospodarki w kierunku zero- i niskoemisyjnej, koncentrując się na założeniach zielonej gospodarki obejmującego m.in. budowę spalarni, kogenerację, ciepłownicze systemy rozproszone, rozruchy, czyszczenie systemów.

Segment BUDOWLANY
Sektor: INFRASTRUKTURA
Unibep SA

Budownictwo drogowe i mostowe na terenie Polski północno–wschodniej realizowane przez Oddział Infrastruktury Unibep SA. W roku 2023 do struktur Unibep SA włączona została spółka Budrex Sp. z o.o.

Segment DZIAŁALNOŚĆ DEWELOPERSKA
Unidevelopment SA, spółki celowe

Działalność prowadzona za pośrednictwem spółki Unidevelopment SA. Obecnie prowadzone są inwestycje w Warszawie, Poznaniu, Radomiu, Trójmieście.

Segment BUDOWNICTWO MODUŁOWE
Unihouse SA

Produkcja modułów o konstrukcji drewnianej do budowy i montażu obiektów wielorodzinnych oraz użyteczności publicznej na rynkach: norweskim, szewdzkim, niemieckim i polskim. Inwestycje realizowane są przez Unihouse SA, który jest pionierem na polskim rynku w produkcji nowoczesnych ekologicznych budynków modułowych w szkielecie drewnianym.

Dependence of the Group on its customers

Given the nature of the business, there was no significant dependence on any service recipient during the discussed period and the relationship scale is highly dispersed.

In 2024, the Group did not obtain revenues from individual external customers exceeding 10% of total revenues. This also applies to Unibep SA.

3.2. DESCRIPTION OF UNIBEP GROUP

As at 31 December 2024, Unibep Group consists of the Parent Company Unibep SA and four direct subsidiaries of Unibep SA, i.e. UNEX Constructions Sp. z o.o., Unibep PPP Sp. z o.o., Unidevelopment SA and Unihouse SA. In addition, Unibep Group includes subsidiaries and indirect subsidiaries in which Unidevelopment SA holds shares. The Parent Company, Unibep SA, also has one branch located in Białystok and representative offices in Minsk (Belarus) and Lviv (Ukraine).

Changes in the Group's structure in 2024

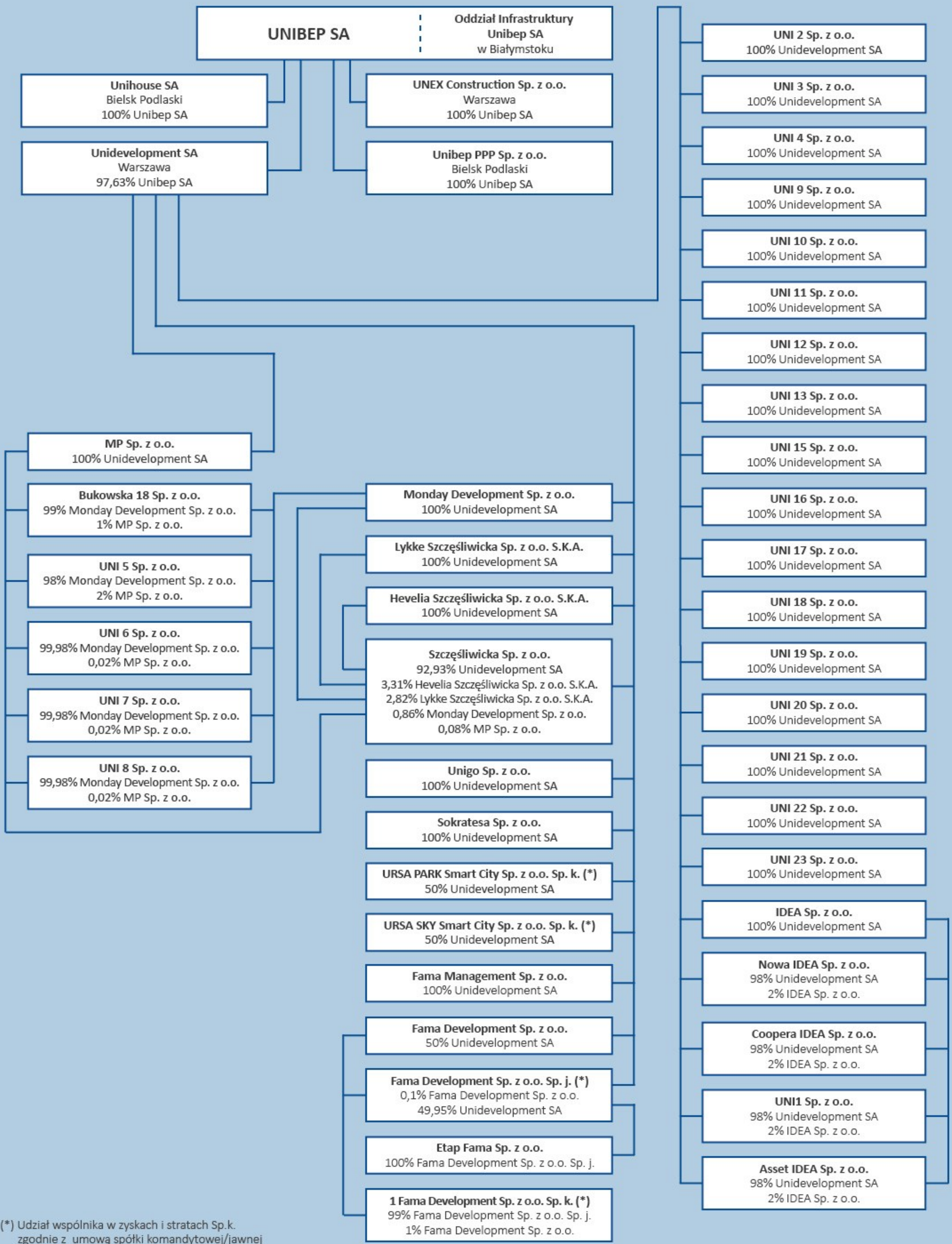
- On 25 July 2024, a new company was registered with the KRS, called: Fama Stage spółka z ograniczoną odpowiedzialnością, with its registered office in Warsaw. The sole shareholder of the company is Fama Development Sp. z o.o. Sp.j. The share capital amounts to PLN 5 000 and is divided into 50 shares with a nominal value of PLN 100 each.
- On 26 July 2024, a new company was registered with the KRS, called: Fama MANAGEMENT spółka z ograniczoną odpowiedzialnością, with its registered office in Warsaw. Unidevelopment SA is the sole shareholder of the Company. The share capital amounts to PLN 5 000 and is divided into 50 shares with a nominal value of PLN 100 each.
- On 30 December 2024, Unibep SA sold to the other shareholder, i.e. GEMICH AS with registered office in Trondheim, Norway (hereinafter "GEMICH AS"), all shares held by Unibep SA in SELJEDALEN AS with registered office in Trondheim, Norway, which is the sole owner of LOVSETVEGEN 4 AS with its registered office in Melhus, Norway. Thus, the two companies mentioned above are no longer included in the structure of Unibep SA group.

Changes in the Group's structure after the balance sheet date

- On 27 February 2025, the change of the name of UNI9 Spółka z ograniczoną odpowiedzialnością with its registered office in Warsaw to Marywilska 73 Spółka z ograniczoną odpowiedzialnością with its registered office in Warsaw was registered in the KRS.

In 2024 and after the balance sheet date, there were no significant changes in the principles of management of the Group and the Parent Company.

SCHEMAT GRUPY UNIBEP
STAN NA 31 GRUDNIA 2024 ROKU



(*) Udział wspólnika w zyskach i stratach Sp.k. zgodnie z umową spółki komandytowej/jawnej

3.3. INFORMATION ON SUPPLIES

The procurement of materials and services is based on internal procedures regulating the area related to quality management. The responsibility for purchasing services as part of construction projects lies mostly with the project managers directly involved in supervision over the performance of construction contracts. The purchase of services is supervised each time by the directors responsible for the market or at a higher level, in accordance with the Decision Table approved by the Management Board, depending on the value of the contract.

Purchases of building materials are a separate process that is being developed and improved within the Group and the Parent Company. Materials are divided into categories. Depending on the category, the responsibility for the purchasing process, from a requisition, through enquiries and negotiations, to the signing of a contract and monitoring of its performance, rests with the construction site management, the market directors, or the Central Purchasing Office, with the

involvement of the Management Board and the support of the Legal Team. The Central Purchasing Office plays an important and growing role in this respect. Central purchasing of key materials (steel, concrete, insulation materials etc.) has a positive impact on production costs. One of the tasks of the Office is also to build good, stable relationships with framework suppliers and to monitor the market. An important element is to maintain continuity in the supply of strategic construction materials.

The Parent Company or the Group was not dependent on any supplier of materials and services in the analysed period. There were no suppliers with a share in the purchases above 10%.

3.4. DEVELOPMENT-ORIENTED ACTIVITIES

The development activities that were carried out or initiated in 2024 within the Parent Company and the Group and simultaneously had an impact on operations in 2025 and in the subsequent periods include:

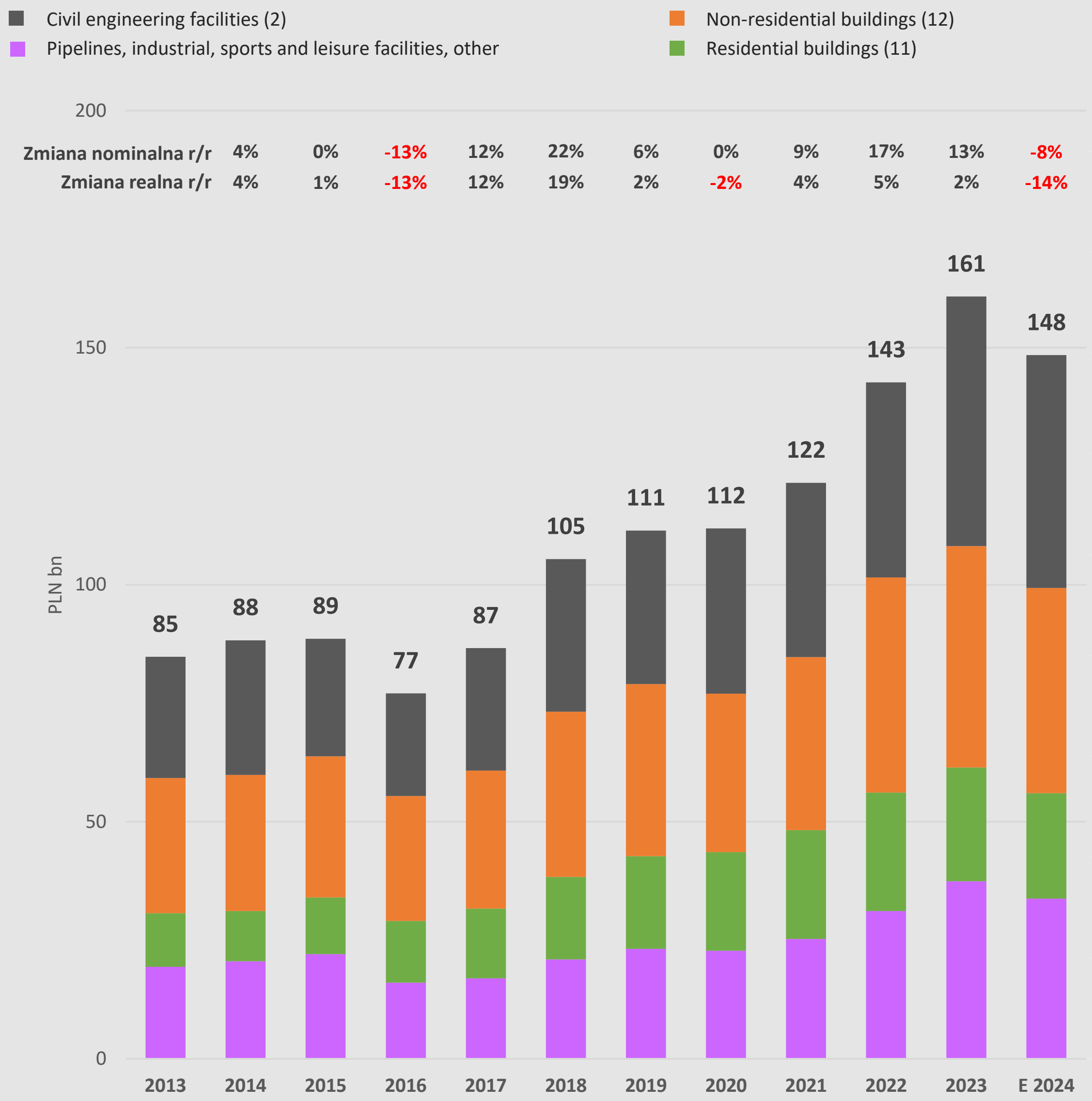
- actions aimed at the territorial development and regionalisation of activities within their areas of activity
- intensive market penetration in terms of winning contracts for the military within the modular and construction segments (in the large-scale construction sector)
- intensive work on acquiring more technologically advanced and complex orders, providing a better basis for strengthening our position and improving profitability and complex orders providing a better basis for strengthening the position and improving profitability
- preparing structures and capacities for a broader return to the Ukrainian market and involvement in the reconstruction of Ukraine
- within the infrastructure area, seeking orders in new geographical areas and building up the order book in the railways market
- implementation of investment plans to increase production capacity and improve the quality of products and services,
- supplementing the development offer with apartments outside the popular segment, developing the offer in the premium segment, analysis of new markets
- taking action to analyse and optimise organisational and operational structures in the context of a potential merger and acquisition (M&A) process
- implementation of an action strategy defining the development of our organisation in ESG areas
- development of programmes focused on digitisation and robotisation of processes
- building and strengthening structures for the optimal functioning of operational control, internal control and risk management processes
- organising the work of production support teams – harnessing the potential of technical offices.

4. MARKET AND PROSPECTS FOR THE FUTURE

4.1. MARKET ENVIRONMENT

CONSTRUCTION AND ASSEMBLY PRODUCTION

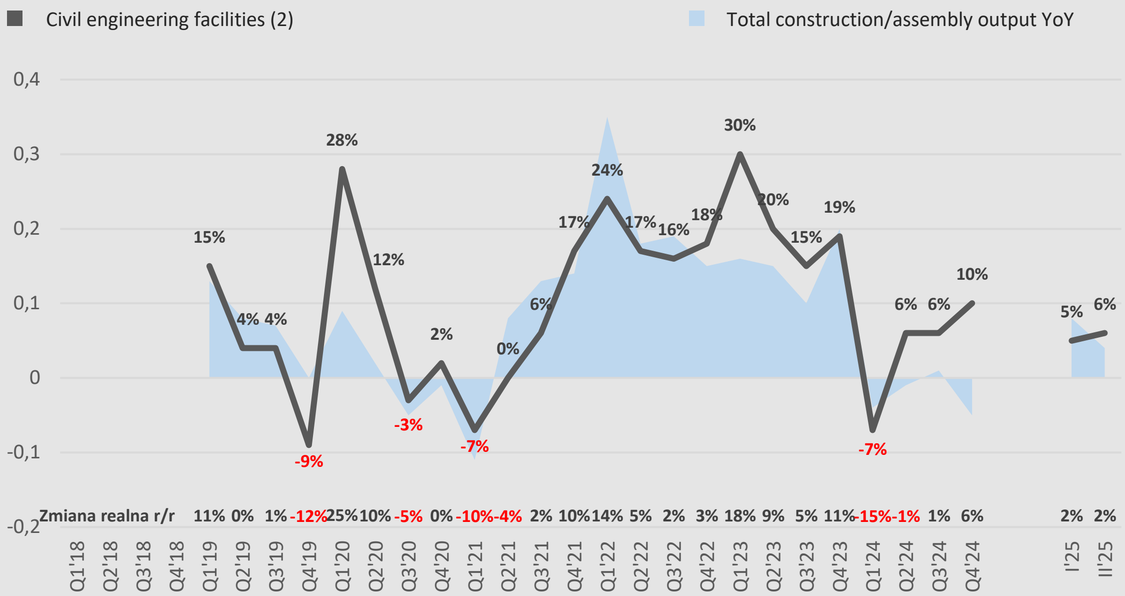
ANNUAL NOMINAL DATA AND YOY CHANGE
data for companies with a headcount of > 9 employees



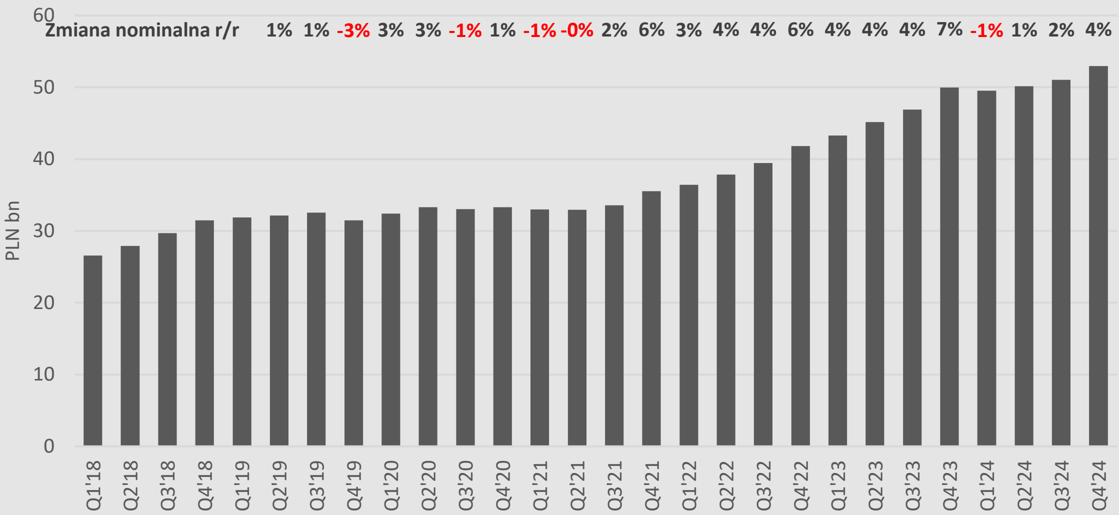
The year 2024 saw a decline in construction output, with YoY declines in virtually every quarter of 2024. Furthermore, once inflationary factors are removed, the decline in real terms recorded in 2024 was in double digits. The beginning of 2025 shows signs of recovery, with construction/assembly output increasing by 7.1% in nominal terms YoY (by 4.3% in real terms YoY)

CIVIL ENGINEERING FACILITIES

NOMINAL QUARTERLY CHANGE YOY
data for companies with a headcount of > 9 employees



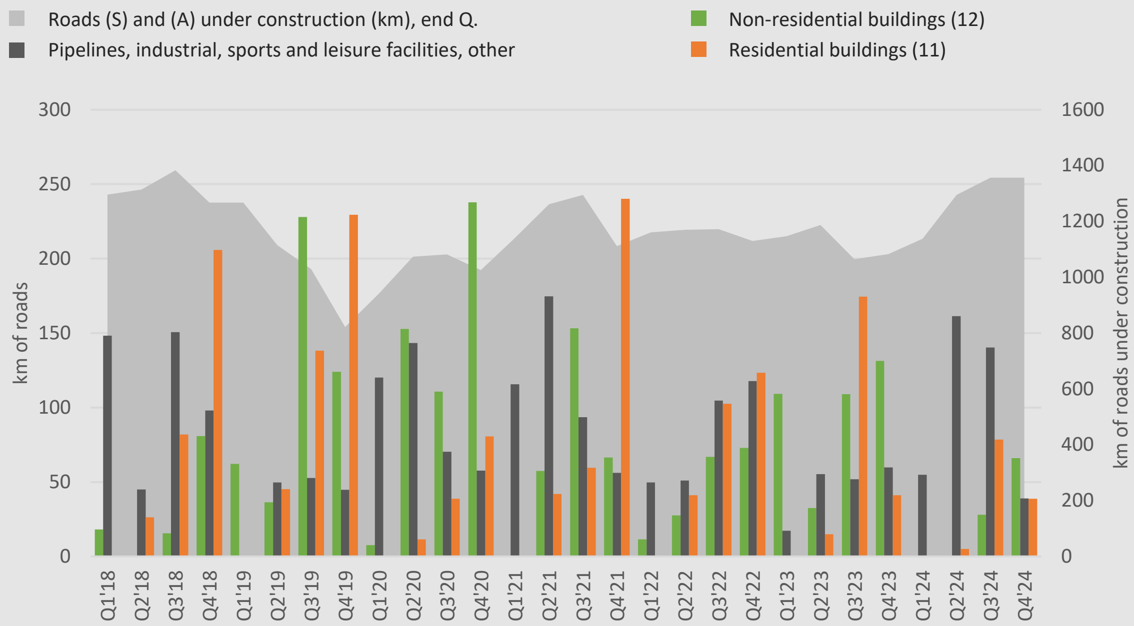
ROLLING TOTAL FOR Q4.
data for companies with a headcount of > 9 employees



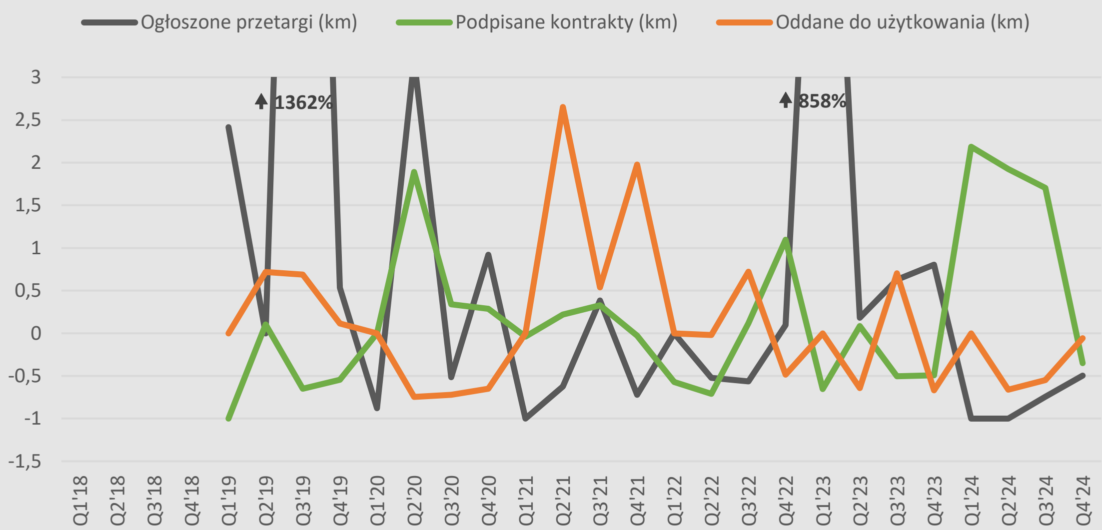
The civil engineering segment remained the strongest construction sector, although still relatively weak compared to 2023. It was the dynamics of this branch of construction that was decisive for the year-on-year declines in the overall value of construction and assembly production not being deeper. The beginning of 2025 (January and February 2025) shows chances for further increases especially in view of the plans by PKP – PKL and GDDKiA for cs. PLN 15 bn and PLN 14 bn respectively of new tenders to be launched in 2025.

ROAD MARKET (EXPRESSWAYS AND MOTORWAYS)

KM OF ROADS



QUARTERLY CHANGES YOY

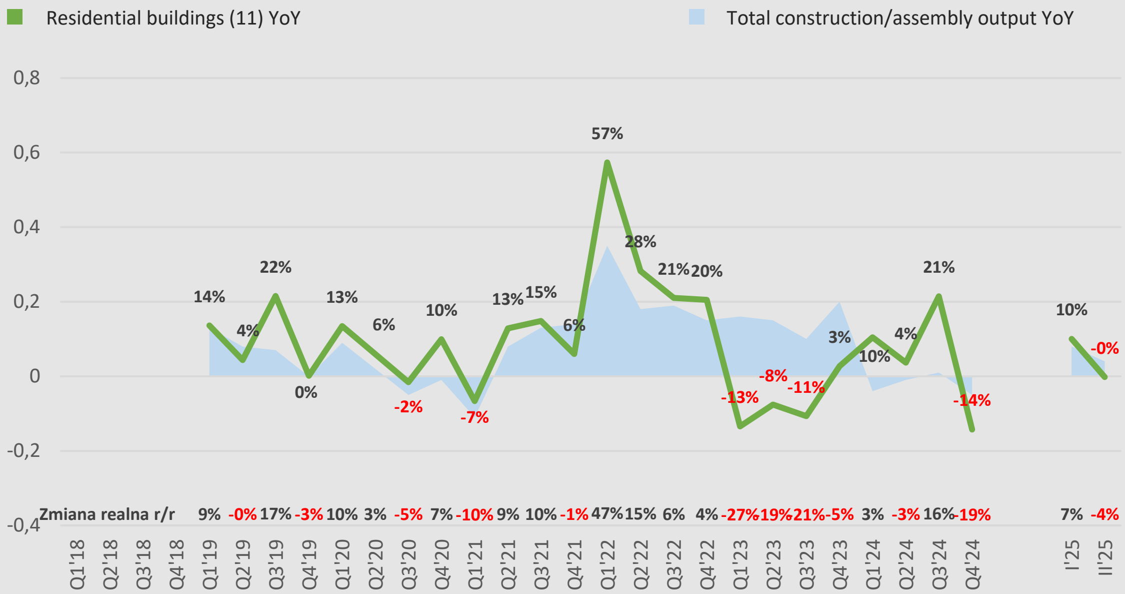


The end of 2024 shows a slow improvement in the rate of signing tenders for new roads. GDDKiA's plans for 2025 give hope that this trend will continue. In 2025, GDDKiA plans to issue tenders for at least 330 km of roads at a cost of around PLN 14 bn, including:

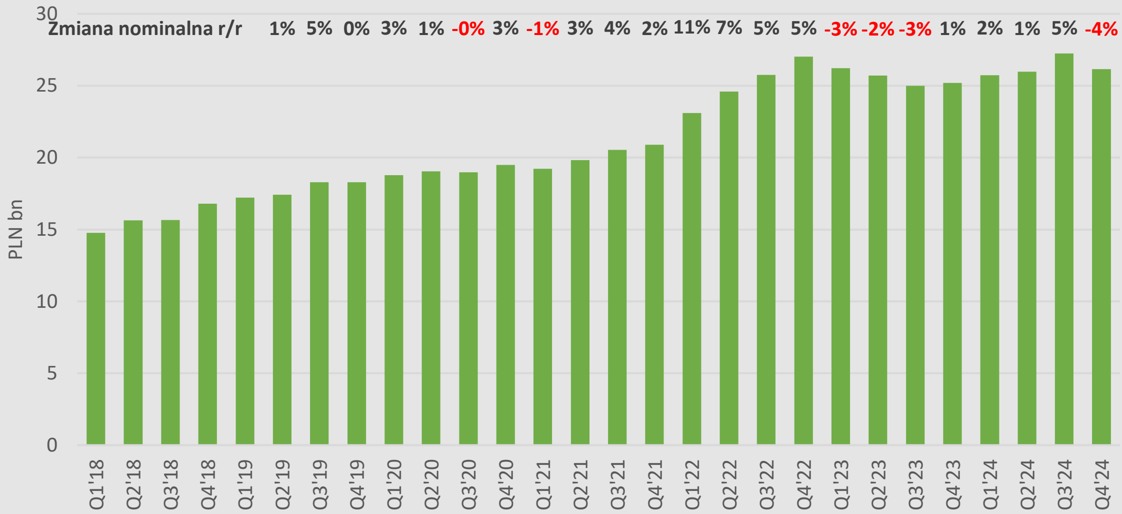
- 215 km under the National Road Construction Programme until 2030
- 116 km under the National Road Construction Programme of 100 bypasses by 2030

RESIDENTIAL BUILDINGS

NOMINAL QUARTERLY CHANGE YOY
data for companies with a headcount of > 9 employees



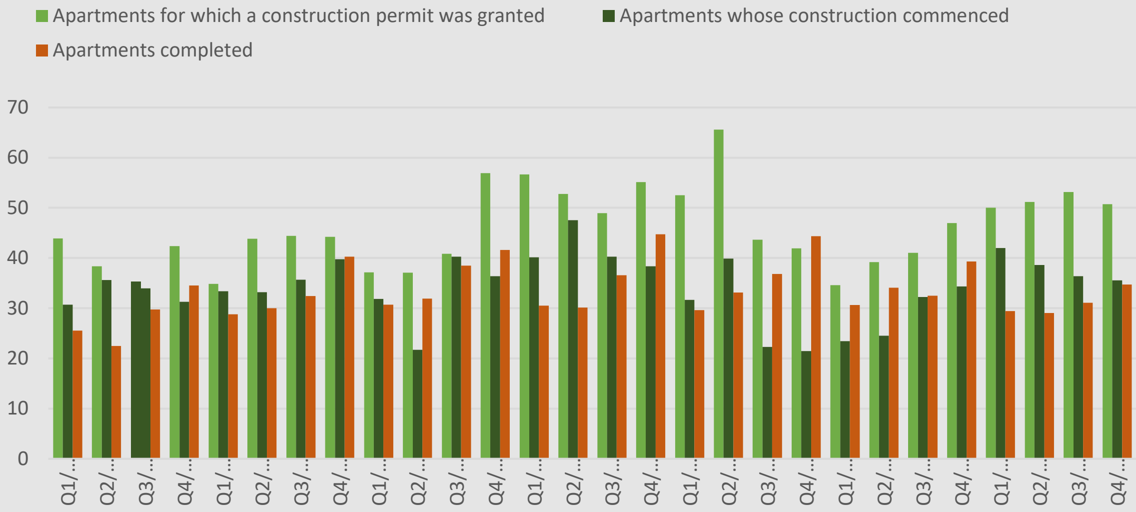
ROLLING TOTAL FOR Q4.
data for companies with a headcount of > 9 employees



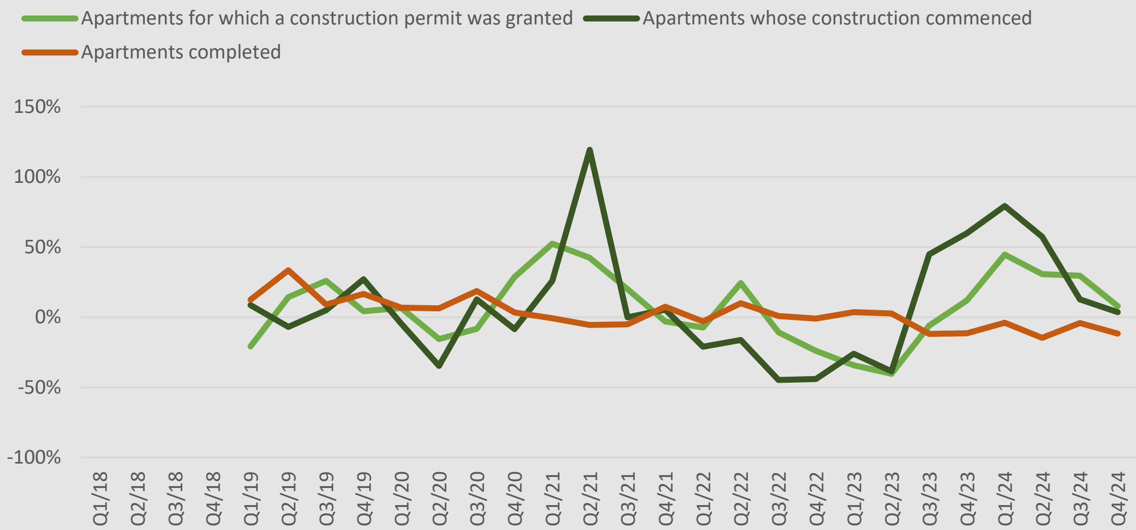
In 2024, residential construction experienced a significant regression. Particularly negative figures were recorded in Q4/2024 (-14%), which contributed to the year-on-year decline. Noteworthy is the depth of the declines in real terms in Q4 2024 YoY (-19%) after eliminating inflationary factors. Data for January showed a slight improvement, but by February 2025, the trend was back to negative YoY. We will certainly have to wait for an improvement until interest rates are cut.

LEADING DEVELOPERS

NUMBER OF APARTMENTS



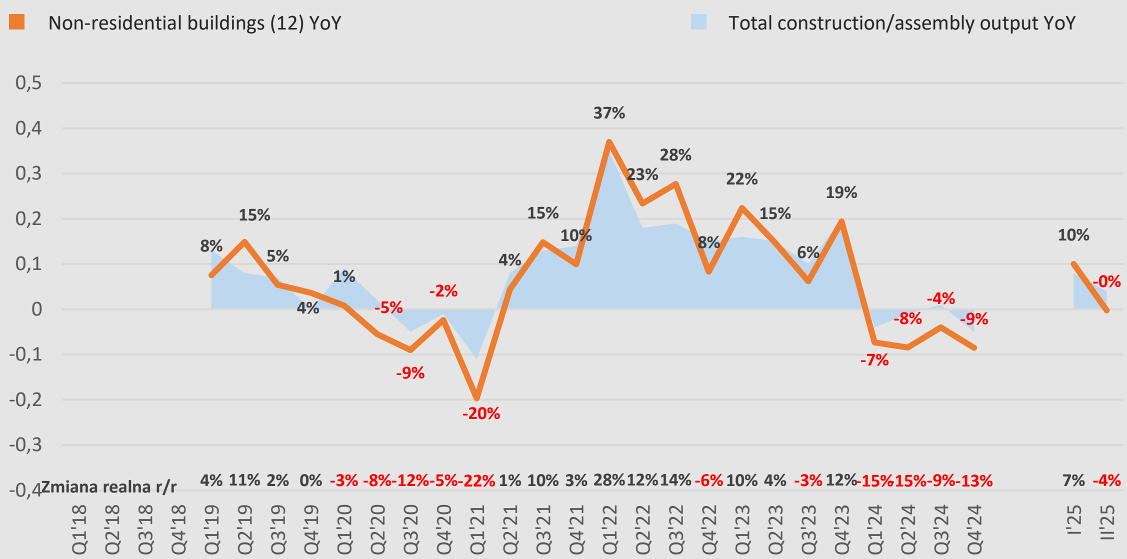
QUARTERLY CHANGES YOY



2024 was a period of regression among developers. The number of apartments completed was increasing, while the number of apartments under construction was decreasing. Some optimism is indicated by the number of dwellings for which a construction permit has been granted. This number grew for H1 2024 YoY, eventually stabilising at a constant level of around 50 thousand units, which will be difficult to maintain in subsequent quarters. Throughout 2024, the dynamics of the number of apartments contracted by leading developers was downward, and in the 2nd half of 2024 it reached negative values of ca. -9% YoY.

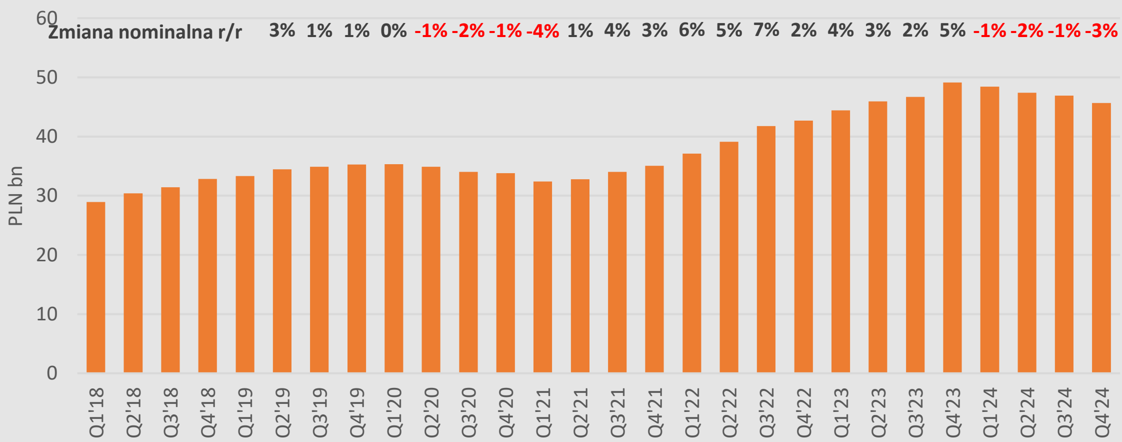
NON-RESIDENTIAL BUILDINGS

NOMINAL QUARTERLY CHANGE YOY



ROLLING TOTAL FOR Q4.

data for companies with a headcount of > 9 employees



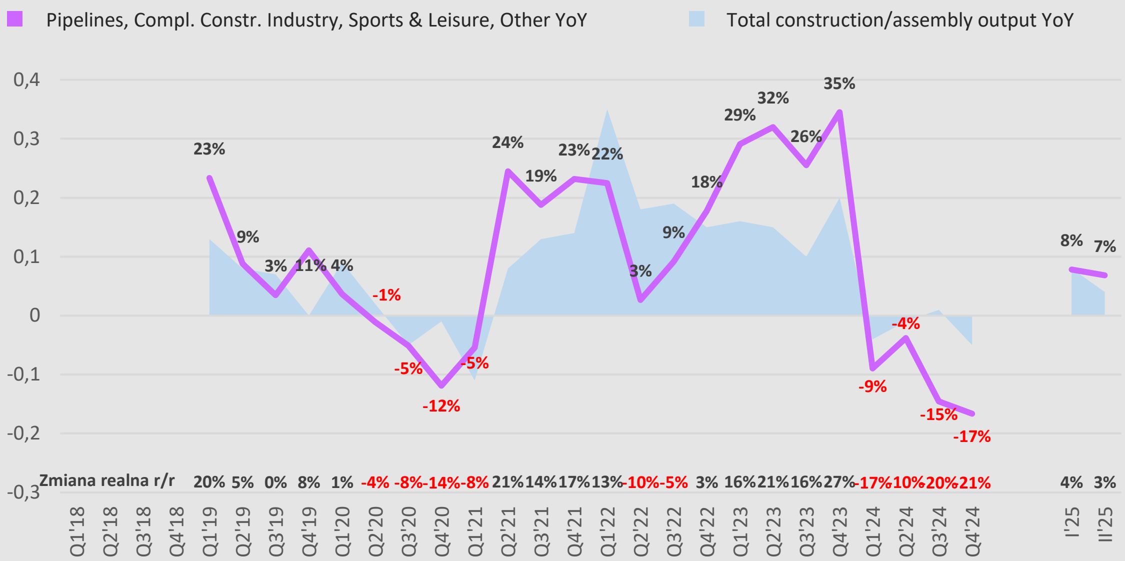
Non-residential construction recorded a continuous YoY regression in 2024. The decline in real terms (after eliminating factors of an inflationary nature) was even in double figures **(-13%)**. The beginning of 2025 shows a slight improvement (low base effect), but we will have to wait for new investments to start a new trend. Noteworthy, however, is **construction of a military nature**, which will have a significant impact on the dynamics of this branch of construction following the plans of the Polish government.

- expenditure on civil defence will reach 0.3% of the country's GDP annually (i.e. around **PLN 10 bn**).
- An amount of **PLN 118 bn** is planned to be spent on defence already in 2025, including: **PLN 7.5 bn** for military infrastr., **PLN 7 bn** for national investment and for the modernisation of military facilities.

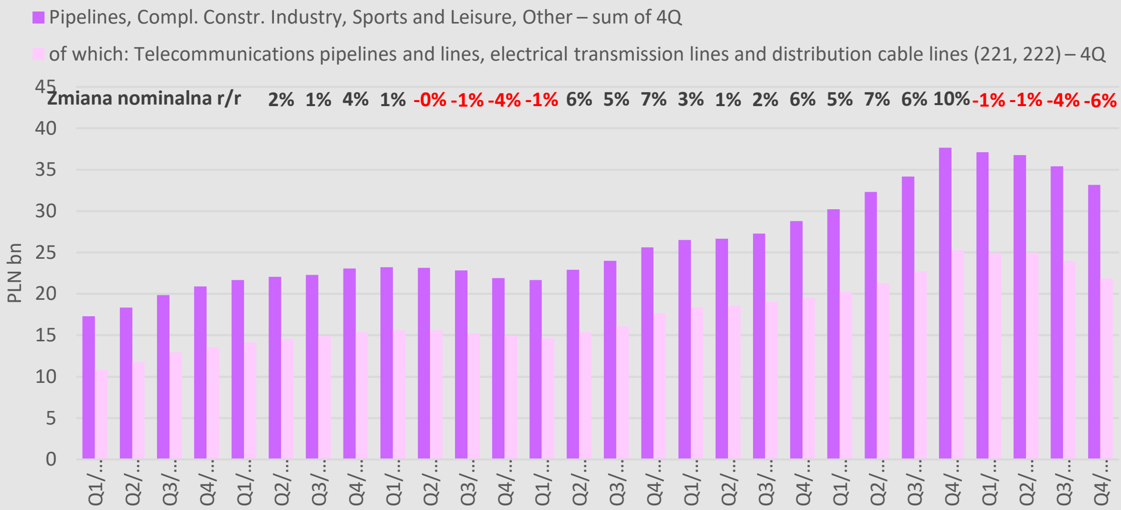
For industrial investments related to decarbonisation, Orlen plans to spend **EUR 17.5 bn until 2030.**The necessary investment in health care, including the modernisation of hospitals, is becoming increasingly clear.

SPECIALISED, TRANSMISSION AND OTHER CONSTRUCTION
Pipelines, transmission, complex industrial construction, sports and leisure, other

NOMINAL QUARTERLY CHANGE YOY



ROLLING TOTAL FOR Q4.
data for companies with a headcount of > 9 employees



The remainder relating to specialised construction was the weakest branch in 2024 (after a very strong 2023). The dynamics remained strongly negative for virtually the whole of 2024. Of note is the plan announced by PSE to spend 62 bn by 2036, including: (i) over 5,200 km of 400 kV line track; (ii) 27 new substations; (iii) over 700 km of direct current lines. This will be an important factor in

Source: SPECTIS (own study)

making this segment of the market more dynamic (data for January and February 2025 show the possible start of a new positive trend). Other investments include: Polish nuclear energy, biomass boiler plants and biogas plants ca. PLN 20 bn, cogeneration PLN 11 bn and hydrogen installations (following the EU trend).

4.2. PROSPECTS AND STRATEGIC DIRECTIONS OF THE GROUP'S DEVELOPMENT

The year 2024 contributed significantly to a strong improvement in Unibep Group in terms of financial performance. After a challenging year 2023 for the Group, ending with a loss of PLN 156.5 m, in 2024 the Board reviewed many aspects of the Group's operations. Numerous measures have been carried out to optimise internal processes and aspects of identifying, measuring and risk management. Organisational structures were put in order and completed, including the structures in the area of internal control. We have been building action scenarios relating to our companies, mainly related to the search for a strategic investor for Unihouse S.A. and potentially a joint venture partner with Unidevelopment S.A. As a result, the going concern risk has been marginalised and we consider the economic effects we have achieved in 2024 to be satisfactory.

The Group’s operations in 2024 generated revenue from core activities of PLN 2,606.9 m, up 7.3% year-on-year. The increase in turnover was most significant in:

- **construction** (up 9.3%), which includes the volume, energy and industrial and infrastructure sectors combined. Changes in the levels of revenue realised in the 2024 period compared to the corresponding figures for the prior year period by business segment are as follows:
  - large-scale construction sector (down 4.2% YoY),
  - energy and industry sector (down 15.8% YoY)
  - infrastructure sector (up 89.7% YoY)

At the same time, a decrease in turnover was shown by:

- **property development** (down 5.3% year-on-year).
- **modular construction** *(i.e. the activities of the subsidiary Unihouse S.A. together with individual export transactions of the Issuer)* (down 24.5% YoY),

In 2024, the Group achieved an operating profit of PLN 168.6 m. As compared to the previous year, which recorded an operating profit of ca. PLN 137.8 m, this represents a negative deviation by about PLN 306.5 m.

An important factor affecting the financial results is the effect of one-off events related to the reclassification and valuation of land owned by Unidevelopment S.A.'s subsidiaries in Q1 2024 . The Management Board of Unidevelopment S.A. decided to cease development work on selected land properties and to keep these plots in order to benefit from the increase in their value. This decision involved reclassifying these land properties from inventory to investment property and valuing them at fair value. One of these properties was finally sold in Q2 2024 for PLN 25.4 m. In addition, as at 31 December 2024, an increase in the fair value of the investment property was recognised as a consequence of the valuation. The positive impact of the operations performed on the 2024 results is as follows:

- profit on operating activities: PLN 106.8 m
- net profit: PLN 83.1 m
- Net profit attributable to the shareholders of the Parent Company: PLN 48.5 m

The Issuer's Management Board would like to point out that the Group's operating profits, cleared of the impact of the above-mentioned effect, amount to PLN 61.8 m, which is still a significant difference to the 2023 results.

[PLN m]			YoY	excluding the effect of the above revaluation of sales
	2024	2023		2024
Net revenue from sale	2 606.9	2 429.8	7.3%	2 606.9
Gross profit from sales	176.6	-37.8	567.0%	177.5
EBIT (operating profit/loss)	168.6	-137.8	222.4%	61.8
Net profit	107.7	-156.5	168.5%	24.5
Net profit attributable to the shareholders of the Parent Company	44.9	-165.9	126.7%	-3.6
Ebitda	198.9	-109.4	281.8%	92.1

In addition to the non-recurring impact of the above-mentioned effect, the analysed level of operating profit was influenced by the results generated in the individual business segments.

In 2024, the Group recorded an increase under the item "management costs", which shows a change of PLN 29.9 m compared to last year. It has been caused by a number of factors, including, in particular:

a) the separation and reclassification of the costs of production support teams, which from the beginning of 2024 are recognised and controlled as overheads of the Group's business operations. As a result of the review of all cost items, the Issuer's Management Board made changes to the organisational structure and adapted it to the current tasks and responsibilities facing the support departments covering a broad spectrum. Currently, construction support teams, as teams with the characteristics of shared services departments, are subject to classification under general administrative expenses, and in 2023 were partly placed in the structures of the individual business segments as general expenses of these segments,
b) an increase in staffing levels following the building up of support teams particularly in acquisition, technical and controlling departments,
c) wage increases in the wake of the wage regulations made during 2023 as well as in 2024.

In addition to the operating factors indicated above, the Group's results were also affected by the result on financing activities (deterioration of ca. PLN 5 m year-on-year) mainly due to: higher interest expenses, necessary additional write-downs on receivables following the estimation of the chances of their recovery and the valuation of financial instruments to their current value.

In 2024, as a result of the successful implementation of work to take into account the Research and Development (R&D) allowance for the past years 2020 and 2021, Unibep S.A. received an income tax refund in the amount of PLN 7.3 m. This had a direct impact on the presentation of the value of the income tax item and the improvement in the net result of the Parent company and Unibep Group in 2024.

As a result of the above mentioned factors, the estimated net profit of the Group was higher by ca. PLN 264.1 m than in the previous year, while the difference between the Group's net profit and the net profit attributable to shareholders of the Parent Company is due to contracts executed under the joint venture (JV) formula, the result of which is partially excluded from the profit attributable to shareholders of the Issuer.

The Issuer's Management Board, with the current state of knowledge and as at the date of publication of this report, does not see any risk to the continuation of the Issuer's operations, whose liquidity position remains balanced and whose profitability indicators show a consistent improvement. At the end of 2024, the cash balance in the Group was at PLN 262.5 m, compared to PLN 311.1 m in 2023. This item neutralises financial debt (excluding liabilities from leases) reaching PLN 365.2 m as at 31 December 2024 (against PLN 295.6 m as at 31 December 2023). The net debt level of PLN 103 m for Unibep Group as at 31 December 2024 remains at a safe level, guaranteeing that all financial covenants expected by financial institutions and bondholders will be met. It represents a safe level, providing a very good basis for further growth of economic activity in 2025.

CONSTRUCTION SEGMENT

The construction segment as a whole closes 2024 on significantly better terms than in 2023. Difficult contracts, mainly industrial, negatively affecting the 2023-2024 results, were terminated and replaced by new, profitable energy contracts, which translated into segment profitability and the prospect of good results in the following years as well.

	2024	2023	deviation	YoY
Sales	**2 200.4**	**2,013.9**	**186.4**	**9.3%**
Gross profit from sales	81.6	-83.0	164.6	198%
% sales	*3.7%*	*-4.1%*		*7.8p.p*
Order portfolio	3,000	3,531	-531	-15%
Contract award procedures	1,557	2,230	-673	-30%

Throughout 2024, the **construction segment**, which includes the **energy and industrial construction, large-scale and commercial construction and infrastructure construction** sectors, recognised sales in excess of PLN 2 200.4 m (increase by 9.3% YoY).

The biggest contributor to this growth was the deviation in the **infrastructure** sector (up 89.7% YoY). It is a result of the fact that many of the sector's contracts are carried out on a 'design and build' basis, which extends the timing of the start of construction work. On many of the contracts signed in 2023, such design work was in progress, but some had entered the execution phase, allowing the above-mentioned increases to be recorded against the 2023 figures. The sector won the most contracts out of the entire construction segment. Their value is more than PLN 760 m, which translates into a portfolio to be completed to the value of more than PLN 1.5 bn. At the beginning of 2025, we additionally informed the market that the contracting party had selected two more of our bids for a total value of more than PLN 250 m, which may already be signed in the in the coming months.

[PLN m]	2024	2023	Deviation	YoY
Infrastructure	**667**	**352**	**316**	**90%**
- road	656	329	327	100%
- bridge	12	23	-12	-50%

INFRASTRUCTURE

[PLN m]	2024	2023	Deviation	YoY
Net revenue from sale	667	352	**316**	**90%**
Gross profit from sales	51.0	-5.2	56.1	1 088.7%

The largest negative deviation at the level of effected sales was shown within the **energy and industry** sector (down 15.8% year-on-year). In 2024, lower production throughputs were recognised in relation to both 2023 and the original assumptions for 2024. Among the contributing factors were the discontinuation of the Umicore contract as a result of the mutual termination of the construction contract by Unibep S.A. and the contracting party, as reported by the Issuer's Management Board in current reports No. 10/2024 and 11/2024, but also low contracting and delays in the commencement of construction work on newly concluded energy contracts, including the contract in Elbląg for PLN 167 m, which did not enter the execution phase until Q4 2024.

The sector, which formally started its activities relatively recently (in 2022), intensified its activities throughout 2023 through increased contracting and acquisitions. Difficult contracts negatively affecting the performance in 2023 and partly 2024 have resulted in the Group's current activities in this sector being balanced, with the contracts and orders signed being selective, and the deviation in sales levels presented above is mainly due to the effect of the high 2023 comparative base.

During 2024, the level of contracting in the energy sector amounted to PLN 380 m (PLN 100 m less than in 2023), and the 'design and build' formula on most topics causes sales to be shifted to longer lead times (analogous to the infrastructure sector), which also affected sales volumes in the year. The priority for all activities in 2024 has become the completion and improvement of internal processes (including controls), allowing a sustainable improvement in profitability and the completion of topics that are difficult in terms of implementation and results.

The greatest negative impact on the results of this segment recorded in 2024 was caused by costs related to the completion of one of the most difficult contracts, i.e. the construction of a production and warehouse facility with offices in Legnica.

Finally, this contract was completed with an occupancy permit on 12 August 2024, and the final report was signed on 30 November 2024. As a result of the failure to meet the deadlines outlined in the annexes signed at the beginning of 2024, Unibep SA lost the opportunity to obtain the relevant bonuses from the client for achieving the final deadline and incurred additional costs during 2024 to rectify defects and costs during the extended completion period. Both of these effects could not have been predicted at the beginning of 2024, when estimates were created for the level of the operating loss under this contract, which, on an accrual basis and in accordance with accounting principles, was included in the 2023 results. These events have therefore burdened the analysed 2024 results.

The contract for the construction of a production and warehousing facility with offices in Legnica was the most difficult contract from a performance point of view that Unibep SA has executed in recent years in the area of industrial large-scale construction. On the one hand, it was a contract signed during a period of increased activity in the industrial and energy sector and, on the other hand, it saw the materialisation of many bidding and execution-related risks that had not been identified at the contract signing stage and which could not have been foreseen. The lack of revaluation clauses made it impossible to adjust the achieved revenues to changing economic and contractual conditions. The experience of this contract is now a basis for improving internal processes at Unibep SA, to make sure no similar effects will occur on this scale in the future.

[PLN m]	2024	2023	Deviation	YoY
Energy and industrial construction	**433**	**515**	**-81**	**-16%**
- energy	241	113	127	112%
- industrial	193	402	-209	-52%

ENERGY AND INDUSTRIAL CONSTRUCTION

[PLN m]	2024	2023	Deviation	YoY
Net revenue from sale	433	515	-81	-16%
Gross profit from sales	-33.2	-64.8	31.6	49%

The achieved sales revenues recorded in 2024 for **large-scale** construction show a downward trend from the comparable figures for the same period of the previous year (down 4.2% year-on-year). This area encompasses activities both at home and in eastern markets, where in 2023 the Group started the construction of the Polish Embassy in Minsk, and in Q2 2024 it started the construction of the "Szeginie" border crossing on the Ukrainian side of the Ukrainian-Polish border. The Management Board would like to point out that within the country's large-scale construction sector, as in the case of the energy and industrial area in terms of contracting and acquisitions, a strategy of "selectivity" is being pursued, whereby contracts with safe levels of estimated operating profitability are acquired for execution and which will contribute to a sustained improvement in the profitability of the Group's construction segment as a whole in subsequent periods. The contracting level for the year represents a value of PLN 414 m.

[PLN m]	2024	2023	Deviation	YoY
Residential, office and commercial construction	**1100**	**1,148**	**-48**	**-4%**
- residential	751	852	-101	-12%
- non-residential	349	296	53	18%

Residential, office and commercial construction

[PLN m]	2024	2023	Deviation	YoY
Net revenue from sale	1100	1,148	**-48**	**-4%**
Gross profit from sales	63.9	-13.0	76.9	591%

The level of gross profit on sales achieved in 2024 within the **construction segment** (combined in the energy/industrial, infrastructure and large-scale sectors) shows a clear upward trend compared to the figures for 2023. In 2024, the construction segment achieved a PLN 81.6 m gross profit on sales compared to a gross loss on sales of PLN 83.0 m in 2023.

In 2023, segment results in many cases included provisions for estimated contract losses, as a consequence of the materialisation of inflationary pressures and the impossibility of adequate and appropriate revaluation of signed contracts (especially private contracts). This resulted in the need for a gradual downward revaluation of the projected profitability of ongoing contracts, culminating in Q4 2023. This overestimation is due to the so-called 'prudence principle of valuing construction contracts'. These losses are charged to the results on a one-off basis through the creation of appropriate provisions in the reporting period, with a result-neutral impact on subsequent periods.

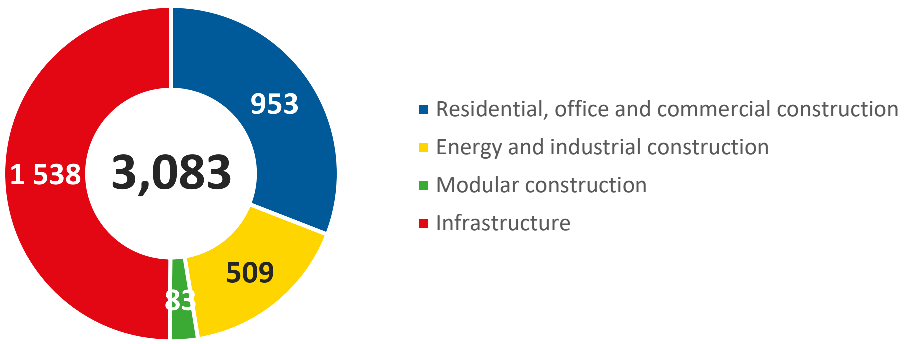
In 2024, the effect of adjustments to contract budgets was only due to the completion of difficult, loss-making contracts dating back to 2023, and the scale of this effect was considerably smaller than the year before. Systematic control and review of budgets allows ongoing monitoring and identification of opportunities and risks against the realised margins. As a result, the gross results for the entire year 2024 achieved by the construction segment compared to 2023 shows a definite improvement. For contracts with a loss recognised in this way in previous periods on the level of gross sales profit, the vast majority of them finally ceased construction activity in 2024. This means that the profitability of the order book that falls due in future periods is consistently positive.

As a result of the above effects, gross profitability on sales improved, indicating an increase from a gross loss on sales of -4.1% to gross profit on sales of +3.7%, of which:

- for the large-scale construction sector (domestic and export): an increase in gross sales margin from a gross sales loss of -1.1% to a gross sales profit of 5.8%,
- for the infrastructure sector: a decrease in gross sales margin from a gross profit on sales of -1.5% to a gross loss on sales of 7.6%.
- for the energy and industry sector: a decrease in gross sales margin from a gross profit on sales of -12.6% to a gross loss on sales of -7.7%,

Also noteworthy is the fact that in 2024, within the **construction** segment, the Group acquired contracts with a total value of ca. PLN 1.6 bn for implementation (in 2023, contracting amounted to more than PLN 2.2 bn). Thus, the order portfolio in this segment to be executed in subsequent periods reached PLN 3 bn, showing a decrease of 15% compared to the amount of the order portfolio recorded in the corresponding period of the previous year.

PORTFOLIO OF ORDERS TO BE EXECUTED FROM Q1 2025



Outlook

The Management Board of Unibep S.A. maintains the position presented so far that the greatest prospects for contracting are still in the area of **infrastructure**, with relatively high prospects being in the **energy** sector.

In 2024, Unibep Group secured contracts in the construction segment with a total value of ca. PLN 1.6 bn. Thus, as at 31 December 2024, the portfolio to be realised for future periods amounted to PLN 3.0 bn. Since the beginning of 2025, the order book has increased by two orders (totalling PLN 0.26 bn). In addition, the value of the bids submitted to the contracting authorities and found by them to be the most advantageous represents ca. PLN 0.9 bn.

The Issuer's Management Board intends to continue its selective policy of choosing contracts from the construction segment whose economic values will be optimal in terms of results. This policy will contribute decisively and positively to further sustained improvements in operating profitability in the subsequent reporting periods.
Within the **infrastructure** sector, the value of contracts signed in 2024 was PLN 0.76 bn as at 31 December 2024, and contracts waiting to be signed are already at PLN 0.25 bn. Once the remaining contracts have

been signed, the order book in this area will amount to ca. PLN 1.8 bn, allowing it to remain stable over the next three years.

The area has great prospects for 2025 in terms of both road and rail investment. Over the next few quarters, the **infrastructure** sector's activities will focus on exploiting the potential associated with geographical diversification and seeking orders in new geographical areas in the wake of successive tenders and a further increase in the share of large contracts in the order book.

Currently, infrastructure has a strong presence in the north-east part of the country, but intends to establish itself in other parts as well. We are analysing our possibilities and chances of locating our activities in the Poznań or Wrocław area as well. We follow government and market announcements regarding the allocation of public funds. The General Directorate for National Roads and Motorways (GDDKiA) has announced big plans for motorways, expressways and bypasses and we want to take advantage of this by bidding for tenders. The railways market is also an area of interest. Unibep S.A. is ready to conclude effective consortia in order to reach for railway contracts, the total value of which, according to PKP PLK's announcements, may range from PLN 15 to 20 bn already this year. As an important consortium partner, we can carry out general construction work on this type of project.

The Issuer's Management Board continues to see significant opportunities in bidding in the energy **sector.**This is our youngest area of interest, developed from the end of 2021. Market announcements indicate that significant streams of public funds are planned for investments in the energy sector, but also in district heating. Significant investment plans in the broader energy segment have also been announced by a number of major market players, such as Orlen. What characterises this activity is the relatively high profitability in the implementation of projects and high entry barriers, determined, among other things, by performance bonding capabilities and thus a lower price war between bidders.

Our attention will be focused on three directions of offering and contracting. These will include: (i) cogeneration power plants – last year we won a contract as a partner in a consortium to build such a facility in Elbląg for PLN 167 m, (ii) district heating – where we already have implementations and references, (iii) and new markets – i.e. areas that we intend to develop and which will allow us to dynamically improve our operating profitability.

We intend to observe the market and be selective in our approach to energy contracts, build strong and healthy syndicated relationships and consciously strengthen our potential in this segment for the future. We do not rule out that one of the scenarios for strengthening the position and building the potential for the future in this market segment may be the commencement of the M&A process, which will be facilitated by the further strengthening of Unibep SA's financial position.

The management of Unibep S.A. has already been focusing on winning orders from the beginning of this year, mainly from the energy sector, including co-generation and district heating. The acquisition of orders of a technological nature will provide an additional boost to profitability, which, in the overall mix of the ongoing order book, will contribute to maintaining the expected operating profitability ratios.

With regard to **the large-scale construction** sector (domestic and export), contracting activities will be geared towards a selective approach to new orders and the continued search for projects with the highest bid profitability. Recent decisions taken by the Management Board are once again adjusting the organisational structure in such a way that synergies within the organisation can be genuinely leveraged and market opportunities can be tapped more effectively. To this end, industrial construction was separated from the energy area and merged with large-scale construction to form the general construction sector. Its task is to work intensively to win orders that are more technologically advanced and complex giving a better base for strengthening the position and improving profitability. We see potential and opportunities in military investments, in public facilities, in industry. Our activity is to be strengthened by a redefined regionalisation. We maintain our readiness for further growth in the eastern markets. We are currently constructing the Polish Embassy in Minsk (Belarus) and starting the construction of the Szeginie crossing on the Ukrainian side of the border. We have the structures in place to return to these markets more broadly should the opportunity arise.

The large-scale construction market is currently in recession, especially the housing market. As a result, it is possible that revenues from this business segment, which is currently characterised by very fierce price wars between participants in bidding processes, will suffer a downward trend year-on-year. On the other hand, following the acquisition of contracts that are more complex in terms of technology and execution, including those from the non-residential or military sectors, there is a chance to continue the process of sustainably improving the profitability of this business area. Since the beginning of the year, in the construction sector, two contracts were won (from the residential and military sectors) for a total value of PLN 264 m.

Within the **construction segment**, the Group's Management Board will continue to attempt difficult negotiations on selected contracts both in progress and completed in order to agree with the contracting parties on price adjustments and appropriate annexes increasing order values.

REAL ESTATE DEVELOPMENT ACTIVITY

Sales of the **real estate development** segment for the four quarters of 2024 amounted to ca. PLN 299.0 m, as compared to PLN 315.8 m in the same period of the previous year. The decrease in the segment turnover of around 5.3% was in line with the assumptions based on the schedules of ongoing real estate development projects. In the 12 months of 2024, apartments were handed over to customers on more profitable projects than was the case in 2023, as evidenced by the gross sales profit generated of 30.6% compared to 26.1% for the 4 quarters of 2023.

	2024	2023	deviation	YoY
Sales	**299.0**	**315.8**	**-16.8**	**-5.3%**
Gross profit from sales	91.5	82.3	9.2	11.2%
% sales	*30.6%*	*26.1%*		*6.2p.p*
Operating profit	171.6	55.8	115.8	207.5%
% sales	*57.4%*	*17.5%*		*39.9p.p*
Gross profit	167.0	49.7	117.3	236.0%
% sales	*55.8%*	*15.7%*		*40.1p.p*
Net profit	131.2	38.7	92.5	239.0%
% sales	*43.8%*	*12.3%*		*31.5p.p*
Net profit attributable to the shareholders of the parent company	71.3	30.2	41.1	136.1%
% sales	*23.8%*	*9.6%*		*14.2p.p*
Ebitda	174.8	58.6	116.2	198.3%
% sales	*58.4%*	*18.6%*		*39.8p.p*

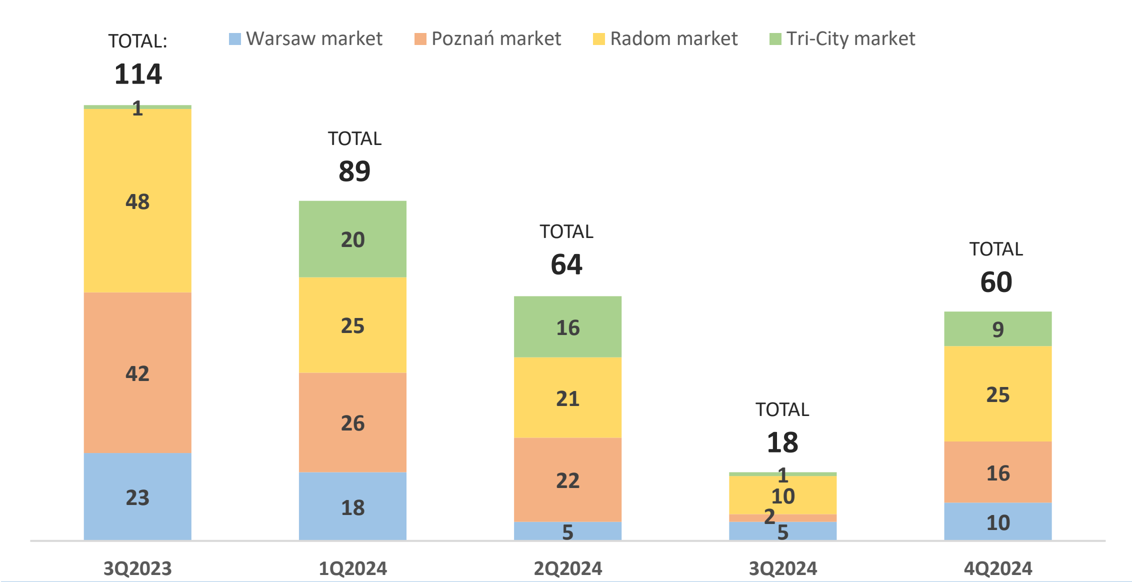
In the results of this segment for the four quarters of 2024, the Group recognised sales (apartment handover reports) of 491 units compared with handovers of 584 units in the corresponding period of 2023. The aforementioned financial result is mainly influenced by the handover of apartments at the Fama Jeżyce 3 joint venture project in Poznań (where 345 units were handed over with reports) and at housing estates: Idea Orion housing estate, Idea Venus housing estate and Idea Ogrody estate in Radom, as well as Pauza Ochota in Warsaw.

At the same time, the real estate development sales reached a volume of 231 apartments (including 66 as part of joint ventures) as compared to 423 units (including 203 as part of joint ventures) in the corresponding period of 2023.

APARTMENT SALES VOLUME IN 2024

Market	Sales of real estates		Delivered to clients	
	2024	2023	2024	2023
Warsaw market	38	77	19	121
Poznań market	66	203	345	270
Radom market	81	142	127	193
Tri-City market	46	1	-	-
Total	**231**	**423**	**491**	**584**
including JV	*66*	*203*	*345*	*271*

REAL ESTATE DEVELOPMENT SALES



In the analysed period of 4 quarters of 2024, the volume of the aforementioned developer sales was affected by the timing of the implementation of the investments of Unidevelopment Group companies, as well as market conditions and the unfavourable macroeconomic environment, which translated into the limited availability of mortgage loans and the holding back of some customers in their purchase decisions. In Q4 2024, compared to Q3 2024, the Unidevelopment Group reported a greater willingness of customers to make purchase decisions. In the opinion of the Company's Management Board, the market's eagerly awaited reduction in interest rates should be a factor in the resurgence of demand for new residential units, as the housing deficit remains large.

In 2024, the Unidevelopment Group generated an operating profit of PLN 171.5 m compared to PLN 53.9 m recorded in the same period of the previous year.

The biggest impact on operating profit for 2024 was the Unidevelopment Group's decision to cease development work on the Fama Jeżyce and Osiedle Coopera project land properties and to hold these properties to increase their value. This decision resulted in the reclassification of the aforementioned properties as investment properties in the first half of the year and thus their valuation to fair value. In Q2, the property at Coopera street in Warsaw was sold for a price that exceeded the value of the plot after the revaluation described above.

The positive impact of the above measures and the fair value measurement of the investment property as at 31 December 2024 on the 2024 results is as follows:

- profit on operating activities: PLN 106.8 m
- net profit PLN 83.1 m
- net profit attributable to the shareholders of the parent company: PLN 48.5 m.

COMPARISON OF SELECTED FINANCIAL DATA INCLUDING IMPACT OF LAND REVALUATION

		excluding the effect of the aforementioned revaluations and sales
[PLN m]	**2024**	**2024**
Sales	**299.0**	**299.0**
Operating profit	171.6	64.8
Net profit	131.2	48.2
Net profit attributable to the shareholders of the Parent Company	71.3	22.9
Ebitda	174.8	68.0

The table below provides information on the total number of apartments sold (for which real estate development/preliminary contracts have been signed with customers) in 2024 and apartments on offer as of 31 December 2024.

Market/project name	Number of apartments sold by 31 December 2023	Number of apartments sold in 2024	Apartments available for sale as of 31 December 2024	In total
Pauza Ochota	46	10	-	56
Sadyba Spot	24	25	62	111
Impuls Marywilska	-	3	120	123
Warsaw market	**70**	**38**	**182**	**290**
Idea Venus Estate	135	2	-	137
Idea Orion Estate	35	62	70	167
Idea Aurora estate	-	13	154	167
Idea Ogrody Estate	22	4	10	36
Radom market	**192**	**81**	**234**	**507**
Kusocińskiego	4	46	82	132
Tri-City market	**4**	**46**	**82**	**132**
Fama Jeżyce [1)]	289	66	14	369
Poznań market	**289**	**66**	**14**	**369**
Total	**555**	**231**	**512**	**1,298**
including JV	*289*	*66*	*14*	*369*

1) joint ventures (JV projects)

In 2024, the following significant changes took place with regard to the UNIDEVELOPMENT Group's portfolio of ongoing development projects.

PROJECTS FOR WHICH CONSTRUCTION COMMENCED BETWEEN 1 JANUARY 2024 AND 31 DECEMBER 2024:

	Number of apartments	Number of commercial premises
Impuls Marywilska	123	-
Warsaw market	**123**	**-**
Idea Aurora Estate (E4)	167	**5**
Radom market	**167**	**5**
TOTAL	**290**	**5**

PROJECTS FOR WHICH CONSTRUCTION WAS COMPLETED AND AN OCCUPANCY PERMIT WAS OBTAINED IN THE PERIOD FROM 1 JANUARY 2024 TO 31 DECEMBER 2024:

	Number of apartments	Number of commercial premises
Fama Jeżyce Stage 3	369	12
Poznań market	**369**	**12**
Idea Orion Estate (E3)	167	5
Idea Ogrody Estate Stage 3	12	-
Radom market	**179**	**5**
TOTAL	**584**	**17**

As at 31 December 2024, there were 4 real estate development projects under construction with a total of 533 apartments and 13 commercial premises.

PROJECTS UNDER IMPLEMENTATION AS AT 31 DECEMBER 2024

Market/project name	Number of apartments	Number of commercial premises
Sadyba Spot	111	8
Impuls Marywilska	123	-
Warsaw market	**234**	**8**
Idea Aurora Estate (E4)	167	5
Radom market	**167**	**5**
Kusocińskiego Stage 1 (Gdańsk)	132	-
Tri-City market	**132**	**-**
Total	**533**	**13**

As at 31 December 2024, the land bank comprised ca. 4 400 apartments located in Warsaw, Poznań, Radom and the Tri-City. This is a pool of properties owned by the Group and properties under its control, including those under preliminary agreements, as well as investment properties.

LAND BANK AS OF 31 DECEMBER 2024

Market/project name	Potential number of apartments	Potential number of commercial units	Forecast start date of construction
Przejezdna Stage 1	155	-	2H 2025
Przejezdna Stage 2	160	-	2H 2026
Omulewska[3)]	234	19	2H 2025
Warsaw market	**549**	**19**	
Idea Ogrody Estate E4	8	-	2H 2025
Idea Aquarius Estate (E6)	145	5	1H 2026
Idea estate (other housing projects)	1,023	38	1H 2027 [2)]
Radom market	**1,176**	**43**	
Kusocińskiego Stage 2 (Gdańsk)	180	2	1H 2025
Chylonia (Gdynia)	786	6	-
Tri-City market	**966**	**8**	
Fama Jeżyce Stage 4-8 (JV) [1)]	1,705	53	-
Poznań market	**1,705**	**53**	
Total	**4,396**	**123**	

[1)] *joint ventures*
[2)] *the start date for construction of stage 8*

Outlook

The Management Board of Unidevelopment SA (the parent entity of the Unidevelopment Group), like the entire Unibep Group, sees the current slowdown in the property development market as a temporary "stop" in its continued development. The demand for housing in Poland is still high, and Unidevelopment SA has the right know-how and a well-known and recognisable brand to continue to grow and take advantage of opportunities in the sector. The Issuer's Management Board is convinced that its competence, experience and market position allow it to implement further projects both on its own and with external partners. As the financial situation of the entire Unibep Group continues to improve, we assume that the further development of the property development business will become more dynamic, including the appearance of new investments in the development offer.

The drop in inflation forecast by analysts and the announcement of interest rate cuts could support the housing market and stimulate demand for housing in 2025.

At the same time, it is worth pointing out that the development scenarios for the property development segment include new variants of cooperation with external partners, but also the addition of apartments from outside the popular segment to the property development offer. Consideration is being given to developing offerings in the premium segment, which is better able to withstand the market downturn as it is not so dependent on the creditworthiness of buyers of such apartments. To this end, our intentions for the next quarters involve the acquisition of attractive land representing this part of the development segment.

MODULAR CONSTRUCTION

In 2024, **the modular segment** delivered and supervised by Unihouse S.A. achieved sales of ca. PLN 170 m, i.e. over PLN 54 m less than in the same period of the previous year (down by 24.2%). Operating profitability was recorded at - PLN 5 m and was thus significantly better (by more than PLN 26 m) compared to the previous year.

	2024	2023	deviation	YoY
Sales	**169.7**	**223.9**	**-54.2**	**-24.2%**
Gross profit from sales	5.4	-23.1	28.5	124%
% sales	*3.2%*	*-10.3%*		*13.5p.p*
Operating profit	-5.0	-31.2	26.1	84%
% sales	*-3.0%*	*-13.9%*		*10.9p.p*
Gross profit	-11.7	-44.8	33.1	74%
% sales	*-6.9%*	*-20.0%*		*13.1p.p*
Net profit	-8.3	-44.7	36.4	81%
% sales	*-4.9%*	*-20.0%*		*15.1p.p*
Order portfolio	83.0	116.0	-33.0	-28%
Contract award procedures	131.0	218.0	-87.0	-40%
Ebitda	-0.1	-25.9		
% sales	*-0.04%*	*-11.6%*		

The significant improvement in gross profit on sales (ca. PLN 29 m) with sales lower by more than 54 m YoY
is the result of decisions of the Unihouse SA Management Board taken at the end of Q3 and the beginning of Q4 2023, which were consistently implemented in subsequent periods. In 2023, the Company carried out a number of reorganisation activities to adapt the production capacity level of the Bielsk Podlaski plant to current economic and market conditions. Unihouse SA's production volume in 2024 was at 14 438 m^2 (a decrease of ca. 52% year-on-year), the main reasons for this being:

a) the prolonged recession in the German market,

b) the weak Norwegian market, historically the backbone of the business, due to difficulties in securing optimum profitability contracts, in the face of an appreciation of the PLN by almost 6% relative to the beginning of 2024,

c) the still insufficient activity of Polish investors and clients in this field of modular construction.

Sales by market at Unihouse SA (m PLN)	2024	2023	Deviation	YoY
Modular construction (Unihouse SA)	**169.7**	**223.9**	**-54.2**	**-24.2%**
- Poland	89.9	60.2	29.7	49.3%
- Norway	14.8	7.1	7.7	108.5%
- Sweden	0.2	15.2	-15.0	-98.7%
- Finland	11.2	0	11.2	
- Denmark	30.5	23.9	6.6	27.6%
- Czech Republic	0.8	3.6	-2.8	-77.8%
- Germany	22.4	113.9	-91.5	-80.3%

Despite the unfavourable economic situation in the modular construction segment in 2024, the Management Board of Unihouse SA has intensively developed the process of penetrating the Polish and Scandinavian markets. Throughout the year, 11 contracts were won with a total value of PLN 131 m (including PLN 64 m from the Polish market, PLN 47 m from the Scandinavian market, PLN 19 m from the German market). The contract in the German market is the result of a continuation of the activity initiated there in earlier periods, but it is the first contract in a public procurement in this market. The company enters 2025 with a portfolio of PLN 83 m, half of which is in the Polish market. Within the Polish market, areas of interest include the further acquisition of contracts in the area of military administration, following the signing of a contract in 2024 for the construction of a modular facility in lightweight construction for the DZSW subdivision in Tomaszów Mazowiecki, which is currently under construction.

Despite a significant year-on-year decline in production, the company improved its operational efficiency. In total, the contracts entering execution from the 2023 portfolio, as well as those acquired in 2024, generated a positive gross margin of several percent.

The level of contracting in 2024 was lower than last year by around 40%, but there are still several important contracts in preparation in the Polish and German markets. The Management Board of Unihouse S.A. has a good view of the prospects for concentrating acquisition activities on the Polish market and the German market, where the Unihouse S.A. brand is already well-known. Our project pipeline for acquisition includes contracts with a total value of more than PLN 500 m, the acquisition of which has become a major task for the Unihouse S.A. Management Board in the current year 2025.

Since the beginning of 2025, Unihouse SA has expanded its order book by two orders worth PLN 32.3 m.

Outlook

In Q4 2024, the Management Board of Unibep SA decided to take steps towards a possible sale of 100% of the shares in **Unihouse SA**. The decision resulted from a process of analysing possible scenarios for acquiring a minority shareholder or disposing of 100% of the shares in Unihouse and the expressed non-binding and conditional interest in acquiring only the entire shareholding in Unihouse SA by potential investors showing interest in carrying out such a transaction.

By decision of the Supervisory Board of Unibep SA, the sale process of Unihouse SA has been put on hold, as announced in current communication No. 5/2025, as a result of which the company remains a part of the Group. In view of the above, Unihouse SA now intends to focus on activities to support its profitability and growth, including in particular the penetration of the Polish market, which has the potential to grow in the wake of KPO funds being directed to this market.

The company has historically built up potential in the Norwegian market, but factors beyond its control, such as, for example, the difficult market situation after the pandemic, the falling exchange rate of the Norwegian krone, but also the rising cost of specialised freight and the general economic downturn in that market undermined the profitability there. Likewise in Germany – the recession, which has already lasted two years, is limiting the penetration of this market and the vision for sales growth. The projects in the company's portfolio are complementary to production from the Polish market. Their contracting is not done at any cost, but is solely conditioned on achieving satisfactory economic effects.

The Issuer's Management Board believe that particular attention should be paid to the Polish market and the possibility of using the potential that emerges there. Previous experience in cooperation with the military sector (where we are currently constructing barracks buildings in Tomaszów Mazowiecki) and cooperation with buyers in the area of residential construction (such as Social Housing Initiatives) may be continued. The advantage of modular construction is the speed of implementation, which gives an advantage over traditional construction in terms of the possibility for investors to benefit from public funds (KPO) and the relatively short deadlines for their final settlement.

The Issuer's Management Board maintain their earlier declarations that the bidding activities undertaken will secure the production of modules to a degree that will enable it to dynamise results at the operational level and to ultimately achieve a positive profit at the EBIT level.

BACK OFFICE

Its role includes supporting all businesses, particularly in the identification and mitigation of business risks. Ongoing measures are designed to improve and optimise processes in all areas of the Group's operations – the widely developed so-called support departments will play a special role here. Ongoing and current themes include:

- ensuring liquidity to provide operational efficiency and build confidence of market partners;
- operation of the office responsible for quality, procurement and OHS processes on ongoing contracts,
- operation of internal control and the coordination of quality, risk management and internal audit activities,
- optimisation and automation of processes and the development of IT systems providing access to management information,
- development of internal and external communication systems,
- stock exchange reporting,
- involvement in the development of BIM technology.

Since the beginning of 2024, the Parent Company's control processes are being strengthened with regard to operational risk management and the management of the cash position on the sites where construction takes place. The activities of the Construction Operational Control team, whose main tasks are aimed at supporting site management in the process of identifying operational risks on active sites, quantifying and mitigating them, continue. The team is currently building a process approach to managerial reporting, whereby internal communication and rapid addressing of identified risks will take place in a structured and formal way, without allowing them to materialise significantly.

The above measures will continue and be reinforced in the following reporting periods.

MAJOR FACTORS THAT COULD AFFECT THE FUTURE RESULTS OF THE PARENT COMPANY AND THE GROUP

EXTERNAL FACTORS:

- persistently high levels of inflation,
- an increase in the cost of living due to an increase in the price of mined resources,
- high energy prices,
- the uncertain macroeconomic situation related to the war in Ukraine and the risk of the conflict spreading to other countries,
- low unemployment rate,
- rising labour costs,
- the uncertain political situation in Belarus affecting the economic settlement of ongoing transactions,
- the rate of mobilisation of investments financed by KPO or cohesion funds,
- a decline in orders from domestic developers and public procurement compounded by the lack of a housing support programme in Poland,
- rising land prices and limited access to investment land,

- maintaining a high level of competition, a tougher price battle, especially in the volume construction segment from smaller general contracting companies due to a lower supply of new offers,
- availability of materials and changes in material prices related to the situation in the domestic market and aggravated by the situation in Ukraine;
- countries' customs policies that may affect the price level of key construction materials
- availability of subcontractors’ services and changes in prices for construction work related to the situation in the domestic market and in Ukraine;
- disruption to maintaining the supply chain and the resulting impact on the timely completion of all orders, including liabilities towards contracting authorities,
- limited availability of external financing,
- high volatility on the foreign exchange market, large fluctuations in exchange rates and currency spreads,
- an increase in the cost of servicing loans,
- interest rates translating into significantly higher external financing costs,
- increasing the valuation limits on public procurement contracts.

INTERNAL FACTORS:
- order book in the Construction Segment, including a growing order book in the infrastructure segment,
- selectivity in contracting to win contracts that contribute positively to improving the Group's profitability,
- the development of activities in the energy area,
- adapting development products to market expectations, including a contemplated expansion of the premium offering,
- activation of modular construction activities in the Polish market,
- the relatively high dependence of the Group's results on the condition of the large-scale construction industry, particularly the residential sector,
- an overview of budget risks by segment and business area,
- the level of subsidies and compensation received for the increase in project implementation costs,
- access to credit and guarantee limits with banks and insurance companies,
- results of disputes or court cases.
- staff development and retention programmes,
- implementation of new organisational procedures covering the process of execution and supervision of construction contracts,
- optimisation of business management support systems, automation of processes,
- development of new IT tools for project management, including activities related to the implementation of the BIM philosophy technology,
- development and use of new electronic communication tools,
- improving process and production efficiency by centralising organisational units within support departments.

5. FINANCIAL POSITION OF UNIBEP GROUP

5.1. DESCRIPTION OF THE ESSENTIAL ECONOMIC AND FINANCIAL DATA

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS – UNIBEP GROUP [PLN THOUSAND]

Description	As at 31 December 2024	As at 31 December 2023	Change	Change %
LONG-TERM FIXED ASSETS				
Tangible fixed assets	152,578	146,815	5,763	3.9%
Intangible assets	22,341	24,631	-2,290	-9.3%
Investment property	161,996	63,784	98,212	154.0%
Trade and other long-term receivables	26,599	12,468	14,131	113.3%
Deposits on contracts with customers	11,508	6,885	4,623	67.1%
Derivative financial instrument assets	5	4,098	-4,094	-99.9%
Other long-term financial assets	3,874	3,752	122	3.3%
Deferred income tax assets	95,195	88,381	6,184	7.7%
Total (long-term) fixed assets	**474,096**	**350,815**	**123,281**	**35.1%**
SHORT-TERM CURRENT ASSETS				
Inventory	406,459	457,932	-51,473	-11.2%
Trade and other short-term receivables	402,920	378,929	23,991	6.3%
Deposits on contracts with customers	9,955	14,109	-4,154	-29.4%
Contractual assets	301,238	186,762	114,476	61.3%
Current income tax receivables	6,968	5,688	1,280	22.5%
Derivative financial instrument assets	5,434	5,913	-478	-8.1%
Loans granted	105,401	96,109	9,293	9.7%
Other short-term financial assets	511	0	511	
Cash and cash equivalents	262,504	311,060	-48,556	-15.6%
Current assets other than held for sale	**1,501,391**	**1,456,502**	**44,888**	**3.1%**
Total (short-term) current assets	**1,501,391**	**1,456,502**	**44,888**	**3.1%**
TOTAL ASSETS	**1,975,487**	**1,807,317**	**168,170**	**9.3%**

LIABILITIES – UNIBEP GROUP [PLN THOUSAND]

Description	As at 31 December 2024	As at 31 December 2023	Change	Change %
EQUITY				
Share capital	3,507	3,507	0	0.0%
Share premium account	65,804	65,804	0	0.0%
Other reserves	9,027	10,269	-1,243	-12.1%
Retained profit (loss)	101,908	57,325	44,583	77.8%
Equity attributable to shareholders of the Parent Company	**180,245**	**136,905**	**43,340**	**31.7%**
Equity attributable to non-controlling interests	139,020	76,221	62,799	82.4%
Total equity	**319,265**	**213,126**	**106,139**	**49.8%**

LONG-TERM LIABILITIES				
Trade and other long-term liabilities	2,107	8,148	-6,041	-74.1%
Loans and other financial liabilities – long-term	208,221	214,745	-6,524	-3.0%
Long-term lease liabilities	43,116	40,181	2,935	7.3%
Derivative financial instrument liabilities	885	0	885	
Long-term provisions	78,739	85,819	-7,080	-8.2%
Deposits on contracts with customers	59,532	54,480	5,052	9.3%
Deferred income tax liability	26,411	6,906	19,505	282.4%
Total long-term liabilities	**419,012**	**410,278**	**8,733**	**2.1%**
SHORT-TERM LIABILITIES				
Trade and other short-term liabilities	410,172	416,709	-6,537	-1.6%
Contractual liabilities	250,762	359,149	-108,387	-30.2%
Deposits on contracts with customers	85,499	68,310	17,190	25.2%
Loans and other financial liabilities – short-term	121,248	43,071	78,177	181.5%
Short-term lease liabilities	22,647	29,662	-7,015	-23.7%
Derivative financial instrument liabilities	163	0	163	#DZIEL/0!
Current income tax liabilities	4,844	2,342	2,502	106.8%
Short-term provisions	341,874	264,669	77,205	29.2%
Short-term liabilities other than those related to assets held for sale	**1,237,210**	**1,183,912**	**53,298**	**4.5%**
Total short-term liabilities	**1,237,210**	**1,183,912**	**53,298**	**4.5%**
Total liabilities	**1,656,221**	**1,594,191**	**62,031**	**3.9%**
TOTAL LIABILITIES	**1,975,487**	**1,807,317**	**168,170**	**9.3%**

Profit and Loss Account – Unibep Group [PLN thousand]

Description	**01.01.2024 – 31.12.2024**	**01.01.2023 – 31.12.2023**	**Change**	**Change %**
OPERATING ACTIVITIES				
Revenue from contracts with customers	2,606,858	2,429,768	177,090	7.3%
Costs of products, goods and materials sold	2,430,236	2,467,591	-37,355	-1.5%
Gross profit (loss) on sales	**176,622**	**-37,823**	**214,445**	**567.0%**
Sales costs	7,716	15,509	-7,793	-50.2%
General and administrative costs	101,196	71,315	29,881	41.9%
Other operating revenue	122,365	11,108	111,257	1 001.6%
Other operating costs	21,428	24,270	-2,843	-11.7%
Profit (loss) on operating activities	**168,647**	**-137,809**	**306,457**	**222.4%**
Financial revenue	14,836	20,032	-5,197	-25.9%
Financial expenses	49,134	45,027	4,106	9.1%
Expected credit losses	10,559	14,420	-3,861	-26.8%
Share in net profits (losses) of subsidiaries measured using the equity method	10,980	-63	11,043	
Pre-tax profit (loss)	**134,770**	**-177,288**	**312,058**	**176.0%**
Income tax	27,115	-20,802	47,917	230.3%
Net profit (loss) on continued operations	**107,655**	**-156,486**	**264,141**	**168.8%**
Net profit (loss)	**107,655**	**-156,486**	**264,141**	**168.8%**

of which attributable to:				
- shareholders of the parent company	44,856	-165,895	210,751	127.0%
- non-controlling interests	62,799	9,410	53,389	567.4%

STATEMENT OF CHANGES IN EQUITY – UNIBEP GROUP [PLN THOUSAND]

Description	Share capital	Other reserves	Share premium account	Retained earnings	Equity attributable to the owners of the parent company	Equity of non-controlling shareholders	Total equity
As of 01 January 2024	**3,507**	**10,269**	**65,804**	**57,325**	**136,905**	**76,221**	**213,126**
Dividend recognised as payments to owners				-273	-273		-273
Incentive scheme		1,155			1,155		1,155
Profit (loss)				44,856	44,856	62,799	107,655
Other combined comprehensive income		-2,397			-2,397		-2,397
Comprehensive income	**0**	**-2,397**	**0**	**44,856**	**42,459**	**62,799**	**105,258**
Changes in equity	**0**	**-1,243**	**0**	**44,583**	**43,340**	**62,799**	**106,139**
As of 31 December 2024	**3,507**	**9,027**	**65,804**	**101,908**	**180,245**	**139,020**	**319,265**

STATEMENT OF CHANGES IN EQUITY – UNIBEP GROUP [PLN THOUSAND]

Description	Share capital	Other reserves	Share premium account	Retained earnings	Equity attributable to the owners of the parent company	Equity of non-controlling shareholders	Total equity
As of 01 January 2023	**3,507**	**4,444**	**63,894**	**230,298**	**302,143**	**81,811**	**383,954**
Dividend recognised as payments to owners				-7,078	-7,078	-15,000	**-22,078**
Incentive scheme		358	1,910		2,268		**2,268**
Profit (loss)				-165,895	-165,895	9,410	**-156,486**
Other combined comprehensive income		5,468			5,468		**5,468**
Comprehensive income	**0**	**5,468**	**0**	**-165,895**	**-160,428**	**9,410**	**-151,018**
Changes in equity	**0**	**5,825**	**1,910**	**-172,973**	**-165,238**	**-5,590**	**-170,828**
As at 31 DECEMBER 2023	**3,507**	**10,269**	**65,804**	**57,325**	**136,905**	**76,221**	**213,126**

CASH FLOW STATEMENT – UNIBEP GROUP [PLN THOUSAND]

Description	1 January 2024 - 31 December 2024	1 January 2023 - 31 December 2023
CASH FLOWS FROM OPERATING ACTIVITIES		
I. Gross profit (loss)	**134,770**	**-177,288**
II. Total adjustments	**-204,780**	**341,814**
1. Amortisation and depreciation	30,234	28,400
2. Exchange gains (losses)	35	-832
3. Interest and profit sharing (dividend)	24,711	21,426
4. Profit (loss) on investment activities	-122,933	-7,900
5. Change in provisions	81,584	40,404
6. Change in inventories	30,334	84,728

7. Change in receivables	-152,085	133,384
8. Change in short-term liabilities excluding financial liabilities	-98,461	41,631
9. Other adjustments	1,802	573
Cash from operating activities	**-70,010**	**164,527**
Income tax paid/refunded	-12,734	-7,430
Net cash from operating activities	**-82,743**	**157,096**
CASH FLOWS FROM INVESTMENT ACTIVITIES		
Acquisition of tangible fixed assets, intangible assets, investment properties	-9,832	-6,553
Proceeds from disposal of tangible fixed assets, intangible assets, investment properties	19,142	1,516
Received interest	11,926	12,019
Loans repaid by related parties	0	120
Loans granted to third parties	-8,758	-8,553
Other (including execution of derivative instruments)	8,679	5,299
Net cash from investing activities	**21,157**	**3,847**
CASH FLOWS FROM FINANCIAL ACTIVITIES		
Proceeds from loans, bonds and bills of exchange	162,249	367,954
Proceeds from sale of shares/incentive scheme		1,975
Repayment of loans, bonds and bills of exchange	-91,798	-278,631
Payment of liabilities arising from lease contracts	-20,063	-19,500
Interest paid	-36,761	-33,046
Dividend paid	-273	-22,681
Other cash inflows (outflows)	-331	-3,752
Net cash from financial activities	**13,023**	**12,319**
Net change in cash due to exchange rate differences	**-48,563**	**173,262**
Foreign exchange differences	7	-151
Net change in cash	**-48,556**	**173,111**
Opening balance of cash	**311,060**	**137,948**
Closing balance of cash	**262,504**	**311,060**
including: of limited disposability	69,771	100,189

SEPARATE STATEMENTS OF FINANCIAL POSITION

Assets – Unibep SA [PLN thousand]

Description	As at 31 December 2024	As at 31.12.2023 restated	As at 01.01.2023 restated	Change	Change %
LONG-TERM FIXED ASSETS					
Tangible fixed assets	87,544	77,679	80,078	9,864	12.7%
Intangible assets	12,914	10,757	9,931	2,157	20.0%
Investment property	0	2,757	2,369	-2,757	-100%
Investments in entities measured using the equity method	318,854	254,075	246,321	64,778	25.5%
Trade and other long-term receivables	12,800	9,838	6,463	2,962	30.1%
Deposits on contracts with customers	15,049	9,152	17,387	5,897	64.4%
Loans granted	9,738	40,354	97,061	-30,616	-75.9%
Derivative financial instrument assets	5	4,098	0	-4,094	-99.9%
Deferred income tax assets	61,333	63,084	32,697	-1,752	-2.8%
Total (long-term) fixed assets	**518,236**	**471,795**	**492,307**	**46,440**	**9.8%**
SHORT-TERM CURRENT ASSETS					
Inventory	34,989	37,532	70,113	-2,544	-6.8%
Trade and other short-term receivables	346,577	357,137	352,185	-10,560	-3.0%
Deposits on contracts with customers	10,060	16,735	25,745	-6,675	-39.9%
Contractual assets	285,070	153,944	238,918	131,125	85.2%
Current income tax receivables	491	1,519	321	-1,027	-67.7%
Loans granted	36,301	50,088	120	-13,787	-27.5%
Derivative financial instrument assets	5,434	3,434	427	2,000	58.2%
Cash and cash equivalents	193,791	169,705	75,981	24,086	14.2%
Current assets other than held for sale	**912,712**	**790,094**	**763,809**	**122,618**	**15.5%**
Total (short-term) current assets	**912,712**	**790,094**	**763,809**	**122,618**	**15.5%**
TOTAL ASSETS	**1,430,948**	**1,261,889**	**1 256 116**	**169,059**	**13.4%**

Liabilities – Unibep SA [PLN thousand]

Description	As at 31 December 2024	As at 31.12.2023 restated	As at 01.01.2023 restated	Change	Change %
EQUITY					
Share capital	3,507	3,507	3,507	0	0.0%
Share premium account	65,804	65,804	63,894	0	0.0%
Other reserves	42,678	43,921	38,095	-1,243	-2.8%
Retained profit (loss)	71,187	42,030	210,041	29,157	69.4%
Equity attributable to shareholders of the Parent Company	**183,176**	**155,262**	**315,537**	**27,914**	**18.0%**
Total equity	**183,176**	**155,262**	**315,537**	**27,914**	**18.0%**
LONG-TERM LIABILITIES					
Trade and other long-term liabilities	325	364	415	-39	-10.7%
Loans and other financial liabilities – long-term	149,253	132,235	105,410	17,018	12.9%
Long-term lease liabilities	34,073	30,972	33,696	3,102	10.0%

Derivative financial instrument liabilities	885	0	0	885	
Long-term provisions	66,445	56,502	40,175	9,943	17.6%
Deposits on contracts with customers	54,091	49,748	43,368	4,343	8.7%
Total long-term liabilities	**305,073**	**269,822**	**223,064**	**35,251**	**13.1%**
SHORT-TERM LIABILITIES					
Trade and other short-term liabilities	362,023	378,732	356,797	-16,708	-4.4%
Contractual liabilities	163,215	150,755	84,725	12,460	8.3%
Deposits on contracts with customers	80,316	62,696	59,661	17,620	28.1%
Loans and other financial liabilities – short-term	29,015	20,345	21,118	8,670	42.6%
Short-term lease liabilities	16,735	12,299	11,557	4,435	36.1%
Derivative financial instrument liabilities	163	0	0	163	
Current income tax liabilities	174	292	3,544	-118	-40.4%
Short-term provisions	291,058	211,687	180,114	79,371	37.5%
Short-term liabilities other than those related to assets held for sale	**942,699**	**836,806**	**717,516**	**105,893**	**12.7%**
Total short-term liabilities	**942,699**	**836,806**	**717,516**	**105,893**	**12.7%**
Total liabilities	**1,247,772**	**1,106,628**	**940,580**	**141,145**	**12.8%**
TOTAL LIABILITIES	**1,430,948**	**1,261,889**	**1 256 116**	**169,059**	**13.4%**

PROFIT AND LOSS ACCOUNT – UNIBEP SA [PLN THOUSAND]

Description	**01.01.2024 – 31.12.2024**	**01.01.2023 – 31.12.2023 restated**	**Change**	**Change %**
OPERATING ACTIVITIES				
Revenue from contracts with customers	2,189,719	2,046,037	143,682	7.0%
Costs of products, goods and materials sold	2,109,826	2,130,396	-20,570	-1.0%
Gross profit (loss) on sales	**79,893**	**-84,359**	**164,252**	**194.7%**
General and administrative costs	82,660	57,204	25,455	44.5%
Other operating revenue	8,631	7,976	655	8.2%
Other operating costs	9,836	18,923	-9,087	-48.0%
Profit (loss) on operating activities	**-3,972**	**-152,511**	**148,538**	**97.4%**
Financial revenue	12,327	19,122	-6,795	-35.5%
Financial expenses	34,983	29,061	5,922	20.4%
Share in net profits (losses) of subsidiaries measured using the equity method	61,864	-18,983	80,847	425.9%
Expected credit losses	10,309	10,146	163	1.6%
Pre-tax profit (loss)	**24,927**	**-191,578**	**216,505**	**113.0%**
Income tax	-4,230	-30,646	26,416	86.2%
Net profit (loss) on continued operations	**29,157**	**-160,933**	**190,090**	**118.1%**
Net profit (loss)	**29,157**	**-160,933**	**190,090**	**118.1%**

STATEMENT OF CHANGES IN EQUITY – UNIBEP SA [PLN THOUSAND]
For the period from 01.01.2024 to 31.12.2024

Description	Share capital	Other reserves	Share premium account	Retained earnings	Total equity
Opening balance of equity	**3,507**	**43,921**	**65,804**	**42,030**	**155,262**
Incentive scheme		1,155			1,155
Current year earnings (losses)				29,157	29,157
Other comprehensive income		-2,397			-2,397
Comprehensive income		**-2,397**		**29,157**	**26,759**
Changes in equity		-1,243		29,157	27,914
Closing balance of equity	**3,507**	**42,678**	**65,804**	**71,187**	**183,176**

STATEMENT OF CHANGES IN EQUITY – UNIBEP SA [PLN THOUSAND]
For the period 01.01.2023-31.12.2023 – restated

Description	Share capital	Other reserves	Share premium account	Retained earnings	Total equity
Equity at the beginning of the restated period	**3,507**	**37,707**	**63,894**	**106,981**	**212,089**
revaluation		388		103,060	103,448
As of 01.01.2023 restated	**3,507**	**38,095**	**63,894**	**210,041**	**315,537**
Dividend recognised as payments to owners				-7,078	-7,078
Incentive scheme		358	1,910		2,268
Current year earnings (losses)		2,711		-160,933	-158,222
Other combined comprehensive income		2,757			2,757
Comprehensive income		**5,468**		**-160,933**	**-155,465**
Changes in equity		5,825	1,910	-168,010	-160,275
Equity at the end of the period 31.12.2023	**3,507**	**43,921**	**65,804**	**42,030**	**155,262**

CASH FLOW STATEMENT – UNIBEP SA [PLN THOUSAND]

Description	1 January 2024 - 31 December 2024	1 January 2023 - 31 December 2023 restated
CASH FLOWS FROM OPERATING ACTIVITIES		
I. Gross profit (loss)	**24,927**	**-191,578**
II. Total adjustments	**-56,289**	**319,790**
1. Amortisation and depreciation	22,937	21,212
2. Exchange gains (losses)	23	-913
3. Interest and profit sharing (dividend)	14,634	9,162
4. Profit (loss) on investment activities	-65,456	13,641
5. Change in provisions	89,313	47,025
6. Change in inventories	2,544	32,580
7. Change in receivables	-139,104	101,408
8. Change in short-term liabilities excluding financial liabilities	17,862	95,680
9. Other adjustments	958	-5

Cash from operating activities	**-31,362**	**128,212**
Income tax paid/refunded	7,009	-4,868
Net cash from operating activities	**-24,354**	**123,344**
CASH FLOWS FROM INVESTMENT ACTIVITIES		
Acquisition of tangible fixed assets, intangible assets, investment properties	-8,155	-3,704
Proceeds from sales of tangible fixed assets and intangible assets	414	1,340
Purchase of shares and other capital assets (including capital contributions)	0	-30,079
Received interest	8,386	12,456
Dividend received	11,277	0
Loans repaid by related parties	57,550	19,120
Loans granted to related parties	-12,842	-12,773
Other (including execution of derivative instruments)	5,930	1,833
Net cash from investing activities	**62,560**	**-11,806**
CASH FLOWS FROM FINANCIAL ACTIVITIES		
Proceeds from loans, bonds and bills of exchange	50,000	138,040
Repayment of loans, bonds and bills of exchange	-25,026	-112,967
Proceeds from sale of shares/incentive scheme	0	1,975
Payment of liabilities arising from lease contracts	-16,645	-16,057
Interest paid	-22,473	-21,702
Dividend paid	0	-7,078
Net cash from financial activities	**-14,143**	**-17,789**
Net change in cash due to exchange rate differences	**24,063**	**93,749**
Foreign exchange differences	24	-26
Net change in cash	**24,086**	**93,724**
Opening balance of cash	**169,705**	**75,981**
Closing balance of cash	**193,791**	**169,705**
including: of limited disposability	42,645	43,898

As at 31 December 2024, the consolidated value of Unibep Group's assets increased by PLN 168,170 thousand compared to the end of December 2023. This was due to the increase in the value of fixed assets by 35% (PLN 123,281 thousand) and the increase of current assets value by 3% (PLN 44,888 thousand).

Fixed assets:

The change in the value of fixed assets as of 31 December 2024 compared to 31 December 2023 was mainly due to the following:

- increase in investment real estate by PLN 98,212 thousand,
- increase in the value of trade and other receivables by PLN 14,131 thousand

Current assets:

The increase in current assets was mainly due to:

- a decrease in the value of contractual assets by PLN 114,476 thousand
- a decrease in the value of inventories by PLN 51, 473 thousand
- a decrease in the value of cash and cash equivalents by PLN 48,556 thousand.

Liabilities:

Changes in liabilities resulted mainly from:

- an increase in equity by PLN 106,139 thousand,
- an increase in long-term liabilities by PLN 8,733 thousand, where the most significant changes involved:
  - increase in long-term provisions by PLN 7,080 thousand;
  - an increase of deferred income tax assets by PLN 19,505 thousand.
- an increase in short-term liabilities by PLN 53,298 thousand, where the most significant changes involved:
  - an increase in loans and other financial liabilities by PLN 78,177 thousand,
  - an increase in short-term provisions by PLN 77,205 thousand,
  - a decrease in contractual liabilities by PLN 108,387 thousand;

Within Unibep Group, the majority of financial ratios in 2024 show a higher level compared to the previous year. The return on equity (ROE) was at plus 40.4%.

In 2024, the Group's sales revenue exceeded the previous year's level (an increase by about 7.3%). The increase in turnover was most marked in the construction segment (+9.3%), mainly as a result of higher sales in the infrastructure sector (+89.7%) and its decline in energy and industrial construction (-15.8%) and large-scale construction (-4.2%). At the same time, the development (-5.3%) and modular (-24.5%) segments showed a decline in turnover.

In 2024, the Group recorded an increase under the item "management costs", which shows a change of PLN 29.9 m compared to last year. It has been caused by a number of factors, including:

a) the separation and reclassification of the costs of production support teams, which from the beginning of 2024 are recognised and controlled as overheads of the Group's business operations. As a result of the review of all cost items, the Issuer's Management Board made changes to the organisational structure and adapted it to the current tasks and responsibilities facing the support departments covering a broad spectrum. Currently, construction support teams, as teams with the characteristics of shared services departments, are subject to classification under general administrative expenses, and in 2023 were partly placed in the structures of the individual business segments as general expenses of these segments,

b) an increase in staffing levels following the building up of support teams particularly in acquisition, technical and controlling departments,

c) wage increases in the wake of the wage regulations made during 2023 as well as in 2024.

In 2024, the Group achieved an operating profit of PLN 168.6 m. As compared to the previous year, which recorded an operating profit of ca. PLN 137.8 m, this represents a negative deviation by ca. PLN 306.5 m.

An important factor influencing the financial results of 2024 is the effect of one-off events related to the reclassification and valuation of land owned by Unidevelopment SA subsidiaries in Q1 2024. The Management Board of Unidevelopment S.A. decided to cease development work on selected land properties and to keep these plots in order to benefit from the increase in their value. This decision involved reclassifying these land properties from inventory to investment property and valuing them at fair value. In addition, one of these properties was finally sold in Q2 2024. Additionally, as at 31 December 2024, an increase in the fair value of the investment property was recognised as a consequence of the valuation.

The positive impact of the operations performed on the 2024 results is as follows:

- profit on operating activities: PLN 106.8 m
- net profit: PLN 83.1 m

- Net profit attributable to the shareholders of the Parent Company: PLN 48.5 m

The Issuer's Management Board would like to point out that the Group's operating profits, cleared of the impact of the above-mentioned effect, amount to PLN 61.8 m, which is still a significant difference to the 2023 results. The value of Ebitda without the above-mentioned effect is PLN 92.1 m.

In addition to the operating factors indicated above, the Group's results were also affected by the result on financing activities (deterioration of ca. PLN 5 m year-on-year) mainly due to: higher interest expenses, necessary additional write-downs on receivables following the estimation of the chances of their recovery and the valuation of financial instruments to their current value.

On 30 December 2024, Unibep SA sold all of its shares in SELJEDALEN AS, Trondheim, Norway, to the other partner, GEMICH AS, with registered office in Trondheim. In connection with the transaction, Unibep SA entered into a receivables assignment agreement with GEMICH AS, whereby Unibep SA acquired from GEMICH AS the receivables due to GEMICH AS from LOVSETVEGEN 4 AS, based in Melhus (Norway), totalling NOK 1.4 m including VAT. In connection with the sale of the shares in Seljedalen AS and the consequent loss of joint control over Lovsetvegen AS, previously recognised provisions in the amount of PLN 10.9 m were reversed, which had an impact on Unibep Group's results.

In 2024, as a result of the successful implementation of work to take into account the Research and Development (R&D) allowance for the past years 2020 and 2021, Unibep S.A. received an income tax refund in the amount of PLN 7.3 m. This had a direct impact on the presentation of the value of the income tax item and the improvement in the net result of the parent company and Unibep Group in 2024.

As a result of the above mentioned factors, the estimated net profit of the Group was higher by ca. PLN 264.1 m than in the previous year, while the difference between the Group's net profit and the net profit attributable to shareholders of the parent company is due to contracts executed under the joint venture (JV) formula, the result of which is partially excluded from the profit attributable to shareholders of the Issuer.

At the Parent Company level, net profit increased by PLN 182.2 m on the previous year to PLN 24.4 m. Sales in the period increased by 7%. The level of cash at the end of 2024 has increased. Their value represents PLN 193.8 m (a 14.2% increase on December 2023). The flow from operating activities, as in the Group, is at a negative level (minus PLN 31.4 m).

In addition, the Parent Company's Management Board, with a view to providing more precise information to stakeholders as to the valuation of shares in subsidiaries, decided to change the current method of valuation at cost adjusted for any impairment losses (in accordance with IAS 27, item 10 a) to the equity method as defined in IAS 28 (in accordance with IAS 27, item 10 c), the broad basis of which is the net asset value of subsidiaries adjusted for the elements precisely defined in IAS 28. The above change was implemented for 2024 and, due to its voluntary nature, required retrospective recognition, which was reflected in the restated financial data for the comparative periods in the separate financial statements. This change increased the net result for 2024 by PLN 50.6 m and increased equity by PLN 158.3 m. The change has no impact on the consolidated financial statements. Operational segments’ results

5.2. OPERATIONAL SEGMENTS’ RESULTS

CONSOLIDATED REPORTING BY SEGMENT

KEY

Residential, office and commercial construction · Infrastructure · Energy and industrial construction · Real estate development activities · Modular construction

CONSOLIDATED REPORTING BY SEGMENT AS OF 31 DECEMBER 2024 [PLN THOUSAND]

Specification						Adjustments of sales to other segments	Total amount for the entire Group
Revenue from contracts with customers	1,099,810	667,199	433,358	298,999	168,348	-60,856	2,606,858
external sales	1,040,552	667,199	433,358	297,674	168,075		2,606,858
sales to other segments	59,258	0	0	1,325	273	-60,856	0
Cost of products, goods and materials sold	1,035,948	616,231	466,544	207,533	163,048	-59,068	2,430,236
Gross profit from sales	**63,862**	**50,968**	**-33,186**	**91,466**	**5,299**	**-1,788**	**176,622**
% gross profit on sales	*5.81%*	*7.64%*	*-7.66%*	*30.59%*	*3.15%*	*2.94%*	*6.78%*

CONSOLIDATED REPORTING BY SEGMENT AS OF 31 DECEMBER 2023 [THOUSAND THOUSAND]

Specification						Adjustments of sales to other segments	Total amount for the entire Group
Revenue from contracts with customers	1 147 767	351,669	514,505	315,818	222,890	-122,880	2 429 768
external sales	1,028 182	351,669	514,505	314,575	220,838		2 429 768
sales to other segments	119,586	0	0	1,243	2,052	-122,880	0
Cost of products, goods and materials sold	1,160,775	356,824	579,305	233,539	246,879	-109,731	2 467 591
Gross profit from sales	**-13,008**	**-5,155**	**-64,800**	**82,279**	**-23,990**	**-13,150**	**-37,823**
% gross profit on sales	*-1.13%*	*-1.47%*	*-12.59%*	*26.05%*	*-10.76*	*10.70%*	*-1.46%*

UNIT REPORTING BY SEGMENT

KEY

Residential, office and commercial construction

Infrastructure

Energy and industrial construction

Other modular construction activities

UNIT REPORTING BY SEGMENT AS OF 31 DECEMBER 2024 [PLN THOUSAND]

Specification					Total amount for the entire Group
Revenue from contracts with customers	1,089,344	667,199	433,350	-174	2,189,719
external sales	1,089,344	667,199	433,350	-174	2,189,719
Cost of products, goods and materials sold	1,027,133	616,231	466,536	-74	2,109,826
Gross profit on sales	**62,211**	**50,968**	**-33,186**	**-101**	**79,893**
% gross profit on sales	*5.71%*	*7.64%*	*-7.66%*	*57.76%*	*3.65%*

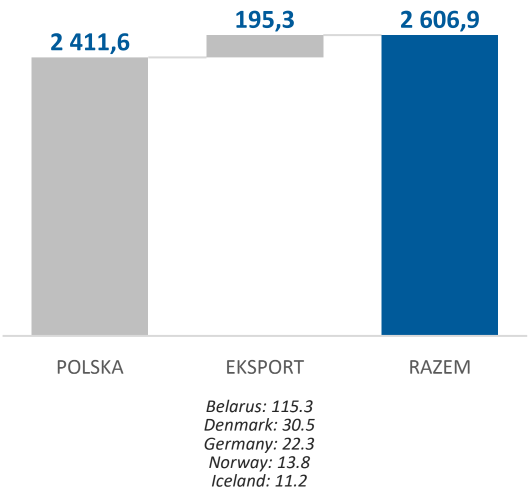
UNIT REPORTING BY SEGMENT AS OF 31 DECEMBER 2023 [PLN THOUSAND]

Specification					Total amount for the entire Group
Revenue from contracts with customers	1 147 841	351,669	514,505	32,022	2 046 037
external sales	1 147 841	351,669	514,505	32,022	2 046 037
Cost of products, goods and materials sold	1,160,776	356,824	579,305	33,491	2 130 396
Gross profit from sales	**-12,935**	**-5,155**	**-64,800**	**-1,469**	**-84,359**
% gross profit on sales	*-1.13%*	*-1.47%*	*-12.59%*	*-4.59%*	*-4.12%*

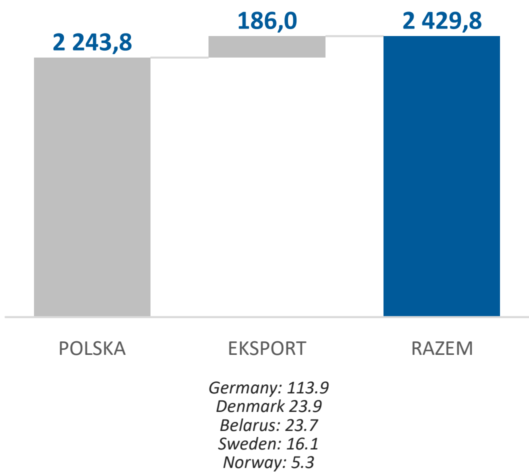
INFORMATION ON GEOGRAPHICAL AREAS – GROUP'S DATA

REVENUE FROM EXTERNAL CUSTOMERS [PLN M] – PERIOD ENDED:

31 GRUDNIA 2024 ROKU



31 GRUDNIA 2023 ROKU

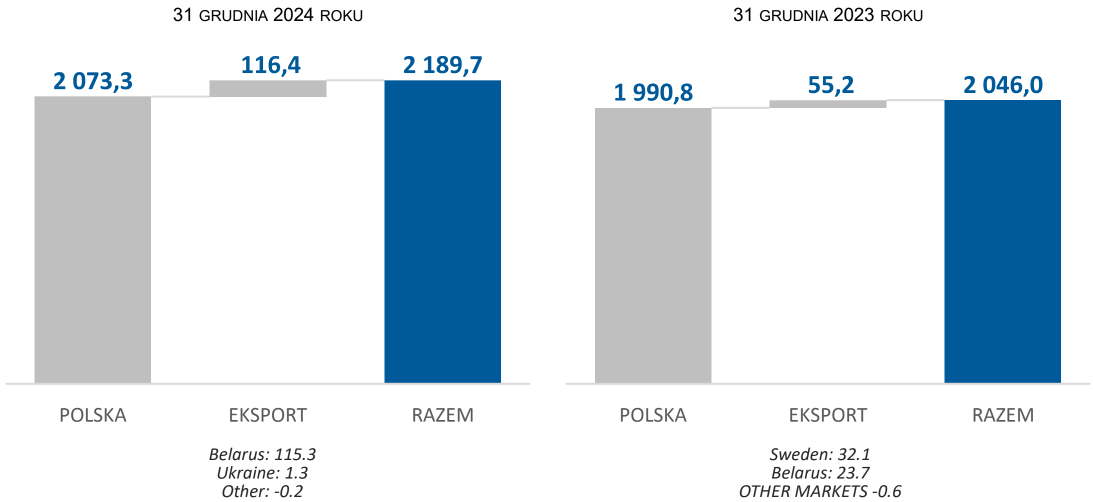


Ukraine: 1.3
Other: 0.9

OTHER MARKETS 3.1

INFORMATION ON GEOGRAPHICAL AREAS – DATA OF UNIBEP SA

REVENUE FROM EXTERNAL CUSTOMERS [PLN M] – PERIOD ENDED:



5.3. EXTRAORDINARY EVENTS RELEVANT TO FINANCIAL RESULTS

In the opinion of the Management Board, a non-standard event for the current and existing operations was the decision of 20 March 2025, when the Management Board of Unibep SA adopted a resolution to change its accounting policy regarding the recognition of investments in subsidiaries, joint ventures and associates from the previously applied cost method to the equity method as defined in IAS 28, in accordance with §10(c) of IAS 27 'Separate Financial Statements'.

The amendment in question had an impact on the Company's separate financial statements and is applicable from reporting periods beginning from 1 January 2024 and has been recognised retrospectively in accordance with IAS 8 §19(b) and §22. In the separate financial statements prepared as at 31 December 2024, corresponding adjustments have been presented in the comparative figures for the earlier period.

After taking into account the above change, Unibep S.A.'s unconsolidated net financial result for 2024 increased by PLN 50.6 m and the value of equity increased by PLN 158.3 m, in total for all previous and current reporting periods. The adopted change in accounting policy does not affect the consolidated financial statements of Unibep Group.

The adoption of the equity method will lead to the presentation of better quality information and thus increase the usefulness and relevance of the information in Unibep S.A.'s separate financial statements. The information contained in the financial statements about the impact of transactions, other events and conditions on the entity's financial position and financial performance will be more useful and reliable for Unibep S.A.'s stakeholders.

5.4. CAPITAL MANAGEMENT – ASSESSMENT OF FINANCIAL RESOURCES MANAGEMENT

CAPITAL MANAGEMENT [PLN THOUSAND]

	31 December 2024 GROUP	31 December 2024 ENTITY	31 December 2023 GROUP	31.12.2023 ENTITY
Interest-bearing loans and bonds	396,280	230,125	327,659	195,852
Trade and other liabilities	812,916	660,145	909,137	642,586
Cash and cash equivalents	262,504	193,791	311,060	169,705
Net debt	946,693	696,478	925,736	668,733
Equity	319,265	183,176	213,126	45,726
Equity and net debt	1 265 958	879,654	1,138,862	714,460
Leverage ratio	74.78%	79.18%	81.29%	93.60%

The main objective of the Group's capital management is to maintain a credit rating and safe capital ratios that would support the operating activities of the Group's companies and that will increase value for their shareholders.

The Group manages its capital structure and makes changes to it as a result of the economic conditions. In order to maintain or adjust the capital structure, the Group companies may buy back their own shares, return capital to shareholders, issue new shares and pay dividends. In 2023, no changes were made to the objectives and process rules in this area.

The Group monitors its capital using the leverage ratio calculated as the ratio of net debt to total capital increased by net debt. The net debt of the Group includes interest-bearing loans and other external sources of financing, trade and other liabilities, deposits under construction contracts, amounts due to customers under construction contracts, advances received and current income tax liabilities less cash and cash equivalents.

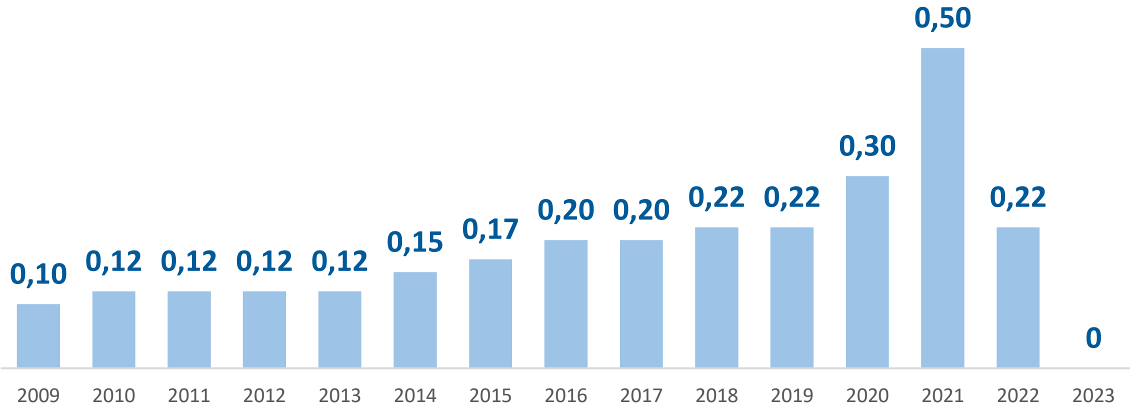
5.5. INFORMATION ON THE DIVIDEND POLICY AND DIVIDEND PAID IN 2024

On 9 November 2021, the Management Board of Unibep SA adopted a resolution on the adoption of the Unibep SA Dividend Policy (Dividend Policy), which was published in current report No. 56/2021. According to the adopted Dividend Policy, it is the intention of the Issuer's Management Board to recommend to the Ordinary General Meeting of Shareholders (after obtaining a positive opinion of the Company's Supervisory Board) the payment of dividends at 20% to 50% of the consolidated net profit disclosed in the Unibep Group's financial statements for a given fiscal year, taking into account, in particular, the following factors: i) prospects, ii) future profits, iii) cash requirements, iv) financial situation of the Unibep Group, v) development plans of the Unibep Group.

On 25 June 2024, the Annual General Meeting of UNIBEP S.A. decided on the method of covering the loss for the financial year 2023 in the amount of PLN 164 309 001.18 in accordance with the proposal of the Management Board and the opinion of the Supervisory Board. The AGM decided to cover the loss for the 2023 financial year as follows:

- PLN 105 732 904.13 – from retained earnings reserve of previous years; and
- PLN 58 576 097.05 – from the share premium reserve.

DIVIDEND PER 1 SHARE FOR THE YEAR [PLN]



5.6. INFORMATION ON LOANS, GUARANTEES AND SURETIES

In 2024, the Issuer signed the following financial agreements:

- on 2 February 2024, Unibep SA signed an agreement with Bank Gospodarstwa Krajowego S.A. for a non-revolving working capital loan in the amount of PLN 40 m. The agreement was concluded until 29 October 2027.
- On 16 May 2024, Santander Bank Polska S.A. granted Unidevelopment S.A. (for the liabilities of Uni 10 Sp. z o.o.) with a performance bond up to a maximum amount of PLN 2 026 561.98.
- On 25 July 2024, Unihouse SA signed an agreement with Korporacja Ubezpieczeń Kredytów Eksportowych S.A. for a guarantee line in favour of foreign counterparties in the amount of EUR 25 m. This Agreement is concluded for an indefinite period.
- On 24 November 2023, Nowa Idea Spółka z o.o. entered into an agreement with Lubelski Bank Spółdzielczy for a working capital / development loan of PLN 15 m. The loan was granted until 30 September 2025.
- On 16 August 2024, Unibep SA signed an agreement with VeloBank S.A. for a bank guarantee line in the amount of PLN 15 m. The agreement was concluded until 15 August 2025.
- On 13 November 2024, an overdraft agreement for PLN 4 m was signed between Monday Development Sp. z o.o. and Poznański Bank Spółdzielczy. The agreement was concluded until 31 August 2027.
- On 26 November 2024, Unibep SA signed a tripartite agreement with Fundusz Rozwoju i Promocji Województwa Wielkopolskiego S.A. and Bydgoski Fundusz Poręczeń Kredytowych sp. z o.o. for the provision of guarantees of up to PLN 40 m. The agreement was concluded until 25 November 2025.
- On 30 December 2024, an investment loan agreement for PLN 47.5 m and a Vat loan for PLN 1 m was signed between Uni 9 Sp. z o.o. and VeloBank S.A.. The agreement was concluded until 20 March 2027.

In addition, the following agreements were extended in 2024:

- On 11 January 2024, Unibep SA extended its agreement with Generali Towarzystwo Ubezpieczeń SA for the provision of guarantees under the revolving limit of PLN 36 m. The agreement was extended until 31 December 2024.
- On 22 January 2024, Unibep SA renewed an agreement with BNP Paribas Bank Polska S.A. for an overdraft facility and a guarantee line in the total amount of PLN 128 m. The agreement was extended until 26 January 2025.

- On 26 January 2024, Unibep SA extended its insurance guarantee agreement with Uniqa Towarzystwo Ubezpieczeń SA in the amount of PLN 70 m. The agreement was extended until 25 January 2025.
- On 29 January 2024, Unibep SA and Unihouse SA renewed their agreement with Bank Polska Kasa Opieki SA for a multi-purpose credit limit of PLN 70 m. The agreement was extended until 31 January 2025.
- On 16 February 2024, Unibep SA extended its eFinancing agreement with Bank Polska Kasa Opieki SA for supplier financing in the amount of PLN 20 m. The agreement was extended until 31 January 2025.
- On 26 February 2024, Unibep SA and Unihouse SA extended the agreement with Santander Bank SA on the overdraft facility and the guarantee line for the total amount of PLN 80 m. The agreement was extended until 31 December 2024.
- On 26 February 2024, Unibep SA and TUiR Allianz Polska extended the agreement for a guarantee line in the total amount of PLN 70 m. The agreement was extended until 31 December 2024.
- On 26 February 2024, an annex to the Performance Guarantee of the lease agreement was concluded between Unidevelopment S.A. and the insurance company Euler Hermes S.A. up to the amount of PLN 1 529,529.32.
- On 28 February 2024, Unibep SA renewed agreements with Bank Gospodarstwa Krajowego S.A. for an overdraft facility and a guarantee line in the total amount of PLN 110 m. The agreements were extended until 30 March 2024.
- On 28 March 2024, Unibep SA and Bank Gospodarstwa Krajowego SA performed a technical extension of the overdraft and guarantee facility agreements in the total amount of PLN 110 m. The agreements were extended until 28 February 2025.
- On 9 May 2024, Unibep SA terminated an agreement with BNP Paribas Bank Polska S.A. for a PLN 5 m overdraft facility and annexed an agreement for a guarantee line of PLN 123 m until 22 January 2025.
- On 24 May 2024, Unibep SA and Unihouse SA annexed a credit line agreement with mBank SA in the amount of PLN 80 m until 30 August 2024, under which Unihouse SA will have a sub-limit of up to PLN 250 thousand.
- On 17 June 2024, Unibep SA annexed an agreement with Korporacja Ubezpieczeń Kredytów Eksportowych S.A. for a guarantee line, adding to the agreement the option to issue guarantees for Unihouse SA.
- On 24 June 2024, Unibep SA annexed a guarantee line agreement with Uniqa Towarzystwo Ubezpieczeń S.A. in the amount of PLN 60 m until 31 December 2024.
- On 30 June 2024, Unibep SA terminated a credit line agreement with ING Bank Śląski S.A. in the amount of PLN 7 m. consisting of a sub-limit of up to PLN 5 m in the form of an overdraft facility and a sub-limit of up to PLN 7 m in the form of factoring.
- On 25 July 2024, Unibep SA and Unihouse SA converted the existing agreement with NORDIC GUARANTE INSURANCE LTD into a new agreement with the same number, reducing the limit for contract guarantees in Scandinavia due to lower demand for the product to SEK 100 thousand. The agreement is of unlimited duration
- On 8 August 2024 Unibep SA and Unihouse SA annexed a credit line agreement with mBank SA in the amount of PLN 80 m until 29 August 2025, under which Unihouse SA will have a sub-limit of up to PLN 250 thousand.
- On 27 August 2024, an annex to the overdraft agreement was signed between Unidevelopment SA and mBank SA for the amount of PLN 5 m. Under the annex, the agreement was extended until 29 August 2025.

- On 5 September 2024, an overdraft agreement for PLN 5 m was signed between Monday Development Sp. z o.o. and Poznański Bank Spółdzielczy. Under the annex, the agreement was extended until 15 August 2026.
- On 14 October 2024, an annex to the overdraft agreement was signed between Unidevelopment SA and Santander Bank Polska SA for the amount of PLN 17 m. Under the annex, the agreement was extended until 14 October 2025.
- On 15 October 2024, Unibep SA and Unihouse SA concluded an extension of the overdraft and guarantee line agreement with Santander Bank Polska S.A., in the amount of PLN 78 m, under which Unihouse SA will have a sub-limit of up to PLN 7 m.
- On 15 October 2024, Unibep SA and Unihouse SA concluded an extension with Santander Factoring Sp. z o.o. of a factoring limit of PLN 50 m. The limit was extended until 14 October 2025.
- On 29 October 2024, Unibep SA renewed its contract with InterRisk Towarzystwo Ubezpieczeń S.A. Vienna Insurance Group for a guarantee line in the amount of PLN 100 m. The agreement was extended until 24 October 2025.
- On 29 November 2024, Unibep SA and Unihouse SA renewed an agreement with PKO BP S.A. for an overdraft facility and a guarantee line in the amount of PLN 55.7 m. The agreement was extended until 30 November 2025.
- On 23 December 2024, an annex to the PLN 11 m working capital-development loan agreement was signed between Nowa Idea Spółka z o.o. and Lubelski Bank Spółdzielczy. The annex extends the final repayment date of the loan from 31 December 2024 to 30 June 2025.

In addition to the contracts entered into or renewed in 2024 referred to above, as of 31 December 2024, the Parent Company had the following contracts:

a) Credit agreements:
   - Between Unibep SA and ING Bank Śląski S. - an agreement for a non-revolving working capital loan in the amount of PLN 20 m. The agreement was concluded until 31 May 2025.
   - Unibep SA signed a working capital loan agreement with Bank Spółdzielczy in Bielsk Podlaski and Bank Spółdzielczy in Sokółka, in the amount of PLN 5 m. The agreement was concluded until 01 August 2025.

b) Contractual guarantee agreements with the following Insurance Companies:
   - Europa SA for the amount of PLN 20 m, concluded for an indefinite period,
   - Euler Hermes SA for the amount of PLN 50 m, concluded for an indefinite period,
   - KUKE SA for the amount of PLN 100 m, concluded for an indefinite period,
   - Zurich Insurance PLC for the amount of EUR 15 m, concluded for an indefinite period,
   - CREDENDO Excess & Surety SA for the amount of PLN 70 m concluded for an indefinite period,
   - TUiR Warta SA for the amount of PLN 2 m, concluded for an indefinite period,
   - Sopockie Towarzystwo Ubezpieczeń Ergo Hestia S.A. for PLN 170 m concluded for an indefinite period.
   - Towarzystwo Ubezpieczeń Wzajemnych "TUW'' for the amount of PLN 15 m concluded for an indefinite period
   - Wiener Vienna Insurance Group for the amount of PLN 7 m concluded until 10 December 2024

c) Agreements on treasury transactions made for an indefinite period with:
   - BNP Paribas Bank Polska SA with a limit of PLN 5.5 m,
   - mBank SA with the limit of PLN 15 m,
   - Santander Bank Polska SA with a limit of PLN 2 m,

- BGK with a limit of PLN 4 m.
- Bank PEKAO SA PLN 12 m

The interest rate on the loans is based on the variable WIBOR rate plus a fixed margin, the amount of which depends on each financial institution's assessment of the credit risk.

In the course of its activity and due to its nature, UNIBEP SA and its subsidiaries grant performance bonds for construction works and receive such bonds from subcontractors and investors. As of 31 December 2024, the value of bonds issued on behalf of UNIBEP group companies amounted to PLN 900.8 m. At the same time, the Group companies were in possession of bonds issued to their benefit with a value of PLN 131.9 m.

The total nominal value of FX Forward contracts at 31 December 2024 was: put option for EUR 30 m, call option for EUR 7.3 m, call option for USD 2.3 m. The remaining time to settle derivative instruments opened as at 31 December 2024 is from 181 to 636 days.

As of 31 December 2024, the Group companies had the following credit contracts in which they were the lender (loans granted to entities outside the Group):

- Unidevelopment SA with JB Investment Societe En Commandite Speciale in the amount of PLN 3 m valid until 31 December 2025,
- Unidevelopment SA with JB Investment Societe En Commandite Speciale in the amount of PLN 22.7 m valid until 31 December 2025,
- Monday Development Sp. z o.o. with JB Investment Societe En Commandite Speciale in the amount of PLN 3 m valid until 31 December 2025.
- Monday Development Sp. z o.o. with JB Investment Societe En Commandite Speciale in the amount of PLN 463 thousand valid until 31 December 2025,
- Fama Development Sp. z o.o. sp. j. with JB Investment Societe En Commandite Speciale in the amount of PLN 73.7 m valid until 31 December 2025,
- Fama Development Sp. z o.o. sp. j. with JB Investment Societe En Commandite Speciale in the amount of PLN 1.2 m valid until 31 December 2025,

The interest rate on intra-group loans is based on a variable WIBOR interest rate and a fixed margin calculated based on an econometric model. In calculating the margin, the model, developed with reconciliation of transfer pricing requirements, takes into account periodically updated industry benchmarks and the economic situation of the lender and borrower.

Other information on off-balance sheet items is presented in Note 6.35 to the Consolidated Financial Statements for 2024.

5.7. INVESTMENTS

Structure of the major capital deposits or main capital investments within the issuer's group in the financial year

UNIBEP Group held no capital investments in 2024 (it made no purchases of investment and capital fund units). Short-term financial surpluses were invested in bank deposits or allocated to loans to the Group companies or external entities.

Assessment of the potential for implementing investment plans

The investment programme planned for 2025 is designed to support the business objectives of the various segments and business areas. The current financial situation and the assessment of the ability to incur expenditure, while maintaining financial stability, allow investment targets to be met.

The largest share of investment expenditure is in the area of infrastructure, which currently has very good development prospects. The assumed growth of the business and territorial expansion require investment in equipment that will increase both the volume and quality of asphalt production. The planned investments are aimed at modernising and expanding equipment capacity, which will facilitate the delivery of large contracts. These expenditures will be directed towards strengthening the capacity of the asphalt plants and expanding the in-house laboratories. Investment in the equipment base will reduce reliance on subcontractors and enable a faster response to the changing needs of the ongoing construction.

IT and the development of IT systems remains an important area of investment. The company is in the process of modernising its systems in response to the need for access to financial and management information, as well as to improve the supervision of construction contracts.

Unibep Group is committed to providing appropriate working conditions for its staff. To this end, expenditure is allocated to, among other things, the back office and support departments, providing comfortable premises and the necessary equipment to deliver high-quality services.

5.8. USE OF PROCEEDS FROM THE ISSUANCE OF SECURITIES

On 20 February 2025, the Management Board of Unidevelopment S.A. passed a resolution to launch a programme for the issue of series D bonds with a total nominal value not exceeding PLN 55 m.
The purpose of the programme was to raise funds for the early redemption of three-year secured series A/B and C bonds issued in 2023 with a total value of PLN 54.9 m. The early redemption of the aforementioned secured bonds will enable the removal of the mortgage collateral from the properties on which the development projects are planned. 13 March 2025 was the date of the issue of series D bonds with a total value of PLN 55 m.

Accordingly, on 6 March 2025, the Management Board of Unidevelopment decided to redeem all Series A/B and Series C bonds that had not been redeemed or owned by the Issuer at the request of the Issuer. Pursuant to the terms of the issue of the Bonds, the early redemption of the Bonds was effected on 25 March 2025.

On 19 October 2023, Unibep SA issued 1 380 402 series I bonds with a total value of PLN 138 m. The purpose of the issue was the early redemption of series G bonds and series H bonds and the financing of ongoing and planned investment projects (understood as the delivery of real estate development investments or construction contracts), as part of the activities pursued by the Group entities. The bonds are unsecured. The redemption date for the bonds was set for 19 October 2026.

Debt from bond issues as at 31.12.2023 is shown in the table below:

DEBT FROM BOND ISSUES AS AT 31.12.2024 IS SHOWN IN THE TABLE BELOW:

As of 31.12.2024	Currency	Nominal value	Carrying amount	Short-term liabilities	Long-term liabilities	Date of redemption
Unidevelopment S.A. bonds. A/B series	PLN	34,900,000.00	35,787,400.22	0	35,787,400.22	05.04.2026
Unidevelopment S.A. bonds C series	PLN	20,000,000.00	20,361,073.97	0	20,361,073.97	31.07.2026
UNIBEP S.A. bonds I series	PLN	138,040,200.00	139,114,505.31	11,275,623.46	127,838,881.85	19/10.2026
TOTAL bonds		**192,940,200.00**	**195,292,096.01**	**11,275,623.46**	**184,016,472.55**	

As of 31 December 2024, the Debt to Equity ratio for the Series A, B and C bonds issued by Unidevelopment SA was at 0.18.

As of 31 December 2024, the value of the leverage ratio for the Series I bonds issued by Unibep SA was at 0.32.

As at 31 December 2024, the value of the Net Financial Debt/EBITDA ratio for the Series I bonds issued by Unibep SA was at 0.52.

5.9. FINANCIAL INSTRUMENTS – RISKS AND ADOPTED FINANCIAL RISK MANAGEMENT OBJECTIVES AND METHODS

FINANCIAL RISK MANAGEMENT

In conducting its operations, the Group is exposed to various types of financial risk: foreign exchange risk, interest rate risk, credit risk and liquidity risk. The Management Board verifies and determines the principles of management of each of the above risks.

CURRENCY RISK

As a part of its operating activities, the Group enters into contracts that are (or may be) denominated or expressed in foreign currencies. In terms of export earnings, hedging against currency risk is primarily effected through a natural hedging mechanism, which consists of signing contracts with subcontractors in the currency of the contract, thus transferring the risk to them. Natural hedging is estimated to have been around 10% for contracts executed in Belarus and around 20% for contracts executed in Scandinavia and Germany. Natural hedging for contracts performed in Poland and expressed in EUR does not exceed 10%.

DERIVATIVE FINANCIAL INSTRUMENTS

In order to hedge against the foreign exchange risk, the Group enters into derivative transactions.
Derivative instruments are measured as at the balance sheet date, at reliably determined fair value. The fair value of derivative instruments is estimated using a model based on, among others, the value of foreign exchange rates (average NBP rates) as at the balance sheet date and interest rate differences between the quoted and base currencies. The periodical measurement of financial instruments is partly recognised in equity (internal value of derivatives) and partly in financial revenue or expenses of the reporting period (time value of derivatives). Gains and losses determined at the settlement date are recognised in the income statement.

INTEREST RATE RISK

Interest rate risk is mainly related to the use of bank loans, lease and bank deposits by the Group. These transactions are mainly based on variable interest rates (based on WIBOR for transactions denominated in PLN or on EURIBOR for some leases), which exposes the Group to the risk of changes in profit or loss and cash flows.

Leasing is not decisive in the financing of companies of the Group (it concerns mainly purchases of vehicle fleet and specialist road machines).

The Group invests its financial surpluses in the form of short-term deposits. The deposits are based on fixed interest rates and are usually concluded for a period of 3-7 days. The amount of interest obtained depends on the interest rates.

CREDIT RISK

The Group's financial assets that are exposed to credit risk are primarily cash held in bank accounts or deposits, loans granted to external entities, and trade receivables.

In order to minimise the risk related to the loss of funds held in bank accounts or deposits, the Group Companies cooperate in this respect only with institutions of stable and reliable financial standing. At the same time, the Group takes steps to disperse the cash in such a way that a significant amount of it is not located in just one financial institution. Cash is sent to bank accounts held outside Poland only in such an amount as to secure the next payments to be made from those accounts.

LIQUIDITY RISK

In order to minimise the liquidity risk, the Group tries to maintain an adequate amount of cash (as of 31 December 2024, bank accounts of the Group had PLN 262.5 m in cash) and concludes credit facility contracts, which serve as additional security of liquidity. In addition, it forecasts and monitors cash flows on an ongoing basis. These activities are supported by systemic solutions for determining expected and measuring actually realised revenue and expenses by the Group's individual business lines. The relevant departments in the Group forecast cash flows over the next 12 months and analyse a very detailed statement of receipts and expenditure over the next 30 days. If necessary, an increase in the available credit limits is negotiated in advance.

A detailed description of risks and actions aimed at reducing and minimising their impact on the Group's operations is presented in point 4. Financial risk management within the Consolidated Financial Statements for 2024.

Activities undertaken by the Parent Company in the area of financial risk management are coherent with those undertaken at the Group level.

5.10. FORECASTS OF FINANCIAL RESULTS

Unibep Group and UNIBEP SA did not publish financial forecasts for 2023.

Due to the completion, on 14 February 2025, of the aggregation process of preliminary estimated financial data carried out for the purpose of the process of preparing financial statements for 2024, the Issuer has decided to make public the preliminary estimated selected financial and operational data of Unibep Group for 2024

Below is a summary of selected financial data against published results estimates.

	PLN thousand	data for 2024	data for 2024 – estimated 14.02.2025	deviation
1	**Consolidated sales revenue**	**2 606 858**	**2,606,866**	**-8**
	including consolidated revenues in the segment:			
	construction (*)	*2 200 367*	*2 200 375*	*-8*
	modular construction	*168,348*	*168,348*	*0*
	property development	*298,999*	*298,999*	*0*
	(*) the construction segment includes the following areas: energy and industry, volume and infrastructure			
2	Consolidated gross profit on sales	176,622	176,622	0
3	Consolidated profit from operating activities	168,647	168,649	-2
4	Consolidated net profit	107,655	107,143	512
4a	Consolidated net profit attributable to equity holders of the parent company	44,856	44,344	512
5	**Data as at 31 December 2024:**			
5a	Cash	262,504	262,504	0
5b	Level of financial debt *(excluding lease on account of leases):*	365,182	365,182	0
5c	Loans granted outside the Group	105,401	105,401	0

5.11. PRINCIPLES OF PREPARATION OF FINANCIAL STATEMENTS AND BASIS OF PUBLICATION

This Management Board's Report on the Operations of the Group in 2024 contains information the scope of which is specified in § 70-71 of the Regulation of the Minister of Finance of 29 March 2018 on current and periodic information provided by issuers of securities [...] (the Regulation).

The consolidated annual report, which includes the consolidated financial statements and this report on activity, was prepared on the basis of § 70, § 71 and § 60(2) of the Regulation. The principles of preparation of annual financial statements are presented in subsequent notes to these statements.

Pursuant to §71(8) of the Regulation, this report also includes disclosures required for the Report on the operations of the Parent Company.

The statement on non-financial information referred to in § 70 (1) (5) and § 71 (1) (5) of the Regulation respectively is included as part of this report, with the provision that it has been prepared in accordance with the requirements of Chapter 6c (Article 63p. et seq.) of the Accounting Act.

6. DESCRIPTION OF SIGNIFICANT EVENTS

6.1. MATERIAL AGREEMENTS RELATED TO OPERATIONS

CONSTRUCTION Segment
Sector: LARGE-SCALE CONSTRUCTION
Unibep SA

- **Conclusion of a conditional agreement concerning the construction of a border crossing on the Ukrainian-Polish border by Unibep SA.**

On 11 March 2024, Unibep SA entered into a general contracting agreement regarding the construction of "Szeginie" border crossing on the Ukrainian-Polish border, which supersedes the previous arrangements concerning this subject matter communicated by the Company i.a. in current report No. 31/2020 of 26 June 2020. The Contracting Party is the State Customs Service of Ukraine. The value of the Agreement is ca. EUR 23.5 m net, which is an equivalent of ca. PLN 100.9 m net. (RB 15/2024)

On 21 May 2024, Unibep SA received notification from the Ministry of Finance of the Republic of Poland that the contents of the construction contract had been approved as of the same date. (RB 25/2024)

As a consequence of the above, the agreement entered into force on 5 June 2024.

- **Signing a contract for the implementation of the housing project at ul. Posag 7 Panien in Warsaw**

On 23 May 2024, Unibep SA entered into a construction contract for a residential development called: “Fokus Ursus" at ul. Posag 7 Panien in Warsaw. The Contracting Party is Ursus Equilis Sp. z o.o.based in Warsaw, an entity belonging to Equilis Group. The Company's remuneration for the implementation of the project is ca. PLN 92.0 m net. (RB 26/2024)

- **Conclusion of an agreement by a consortium with the participation of Unibep SA for the implementation of a task in Wielbark**

on 24 May 2024, a consortium consisting of Unibep SA [Consortium Leader] and TYTAN Systemy Bezpieczeństwa sp. z o.o., based in Białystok [Consortium Partner], entered into a contract for the task titled: "Execution of construction and assembly works after preparation of the investment programme and cost estimate documentation for construction of a temporary container camp together with the necessary accompanying infrastructure in the "design and build" system in Wielbark – tender No. 5/RB". The State Treasury – Regional Infrastructure Management in Olsztyn is the contracting party. The Consortium's remuneration for the execution of the Investment amounts to ca. PLN 36.7 m gross, of which the amount attributable to the Issuer is ca. PLN 23.4 m gross, i.e. ca. PLN 19.04 m net. (RB 27/2024)

- **Conclusion of a contract for the implementation of the housing project titled: "Esy Floresy" at ul. Cybernetyki in Warsaw**

On 21 June 2024, Unibep SA entered into a contract for the performance of a project titled: "Esy Floresy" at ul. Cybernetyki in Warsaw. The contracting party is WSD SPV 9 Sp. z o.o., based in Warsaw, which is a subsidiary of Flora Development Sp. z o.o., based in Warsaw. The Issuer's remuneration for the implementation of the project is ca. PLN 81.0 m net. (RB 31/2024)

- **Conclusion of an agreement for the "Execution of construction and assembly works after prior development of an investment programme and design and cost documentation for the construction of a tactical training centre with the necessary accompanying infrastructure for the needs of the training of the Internal Affairs Department in the "design and build" system – task Czarna Białostocka – tender No. 6/RB"**

On 24 July 2024, Unibep SA received a notice from the State Treasury – the Regional Infrastructure Management Board in Olsztyn on the selection as the most advantageous offer submitted by a consortium consisting of: Unibep S.A. [Consortium Leader] and TYTAN Systemy Bezpieczeństwa sp. z o.o. with its registered office in Białystok [Consortium Partner] in a public procurement procedure titled: "Execution of construction and assembly works (...) in the "design and build" system. – task Czarna Białostocka – tender No. 6/RB". The price of the offer submitted by the Consortium is ca. PLN 89.8 m, i.e. ca. PLN 73.0 m net, of which the remuneration payable to the Issuer is ca. PLN 46.2 m net. (RB 46/2024)

On 5 August 2024, the contract was signed. (RB 51/2024)

CONSTRUCTION Segment
Sector: ENERGY AND INDUSTRIAL CONSTRUCTION
Unibep SA

- **Conclusion of a contract for the 'design and build' conversion of coal-fired boilers to gas- and/or oil-fired boilers at the 'Zachód' Heat Plant in Białystok**

On 23 January 2024, Unibep SA entered into a public procurement contract titled: "Conversion (replacement - dismantling and construction) of coal-fired boilers WRm 40 No. K-4 and WRp No. K-5 to boilers fired by gas and/or oil, together with the installation of flue gas removal by two steel emitters sited on a common reinforced concrete foundation and the construction of a fuel oil storage and distribution system at the Heat Plant "Zachód" in Bialystok". The employer is Enea Ciepło Sp. z o.o. with its registered office in Białystok. Remuneration for the delivery of the Investment is ca. PLN 107.0 m gross, which is an equivalent of ca. PLN 87.0 m net. (RB 5/2024)

- **Information on the Contracting Party's submission of a declaration of withdrawal from the contract for the implementation of an investment project consisting of the extension and reconstruction of a production facility in Radzikowice, Opolskie Voivodeship**

On 13 February 2024, the Company received from the Contracting Party, i.e. Umicore Battery Materials Poland sp. z o.o. with its registered office in Radzikowice a letter containing the Contracting Party's declaration of withdrawal from the Agreement, in the part not yet executed, for reasons attributable to the Company. (RB 10/2024)

- **Information on Unibep SA's submission of a declaration of withdrawal from the contract for the implementation of an investment project consisting of the extension and reconstruction of a production facility in Radzikowice, Opolskie Voivodeship.**

On 16 February 2024, it submitted to the Contracting Party its own declaration of withdrawal from the contract in the part not yet completed for reasons attributable to the Contracting Party. The Issuer is of the opinion that the declaration made by the Contracting Party on 13 February 2024 was substantively unfounded and thus could not have legal effect. At the same time, the prerequisites entitling the Company to submit a declaration of withdrawal from the contract to the Contracting Party for reasons attributable to the Contracting Party existed. (RB 11/2024)

- **Conclusion of a conditional agreement by a consortium with the participation of Unibep SA for the implementation of an investment task concerning the construction of a cogeneration system at a thermal power plant in Poland, within the scope of execution and service – declassification of delayed confidential information**

On 15 July 2024, Unibep SA made public the contents of a delayed confidential information regarding the conclusion of a conditional agreement for the implementation by a consortium with the participation of the Issuer of an investment in cogeneration. The Issuer delayed announcing the conclusion on 8 March 2024 by a consortium of companies consisting of: Unibep SA [Consortium Leader] and Introl Energomontaż Sp. z o.o. with its registered office in Chorzów [Consortium Partner] a conditional agreement for the implementation of an investment task for a Polish entity from the energy sector concerning the construction of a cogeneration system at a CHP plant in Poland, in the execution and service scope. The Issuer's remuneration for the implementation of the Investment indicated in the aforementioned agreement is ca. PLN 166.7 m net. (RB 38/2024)

On 23 September 2024, the Management Board of Unibep SA received notification from the Contracting Party on the fulfilment of all the conditions for the contract to come into force being met on 20 September 2024, with the result that the contract came into force on 21 September 2024. (RB 61/2024)

- **Conclusion of a contract for the implementation of the task titled: "Integrated Network for Innovative Transformation and decarbonisation of the heat industry (UNITED HEAT), Stage I Construction of a Biomass Heat Plant" in Zgorzelec in the Lower Silesian Voivodeship.**

On 20 November 2024, a consortium of companies consisting of Unibep SA with its registered office in Bielsko Podlaskie [Consortium Leader] and Energika Zbigniew Szamałek Sp. komandytowa with its registered office in Zasutów [Consortium Partner] entered into an agreement for the implementation of the task titled: "Integrated Network for Innovative Transformation and decarbonisation of the heat industry (UNITED HEAT), Stage I Construction of a Biomass Heat Plant" in Zgorzelec in the Lower Silesian Voivodeship.

The contracting party is Green Future 1 Sp. z o.o., based in Zgorzelec, an entity belonging to the E.ON EDIS ENERGIA Group. The Consortium's remuneration for the performance of the Contract is PLN 86.9 m net, of which ca. PLN 32.0 m net is the remuneration due to the Issuer. (RB 74/2024)

- **Conclusion of a contract for the implementation of the "design and build" task titled: "Reconstruction of the 'Pod Grapą' District Boiler House for the needs of high-efficiency cogeneration and new gas-fired generation units" in Żywiec in Silesian Voivodeship.**

On 05 December 2024, Unibep SA entered into a public procurement contract titled: "Reconstruction of the 'Pod Grapą' District Boiler House for the needs of high-efficiency cogeneration and new gas-fired generation units" in Żywiec in Silesian Voivodeship.

The contracting party is Miejski Zakład Energetyki Cieplnej "EKOTERM" Sp. z o.o. with its registered office in Żywiec. The Issuer's remuneration for the implementation of the project is ca. PLN 95.9 m gross, which is an equivalent of ca. PLN 78.0 m net. (RB 77/2024)

CONSTRUCTION Segment
Sector: INFRASTRUCTURE
Unibep SA

- **Conclusion of a public procurement contract titled: "Design and construction of the S19 Dobrzyniewo – Sokółka road section: Czarna Białostocka junction (without junction) – Białystok Północ junction (without junction)"**

On 19 February 2024, Unibep SA entered into a public procurement contract titled: "Design and construction of the S19 Dobrzyniewo – Sokółka road section: Czarna Białostocka junction (without junction) – Białystok Północ junction (without junction)". The contracting party is the General Directorate for National Roads and Motorways (GDDKiA) in Białystok. The Issuer's remuneration for the implementation of the project is ca. PLN 350 m gross. (RB 12/2024)

- **Conclusion of a contract for the implementation of the task titled: "Construction and extension of voivodeship road No. 679, including road engineering facilities and the necessary technical infrastructure, along the section Łomża – Mężenin"**

On 27 March 2024, a consortium consisting of Unibep SA [Consortium Leader] and Przedsiębiorstwo Budownictwa Komunikacyjnego Sp. z o.o. with its registered office in Łomża [Consortium Partner] entered into a public procurement contract titled: "Construction and extension of voivodeship road No. 679, including road engineering facilities and the necessary technical infrastructure, along the section Łomża – Mężenin." The contract was awarded by the Podlasie Regional Road Administration in Białystok. The gross remuneration for the Investment is ca. PLN 251.4 m, i.e. ca. PLN 204.4 m net, of which the remuneration payable to the Issuer is ca. PLN 102.2 m net. (RB 16/2024)

- **Conclusion of a public procurement contract titled: "Design and construction of the S19 expressway on the section: Białystok Północ junction (without junction) – Dobrzyniewo junction (with junction)".**

On 14 May 2024, Unibep SA entered into a public procurement contract titled: "Design and construction of the S19 expressway on the section: Białystok Północ junction (without junction) – Dobrzyniewo junction (with junction)". The employer is the General Directorate for National Roads and Motorways (GDDKiA), Branch in Białystok. The Issuer's remuneration for the implementation of the project is ca. PLN 320 m gross. (RB 24/2024)

- **Conclusion of a contract for the implementation of the task titled: "Extension of voivodeship road No. 653 on the section Olecko – voivodeship border" in the Warmińsko-Mazurskie Voivodeship**

On 21 October 2024, Unibep SA entered into a public procurement contract titled: "Extension of voivodeship road No. 653, section from Darłowo to the voivodeship border". The contracting party is the Provincial Roads Authority in Olsztyn. The Issuer's remuneration for the implementation of the project is ca. PLN 118.6 m gross, which is an equivalent of ca. PLN 96.4 m net. (RB 68/2024)

REAL ESTATE DEVELOPMENT segment
Unidevelopment SA, special purpose vehicles

- **Conclusion of an agreement by a subsidiary for the acquisition of a property located in the Białołęka district of Warsaw** on 30 January 2024, UNI 9 Sp. z o.o., a member of the Issuer's Group and a subsidiary of Unidevelopment SA. [the Buyer] signed an agreement transferring ownership of a property located in the Białołęka district of Warsaw to the Buyer. The Seller is Marywilska 3R Spółka z ograniczoną odpowiedzialnością spółka komandytowa with its registered office in Warsaw. The net value of the agreement is ca. PLN 17.0 m. (RB 7/2024)

- **Information on non-recurring accounting operations related to the reclassification and valuation of land of selected subsidiaries.**

On 29 March 2024, the Issuer's subsidiaries operating in the real estate development business segment adopted resolutions to cease work preparing their selected land properties for the development of residential projects and to maintain these land properties in order to benefit from the increase in their value, which entails reclassifying these land properties from inventory to investment properties and valuing the land at fair value. (RB 18/2024)

On 26 June 2024, a contract was concluded between COOPERA IDEA Sp. z o.o., a company with its registered office in Warsaw [the Seller] belonging to the Issuer's Group and dependent on Unidevelopment S.A., and a capital company with its registered office in Warsaw from outside the Issuer's Group [the Buyer] for the sale of a property located in Warsaw, in Bemowo district. The subject of the agreement was the sale of the ownership right to a plot of land with an area of ca. 0.83 ha for a total net price of PLN 25.4 m. (RB 34/2024)

MODULAR CONSTRUCTION segment
Unihouse SA

- **Conclusion by UNIHOUSE SA of a contract for the construction of a building in modular technology in Trondheim, Norway.**

On 5 January 2024, a subsidiary of Unihouse SA concluded an agreement for the construction in modular technology of a 4-storey building for locker rooms, bathrooms and a canteen in Trondheim, Norway. The employer is the Municipality of Trondheim. Remuneration for the implementation of the Project is ca. NOK 30.0 m net, which is equivalent to ca. PLN 11.6 m net. (RB 1/2024)

- **Selection of the offer of UNIHOUSE SA in the tender procedure for the construction of a building using modular technology in Troms, Norway**

on 30 April 2024, the Management Board of Unibep SA learned that the Municipality of Troms had selected as of the same date the bid of its subsidiary, Unihouse SA, as the most favourable one in the public procurement procedure for the construction, using modular technology, of a 2-story building to house 26 public housing units for refugees, in Troms, Norway. (RB 23/2024)

On 5 June 2024, the Management Board of Unibep S.A. was informed by the contracting party that the project had been abandoned due to the contracting party's failure to obtain financing. (RB 30/2024)

- **Selection of the offer of UNIHOUSE S.A. in the tender procedure for the construction of a building in modular technology in the Municipality of Baerum, Norway**

On 15 July 2024, the Management Board of Unibep S.A. was informed that the Municipality of Baerum had, as of the same date, selected the offer of its subsidiary Unihouse S.A. as the most favourable one in the public procurement procedure for the construction, in modular technology, of a 2-storey school building for children with disabilities in the Municipality of Baerum, Norway. (RB 37/2024)

On 12 September 2024, the contract was signed. Remuneration for the implementation of the Project is ca. NOK 39.7 m net, which is equivalent to ca. PLN 14.3 m net. (RB 60/2024)

- **Selection of the Unihouse SA bid for the public task titled: "Construction of a multi-family residential building together with building facilities, external water supply system, external sanitary and rainwater drainage system and site hardenings in Trzebiatów" in the Zachodniopomorskie Voivodeship**

On 17 July 2024, the Management Board of Unibep SA was informed that Społeczna Inicjatywa Mieszkaniowa "KZN – Zachodniopomorskie" Sp. z o.o., with its registered office in Koszalin, had selected, on the same date, as the most favourable the offer of the subsidiary Unihouse SA in the public contract award procedure titled: "Construction of a residential building (...) in Trzebiatów". The offer price is ca. PLN 22.3 m gross. (RB 41/2024)

On 23 July 2024, the contract was signed. (RB 45/2024)

- **Unihouse S.A. concludes contract for delivery of modules for construction of kindergarten building in Iceland**

On 19 July 2024, Unibep SA became aware that on the same date a subsidiary of Unihouse S.A. entered into a subcontract for the supply of modules for the construction of a kindergarten building in Iceland. The remuneration for the performance of the contract is ca. EUR 2.6 m net, which is equivalent to ca. PLN 11.2 m net. (RB 43/2024)

- **Selection of the Unihouse SA bid for the public task titled: "Construction of a multi-family building with technical infrastructure and landscaping at Kolorowa 18 in Gdańsk" in the Pomorskie Voivodeship**

On 30 August 2024, the Management Board of Unibep SA was informed that Gdańska Infrastruktura Społeczna Sp. z o.o., with its registered office in Gdańsk, had selected, on the same date, as the most favourable the offer of the subsidiary Unihouse SA in the procedure titled: "Construction of a multi-family building with technical infrastructure and landscaping at Kolorowa 18 in Gdańsk". The price of the tender submitted by the Issuer is ca. PLN 12.3 m gross, i.e. ca. PLN 11.3 m net. (RB 57/2024)

The contract was signed on 11 September 2024. (RB 59/2024)

- **Unibep SA's conclusion of the contract for the task titled: "Construction of a modular facility with light structure for the needs of the subdivision of the Internal Affairs Department in Tomaszów Mazowiecki – Task 11877".**

On 15 October 2024, Unibep SA entered into an agreement to execute, under the 'design and build' formula, including obtaining a building permit, the task titled: "Construction of a modular facility in lightweight construction for the subdivision of the DZSW in Tomaszów Mazowiecki – Task 11877". The State Treasury – Regional Infrastructure Management in Olsztyn is the contracting party. The Issuer's remuneration for the project delivery amounts to ca. PLN 29.9 m gross, i.e. ca. PLN 24.3 m net. (RB 67/2024)

The project was subcontracted to Unihouse SA.

- **Conclusion by UNIHOUSE SA of a contract for the construction of a building in modular technology in Oslo, Norway.**

On 8 October 2024, the Management Board of Unibep SA was informed that the Municipality of Oslo had selected the bid of its subsidiary Unihouse SA as the most favourable in a public procurement procedure for the construction, using modular technology, of a 2-storey community centre building with staff facilities and three 2-storey patient buildings with a total of 13 temporary housing units, located in Oslo, Norway. The price of the offer submitted by UNIHOUSE is ca. NOK 29.3 m net, equivalent to ca. PLN 10.8 m net. (RB 64/2024)

On 21 October 2024, the contract was signed. (RB 69/2024)

- **Award of contract for the construction of an office building in Germany to UNIHOUSE S.A.**

On 11 November 2024, the Management Board of Unibep SA was informed that, as of the same date, Vermögen und Bau Baden-Württemberg Amt had selected the bid of the subsidiary Unihouse SA as the most favourable one in a public procurement procedure for the modular technology construction of a 3-storey office building in Tübingen, Germany. The price of the offer submitted by UNIHOUSE is ca. EUR 4.8 m net, equivalent to ca. PLN 20.6 m net. (RB 72/2024)

On 22 November 2024, the Management Board of Unibep SA learned that a public contract had been awarded on the same date. (RB 75/2024)

6.2. RELATED PARTY TRANSACTIONS

In the period covered by this report, contracts between UNIBEP SA and its subsidiaries were market-based and not different from other transactions of this type on the market.
Notwithstanding the above, below is a list of the most important contracts concluded between the related parties of the Group:

- on 12 July 2024, Unibep SA signed a contract for general contracting of a residential project on ul. Marywilska in Warsaw. The contracting party is Uni 9 Sp. z o.o., based in Warsaw, which is a subsidiary of Unidevelopment S.A. The Issuer's estimated remuneration for the performance of the contract is ca. PLN 43.0 m net. (RB 36/2024)
- Intra-group loans:
  - On 29 March 2024, Unibep SA annexed a loan agreement in the amount of PLN 5 m with Unidevelopment SA, thus extending the term to 30 September 2026.
  - On 30 April 2024, Unibep SA granted a loan of PLN 4.7 m to Unihouse SA. The loan was granted until 5 July 2024.
  - On 1 July 2024, Unibep SA annexed a loan agreement of PLN 4.7 m with Unihouse SA extending the term to 30.11.2024.
  - On 15 July 2024, Unibep SA granted a loan of PLN 7 m to Unihouse SA. The loan was granted until 31 January 2025.
  - On 17 July 2024, Unibep SA annexed the PLN 10 m loan agreement with Unibep PPP increasing the loan amount to PLN 11 m

- On 6 November 2024, Unidevelopment SA granted Unibep SA a loan of PLN 10 m. The loan was granted until 31 December 2024.
- On 22 November 2024, Unibep SA annexed a loan agreement in the amount of PLN 4.7 m with Unihouse SA, extending the term to 31.03.2025

Intra-group loan agreements are entered into between companies within Unibep Group. These transactions are made at arm's length and act as a liquidity and cash surplus management tool at Unibep Group level and have no impact on the consolidated financial statements.

The interest rate on intra-group loans is based on a variable WIBOR interest rate and a fixed margin calculated based on an econometric model. In calculating the margin, the model, developed with reconciliation of transfer pricing requirements, takes into account periodically updated industry benchmarks and the economic situation of the lender and borrower.

Information on transactions with related parties is additionally included in the Consolidated Financial Statements in Note 6.28.

6.3. MATERIAL FINANCIAL AGREEMENTS

Apart from the contracts described in Section 5.6, Unibep Group companies did not enter into any other significant financial contracts.

6.4. OTHER IMPORTANT EVENTS

- **Russia's invasion of Ukraine. Information on the impact of the war on Unibep Group's operations**

The situation described in previous interim reports and the annual report for 2023 remains valid. The situation related to the war in Ukraine indirectly affects the Company's and the Group's operations and may affect future financial results. Although the exposure to the services and materials from the Eastern markets is not large, the armed conflict has caused many adverse economic trends. This has or may have an impact on investor sentiment and investment inclinations. Depending on how the situation in Ukraine develops, the war could have a disruptive effect on supply chains and thus impact raw material prices, the exodus of workers from the Polish market and thus affect delivery schedules and prices of subcontractors.

The war in the east is influencing countries' decisions on arms spending, including infrastructure development. The company monitors investment intentions in the military and activates its efforts in terms of winning construction orders commissioned by the Polish military administration.

Unibep SA maintains its intention to participate in the post-war reconstruction project in Ukraine. The company currently operates one contract in Ukraine. On 11 March 2024, it concluded a conditional agreement finally accepted by the Ministry of Finance of the Republic of Poland on 21 May 2024 for the implementation of the Medyka-Szeginie border crossing on the Ukrainian-Polish border (the Ukrainian part of the border crossing).

The company is monitoring the development of the conflict and the possible impact on the delivery of our plans in specific markets, including Ukraine. Currently, there are no factors caused by the war that would adversely affect the fulfilment of our contractual obligations to the contracting parties.

- **Invalidation of the selection of Unihouse S.A.'s offer in the tender procedure for the delivery of an investment in Gdańsk**

On 16 August 2024, Unibep S.A. became aware that, in view of a successfully filed appeal by a participant in the tender procedure for the construction, in modular technology, of a service building and four multi-family residential buildings in Gdańsk, the Contracting Party concluded an agreement with another contractor, as a result of which the selection of the tender submitted by Unihouse S.A. was cancelled. The Issuer announced the selection of the offer in current report No. 97/2023. (RB 54/2024)

- **Cancellation of the tender for the implementation of the border crossing "Krakowiec" on the Ukrainian-Polish border**

On 8 October 2024, the Management Board of Unibep SA was informed that the Contracting Party had cancelled the tender for the award of a contract for the "design and build" task titled: "Construction of a yard for passenger vehicles and buses at the traffic checkpoint "Krakowiec" and reconstruction of the infrastructure of the Ukrainian part of the existing checkpoint "Krakowiec" at the Ukrainian-Polish border. The Contracting Party cited the failure of the organisational units of the State Customs Service to agree on a draft contract for the implementation of the Investment as the reason for the cancellation of the tender, making it impossible to sign the contract within the legal deadlines. The company indicates that it will clarify the circumstances of the tender cancellation and will also consider using the appeals procedure. (RB 65/2024)

The Issuer informed about the selection of Unibep SA's offer as the most favourable one in the content of current report No. 49/2024 of 31 July 2024.

- **Outcome of treasury proceedings in Monday Development Sp. z o.o.**

On 2 July 2024, the Head of the Customs and Fiscal Office (UCS) in Poznań issued the result of an audit of the CIT settlements of Monday Development Sp. z o.o. (MDV) for 2019 (hereafter: "Outcome of the audit"), which questioned the business case for the merger of MDV and UDM2 in 2019 and consequently the tax neutrality of the transaction. According to the auditors, MDV's potential income tax arrears on this account for 2019 amount to PLN 13 126 965.00.

MDV does not agree with the position of the Head of Customs and Taxation and has not adjusted the CIT accounts for 2019 and has not included the result of the audit in the accounts.

On 28 August 2024, the Company received an order to convert the completed audit into tax proceedings.

For the purpose of assessing the prospect of further tax proceedings and their impact on the Unidevelopment Group's financial statements, MDV commissioned a reputable consulting firm to prepare an independent opinion. The conclusions of the opinion are consistent with the Company's position and indicate a greater likelihood of an eventual outcome in favour of the Company in the case.

MDV has also obtained opinions from independent, recognised experts in the fields of tax law and economics, confirming the economic rationale of the merger in question with UDM2 and that there are no grounds to question its income tax neutrality.

In the course of the tax proceedings, the Company also presented further evidence and witness statements confirming the correctness of its position.

By order served on the MDV on 5 March 2025, the Wielkopolski Urząd Celno-Skarbowy in Poznań once again extended the deadline for the completion of the proceedings. As of the date of this information, no administrative decisions on this matter have been provided to the Company.

- **Stalemate at Fama Development sp. z o.o. sp.j.**

As part of the implementation of a joint development project called Fama Jeżyce (JV project) conducted at Fama Development sp. z o.o. sp.j. (hereafter “Fama”), there has been a shareholder stalemate. As the impasse was not resolved within the contractual deadline, Unidevelopment S.A. with its registered office in Warsaw (as a partner in Fama), in accordance with the provisions of the investment agreement concluded between the partners of Fama (hereinafter referred to as the "Investment Agreement"), proceeded to implement the procedure to resolve the situation by amending Fama partnership agreement. As a result of these actions, in June 2024 Unidevelopment SA became the sole shareholder authorised to represent Fama. This amendment to the articles of association of this company was registered with the National Court Register on 25 June 2024.

In July 2024, as a result of a challenge to these actions by the other shareholder, i.e. JB Investment Societe commandite speciale SCSp, a decision was issued by the Regional Court in Poznań to grant security by suspending the enforceability of the aforementioned amendment. Unidevelopment SA filed a complaint against the aforementioned order on 18 October 2024 and a response to the aforementioned lawsuit was filed on 13 November 2024. On 12 December 2024, the Court of Appeal in Poznań issued orders dismissing the above-mentioned complaint. The order is final. On 12 February 2025, the Company's other partners received JB Investment's reply to the Company's reply to the lawsuit filed by the Company's other partners. A reply to the above-mentioned reply was filed by the other shareholders with the District Court in Poznań.

In addition, in August 2024, JB Investment Societe commandite specjale SCSp, as a shareholder of Fama Sp. z o.o., filed a lawsuit to establish the invalidity or possible non-existence of the resolutions concerning the approval of the Financial Statements for 2023 of Fama Development sp. z o.o. and the appointment of a new board member therein at the ordinary shareholders' meeting of the Company of 1 July 2024, together with a request to provide security. The Poznań Regional Court issued a decision to grant security by suspending the enforceability of these resolutions. Fama Sp. z o.o. filed a complaint against the above-mentioned order on 17 October 2024 and a response to the above-mentioned lawsuit on 15 November 2024. In addition, Unidevelopment SA joined the case as a third party defendant.

- **Notification of claim by JB INVESTMENT SOCIÉTÉ EN COMMANDITE SPÉCIALE**

JB INVESTMENT SOCIÉTÉ EN COMMANDITE SPÉCIALE, Luxembourg, issued a final pre-court summons to Unidevelopment SA, Warsaw, on 5 August 2024, for the payment of PLN 88 m for the alleged loss, together with a declaration of set-off. No provision has been made for the aforementioned claim at this time due to the fact that the aforementioned demand is completely unfounded and unjustified. Unidevelopment SA and the Parent Company consider the claim to be obviously unfounded and the set-off declaration made to be ineffective.

6.5. EVENTS AND AGREEMENTS SIGNED AFTER THE BALANCE SHEET DATE

- **Selection of two bids from Unibep S.A. in tender proceedings for the execution of construction works as part of the extension of provincial road No. 651 in the Warmińsko-Mazurskie voivodeship**

Unibep SA received a notification from the Voivodeship Roads Authority in Olsztyn on the selection of the tender submitted by the Issuer in the procedure for the award of a public contract called Execution of construction works for the task titled: "Extension of provincial road No. 651 on the section Gołdap – Dubienniki", as well as ii) the offer submitted by the Issuer [Offer 2] in the procedure for the award of the public procurement contract titled: Execution of construction works for the task titled: “Extension of voivodeship road No. 651, section from Darłowo to the West Pomeranian Voivodeship border”.

The price of Offer 1 submitted by the Company is approximately PLN 148.2 m gross, equivalent to approximately PLN 120.5 m net. The price of the tender submitted by the Issuer is ca. PLN 157.0 m gross, i.e. ca. PLN 127.7 m net. (RB 1/2025)

- **Signing a contract for the implementation of the housing project at Jana Pawła II 34 in Warsaw**

On 20 January 2025, the Management Board of Unibep SA entered into a construction contract for the general contracting of a residential project at Al. Jana Pawła II 34 in Warsaw. The ordering party is PHN JPII34 Sp. z o.o., based in Warsaw. The Issuer’s remuneration for the implementation of the project is ca. PLN 28.4 m net. (RB 3/2025)

- **Halting steps towards a possible sale of Unihouse SA shares**

On 6 February 2025, the Company's Supervisory Board decided to suspend its activities towards a possible sale of Unihouse SA shares. The Company's process of analysing possible scenarios for acquiring a potential investor for Unihouse SA and its initially and conditionally expressed interest in carrying out such a transaction indicated that the potential implementation of such a transaction in the current economic and market conditions would not be satisfactory for the Issuer.

In view of the above, the Issuer envisages maintaining Unihouse within Unibep Group and working on its further development, including in new market segments where there are real prospects for growth. At the same time, the Supervisory Board of the Company, in agreement with the Management Board, do not exclude the possibility of resuming activities towards a possible sale of shares in Unihouse SA in the future, when the economic and market conditions will give a chance to carry out such a possible transaction on terms satisfactory to the Issuer. (RB 5/2025)

- **Launch of a bond issue programme at Unidevelopment SA**

In February/March 2025, a subsidiary of Unidevelopment SA passed a resolution to launch a bond issue programme with a total nominal value not exceeding PLN 55.0 m. The nominal value of one bond will be PLN 1,000. The purpose of the programme is to raise funds for the early redemption of three-year secured series A/B and C bonds issued by Unidevelopment SA in 2023 with a total value of PLN 55.0 m. On 6 March 2025, Unidevelopment SA adopted a resolution to pre-allocate 55,000 series D bearer bonds with a nominal value of PLN 1,000 each and a total nominal value of PLN 55.0 m, and to allocate and issue series D bonds as of 13 March 2025. The early redemption of series A/B and C bonds was executed on 25 March 2025 (RB 7/2025, RB 8/2025, RB 9/2025, RB 13/2025).

- **Conclusion of a contract for the army**

On 11 March 2025, Unibep SA entered into an agreement for investment task No. 91707, titled: "Barracks + Canteen (3 barracks buildings [accommodating 1,200 people] +1 canteen building [capacity up to 1,428 people] – Stage I" on the territory of the Powidz Garrison in the Powidz military complex in the Wielkopolskie Voivodeship.

The contracting party is the Military Property Agency based in Warsaw. The Issuer's remuneration for the implementation of the project is ca. PLN 235.4 m net. (RB 12/2025)

- **Conclusion by UNIHOUSE SA of a contract for the delivery of the investment task titled: "Construction of a multi-family residential building with associated infrastructure in Ogrodzieniec at Słowackiego, plot No. 3030/25"**

On 14 March 2025, a subsidiary of Unihouse S.A., based in Bielsk Podlaski, signed a contract for the implementation of a public procurement contract titled: "Construction of a multi-family residential building with associated infrastructure in Ogrodzieniec at Słowackiego, plot No. 3030/25". The employer is SIM Zagłębie Sp. z o.o. with its registered office in Sosnowiec. The estimated remuneration for the implementation of the project is ca. PLN 20.5 m gross, i.e. ca. PLN 18.9 m net. (RB 14/2025)

- **Selection of the tender submitted by the Consortium with the participation of Unibep SA in the tendering procedure for the implementation of the task titled: "Design and construction of a maintenance and repair hall for railway vehicles in Sochaczew" in the Mazowieckie Voivodeship.**

On 17 March 2025, the Management Board of Unibep SA received from "Koleje Mazowieckie – KM" Sp. z o.o. with its registered office in Warsaw, a notice of selection as the most advantageous offer submitted by the consortium consisting of: Unibep SA with its registered office in Bielsko Podlaskie [Consortium Leader], Przedsiębiorstwo EL-IN Sp. z o.o. with its registered office in Skierniewice [Consortium Partner] and DB PROJEKT Sp. z o.o. with its registered office in Warsaw [Consortium Partner] in proceedings for the award of a public procurement contract titled: "Design and construction of a maintenance and repair hall for railway vehicles in Sochaczew". The offer price submitted by the Consortium is ca. PLN 289.6 m net, of which the Issuer's share is ca. PLN 166.6 m net. (RB 15/2025)

- **Signing of conditional share purchase agreement**

On 19 March 2025 Unidevelopment S.A. (the Seller) entered into a Conditional Sale Agreement for 100% of the shares in Fama Management Sp. z o.o. with a private individual (the Buyer).

The agreement is concluded under the condition precedent of a positive outcome of the Company's due diligence. Due diligence will be carried out by the Buyer by 31 May 2025. The positive outcome of the due diligence and the submission by the Buyer to the Seller of a statement in writing with a notarised signature in which the Buyer confirms that it has obtained a positive outcome of the due diligence will mean that the condition precedent has been fulfilled and therefore the Contract will enter into force upon the fulfilment of this condition precedent. The condition precedent is reserved in favour of the Buyer.

- **Conclusion by UNIHOUSE SA of a contract for the design and construction of a nursery building in Białystok**

On 20 March 2025, a subsidiary of Unihouse SA entered into a contract, dated 19 March 2025, for the design and construction of a modular nursery at Depowa street in Białystok.

The Contracting Party is the City of Białystok. The Issuer's remuneration for the implementation of the project is ca. PLN 13.4 m net. (RB 16/2025)

- **Update on the execution of the contract for the construction of a storage hall in Tuszyn in Łódzkie voivodeship**

On 24 March 2025, the Management Board of Unibep S.A. submitted to the Contracting Party a declaration of withdrawal from the Agreement in the unperformed part, due to the fulfilment of the contractual prerequisites entitling the Issuer to withdraw, related to the ongoing period of suspension of works, with effect from 31 March 2025. (RB 18/2025)

Contract with Alocasia Sp. z o.o. with its registered office in Warsaw for the construction of a warehouse and production hall with office and social facilities together with technical and accompanying infrastructure and communication in Tuszyn in the Łódź province was concluded on 24 May 2022 (RB 34/22)

The aforementioned withdrawal will not have any negative impact on the Group's results in subsequent periods, and technical and amicable discussions are currently underway regarding the handover of the construction site to the investor.

- **Selection of the offer of Unibep SA in the tender procedure for the implementation of the task titled: "Construction of an educational building for the training of candidates for professional military service" – under the design and build formula**

On 07 April 2025, the Management Board of Unibep SA received a notice from the Military University of Technology on the selection as the most favourable offer submitted by the Issuer in the public contract award procedure titled: "Construction of an educational building for the training of candidates for professional military service" – under the design and build formula The price of the tender submitted by the Issuer is ca. PLN 192.5 m gross, i.e. ca. PLN 156.5 m net. (RB 19/2025)

- **Selection of the offer of Unibep SA in the tender procedure for the implementation of the task titled: "Construction of an estate of multi-family houses with landscaping in Będzin at Odkrywkowa St."**

On 11 April 2025, the Management Board of Unibep SA was informed of the selection, on the same date by SIM Zagłębie Sp. z o.o., based in Sosnowiec, of its offer as the most favourable, by a subsidiary of Unihouse SA in the proceedings for the award of a public procurement contract titled: "Construction of an estate of multi-family houses with landscaping in Będzin at Odkrywkowa St." The offer price is ca. PLN 59.9 m gross, which is ca. PLN 54.8 m net. (RB 21/2025)

- **Conclusion of financial contracts**
    - On 8 January 2025, Unibep SA extended its agreement with Generali Towarzystwo Ubezpieczeń SA for the provision of guarantees under the revolving limit of PLN 36 m. The agreement was extended until 31 December 2025.
    - On 17 January 2025, Unibep S.A. renewed its guarantee line agreement with BNP Paribas Bank Polska S.A. in the amount of PLN 123 m. The agreement was extended until 28 February 2025.
    - On 31 January 2025, Unibep SA and Unihouse SA renewed their agreement with Bank Polska Kasa Opieki SA for a multi-purpose credit limit of PLN 70 m. The agreement was extended until 31 January 2026.
    - On 31 January 2025, Unibep SA extended its eFinancing agreement with Bank Polska Kasa Opieki SA for supplier financing in the amount of PLN 20 m. The agreement was extended until 31 January 2026.

- On 5 February 2025 Santander Bank Polska S.A. granted to Unidevelopment S.A.(for the liabilities of Uni 3 Sp. z o. o.) a performance bond for the Agreement and Preliminary Donation Agreement to a maximum amount of PLN 7 170 756.52.
- On 10 February 2025, Unibep SA extended its insurance guarantee agreement with Uniqa Towarzystwo Ubezpieczeń SA for the amount of PLN 60 m. The agreement was extended until 30 June 2025.
- On 14 February 2025, Unibep SA annexed a tripartite agreement with Fundusz Rozwoju i Promocji Województwa Wielkopolskiego S.A. and Bydgoski Fundusz Poręczeń Kredytowych sp. z o.o. for the provision of guarantees of up to PLN 60 m. The agreement was concluded until 25 November 2025.
- On 26 February 2025, Unibep SA extended its agreement with Bank Gospodarstwa Krajowego S.A. for an overdraft facility of PLN 30 m until 02 June 2025
- On 26 February 2025, Unibep SA extended its agreement with Bank Gospodarstwa Krajowego S.A. for a guarantee line in the amount of PLN 80 m until 30 May 2025.
- On 27 February 2025, Unibep SA extended its agreement with BNP Paribas Bank Polska S.A. for a guarantee line in the amount of PLN 123 m until 31 March 2025.
- On 27 March 2025, Unibep SA signed Annex No. 10 with Uniqa TU S.A. establishing a guarantee deposit of PLN 1 m. The other terms and conditions of the agreement remain unchanged.
- On 30 March 2025, Unibep SA extended its agreement with BNP Paribas Bank Polska S.A. for a guarantee line in the amount of PLN 123 m until 30 April 2025.
- 07 April 2025, Unibep SA entered into a Guarantee Limit agreement with Accelerant Insurance Europe SA in the amount of PLN 21 m with a validity period from 26 March 2025 to 25 March 2026.

- **Intra-group agreements**
  - Provision of a loan to Unidevelopment S.A. on 06 March 2025 for the amount of PLN 20 m, repayable by 30 September 2025.

- **Guarantee payment**
  - On 13 February 2025, Unihouse SA received a receipt of NOK 25.7 m as payment from the Investor's guarantee after winning a court case before the Supreme Court in Norway.

7. STATEMENT ON THE APPLICATION OF CORPORATE GOVERNANCE PRINCIPLES BY UNIBEP SA IN 2024.

7.1. DEFINITION OF THE APPLICABLE SET OF CORPORATE GOVERNANCE PRINCIPLES

In 2024, the Company applied the principles of corporate governance titled "Good Practices of Companies Listed on the WSE 2021" adopted by the Stock Exchange Council by way of resolution of 29 March 2021 and effective as of 1 July 2021. Following the entry into force of the aforementioned set of corporate governance principles, the Company has published a statement on the status of the Company's application of the recommendations and principles contained in the set. The text of this statement is available on the Company's website at www.unibep.pl (in the Investor Relations section). The full text of the applicable corporate governance principles contained in the aforementioned documents is available on the dedicated WSE corporate governance website at www.gpw.pl/dobre-praktyki2021.

The Company provides all shareholders with equal access to information about the Company, in particular by publishing current and interim reports, which are then published on the corporate website. The Management Board of the Company constantly undertakes actions aimed at providing equal and full access of all investors to the information about the situation and events taking place in the Company.

7.2. PRINCIPLES WAIVED BY THE ISSUER

In 2024, the Company did not apply the following principles of Good Practices: 1.3.1., 1.3.2., 1.4. 2.1., 2.2., 2.4., 3.10., 4.1., 4.3. and 6.3.

1. INFORMATION POLICY AND COMMUNICATION WITH INVESTORS

1.3. The Company also integrates ESG factors in its business strategy, including in particular:

1.3.1. environmental issues, including climate change metrics and risks and sustainability issues;

Although the Company has not developed a long-term development strategy in the form of a single document, it customarily includes ESG factors in its activities in order to comply with applicable regulations and given the importance of the interaction of business activities with environmental, social and corporate governance factors. The results of these activities are presented in the Company's annually published sustainability reports.

1.3.2. Social and employee factors, concerning, among others, actions taken and planned to ensure gender equality, proper working conditions, respect for employees' rights, dialogue with local communities, and customer relations.

Although the Company has not developed a long-term development strategy in the form of a single document, it customarily includes ESG factors in its activities in order to comply with applicable regulations and given the importance of the interaction of business activities with environmental, social and corporate governance factors. The results of these activities are presented in the Company's annually published sustainability reports.

1.4. To ensure quality communication with stakeholders on the adopted business strategy, the Company publishes on its website information concerning the framework of the strategy, measurable goals, including in particular long-term goals, planned activities and their status, defined by measures, both financial and non-financial. Information on the ESG strategy should, among other things: (...).

The Company has not developed a development strategy in the form of a single document. The business of the Company and its Group is built on five complementary segments: domestic general contracting, general contracting abroad, road and bridge infrastructure, modular construction and property development activity. In the Company's opinion, the development of a single document containing a long-term action plan covering all the businesses of the Company and its Group would be difficult at the moment, given the current dynamically changing market situation, particularly in the construction industry environment. The Company prioritises its individual businesses and adapts its operating strategy to the dynamically changing environment on an ongoing basis.

2. MANAGEMENT BOARD AND SUPERVISORY BOARD

2.1. The company should have in place a diversity policy for the management board and the supervisory board, adopted by the supervisory board or the general meeting, respectively. The diversity policy sets out diversity objectives and criteria in areas such as gender, field of study, specialist knowledge, age and work experience, among others, and indicates when and how the achievement of these objectives will be monitored.
With regard to gender diversity of corporate bodies, the participation of the minority group in each body should be at least 30%.

The Company has not adopted a diversity policy for management and supervisory board members in the form of a single document. The Company aims to ensure the versatility and diversity of its bodies, but the specific nature of the industry in which it operates makes it difficult to meet all the required criteria. Due to the location of the Company's registered office in Podlasie region, which is considered to be a melting pot of nationalities, cultures and communities, employees and members of the Company's bodies come from different backgrounds and cultures, represent different ways of thinking and points of view and have different life and professional experiences. The Company's policy is that any discrimination in employment, in particular on the grounds of sex, age, disability, race, religion, nationality, political beliefs, trade union membership, ethnic origin, religion, sexual orientation, etc., is unacceptable. With regard to the management and supervisory bodies, the Company explains that the composition of the Management Board and Supervisory Board of the Company is diverse in terms of education, expertise, age and professional experience, but the bodies concerned lack gender diversity in particular. There is currently one woman on the Company's seven-member Supervisory Board, while the Management Board is composed entirely of men. As the Company recognises the need for and seeks to ensure diversity in the bodies, it will consider adopting a formal policy in this regard in the future.

2.2. Decisions to elect members of the management board or the supervisory board of the company should ensure that the composition of those bodies is diverse by appointing persons ensuring diversity, among others in order to achieve the target minimum participation of the minority group of at least 30% according to the goals of the established diversity policy referred to in principle 2.1.

The Company has not developed a diversity policy in the form of a single document, but in the interest of the stability and effectiveness of the Company's operations, those who make decisions on the appointment of members of the Management Board or the Supervisory Board of the Company in practice seek to ensure that the composition of those bodies is diverse.
2.4. The supervisory board and the management board vote in an open ballot unless otherwise required by law.

The Company's corporate documents contain provisions on the need to use a secret ballot in selected cases. In the Company's opinion, such a voting method allows free decision-making on personnel matters.

3. INTERNAL SYSTEMS AND FUNCTIONS

3.10. A company traded on the WIG20, mWIG40 or sWIG80 index has its internal audit function reviewed at least once every five years by an independent auditor appointed with the participation of the audit committee.

Not applicable. The Company is not currently included in any of the specified indices.

4. GENERAL MEETING AND RELATIONSHIPS WITH SHAREHOLDERS

4.1. The Company should enable its shareholders to participate in a general meeting by means of electronic communication (e-meeting) if justified by the expectations of shareholders notified to the company, provided that the company is in a position to provide the technical infrastructure necessary for such general meeting to proceed.

To date, the Company has not held a general meeting by means of electronic communication (e-meeting). The Company's shareholders have not raised such expectations. In the event that shareholders raise an expectation to ensure participation in a general meeting by means of electronic communication (e-meeting), and provided that the Company is in a position to provide the technical infrastructure necessary for such general meeting to proceed, the Company intends to apply Principle 4.1.

4.3. The Company provides a public real-life broadcast of the general meeting.

The Company believes that the current method of informing the interested parties about the course of the general meeting (publishing the content of adopted resolutions and information about votes against, etc.) ensures transparency of the Company's operations and protects the rights of shareholders. The Company also states that if there is any interest on the part of shareholders in recording the proceedings of the General Meeting of Shareholders in an audio/video form, the Management Board of the Company will consider taking steps towards the introduction of this principle.

5. REMUNERATION

6.3. If one of the company's incentive schemes includes a stock option programme for managers, the implementation of the stock option programme should depend on the achievement by beneficiaries, over a period of at least three years, of pre-defined, realistic financial and non-financial targets and sustainable development goals adequate to the company, and the share price or option exercise price for the beneficiaries cannot differ from the value of the shares at the time when such programme was approved.

The Company, recognising the appropriateness of considering non-financial factors and multi-year criteria in shaping the variable remuneration of the Management Board and key managers, will consider applying the principle in the future.

7.3. DESCRIPTION OF THE KEY FEATURES OF INTERNAL CONTROL SYSTEMS AND RISK MANAGEMENT SYSTEMS IMPLEMENTED AT THE ISSUER'S COMPANY WITH RESPECT TO THE PROCESS OF DRAWING UP FINANCIAL STATEMENTS

The Company's Management Board is responsible for maintaining an internal control system and its effective operation in the Company; control functions are also the responsibility of the Supervisory Board. The organisation of the work relating to the preparation of the annual and interim financial statements is the responsibility of the Financial Director and his deputy. Only designated employees from accounting, finance, financial controlling, operational controlling, legal, communications, investor relations and human resources departments are involved in their preparation.

The financial data underlying the financial statements and interim reports are derived from the accounting and financial system in which transactions are recorded in accordance with the Company’s accounting policies (approved by the Management Board) based on International Financial Reporting Standards. The accounts for 2024 and earlier were kept by UNIBEP SA in the Microsoft Dynamics AX 2012 integrated IT system. The modular structure of the system ensures a clear division of competences, consistency of operations entered in the accounting books, and controllability. The flexibility of the system allows it to be adapted to changing accounting principles or other legal standards on an ongoing basis.

For organisational and business reasons, Unibep SA and some of its subsidiaries will record financial data in Comarch's XL system due to changes in the structure of IT systems initiated in previous periods.

The access to information resources of an IT system shall be restricted by the relevant authorisations granted to authorised employees, solely for the purpose of performing their duties.

Annual and mid-year financial statements are subject to audit and review by an expert auditor, respectively. The tasks performed by the expert auditor include in particular: preliminary audit and basic audit of an annual financial report and review of a mid-year financial report. The auditor is selected by the Supervisory Board, on the recommendation of the Audit Committee of the Supervisory Board, having first collected offers from audit firms guaranteeing high service standards and the required independence. The results of the audit and review are presented by the auditor to the Company’s management and published in the auditor’s report.

The Company implements the changes required by external laws and regulations relating to financial reporting requirements on an ongoing basis.

7.4. INFORMATION ON SHARES AND OWNERSHIP

Unibep SA is a company with a majority Polish capital, listed on the Warsaw Stock Exchange since 2008.

LISTING INFORMATION

Index	WIG-Poland, Investor MS, WIG-BUDOW, WIG
Industry	Construction
Market/Segment	Basic WSE
WSE ticker	UNI
ISIN	PLUNBEP00015
Number of shares	35,070,634
Share capital	PLN 3 507 063.40

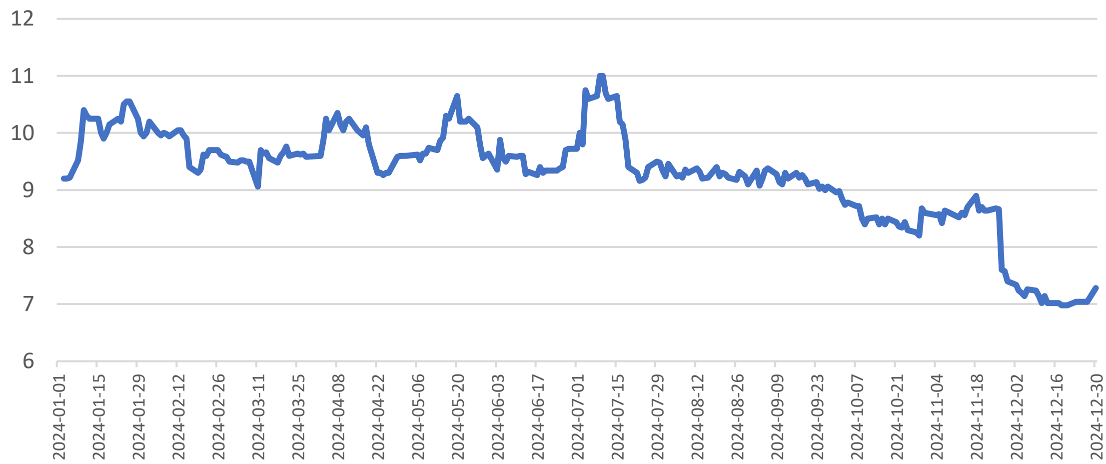
In 2024, Unibep SA’s share price on the WSE fell from PLN 9.2 (03.01.2024) to PLN 7.28 (30.12.2024), i.e. by PLN 1.92, or 20.9%. Unibep SA’s shares reached their highest closing price in 2024 on 09.07.2024 (PLN

11.00), while the lowest was on 18.12.2024 (PLN 6.98). In comparison, the Warsaw Stock Exchange's main index, the WIG, increased by 1.42% during 2024, while the WIG – CONSTRUCTION increased by 11.04%.

At the end of 2024, Unibep SA's market value was PLN 255.31 m (as compared to PLN 322.65 m at the beginning of the previous year).

The SP/BV ratio (share price/book value per share attributable to equity holders of the parent company) was ca. 1.4 at the end of 2024 (compared to 1.2 at the beginning of 2024).

UNIBEP SA SHARE PRICE CHART



COMPOSITION OF SHAREHOLDERS AT 31 DECEMBER 2024 AND AT THE DATE OF PUBLICATION OF THE REPORT

Shareholder	Number of share held	Net value of nominal shares	Share in total number of votes [%]
Zofia Mikołuszko**	8 800 000	880,000.00	25.09
Beata Maria Skowrońska	5 000 000	500,000.00	14.26
Joanna Malgorzata Stajkowska-Bastouil	2 500 000	250,000.00	7.13
PTE Allianz Polska SA (5)	3 503 805	350,380.50	9.99
PKO BP Bankowy OFE	3 194 992	319,499.20	9.11
Free float	9 821 837	982,183.70	28.00
Own shares (1)(2)(3)(4)(6)(7)	2 250 000	225,000.00	6.42
In total	**35 070 634**	**3 507 063.40**	**100.00**

* Based on information provided to the Issuer pursuant to Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, the "MAR Regulation" and the Act on Public Offering and Conditions Governing the Introduction of Financial Instruments to Organised Trading of 29 July 2005, as amended.

** Mrs Zofia Mikołuszko remains in the joint marital property regime with Mr Jan Mikołuszko.

(1) 1 000 000 own shares were purchased on 7 February 2017, which the Company announced in current report No. 10/2017.

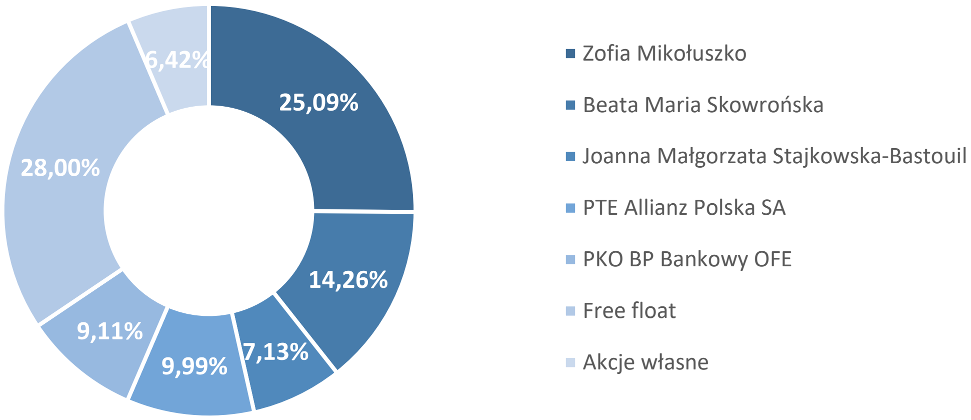
(2) 1 000 000 own shares were purchased on 29 May 2019, which the Company announced in current report No. 28/2019.

(3) 1 500 000 own shares were purchased on 27 February 2020, which the Company announced in report No. 7/2020.

(4) 600 000 own shares were disposed of by the Company as part of the Incentive Scheme for the assessment year 2021 (Rb 43/2022).

(5) On 30 December 2022, PTE Allianz Polska SA merged with Aviva PTE Aviva Santander SA. As of this date, the merged entity operates under the name PTE Allianz Polska SA and manages three funds: Allianz Polska Otwarty Fundusz Emerytalny, Allianz Polska Dobrowolny Fundusz Emerytalny, Drugi Allianz Polska Otwarty Fundusz Emerytalny [change of name from Aviva Otwarty Fundusz Emerytalny Aviva Santander] (CR 2/2023).

(6) 600 000 own shares were disposed of by the Company as part of the Incentive Scheme for the assessment year 2022 (Rb 56/2023 and Rb 65/2023).
(7) 50 000 own shares were disposed of by the Company as part of the Incentive Scheme for the assessment year 2023 to the President of the Management Board of Unibep SA (Rb 77/2023); with the shares being credited to the purchaser's investment account on 3 October 2023.



Share capital structure

As of 31 December 2024, the share capital of UNIBEP SA amounted to PLN 3 507 063.40 and was divided into 35 070 634 shares with a nominal value of PLN 0.10 each (the division of shares into series is presented in the table below).

DIVISION OF SHARES INTO SERIES

Series	Share type	Number of shares
A	bearer	22 227 184
B	bearer	6 700 000
C	bearer	1 048 950
D	bearer	94,500
In total		**35 070 634**

All shares of the Company are dematerialised and, excluding own shares, are traded on the regulated market of the Warsaw Stock Exchange.

Potential changes in the shareholding structure and agreements between shareholders or bondholders

The Issuer is not aware of any agreements that might result in future changes in the proportions of shares held by the existing shareholders and bondholders.
As of the balance sheet date of drawing up these financial statements (31 December 2024), the Management Board of UNIBEP SA includes the following persons:

- Dariusz Blocher – President of the Management Board
- Leszek Marek Gołąbiecki – Vice-President of the Management Board
- Adam Poliński – Vice-President of the Management Board
- Zbigniew Gościcki – Member of the Management Board
- Andrzej Sterczyński – Member of the Management Board.

As of the day of drawing up these financial statements, the Management Board of UNIBEP SA includes the following persons:

- Andrzej Sterczyński – President of the Management Board
- Leszek Marek Gołąbiecki – Vice-President of the Management Board
- Adam Poliński – Vice-President of the Management Board
- Zbigniew Gościcki – Member of the Management Board

LIST OF UNIBEP SA SHARES HELD BY MANAGING PERSONS

Shareholder	Function	Number of shares/votes held	Nominal value of shares [in PLN]	Share in total number of votes [%]
As at 31 December 2024				
Dariusz Blocher	President of the Board	50,000	5,000	0.14%
Leszek Marek Gołąbiecki	Vice-President of the Management Board	410,000	41,000	1.17%
Adam Poliński	Deputy President of the Management Board	50,000	5,000	0.14%
Andrzej Sterczyński	Member of the Management Board	-	-	-
Zbigniew Gościcki	Member of the Management Board	-	-	-
As of the report publication date				
Andrzej Sterczyński	President of the Board	-	-	-
Leszek Marek Gołąbiecki	Vice-President of the Management Board	410,000	41,000	1.17%
Adam Poliński	Deputy President of the Management Board	50,000	5,000	0.14%
Zbigniew Gościcki	Member of the Management Board	-	-	-

LIST OF UNIBEP SA SHARES HELD BY SUPERVISING PERSONS

Shareholder	Function	Number of shares/votes held	Nominal value of shares [in PLN]	Share in total number of votes [%]
As at 31 December 2024				
Jan Mikołuszko	Chairman of the Supervisory Board	21,620	2,162	0.06%
Beata Maria Skowrońska	Deputy Chairman of the Supervisory Board	5,000,000	500,000	14.26%
Wojciech Jacek Stajkowski	Deputy Chairman of the Supervisory Board	1,250,000	125,000	3.56%
Michał Kołosowski	Member of the Supervisory Board	-	-	---
Paweł Markowski	Member of the Supervisory Board	-	-	---
Piotr Bieżuński	Member of the Supervisory Board	-	-	---
As of the report publication date				
Jan Mikołuszko	Chairman of the Supervisory Board	21,620	2,162	0.06%
Beata Maria Skowrońska	Deputy Chairman of the Supervisory Board	5,000,000	500,000	14.26%
Wojciech Jacek Stajkowski	Deputy Chairman of the Supervisory Board	1,250,000	125,000	3.56%

Michał Kołosowski	Member of the Supervisory Board	-	-	---
Paweł Markowski	Member of the Supervisory Board	-	-	---
Piotr Bieżuński	Member of the Supervisory Board	-	-	---
Dariusz Blocher	Member of the Supervisory Board	50,000	5,000	0.14%

Management and Supervisory Board members do not hold any shares in any entities from Unibep Group. Supervisory Board members do not hold any rights to shares of the Issuer.

RESTRICTIONS ON VOTING RIGHTS OR TRANSFERRING OF OWNERSHIP OF SECURITIES

The Issuer is not aware of any limitations regarding the execution of voting rights by the owners of a specific part or number of shares, as well as of limitations regarding the transfer of ownership rights to the securities of the Company.

HOLDERS OF SECURITIES GIVING SPECIAL CONTROL RIGHTS

The Company did not issue any securities that give special control rights.

INFORMATION ON THE CONTROL SYSTEM REGARDING EMPLOYEE SHARE OWNERSHIP PLANS

There is no employee share ownership plan implemented at the Company.

INCENTIVE SCHEME

Details of the implementation of the incentive scheme in previous years are discussed in the 2023 financial statements.

In 2024, the following events concerning this Programme took place.

On 20 February 2024, the Company's Supervisory Board determined, for the President of the Management Board, the financial and non-financial criteria for the allocation of the Company's shares for the assessment year 2024 and their weights. The financial criteria dedicated to the President of the Management Board include the achievement of the financial objectives as determined by Unibep Group. The non-financial criteria include in particular: remaining as a member of the Management Board of UNIBEP SA, improving occupational safety and working towards reducing greenhouse gas emissions in the value chain, in line with Unibep Group's ESG Strategy.

On 25 June 2024, the Ordinary General Meeting of Shareholders of the Company, by Resolution No. 28 on amending "Resolution No. 32 of the Ordinary General Meeting of UNIBEP SA of 15 June 2020 on the adoption of the assumptions of the Incentive Scheme for members of the Management Board and key managers" established that the Supervisory Board may decide on the early termination of the Incentive Scheme prior to the approval of the Company's financial statements for the financial year 2026 and prior to the disposal of all shares under the Incentive Scheme to the participants of the Incentive Scheme.

On 13 August 2024, the Supervisory Board of the Company, based on the aforementioned authorisation granted by the General Meeting, adopted a resolution on the early termination of the Incentive Scheme, with the understanding that, with regard to persons participating in the Incentive Scheme other than the Chairman of the Management Board, the last year of evaluation is 2022. Persons participating in the Incentive Scheme other than the Chairman of the Management Board will not acquire rights to acquire shares in the Company in the allocation years 2024, 2025, 2026 and 2027. However, with regard to the CEO, the last year of assessment is 2024, and in the event that the allocation criteria set for the CEO for the year of assessment 2024 are met, he or she will acquire the right to shares in the Company in the year of allocation 2025 on the existing terms and conditions, i.e., among other things, no more than 450 000 shares.

In view of the above, on 13 August 2024, the Company's Supervisory Board determined that the Company's own shares previously earmarked for the Incentive Scheme, excluding the shares indicated above forming the allocation pool for the President of the Management Board, i.e. the Company's own shares of 1 800 000, could be sold by the Company outside the Incentive Scheme.

INVESTOR RELATIONSHIPS

Unibep SA communicates in a professional manner with capital market representatives, including sell-side analysts and investment fund managers.

Investor materials such as the factsheet, presentation and conference recording are updated and made available on the investor relations section of the website. In addition, the investor relationships page is kept up to date with interim and current reports or information on general meetings. Furthermore, the company, with a view to ESG aspects (environmental, social and corporate governance) within Item 10 of the Management Report, focuses on a broad presentation of activities in these areas.

The company participates in events and conferences organised by brokerage houses. Unibep is a participant in the WSE's Analytical Coverage Support Programme, which ensures that information about the company reaches a wide range of investors, both institutional and individual. Recommendations are made by the brokerage house DM Noble Securities.

7.5. COMPANY MANAGEMENT

THE MANAGEMENT BOARD

The Management Board of UNIBEP SA acts on the basis of the provisions of the Commercial Companies Code, the Articles of Association of the Company, and the By-Laws of the Management Board. In its work, the Management Board also complies with the principles of the "Good Practices for WSE Listed Companies". According to the By-Laws, the Management Board of the Company consists of one or more members. Members of the Management Board, including the President of the Management Board, are appointed and dismissed by the Supervisory Board for a joint three-year term of office. The number of members of the Management Board is determined by the Supervisory Board.

On 16 May 2023, the Management Board was appointed for a new seventh term of office beginning upon the holding of the Ordinary General Meeting of UNIBEP SA approving the financial year 2022. The Ordinary General Meeting of UNIBEP SA approving the financial year 2022 was held on 21 June 2023.

As at the beginning of 2024, the Company's Management Board was composed as follows:
1. Dariusz Blocher – President of the Management Board
2. Leszek Marek Gołąbiecki – Vice-President of the Management Board
3. Krzysztof Mikołajczyk – Vice-President of the Management Board
4. Adam Poliński – Member of the Management Board
5. Przemysław Wojciech Janiszewski – Member of the Management Board

The following changes in the composition of the Company's Management Board occurred in 2024:

- as of 1 March 2024, Mr Andrzej Sterczyński was appointed to the Company's Management Board, as a Member of the Management Board;
- as of 20 February 2024, Mr Przemysław Janiszewski resigned for personal reasons from the Management Board of the Company with effect from 5 March 2024,
- as of 29 March 2024, Mr Krzysztof Mikołajczyk resigned from the Management Board of the Company for personal reasons with effect from 23 April 2024,
- as of 23 April 2024, the Supervisory Board of Unibep SA passed a resolution to appoint Mr Adam Poliński as Vice-President of the Management Board of Unibep SA with effect from 1 May 2024,
- as of May 1, 2024, Mr Zbigniew Gościcki was appointed to the Company's Management Board, as a Member of the Management Board,
- as of 18 July 2024, Mr Marcin Dominik Hutyra was appointed to the Company's Management Board, as Vice President of the Management Board,
- as of 7 August 2024, Mr Marcin Dominik Hutyra resigned from the Management Board of the Company for personal reasons,
- as of 26 November 2024 Mr Dariusz Blocher resigned from the position of the President of the Company's Management Board and from membership in the Company's Management Board, effective at the end of 31 December 2024,
- as of 26 November 2024, the Company's Supervisory Board decided to entrust Mr Andrzej Sterczyński with the position of the President of the Company's Management Board from 1 January 2025.

At the date of this report, the Company's Management Board is composed of five members and consists of:

- Andrzej Sterczyński – President of the Management Board, who is also a Director of the Company,
- Leszek Marek Gołąbiecki – Vice-President of the Management Board, at the same time acting as the General Construction Director,
- Adam Poliński – Vice President of the Management Board, who is also Infrastructure Construction Director,
- Zbigniew Gościcki – Member of the Management Board, who is also the President of the Management Board of the subsidiary Unidevelopment SA.

The Management Board handles all matters and issues of the Company and represents it before third parties. All matters related to the management of the Company's affairs, which are not reserved by a law or the Articles of Association for the competence of the General Meeting or the Supervisory Board, are part of the scope of activities of the Management Board.

Resolutions of the Management Board are adopted by an absolute majority of votes. In the event of an equal division of votes, the President of the Management Board shall have the casting vote.

The Management Board is entitled to pay an advance to shareholders against the expected dividend at the end of the financial year, if the Company has sufficient funds for the payment and other conditions set out in the Dividend Policy adopted by the Company on 9 November 2021 are met. The payment of an advance shall be subject to the approval of the Supervisory Board.

The following persons shall be entitled to submit declarations of will and sign documents on behalf of the Company: President of the Management Board, acting on their own, or two members of the Management Board acting jointly, a member of the Management Board acting jointly with a plenipotentiary or two plenipotentiaries acting jointly. The Company's Article of Association do not provide for any special rights for persons managing the Company, and persons managing the Company are particularly not authorised to make decisions on the issuance or redemption of shares.

The by-laws of the Management Board specify in detail the procedure of the Management Board's operation. The by-laws shall be adopted by the Management Board and approved by the Supervisory Board. Regarding agreements between the Company and a member of the Management Board, as well as in a dispute with a member of the Management Board, the Company is represented by the Supervisory Board, or by a plenipotentiary appointed pursuant to a resolution of the General Meeting. The same procedure shall apply to other actions related to an employment relationship or any other legal relationship between a member of the Management Board and the Company.

Competences of the Supervisory Board also include signing of agreements with members of the Management Board of the Company, and specifying remuneration of the President of and members of the Management Board of the Company, as well as their bonus schemes, and exercising the rights resulting from the employment relationship towards members of the Management Board, on behalf of the Company. The Management Board of the Company does not have any special rights related to the issuance or redemption of shares.

Contracts concluded between UNIBEP SA and members of the management bodies

1. From 01.01.2024 until 29.02.2024, all members of the Management Board were subject to remuneration rules specifying two forms of remuneration, i.e. on the basis of an employment contract (Re. 1) and by appointment (Re. 2).

Re. 1) The remuneration to which members of the Management Board are entitled under permanent employment contracts was determined in the form of monthly salaries:
- a) Mr Dariusz Jacek Blocher employed as a Director of the Company,
- b) Mr Leszek Marek Gołąbiecki employed as Executive Director,
- c) Mr Krzysztof Mikołajczyk is employed as Construction Director,
- d) Mr Adam Poliński is employed as Infrastructure Branch Director,
- e) Mr Przemysław Wojciech Janiszewski is employed as Energy and Industrial Construction Director.

If the employment contracts of the above employees are terminated by the employer for reasons not attributable to the employees, the employer was obliged to compensate the employee in the amount of 3 times the average monthly remuneration of an employee of the company. The amount of compensation included compensation for refraining from competitive activities and the amount of severance pay due to the Employee in connection with the termination of the employment contract with notice for reasons not attributable to the Employee under the applicable legislation.

The aforementioned employees entered into non-competition contracts with the Company for the duration of the employment relationship (the non-competition clause is binding for the duration of the employment relationship) and non-competition contracts after termination of employment (the non-competition clause was binding for 6 months after termination of the employment relationship). For the duration of the non-competition clause, employees were entitled to compensation equal to 60% of the remuneration received by the employee prior to the termination of the employment relationship for a period of six months, which should be paid to the employee in six equal instalments by the 10th of each month, by transfer to an account indicated by the employee.

Re.2) The remuneration to which the President of the Management Board, Vice-Presidents of the Management Board and Members of the Management Board are entitled by virtue of their appointment is determined in the form of monthly salaries.

REMUNERATION OF UNIBEP SA'S MANAGEMENT BOARD FOR THE PERIOD: 01.01.2024 – 31.12.2024 ON ACCOUNT OF APPOINTMENT

Full name	Remuneration (appointment)
Blocher Dariusz Jacek	100,600.00
Gołąbiecki Leszek Marek	84,600.00
Mikołajczyk Krzysztof	86,000.00
Janiszewski Przemysław	79,967.74
Poliński Adam	74,000.00
TOTAL	**425,167.74**

2. As of 01.03.2024, the existing members of the Management Board and Mr Andrzej Piotr Sterczyński appointed as of 01.03.2024 as a member of the Company's Management Board and Mr Marcin Dominik Hutyra appointed as of 18.07.2024 as a member of the Company's Management Board were subject to remuneration rules based on the legal title, which is the employment contract.

   The remuneration to which members of the Management Board are entitled under permanent employment contracts was determined in the form of monthly rates.

   a) Mr Dariusz Jacek Blocher employed as the President of the Management Board of the Company,
   b) Mr Marcin Dominik Hutyra employed from 18.07.2024 until 08.08.2024 as Vice President of the Management Board and General Director,
   c) Mr Leszek Marek Gołąbiecki employed as Vice President of the Management Board and Executive Director,
   d) Mr Krzysztof Mikołajczyk employed until 23.04.2024 in the position of Vice President of the Management Board and Construction Director,
   e) Mr Adam Poliński employed as Member of the Management Board and Infrastructure Branch Director until 30.04.2024 and as Vice President of the Management Board and Infrastructure Branch Director from 01.05.2024,
   f) Mr Andrzej Piotr Sterczyński employed as a Member of the Management Board and Finance Director,
   g) Mr Przemysław Wojciech Janiszewski employed as Member of the Management Board and Energy and Industrial Construction Director until 05.03.2024.

REMUNERATION OF UNIBEP SA'S MANAGEMENT BOARD FOR THE PERIOD: 01.01.2024 - 31.12.2024 ON ACCOUNT OF EMPLOYMENT CONTRACTS

Full name	Remuneration (employment contract)	Sick pay and sickness benefit	Holiday pay	Exemption from non-competition clause after termination of employment	In total
Dariusz Blocher	699,500.00		26,773.04		726,273.04
Gołąbiecki Leszek Marek	723,000.00				723,000.00
Mikołajczyk Krzysztof	292,000.00			47,250.00	339,250.00
Janiszewski Przemysław	38,571.84				38,571.84
Poliński Adam	570,333.34	14,126.77			584,460.11

Hutyra Marcin Dominik	50,434.78		23,422.56		73,857.34
Sterczyński Andrzej Piotr	540,000.00				540,000.00
TOTAL	**2 913 839.96**	**14,126.77**	**50,195.60**	**47,250.00**	**3 025 412.33**

As of 01.03.2024, in accordance with the wording of the employment contracts concluded with the Company, in the event of termination of the employment contract by notice of the employer for reasons not attributable to the employee, the employer will pay the employee compensation equal to one month's basic salary as specified in the employment contract in the month preceding the termination of the employee's employment contract. In particularly justified cases, the Employer may grant the Employee compensation despite the termination of the Employee's contract in a manner other than specified above.

The aforementioned employees, since 20.02.2024, entered into non-competition agreements with the Company during and after their employment. The non-competition clause applies to the Employee for a period of six months as of the date of termination or expiry of the last applicable Employment Contract. During the term of the non-competition clause, taking effect after the termination of the last Employment Contract, the Company will be obliged to pay compensation to the Employee for the Employee's refraining from competitive activities. The compensation will be calculated as the equivalent of 25% of the remuneration received by the Employee prior to the termination or expiry of the last Employment Contract, for the period immediately preceding the termination or expiry of the last Employment Contract and corresponding to the number of months of non-competition after the termination of the employment relationship. Compensation will be payable in equal monthly instalments.

The aforementioned employees are entitled to use a company car for business and private purposes under the rules applicable at the employer.
The employer provided the aforementioned employee with mobile phones and personal computers to use for business purposes.
The aforementioned employees are entitled to participate, at the employer's expense, in training and other activities aimed at improving their qualifications.
The employees may participate in a private healthcare scheme under the terms and conditions applicable at the employer.

The employees are entitled to:

a) coverage or reimbursement of documented necessary expenses incurred in the performance of official duties,
b) coverage or reimbursement of business trip expenses in accordance with the rules laid down by generally applicable legislation.

3. The principle of remuneration for Mr Zbigniew Tadeusz Gościcki Member of the Management Board

The aforementioned Board Member is remunerated on the basis of appointment. The remuneration to which a member of the Management Board is entitled by virtue of his or her appointment is set at a monthly rate.

REMUNERATION OF A MEMBER OF THE MANAGEMENT BOARD IN UNIBEP SA FOR THE PERIOD: 01.05.2024 R. – 31.12.2024 ON ACCOUNT OF APPOINTMENT

Full name	Remuneration (appointment)
Zbigniew Tadeusz Gościcki	40,000

4. Changes in 2024 in the area of bonuses for the members of the Management Board

The remuneration to which the above-mentioned members of the Management Board are entitled under permanent employment contracts was determined in the form of monthly rates.

Acting on the basis of the authorisation of the General Meeting of UNIBEP SA with its registered office in Bielsk Podlaski on the adoption of the remuneration policy for the supervisory and management bodies of UNIBEP SA (the "Remuneration Policy") to detail its elements, on 20 February 2024 the Company's Supervisory Board introduced a new bonus policy for members of the Management Board, adopting a detailing of the elements of the Remuneration Policy in terms of the description of the variable remuneration components that may be awarded to members of the Management Board.

The aforementioned Resolution of the Supervisory Board amending the rules for awarding bonuses for the members of the Management Board took effect subject to and on the date of adoption by the Company's Ordinary General Meeting of a resolution adopting the amendments to the Remuneration Policy, as positively reviewed by the Supervisory Board on 20 February 2024. The Ordinary General Meeting of the Company's Shareholders on 25 June 2024 adopted Resolution No. 29 on updating the remuneration policy for supervisory and management bodies and managing bodies of UNIBEP S.A. in the wording positively reviewed by the Supervisory Board. Thus, the aforementioned Resolution amending the bonus rules for members of the Management Board came into effect.

According to the new bonus rules for the members of the Management Board:
The Variable Remuneration of a member of the Management Board consists of the following elements:
I. Short-term Variable Remuneration,
II. Long-term Variable Remuneration.

The accounting period for the Short-Term Variable Remuneration is the financial year.
The accounting period for the Long-Term Variable Remuneration is a period of three calendar years, provided that the first accounting period covers the years 2024-2026.

Re. I.) Short-term Variable Remuneration consists of the following components:
1. Bonus for execution of Individual Tasks,
2. Bonus for meeting Financial Ratios,
3. Bonus for exceeding the achievement of Financial Ratios,
4. Commission on the result.

A member of the Management Board is entitled to Long-Term Variable Remuneration provided that the Company achieves the UNIBEP SA Share Price Change Index of more than 50%. Exceeding the UNIBEP SA Share Price Change Index by more than 100% does not increase the Long-Term Variable Remuneration. The amount of the Long-Term Variable Remuneration is determined by the level of the percentage index of the change in the value of the UNIBEP SA share price.

In connection with the conclusion of the Agreement for participation in the Incentive Scheme of Unibep SA based on the Company's own shares with the President of the Management Board of the Company's Director Mr Dariusz Jacek Blocher, concerning the evaluation years 2024, 2025, 2026, the Supervisory Board established that the President of the Management Board of the Company Mr Dariusz Jacek Blocher is not entitled to the Long-Term Variable Remuneration for the Evaluation Period covering the financial years 2024-2026.

The Supervisory Board

The Supervisory Board of UNIBEP SA acts on the basis of the provisions of the Commercial Companies Code, the Articles of Association of the Company and the By-Laws of the Supervisory Board. In its capacity, the Supervisory Board also applies the principles of "Good Practices of Companies Listed on the WSE." The Supervisory Board is composed of 5 to 9 members, appointed and dismissed by the General Meeting for a joint three-year term of office. In the case of group voting, the General Meeting determines the number of members of the Supervisory Board for a given term of office, by adopting a resolution prior to their election. At least 2 independent members should be appointed to the Supervisory Board. Independent members of the Supervisory Board are persons fulfilling jointly:

a) independence criteria, within the meaning of corporate governance principles applicable to companies admitted to trading on the domestic regulated market, and
b) independence criteria, within the meaning of the regulations governing the functioning of an audit committee.

Each shareholder may propose in writing candidates for an independent member of the Supervisory Board, to the Management Board of the Company, not later than in 7 working days before the date of the General Meeting during which such a member is to be elected. Such an application shall contain the personal data of a candidate and justification for their candidacy, together with a description of the candidate's qualifications and professional experience. The application shall be accompanied by a written statement of the interested person, in which they have expressed consent to be a candidate to the Supervisory Board and confirmed meeting the independence criteria, as well as their commitment to immediately notify about the loss of such independence qualities. In the event of a failure to propose candidates meeting the criteria of independence, following the aforementioned procedure, a candidate for an independent member of the Supervisory Board shall be proposed by the Management Board of the Company, during the General Meeting.

In the event that a member of the Supervisory Board ceases to be a member of the Supervisory Board as a result of resignation or fortuitous reasons before the expiry of the term of office, the next General Meeting will decide on the supplementation of the Supervisory Board. The remaining members of the Supervisory Board may, by way of co-opting, appoint a new Supervisory Board member to replace the outgoing one even before the General Meeting is convened. The number of co-opted members may not exceed half of the total number of elected Supervisory Board members. Members of the Supervisory Board shall be co-opted by delivery to the Company of a written declaration by all members of the Supervisory Board on the appointment of a member of the Supervisory Board.

A member of the Supervisory Board appointed by co-option should be presented to the next General Meeting for approval. The General Meeting's refusal to approve a co-opted member of the Supervisory Board shall not prejudice the actions already taken by the Supervisory Board involving that Supervisory Board member.

The composition of the Supervisory Board at the beginning of 2024 was as follows:

1. Jan Mikołuszko – Chairman of the Supervisory Board,
2. Beata Skowrońska – Deputy Chairman of the Supervisory Board,
3. Wojciech Stajkowski – Deputy Chairman of the Supervisory Board,
4. Jarosław Bełdowski – Member of the Supervisory Board (independent),
5. Michał Kołosowski – Member of the Supervisory Board (independent),
6. Paweł Markowski – Member of the Supervisory Board (independent),
7. Jakub Karnowski – Member of the Supervisory Board (Independent Member)

On 22 July 2024, Mr Jakub Karnowski resigned from the Supervisory Board of the Company, with effect from 19 August 2024.

Subsequently, Mr Jaroslaw Bełdowski resigned from the Supervisory Board of the Company, effective 30 September 2024.

Due to the resignation of the aforementioned members of the Company's Supervisory Board, acting pursuant to § 18.7 of the Company's Articles of Association, the remaining members of the Supervisory Board appointed on 26 November 2024 by way of co-option as a member of the Company's Supervisory Board for a joint seventh term:

a) Mr Piotr Bieżuński – the declaration became effective upon its submission and delivery to the Company at the Company's Supervisory Board meeting on 26 November 2024,
b) Mr Dariusz Blocher – the declaration took effect from the beginning of 1 January 2025, subject to the expiry of the mandate of Mr Dariusz Jack Blocher on the Management Board of the Company.

At the date of this report, the composition of the Company's Supervisory Board is as follows:

1. Jan Mikołuszko – Chairman of the Supervisory Board,
2. Beata Skowrońska – Deputy Chairman of the Supervisory Board,
3. Wojciech Stajkowski – Deputy Chairman of the Supervisory Board,
4. Michał Kołosowski – Member of the Supervisory Board (independent),
5. Paweł Markowski – Member of the Supervisory Board (independent),
6. Piotr Bieżuński – Member of the Supervisory Board (independent member),
7. Dariusz Blocher – Member of the Supervisory Board.

The Supervisory Board holds meetings at least once every 3 months. The Chairman of the Supervisory Board or their deputy are also obliged to convene a meeting of the Supervisory Board, upon a written request of a member of the Supervisory Board or the Management Board of the Company. Such a meeting should be held within two weeks, after receiving the request.
Members of the Supervisory Board may participate in Board meetings using a means of direct remote communication, provided that such means enable simultaneous communication and identification of all persons participating in the meeting (e.g. teleconference, videoconference), and the notice of the Board meeting provides information about the possibility of participating in the Board meeting in such manner.

A member of the Supervisory Board may cast their vote in writing, through another member of the Supervisory Board. Votes cast in writing cannot pertain to issues added to the agenda at the meeting of the Supervisory Board.

The Supervisory Board may adopt resolutions outside the meeting in writing or by means of direct remote communication. Such a resolution is valid if all members of the Supervisory Board have been notified of the content of the draft resolution.

For resolutions of the Supervisory Board to be valid, all members of the Board must be invited in writing to the meeting, and at least half of its members must be present at the meeting, unless the provisions of the Commercial Companies Code provide otherwise. Resolutions of the Supervisory Board shall be adopted by an absolute majority of votes. In the event of an equal number of votes, the Chairman of the Supervisory Board has the casting vote. The Supervisory Board shall adopt its internal by-laws by way of a resolution. The Company communicates changes in the composition of the Supervisory Board by means of current reports.

REMUNERATION OF THE SUPERVISORY BOARD FOR THE PERIOD: 01.01.2024 – 31.12.2024 UNIBEP SA

Full name	Remuneration of a Supervisory Board member of UNIBEP SA	Remuneration of a Supervisory Board member by virtue of employment under an employment contract at UNIBEP SA	In total
Jan Mikołuszko	480,000.00		480,000.00
Beata Maria Skowrońska	168,000.00		168,000.00
Wojciech Jacek Stajkowski	168,000.00	60,000.00	228,000.00
Paweł Markowski	84,000.00		84,000.00
Jarosław Mariusz Bełdowski	63,000.00		63,000.00
Michał Kołosowski	108,000.00		108,000.00
Jakub Marek Karnowski	53,290.32		53,290.32
Piotr Bieżuński	81 667.67		8,166.67
TOTAL	**1,132,456.99**	**60,000.00**	**1,192,456.99**

Beata Maria Skowrońska – Vice-Chairman of the Supervisory Board of UNIBEP SA, received remuneration at UNIDEVELOPMENT SA for 2024 in the amount of PLN 48 000.00 for being a member of the Supervisory Board of UNIDEVELOPMENT SA.

Members of the Supervisory Board otherwise do not receive remuneration for serving on subsidiaries of UNIBEP SA.

COMMITTEES OF THE SUPERVISORY BOARD

In accordance with the By-Laws of the Supervisory Board, permanent or ad hoc committees acting as collective advisory and opinion-forming bodies of the Supervisory Board may be appointed within the Supervisory Board. Within the Supervisory Board, the Audit Committee and the Development Committee operate on a permanent basis.

Committees are appointed by the Supervisory Board from among its members, by way of a resolution. The Committee elects a Chairman of the Committee from among its members. The Committee shall be composed of 3 to 5 members.
The majority of members of the Audit Committee, including the Chairman of the Audit Committee, must meet the independence criteria within the meaning of the by-laws governing the functioning of the audit committee. Individual members of the Audit Committee must demonstrate knowledge and skills in the field of the industry in which the Company operates, as well as in accounting and auditing of financial statements.

Such committees shall submit an annual report on their activities, to the Supervisory Board.

The composition of the Audit Committee of the seventh term of office appointed on 21 June 2023 and as at the date of this report is as follows:
1. Michał Kołosowski – Chairman of the Committee, an independent member, within the meaning of Article 129(3) of the Act on Auditors of 11 May 2017,
2. Wojciech Stajkowski – Member of the Committee,
3. Paweł Markowski, an independent Member of the Committee within the meaning of Article 129 (3) of the Act on Auditors of 11 May 2017.

The members of the Audit Committee of the seventh term of office have knowledge and skills in the industry in which the Company operates as a result of their education and previous work history. Mr

Michał Kołosowski additionally possesses knowledge and skills in the field of accounting or auditing resulting from his education and previous professional experience. The curricula vitae of the members of the Audit Committee, current as at the date of their appointment to the Supervisory Board of the seventh term, are available on the Company's website.

The tasks of the Audit Committee include in particular:

(a) submitting the recommendation referred to in Article 16(2) of Regulation No. 537/2014, to the Supervisory Board;
(b) discussing the nature and scope of an audit with the Company's expert auditors, prior to the commencement of each audit of the annual financial statement;
(c) informing the Supervisory Board about results of the audit, and explaining how the audit contributed to the reliability of financial reporting in the Company, as well as of the role played by the Audit Committee during the audit;
(d) reviewing the Company's individual and consolidated interim and annual financial statements;
(e) discussing any problems or qualifications raised during the audit;
(f) analysing comments addressed to the Management Board and made by the Company's expert auditors, and replies made by the Management Board;
(g) reviewing transactions made with related entities;
(h) monitoring the effectiveness of the internal control system, risk management, supervision of legal compliance, and the internal audit functions;
(i) accepting internal audit programmes;
(j) analysing reports of the Company's internal auditors and replies made by the Management Board in relation to the observations contained in such reports;
(k) cooperation with the Company's organisational unit responsible for internal audit, including giving an opinion on the performance of assigned tasks,
(l) giving an opinion on the level of remuneration and bonuses of the internal audit manager and participating in decisions concerning the appointment and dismissal of the internal audit manager,
(m) monitoring the performance of financial reviews, in particular a review performed by an audit firm, taking into account any and all conclusions and findings of the Audit Supervisory Commission resulting from an audit carried out in the audit firm;
(n) reviewing and monitoring the independence of an expert auditor and audit firm, in particular when the audit firm renders other services for the Company, than the audit itself;
(o) assessing the independence of an expert auditor, and giving consent to their rendering of permitted services, which do not constitute audits in the Company;
(p) developing a policy and procedure for the selection of an audit firm to perform the audit;
(q) developing a policy related to the provision of permitted services other than auditing by the audit firm, entities related to the audit firm and by a member of the audit firm corporate network;
(r) monitoring the financial reporting process,
(s) submitting recommendations aimed at ensuring reliability of the financial reporting process in the Company.
(t) making decisions on any other issues related to the Company's audit, which were brought to the attention of the Audit Committee or Supervisory Board.

In 2024, the Audit Committee held four meetings on 05.04.2024, 15.04.2024, 29.08.2024, 06.12.2024 to carry out the tasks assigned to it, such as analysing the Company's financial statements, assessing the risk management system and evaluating the internal control system, analysing financial liquidity, analysing the occurrence of related party transactions, among others. In addition, the Audit Committee met with the audit firm Grant Thornton, during meetings with representatives of the audit firm the prepared summaries of the annual audit and the review of the half-yearly financial statements were discussed. Sustainability reporting was also a topic at the 2024 Audit Committee meetings. Unibep S.A. is obliged to prepare this reporting for 2024, as well as to have it attested by a certified auditor.

Composition of the Development Committee (until 26.11.2024. - The Sustainability Committee) of the seventh term, constituted on 21 June 2023, as of the date of this report, is as follows:

1. Dariusz Blocher – Chairman of the Committee
2. Jan Mikołuszko
3. Beata Skowrońska
4. Paweł Markowski
5. Piotr Bieżuński

The Development Committee's role is to support the Supervisory Board on issues related to the company's key growth directions, the area of sustainability (ESG), business diversification and business risk assessment.

The tasks of this Committee include in particular:

- submitting opinions to the Supervisory Board on the Company's and UNIBEP Group's annual financial plans presented by the Management Board and on the Company's and UNIBEP Group's strategic plans, including in the area of ESG,
- monitoring the implementation by the Management Board of the Company's and Unibep Group's strategic plans and the Company's and Unibep Group's annual financial plans and submitting an opinion to the Supervisory Board on the assessment of their implementation,
- assessment of the impact of the planned and undertaken investments and divestments on the shape of the Company’s assets and sustainable development;
- evaluation of actions, agreements, letters of intent, and other documents related to the activities aimed at acquiring, disposing of, encumbering, or disposing of significant assets of the Company in any other way;
- giving an opinion on any documents of a strategic nature submitted to the Supervisory Board by the Management Board, including in the area of ESG;
- monitoring, assessment and evaluation of undertakings and projects implemented as part of the development strategy of the Company and Unibep Group;
- assessment of the risks and opportunities that may affect the implementation of the Company’s and Unibep Group’s development strategy.

In 2024, the Development Committee met on 18 December 2024. In 2024, the Development Committee undertook activities related to the tasks entrusted to the Committee, including assessing the Company's plans and intentions in terms of its current financial situation, analysing possible action scenarios, and assessing preparations for the annual report in the area of sustainable development.

DESCRIPTION AND RIGHTS OF THE GENERAL MEETING, SHAREHOLDERS’ RIGHTS, AND AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Description of the procedures of the General Meeting.

The General Meeting of UNIBEP SA acts in compliance with the Commercial Companies Code, the Company's Articles of Association, the By-Laws of the General Meeting, and also takes into account the principles contained in the corporate governance principles adopted by the Warsaw Stock Exchange. All corporate documents and information related to the date, agenda, and adopted resolutions are available on the Company's website www.unibep.pl (in the Investor Relations section). An Ordinary General Meeting shall be convened by the Management Board, within 6 months after the end of each financial year. An Extraordinary General Meeting shall be convened by the Management Board, the Supervisory Board, or shareholders representing at least half of the share capital, or at least half of all votes in the company. A shareholder or shareholders representing at least 1/20 (one-twentieth) of the share capital may request that the Management Board convene an Extraordinary General Meeting and put certain matters on its agenda. The request to convene an Extraordinary General Meeting and put certain issues on its agenda should be submitted to the Management Board in writing or in the electronic form. The Management Board should convene the Extraordinary General Meeting within two weeks from the date of submitting the request. There is a special email address (wza@unibep.pl) provided on the Company's website, which may be used in the cases specified in the Commercial Companies Code related to the General Meeting. The General Meeting shall be held at the Company's registered office or in Warsaw. The General Meeting may adopt resolutions only on matters included on the agenda. The Supervisory Board, a shareholder, or shareholders representing at least 1/20 (one-twentieth) of the share capital may request putting certain matters on the agenda of a coming General Meeting. Such a request should be submitted to the Management Board not later than within 21 days before the scheduled date of the Meeting. The request must contain a justification or a draft resolution, concerning the proposed item on the agenda. The request may be submitted in an electronic form.

The powers of the General Meeting, in addition to other matters reserved by applicable laws and the provisions of the Articles of Association, include:

1. reviewing and approving a report of the Management Board on the Company's activities and a financial statement for the previous financial year;
2. adopting a resolution on the division of shares or on covering losses;
3. acknowledging the fulfilment of duties by members of the company's bodies;
4. adopting a resolution on amending the Company's Articles of Association;
5. adopting a resolution on merging with another Company and transformation of the Company;
6. adopting resolutions to dissolve and liquidate the Company;
7. adopting a resolution on the issue of subscription warrants, convertible bonds and bonds with priority rights;
8. adopting a resolution on selling or leasing an enterprise or its organised part, and on establishing a limited property right on such an enterprise or its organised part;
9. making all decisions concerning claims for compensation for damage caused during the formation of the Company, or in the course of exercising management or supervision over it;
10. adopting a resolution on a compulsory buyout of shares, pursuant to Article 418 of the Commercial Companies Code;
11. appointing and dismissing members of the Supervisory Board.

In the event that the General Meeting adopts a resolution on allocating part or all of the profit as payment for shareholders, the General Meeting is competent to determine the date in relation to which a list of shareholders entitled to a dividend for a given financial year will be made (record day) and the date of paying the dividend. Acquisition or disposal of a property, the right of perpetual usufruct, or a share in a property does not require adopting a resolution by the General Meeting.

Other rights of shareholders and the manner of exercising them

A shareholder or shareholders representing at least one-twentieth of the share capital may, before the date of the General Meeting, submit to the company in writing or by means of electronic communication draft resolutions on the items placed on the agenda of the General Meeting or on the items to be placed on the agenda.

During the General Meeting, each shareholder may propose draft resolutions concerning the items on the agenda.

Only persons being shareholders of the Company on the Registration Day have the right to participate in the General Meeting. The day of registering as a participant of the General Meeting is the day falling on sixteen (16) days before the General Meeting.

Persons with registered provisional certificates, pledgees or users with the right to vote are entitled to participate in the General Meeting, provided that they have been entered in the share register at least a week before the General Meeting took place.

A shareholder, who is a natural person, may participate in the General Meeting and exercise their voting right in person or by a proxy. A shareholder, who is not a natural person, may participate in the General Meeting and exercise their voting right by a person authorised to make representations on their behalf, or by a proxy.

Rules for amending the Issuer’s Articles of Association

In addition to other matters reserved by applicable laws, the competences of the General Meeting include adopting a resolution on amending the Company’s Articles of Association. Resolutions of the General Meeting shall be adopted by an absolute majority of votes, unless the Articles of Association or the Commercial Companies Code provide for stricter requirements. The Company’s Articles of Association do not provide for stricter requirements with respect to voting on a resolution amending the Company’s Articles of Association.

The General Meeting may adopt a resolution on a significant change in the scope of the Company’s business without the obligation to buy out the shareholders who do not agree to the change, if the resolution is adopted by a majority of 2/3 of votes, in the presence of shareholders representing at least half of the share capital.

REMUNERATION POLICY

UNIBEP SA adopted the document “Remuneration Policy of the Supervisory and Management Bodies of UNIBEP SA” (Remuneration Policy). The Remuneration Policy became effective on 15 June 2020. On 21 June 2023, the Annual General Meeting of the Company amended the Remuneration Policy by Resolution 32. Subsequently, on 25 June 2024, the Annual General Meeting of the Company adopted Resolution 29 on updating the Remuneration Policy.

The Management Board positively assesses the adopted Remuneration Policy from the point of view of its objectives, in particular the long-term increase in value for shareholders and the stability of the Company’s operations.

Remuneration of supervisory personnel

With respect to supervisory personnel, the Remuneration Policy states that it is the responsibility of the Company's General Meeting to determine the remuneration principles for members of the Supervisory Board for serving on the Supervisory Board. The level of remuneration for members of the Supervisory Board should be sufficient to attract, keep, and motivate the people necessary to ensure the correct supervision over the Company. Remuneration for such persons should be compatible with the scope of tasks entrusted to individual members of the Management Board, and also take into account the performing of additional functions. At the same time, remuneration for members of the Supervisory Board should not depend on options and other derivative instruments, or any other variable components, and should not depend on the Company's results. The main components of the remuneration system for members of the Supervisory Board include:
- a fixed monthly salary,
- additional benefits.

Remuneration of management personnel

With respect to management personnel, the Remuneration Policy provides that the Supervisory Board is the body authorised to determine the remuneration principles for members of the Management Board for serving on the Management Board. The remuneration of members of the Management Board should correspond to the size of the enterprise and be reasonable in relation to the Company's economic results, while the level of remuneration for members of the Management Board should be sufficient to attract, retain and motivate the persons necessary to ensure the proper management of the Company. When determining and verifying the amount of remuneration for members of the Management Board, the Supervisory Board should take into account in particular the scope of duties and responsibilities, the workload necessary to properly perform the entrusted scope of duties, and the level of remuneration for a similar position applied by other entities operating on the market. Incentive Schemes should make the level of remuneration for members of the Management Board dependent on the actual long-term financial situation of the Company, the long-term increase of value for shareholders, as well as on the stability of the Company's operations.

Remuneration of key managers

With respect to key managers, the Remuneration Policy indicates that the body authorised to determine the principles of remuneration of key managers is the Management Board, which determines the remuneration on the basis of the Corporate Collective Labour Agreement implemented in the Company, the rules of awarding bonuses to white-collar workers. The remuneration for key managers should correspond to the size of the enterprise and be reasonable in relation to the Company's economic results, while the level of remuneration for key managers should be sufficient to attract, keep and motivate the people necessary to ensure the proper management of the Company. When determining and verifying the amount of remuneration for key managers, the Company should take into account in particular the scope of duties and responsibilities, the workload necessary to properly perform the entrusted scope of duties, and the level of remuneration for a similar position applied by other entities operating on the market. Incentive Schemes should make the level of remuneration for key managers dependent on the actual long-term financial situation of the Company and on a long-term increase of value for shareholders, as well as on the stability of the Company's operations.

The main elements of the remuneration system for key managers in 2024 included:
- a fixed monthly base salary,
- an annual bonus,
- additional benefits.

Key managers are entitled to an annual bonus awarded and paid in accordance with the terms and conditions detailed in the Bonus regulations for employees in white-collar positions, effective 01.01.2024. According to the Regulations, employees, depending on their position, were assigned to one of six Bonus Groups. The bonus is for the individual tasks set for each employee for the calendar year and for the achievement of business indicators. Employees classified in Bonus Groups I and II are entitled to a bonus for exceeding the achievement of the Business Indicators in addition to the bonus for individual tasks and the bonus for the achievement of the Business Indicators. Employees classified in Bonus Group I are also entitled to a commission on gross profit surplus. Additional benefits for key managers may include a company car, tools and technical equipment necessary to perform their duties, reimbursement of travel and representation expenses to the extent and in the amount appropriate to the functions entrusted to them, private medical insurance, or training to improve qualifications. The Management Board of the Company is responsible for carrying out the performance appraisal of key managers.

The Company does not apply separate retirement benefits, as well as benefits of a similar nature, regarding former managing and supervising persons. Moreover, the Company does not have any administrative bodies referred to in § 70 section 7 item 18 of the Regulation of the Minister of Finance on current and periodic information (…).

7.6. POLICY OF DIVERSITY VIS-À-VIS THE MANAGING AND SUPERVISING AUTHORITY

The Company is currently developing a formalised diversity policy in the form of a single document, but certain rules of conduct in this respect have been developed over the years, including the previously mentioned rules of conduct titled "Unity of Principles and Objectives", which each newly recruited employee of the Company must review.

Due to the location of the Company's registered office in Podlasie, which is considered to be a melting pot of nationalities, cultures and communities, employees and members of the Company's bodies come from different backgrounds and cultures, represent different ways of thinking and points of view and have different life and professional experiences. There are age differences among the Company's employees and governing bodies. At Unibep Group, in addition to employees who are between thirty and fifty years of age, who make up the largest age group at **65.89%**, people over the age of fifty constitute ca. **19.29%** of the Company's employees. **14.82%** of employees are under the age of thirty. Unibep Group employs both women and men in middle and senior management positions, as well as in specialist positions. **Women in Unibep Group account for ca. 42.57% of the total number of white-collar positions.**

The Company tries to make a skilful use of the diversity in the labour market, as it believes that activities promoting diversity help to create a team of people, who cooperate with and complement each other.

In line with the principles adopted in Unibep, any discrimination in employment, whether direct or indirect, in particular regarding sex, age, disability, race, religion, nationality, political beliefs, trade union membership, ethnic origin, denomination, sexual orientation, and with regard to being employed on a fixed-term contract or a permanent contract, or on a full-time or part-time basis, is considered unacceptable.

The Company places great emphasis on the policy of equal treatment and diversity management, especially in the area of recruiting, evaluating of performance, training, promoting and remunerating. The activities carried out in the area of diversity include, among others, inclusion of its principles in internal documents, such as its organisational culture or the Corporate Collective Labour Agreement. Creating the right atmosphere at work is an important part of the implementation of the principles of diversity, thus making employees feel appreciated and respected, and have an opportunity to develop and realize their professional potential in full.

The Company declares that the composition of the Management Board and Supervisory Board of the Company is diversified, in terms of education, age, and professional experience, with regard to the management and supervisory bodies. The construction industry is a specific industry and in selecting management staff, the Company is guided primarily by objective criteria, including the competencies necessary to properly perform the functions of the management board, knowledge, experience or characteristics desirable in the construction industry and in individual areas of management, in accordance with the specific nature of the positions of the individual members of the Company's Management Board. **Women account for 14% of members of the Supervisory Board.** As at the date of publication of the present report, there is no gender diversity on the Company's Management Board.

Detailed information on the diversity policy can be found in the Sustainability Report section of the report

7.7. INFORMATION ON THE AUDIT FIRM

On 22 June 2022, the Supervisory Board of the Parent Company selected Grant Thornton Polska Prosta Spółka Akcyjna (formerly Grant Thornton Polska spółka z ograniczoną odpowiedzialnością Spółka komandytowa) with its registered office in Poznań, ul. Abpa Antoniego Baraniaka 88E to review and audit the financial statements for the period 2022-2024. The audit firm was selected on the recommendation of the Audit Committee. The recommendation of the Audit Committee for the selection of the audit firm met the applicable conditions. The recommendation was drawn up in accordance with the "Policy on the selection of an audit firm to carry out a statutory audit of the financial statements of Unibep SA and Unibep Group".
On 28 July 2022, the Parent Company entered into a contract for the review and audit of the unit and consolidated statements, which stipulates an annual remuneration of PLN 466.7 thousand per annum plus additional costs.

The total remuneration of Grant Thornton Polska Prosta Spółka Akcyjna for the audit of the 2024 statements of the other Group companies amounts to PLN 352.2 thousand plus additional costs.

On 17 October 2024, Unihouse SA entered into a contract with Grant Thornton Revisjon AS, Kirkegata 15, 0153 Oslo for the audit, in accordance with Norwegian standards, of the financial statements of Unihouse SA's operations in the Norwegian market, for a value of NOK 220 thousand plus maintenance costs.

On 25 November 2024, a contract was concluded for the attestation of sustainability reporting for the period 1 January 2024 to 31 December 2024, specifying a fee of 225 thousand plus incidental costs.

The audit firm Grant Thornton Polska Prosta Spółka Akcyjna additionally provided the Parent Company with a service in 2024 and 2023 to evaluate the remuneration report of the Management Board and Supervisory Board for 2023 and 2022 for a value of PLN 19.4 thousand and PLN 18.4 thousand respectively.

The auditing firms did not provide any other services to the Parent Company or the Group in 2023.

The Group has a "Policy on the selection of the auditing firm to carry out the statutory audit of the financial statements of Unibep SA and Unibep Group" in place, which was developed by the Audit Committee and adopted by the Supervisory Board by way of resolution dated 6 February 2018. The aforementioned policy stipulates that the selection of the auditing firm is made by the Supervisory Board, based on the recommendation of the Audit Committee, which (except in the case of a renewal of the audit engagement) presents at least two proposals of auditing firms to the Supervisory Board, together with an indication of one of them and the reasons for its choice. The recommendation of the Audit Committee must not be influenced by third parties. Other objectives of the policy include defining the following: criteria for verification of audit firms and the duration of cooperation with a selected audit firm.

In addition, on 06 February 2018 the Supervisory Board adopted the “Policy on the provision of permitted non-audit services to Unibep SA, by an audit firm conducting an audit, by entities affiliated with that audit firm, and by a member of the audit firm's network”. The main objective of this policy is to eliminate the risk of a lack of independence, when rendering certain services other than a statutory audit, by expert auditors, audit firms, or members of their network. The afore-mentioned policy provides for listing prohibited services, which do not constitute financial audit activities, as well as permitted services, which are not financial audit activities, and also specifies that the provision of permitted services, which do not constitute financial audit activities is only possible after prior approval by the Audit Committee. The Policy applies to the Company and the Company’s Group.

8. MISCELLANEOUS

8.1. DESCRIPTION OF RISKS AND HAZARDS

For Unibep Group, as well as for the construction sector as a whole, the above risks require constant monitoring and adaptation of risk management strategies. The ability to respond effectively to changing market conditions, regulations and operational challenges determines a company's financial stability and its ability to grow. Managing risk, including by diversifying the business, exploring new markets and investing in staff and technology development, is key to ensuring long-term success and increasing value for shareholders.

RISK RELATED TO THE MACROECONOMIC SITUATION

For Unibep Group, changes in the macroeconomic situation, such as inflation, changes in interest rates or fluctuations in exchange rates may significantly affect the cost of financing, the value of investments and the demand for construction. Economic uncertainty may lead to the delay or cancellation of investment projects, which will directly affect the company's financial performance.

RISKS RELATED TO CHANGING MARKET CONDITIONS AND DEMAND FOR CONSTRUCTION SERVICES, INCLUDING THE IMPACT OF THE ECONOMIC SITUATION ON THE CONSTRUCTION SECTOR

The cyclical nature of the construction market and changes in demand for construction services due to the general economic situation may affect Unibep's order levels and margins. Phases of economic growth favour investment, while periods of recession may lead to a reduction in investment, which directly affects the company's operations.

LEGAL AND REGULATORY RISKS

Unibep takes into account the risk of changes in construction, tax and other regulations affecting the sector. New legal requirements may increase operating costs, introduce additional administrative burdens or limit the company's growth opportunities.

RISKS RELATED TO WARFARE

Armed conflicts, both local and international, may affect the stability of raw material supplies, production costs and the safety of Unibep employees, particularly in areas exposed to hostilities.

CREDIT RISK RELATED TO THE POTENTIAL DETERIORATION IN THE PAYMENT CAPACITY OF COUNTERPARTIES, INVESTORS, THE ISSUER AND CHANGES IN BANKS' CREDIT POLICIES AND AVAILABILITY OF FINANCING FOR THE CONSTRUCTION SECTOR

Changes in the payment capacity of counterparties and investors, as well as changes in banks' credit policies, may affect Unibep's financial liquidity. Difficult access to financing or worsening credit conditions may delay or prevent projects.

OPERATIONAL RISKS ASSOCIATED WITH PROJECT IMPLEMENTATION, INCLUDING TECHNOLOGICAL RISKS, WARRANTY RISKS, IMPLEMENTATION DELAYS AND PROJECT COST INCREASES

Operational risks, including technological risks, problems with guarantees, project delays and uncontrolled cost increases, and risks in performance of obligations by the employers, are key challenges for Unibep. These may lead to increased operating costs and affect project profitability and valuations.

RISKS ASSOCIATED WITH DIVERSIFICATION OF REVENUE SOURCES AND EXPANSION INTO NEW MARKETS AND BUSINESS SEGMENTS

Unibep's strategy of diversification and expansion into new markets and business segments carries risks related to unfamiliarity with local conditions, higher entry costs and potential difficulties in adapting the offer to the expectations of new customers. Such activities may also require significant investment before they begin to deliver the expected results.

RISKS RELATED TO DIFFICULT ACCESS TO SKILLED LABOUR, INCLUDING DUE TO MIGRATION OF WORKERS AND DEMOGRAPHIC CHANGES

The labour market in the construction industry is highly competitive and demographic changes and migration of workers may lead to a lack of access to skilled labour. For Unibep, this may mean having to increase salaries to attract and retain staff, which will have an impact on operating costs. In addition, the lack of skilled workers may lead to delays in project implementation and affect the quality of projects.

In addition to the risk described above, the risk from the financial area is also presented in the report. These are included in section 4. Financial risk management.

8.2. COURT PROCEEDINGS

As of the date of drawing up this Report, the Parent Company and Unibep Group are parties to pending court proceedings, concerning liabilities and receivables. The total value of proceedings related to receivables as at the date of this Report is PLN 155,680 thousand and exceeds 10% of the UNIBEP Group's equity (the total value of proceedings concerning receivables of the Parent Company is PLN 137,984 thousand).

Meanwhile, the total value of proceedings as at the date of this Report is PLN 180 216 thousand and exceeds 10% of Unibep Group's equity (the total value of proceedings concerning liabilities is PLN 172,522 thousand).

The Company has identified a number of significant proceedings. The proceedings with the highest values are those described below between UNIBEP SA and Podlaski Regional Road Administration (Investor), Trakcja PRKiL SA (Investor) and Spółdzielnia Mieszkaniowa "Na Skraju".

1) In the lawsuit brought by the Consortium of Unibep SA and Most Sp. z o.o. against **Podlaskie Voivodeship Roads Authority** (PZDW) for payment of PLN 8,286 thousand as a contractual penalty due to withdrawal from the contract and the amount of PLN 23,243 thousand due to additional claims on the project Sokółka – Dąbrowa Białostocka. In mid-November 2018, the Company was served a statement of claim filed by Podlaskie Voivodeship Roads Authority against the Consortium for payment of a contractual penalty in the amount of PLN 8,286 thousand due to withdrawal from the contract. At the first hearings, which took place in June and September 2019, witnesses were heard. On 6 November 2019, the statement of claim was increased by PLN 4,807 thousand for claims arising from the final settlement of the contract. On 26 November 2020, Podlaskie Voivodeship Roads Authority extended the statement of claim by an additional amount of PLN 103,998 thousand. Further witnesses were heard and requests for evidence on the admission of

expert opinions were examined in the course of the legal proceedings. In May 2021, the Court ordered the admission of evidence of written witness statements, the opinion of the Scientific and Research Institute and set a deadline of one year for the opinion. The Court delivered a judgement on part of the claim in favour of Unibep SA in the amount of PLN 799 000 with statutory interest and in favour of Most Sp. z o.o. in Sopot in the amount of PLN 61 000 with statutory interest for delay. On 21 September 2021, the defendant Podlaskie Voivodeship Roads Authority filed a reply to the statement of claim and reduced the claim in respect of the claimed contractual penalty due to withdrawal by the amount of PLN 8,286 thousand including interest. In addition to the letter, the defendant Podlaskie Voivodeship Roads Authority submitted an opinion of the Scientific and Research Institute of Roads and Bridges. Subsequently, on 31 December 2021, an extension of the statement of claim was filed by UNIBEP SA for the amount of PLN 8,286 thousand drawn from the guarantee. On 11 April 2022, Unibep has applied to the court to refer the Parties to mediation. A similar letter, also granting the other party's request, was submitted by the defendant Podlaskie Voivodeship Roads Authority. No settlement was reached in the course of the mediation proceedings. The parties requested a stay of the Court proceedings. The case is to go to conciliation at the Attorney General's Office.

The Court will decide whether the withdrawal from the contract by the Contracting Party is legitimate and what claims arise therefrom. However, the Consortium is of the opinion that it has effectively withdrawn from the contract, thus all claims raised by the Contracting Party have no legal basis. The Consortium maintains its position that, similarly to the claim of the contracting entity for payment of a contractual penalty for withdrawal from the contract, the claim of the contracting entity for additional damages is also entirely unfounded.

To sum up, a court dispute is currently pending between the parties, in which statements of claim for payment brought by the Consortium for the total amount of ca. PLN 44,622 thousand and by the Contracting Party for the amount of ca. PLN 105,998 thousand plus interest have been combined for joint examination.

The Company fully disputes the damage allegedly suffered by the Contracting Party, both as to the existence of the damage and as to its amount. The Issuer still believes that it has effectively withdrawn from the contract, thus all claims raised by the Contracting Party have no legal basis. The Company maintains that the circumstances described above allow this dispute to be still considered as neutral for the current results of Unibep Group. At the same time, the Issuer stipulates that this aspect will be subjected to thorough analysis, in particular in relation to financial audit activities performed for the purposes of preparing financial statements.

2) In the statement of claim of 30 September 2022, Unibep SA (formerly Budrex Sp. z o.o.) claims from Trakcja PRKiL SA reimbursement of costs incurred for the performance of the defendant's scope of works under the Łochów – Topór contract in the amount of PLN 8,192 thousand. The Court issued an order for payment by writ of payment, to which the Defendant filed an objection. By order of the Court, the case was referred to mediation, during which no settlement was reached. The case was brought back before the Court, in the course of the proceedings there were two hearings in July and November 2023 and one in January 2024, at which witnesses were heard. At the hearing on 25 March 2024, the Court heard from some witnesses. On 20 and 24 May 2024, hearings were held without witnesses. At the hearing on 11 December 2024, there was an examination of further witnesses. We are awaiting further action from the Court.

3) In February 2024, Unibep SA received a statement of claim from "Na Skraju" Housing Association for the amount of PLN 55 m due to defects regarding the Cynamonowy Dom investment. On 5 April

2024, a statement of defence was filed by Unibep SA. The Company denies the validity of the claim in its entirety. The statement of claim relates to a building, the construction of which was completed in 2013 and its acceptance was recorded in a report dated 29 November 2013. In Unibep SA's opinion, the reported defects are not the result of a workmanship error, but they are caused by the design documentation, for which the Investor is responsible. Some of the defects alleged in the statement of claim were not reported until 2023. There is therefore a significant likelihood that the claims or the period of limitation for the claims will be considered expired. for over 5 years. The expert issued opinions in the case. Both parties filed objections to the expert's opinion. A supplementary opinion is pending.

4) In November 2024, Unibep filed a total of 3 suits for payment by injunction against Umicore Battery Materials Poland sp. z o.o. for a total amount of PLN 12,258 thousand due to non-payment for the works performed on the Extension of the Umicore Plant in Radzikowice. Orders for payment were issued, while Umicore filed an objection to the payment orders. By the Court's order of 28 February 2025, all three cases were combined for joint examination. The hearing has been set for 30 July 2025. The case was also referred to mediation

For a detailed description of other court proceedings, see Note 6.35 to the Consolidated Financial Statement for 2024.

8.3. INFORMATION ON CHARITY AND SPONSORSHIP ACTIVITIES

Unibep SA has supported sports for many years (mainly by subsidising the Tur Basket Bielsk Podlaski Association), it has been active in the development of education (e.g. by funding scholarships for students and cooperating extensively with Polish universities), it also subsidises cultural and community activities, institutions in need of assistance and – mainly through the activities of Unibep Group's Unitalent Foundation – it helps young talents on their way to success. With a view to the financial situation of Unibep Group in 2024 expenses related to charitable activities have been significantly reduced – apart from the contribution to Unibep Group Unitalent Foundation and support for flood victims.

At the same time, it should be emphasised that the events and activities that Unibep Group has supported over the years could count on further support. This includes the nationwide competition "Wood in Architecture" (organised in cooperation with the Architecture Department of the Bialystok University of Technology), events organised by well-known organisations operating in Podlasie (e.g. the Orthodox Music Festival in Hajnówka, the jubilee of the National Song Choir or the Anna German Festival). Traditionally, Unibep Group also funded scholarships for the best vocational school students and cooperated with a number of technical colleges and study circles within them.

In the case of the Unibep Unitalent Group Foundation - in addition to education in the area of creativity and entrepreneurship - a unique project was carried out in cooperation with the amateur theatre the Mask from Bielsk Podlaski and the Prophet Elias Hospice in Michałów – a theatrical performance entitled "A Tale of a Scarecrow and His Friends" was created. It is a family show about values such as friendship, respect and cooperation. It has also been a partner of the nationwide amateur theatre festival "Decha", supporting young acting talent, and has started cooperation with the Foundation for the Development of Podlasie Cinematography "Very Wild East", which aims to develop talent in the area of film art.

In the case of the assistance to flood victims in September 2024, Unibep Group and Unibep Group Unitalent Foundation actively supported those in need – through the donation of work clothes and the reconstruction of the Primary School in Nowy Świętów (Opole region), which was affected during the floods.

9. SUSTAINABILITY REPORT

9.1. OVERVIEW

ESRS 2 General disclosures
BP-1 General basis for preparation of sustainability statements
BP-2 Disclosures in relation to specific circumstances

Unibep Group wants to operate in a responsible and sustainable manner. For several years now, we have been preparing sustainability reports that describe our environmental, economic and social performance.

In previous years, the Report was prepared on the basis of the GRI Standard. This year, for the first time, it was prepared based on the latest European Sustainability Reporting Standards (ESRS). Accordingly, UNIBEP Group reports no changes in the preparation or presentation of the Sustainability Statement or errors from previous periods.

The information contained in the report refers to Unibep Group, unless otherwise indicated. Where data was not available, an estimation method was used. The report covers the information for period from 1 January 2024 to 31 December 2024. The scope of consolidation in this report is the same as for the consolidated financial statements for the last financial year. The extent of the value chain information is presented in the appropriate places in the report.

UNIBEP Group did not use of the option to omit certain information regarding intellectual property, know-how or innovation results.

The Report also includes Taxonomy disclosures effective in 2024.

The definitions of medium and long-term time horizons adopted do not differ from the standard definitions in ESRS 1.

The sustainability statement takes into account the Group's upstream and downstream value chain on topics deemed material based on a dual materiality analysis. This analysis showed that key themes include: ESRS E1 (Climate change), ESRS E4 (Biodiversity), ESRS E5 (Circular economy) ESRS S1 (Own workforce), ESRS S2 (Workers in the value chain), ESRS S3 (Local communities), ESRS S4 (Consumers and end-users) and ESRS G1 (Governance). The sustainability report focuses mainly on the Group's internal operations and its immediate environment, but the selected topics also consider the impact on the supply chain (upstream) and customers and end-users (downstream). This coverage is detailed in the following sections of the report for each ESRS standard, according to the results of the dual materiality analysis.

The metrics disclosed in this report include both direct data, obtained from actors in the value chain, and indirect data, estimated from sector averages and proxy indicators, with a high level of reliability and representativeness. The quantitative measures and indicators used, expressed in monetary terms, are based on actual data and have not been subject to estimation and are therefore not subject to significant measurement uncertainty. The exceptions are the greenhouse gas emissions data in Scope 3, which have been estimated based on the emission factors assigned to each purchase category. Sources of emissions data included publications from DEFRA (UK Department for Environment, Food & Rural Affairs), the Ministry of Climate and Environment, KOBiZE (National Balancing and Emissions Management Centre), the Energy Regulatory Authority, PLGBC (Polish Green Building Council) and the EPA (U.S. Environmental

Protection Agency). Due to the lack of complete data from all suppliers, it has been assumed that the average emissivity values for each sector are representative of the Group's purchasing structure. Consequently, Scope 3 greenhouse gas emission factors are subject to a high level of measurement uncertainty.

GOV-1 The role of the administrative, management and supervisory bodies

The Management Board handles all matters and issues of the Company and represents it before third parties.

As at 31 December 2024, the composition of the Company's Management Board was as follows:
1. Dariusz Blocher – President of the Management Board, who is also a Director of the Company,
2. Leszek Gołąbiecki – Vice-President of the Management Board, at the same time acting as the Executive Director,
3. Adam Poliński – Vice-President of the Management Board, at the same time holding the position of the Director of the Infrastructure Branch.
4. Andrzej Sterczyński – Member of the Management Board, also acting as the Finance Director
5. Zbigniew Gościcki – Member of the Management Board, who is also the President of the Management Board of a subsidiary – Unidevelopment S.A.

On 26 November 2024, Dariusz Blocher resigned from the position of President of the Company's Management Board with effect at the end of 31 December 2024. On 26 November 2024, the Company's Supervisory Board appointed Mr Andrzej Sterczyński to serve as the President of the Company's Management Board with effect from 1 January 2025.

As a result of the above changes, the composition of the Management Board of Unibep SA at the date of publication of the report was as follows:
1. Andrzej Sterczyński – President of the Management Board, who is also a Director of the Company,
2. Leszek Marek Gołąbiecki – Vice-President of the Management Board, at the same time acting as the Executive Director,
3. Adam Poliński – Vice-President of the Management Board, at the same time holding the position of the Director of the Infrastructure Branch.
4. Zbigniew Gościcki – Member of the Management Board, who is also the President of the Management Board of a subsidiary – Unidevelopment S.A.

Board meetings are held as and when required.

The organisation and mode of work, as well as the principles of operation of the Management Board of Unibep SA are specified in the By-Laws of the Management Board, available on the Unibep SA's website under the "Investor Relations" tab.

Continuous supervision of the Company's activities in all areas of its operations is exercised by the Supervisory Board. Its members act in the interests of the company, guided by the independence of their opinions and judgements. The tasks of the Supervisory Board of Unibep SA Include, among others, issuing opinions on the Company's strategic and financial plans, supervising the work of the Management Board in achieving the set strategic objectives and monitoring the results achieved by the Company.

As at 31 December 2024, the composition of the Supervisory Board was as follows:
1. Jan Mikołuszko – Chairman of the Supervisory Board

2. Beata Skowrońska – Deputy Chairperson of the Supervisory Board
3. Wojciech Stajkowski – Vice Chairman of the Supervisory Board
4. Michał Kołosowski – Member of the Supervisory Board (independent Member)
5. Paweł Markowski – Member of the Supervisory Board (independent)
6. Piotr Bieżuński – Member of the Supervisory Board (independent)

As of 1 January 2025, Dariusz Blocher joined the Supervisory Board. At the date of publication of the report, the composition of the Supervisory Board is as follows:

1. Jan Mikołuszko – Chairman of the Supervisory Board
2. Beata Skowrońska – Deputy Chairperson of the Supervisory Board
3. Wojciech Stajkowski – Vice Chairman of the Supervisory Board
4. Michał Kołosowski – Member of the Supervisory Board (independent Member)
5. Paweł Markowski – Member of the Supervisory Board (independent)
6. Piotr Bieżuński – Member of the Supervisory Board (independent)
7. Dariusz Blocher – Member of the Supervisory Board

Of the composition of the Supervisory Board, three members meet the criteria for independence within the meaning of the corporate governance rules applicable to companies admitted to trading on the domestic regulated market and within the meaning of the Act on Statutory Auditors, which represented 50% of the Supervisory Board at the end of 2024 and 43% of the Supervisory Board at the date of publication of this Report.

Within the Supervisory Board, there are two standing committees with advisory and opinion-giving functions – the Audit Committee and the Development Committee.

The Audit Committee, whose responsibilities include overseeing and monitoring the Company's financial reporting process and internal audit programme.

As at the date of publication of this Report, the composition of the Audit Committee is as follows:

1. Michał Kołosowski – Chairman of the Audit Committee
2. Wojciech Stajkowski – Member of the Audit Committee
3. Paweł Markowski – Member of the Audit Committee

The Chairman of the Audit Committee meets the independence criteria within the meaning of the corporate governance rules applicable to companies admitted to trading on the domestic regulated market and the independence criteria within the meaning of the Act on Statutory Auditors, and has knowledge and skills in the field of accounting and auditing. Members of the Audit Committee have knowledge and skills related to the industry in which the company operates.

The Development Committee's role is to support the Supervisory Board on issues related to the company's key growth directions, the area of sustainability (ESG), business diversification and business risk assessment.

As at the date of publication of this Report, the composition of the Development Committee is as follows:

1. Dariusz Blocher – Chairman of the Development Committee
2. Jan Mikołuszko – Member of the Development Committee
3. Beata Skowronska – Member of the Development Committee
4. Paweł Markowski – Member of the Development Committee
5. Piotr Bieżuński – Member of the Development Committee

The Supervisory Board and its Committees meet at least once every three months.

The organisation and mode of work, as well as the principles of operation of the Supervisory Board are specified in the By-Laws of the Supervisory Board, available on the UNIBEP SA's website under the "Investor Relations" tab.

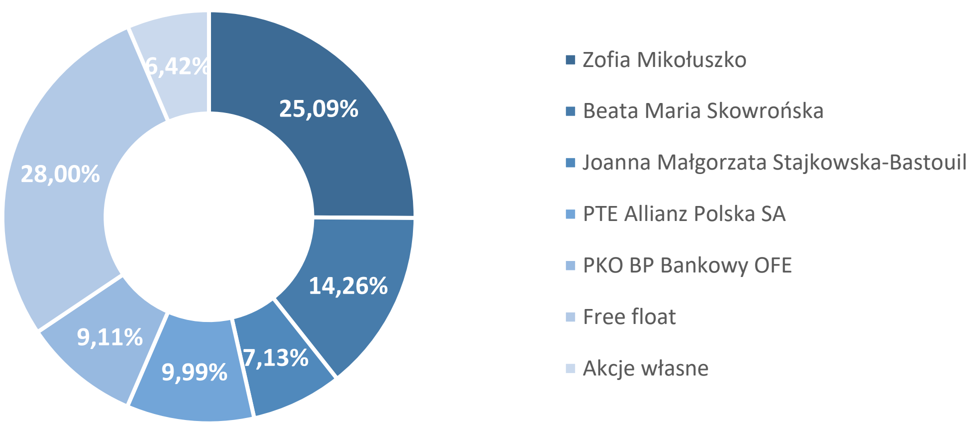
The composition of the Company's Management Board and Supervisory Board is diverse in terms of education, age and professional experience. In the selection of managers or supervisors, the Company is guided by objective criteria, including the competence necessary to perform the functions entrusted, knowledge, experience or characteristics desirable in the industry in which the Company operates. Due to the nature of the construction industry, there is still a predominance of the male gender among professionals in this field. Women account for 14.3% of members of the Supervisory Board. There is no gender diversity on the Company's Management Board.

At the end of 2024 and at the date of publication of this Report, all members of the Management Board fall within the age range of 40 – 60 years, while members of the Supervisory Board fall within the following age ranges: 40 – 50 years old: 3 members, 50-60 years old: 1 member, aged 60+: 3 members.

The members of the Management Board and Supervisory Board have diverse educational and professional backgrounds. Detailed information presenting the experience and competence of the managing and supervising persons can be found in the 2024 Group Management Report and on the Company's website, under "Investor Relations".

Members of the Company's collegiate bodies, as well as members of the ESG Team and other key employees improve their sustainability skills by participating in, among other things, training courses related to ESRS reporting and compliance. These trainings are designed not only to enhance skills, but also to support the effective management of impacts, risks and opportunities, thereby strengthening the Company's position in terms of achieving its sustainability goals and meeting the expectations of its stakeholders. Through regular upskilling, those involved in management processes have the knowledge necessary to effectively identify and resolve issues relevant to the Company's business and its stakeholders.

SHAREHOLDING STRUCTURE AS AT 31 DECEMBER 2024



GOV-2 Information provided to the entity’s administrative, management and supervisory bodies and sustainability matters addressed

As part of the distribution of the tasks of the members of the Management Board, responsibility for the area of sustainable development has been assigned to a member of the Management Board, the Finance Director, with the other members of the Management Board supervising individual issues in this area within their assigned subordinate areas of the Company's and Group's activities. The entire Management Board is responsible for the implementation of Unibep Group ESG Strategy.
In 2024, actions were taken to: reduce energy consumption and greenhouse gas emissions as referred to in E1-3, job valuations were carried out, the value chain was identified and a number of procedures were put in place to strengthen corporate governance in the Group, as referred to later in the report.

An ESG Team was established at the company, comprising representatives of Unibep Group companies, directly responsible for environmental, social and corporate governance areas. The status of the implementation of Unibep Group's ESG Strategy, sustainability issues, as well as the work on the report are periodically discussed at ESG Team meetings. Sustainability information is reported to the Management Board, who assess the status of the implementation of the measures and planned activities and takes the appropriate decisions. The Supervisory Board and the Committees discuss, review or approve sustainability information prepared by the Company at their initiative or at the initiative of the Company and serve in an advisory capacity to the Company.

Board members are responsible for implementing and reporting on ESG issues. In particular, the Management Board is responsible for setting ESG objectives and overseeing their implementation. In addition to ongoing oversight of ESG issues, as part of the Integrated Management System reviews, the Board monitors key environmental KPIs, e.g. emissions, energy consumption, as well as health and safety compliance and the quality of the completed facilities.

The Development Committee's tasks include, in particular, submitting opinions to the Supervisory Board on the plans, reports in the ESG area presented by the Company's Management Board, monitoring and evaluating their implementation. In 2024, meetings were held with the Board on the implementation of the ESG strategy and the work on sustainability reporting.

The tasks of the Supervisory Board include, in particular, the opinion and approval of plans, reports and evaluation of the completion of the Company's activities in the ESG area.

As sustainability applies to all areas of the Company's and the Group's operations, in addition to members of the ESG Team, the process also involves managers and employees from various organisational units and levels, who provide direct support for the implementation of sustainability tasks.

The implementation of the tasks by the various organisational units and the observance of due diligence are the responsibility of the managers of these units.

GOV-3 Integration of sustainability-related performance in incentive schemes

Management Board member bonuses

Acting on the authority of the General Meeting of the Company on the adoption of the Remuneration Policy for the Supervisory and Management Bodies of UNIBEP S.A. (the "Remuneration Policy") to detail its elements, on 20 February 2024 the Company's Supervisory Board introduced a new bonus policy for members of the Management Board, adopting details of the Remuneration Policy in terms of the description of the variable remuneration components that may be awarded to members of the Management Board.

According to the new bonus rules for members of the Management Board, the variable remuneration of a member of the Management Board consists of the following components: short-term variable remuneration and long-term variable remuneration.

The accounting period for the short-term variable remuneration is the financial year. The accounting period for the long-term variable remuneration is a period of three calendar years, provided that the first accounting period covers the years 2024-2026.

Short-term variable remuneration contains the following components:

- Bonus for completing individual assignments that include, but are not limited to, sustainability topics,
- Bonus for meeting financial ratios,
- Bonus for exceeding the financial ratios,
- Commission on the result.

A member of the Management Board is entitled to long-term variable remuneration provided that the Company achieves a UNIBEP SA share price change index of more than 50%. The amount of the long-term variable remuneration is determined by the level of the percentage indicator of the change in the Unibep SA share price.

On 20 February 2024, the Supervisory Board set the financial ratios and individual tasks for 2024 for the individual members of the Management Board.

A detailed description of the Individual Task Bonus, under which sustainability tasks are assigned to Management Board members:

- The basis for the calculation of the short-term variable remuneration – Individual Task Bonus, for a given year of assessment, is 12 times the monthly remuneration of a member of the Management Board, specified in the act establishing the legal relationship with the member of the Management Board, as the basic remuneration to which he/she is entitled in that year of assessment.
- The planned value of the indicator taken to determine the Individual Performance Bonus is up to 20% of the Base.
- By the last day of the month of February of a given financial year, the Supervisory Board assigns individual tasks to the individual members of the Management Board for this financial year (assessment year), taking into account the financial plan adopted by the Supervisory Board for the financial year in question.
- The individual task is set taking into account the Board member's area of responsibility and linked to the business strategy, development plans and interests of the Company. In particular, the individual task can be linked to the achievement of targets in the areas of contracting levels, warranty service costs, staff building and development and the implementation of the ESG Strategy. Individual tasks may be financial and non-financial.
- The Supervisory Board may assign each member of the Management Board between one (1) and five (5) individual tasks for the financial year. If more than one individual task is assigned, the

Supervisory Board determines the percentage weight of each task. The sum of the individual task weightings for the assessment year is 100%.

- The performance of individual tasks is evaluated by the Supervisory Board after the end of the financial year being the year of evaluation.
- Each individual task is accounted for separately and scored from 0% to 100%, depending on the degree of completion of the individual task in question.
- In the resolution on the award of the Individual Performance Bonus, the Supervisory Board specifies the percentage of individual performance and the amount of the bonus.

Company's share-based incentive scheme

The beneficiary of the Company's 2024 share-based incentive scheme was the President of the Management Board Dariusz Blocher. On 20 February 2024, the Supervisory Board determined the financial and non-financial (including sustainability subjects) allocation criteria for up to 450 000 shares in the Company for Mr Dariusz Blocher.

The non-financial criteria established by the Board for the allocation of shares in the Company are: (i) Improving occupational safety by lowering accident rates at Unibep S.A. by 2023, (ii) Actions towards reducing greenhouse gas emissions in Unibep S.A. Group value chain, in line with Unibep S.A. Group ESG Strategy.

Mr Dariusz Blocher, depending on the extent to which he meets the allocation criteria set by the Supervisory Board for the assessment year 2024, will be entitled to acquire shares in the Company in the allocation year 2025, up to a maximum of 450 000 shares.

On 13 August 2024, the Company's Supervisory Board, based on the authorisation granted by the General Meeting, adopted a resolution on the early termination of the Company's share-based incentive scheme, with the exception of the pool of shares allocated to Mr Dariusz Blocher described above.

The remuneration principles and incentive schemes of the Management Board are detailed in the Group Management Report 2024.

In the reporting year, no climate change adaptation targets were included in the remuneration of members of the administrative, management and supervisory bodies.

GOV-4 Statement on due diligence

	Basic elements of due diligence	Sustainability statement points
A	Implementing due diligence on governance, strategy and business model	S1-1, S2-1, S3-1, S4-1, E4-2
B	Engaging with stakeholders at all key stages of due diligence	S1-2, S2-2, S4-2
C	Identification and assessment of negative impacts	IRO-1, SBM-3
D	Taking action to address these negative impacts	S1-3, S2-3, S4-3, G1-3

E	Monitoring the effectiveness of these efforts and communicating	E4-3, S1-17, S2-4, S3-4, S4-4

GOV-5 Risk management and internal controls over sustainability reporting

Unibep SA has adopted the requirements of the international ISO standards as a set of best, available and recommended practices for doing business in various aspects of corporate social responsibility. The Group manages environmental issues, occupational safety, quality of construction works and manufactured construction products by applying the requirements of ISO 9001, 14001, 45001 and PN-EN 13108-21 standards within the organisation in the form of a consistent Integrated Management System that has been independently certified. The scope of certified activities is defined by individual certificates, which are available at www.unibep.pl; link: https://unibep.pl/zrownowazony-rozwoj/zintegrowany-system-zarzadzania.html

The functioning of Unibep’s Integrated Management System is regularly analysed with regard to risks. All company processes are monitored, supervised and described in the form of internal procedures, which are made available to employees on the Intranet. Instructions and orders referring to the Integrated Management System meet the requirements of due diligence procedures. Our efforts are confirmed by the Integrated Management System Policy adopted by the Management Board of Unibep SA, which indicates that employees should treat customers’ needs, continuous development of employees’ competences, effective management of occupational safety and environmental protection, compliance with applicable laws and ethical standards, as well as cooperation with the local environment as their priorities.

Risk management at Unibep Group is implemented with reference to the strategic and operational objectives of the entire organisation, its individual companies, branches or organisational processes. The risk management process should be linked at each stage to the strategy, organisational culture and structure, internal processes, applicable policies, standards and procedures, as well as expectations and objectives. Risks are monitored on an ongoing basis.

Operational and financial risks are presented in the Management Report in section 8.1 Description of risks and threats for 2024.

For a description of the main identified risks in the sustainability reporting process and a presentation of risk mitigation strategies, see ESRS 2 General Disclosures section of the SBM-3 disclosure.

The results of the internal audits carried out are presented to the Audit Committee of the Supervisory Board on an ongoing basis. In contrast, a summary of the functioning of the systems for internal control, risk management, compliance monitoring and the internal audit function is presented to the Supervisory Board in the form of an annual report.

SBM-1 Strategy, business model and value chain

Our Group’s potential

Unibep SA is one of the largest construction companies in Poland. The history of the company reaches back to 1950. Since 2008, the Company has been listed on the Warsaw Stock Exchange.

The Company’s head office is located in Bielsk Podlaski. The company also has offices in Warsaw, Białystok, Łomża, Poznań, Katowice, Racibórz, Olsztyn and Lviv.

Unibep Group's operations are based on five complementary segments:

- construction services including general contracting at home and abroad (Unibep S.A.)
- energy and industrial construction (Unibep S.A.)
- infrastructure operations (Infrastructure Division of Unibep S.A.)
- property development activity (Unidevelopment SA and Unidevelopment Group companies)
- modular construction in timber frame technology (Unihouse S.A.)

In 2024, the Company operated in six markets, serving private and institutional customers in Poland, Ukraine, Sweden, Norway, Denmark and Germany. Due to the political situation in the Republic of Belarus, a decision was taken to withdraw from the Belarusian market after fulfilling service obligations to existing business partners. The construction of the Polish embassy in Minsk is currently underway in Belarus – the investor is the state treasury.

Despite the war in Ukraine, the company's representative office continues to operate in the country; it is located in Lviv. The performance of contracts in Ukraine depends on geopolitical developments in the region. We are currently implementing a contract for the reconstruction of the Medyka – Szeginie border crossing.

As at the date of the publication of this Report, Unibep Group consists of the Parent Company Unibep S.A. and direct subsidiaries of Unibep S.A. These include:

- Unihouse SA
- UNEX Constructions Sp. z o.o.
- Unidevelopment SA
- Unibep PPP Sp. z o.o.

The group also has two representative offices – in Ukraine and Belarus. The headcount in each of them does not exceed 10 people. A description of Unibep Group is presented in section 3.2 of the Management Report.

Operations of Unibep Group

Over the years, the company has formed a group of companies. Today it comprises:

CONSTRUCTION Segment
Area: LARGE-SCALE CONSTRUCTION
Unibep SA

The general contractor Unibep S.A. in Poland (large-scale construction), whose main pillar is residential construction, but also implements industrial, hotel, entertainment or public utility and military projects. The company enjoys a strong position, particularly in the Warsaw market. The company also develops commercial construction projects (hotel, office, retail and public buildings, including educational and training facilities). It carries out projects across almost the entire country. For geopolitical reasons, at the beginning of 2022, the company suspended operations in the Belarusian market in full, however, a project is currently underway in Minsk on behalf of the State Treasury to build the Embassy of the Republic of Poland in the Republic of Belarus, while in the Ukrainian market, for reasons of warfare, we do not carry out works, but a representative office in Ukraine continues to operate there. In 2023, the Ukrainian services terminated the contract with Unibep SA for the expansion of the Medyka-Szeginie border crossing, which was signed in 2018. After a re-tendering of the aforementioned investment, Unibep SA was selected to carry out the construction – the contract has been signed and is underway.

CONSTRUCTION Segment
Area: ENERGY AND INDUSTRIAL CONSTRUCTION
Unibep SA

Unibep S.A.'s energy construction business is a segment focused on the tenets of the green economy; it is a response to the needs associated with the transformation of Poland's economy towards zero- and low-carbon. Unibep S.A.'s main objective in this segment is to carry out 'design and build' investments, but also 'turnkey' projects based on the investor's design, with all the required technology. Unibep SA also focuses on selected issues in the field of energy construction: these are water and steam gas-fired boiler plants, waste incineration plants, cogeneration installations based on gas engines and gas turbines, hydrogen-fired boilers, modernisation of heat sources and heat accumulators. In this business segment , the company directs its attention to: waste incineration plants, sewage treatment plants, power plants, combined heat and power plants, technical buildings for industry and energy, engineering structures for technology and generation, energy storage facilities, photovoltaic farms, linear facilities within the framework of its references and consortium capacities including pipelines, technological flyovers, conveyors, etc.

CONSTRUCTION Segment
Area: INFRASTRUCTURE
Unibep SA

The Infrastructure Division of Unibep S.A. is a unit engaged in the comprehensive execution of road works and civil engineering works (bridges, viaducts, etc.), including site development and the execution of engineering works. The Division has its own road and bridge laboratory and a modern equipment and transport base. It is the leader in road construction in north-eastern Poland. Currently, the main markets are the Podlaskie, Warmińsko-Mazurskie and north-eastern areas of the Mazowieckie Voivodeship.

REAL ESTATE DEVELOPMENT segment
Unidevelopment SA, special purpose vehicles

Unidevelopment SA is a developer with more than 15 years of experience. It is well-established in the residential construction market in Warsaw, Poznań and Radom, and also started operations in the Tricity in 2022. The company is a member of the Polish Association of Developer Companies and the Polish Green Building Council (PLGBC).

MODULAR CONSTRUCTION segment
Unihouse SA

Unihouse S.A. is one of the largest European companies in the modular construction industry, successfully applied in Europe. The company is a pioneer on the Polish market in the production of modern timber-frame modular buildings. These structures are used in various investment projects, from multi-family and office buildings to schools, kindergartens, hotels and public buildings. The key markets are Poland, Germany and Norway, but the company has also made an investment in Denmark. On the Polish market, the company carries out investments especially in the segment of public utility buildings.

FOUNDATION
Unibep Group's Unitalent Foundation.

Unibep Group's Unitalent Foundation. The foundation was established in 2017. Its main aim is to help young, talented, ambitious people to develop their talents – it is mainly about young people from secondary schools and universities. Internally, the aim is also to support employees who want to help – who want to share their knowledge and experience. The Foundation also responds to current needs, such as supporting young talented Ukrainians who are currently staying in Poland.

In December 2022, Unibep Group's Supervisory Board adopted an ESG strategy for 2023-2025. Unibep Group's ESG strategy is based on five strategic objectives:

1. Reducing environmental impacts throughout the value chain, minimising environmental risks and promoting activities that provide opportunities for sustainable operations.
2. Ensuring safe and satisfactory working conditions.
3. Building relationships and developing an organisational culture that embraces sustainability.
4. Promotion of universal human rights among stakeholders.
5. Ethics in action.

UNIBEP GROUP VALUE CHAIN

UPSTREAM			OWN OPTIONS	DOWNSTREAM			
RAW MATERIALS SUPPLIERS	**MATERIALS SUPPLIERS**	**SUBCONTRACTORS/ SUPPLIERS/PARTNERS**	**SERVICES AND PRODUCTS SOLD AND OPERATING PROCESSES**	**FINAL PRODUCTS:**	**RECIPIENTS**	**END USERS**	**WASTE**
Raw materials purchased by the Group: • Steel • Wood • Sand, stones, gravel **Raw materials indirectly used by the Group (used in the production of materials and intermediates):** • Oil • Copper • Aluminium **Energy:** • Electricity • Heat • Fuels for vehicles and machinery	**Building materials:** • Asphalt • Concrete • Cement • Plaster • Glass • Construction chemistry • Building plastics • Structural elements • Electrical materials • Automatic materials • Wood building materials • Insulation • Slabs • Road aggregates **Devices:** • Boilers • Fans • Pumps • Fittings • Turbines • Generators	**Services related to real estate and construction:** • General contracting services • Subcontracting services • Design offices **Construction equipment:** • Machinery and equipment (mechanical and electrical) **Office products:** • Furniture • Office supplies • IT equipment **Business services:** • Telecommunications • Maintenance • IT systems • Advisory services **Company vehicles** **Financial services:** • Banking • Insurances • Capital market **Business services:** • Telecommunications • Maintenance • IT systems • Advisory services	**Construction services:** • General contracting services • Subcontracting services • Service and maintenance **Real estate development:** • Purchase of land • Sale of units **Modular buildings:** • Production of modular buildings • Construction and assembly services **Logistics:** • Transport of equipment, materials **Operating processes:** • Audit • Legal support • OH&S • Technologies • Technical office • Communication and marketing • HR • Management • Finance and accounting • IT • Purchases • Logistics • Sales	**Real estate and building facilities:** • RESIDENTIAL BUILDINGS • Public utility buildings • Military facilities • Power plants • Heating plants • Factories • Warehouses • Modular multi-family housing • Modular hotels • Modular social and educational buildings • Expressways • Bridges • Railway viaducts	**Real estate and construction sector:** • Residential developers • Commercial developers • General contractors • Subcontractors **Public sector:** • Public sector institutions • Municipal companies • Education centres • Military institutions • General Directorate for National Roads and Motorways • Provincial road authorities • Municipalities • Cities • Railway companies **Total business sector:** • Manufacturing companies • Logistics companies • Energy companies **Retail customers:** • Apartment buyers	• Retail customers (apartments) • Local communities • University staff and students • Military • Retail customers (energy) • Businesses (energy) • Manufacturing companies • Logistics companies • Customers of logistics companies • Local community • Drivers and train drivers	• Construction waste resulting from the construction process • Construction demolition waste

SBM-2 Interests and views of stakeholders

Unibep Group conducts an analysis of its stakeholders, both those who influence the Group's activities and those who are significantly affected by the Group's activities. The key stakeholder groups for the company were identified through a dual materiality analysis process. The analysis included surveys with representatives of external stakeholders. As a result of the materiality study, the following groups of relevant stakeholders were identified:

Stakeholder	Communication method
Suppliers	Direct commercial relations
Financial institutions	Quarterly and annual financial reports, sustainability report, investor relations tab on the website, result conferences.
Investors	Direct relations, especially at construction sites, industry events.
Customers	Sales offices, aftersales service, social media, website, satisfaction survey, customer portal.
Industry organisations	Conferences, industry events.
Subcontractors	Direct relationships at construction sites.
Academic environments	Internships and the development of students' competences, job fairs.
Employees	Intranet, newsletters, whistleblowing channel, meetings – including online – between management and staff, mailing.

The purpose of communicating with stakeholders is to know and understand each other's expectations and needs, as well as identify the potential risks, impacts and opportunities in ESG areas. Cooperation with stakeholders is organised through a variety of communication channels tailored to the nature of the group in question – as indicated in the table above – and includes, inter alia, direct commercial relationships, satisfaction surveys, industry consultations, internal channels and dedicated meetings. This process involves the regular exchange of information with suppliers, customers, employees, subcontractors, investors, financial institutions, academia and industry organisations. Specific collaboration is carried out with external stakeholders through a survey carried out for the dual materiality analysis, the results of which directly influenced the material topics identified and the choice of non-financial information disclosed.

The results of stakeholder communication are taken into account when formulating operational activities, strategies and sustainability objectives. Key findings and relevant issues are communicated to top management and discussed at regular or targeted management meetings.

SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

Relevant ESG issues

As a responsible participant in the construction and infrastructure market, Unibep Group aims to identify and manage the significant environmental, social and economic impacts of its activities. As part of the dual materiality analysis, a comprehensive impact assessment process was carried out, taking into account both positive and negative impacts that may result from the Group's activities.

The table shows the Group's key areas of influence, their characteristics and their link to ESG objectives. In addition, examples of actions taken by the Group to minimise negative impacts and maximise benefits to the environment are identified.

ESRS reporting area	Relevant sub-themes AR 16	Description of impact	Source of the impact
E1 Climate change	Adapting to climate change Climate change mitigation Energy	Unibep Group has a significant impact on climate change through its activities. The construction and use of real estate generate significant greenhouse gas emissions. In the development segment, the group can have an impact on climate change mitigation by using low-carbon or recycled building materials and by applying solutions that reduce energy consumption in the facilities under construction. The use of climate change adaptation solutions, such as the installation of retention systems, rainwater management or green roofs in residential developments, is also an important measure. The Group's impact on climate change also manifests itself through investments in renewable energy sources and optimising the transport of construction materials to the project site.	Own operations Upstream Downstream
E4 Biodiversity and ecosystems	Direct impacts on biodiversity loss	Unibep Group's activities are linked to the impact on biodiversity primarily through the need to cut down trees on a project site. In accordance with the environmental decisions issued, the Group is taking compensatory measures in the form of an appropriate number of replacement plantings. There are also significant impacts on biodiversity when developments are carried out on protected land (mainly for infrastructure developments). The group performs impact analyses on investments and environmental supervisions carried out by teams of naturalists. Biodiversity support measures such as the installation of nest boxes, the construction of animal crossings and green garage ceilings are also being carried out.	Own operations Downstream
E5 Circular economy	Resource impacts, including resource use Waste	In the area of the circular economy, Unibep Group is making an impact through its significant consumption of raw materials and materials such as steel, concrete and timber and the generation of construction waste. To minimise negative impacts, the Group recycles waste from the construction site and in the modular home factory, and implements solutions that minimise waste (e.g. prefabrication, reuse of recycled building materials). Circular design principles to reduce the carbon footprint of materials through reuse, recycling or repurposing are also considered.	Own operations Downstream Upstream
S1 Own workforce	Operating conditions Equal treatment and equal opportunities for all	Unibep Group has a significant direct impact on its employees. A key topic in relation to the nature of the business is health and safety. The Group makes every effort to ensure safety on ongoing investments and at the factory by providing training, high-quality safety equipment and conducting regular inspections. Investment in employee development, remuneration transparency, regular dialogue, gender equality and diversity are also important topics – areas that the Group addresses with internal regulations and training.	Own operations
S2 Workers in the value chain	Operating conditions	Unibep Group can have a positive impact on employees in the value chain by ensuring compliance with health and safety rules and providing regular training, helping to prevent accidents and contributing to safe construction sites.	Downstream
S3 Affected communities	Economic, social and cultural rights of the community Civil and political rights of the community	Unibep Group's development activities contribute to the urban fabric and the development of local communities. The company also seeks to provide local communities with communication channels that allow for dialogue on the subject of their needs and the investments being made. The Group's activities affect small urban and rural centres when carrying out investments in technical infrastructure or industrial construction.	Downstream
S4 Consumers and end-users	Impact of information on consumers or end users	Unibep Group has a wide-ranging impact on customers and end users. Important issues include building in a way that ensures the safety of the users, ensuring access to reliable information on the investments made and responsible marketing communication.	Downstream

	Personal safety of consumers or end users Social inclusion of consumers or end users	Two groups of customers can be distinguished 1. retail customer (buyers of apartments – development activity) 2. institutional clients (clients of general contractor projects). End users can be, for example, employees of completed industrial facilities and users of technical infrastructure, such as train drivers.	
G1 Business conduct	Corporate culture Whistleblower protection Political commitment Managed relationships with suppliers, including payment practices Corruption and bribery	Unibep Group attaches particular importance to business ethics and transparency in business relationships, treating these aspects as the foundation of responsible management. A comprehensive Anti-Corruption and Anti-Fraud Procedure has been adopted in this area and is complemented by a detailed Whistleblowing Procedure, which sets out the scope of areas covered, the rules for investigations, mechanisms for protecting whistleblowers and the prohibition of retaliation. The organisational ethical culture, built up over decades of experience and employee commitment, is systematically reinforced through periodic training to remind employees of the procedures and standards of conduct in place. Awareness of the importance of business ethics among employees is seen as a key element in managing reputational risk and building stakeholder trust. In the relationships with its counterparties, the Group applies the Principles of Counterparty Conduct, which form an integral part of commercial contracts and include requirements relating to ethics, environmental protection, health and safety and social responsibility. Adherence to these principles is regularly monitored and evaluated as a basis for further cooperation. Unibep Group is also committed to transparency in business relationships, timely payment of obligations and compliance with international ESG standards, requiring its suppliers to adhere to high ethical standards. In addition, the company continually updates its policies to ensure they comply with applicable regulations and to reinforce an organisational culture based on integrity and trust.	Own operations Upstream Downstream

Significant sustainability risks

The dual materiality study identified key risks and opportunities in the environmental (E), social (S) and corporate governance (G) areas that could have a material impact on Unibep Group's operations.

Identifying these risks and opportunities allows for a better understanding of potential challenges and opportunities and their effective integration into the Group's business strategy. The survey process included an assessment of the level of materiality of the individual risks in relation to the themes and sub-themes identified, which allowed the definition of priorities and the targeting of preventive and management actions.

The following is a list of the most important risks and opportunities that may affect Unibep Group's operations in the context of sustainable development.

ESRS reporting area	Relevant sub-themes AR 16	Risks identified	Opportunities identified
E1 Climate change	Adapting to climate change	Current risk, medium-term outlook: New regulations and changes in weather patterns will force the Group to include additional climate adaptation solutions in projects, which may affect the cost of project implementation. Current risk, short-term outlook: Projects located in areas prone to rising water levels, torrential downpours or extreme temperatures may be more vulnerable to damage and higher insurance costs. Current risk, medium-term outlook: Failure to take appropriate action on climate change adaptation could negatively impact the Group's reputation in the eyes of customers, investors and other stakeholders, who are placing increasing importance on environmental action. This may result in a loss of contracts or a drop in investor interest.	Current opportunity, short-term perspective: Obtaining certifications such as LEED (Leadership in Energy and Environmental Design) or BREEAM (Building Research Establishment Environmental Assessment Method) can increase the value of a property and attract investors. Current opportunity, short-term perspective: Buildings designed to be resilient to climate change (e.g. with better drainage systems, better insulation, air conditioning) may attract more interest from buyers and investors. Current opportunity, short-term perspective: Access to finance – an increasing number of financial institutions are offering preferential financing terms for projects that incorporate climate protection and sustainability measures. In undertaking climate change adaptation initiatives, the Group can make use of such financial instruments, which will improve liquidity and reduce financing costs.
E1 Climate change	Climate change mitigation	Current risk, medium-term outlook: Costs of switching to low-carbon technologies – upgrading the machinery park, production processes and purchasing greener building materials generate higher capital expenditure. Particularly in general and energy volume construction, the Group may encounter difficulties in adapting to low-carbon technologies, which may affect the profitability of projects.	Current opportunity, medium-term outlook: The opportunity to acquire new low-carbon infrastructure projects such as cogeneration projects, wind farms and solar power plants, responding to the increase in demand for green energy sources.
E1 Climate change	Energy	Current risk, medium-term outlook: Reputational risk related to the lack of action on renewable energy sources – customers, investors and other stakeholders are increasingly paying attention to whether the Group uses renewable energy sources. Failure to act in this regard could negatively affect the company's image.	
E4 Biodiversity and ecosystems	Direct impacts on biodiversity loss	Current risk, medium-term outlook: The increasing environmental awareness of the public means that the negative impact of the Group's activities on biodiversity can lead to a deterioration of its reputation. Inadequate conservation efforts can negatively affect a company's image, especially among investors, customers and local communities.	
E5 Circular economy	Resource impacts, including resource use	Current risk, short-term outlook: The transition to a circular economy can involve high upfront costs associated with the introduction of new technologies and processes such as the recycling of building materials, modular design or the use of recycled materials. In the short term, this can lead to increased operating costs and staff training. Current risk, medium-term outlook: Changing regulations related to the circular economy may impose additional obligations on construction companies, such as minimum recycling levels, reducing construction waste or using materials with a low carbon footprint. Failure to be sufficiently prepared for these regulations could result in financial penalties or a reduction in contract opportunities.	Future opportunity, long-term perspective: The circular economy is based on the efficient use of resources, which can lead to significant operational savings in the long term. By introducing processes for recycling building materials and reusing raw materials, the Group can reduce the cost of purchasing new materials and reduce the amount of waste, which will lower the costs associated with their disposal.
S1 Own employees	Working conditions	Current risk, short-term outlook: Staffing challenges, particularly the shortage of specialists and wage pressures, can generate higher labour costs and the risk of staff turnover, which affects the efficiency of contract delivery.	Current opportunity, short-term perspective: Ensuring high health and safety standards, adequate remuneration, flexible working hours and career development opportunities can increase employee engagement and motivation. This, in turn, translates into higher efficiency and quality of work, which can improve financial performance and the timeliness of projects. Current opportunity, medium-term outlook: Investing in a good working environment, including a good work-life balance, can increase employee retention. This is particularly important in the construction industry, which often struggles with a shortage of workers.

			Future opportunity, long-term perspective: High standards in terms of working conditions can improve the Group's image as an attractive employer, which will attract qualified employees and reduce recruitment costs.
S1 Own employees	Equal treatment and equal opportunities for all		Current opportunity, medium-term outlook: Training on new construction technologies, such as process digitisation or automation, can help a company to innovate faster. Developing skills in areas such as project management, construction techniques or sustainable building can open up new business opportunities and improve operational efficiency.
S2 Workers in the value chain	Working conditions		Current opportunity, medium-term outlook: Effective management of risks in the supply chain, e.g. through the introduction of codes of conduct, additional contractual provisions and audits of subcontractors (including health and safety checks), can help to improve the image as a responsible company and increase the willingness of business partners to cooperate.
S3 Affected communities	Economic, social and cultural rights of the community	Current risk, short-term outlook: Failure to adequately secure the construction site from third parties can lead to accidents.	
S4 Consumers and end-users	Impact of information on consumers or end users		Current opportunity, medium-term outlook: Gathering information on how we can improve our services and the products we offer (or buildings/infrastructure elements) provides opportunities to make improvements and enhancements.
G1 Conducting business	Corporate culture	Future risk, long-term perspective: The lack of adequate policies to manage ESG topics can result in negative consequences for the company.	Future opportunity, long-term perspective: Activities that promote organisational culture can positively influence the public's perception of the company.
G1 Conducting business	Supplier relationship management, including payment practices		Future opportunity, long-term perspective: Effective management of relationships with contractors, based on transparent cooperation principles, can lead to better quality services and more stable business relationships. Transparent contracts, reliable payments and close collaboration with key partners can increase operational efficiency and help reduce operational risk.
G1 Conducting business	Corruption and bribery	Current risk, medium-term outlook: In the construction industry, where large construction projects are often run, the risk of corruption and unethical practices may often exist. A lack of effective control procedures and a lack of transparency in the management of relationships with suppliers and contractors can lead to corruption, which can result in legal sanctions, loss of investor confidence and negative reputational impact.	Future opportunity, short-term perspective: Effective management of relationships with contractors, based on transparent cooperation principles, can lead to better quality services and more stable business relationships. Transparent contracts, reliable payments and close collaboration with key partners can increase operational efficiency and help reduce operational risk.

Risk management methods can be found in the ESRS 2 General Disclosures section 'GOV-5 Risk management and internal controls over sustainability reporting'.

The Group identifies key risks and opportunities that may affect its financial position, financial performance and cash flows. In the area of sustainability, the most significant ones include:

1. Climate change – Mitigation and adaptation:
   - Climate change adaptation costs include implementing new technological solutions and adapting existing infrastructure to more demanding climate conditions.
   - Measures to reduce greenhouse gas emissions may affect the structure of capital expenditure, but in the long term they contribute to improving operational efficiency.

2. Circular economy:
   - The drive to reduce waste and increase efficiency in the use of raw materials results in the need to implement innovative production processes and develop recycling opportunities. These activities support the long-term operating and environmental goals of the Group.

3. Biodiversity:
   1. Compensation measures, such as replacement planting or the construction of animal crossings, are included as an integral part of investment projects, which minimises reputational and regulatory risks.

Despite the identification of the above risks and opportunities, at this point in time the Group sees no indication that the carrying amounts of assets and liabilities reported in the related financial statements may be materially adjusted in the next annual reporting period.

The Group makes a clear distinction between risks and opportunities arising from ESRS requirements and those specific to its business:

1. Covered by ESRS:
   - Risks related to greenhouse gas emissions, climate change adaptation and circular economy.
   - Opportunities arising from measures to reduce emissions, save raw materials and improve energy efficiency.

2. Group-specific:
   - Risks related to the volatility of raw material prices and the availability of construction materials.
   - Opportunities to acquire projects based on environmental standards (e.g. LEED or BREEAM certified buildings), which are increasingly sought after by investors and clients.

IRO-1 Description of the processes to identify and assess material pollution-related impacts, risks and opportunities

Materiality study

In preparation for this 2024 report, Unibep Group conducted a materiality study to identify key stakeholder groups and significant impacts, risks and opportunities in the areas of sustainability. The analysis was carried out in accordance with the requirements of the CSRD, the ESRS standards, as well as the guidance provided in the EFRAG IG 1 document. Committed to the highest quality and integrity of the process, Unibep Group conducted the study in collaboration with the consultancy JLL, between October 2024 and December 2024.

The concept of dual materiality, on which the Unibep Group analysis process was based, takes into account two key dimensions of the interdependence between the organisation and its environment:

4. Materiality of impact – includes an analysis of how Unibep Group's activities affect the environment, society and the wider environment in the context of sustainable development,
5. Financial materiality – assesses how environmental, social responsibility and corporate governance (ESG) issues may affect the Group's operations, including its financial performance and growth prospects.

In the first stage of the dual materiality analysis, Unibep Group's value chain was examined. The aim was to precisely define the scope of the Group's activities and areas of impact in the context of sustainable development.

As part of this process, six dedicated workshops were organised with internal experts responsible for key business segments. The workshop gathered detailed information on:

6. products and services offered,
7. cooperation with business partners,
8. relationships with customers,
9. customer and end-user characteristics,
10. materials and raw materials used.

Based on the data collected, a detailed diagram of the Group's value chain was developed, including a breakdown into three main areas: upstream (suppliers and sourcing), own operations (internal processes) and downstream (customers and end users). This diagram served as the basis for further analysis, including the identification of key internal and external stakeholder groups and external stakeholders.

The assessment identified 9 key stakeholder groups that significantly influence or are significantly affected by Unibep Group's activities:

11. external stakeholders: suppliers, financial institutions, investors, customers, industry organisations, subcontractors, academia
12. internal stakeholders: management, employees.

Based on the results of the value chain diagram developed, the stakeholder groups identified and the knowledge gathered from interviews with internal and external experts, a detailed analysis of potential topics of relevance was carried out. The process also included benchmarking and the list of relevant topics contained in AR 16 of the ESRS standards was used as a reference.
A broad list of IROs has been created on the basis of the relevant subjects identified, including:

13. positive influences,
14. negative influences,

15. risks,
16. opportunities.

As a result of this process, a total of 133 IROs were identified, including:

17. 89 impacts – reflecting both the positive and negative impacts of Unibep Group,
18. 44 risks and opportunities – related to sustainability issues.

As part of the impact materiality assessment, the nature of the effect was identified, i.e. whether it is:

19. positive or negative
20. existing or potential (i.e. likely to occur in the future).

Impacts were assessed against the following criteria:

21. scale and strength
22. scope
23. reversibility (in the case of negative impacts)
24. likelihood of occurrence (for potential impacts).

The pre-identified 133 IROs, each described through specific examples of phenomena and impacts linked to the topics of relevance in the AR 16 list, were subjected to detailed verification and evaluation as part of workshops and stakeholder surveys, which enabled their precise analysis in the context of the impacts, risks and opportunities associated with the Group's activities. As part of this process, the influencers from the broad list of IROs were assigned to the stakeholder groups most closely related to the topic in order to obtain the most factual and valuable feedback possible in each area, and the research tools developed – online surveys and interview structures – allowed for both in-depth analysis of opinions as well as an open discussion of key sustainability issues. The surveys, prepared in the form of links and sent out by those in Unibep Group with the closest relationships with the various stakeholders, combined with interviews, enabled an effective assessment of the materiality of the various impacts and an understanding of the expectations of the key stakeholder groups.

As part of the analysis, the surveyed were sent to seven key external stakeholder groups, gathering 91 responses, and two internal stakeholder groups, from which 68 responses were obtained. This wide range of consultations allowed for the inclusion of diverse perspectives and the in-depth identification of key issues in the area of sustainable development, providing the basis for further stages of the materiality assessment.

Interviews were conducted with key internal stakeholder groups and one external stakeholder – the Polish Green Building Council (PLGBC), an organisation with considerable expertise in environmental topics from Unibep Group's sector of activity.

As part of the financial materiality assessment, risks and opportunities were divided into current and future ones, with a time horizon being defined for them:

25. Short-term (up to one year),
26. Medium-term (1-5 years),
27. Long-term (more than 5 years).

Each risk and opportunity was assessed against the following criteria:

28. Financial evaluation (financial impact size),
29. Likelihood

Risks and opportunities were discussed and assessed in a financial materiality assessment workshop attended by representatives of the Finance Division.

To complement the dual materiality analysis, a comparative analysis was carried out with five non-financial reporting entities – two from Poland and three from abroad. The selection of entities was based on the criteria of a similar business segment and a similar business model to that of Unibep Group. The analysis focuses on themes and sub-themes from the AR 16 list, which were considered relevant by the compared companies.

Based on the results of the surveys, interviews and the conclusions of the benchmarking analysis, a final list of topics of relevance was developed. A criterion was adopted whereby a topic was considered relevant if it was linked to a significant impact, risk or opportunity.

As a result, of the 89 impacts identified, 48 were described as significant, while of the 44 risks and opportunities 27 were described as significant.

IRO-2 Disclosure requirements in ESRS covered by the undertaking's sustainability statement

ESRS Compliance Table

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List of datapoints in cross-cutting and topical standards that derive from other EU legislation

Information disclosure requirement and associated datapoint	Reference to the regulation on disclosure of information relating to sustainable development in the financial services sector (chapter in the report)
ESRS 2 GOV-1 Management Board's gender diversity paragraph (section 21 (d))	
ESRS 2 GOV-1 Percentage of Management Board members who are independent (section 21(e))	
ESRS 2 GOV-4 Due diligence statement (section 30)	
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities (section 40 (d)(i))	Not applicable
ESRS 2 SBM-1 Participation in chemical production activities (section 40(d)(ii))	Not applicable
ESRS 2 SBM-1 Involvement in activities related to controversial weapons (section 40 (d) (iii))	Not applicable
ESRS 2 SBM-1 Participation in tobacco cultivation and production activities (section 40(d)(iv))	Not applicable
ESRS E1-1 Transformation plan to achieve climate neutrality by 2050 (Section 14)	
ESRS E1-1 Units excluded from the scope of the Paris Agreement-adjusted benchmarks (section 16(g))	
ESRS E1-4 Greenhouse gas emission reduction targets (section 34)	
ESRS E1-5 Fossil energy consumption disaggregated by source (section 38)	
ESRS E1-5 Energy consumption and energy mix (section 37)	
ESRS E1-5 Energy intensity linked to activities undertaken in sectors with significant climate impacts (sections 40-43)	
ESRS E1-6 Scope 1, 2, 3 gross greenhouse gas emissions and total greenhouse gas emissions (section 44)	
ESRS E1-6 Gross greenhouse gas intensity (sections 53-55)	
ESRS E1-7 Greenhouse gas removal and carbon credits (section 56)	
ESRS E1-9 Reference portfolio exposure to climate-related physical risk (section 66)	Not applicable
ESRS E1-9 Disaggregation of monetary amounts according to acute and permanent physical risk (section 66(a))	Not applicable
ESRS E1-9 Location of significant assets at material physical risk (section 66 (c))	Not applicable
ESRS E1-9 Distribution of book value of real estate by energy efficiency class (section 67(c))	Not applicable
ESRS E1-9 Degree of portfolio exposure to climate-related opportunities (section 69)	Not applicable
ESRS E4-2 Sustainable land/agriculture practices or policies (section 24(b))	
ESRS E4-2 Sustainable ocean/sea practices or policies (section 24(c))	
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ESRS 2 SBM-3-S1 Risk of child labour cases (section 14(g))	
ESRS S1-1 Commitments to respect human rights policy (section 20)	
ESRS S1-1 Due diligence strategies for issues covered by ILO Core Conventions 1-8 (section 21)	
ESRS S1-1 Procedures and measures for the prevention of trafficking in persons (section 22)	
ESRS S1-1 Policy or management system to prevent occupational accidents (section 23)	
ESRS S1-3 Complaint handling mechanisms (section 32(c))	

ESRS S1-14 Number of work-related deaths and number and rate of work-related accidents (section 88(b) and (c))	
ESRS S1-14 Number of days lost due to injuries, accidents, fatalities or illnesses (section 88(e))	
ESRS S1-16 Unadjusted gender wage gap (section 97(a))	
ESRS S1-16 Excessive remuneration of the General Director (section 97(b))	
ESRS S1-17 Cases of discrimination (section 103(a))	
ESRS S1-17 Failure to comply with the UN guiding principles on business and human rights and the OECD guidelines (section 104(a))	
ESRS 2 SBM-3-S2 Significant risk of incidents of child or forced labour in the value chain (section 11(b))	
ESRS S2-1 Human rights policy commitments (section 17)	
ESRS S2-1 Policies related to male and female employees in the value chain (section 18)	
ESRS S2-1 Non-compliance with the UN guiding principles on business and human rights and the OECD guidelines (section 19)	
ESRS S2-1 Due diligence strategies for issues covered by ILO Core Conventions 1-8 (section 19)	
ESRS S2-4 Human rights issues and incidents related to upstream and downstream value chain (section 36)	
ESRS S3-1 Commitments to respect human rights policy (section 16)	
ESRS S3-1 Non-compliance with the UN Guiding Principles on Business and Human Rights, ILO Principles or OECD Guidelines (section 17)	
ESRS S3-4 Human rights issues and incidents (section 36)	
ESRS S4-1 Policy relating to consumers and end-users (section 16)	
ESRS S4-1 Non-compliance with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines (section 17)	
ESRS S4-4 Human rights issues and incidents (section 35)	
ESRS G1-1 United Nations Convention against Corruption (section 10(b))	
ESRS G1-1 Protection of whistleblowers (section 10(d))	
ESRS G1-4 Fines for violations of anti-corruption and anti-bribery laws (section 24(a))	
ESRS G1-4 Anti-Corruption and Bribery Standards (section 24(b))	

9.2. ENVIRONMENT

E1 Climate change
GOV-3 Integration of sustainability-related performance in incentive schemes

For information on the integration of sustainability-related outcomes into incentive schemes, see ESRS 2 General Disclosures 'GOV-3 Integration of sustainability-related outcomes into incentive schemes'.

E1-1 Transition plan for climate change mitigation

Unibep Group does not have a transformation plan for climate change mitigation as of the date of this report. The Group will review the feasibility of a formalised transformation plan in the current financial year. Information on the possible period during which such a plan could be adopted by management will be provided in the next annual report.

SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model
IRO-1 Description of the processes to identify and assess material pollution-related impacts, risks and opportunities

In December 2024, we conducted a climate-related scenario analysis using TCFD guidance to assess opportunities, physical and transition risks affecting the resilience of our business strategy.

The analysis was based on three scenarios by the Network for Greening the Financial System (NGFS) from 2021:

- Net Zero 2050 scenario, assuming a global temperature rise of 1.5°C. This is a structured scenario for a globally responsible approach to climate change, involving stringent climate policies and the rapid development and deployment of emission-reducing technologies. This scenario allows the risk of a very fast transition combined with a low physical risk to be tested.
- The Below 2°C scenario, which assumes a global temperature increase of 1.8°C. In this scenario, technological change is gradual, while climate policy is tightened quite early.
- Current Policies scenario, which assumes a global temperature increase of 3°C. This assumes only the maintenance of current climate policies and the accompanying slow development of low-carbon technologies. This scenario allows the effects of high physical risk to be tested.

The following time horizons were adopted in the analysis:

- Short-term – 2025.
- Medium-term – 2030,
- Long-term – 2050.

The study analysed the location of the elements of the value chain, taking into account the upstream, downstream and own parts of the operations. For the analysis of the upstream part, the Group plans to extend the analysis in the next reporting period, taking into account the source of raw materials sourced through intermediaries.

SIGNIFICANT RISKS ASSOCIATED WITH CLIMATE CHANGE IN THE UNIBEP GROUP

Type of risk	Risk	Time horizon	Risk management approaches
physical	Increase in quantity and variability of rainfall	short-term	Installation of green roofs, water retention systems or 'green-blue infrastructure' solutions (e.g. rain gardens, reservoirs). Consideration of increased rainfall in the design of associated infrastructure (e.g. drainage systems). Design of facilities to take into account additional water loads and use of materials resistant to increased moisture. Adapting the construction schedule to the seasons and weather forecasts.
physical	Increase in flood risk	medium-term	Careful analysis of sites in terms of flood risk at the land acquisition and investment planning stage (including hydrological hazard maps). Avoiding vulnerable areas or using appropriate hydrological solutions (e.g. dykes, land elevation).
physical	Changing seasonal weather patterns	long-term	Use of climate forecasts and weather risk maps in planning new developments and construction schedules. Provision of personal and collective protective equipment appropriate for the anticipated weather conditions.
transformation	Inclusion of the real estate sector in the EU ETS and increase in the cost of CO2 allowances	medium-term	Development of energy-efficient building technologies and practices. Implementing the 'sustainable construction site' principle, including reducing fuel consumption in transport and construction machinery. Implementation of initiatives from the ESG Strategy, which is scheduled to be updated in 2025 based on the findings of the first ESRS reporting. Monitoring technological and regulatory developments to flexibly modify decarbonisation plans.
transformation	Increase in costs of raw materials and consumables	medium-term	Establishing long-term relationships with suppliers, negotiating framework agreements and securing the supply of strategically important raw materials. Exploring alternative sources of raw materials and materials (e.g. recycled, secondary products). Designing for material minimisation (structural optimisation, BIM). Use of prefabrication and modularity, which reduces material waste. Optimal stock management based on price and demand forecasts.
transformation	Increasing requirements for a circular economy	long-term	Recycling and reuse of materials directly on site (e.g. aggregates from rubble). Analysis of the feasibility and cost-effectiveness of circular design solutions.
transformation	Delays and rising costs in decarbonising key materials	long-term	Securing stable prices and availability of low-carbon materials through multi-year contracts. Monitoring technological and regulatory developments to flexibly modify decarbonisation plans.
transformation	Increase in funding costs for non-environmentally sustainable projects	medium-term	Monitoring the expectations and requirements of financial institutions in the area of sustainability. Gradually increase the proportion of environmentally sustainable projects in the portfolio in line with the principles of the EU Taxonomy.
transformation	Costs of switching to low-carbon technologies	medium-term	The risk is managed through the Group's ESG Strategy and dedicated initiatives to improve the energy efficiency of the Group's operations. The strategy will be updated in 2025, using the lessons learned during the work on the first ESRS reporting.
transformation	Growing expectations of customers and investors on sustainability issues	medium-term	Developing competence in sustainable construction and systematically increasing its share of the portfolio. Building certification (LEED, BREEAM, WELL), allowing one to clearly differentiate itself in the market and meet environmental

			expectations. Reporting progress against ESG targets in an accessible way. Presenting the real environmental and social benefits of the project in marketing materials.
transformation	Legal risk of failing to meet the regulatory requirements for sustainable development	short-term	Monitoring regulatory developments in the field of sustainable development. Sustainability training for managers and employees.
transformation	Competence deficits in relation to sustainability-related changes	medium-term	Implementing training programmes to raise ESG awareness within the Group. Work with technical universities and research centres to attract talent with the right competence profile. Liaising with external advisors and industry organisations. Including sustainability in the Group's policies and other corporate documents.
transformation	General increase in the cost of products and services due to the regulatory burden of sustainability	short-term	Establishing long-term relationships with suppliers, negotiating framework agreements and securing the supply of strategically important services and products.

SIGNIFICANT OPPORTUNITIES ASSOCIATED WITH CLIMATE CHANGE IN UNIBEP GROUP

Type of opportunity	Opportunity	Time horizon	Opportunity management approaches
Physical	Changing seasonal weather patterns	long-term	Analysis of the potential for construction projects to be carried out for more days per year as the local climate warms.
transformation	Growing expectations of customers and investors on sustainability issues	medium-term	Development of the sustainable construction offer in the development segment. Active promotion of the Group's ESG activities.
transformation	Energy efficiency funding programmes	medium-term	Monitoring of public support programmes
transformation	Development of the sustainable finance market	medium-term	Monitoring of sustainable finance offers. Monitoring the expectations and requirements of financial institutions in the area of sustainability. Include the requirements of financial institutions in the ESG Strategy.

E1-2 Policies related to climate change mitigation and adaptation

As at the date of publication of the report, Unibep Group has not adopted a policy related to climate change mitigation and adaptation. Information on the possible period during which such a plan could be adopted by management will be provided in the next annual report.

Notwithstanding the above, the environmental management system in force at Unibep S.A. also sets out priorities and requirements in this respect, including within the document: Integrated Management Systems (IMS) policy.

The IMS policy is the basis for the Group's built ESG Strategy and set strategic objectives, including the climate-related area. The priority under the established IMS Policy is, among other things, to conduct business in a way that safeguards the environment to preserve it for future generations and the rational, efficient use of natural resources, taking into account ongoing climate change. We integrate climate change issues into the IMS policy, environmental management system and other internal regulations on climate change mitigation and adaptation activities.

In this area, we rely on the ESG Strategy adopted for use within the Group link: https://unibep.pl/images/raporty_ESG/Strategia_ESG_Grupy_Unibep_Perspektywa_2023-2025_.pdf, which commits us to taking steps towards achieving climate neutrality.

The ESG strategy includes targets for reducing greenhouse gas emissions and dedicated actions to achieve the targets. It also assumes business activities, especially within the energy and industrial segments, as well as modular timber construction aimed at supporting the building of a low-carbon economy.

An important element of the Group's strategy is to carry out activities aimed at supporting and actively participating in building a zero-carbon economy, primarily by a more dynamic growth of the energy segment and Unihouse, a company offering solutions in modular timber technology.

E1-3 Actions and resources in relation to climate change policies

In 2024, Unibep Group continued its efforts directed at reducing its own Scope 1 and 2 emissions.

According to an established procedure, carbon footprint indicators are monitored on an ongoing basis, as the starting point for climate change mitigation measures. Every month, the Group's own consumption of, inter alia, fuel and energy is reported to an environmental data aggregator, which forms the basis for the cyclical calculation of the Group's carbon footprint. The area related to counting the carbon footprint and measuring energy efficiency is one of the priorities to be further developed and expanded within the Group's activities. The leverage to decarbonise its own operations in the short term is to carry out activities in the areas of energy efficiency. Unibep Group continues to work on implementing a system to identify energy-sensitive areas on an ongoing basis.

The Group undertakes measures aiming at a reduction of the consumption of electricity, heat and fuels, thereby leading to a reduction in the organisation's carbon footprint in line with the adopted sustainable development strategy. Established project teams are working on the implementation of the above activities. It is hoped that these measures will translate into a lower overall energy consumption compared to previous years.

At the same time, the implemented measures contributing to climate change mitigation include educational activities. We promote environmental attitudes among employees, subcontractors and other stakeholders, including through training and lectures.

Adopted courses of action to reduce energy consumption by, among other things:
- an informed choice of electricity suppliers (preferring those with a lower carbon footprint),
- continuation of the energy efficiency plan,
- investments in renewable energy sources,
- successive replacement of luminaires with LED luminaires and installation of motion detectors,
- optimisation of material transport thanks to a network of in-house bitumen plants,
- gradual replacement of vehicles and construction machinery with less energy- and emission-intensive ones,
- consistent building and raising of environmental awareness among Unibep Group employees through emphasis on saving space, time and resources, and consequently energy consumption (training, the Environmental Protection Week campaign at Unibep Group),
- providing mass transport for employees,
- monitoring energy intensity indicators; conducting energy audits; extending the analysis in the scope of improving energy efficiency and reducing energy consumption for fixed locations and the construction area.

Examples of climate change mitigation measures implemented in 2024:

Installation of photovoltaic panels on the roof of an office building in Bielsk Podlaski

Climate change Benefits and effects of mitigation:

Reduction of CO2 emissions: The 39.75 kWp installation will reduce greenhouse gas emissions by replacing fossil fuel energy with renewable energy. Annual energy production will be at ca. 40 MWh, which could correspond to a reduction in CO2 emissions at ca. 26 tonnes per year (assuming average emissions of 644 kg CO2/kWh in Poland).

Removal of the existing fuel oil burner and installation of a new gas burner adapted for LNG operation – WMMA in Łomża

Climate change Benefits and effects of mitigation:

Reduction of CO2 emissions: The fuel change from fuel oil to LNG at the asphalt plant, with a 53% increase in pulp production, reduced greenhouse gas emissions by 20% due to the lower carbon content of LNG compared to oil.

Reduction in NO_x and particulate emissions: Burning LNG generates significantly less nitrogen oxides (NO_x) and almost completely eliminates particulate emissions, improving the air quality around the plant.

Energy efficiency: Gas burners operate with greater efficiency, resulting in lower energy consumption and reduced operating costs.

Climate change adaptation issues are monitored in accordance with the risk management process developed within the organisation and at this point in time are not considered a material risk that could affect the business environment in which the company operates. The aspect of identifying climate risks and opportunities is described in detail in section SBM-3. Nevertheless, ongoing climate change adaptation measures are being taken, the nature of which depends on the location and type of activity. The most significant area of impact identified for physical risks is directly related to the conduct of construction works, hence the management of this aspect has been integrated into the operational management of the construction process.

During the reporting period, Unibep Group did not incur any significant capital or operating expenditures related to the implementation of climate policy measures.

E1-4 Targets related to climate change mitigation and adaptation

In 2022, Unibep Group's Supervisory Board adopted a document titled "ESG Strategy. 2023-2025 Perspective", thereby setting the strategic objective of seeking to reduce environmental impacts throughout the value chain, minimising environmental risks and promoting sustainable actions within its operations. Within the strategic objective, 4 commitments have been set, which are also related to the area of climate change mitigation:

- Reduction of greenhouse gas emissions in the Unibep Group value chain
- Moving towards a circular economy
- Care for water, air and soil quality and biodiversity at all operational stages
- Providing environmentally sustainable solutions

As part of the commitment to reduce greenhouse gas emissions in the value chain for Unibep Group, the organisation's priority is to aim for a reduction in greenhouse gas emissions (scope 1 and 2 according to the market method) of at least 38% by 2030 compared to the base year (2021). Reducing emissions across the value chain and achieving net zero emissions by 2050 are also key objectives for the company. Targets have been set in accordance with the Science Based Targets (SBTi) guidelines, in line with the cross-sectoral emissions pathway according to the IPCC's 1.5°C global warming limitation, based on available information for 2021. Unibep Group has not set reduction targets for Scope 3 greenhouse gas emissions. The group did not undertake validation of targets by Science Based Targets (SBTi).

As part of our commitment to providing environmentally sustainable solutions, our ambition is to push for the development of energy-efficient construction to support the transition to a low-carbon economy, to environmentally certify our development projects and to consistently promote modular timber construction.

The Group's targets are assessed annually by comparing full-year emissions with the target, emissions are calculated in accordance with GHG Report guidelines. The target to reduce greenhouse gas emissions (scope 1 and 2 market-based) by at least 38% by 2030 compared to the base year (2021) has not been met as at the date of publication of the report (25% increase in emissions in 2024 compared to 2021). At the time of the publication of the report, Unibep Group is proceeding with the guarantee of origin of electricity, which will probably bring it closer to achieving its reduction target. The Group decided to undertake work in the current year to revise the established implementation plans for the targets set. The year 2025 will be an important milestone in which we plan to revise the established ESG Strategy. This means that the established emission reduction commitments will also be assessed and verified, confirming the completeness of the established organisational boundaries, taking into account the validation of the carbon footprint calculation methodology and the group's current business strategy, including identified significant impacts, risks and opportunities in this area, which can also be translated into commitments to deliver sustainable solutions.

Commitments to move towards a circular economy and related to caring for biodiversity at all stages of our operations are detailed in section E5, and in section E4 of the report, respectively.

E1-5 Energy consumption and energy mix

Electricity remains a key focus area for the Group in energy management.

Unibep Group's energy demand is mainly driven by:
- the functioning and operation of the Unihouse SA Modular House Production Plant and the Asphalt Production Plant in the Infrastructure Branch of Unibep SA,
- the operation of machinery and equipment when carrying out construction work,
- administrative activities,
- the use of company vehicles.

At the date of the report, in 2024 Unibep Group has no evidence of the use of electricity supply with guarantees of origin and/or certificates confirming the origin of energy from renewable sources.
Unibep Group did not sell energy in 2024.

Unibep Group treats all purchased energy utilities as direct consumption. Electricity consumed by subcontractors is also treated as direct consumption, as the Group does not have mechanisms to split electricity consumed between subcontractors and other Group companies. Energy purchased by the Investor, but consumed for the purposes of the project by Unibep Group entities, is also taken into account as energy consumption in the entire organisation.

Unibep Group's fuel and energy consumption data is provided in internal reports on environmental monitoring. They are recorded on the basis of invoices received, meter readings and, where this is not possible, they have been estimated, e.g. taking into account energy consumption per person.

It is important to note that the diversity of the Group's order portfolio, as well as the construction process itself, which is of varying duration (averaging two years), makes comparisons of energy demand and energy intensity on an annual basis sometimes unreliable.

	Energy consumption and structure	**2023**	**2024**	**Difference % 23–24**
1	Fuel consumption from coal and coal products (MWh)	0	0	0
2	Consumption of fuel from crude oil and petroleum products	43,129	47,741	11%
3	Consumption of fuel from natural gas (MWh)	164	3,307	1 912%
4	Consumption of fuels from other fossil sources (MWh)	0	0	0
5	Consumption of purchased or procured electricity, heat, steam and cooling from fossil sources (MWh)	15,712	19 874*	26%
6	**Total fossil energy consumption (MWh) (calculated as the sum of lines 1 to 5)**	59,006	70,922	20%
	Share of fossil sources in total energy consumption	95.7%	99.6%	4.1%
7	**Energy consumption from nuclear sources (MWh)**	0	0	0
	Share of energy from nuclear sources in total energy consumption	0	0	0
8	Consumption of fuel from renewable sources, including biomass (also including industrial and municipal bio-waste, biogas, renewable hydrogen, etc.)	238	116	-51%
9	Consumption of purchased or procured electricity, heat, steam and cooling from renewable sources (MWh)	2,306	0**	-100%
10	Consumption of self-generated renewable energy without fuel (MWh)	131	161	23%

11	**Total renewable energy consumption (MWh) (calculated as the sum of lines 8 to 10)**	2,675	277	-90%
	Share of renewable energy sources in total energy consumption (%)	4.3%	0.4%	-91%
	Total energy consumption (MWh) (calculated as the sum of lines 6, 7 and 11)	61,682	71,199	15%

* Unibep Group, at the time of publication of the report, is in the process of obtaining guarantees of origin for electricity purchased in 2024 from renewable sources. The consumption of purchased renewable energy in 2024 will be at 3 901 MWh, a figure that will be updated in the next report. Taking into account purchased electricity with guarantees of origin, the consumption of purchased or procured electricity, heat, steam and cooling from fossil sources in 2024 will be at 15 973 MWh.

The above disclosures take into account the adjustment of the data for 2021 and 2023 described in section E1-6 Material changes. The conversion factors for fuels are taken from the Kobize database and refer to the lower heating value or net calorific value.

Energy intensity per net revenue	2023	2024	Change YoY
Total energy consumption from activities in climate-impacted sectors per net income from activities in climate-impacted sectors (MWh/1 m PLN)	25.39	27.31	7.6%

To calculate energy intensity, the Group uses the net revenue for the reporting period as disclosed in the financial statements (section 2.3). Net revenues amounted to PLN 2 606 858 112. The Group calculates energy intensity as total energy consumption expressed in MWh divided by PLN m of net revenue. 99% of revenue comes from the sale of energy-intensive products. Net income from activities other than in the high climate impact sectors – 1% – was considered insignificant.

E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions

Limits and scope of reported greenhouse gas emissions

The calculation for the Group includes all subsidiaries and the Parent Company. Companies that had no operational activities during the period in question that affected the generation of greenhouse gas emissions were excluded from the calculation. Emission from operations is counted according to operating control.

We are constantly developing the monitoring of greenhouse gas emissions related to our Group's activities. In 2024, we have continued to improve the collection and aggregation of indirect emissions data. Developing the accounting system for emissions and defining baseline information for emissions across the value chain is one of our most important commitments for the coming years.

The Group reports gross GHG emissions for Scope 1, 2 and 3 (relevant categories).

Direct emissions for Scope 1 come from the combustion of fuels in stationary and mobile sources owned or supervised by the organisation, and from refrigerants escaping from air conditioning equipment.

Indirect emissions for Scope 2 arise from the consumption of electricity and thermal energy required for operations.

In 2024, Unibep Group counted greenhouse gas emissions in scope 3 for the relevant categories: 1. Purchased goods and services, 2. Fixed assets, 3. Energy and fuel related emissions not included in scope 1 and 2, 4. Transport and distribution, 5. Waste 7 Staff commuting, 9. Transport and distribution (for Unihouse S.A.), 11. Use of products sold (for Unidevelopment Group), 12. Dealing with sold products after their life cycle (for Unidevelopment Group).

For category 6. Business trips, 8 Leases, 10 Processing of products sold, 13. Leases, 14 Franchise, 15. Equity investments, there are no emissions or the analysis performed indicated that their impact is negligible – emissions from these categories will not be calculated.

Methodology

The calculation of the organisation’s carbon footprint is based on the methodology set out in The Greenhouse Gas Report Corporate Accounting and Reporting Standard Revised Edition (GHG Report).

Scope 2, i.e. indirect emissions from the use of purchased electricity and heat were calculated using two methods: location-based and market-based. RES electricity was considered to be zero-emission, with the understanding that for RES energy purchased, this approach could only be applied if it is evidenced by guarantees of origin.

In scope 2, emissions calculated using the location-based method are lower than market-based, due to the use of residual factors in the calculation and the lack of guarantees of origin.

The source for the adopted global warming potential (GWP) indicators is AR6, The Fifth Assessment Report of the IPCC. Sources of emission factors were mainly publications from DEFRA, KOBIZE, the Energy Regulatory Authority, PLGBC and EPA factors.

Emissions data were obtained, among other things, from internal accounting and storage systems and, as part of an established procedure for monitoring environmental aspects, directly from dedicated staff. No emissions were counted on the basis of primary data obtained from suppliers and partners of the Group.

The calculations involved seven greenhouse gases: CO_2, CH_4, N_2O, HFCs, PFCs, SF6, NF3 which were also expressed as CO equivalent (CO_2e). Biogenic CO_2 emissions have been expressed outside the ranges as recommended by the Kyoto Report. The emission factors adopted for the calculations do not allow the separation of the percentage of biogenic CO_2 for emissions other than from the use of wood (combustion, scope 1) and from the use of some purchased materials (category 1, scope 3).

The emissions calculation has not been independently verified by a certified verifier in previous years.

The base year for Scopes 1 and 2 is assumed to be 2021, no base year was adopted for Scope 3.

Significant changes

In 2024, the Group recalculated the base year for Scope 1 and Scope 2. Given the need to decide on the need for any base year emissions recalculations and the lack of a documented company policy in this regard, the general criteria set out in The Greenhouse Gas Report Corporate Accounting and Reporting Standard Revised Edition were applied. The reason for recalculating the base year is to ensure that the results calculated for 2024 can be reliably compared. Improvements in the tools for monitoring the information needed to estimate an organisation's carbon footprint and increased staff awareness of this topic have resulted in an increasing proportion of primary data acquired in a given year, and no significant exclusions have been made from the calculation. Thus, the criterion used to indicate the need to recalculate the base year for 2021 is significant changes in data quality as a result of process improvements made in subsequent years (primary data acquired in favour of estimates). According to the standard used, the recalculation for intermediate years (2022, 2023) is optional, so only the base year and 2023 were recalculated. The recalculation of the Group's greenhouse gas emissions for the base year and 2023 involves the use of ratios, fuel and energy consumption for these periods in the report after recalculation.

The Group is considering further changes in the future, including establishing a base year of several years, as the company's business profile generates unusual fluctuations in greenhouse gas emissions from year to year. The diversity of the Group's order book, as well as the construction process itself, which has a varying duration (averaging two years) and the different phases of construction are characterised by very different emissions, makes comparison of greenhouse gas emissions on an annual basis sometimes unreliable. In addition to this, planned structural changes that involve the transfer of ownership or controllability of emissions-generating activities will have a significant impact on base year emissions.

	RETROSPECTIVE				INTERIM TARGETS AND TARGET YEARS			
	Base Year	2023	2024	Change YoY (%) (2024-2023)	2025	2030	(2050)	Annual target (%)/ base year
Scope 1 greenhouse gas emissions*								
Total Scope 1 greenhouse gas emissions (tCO2eq)	**8,330**	**10,940**	**12,833**	**17%**	-	-	-	-
Percentage of greenhouse gas emissions from regulated emissions trading schemes (%)	**0%**	**0%**	**0%**	-	-	-	-	-
Biogenic emissions (tCO2eq)****	**2.86**	**2.0**	**1.14**	**-43%**	-	-	-	-
Scope 2* greenhouse gas emissions								
Total Scope 2 greenhouse gas emissions by location-based method (tCO2eq)	**10,569**	**10,068**	**9,869**	**-2%**	-	-	-	-
Total Scope 2 greenhouse gas emissions by market-based method (tCO2eq)	**12,369**	**10,630**	**13 035****	**23%****	-	-	-	-
Biogenic emissions (tCO2eq)****	-	-	-	-				
Greenhouse gas emissions – Scope 1 and 2								
Total Scope 1 and 2 greenhouse gas emissions by location-based method (tCO2eq)	**18,899**	**21,008**	**22,702**	**8%**	-	-	-	-
Total Scope 1 and 2 greenhouse gas emissions according to the market-based method (tCO_2eq)	**20,699**	**21,570**	**25 868****	**20%****	-	**12,833**	–	-
Significant Scope 3 greenhouse gas emissions								
Total gross indirect greenhouse gas emissions in scope 3 (tCO2eq)	-	**212 719*****	**1,243,086**	–	-	-	-	-
1. Purchased goods and services	-	-	**1,150,794**	–	-	-	-	-
Cloud services and data centres	-	-	-	-	-	-	-	-
Biogenic emissions (tCO2eq)****	-	-	**4,005**	–				
2. Capital goods	-	-	**760**	-	-	-	-	-
3. Fuel and energy activities not included in Scope 1 or 2	-	-	**3,247**	–	-	-	-	-
4. Upstream transport and distribution	-	-	**3,924**	–	-	-	-	-
5. Waste generated during operations	-	-	**1,740**	–	-	-	-	-
6. Business travel	-	-	-	-	-	-	-	-
7. Staff commuting	-	-	**2,293**	–	-	-	-	-
8. Upstream leased assets	-	-	-	-	-	-	-	-

9. Downstream transport	-	-	**368**	-	-	-	-	-
10. Processing of products sold	-	-	-		-	-	-	-
1. 11. Usage of products sold	-	-	**79,793**	–	-	-	-	-
2. 12. End-of-life treatment of sold products	-	-	**167**	-	-	-	-	-
3. 13. Downstream leased assets	-	-	-	-	-	-	-	-
4. 14. Franchises	-	-	-	-	-	-	-	-
5. 15. Investments	-	-	-	-	-	-	-	-
Total greenhouse gas emissions								
Total (location-based) greenhouse gas emissions (tCO2eq)	-	-	**1,265,788**	–	-	-	-	-
Total (market-based) greenhouse gas emissions (tCO2eq)	-	-	**1,268,935**	–	-	-	-	-

* The indicators in the table for Scope 1 and 2 for 2021 and 2023 take into account the adjustment described in section E1-6 Material changes.

** At the time of publication of the report, Unibep Group is in the process of obtaining a guarantee of origin for electricity purchased in 2024 from renewable sources. Taking into account the purchased guarantees of origin, total Scope 2 market-based greenhouse gas emissions will be at 7 827 tCO2eq, resulting in a 6% reduction in Scope 2 market-based greenhouse gas emissions relative to 2023. Similarly, the value of the total greenhouse gas emissions in scope 1 and 2 according to the market-based method, (tCO2eq) will change, taking into account the guarantees of origin of electricity, this value will amount to 22 793 tCO2eq, representing an increase of 6% on the previous year.

*** Unibep Group did not recalculate scope 3 for 2023 in line with the assumptions made in 2024.

**** The available emission factors made it possible to include biogenic CO2 emissions from wood combustion (scope 1) and for certain categories of materials used by the organisation (category 1, scope 3).

Our Scope 1 and 2 emissions in 2024 totalled 25 868 tonnes of CO2e on a market-based basis and 22 702 tonnes of CO2e on a location-based basis. In scope 2, emissions calculated using the location-based method are lower than market-based, due to the use of residual ratios in the calculation.

Compared to 2023, our emissions for the sum of Scope 1 and Scope 2 have increased by 20% for market-based and 8% for location-based. The main reason for the increase in emissions, despite the measures being put in place to reduce them, is considered to be the increase in energy and fuel consumption due to increased throughput and the failure to obtain electricity from renewable sources, which occurred in the previous year.

Due to the expansion of reported Scope 3 emissions – both by including new categories and by increasing the detail of the areas analysed so far – the emission totals for Scopes 1, 2 and 3 in the current financial year are not comparable to those of previous years.

GHG emission intensity per net revenue	Unit	2023	2024	Change YoY (%)
Greenhouse gas emissions – Scope 1 and 2				
Scope 1 and 2 (location-based) greenhouse gas emissions per net revenue	MgCO2e/PLN 1 m	8.6	8.7	1%
Scope 1 and 2 (market-based) greenhouse gas emissions per net revenue	MgCO2e/PLN 1 m	8.9	9.9	12%
Total greenhouse gas emissions				
Total greenhouse gas emissions (location-based) per net revenue	MgCO2e/PLN 1 m	-	486	-
Total greenhouse gas emissions (market-based) per net revenue	MgCO2e/PLN 1 m	-	487	-

To calculate greenhouse gas (GHG) emission intensities, the Group uses the net revenue for the reporting period as disclosed in the financial statements (section 2.3). Net revenues amounted to PLN 2 606 858 112. Emission intensity was calculated as total GHG emissions divided by PLN 1 m of net revenue.

The Group does not identify CapEx amounts invested during the reporting period in relation to its coal, oil and gas business and has no frozen emissions.

E1-7 Greenhouse gas removal and mitigation projects financed with carbon credits

Throughout 2024, Unibep Group did not pursue the purchase of Offset Units or Carbon Credits. In 2024, the company avoided emissions of 4 722 tonnes CO_2e as a result of the use of biogenic materials, which enable long-term carbon storage. All emissions avoided result from the use of biogenic raw materials in the value chain.

E1-8 Internal determination of greenhouse gas emission fees

Throughout 2024, Unibep Group has not set an internal price for a unit of greenhouse gas emissions to be used in processes related to managing climate change impacts.

E4 Biodiversity

SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

Significant biodiversity impacts, risks and opportunities are presented within the SBM-3 disclosure under ESRS 2 General Disclosures.

E4-1 Transition plan and consideration of biodiversity and ecosystems in strategy and business model

Unibep Group does not have a transformation plan for biodiversity and ecosystems at the date of this report. Information on the possible period during which such a plan could be adopted by management will be provided in the next report.

E4-2 Policies related to biodiversity and ecosystems

Unibep Group does not have a policy related to biodiversity and ecosystems. However, the commitment to biodiversity is reflected in the Group's strategic documents, such as the Integrated Management System Policy and the ESG Strategy.

In line with its policy, the Group aims to carry out its day-to-day activities with a view to safeguarding the environment and protecting biodiversity, respecting national and local laws and with future generations in mind. In reference to this, one of the Group's ambitions adopted as part of the ESG Strategy is to ensure that water, air and soil quality and biodiversity are taken care of at all stages of operations, which is achieved by taking into account the Group's own enhanced environmental standards at the planning stage and during the execution of operations.

The Group's core operating activities are based on construction projects located in various regions of Poland. This means that the impact on biodiversity and ecosystems is primarily limited to the site of specific developments. As a general contractor, we have no influence on the location of ongoing construction projects and management is generally limited to the construction process and supporting operations.

In the case of development activities, biodiversity impacts, risks and opportunities are identified earlier, right from the planning stage of the project. None of the developments by Unidevelopment Group in 2024 were located in protected areas.

In the near future, consideration will be given to the aspect of strengthening the principles of protecting biodiversity and ecosystems in the Group's supply chain.

E4-3 Actions and resources related to biodiversity and ecosystems

Notwithstanding the lack of having a transformation plan in the area related to biodiversity and ecosystems, in 2024, Unibep Group continued with multi-directional actions according to the ways and principles defined in the organisation for four key areas:

- soil and water environment,
- air,
- biodiversity,
- climate.

As part of the Group's adopted ESG Strategy, measures are being implemented to support the protection of biodiversity, inter alia by monitoring the environmental impact of the investments under way (including the inclusion of construction in the environmental supervision) and limiting the impact on biodiversity and ecosystems through the application of the Group's own increased requirements under the adopted environmental standards.

As a general contractor, we strive to ensure that the execution of construction processes is carried out in such a way as to limit the impact on the natural environment when organising construction sites, back-up facilities, running process roads and, above all, when carrying out construction work.

As a matter of principle, we always comply with the relevant provisions of the environmental decisions and, in addition, with the adopted principles arising from the internal documents titled Unibep Group environmental standards (access to documents: https://unibep.pl/zrownowazony-rozwoj/standardy-os.html). Environmental standards organise environmental management issues during the construction process and specify which methods and solutions should be adopted to have the least possible impact on the environment during the work of each project carried out. This is to ensure that Unibep Group's operations are conducted in a manner that ensures environmental safety and compliance with the adopted ESG Strategy, IMS policy and relevant legal and other requirements.

At the same time, in order to avoid and minimise the negative impact of Unibep Group's activities on biodiversity, we map potential and direct environmental impacts at the initial stage of each project, including identifying whether and on which areas of biodiversity value we will carry out work. Depending on the results, we put in place specific measures to minimise impacts while actively seeking opportunities to enhance local ecosystems and biodiversity. To this end, we develop Environmental Action Plans for the project in question, where we define the scope and distribution of work in relation to each identified environmental aspect. Where this results from the provisions of environmental decisions, appropriate nature monitoring is introduced during construction. In the case of the Infrastructure Division, ca. 60% of the projects implemented in 2024 had a natural surveillance team in place. The natural monitoring carried out ensures that investments are carried out in a way that not only minimises negative impacts, but also enhances the protection of endangered species and habitats, e.g. amphibian protection measures are carried out by relocating amphibians. Detailed information on the introduced nature supervisions for the ongoing investments in 2024 is given in the table titled Nature supervisions at Unibep S.A.

TABLE NATURE SUPERVISIONS AT UNIBEP S.A.

Company	Branch	Construction site name	Required specialists in nature supervision	Scope of work for which supervision is required
UNIBEP	GWK	Poznań, ul. Milczanska	nature supervisor – naturalist	demolition of buildings
UNIBEP	INF	DW 689 Bielsk Podlaski – Hajnówka	specialised naturalist	the entire construction cycle
UNIBEP	INF	S19 Ploski – Haćki	ornithologist, chiropterologist, herpetologist, entomologist, phytosociologist	the entire construction cycle
UNIBEP	INF	S19 Dobrzyniewo – Białystok Zachód	ornithologist, chiropterologist, herpetologist, entomologist, phytosociologist	the entire construction cycle
UNIBEP	INF	DP 1867N Wierzbiny – Drygały – Skarżyn	specialised naturalist	the entire construction cycle
UNIBEP	INF	DW 513 Lidzbark Warmiński – Wozławki	ornithologist, chiropterologist, herpetologist	the entire construction cycle
UNIBEP	INF	DK 66 Bielsko Podlaskie bypass	team of naturalists – habitat specialist, ornithologist, chiropterologist, herpetologist, entomologist	the entire construction cycle
UNIBEP	INF	DW 676 Raginisa street in Białystok	chiropterologist, ornithologist, dendrologist	the entire construction cycle
UNIBEP	INF	DW 677 Konarzyce – Śniadowo	specialised naturalist	the entire construction cycle
UNIBEP	INF	DK 65 Nowa Wieś Ełcka – Voivodeship border	specialised naturalist	the entire construction cycle
UNIBEP	INF	DW 679 Łomża – Mężenin	specialised naturalist	the entire construction cycle
UNIBEP	INF	DW 653 Olecko – Voivodeship border	specialised naturalist	the entire construction cycle

As part of the Group's activities related to the implementation of a particular investment, if it is due to the specifics of the project, restoration and compensation measures for impacts on biodiversity and ecosystems are also applied.In the period covered by this report, these included tasks such as installing nest boxes, using replacement plantings, establishing green ceilings, building crossings, temporary and permanent culverts for animals or replacement tanks for amphibians.

An important initiative taken by Unidevelopment was the decision to obtain environmental certificates for its projects, which translates, among other things, into increased care for biodiversity and ecosystems during the entire investment process. The company identifies the impact on biodiversity at an early stage of the project, pre-feasibility studies are already carried out during the planning of the project. For this purpose, preliminary nature reports are carried out by qualified ecologists (e.g. guidelines on the ecological value of the site, indication of the amount and type of planting and other natural elements). In addition, a biodiversity champion is appointed during the construction phase to look after the environment at every stage of construction. In addition, Biodiversity Management Plans are also being developed, documents that outline the scope of actions needed to improve vegetation and ecological functioning for a period of five years after the completion of the project. Where possible, solutions are sought to support biodiversity and the restoration of local ecosystems. An example is the Kusocińskiego investment project under construction in Gdańsk, where, among the ecological solutions to be implemented, it is worth mentioning those related to water management and preventing the effects of global warming. Among other things, an automated system will be introduced to allow rainwater to be reused for watering plants in the common areas. In line with the ecologist's recommendations, the development site will include drought-tolerant vegetation and melliferous species. Replacement planting of native plants will be used. To increase biodiversity, the installation of nesting boxes for small animals and insect hotels is also planned. The development is adjacent to a developed residential area from one side and green areas from the other. The location makes it particularly justifiable in this case to be concerned about birds moving through the area. Modern buildings with glass surfaces that are unseen by bird eyes can pose a threat to them. Effective and aesthetically pleasing signage will be used for this development to protect birds from collisions with these facilities.

As part of its contracting activities, Unibep Group does not directly contribute to changing the use of land, freshwater or seas. The Group did not contribute to any change in the use of land, freshwater or seas as part of its development activities during the reporting period.

E4-4 Targets related to biodiversity and ecosystems

As of the publication date of this report, the Group has not set targets related to biodiversity and ecosystems

Notwithstanding this, an indirect objective related to diversity and ecosystems, in line with the Group's ESG Strategy is to take into account the Group's own increased environmental standards at the planning stage and during the execution of activities, which involves the ambition to develop a catalogue of environmental mitigation solutions that can be applied during the design of buildings (development activities), the execution of projects in accordance with established environmental standards (execution activities), and the development of tools for preventing environmental accidents and for reporting environmental incidents. The first two objectives have been implemented, the third objective is in progress.

The setting of targets related to biodiversity and ecosystems will be reviewed during the update of the Group's ESG Strategy in force until 2025.

E4-5 Impact measures related to biodiversity and ecosystem change
SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

As part of the Group's adopted ESG Strategy, measures are being implemented to support the protection of biodiversity, inter alia by monitoring the environmental impact of the investments under way (including the inclusion of construction in the environmental supervision) and limiting the impact on biodiversity and ecosystems through the application of the Group's own increased requirements under the adopted environmental standards.

Key in undertaking targeted biodiversity and ecosystem actions is to identify whether an activity interferes with an area of high biodiversity value. To this end, using the resources of https://geoserwis.gdos.gov.pl/mapy/, it is verified whether there are designated forms of nature conservation in the area where the Group's activities are located. The area of the immediate vicinity is checked, as well as the so-called buffer zone, which has been set at 5 km from the target site. The forms of nature conservation under consideration include: national parks, nature reserves, landscape parks, protected landscape areas, Nature 2000 sites, documentary sites, ecological usages and natural landscape complexes. Nature monuments and species protection for plants, animals and fungi were excluded.

Within its own permanent premises, the Group highlights two sites located within the statutory conservation area:

- The mineral and asphalt plant in Rożyńsko Wielkie, located in the Ełk Lake District Protected Landscape Area. However, the activity has little impact on biodiversity and ecosystem as it has been located on the site of an operational Aggregates Production Facility. The installation is operating in accordance with the environmental decisions obtained. In addition, the technical characteristics of the asphalt plant allow it to be dismantled and relocated to another site,
- Storage yard in Wasilków, located in the buffer zone of the Knyszyńska Forest Landscape Park. The yard is located in the service and industrial part of Wasilków and there are no installations causing emissions or noise, so the negative impact on the protected area is negligible.

No negative impacts in terms of land degradation, desertification or soil sealing were identified for any site and no need to implement measures to mitigate biodiversity loss was identified.

In 2024, the Group's operations (construction sites) collided with protected areas according to the scope presented in the table titled Investments underway in 2024 located in nature conservation areas.

TABLE UNIBEP GROUP INVESTMENTS UNDERWAY IN 2024 LOCATED IN NATURE CONSERVATION AREAS

Company	Branch	Name of project/ office/site	Location in a protected area [YES/NO].	Nearest protected area	Distance
UNIBEP	INF	WMMA Rożyńsk Wielki	YES	Ełk Lake District Protected Landscape Area	0
UNIBEP	INF	Wasilków storage yard	YES	Professor Witold Sławiński Knyszyńska Forest Landscape Park – buffer zone	0
UNIBEP	GWK	Temporary container camp in Wielbark	YES	Nature 2000 Napiwodzko – Ramcuka Forest	0
UNIBEP	INF	Extension of national road No. 63 from km 154+336 to km 156+903 with a passage through the town of Wygoda	YES	Łomża Landscape Park of the Narew Valley – buffer zone	immediate vicinity
UNIBEP	INF	“Design and construction of the S19 road along the Ploski – Haćki section”.	YES	Nature 2000 Grasslands in Haćki	0
UNIBEP	INF	Design and construction of the S19 road between Krynice – Dobrzyniewo – Białystok Zachód junction	YES	Nature 2000 Knyszyńska Habitat	0
				Nature 2000 Knyszyn Forest	0
UNIBEP	INF	Extension of district road No. 1867N (Wierzbiny) - Drygały - Skarżyn from km 0+000 to km 11+200	YES	Nature 2000 Orzysz Habitat Range	0
UNIBEP	INF	Reconstruction and extension of district road No. 1934B in the section Piątnica Włościańska - Kalinowo		Łomża Landscape Park of the Narew Valley with its buffer zone	0
UNIBEP	INF	Development of industrial land in Szymany	YES	Nature 2000 Napiwodzko-Ramucka Forest	0
UNIBEP	INF	DK 63 Borki - Jeże	YES	Protected Landscape Area – Pisz Forest and Lakes; Nature 2000 Area – Piska Forest; Ecological Corridor – ECONET	0
UNIBEP	INF	DK 65 Nowa Wieś Ełcka – voivodeship border	YES	Ełk Lake District Protected Landscape Area	0
UNIBEP	INF	Łomża - Mężenin	YES	Łomża Landscape Park Narwia Valley – buffer zone	0
UNIBEP	INF	DW 653 Olecko – Voivodeship border	YES	Oleckie Lakes Protected Landscape Area	0
				Rospuda Valley Protected Landscape Area	0
UNIBEP	INF	Works on railway line 38 Ełk – Korsze including electrification	YES (parts of the railway line pass through protected areas)	Protected Landscape areas 1. Ełk Lake District; 2. Great Masurian Lakes Region; 3. Guber River Valley	–

The Group also monitors the trees felled and planted as part of ongoing developments, which is particularly important in the case of property development activities, where the Company has a direct influence on the scope of activities in this area. The Unidevelopment Group planted 929 trees as part of its ongoing projects in 2024, which, with 417 trees felled, results in a positive result of 512 trees. The results of 2024 monitoring of trees removed and planted for the Unidevelopment S.A. project are presented in the table titled Balance of replacement plantings.

TABLE BALANCE OF REPLACEMENT PLANTINGS CARRIED OUT AT UNIDEVELOPMENT IN 2024.

Company	Construction site name	Trees felled [number of pieces with minus].	Planted trees [number of pieces]	Tree balance
UNIDEVELOPMENT	Kusocińskiego, Gdańsk Morena	-79	139	60
UNIDEVELOPMENT	Fama Jeżyce, Poznań	-69	89	20
UNIDEVELOPMENT	Osiedle Idea, Radom	-235	648	413
UNIDEVELOPMENT	Impuls Marywilska, Warsaw	-33	27	-6
UNIDEVELOPMENT	Sadyba Spot, Warsaw	-1	26	25

E5 Circular economy

E5-1 Policies related to resource use and circular economy

At the date of publication of this report, the Group does not have policies relating to resource use and the circular economy. The issue of circularity is addressed in the Integrated Management Systems Policy. According to it, the Group strives for the rational, efficient use of natural resources while taking climate change into account. In addition to this, the aspect of resource utilisation and a circular economy is included in the Group's ESG Strategy, within the procedures and instructions for the environmental management system in place and the environmental standards adopted.

As part of its ESG circularity strategy, the Group is committed to reducing resource wastage and minimising the amount of construction waste generated, including increasing the rate of recycling of waste that can be separated in a technically sound manner.

The rational management of materials and waste generated in the course of construction activities results from the environmental protection standards adopted by the Group, which cover the following issues:

- Standard 15_Limitation of construction waste generation,
- Standard 06_Storage of construction waste,
- Standard 07_Disposal of construction waste,
- Standard 08_Treatment of waste oils,
- Standard 09_Asbestos handling.

E5-2 Actions and resources related to resource use and circular economy

Unibep and Unihouse carry out investments in accordance with projects that include detailed requirements for the construction technologies used, the materials used and the possibility of using substitute solutions. The above has the effect of limiting the applicability of waste reduction solutions within the scope of the project itself, e.g. purchasing preferences for specific categories of materials.

As part of the Group's operations, activities are planned and carried out in such a way as to firstly, make optimum use of the raw materials and materials planned for use in the project. As part of the tasks of the Group's technical departments, aware of the impact of the materials and raw materials used, the development of the construction portfolio seeks to optimise the use of key building materials for investments.

Great emphasis is placed within the Group on the correct process of segregating waste that has not been prevented from being generated in order to ensure its further recovery. The Group has a process in place that dictates the development of a dedicated waste management plan individually for each project under construction. The plan defines the principles of waste management, taking into account the prioritisation of the re-use of materials and waste.

Under the aforementioned documents, monitoring of the management of materials and the management of unavoidable waste is carried out. Environmental services carry out periodic environmental reviews. Internal audits are also carried out in the companies in this respect.

Unibep Group treats all the waste it manages as directly generated. Waste generated by subcontractors and, where contractual terms dictate, managed on behalf of or by the Group, is treated as generated by the Group directly, as no mechanisms have been established to allocate such waste.

The Group-wide waste separation rate in 2024 was at 75% compared to the 72% level achieved in 2023 (excluding landmass waste, which was recovered at 100%). In 2024, the Group began to implement a process for monitoring how third parties (subcontractors, waste managers) manage the waste generated during the construction process, and this will continue this year. The aim is to provide information on the final management of all waste generated on site.

The entities of Unibep Group manage the waste they produce, entrusting its storage, processing and transport to companies with the relevant permits, on the basis of waste transfer sheets issued in the BDO system, or it is handed over for reuse to individuals or organisational units that are not entrepreneurs on the basis of a declaration.

Irrespective of the contractual regulations between an entity from Unibep Group and the contractor with respect to fees for waste disposal and the provision of containers for waste collection, the following waste management rules apply on project sites:

- municipal waste segregation,
- segregation of construction waste into basic fractions such as rubble, wood, insulation materials, iron and steel, soil,
- separate collection of hazardous waste in labelled and sealed containers.

In addition, prior to the commencement of the works, the contractor is obliged to specify in the Safe Working Instructions the type and quantity of hazardous waste to be generated and to indicate the method of waste management in accordance with the assumptions of the “Waste Management Plan” and appropriate to the scope of its works. For the hazardous waste generated, i.e. packaging containing residues of hazardous substances and mineral engine, gear and lubricating oils, as for all waste, measures are implemented on the basis of current legislation and internal standards.

To minimise waste, which was unavoidable as part of the planning process for the production of Unihouse's modular buildings, the wood material is used to create landscaping elements, i.e. feeders, dog kennels, hedgehog enclosures and insect houses, which we donate to public facilities and other institutions. Part of this waste fraction is used to provide heating for the production facilities by burning it in the company's boiler room (by-product). Other wood waste, as well as plasterboard waste, mineral wool, paper and cardboard waste and plastic waste, are collected by professional companies that recover these products, ensuring that they are a resource that will be reused.
Some of the waste generated on site is also recyclable. The Group is not engaged in commercial activities related to waste treatment, i.e. recovery, collection or disposal. In line with its strategy and the EIA standard for reducing waste generation, the Group aims to manage waste in such a way that it can be reused, either in-house or externally. Where possible, the required administrative decisions are obtained to enable the waste generated to be processed in-house so that it can be reused as part of construction projects. For the purposes of road upgrading and construction, asphalt waste from demolition is reused in

construction processes, mainly as a component of mineral and asphalt mixes. If, for technical, organisational or legal reasons, in-house recovery is not possible, as much waste as possible is segregated to allow recovery by a third party.

In addition, in 2024, decisions were obtained for two asphalt plants to recognise as a by-product dust from dust extraction generated during the production of asphalt mixtures (dust accounts for 38% of all the waste that is generated at the sites of the mentioned plants). These decisions make it possible to reuse dusts as fillers in the production of mineral and asphalt mixtures.

E5-3 Targets related to resource use and circular economy

In 2024, the Group has made significant progress in the area of circularity, implementing the agreed action plan in line with the ESG Strategy's voluntary target to move towards a circular economy measured by reducing the rate of waste generated directly during construction activities going to landfill year-on-year.

The Group's activities consist primarily of seeking solutions to increase the use of recycled materials in its own operations, improving the efficiency of selective management of the waste generated and ensuring the effective management of the wood by-product from modular production.

E5-4 Resource inflows

The Group does not monitor the amount of resources used by contractors for contracted services related to construction projects. Monitoring of the inflow of materials sourced by the Group in-house is carried out as part of the accounting and inventory systems in place and, as at the date of the report, the system does not allow for accurate disclosure of the total weight of all technical and biological products and materials consumed during the reporting period.

Below, the Group reveals a significant item among purchased resources, accounting for ca. 75% of the cost of all purchases related to construction activities for 15 key commodity categories: aggregates, concrete, steel, cement, timber, polystyrene, masonry materials, asphalt, oils, mineral wool, granite materials, ceramics, gypsum materials, wood-based panels, wall cladding.

The weight of individual stocks was determined from sales documents if metric weight units were included. In other cases, the weighting was adopted on the basis of calculations related to the carbon footprint calculation in the area of category 1 of scope 3.

The main raw material used for modular buildings is wood and wood-based materials. As a renewable raw material, structural timber is a key material at Unihouse and we focus on ensuring that this material comes from responsibly managed forests with environmental, social and economic benefits. It is assumed that more than 80% of the materials ordered for production – such as solid wood, KVH, LVL, I-beams, OSB, plywood – are FSC or PEFC certified.

In subsequent reporting periods, the Group plans to expand the scope of reported data on the consumption of materials and raw materials.

Resource inflows	Entity	2024
Total weight of products introduced into the organisation	Mg	290,181
Total weight of technical materials introduced into the organisation	Mg	3,228,332

including the total weight of reused or recycled components, reused semi-finished products and secondary raw materials used in the creation of the company’s products and services (including packaging) ***	Mg	24,736
Total weight of biological materials introduced into the organisation ****	Mg	2,164
including from sustainable sources *****	Mg	1,199
Total weight of technical and biological materials introduced into the organisation	Mg	3,230,496
Total weight of products, and technical and biological materials	Mg	3,520,678
Percentage of biological materials from sustainable sources	%	0.03
Percentage of reused materials	%	0

* products include ready-to-use products: masonry materials, construction and finishing panels, steel, insulation, mortar, reinforced concrete, glass, granite, stoneware
** technical materials include raw materials or intermediate products used in the manufacture of other products: asphalt, concrete, cement, gypsum, aggregates, lime
*** recycled and reused waste is included
**** construction wood included
***** FSC or PEFC certification of harvested structural timber is included

E5-5 Resource outflows

As a rule, the Group is not a manufacturer of finished goods, materials or semi-finished products that would be marketed. The exception is the small-scale production and external sales of mineral and asphalt mix (5%), which is, as it were, an activity carried out in conjunction with the production of mix for Unibep's ongoing construction projects.

Unibep Group entities generate waste as part of their construction work. Only at Unihouse SA was most of the waste generated at the plant, with a negligible amount of waste generated at construction sites. Unibep generates waste as a result of its services and/or activities in the field of linear facilities, the erection of cubic structures and others. In contrast, waste generated during construction work is mainly soil, debris, wood, concrete rubble and mixed construction waste. The waste generated at the Unihouse SA plant is mainly plasterboard, wood offcuts, chipboard and mixed construction waste. The waste generated by the Group, which is not construction waste, is insignificant due to its nature (mainly socio-domestic waste) and its low volume (<1%).

Waste emissions at the level of the Group's entire value chain do not deviate from the typical construction industry and also concern the phase related to the production of materials, the use phase of the infrastructure, its upgrading or disposal.

The company carries out environmental monitoring, which includes controlling the amount of waste generated. Qualitative and quantitative monitoring of waste is carried out on the basis of data obtained from the Group's waste record sheets, as well as internal EIA monitoring reports. The data collected on an ongoing basis makes it possible to monitor the amount of waste generated, calculate the level of waste segregated (e.g. wood, soil) and carry out actions to minimise the amount of waste. The amount of waste generated by the Group is largely dependent on the number of investments carried out and the scope, type and phases of construction work carried out in a given timeframe and the contractual provisions put in place with subcontractors. In accordance with these provisions and the applicable legislation, the entity responsible for managing some of the waste generated during the service on construction sites are the subcontractors who carry out the construction work for the Group. The Group does not monitor the management (recovered/not for recovery) of waste by subcontractors. The sum of the quantities generated during construction activities and managed or contracted directly by the Group in the year 2023-2024 is given in the table titled Construction waste associated with the Group's activities.

The percentage of in-house recovered and reused waste in 2023 was at 20%, with a significant increase in 2024, reaching 64%. The calculation does not take into account the generated and reused earth masses and waste generated and managed directly by the subcontractors we work with. In 2024, 99% of the waste was recovered in the form of waste rubble, which was reused during the linear projects. Some of the waste generated, as required by the legislator, was transferred to private individuals.

As a result of the measures introduced in the Group, the amount of waste generated from operations sent to landfill has been reduced to 20% in 2024, down from 72% sent in 2023.

The calculation of waste recovery does not include waste that has been sent for management and recovered by a third party, as no such information was obtained from contractors in 2024, but as it is often a valuable material it can be assumed with certainty that some of it has also been recovered.

TABLE CONSTRUCTION WASTE ASSOCIATED WITH THE GROUP'S ACTIVITIES

	Entity	2023	2024	Change YoY
RESOURCES TAKEN FROM THE ORGANISATION*				
Waste sent for recovery**				
Hazardous waste	**Mg**	**0**	**2**	**-**
Preparation for re-use	Mg	0	0	-
Recycling	Mg	0	0	-
Other recovery processes	Mg	0	2	-
Waste other than hazardous	**Mg**	**341,993**	**151,500**	**-56%**
Preparation for re-use	Mg	0	69	-
Recycling	Mg	0	769	-
Waste recovery at the Unihouse S.A. factory.	Mg	56	471	741%
Treatment of waste 17 03 02 in a facility	Mg	4,087	3,736	-9%
Treatment of waste 17 03 02 outside facilities	Mg	3,000	21,000	600%
Waste transferred to individuals ***	Mg	334,850	116,736	-65%
Other recovery processes	Mg	0	8,719	–
Total amount of waste sent for recovery	**Mg**	**341,993**	**151,502**	**-56%**
Percentage of waste recycled	**%**	**72%**	**88%**	
Waste sent for disposal				
Hazardous waste	**Mg**	**69**	**13**	**-81%**
Incineration	Mg	0	0	-
Storage	Mg	69	13	-81%
Other disposal processes	Mg	0	0	-
Waste other than hazardous	**Mg**	**132,122**	**21,362**	**-84%**
Incineration	Mg	0	0	-
Storage	Mg	132 122	21,362	-84%
Other disposal processes	Mg	0	0	-
Total amount of waste sent for disposal	Mg	132,191	21,375	-84%
Total volume of radioactive waste	Mg	0	0	-
Total volume of unrecovered waste	**Mg**	**132,191**	**21,375**	**-84%**
Percentage of unrecovered waste	**%**	**28%**	**12%**	
Total volume of waste generated	**Mg**	**474,184**	**172,877**	**-64%**

* The list includes waste generated during the construction activities of Unibep and Unihouse; waste generated by subcontractors is not included.

** Evidence of waste recovery could be – Waste Record Cards, Waste Transfer Statements to Individuals, Documentary Proof of Recycling (DPR) and statements from third party companies on how the waste was managed, respectively.

*** Included in the waste quantities are earth masses (waste codes: 17 05 04 and 17 05 06); the YoY differences in the total amount of waste generated are due to the accumulation in 2023 of linear investments that were related to soil replacement – unusable soil/excavated material was transferred to individuals as waste.

TAXONOMY

Compliance with the EU Taxonomy

Unibep Group discloses environmental information in this report. The related obligations were introduced by Regulation (EU) 2020/852 of the Parliament and of the Council of 18 June 2020 and concern compliance with the so-called EU Taxonomy of Sustainable Activities on the establishment of a framework to facilitate sustainable investments.

This Regulation, abbreviated as the EU Taxonomy, transposes the European Union's climate and environmental targets into technical criteria for assessing whether the given action can be considered sustainable in relation to the 6 environmental objectives:

1. Climate change mitigation;
2. Climate change adaptation;
3. Sustainable use and protection of water and marine resources;
4. Transition to a circular economy;
5. Pollution prevention and control;
6. Protection and restoration of biodiversity and ecosystems.

The taxonomy is therefore a classification system to examine and disclose the extent to which the Group's activities are environmentally sustainable.

All activities carried out by Unibep Group can be assigned to one of three categories:

- Taxonomy-eligible activity, for which it has been determined that the Technical Eligibility Criteria and Minimum Guarantees are met, are environmentally sustainable activities.
- Taxonomy-eligible activity for which the Technical Eligibility Criteria have not been tested or at least one of the criteria is found not to be met or the Minimum Guarantees have not been met – is a systematic-eligible but environmentally unsustainable activity,
- Taxonomy-ineligible activity, for which there are no Technical Eligibility Criteria (this category includes, among others, such activities for which criteria will be created in the future and the activity will then be taxonomy-eligible).

Technical Eligibility Criteria (TEC) are criteria allowing unambiguous determination whether a given action makes a significant contribution to one of the environmental targets and does not cause serious harm to other environmental targets. TEC are contained in two legal documents:

1. The Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021 (the so-called "Climate Delegated Act") which, since its publication, has been amended twice by the following legislation:
    a. Commission Delegated Regulation (EU) 2022/1214 of 9 March 2022 which introduced requirements for energy generation activities using gaseous fuels and nuclear energy;
    b. Commission Delegated Regulation (EU) 2023/2485 of 27 June 2023 which introduced new activities and amendments to certain technical eligibility criteria.

Regulation 2021/2139 includes criteria for a significant contribution to two environmental objectives: climate change mitigation (CCM) and climate change adaptation (CCA), and criteria for no significant harm to other environmental objectives (do no significant harm, DNSH).

Commission Delegated Regulation (EU) 2023/2486 of 27 June 2023[1] (the so-called "Environmental Delegated Act"). This Regulation sets out the TEC for making a substantial contribution and not causing significant harm to the other four environmental objectives: water conservation (WTR), circular economy (CE), pollution prevention and control (PPC) and biodiversity conservation (BIO).

The Minimum Safeguards (MS) set out in Article 18 of Regulation 2020/852 are the procedures used to ensure compliance with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises.

Any company subject to the obligations under Regulation 2020/852 is required under Article 8 of the Regulation to disclose three indicators:

- Percentage of turnover derived from environmentally sustainable products or services;
- Percentage of capital expenditure (CapEx) corresponding to assets or processes related to environmentally sustainable activities;
- Percentage of operating expenditure (OpEx) corresponding to assets or processes related to environmentally sustainable activities.

The detailed requirements for the calculation and disclosure of the above indicators are set out in the Commission Delegated Regulation (EU) 2021/2178[2], the so-called Article 8 Delegated Act.

Compliance of Unibep Group's operations with the taxonomy

The following percentage of turnover, capital expenditure (CapEx) and operating expenditure (OpEx) in line with the taxonomy was determined as a result of the analyses.

	Turnover	CapEx	OpEx
Value in 2024	2,606,858,112.20	34,642,484.00	13,447,584.24
Sustainable activity (taxonomy-compliant)	83,420,560.03	977,131.71	0.00
Unsustainable activity (eligible, taxonomy-non-compliant)	2,234,157,590.73	30,276,923.55	0.00
Neutral activity (taxonomy-ineligible)	289,279,961.44	3,388,428.74	0.00

The following section describes the process of testing compliance with the Taxonomy, the applied accounting principles and a detailed discussion of the three performance indicators with tables prepared in accordance with the so-called Article 8 Delegated Act, i.e. Commission Delegated Regulation (EU) 2021/2178.

Taxonomy compliance testing process

A four-stage process was carried out to test compliance with the taxonomy:

[1] Commission Delegated Regulation (EU) 2023/2486 of 27 June 2023 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical eligibility criteria for determining the conditions under which an economic activity qualifies as contributing substantially to the sustainable use and conservation of water and marine resources, to the transition to a circular economy, to the pollution prevention and control, or to the protection and restoration of biodiversity and ecosystems, and whether that economic activity causes no significant harm to any of the other environmental objectives, and amending Commission Delegated Regulation (EU) 2021/2178 as regards the public disclosure of specific information in relation to those economic activities.

[2] Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by specifying the content and presentation of information to be disclosed by undertakings subject to Articles 19a or 29a of Directive 2013/34/EU concerning environmentally sustainable economic activities, and specifying the methodology to comply with that disclosure obligation.

1. Identification

The stage consisted of reviewing all activities carried out by Unibep and the Group's subsidiaries and determining whether, and if so, which types of activities qualify for taxonomy. The companies' earned revenue, capital expenditure and operating expenditure were reviewed. Their descriptions in the annexes to Commission Delegated Regulation (EU) 2021/2139 and 2023/2486 were used to identify the different activities that were compared to the actual activities carried out. Where the description of the activity was not sufficiently clear, the NACE statistical classification of economic activities was used as an auxiliary tool[3].

2. Allocation

This stage involved assigning turnover, capital expenditure and operating expenditure figures to the various activities identified in the first stage.

3. Verification

This stage consisted of two test types:

- For all identified activities, the criteria for significant contribution and for no significant harm were tested using the TEC as set out in the annexes to Commission Delegated Regulation (EU) 2021/2139. Details of the assessment are set out in the Verification of compliance with the Technical Eligibility Criteria section.
- An assessment has been made as to whether the Minimum Guarantees are met. Details of the assessment are set out in the section on Minimum Guarantees.

4. Calculation

The stage consisted of using the resulting information from stages two and three to draw up tables containing the required information and preparing this supplementary information, as required by Annexes I and II of Commission Delegated Regulation (EU) 2021/2178.

The process of examining compliance with the taxonomy was carried out by a team comprising representatives of Unibep Group companies with the support of an external consultancy.

Minimum Safeguards

In accordance with Article 18 of Regulation 2020/852: "The Minimum Guarantees referred to in Article 3(c) are the procedures to be followed by the business enterprise to ensure compliance with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the International Labour Organisation Declaration on Fundamental Principles and Rights at Work and the principles and rights set out in the International Bill of Human Rights."

The examination of compliance with the Minimum Guarantees was carried out in accordance with the recommendations in the Final Report on Minimum Guarantees by Platform On Sustainable Finance.

[3] Regulation (EC) No. 1893/2006 of the European Parliament and of the Council of 20 December 2006 establishing the statistical classification of economic activities NACE Revision 2 and amending Council Regulation (EEC) No. 3037/90 as well as certain EC Regulations on specific statistical domains

According to the recommendations, non-fulfilment of the Minimum Safeguards is declared when one of the four conditions is met:

1. Inadequate or non-existent human rights due diligence processes, including labour rights, corruption, taxation and fair competition.
2. The company has ultimately been held liable or found to be in breach of labour or human rights law in certain types of labour or human rights litigation.
3. Failure to co-operate with the OECD National Contact Point (hereafter OECD NCP) on a notification accepted by the OECD NCP.
4. The Business and Human Rights Resource Centre (BHRRC) took up the allegation against the company and the company did not respond within three months.

As a result of the verification process, it was determined that Unibep Group's operations are conducted in accordance with the Minimum Guarantees.

Verification of compliance with the Technical Screening Criteria

Verification of compliance with the Technical Eligibility Criteria was conducted for all activities eligible for taxonomy, and consisted of analysing the individual criteria of significant contribution and no serious harm, and verifying the extent to which the type of activity complies with the TKK specified in the provisions of Commission Delegated Regulation (EU) 2021/2139.

Accounting Principles

The following principles were used to calculate the percentage of turnover, capital expenditures (CapEx) and operating expenses (OpEx) eligible for and compliant with the taxonomy.

Turnover

With regard to turnover, the denominator was the consolidated revenue of Unibep Group in 2024, as disclosed in the consolidated financial statements under Revenue from customer contracts. Revenues from activities that qualify for and at the same time comply with the taxonomy were assigned to the numerator.

Capital expenditure (CapEx)

With regard to capital expenditures (CapEx), the denominator was capital expenditures, i.e., increases in items of property, plant and equipment, investment property, intangible assets and rights to use assets disclosed in the consolidated financial statements. The part of CapEx that relates to activities that qualify for and at the same time comply with the taxonomy has been assigned to the numerator.

Operating expenditure (OpEx)

With regard to operating expenditure (OpEx), the denominator was all costs used to operate the Company's assets on an ongoing basis and keep them in proper condition. These included costs such as those associated with maintaining the proper functioning of buildings, equipment and vehicles used by the Group. In accordance with Commission Delegated Regulation (EU) 2021/2178: *If operational expenses are not relevant to the business model of non-financial companies, these companies:*

a) shall be exempted from the calculation of the numerator of the key performance indicators relating to operational expenditure in accordance with point 1.1.3.2 and shall disclose that numerator as equal to zero;

b) *disclose the total value of the denominator of operational expenditure calculated in accordance with point 1.1.3.1;*

c) *explain the lack of materiality of operational expenditure in their business model.*

The Group's business model includes the provision of construction services. Thus, despite the ownership of fixed assets (including vehicle fleet, machinery park), the total value of these assets is not material in terms of the total costs incurred, as well as the revenue generated by the Group.

The materiality threshold adopted by the Group is 1% of revenue. If the value of the denominator of the OPEX indicator, understood in accordance with the Taxonomy, represents less than 1% of the value of revenues for the related period, then the indicator will be considered irrelevant to the group's business model.

The data used for the calculations came from the financial and accounting system Unibep Group and from the financial and accounting systems of the individual subsidiaries of the Group.

The disclosure in this report relates to the most recent financial year, i.e. the period from 01/01/2024 to 31/12/2023.

The Group avoided double counting when allocating turnover and capital expenditure by making the appropriate consolidation exclusions in accordance with the applicable accounting regulations. For operating expenses, which are defined in the Commission Delegated Regulation (EU) 2021/2178 in a way that does not refer to international financial reporting standards, all accounts in the Group's accounting system were reviewed and the identified items meeting the definition of OpEx were then assigned in each case to a particular taxonomy-eligible activity or to a set of other operating expenses (non-taxonomy-eligible).

No activities contributing to more than one environmental objective were identified during the analysis. There was therefore no need to implement special procedures to avoid double counting.

Verification of compliance with the Technical Eligibility Criteria was carried out for all taxonomy-eligible activities and consisted of an analysis of the individual criteria of significant contribution and not causing serious damage. In the case of other types of activity, not exceeding the materiality threshold, the analysis was not conducted, and this type of activity was included as eligible for taxonomy, but not compliant with it.

The analysis showed that there was no need for a detailed disaggregation of the key performance indicators between the Group's individual operating units in accordance with section 1.2.2.3. of Annex I of Commission Delegated Regulation (EU) 2021/2178.

NUCLEAR ENERGY AND NATURAL GAS ACTIVITIES

	Nuclear energy activities	
1	The company conducts research on, develops, demonstrates and deploys innovative electricity generating systems producing energy through nuclear processes with minimal waste from the fuel cycle, finances such activity or is exposed to it.	NO
2	The company builds and safely operates new nuclear facilities for the production of electricity or process heat, including for district heating or industrial processes such as hydrogen production, and upgrades them for safety, using the best available technology, finances these activities or has exposure to them.	NO

3	The company safely operates existing nuclear facilities generating electricity or process heat, including for district heating or industrial processes such as production of hydrogen from nuclear energy, and upgrades them for safety, finances these activities or has exposure to them.	NO
	Natural gas activities	
4	The company builds or operates a system for the generation of electricity using gaseous fossil fuels, finances these activities or has exposure to them.	NO
5	The company builds, upgrades and operates a system for the combined generation of heat/cooling and electricity using gaseous fossil fuels, finances these activities or has exposure to them.	NO
6	The company builds, upgrades and operates thermal/cooling cogeneration systems using gaseous fossil fuels, finances these activities or has exposure to them.	NO

Due to the fact that Unibep Group does not carry out activities related to the activities indicated in the table above, the report does not include tables accompanying the disclosure of key performance indicators for activities 4.26-4.31 related to nuclear energy and natural gas, as all would only show zero values.

Below are the taxonomic tables.

Turnover

TABLE 1: PERCENTAGE OF TURNOVER ELIGIBLE WITH TAXONOMY

Financial year 2024	Year			Criteria for significant contribution						Criteria for the DNSH (“do no serious harm”) principle									
Businesses	Code or codes	Turnover (absolute value)	Part of turnover	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	contamination	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Percentage of turnover qualifying or complying with the scheme, year 2024	“Supporting activities” category	“Transition activities” category
			%	T; N; N/EL	T; N; N/EL	T; N; N/EL	T; N; N/EL	T; N; N/EL	T; N; N/EL	T/N	T/N	T/N	T/N	T/N	T/N	T/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITY																			
A.1. Environmentally sustainable activity (taxonomy-compliant)																			
Construction of new buildings	CCM 7.1	51,740,266.59	1.98%	T	N/EL	N/EL	N/EL	N/EL	N/EL	T	T	T	T	T	T	T	1.98%		
Generation of heating/cooling from bioenergy	CCM 4.24	21,207,147.99	0.81%	T	N/EL	N/EL	N/EL	N/EL	N/EL	T	T	T	T	T	T	T	0.81%		
Infrastructure for rail transport	CCM 6.14	10,401,345.45	0.40%	T	N/EL	N/EL	N/EL	N/EL	N/EL	T	T	T	T	T	T	T	0.40%	E	
Production of electricity using photovoltaic technology	CCM 4.1	71,800.00	0.00%	T	N/EL	N/EL	N/EL	N/EL	N/EL	T	T	T	T	T	T	T	0.00%		
Turnover from environmentally sustainable activities (Taxonomy-compliant) (A.1)		83,420,560.03	3.20%							T	T	T	T	T	T	T	3.20%		

Including supporting		10,401,345.45	0.40%							T	T	T	T	T	T	T	0.40%		
Including for transition		0.00	0.00%							T	T	T	T	T	T	T	0.00%		
A.2. Taxonomy-eligible environmentally unsustainable activity (taxonomy-non-compliant activity)																			
Construction of new buildings	CCM 7.1	1,622,624,812.34	62.24%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								62.24%		
Infrastructure supporting road transport and public transport	CCA 6.15	586,502,027.52	22.50%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								22.50%		
Generation of heating/cooling from bioenergy	CCM 4.24	9,861,179.46	0.38%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.38%		
Infrastructure for personal mobility, cycling logistics	CCM 6.13	8,799,348.82	0.34%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.34%	E	
High-efficiency cogeneration of heat/cooling and electricity from gaseous fossil fuels	CCM 4.30	4,468,450.74	0.17%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.17%		T
Distribution in heating/cooling systems	CCM 4.15	1,901,771.50	0.07%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.07%		
Turnover from taxonomy-eligible activities but not environmentally sustainable (taxonomy-non-compliant) (A.2)		2,234,157,590.73	85.70%														85.70%		
Total (A.1.+A.2.)		**2,317,578,150.76**	**88.90%**														88.90%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITY																			
Turnover from non-taxonomy-eligible activities (B)		289,279,961.44	11.10%																
Total (A+B)		**2 606 858 112.20**	**100.00%**																

Capital expenditure (CapEx)

TABLE 2: PERCENTAGE OF CAPITAL EXPENDITURE (CAPEX) IN LINE WITH TAXONOMY

Financial year 2024	2024			Criteria for substantial contribution						Criteria for the DNSH ("do no serious harm") principle									
Businesses	Code or codes	Capital expenditure in absolute terms	Percentage of capital expenditure	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	contamination	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Percentage of capital expenditure eligible for taxonomy, 2024	"Supporting activities" category	"Transition activities" category
			%	T; N; N/EL	T; N; N/EL	T; N; N/EL	T; N; N/EL	T; N; N/EL	T; N; N/EL	T/N	T/N	T/N	T/N	T/N	T/N	T/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITY																			
A.1. Environmentally sustainable activity (taxonomy-compliant)																			
Construction of new buildings	CCM 7.1	606,050.30	1.75%	T	N/EL	N/EL	N/EL	N/EL	N/EL	T	T	T	T	T	T	T	1.75%		
Generation of heating/cooling from bioenergy	CCM 4.24	248,406.11	0.72%	T	N/EL	N/EL	N/EL	N/EL	N/EL	T	T	T	T	T	T	T	0.72%		
Infrastructure for rail transport	CCM 6.14	121,834.29	0.35%	T	N/EL	N/EL	N/EL	N/EL	N/EL	T	T	T	T	T	T	T	0.35%	E	
Production of electricity using photovoltaic technology	CCM 4.1	841.02	0.00%	T	N/EL	N/EL	N/EL	N/EL	N/EL	T	T	T	T	T	T	T	0.00%		
Investment expenditures for environmentally sustainable activities (taxonomy-eligible) (A.1)		977,131.71	2.82%							T	T	T	T	T	T	T	2.82%		

Including supporting		121,834.29	0.35%							T	T	T	T	T	T	T	0.35%		
Including for transition		0.00	0.00%							T	T	T	T	T	T	T	0.00%		
A.2. Taxonomy-eligible environmentally unsustainable activity (taxonomy-non-compliant activity)																			
Construction of new buildings	CCM 7.1	19,006,323.37	54.86%	N	N/EL	N/EL	N/EL	N/EL	N/EL								54.86%		
Infrastructure supporting road transport and public transport	CCA 6.15	6,869,885.89	19.83%	N	N/EL	N/EL	N/EL	N/EL	N/EL								19.83%		
Generation of heating/cooling from bioenergy	CCM 4.24	115,507.15	0.33%	N	N/EL	N/EL	N/EL	N/EL	N/EL								0.33%		
Infrastructure for personal mobility, cycling logistics	CCM 6.13	103,069.59	0.30%	N	N/EL	N/EL	N/EL	N/EL	N/EL								0.30%	E	
High-efficiency cogeneration of heat/cooling and electricity from gaseous fossil fuels	CCM 4.30	52,340.39	0.15%	N	N/EL	N/EL	N/EL	N/EL	N/EL								0.15%		T
Distribution in heating/cooling systems	CCM 4.15	22,276.06	0.06%	N	N/EL	N/EL	N/EL	N/EL	N/EL								0.06%		
Electricity production using photovoltaic technology	CCM 4.1	135,038.42	0.39%	N	N/EL	N/EL	N/EL	N/EL	N/EL								0.39%		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	3,731,982.49	10.77%	N	N/EL	N/EL	N/EL	N/EL	N/EL								10.77%		T
Road freight transport services	CCM 6.6	240,500.00	0.69%	N	N/EL	N/EL	N/EL	N/EL	N/EL								0.69%		T
Capital expenditure for taxonomy-eligible activities but not environmentally sustainable (not in line with taxonomy) (A.2)		30,276,923.55	87.40%														87.40%		
Total (A.1.+A.2.)		**31,254,055.26**	**90.22%**														90.22%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITY																			
Capital expenditure for taxonomy-ineligible activities (B)		3,388,428.74	9.78%																
Total (A+B)		**34,642,484.00**	**100.00%**																

9.3. SOCIETY

Information on social issues

S1 Own workforce
SBM-2 Interests and views of stakeholders

Information on the impact of interests, opinions and rights of stakeholders is provided in the ESRS 2 General Disclosures section of the SBM-2 disclosure.

SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

No operations at risk of incidents of forced or child labour have been identified at Unibep Group.

At the same time, no analysis was carried out in 2024 on the impact of the adopted targets and climate change adaptation management strategy on the Group's male and female employees.

Characteristics of persons employed at Unibep Group

Unibep Group employs staff with a variety of professional skills and seniority.

Employees are dedicated to the Group's various business profiles, including in particular construction, manufacturing and property development activities.

Within this broadly defined dividing line, we employ workers in white-collar and blue-collar positions.

Employees in white-collar positions:
1. are the staff directly involved in the construction process within the large-scale construction, energy, industrial, infrastructure construction or manufacturing process. We employ highly competent professional staff who are qualified to carry out construction, road, bridge and design work. For less complex works, we allocate employees who are lower-level staff.University graduates with no work experience are also employed within our structures as they are just starting out on their career path.
2. They are employed in departments that support construction production, production or are involved in handling the processes in the development segment. Work in this area is carried out by employees working in, among others, direct production departments on the factory floor, auxiliary production, laboratories, central purchasing, design departments and quotation teams.
3. To ensure the smooth running of the company, employees work in back office departments.

Workers employed as labourers are the staff directly involved in the construction or production process. When carrying out work that requires specialised qualifications, we hire employees who have completed professional courses, e.g. as operators of equipment used in infrastructure construction, truck drivers, crane operators.

The professional activities of our employees are concentrated in various locations in Poland and abroad, including, for example, Germany, Norway and Belarus.

S1-1 Policies related to own workforce

The Unibep S.A. Group, based in Bielsko Podlaskie, a region known for its cultural and social diversity, places particular emphasis on respecting the principles of equality and creating safe and supportive working conditions. The company actively promotes diversity, which is seen as a value rather than an obstacle in the organisation.

Each newly recruited employee shall sign a statement confirming that they are familiar with the principles of equal treatment in employment. Unibep Group does not tolerate any form of discrimination – direct or indirect – based on gender, age, disability, race, religion, nationality, political opinion, trade union membership, ethnic origin, religion, sexual orientation or form of employment.

The company has implemented the procedure 'Prevention of Harassment and Discrimination at Unibep Group', which aims to protect employees from undesirable phenomena such as bullying, harassment or discrimination. The procedure also provides for interventions and support for building positive relationships between employees. Regular internal training makes employees aware of the importance of prohibiting bullying and discrimination. The Group's Code of Conduct promotes values that support respect for dignity and diversity.

By employing people from different cultural, social and professional backgrounds, Unibep Group creates a creative workplace where different styles of thinking and experiences complement each other. Promoting diversity and equal opportunities enables the building of effective teams and fosters the full development of employees' professional potential. A formalised diversity policy is currently in the process of being developed to complement the existing principles and values described in the 'Community of Principles and Objectives' document with which every new employee of the company is familiarised.

Unibep Group has documents in place that address and guarantee respect for diversity and equal opportunities. These are:

1. Unibep Collective Bargaining Agreement
2. Work regulations applicable in all other Group companies
3. Unibep Group Code of Conduct
4. Procedure "Counteracting mobbing, discrimination and harassment at Unibep Group"

Creating safe working conditions is our priority, as our activities require us to be particularly attentive to safety rules.

Unibep Group has implemented an employee health and safety management system based on the ISO 45001 standard, which was issued by the International Organisation for Standardisation in 2018. This system defines the requirements for the management of occupational health and safety (OHS) and provides guidelines for the continuous monitoring and optimisation of activities in this area. The system implemented covers all employees and all locations – offices, factories and construction sites.

Overseeing compliance with health and safety rules is the responsibility of the OHS Office, which works with the Legal Department to monitor changes in legislation. Information on the new regulations is regularly made available on the Group's Intranet and is also sent to employees by email. The OHS Office also conducts inspection visits, oversees preventive measures and organises training. The central office is staffed by six people, including the OHS Director, specialists and OHS inspectors.

Unibep SA has an OHS Committee that performs advisory and opinion-making functions.

- Unibep S.A.'s OHS Committee consists of eight members, and a separate committee has been set up for the Infrastructure Division,
- The OHS Committee at Unihouse S.A. also has eight members and has been in place since 2019, following the creation of Unihouse.

Commission meetings are held quarterly and produce minutes that include:
- a review of working conditions,
- periodic OHS assessments,
- giving an opinion on accident prevention measures,
- a near miss analysis,
- formulation of proposals for improving working conditions,
- standards of the Agreement for Construction Safety.

Following the transfer of an organised part of the enterprise in the form of Unihouse Branch Unibep SA in Bielsk Podlaski to Unihouse SA, an in-house OHS Committee consisting of eight members was established at Unihouse SA in 2019.

Unibep Group has a comprehensive OHS training programme in place, including:
- Initial training provided by OHS services and direct supervisors,
- periodic training monitored through records on the Intranet.

Since 2015, Unibep S.A. has been a member of the Agreement for Construction Safety, an initiative bringing together 18 signatories to improve safety on construction sites. The agreement promotes a culture of safety by implementing systemic solutions such as common document templates, models for confirming professional qualifications or periodic training.

Unibep Group Code of Conduct defines the ethical standards and rules of conduct applicable to all employees, regardless of their form of employment. The Code sets standards in key areas such as:
- compliance with the law and ethics,
- human rights, including the prohibition of bullying, discrimination and harassment,
- occupational health and safety,
- combating corruption and conflict of interest.

The Code is the reference point for all internal Group regulations and is binding on both employees and contractors who accept the ethical principles as part of the contract.

Unibep Group requires all employees to comply with the law, internal regulations and ethical standards. All employees, regardless of their position, have a duty to avoid actions that could damage the image or good name of the organisation. The company operates with respect for the good customs and practices of the local communities in the regions where it operates.

Employees are considered to be the organisation's greatest asset, which is why any action that violates human or employee rights is strictly prohibited at Unibep Group. Relationships between superiors and subordinates are based on mutual respect and service dependence must not be abused.There is fairness and mutual respect in relations between employees.

The organisation ensures equality and respects the prohibition of discrimination on the basis of gender, age, nationality, disability, sexual orientation or other protected characteristics. Bullying, harassment and other forms of inappropriate behaviour are also prohibited. To this end, the Prevention of Harassment and Discrimination procedure is in place to ensure the protection of employees and to respond effectively to disclosures. This procedure is regularly discussed as part of internal training and employees acknowledge their knowledge of the procedure in writing.

Unibep Group provides a healthy and safe working environment while striving to maintain employees' work-life balance. The company's activities are focused on ensuring the highest standards of health and safety, which is part of the organisation's wider sustainability policy.

The organisation encourages employees to report any violations, such as incidents of bullying, discrimination or irregularities in the workplace. All reports are treated with the utmost seriousness and the company takes action to eliminate problems and their negative effects.

S1-2 Processes for engaging with own workers and workers' representatives about impacts

At Unibep Group, responsibility for working with employees rests directly with the managers and directors responsible for subordinate organisational units. Cooperation with employees usually takes place directly and, where appropriate, also with employee representatives (e.g. consultation on the provisions of the Labour Regulations with trade union participation). The opinions reported by employees are used by supervisors to make day-to-day decisions.

Every two years, a process of periodic employee assessment takes place – all employees are assessed in Unibep Group. Employee satisfaction surveys are also organised on a cyclical basis – the results of the surveys are used to improve the quality and working conditions and provide guidance to the company's managers.

Every year – in cooperation with Unibep Group Unitalent Foundation – Christmas parties are organised for employees and their families. In 2024, around 600 people took part in the meetings, in three locations: Bielsk Podlaski, Białystok and Warsaw.

Unibep Group has a multi-channel communication scheme in place, so that employees are informed about ongoing changes and the Group's development plans, as well as all relevant company events (including the monthly HR News newsletter). Unibep Group informs its employees of significant operational changes in advance in accordance with the law – this includes the publication of stock exchange announcements, internal information, or instant messaging by employees who have access to company email addresses (currently ca. 1 200 persons).
Within the scope of the Human Resources and Payroll Department, changes are most often announced in advance.

Basic regulations such as the Labour Regulations and the Remuneration Regulations are also consulted with the trade unions.

Unibep Group provides a variety of channels for reporting violations available to all employees. Employees are periodically made aware of the existence of such channels through email announcements, the Intranet and posters displayed in site offices. The notification channels in place in Unibep Group, which can be used by all employees, are described in more detail in section S1-3. These channels ensure the anonymity of submissions.

In 2024, no serious incidents regarding respect for human rights were reported at Unibep Group that violated the principles set out in the UN Guiding Principles on Business and Human Rights, the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work or the OECD Guidelines for Multinational Enterprises.

The total amount of fines, penalties, damages for incidents and complaints is PLN 0.

S1-3 Processes for levelling negative impacts and channels for reporting problems by unit employees

Unibep Group conducts surveys, inspections and audits to identify and assess work-related risks. Their results are used to evaluate and continuously improve the system for managing employees’ health and safety. The inspection process consists of the following activities:

Environmental studies at workstations – result, among others, from current legislation and are related, for example, to the exposure of employee to noise, mechanical vibrations or dust. In 2024, the necessary measurements of the working environment were made and the results of the assessment of occupational exposure to harmful factors were used to carry out an update of the occupational risk assessment of work stations.

Occupational risk assessment – is carried out systematically in accordance with legal requirements and updated as required for all positions in Unibep Group companies. Occupational risk sheets are publicly available to all employees and are posted on the Intranet under the OHS tab. In 2024, updates to occupational risk assessments were carried out at the same time as employee groups were created for white-collar positions such as administrative positions, site supervision, managerial positions or the OHS service. New risk assessment sheets have also been added, in line with the newly-created jobs for labour positions.

Inspections – are carried out systematically by the OHS Service, Site Management, Contract Management, Market Directors and Subcontractor Management. Through the implementation of an electronic OHS reporting system, the effectiveness of recommendations, communication and supervisory accountability for designated scopes has been improved and safety levels during construction work have been improved. Deficiencies and risks revealed during internal inspections were addressed with verbal and written recommendations, in the form of a report or an entry in the OHS logbook. The Construction Management and Subcontractors are obliged to implement the recommendations within the applicable time limit. Employees who performed work contrary to OHS regulations and rules underwent additional OHS training with an entry in the list. Subcontractors that did not follow Unibep SA’s recommendations, endangering the health and lives of employees, were given an OHS notice. Top management conducted OHS Visits.

Internal audits – are conducted in a planned and systematic manner. Among many issues, they also include OHS objectives and occupational health and safety management processes. The results of the internal audits are taken into account as input data in the conformity assessment process, which allows the OHS management system to be continuously improved and developed at the company’s branches. Corrective action sheets following internal audits, together with audit reports, are also reviewed at Unibep SA management meetings.

Reporting of near misses – all employees are required to keep their supervisors informed of any hazards they notice in the workplace. Supervisors report hazards, accidents and near misses to the OHS Office via an electronic reporting system. On the basis of the information obtained, the OHS Office sends an alert with information about the incident by email to all subordinate investments. Alerts are displayed in a prominent, publicly accessible place on the site for the information of all employees, subcontractors and visitors. The OHS office collects data and maintains a register of near misses. A total of 41 near misses were reported in Unibep Group in 2024.

In accordance with generally accepted and applicable OHS legislation, an employee has the right not to perform tasks that they believe may result in an accident, injury or damage to their health or the health of those around them.

Staff questions to the company's management. It should be emphasised that, in view of the challenging situation in Unibep Group as a result of the company's results for 2023, cyclical meetings were held within the company with the company's authorities – three such online meetings were held. About 500 employees participated in each meeting. During the meetings, but also before and after, employees had the opportunity to ask questions about all areas of operations. For questions before and after the meetings, everyone had the opportunity to send questions to the Unibep SA spokesperson's email address. Complete anonymity was assured.

A total of around 40 questions were received by email and answered by the company's President, Dariusz Blocher. The responses were published in the company's internal quarterly, Univision (No. 68/2024).
Channels are in place in the Group for reporting violations of the law, abuse and irregularities. Until the introduction of the Whistleblower Protection Act, there was an internal channel for making reports (an electronic channel – an email box established on external servers operated by a person appointed as Compliance Coordinator). It was also indicated as acceptable to make submissions in writing by traditional means through letters addressed either to the Compliance Coordinator or to the Management Board itself. By establishing such channels, employees are given the choice of how to report irregularities/breaches. At any time, an employee could report a violation to his or her supervisor or a higher-level supervisor, who was obliged to refer the matter further, i.e. to the Coordinator or the Management Board, depending on the type and severity of the report. Since the Whistleblower Protection Act came into force, new solutions have been implemented in the Group, a new internal whistleblowing channel provided by an external entity, ensuring its secure operation as well as the security of data related to whistleblowing (data of whistleblowers and other participants in proceedings resulting from whistleblowing).

In order to comply with the Whistleblower Protection Act and to meet the obligation to create a procedure in the Group, a Procedure for making whistleblowing reports was created and implemented for use and follow-up, of which all employees have been informed, with the obligation to familiarise themselves with it. At the same time, a series of in-house training courses for employees was launched and conducted at construction sites and offices, which will continue in the current year. An internal reporting channel is available on the Intranet site, and posters with a QR code informing about the procedure are distributed to construction sites and offices for posting in a visible place; after scanning the code the employee is taken to the reporting form page.

Newly hired persons are informed during onboarding about the channels and ways to communicate irregularities.

The implemented Unibep Group Whistleblowing and Follow-up Procedure also sets out rules and measures to protect whistleblowers from retaliation. The procedure provides for reports to be made in a manner that ensures anonymity.

In all cases reported by the channels or irregularities otherwise disclosed, appropriate action was taken to clarify them.

S1-4 Taking action on significant impacts on its own workforce and using approaches to mitigate significant risks and take advantage of significant opportunities related to its own workforce, and the effectiveness of these actions

The Group places great emphasis on the policy of equal treatment and diversity management, especially in the area of recruiting, evaluating of performance, training, promoting and remunerating. The activities carried out in the area of diversity include, among others, inclusion of its principles in internal documents, such as organisational culture or the Corporate Collective Labour Agreement and Remuneration

Regulations. An important part of adhering to the diversity principles is creating the right atmosphere at work so that employees feel valued and respected, and believe that they can develop and fully realise their professional potential.

As regards management and supervisory bodies, the company explains that the compositions of the Management Board and Supervisory Board of the Group Companies are diversified in terms of education, age and professional experience. The construction industry is a specific industry and in selecting management staff, the Group Companies are guided primarily by objective criteria, including the competencies necessary to properly perform management functions, knowledge, experience or characteristics desirable in the construction industry and in individual areas of management, in accordance with the specific nature of the positions of the individual members of the supervisory bodies. Women account for 33% of members of the Supervisory Boards. Women account for 9.09% of members of the Management Board.

To structure the practices followed, Unibep Group Code of Conduct was established in March 2020. The document is a set of the most desirable behaviours of employees towards customers, external partners and associates. The Code sets out basic principles for dealing with corruption, workplace bullying and general business cooperation.

On 4 April 2024, the Management Board of UNIBEP SA adopted a procedure for the Prevention of Harassment and Discrimination at Unibep Group. The procedure aims to formalise the measures taken to ensure the protection of employees from bullying, discrimination, sexual harassment in the workplace or in relation to work, and, if a negative event occurs, it specifies the intervention actions taken and the consequences for perpetrators.

In terms of the impact on employee safety, the employer carries out a number of measures to minimise the risk of accident incidents and identifies and implements opportunities to improve employee safety. Before starting work, each employee is familiarised with the risk assessment sheet for the job and provided with protective equipment such as: helmets with a chin strap, clothing with appropriate visibility features, required PPE including work shoes. In this way, employees are protected and the employer minimises the risk of accidents. Furthermore, each accident is described according to Unibep's work standard. After each near miss, corrective actions are implemented to avoid a similar situation in the future. Employees undergo a range of initial, periodic and follow-up training to build their awareness and improve the working conditions of their positions.

Preventing negative consequences for employees, the OHS Office inspects working conditions during health and safety visits and reminds employees of the rules on the use of appropriate personal protective equipment. If necessary, it recommends the implementation of additional preventive measures in line with the guidelines of the Agreement for Construction Safety. The OHS Office organises periodic training sessions on topics corresponding to the recommendations identified in order to raise awareness among employees and thus minimise the risk of adverse effects on workers.

First aid kits, fire extinguishers and AED defibrillators are required and regularly checked for fitness, completeness and ease of access to mitigate negative effects. In the event of negative impacts, corrective action is taken, following a prior analysis of the incidents, resulting in the development of corrective and preventive measures to avoid similar incidents in the future. Achieving positive material effects is a priority, which is why preventive meals have been introduced for employees performing particularly strenuous work in construction environments.

With regard to material impacts related to its own workforce, various measures are being taken to prevent and mitigate negative impacts on workers. Each project begins with the development of a project opening sheet with the site manager, which includes a detailed health and safety action plan to identify potential hazards early on. Regular health and safety visits and health and safety assessments are designed to monitor compliance with workplace safety rules and to detect any safety deficiencies. They are made in an IT system that contains information of health and safety recommendations and the results of corrective actions carried out. The system allows full monitoring of actions taken to improve working conditions. In addition, the digitisation of OHS processes allows for efficient management of records and a rapid response to emerging risks. Thanks to digitisation, every employee has access to the procedures and standards at Unibep Group at any time.

At Unibep Group, a number of preventive, structured and ad hoc systemic measures are taken, aimed at creating a working environment that provides employees with a sense of stability of financial gratification for work appropriate to the employee's professional competence and the quality of the work provided, as well as transparency of the principles of continued employment.

Intra-company labour law acts are in force in all Unibep Group companies. The regulations therein guarantee employees working conditions and remuneration based solely on their position – irrespective of any other criteria. We consider it an overriding value to ensure that workers receive equal pay for equal work or work of the same kind. This principle forms the basis of the Group's long-term personnel policy.

Each year in November/December of a given calendar year, the current staffing is reviewed and the staffing structure for the next calendar year is planned. This practice ensures that any plans affecting the employment of a particular employee are determined well in advance. This creates space for employees to activate efforts to find new employment outside the Group's structures and for the employer to terminate the employment relationship by mutual consensus.

Similar principles of employment transparency apply to blue-collar and white-collar workers involved in manufacturing in the broadest sense. In the case of employees who are site staff, an organisational chart of the site's staffing is always drawn up by the manager of that project prior to the commencement of work on a particular project, taking into account the staffing needs of the positions and the duration of their employment. In addition, staff meetings are held regularly with the area's managing directors to analyse staffing needs for future periods. At the meetings, staff are personally assigned to specific projects. This ensures that employment needs can be accurately identified for contracts in progress as well as contracts starting up in the near term. Such continuous monitoring enables the employer to plan and control its staffing structure. Employees are kept up to date with their personnel situation.

The fact that Unibep is a Group allows the employer the flexibility to offer employment in other Group companies. This is particularly important when, as a result of business cycles in the economy, there are fluctuations in the demand for workers in a particular industry. By means of agreements with employees, staffing gaps are being filled in those segments that signal an increased need for employees. Through our diversity, we create opportunities for employees to continue their employment.

Unibep Group continues to develop its activities in terms of construction profiles. This enables the employer to direct employees to participate in their implementation. This removes the need for employee termination.

Unibep Group is an organisation focused on the strong development of employees' professional skills. Training and courses are organised to improve the skills of employees or to enable employees to adapt to new jobs. This approach to enhancing professional competence is an important element of an employee's job stability in our organisation.

At Unibep Group, employees have access to psychological support. Individual psychological consultations are available. Regular webinars are organised on topics that support the psychological wellbeing of employees.

The spending practice of the Company Social Fund is also significant. Important objectives pursued in this area include providing employees with opportunities for physical activity through employer-leased sports fields or halls. In addition, the employer contributes to the funding of sports cards available to employees.

In cases where the necessity to terminate employment is due to reasons attributable to the employer, employment relationships are terminated in a manner that entitles employees to cash severance pay under the terms of the labour law.

S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

The organisation has adopted targets that in part relate to reducing the negative impact on employees. These targets have been given to top management and cascade down to lower levels. One of the objectives is to reduce serious accidents. To this end, a number of actions are being carried out to reduce the involvement of Senior Management through the operational activities of the OHS Office.

To reduce OHS compliance incidents in 2024, the OHS Office:

a) organised a series of training sessions for employees on the topics of:
   - Working safely at a height
   - First aid measures
   - Lifting
   - Scaffolding – practical tips for acceptance / inspection of scaffolding
   - BHP documentation
   - Site irregularities (work at height, earthworks, masonry work)
   - Basic Personal Protective Equipment / Use of complete concrete working platforms.
   - Training for persons designated to fight fires and evacuate employees

b) Conducted regular OHS visits to check the OHS quality on construction sites, during which 3 427 OHS recommendations were made and followed up on an ongoing basis.

c) Systematically monitored accidents and near misses in Unibep Group, developing alerts and actions to eliminate them in the future

d) Organised monthly construction meetings to discuss the most important events occurring in Unibep Group in order to exchange experience.

e) Conducted an Information Campaign through internal communications using posters developed to raise awareness and thereby minimise the risk of accident in Unibep Group.

Raising awareness among workers about safe working practices and the provision of protective measures results in a greater sense of security among workers, which can have a positive impact on job satisfaction.

Measures to promote staff development and well-being in order to reduce staff turnover

The impact on job satisfaction is enhanced by the extensive benefits package that Unibep Group offers its employees. Benefit packages are regularly reviewed and adapted to the needs of employees, such as the recently introduced EAP24 Programme. The benefits offered in Unibep Group are described in detail in the above report under S1-11. Another area that influences employee engagement and job satisfaction is external training packages, as well as internal training dedicated to employees from different areas of the company, e.g. support departments, site management, production or operators of specialised equipment. Unibep Group makes it possible, through subsidies, for its employees to acquire knowledge in university first-level, second-level and postgraduate studies. Training improves the knowledge as well as the competences of employees, which translates into their efficiency, commitment to their tasks and satisfaction with career development opportunities. Employee development is a broad area of activity, which is described in detail in section S1-13.

One of Unibep Group's main objectives in terms of managing material risks and opportunities is to reduce employee turnover, which is crucial not only to ensure a high level of safety in the workplace, but also to build operational efficiency and team stability. Employees with more seniority gain valuable experience and knowledge, including in complying with OHS rules, which translates into greater awareness of risks and a more effective response in emergency situations.

In order to reduce staff turnover, the company is introducing a number of development programmes and measures aimed at improving employee wellbeing. These initiatives are designed not only to increase job satisfaction, but also to foster the long-term commitment of the team. Development programmes include a variety of training courses, workshops and mentoring that allow employees to learn new skills and develop their potential. As a result, employees feel more valued and motivated to perform better at work.

At the same time, the Group places particular emphasis on improving employee welfare. Health and sports programmes have been introduced to support work-life balance, which has a positive impact on the health and general wellbeing of employees.

In addition, the financial aspect plays an important role in the talent retention strategy. Regular annual remuneration reviews and the introduction of a new bonus scheme in 2024 ensure competitive and fair remuneration, increasing employee motivation and engagement.

The integration of the above measures creates a working environment conducive to long-term commitment and job satisfaction, which directly translates into reduced turnover and increased team stability.

Management of OHS objectives and improvement of working conditions

Health and safety objectives in the organisation are defined at the level of Senior Management, which defines the strategic direction of health and safety activities. These objectives are then passed on to lower levels of the organisation for implementation. Specific OHS targets are set each year, covering both the group's overall priorities and specific local requirements, and their achievement is systematically monitored.

Regular meetings and consultations enable employees and their representatives to keep up to date with the results and compare them with the targets set. The joint analysis of the results leads to the identification of areas for improvement and suggestions for improvements that contribute to the improvement of working conditions and the efficiency of OHS operations. During the quarterly meetings of the OHS Committee, employee representatives make suggestions for improving working conditions, which are discussed in detail and analysed for feasibility and potential benefits. Activities are monitored on an ongoing basis with employee representatives and Social Labour Inspectors.
To effectively manage the achievement of OHS objectives, continuous monitoring of accident rates is carried out. Both minor and major accidents are analysed in relation to the number of employees and

sales performance. The results of these analyses are regularly presented at monthly construction site briefings for management and at Board meetings, providing ongoing oversight by Senior Management of the effectiveness of OHS activities.

S1-6 Characteristics of the undertaking's employees

Matching staffing levels to the current needs of the organisation is one of the most important areas of managing the company. On the one hand, there must be an adequate number of staff with the right competences to carry out business tasks; on the other hand, staffing levels must be adapted to market conditions and the amount of work this market generates.

The number of employees at Unibep Group as at the end of 2024 was 1,680 employees, including 513 women and 1,167 men. Unibep Group is one of the companies whose key resource is the know-how of its employees, which is why the Company makes every effort to guarantee decent working conditions and a favourable atmosphere for its employees.

A key element shaping the employment policy is the development of standards that enable the long-term retention of employees with the right competence, knowledge and experience. Each departure of an employee entails additional costs related to recruitment, training of new staff and making organisational changes due to staff gaps caused by unplanned departures.

HIRING NEW EMPLOYEES

Total number of new employees by gender and age	**2024**		
	Women	**Men**	**Total**
under 30	26	44	70
between 30 and 50	59	105	164
over 50 years	5	24	29
TOTAL	**90**	**173**	**263**
Employment rate	17%	15%	16%
Number of employees	513	1,167	1,680

The headcount ratio shown above represents the percentage of people employed in 2024 to the headcount of each group at the end of the year under review.

STAFF DEPARTURES

Total number of employee resignations by gender and age	**2024**		
	Women	**Men**	**Total**
under 30	28	54	82
between 30 and 50	70	165	235
over 50 years	4	74	78
TOTAL	102	293	395
Attrition rate	20%	25%	24%
Total number of employees	513	1,167	1,680

The attrition rate shown above represents the percentage of people leaving the organisation in 2024 versus the headcount of each group at the end of the year under review.

STAFF TURNOVER

	2024		
	Women	**Men**	**Total**
In white-collar positions	20%	23%	22%
In blue-collar positions	-	26%	26%
Total	**20%**	**24%**	**23%**

For the purpose of presenting the staff turnover statistics, the following methodology was used: the number of employee departures in the period analysed, divided by medium-term employment, multiplied by 100% in order to present the statistic as a percentage. The number of people who left the organisation between 01.01.2024 and 31.12.2024 – representing the number of departures – was taken from the ERP system.To calculate the value of average employment, the number of employees employed as at 01.01.2024 and 31.12.2024 was taken from the system; the two values were added together and divided by 2. The data presented was then prepared for each group of employees.

In 2024, **employment at Unibep SA increased by 5.5%** compared to the previous year. The Group employed 513 women, which represents 30.5% of the total workforce. This is an increase compared to the last year, where the female employment rate represented 28.8% of the total workforce.

THE RATE INCLUDES FULL-TIME AND PART-TIME EMPLOYEES. TOTAL NUMBER OF EMPLOYEES BY CONTRACT TYPE AND GENDER

Employment contract type	2024		
	Women	**Men**	**Total**
fixed-term contract	123	236	359
Indefinite period	390	931	1321
Total of all employees	**513**	**1167**	**1680**

TOTAL NUMBER OF EMPLOYEES BY REGION

Region	2024		
	Women	**Men**	**Total**
Poland	509	1114	1623
Scandinavia	1	12	13
Germany	1	25	26
Ukraine and Belarus	2	16	18
TOTAL	**513**	**1167**	**1680**

The term "region" as used in the above list is defined as the area where a project is implemented. The main division distinguishes between domestic and export work. In addition, all export markets are divided by target country or geographical area. The Belarusian and Ukrainian markets are taken together. The data presented is accurate, extracted from the central HR and accounting system. In addition, there are representative offices in Belarus and Ukraine, which employ several people in each office.

TOTAL NUMBER OF EMPLOYEES BY TYPE OF EMPLOYMENT AND GENDER

	2024		
	Women	**Men**	**Total**
full-time	507	1159	1666
part-time	6	8	14

TOTAL	**513**	**1167**	**1680**

S1-7 Characteristics of non-employees in the undertaking's own workforce

PERSONS PROVIDING WORK FOR THE ORGANISATION WHO ARE NOT EMPLOYEES OF THE ORGANISATION

	Contract of mandate	B2B	Employee lease	Total
Unibep Group	21	16	0	37

The data presented above are actual. The organisation has dedicated breakdowns for the needs of the administration and accountability of persons providing work for the organisation who are not bound by an employment contract. The figures presented are as at 31.12.2024.

Over the course of the year under review, the number of temporary contract staff fell and their numbers in relation to employees are small. Employees on a temporary contract basis are largely administrative support (such as cleaners) or apprentices gaining work experience.

S1-8 Collective bargaining coverage and social dialogue

	2024
Percentage of employees covered by collective bargaining agreements	71.14%

In 2024, Unibep Group had 57 employees outside Poland: within the European Economic Area and outside the European Economic Area, representing <10% of the total workforce. These workers are not included in the number of workers covered by collective agreements and social dialogue.

S1-9 Diversity metrics

In Unibep Group, men aged between thirty and fifty are the most numerous group of employees, with 65.89%, compared to 22.56% of women in the same age category. Men make up a higher proportion of the workforce in other age categories as well. The proportion of men under 30 years of age represents 8.69% and women 6.13% of the total workforce. The group of employees over 50 years of age represents 19.29% of the total, where the share by gender is as follows: 1.85% women and 17.44% men.

Unibep Group employs women at all organisational levels, with the exception of labour positions. Women account for 42.5% of employees in white-collar positions and 22.3% of employees in managerial positions.

Unibep Group skilfully uses diversity in the labour market, believing that actions promoting diversity build a creative, cooperative and complementary team.

DIVERSITY OF STAFF AND MANAGEMENT BODIES

THE MANAGEMENT BOARD	Women	Men	Total
under 30 years of age	0 0%	0 0%	0 0%
30 to 50 years of age	0 0%	2 18%	2 18%
over 50 years of age	1 9%	8 73%	9 82%
Total	**1** **9%**	**10** **91%**	**11** **100%**

SENIOR MANAGEMENT	Women	Men	Total
under 30 years of age	0 0%	0 0%	0 0%
30 to 50 years of age	13 19%	34 51%	47 70%
over 50 years of age	4 6%	16 24%	20 30%
Total	**17** **25%**	**50** **75%**	**67** **100%**
MIDDLE MANAGEMENT	**Women**	**Men**	**Total**
under 30 years of age	1 0%	4 1%	5 1%
30 to 50 years of age	60 21%	177 63%	237 84%
over 50 years of age	2 1%	38 13%	40 14%
Total	**63** **22%**	**219** **78%**	**282** **100%**
COORDINATORS	**Women**	**Men**	**Total**
under 30 years of age	7 2%	14 6%	21 8%
30 to 50 years of age	78 31%	129 52%	207 83%
over 50 years of age	3 1%	19 8%	22 9%
Total	**88** **35%**	**162** **65%**	**250** **100%**
SPECIALISTS	**Women**	**Men**	**Total**
under 30 years of age	95 16%	77 13%	172 29%
30 to 50 years of age	228 38%	139 23%	367 61%
over 50 years of age	21 4%	37 6%	58 10%
Total	**344** **58%**	**253** **42%**	**597** **100%**
BLUE-COLLAR WORKERS	**Women**	**Men**	**Total**
under 30 years of age	0 0%	51 11%	51 11%
30 to 50 years of age	0 0%	247 52%	247 52%
over 50 years of age	0 0%	175 37%	175 37%
Total	**0** **0%**	**473** **100%**	**473** **100%**

S1-10 Adequate wages

All employees working at Unibep Group receive appropriate remuneration in line with the applicable standards.

S1-11 Social protection

We are responsible for our employees and are particularly concerned about their health and safety in the workplace. They have the opportunity to enjoy additional privileges and benefits. All Unibep Group employees are covered by the benefits scheme. The extent of fringe benefits is not differentiated according to the employee's working hours or period of employment.

At Unibep Group, employees enjoy the following benefit packages and additional privileges:

- benefits under the provisions of the Unibep Company Collective Bargaining Agreement or the Remuneration Regulations of the other companies:

3. for temporarily seconded employees (these include allowances for meals, accommodation in workers' hotels or in private accommodation rented by the company, flat-rate accommodation, provision of transport at the employer's expense to the place of temporary secondment and back, reimbursement of actual travel costs incurred from the place of residence to the place of temporary secondment and back);

- benefits listed in Unibep Corporate Collective Labour Agreement or Unihouse Remuneration Regulations available to employees who are not temporarily seconded (these include: reimbursement of travel costs or providing free transport, providing accommodation in workers' hotels or in private apartments rented by the company, granting the right to cash equivalent in lieu of accommodation);
- the right to private healthcare ("Medical Packages");
- benefits resulting from the provisions of the Company Social Benefits Fund. The funds from the **Company Social Benefits Fund** are used for:
    1. Monetary relief,
    2. Social benefits paid in cash,
    3. Holiday subsidies for employees and family members,
    4. Holiday subsidies for employees' children,
    5. Hire of sports facilities for recreational activities by employees,
    6. Subsidies for accommodation, meals and treatment of employees in sanatoriums or health resorts,
    7. Subsidised participation in the "sports card" programme,
    8. Subsidised purchase of orthopaedic, rehabilitation and ophthalmic equipment.
    9. Ability to use company cars, including for private purposes, on principles stipulated in the "Rules on the allocation, use and settlement of costs of company cars at Unibep Group" internal procedure;
    10. Financing training improving professional qualifications of employees.
    11. Provision of personal protective equipment, work clothing and footwear and personal hygiene products according to the rules regulated in the internal procedure "Rules for the allocation of personal protective equipment, work clothing and footwear and personal hygiene products at Unibep Group".

S1-12 Persons with disabilities

Unibep Group is open to employing people with disabilities. The small proportion of such workers is largely due to the characteristics of the main business area – construction production – which is characterised by increased health requirements due to the working conditions on site. The table below shows the number of employees by type of disability and the percentage of participation in each employee group. People with disabilities work both in the office and on site.

TYPE OF DISABILITY	Women	Men	Total

Light degree of disability	3 0.6%	5 0.4%	8 0.5%
Moderate degree of disability	2 0.4%	2 0.2%	4 0.2%
Total	**1%**	**0.6%**	**0.7%**

S1-13 Training and skills development metrics

Periodic performance reviews

In order to meet employees' needs for feedback, Unibep Group has had a system of Periodic Performance Reviews in place for many years. Until 2024, the periodic review process was carried out in accordance with the current procedures every 2 years. In 2024, the decision was taken to change the process and from 2025, the periodic reviews of Unibep Group employees will be carried out once a year. Employees in white-collar positions whose employment with the organisation is longer than three months are subject to periodic evaluation.

In 2024, an established project team worked on updating and revising the competency model for the specialist and managerial periodic assessment worksheets, as well as adapting the IT tools that will be used to carry out the process.

The main objective of the Periodic Evaluation is to diagnose the key competences of employees and to create a comfortable space to give feedback to all those covered. Conducting periodic evaluations on a regular basis helps employees to build a realistic picture of their careers and to plan them further. It forms an important part of building the HR Policy. A key stage in the process is to conduct a **Development Interview**, which is attended by Employees, their Supervisors and representatives from the Recruitment and Staff Development Department. It is during the meeting that feedback is given on the cooperation to date and plans and expectations for the future.

There was no periodic review for Unibep Group employees in 2024.

Employee development

Unibep Group is an organisation that is constantly striving to improve competences, acquire new knowledge and fill in the missing knowledge of its employees through training, courses, webinars or conferences. Unibep Group never ceases to learn. We are committed to providing up-to-date knowledge at a high level, ensuring 'deputability' within teams and sharing experiences between staff. To this end, we have implemented the Unibep Knowledge Academy Programme and other training initiatives.

Employee development is a key element of Unibep Group's strategy, mission and vision. Training is an important area of investment with long-term benefits for both employees and the company. Upskilling influences business efficiency, building competitive advantage and developing the potential of teams. In 2024, proprietary development programmes continued, and new programmes dedicated to further groups of employees were prepared in response to employee needs, highlighting Unibep Group's commitment to investing in the development of its employees.

Each year, in consultation with Unibep Group management, employee training needs are identified and Training Plans developed. They cover a variety of training areas, such as vocational training, updating knowledge in relation to changing legislation, interpersonal communication skills, IT, managerial and language training.

Training activities are monitored, evaluated and their effectiveness verified. Appropriate changes are made to programmes as and when required, adapting them to the changing needs of employees and the dynamic business environment. Automation processes – including satisfaction surveys for development programmes and reporting on plan implementation – are playing an increasingly important role in managing employee development.

Through training, conferences and development programmes that enhance competences and develop new skills, employees become more effective and committed to their tasks. They feel job satisfaction and feel that they are a vital part of the organisation.

The employee competence development plan is implemented through:

- **External training**, provided by specialised external companies. Implemented on the basis of the Training Plan prepared for the year.
- **Internal training**, delivered by company employees as part of Unibep Group Knowledge Academy, which supports the flow of knowledge within the organisation. These include: onboarding training for newly hired employees, technical training, legal, IT, accounting, HR, soft skills, internal policies / procedures and other training resulting from the needs of individual businesses.

Other forms of support for employee development include: co-financing of extramural studies (first and second degree), postgraduate studies, employees taking exams for professional licences; participation in thematic conferences, webinars or e-learning on the GDPR.
Unibep Group employees develop new skills through training. Depending on the competences developed, training provided in 2024 can be divided, into:

- **Specialised training –** intended for employees of specialised departments, e.g. accounting, legal, technical office or HR. Such training focuses on providing up-to-date knowledge to enable specific groups of employees to meet their business objectives effectively. This group also includes courses that allow employees to become certified in the scope of electric installation and the use of specialised construction equipment.
- **Interpersonal training –** thanks to which it is possible to increase the effectiveness of teams and the ability to build relationships with external stakeholders. This is so-called "soft" training aimed at developing psychosocial competences.
- **Management training** – this is a key part of the professional development of leaders and managers. An educational programme that aims to develop the skills and competences necessary to effectively manage a team and an organisation.
- **IT training** – developed in connection with the dynamic computerisation of the company, is concerned with the operation of programmes in the area of information technology that improve the running and management of the company's main processes. In addition to tools for costing, scheduling or reporting, programmes to streamline accounting, financial, legal and personnel processes are an important topic in these training courses.
- **Language courses –** designed for staff in managerial and specialist positions who interact with stakeholders from different countries as part of their duties. The vast majority of language courses are English language courses.

At Unibep Group, Reserve Staff are appointed every year. This employee development programme has become a permanent part of the company's tradition, and 2024 also saw a group of 10 outstanding individuals invited to participate in a prestigious training programme to develop managerial competences. Participants in the programme were also enrolled into a mentoring programme.

Mentoring programme is a form of effective training of an employee by a mentor, a more experienced person. It consists in mentoring during the development of competences and the implementation of the trainee’s professional path. The employees participating in the mentoring receive knowledge and specific advice, not only on their assigned tasks, but also on shaping their career path and personal development towards taking up future management positions in Unibep Group.

Unibep Group's main development programmes within the Knowledge Academy include:

1. **Leader’s Academy** – a series of in-house managerial skills training courses dedicated to newly promoted managers Training is delivered by qualified in-house trainers.
2. **Interpersonal Competence Centre** – open training in soft skills such as communication, goal setting, assertiveness or feedback.
3. **Technical Thursdays** – meetings held once a month in an online format with the aim of building awareness among engineering staff of the quality of construction work carried out, environmental standards, technical subjects carried out on construction sites, new technologies or OHS.
4. **Financial Thursdays** – this is a new form of training, in which employees from financial departments such as accounting, controlling and IT answer trainees' questions on the financial settlement of projects, accounting issues and IT systems. The training is provided for staff responsible for the financial part of the implementation of construction projects.
5. **Toolbox** – a programme for all Unibep Group employees interested in developing competence in the use of Office 365 tools, helpful in their daily work. In 2024, training courses were organised, invariably very popular with staff, on the use of the software: MS Excel, Power BI. In 2024, a clear trend is an increase in employees' interest in advanced levels of acquired competence. Toolbox is a programme that is expected to translate into increased work efficiency.

The following procedures are applied when organising and implementing training and education activities at Unibep Group:

4. **Professional development of Unibep Group’s employees** – the procedure provides employees with opportunities to maintain and improve professional qualifications necessary to perform work effectively at their positions and enables them to acquire such professional qualifications that are necessary for their target positions resulting from the planned career path in Unibep Group.
5. **Regulations for improving qualifications and operation of the training system for Unibep Group employees** – sets out the principles and conditions for improving professional qualifications and operation of the training system for Unibep Group employees. They provide opportunities for employees to continuously improve their professional skills, increasing the quality of work in the organisation.

AVERAGE NUMBER OF TRAINING HOURS PER YEAR PER EMPLOYEE (1 HOUR = 60 MINUTES) BY GENDER AND EMPLOYEE CATEGORY IN 2024.

GROUP	Women	Men	Total
Management Board	3.0	36.4	33.4
Senior management	56.3	21.4	30.2
Middle management	33.1	15.5	19.4
Coordinators	17.1	12.0	13.8
Specialists	17.3	11.5	14.8
Blue-collar workers	0.0	1.9	1.9
Total	**20.5**	**9.1**	**12.6**

The main group of trainees are Unibep Group employees with employment contracts. There is some isolated training dedicated to temporary contract workers or employees of subcontractors, but the scale of this training is marginal and not recorded.
In 2024, we continued with the 'EAP 24' (Employee Assistance Program) support programme for employees and their families, which consists of:

- educational, psycho-educational psychological support services, including psychological counselling, managerial support services, online education and psycho-education. Counselling and psychological support is provided through individual counselling, while constant communication about the company's EAP programme and psycho-educational activities ensure that awareness is raised in the scope of taking care of the mental well-being and a friendly workplace.

In 2024, the following number of EAP24 educational support services were delivered: (data from annual report)

1	Number of EAP24 support activities implemented	118
2	Number of participants in EAP24 support	1,673

S1-14 Occupational health and safety metrics

1. Total number of days lost due to work-related injuries, work-related illnesses, deaths.

All Unibep Group employees are covered by the occupational safety management system.
In 2024, there were 11 accidents at work and 3 accidents on the way to/from work among full-time employees at Unibep Group. These included sprains, fractures, contusions, dislocations, strains and muscle ruptures.

Indicators for full-time employees of the organisation

	2023	2024
Total time worked by all employees (full-time and part-time) per year (h)	2,975,997	2,997,395

Name of business unit	Type of occupational injury	
UNIBEP GROUP	fractures, lacerations, sprains, cuts, burns and muscle tearing	sprain, fracture, contusion, rupture, dislocation, cut, laceration, muscle rupture
	2023	**2024**
Number of fatal accidents at work	0	0
Number of serious accidents at work	0	0
Number of collective accidents at work	0	0
Number of all accidents at work	8	12
Total accident rate (total accidents per 1 m man-hours worked)	2.55	4.21
Number of days of incapacity caused by accidents at work	694	497
Occupational accident severity rate	86.75	41.42
Number of accidents on the way to/from work	4	3

Number of cases of recorded occupational diseases	0	0

Indicators for other employees whose work or workplace is controlled by the organisation.

	2023	2024
Total time worked by employees whose work or workplace is controlled by the organisation (h)	7,642,563	5,609,953

Name of business unit		Type of occupational injury
UNIBEP GROUP – EMPLOYEES OF SUBCONTRACTORS	fractures, breaks, cuts, amputation, crushing	cuts, cut wounds, sprains, dislocations, fractures, breaks, amputation, contusion
	2023	**2024**
Number of fatal accidents at work	0	0
Number of serious accidents at work	0	1
Number of collective accidents at work	0	1
Number of all accidents at work	14	14
Total accident rate (total accidents per 1 m man-hours worked)	1.91	2.52
Number of cases of recorded occupational diseases	0	0

An analysis of accidents at work is carried out at Unibep Group companies. The analysis carried out for 2024 showed:

- **at Unibep S.A.:**
  - The number of accidents at work increased by three accidents (43%) compared to the previous year, with a reduction in staff at ca. 1.72%;
  - The accident rate per 1 m man-hours worked was at 3.41 and increased by 46.34%
  - the accident severity rate was at 54.86, and increased by 5.01% compared to the previous year;
  - the number of days of incapacity to work due to accidents at work was 384, and decreased by 66.23% compared to the previous year.
- **At Unihouse S.A.:**
  - The number of accidents at work increased by 1 accident (25%) compared to the previous year
  - The accident frequency rate per 1 m man-hours worked was at 6.25 in 2024, an increase of 48% on the previous year.
  - The accident severity index was at 22.6 and decreased by 80.89%
  - the number of days of incapacity to work due to accidents at work was 113 and decreased by 76% compared to the previous year.
- **At Unibep Group:**
  - The number of accidents at work dropped by one accident compared to the previous year;
  - Increase in accidents compared to last year by 50%, with a reduction in staffing by ca. 5.46%.
  - The accident frequency rate per 1 m man-hours worked was at 4.21 and increased by 39.43% compared to the previous year.
  - The accident severity index was at 41.42 in 2024, down 52.26% from last year

- The number of days of incapacity to work due to accidents at work was at 497, and decreased by 28.399% compared to the previous year.

In 2024, there were no fatal accidents caused by work-related ill health, either among Unibep Group employees or those whose work or workplace was controlled by the organisation (subcontractors). There were also no recorded cases of work-related ill health.

S1-15 Work-life balance metrics

PARENTAL LEAVE

	2024		
	Women	Men	Total
Number of employees who were entitled to parental leave from 01.01.2024 to 31.12.2024	153	267	420
Number of employees who took parental leave between 01.01.2023 and 31.12.2024	45	15	60
Number of employees who returned to work after taking parental leave from 01.01.2024 to 31.12.2024	24	14	38
Number of employees who returned to work after parental leave between 01.01.2024 and 31.12.2024, and were employed for a minimum of 12 months	24	9	33
Number of employees who returned to work after parental leave in the previous reporting year (2023)	24	1	25
Return to work rate	53%	93%	63%
Employment retention rate	53%	60%	55%

S1-16 Remuneration metrics (pay gap and total remuneration)

Taking into account the regulations on shaping pay policies in line with the fair wage and against discrimination against women, the company carries out regular wage monitoring, at the level of gross salaries, allowances and total remuneration. The primary tool is the wage gap analysis.

The following methodology was used to calculate the wage gap indicator. Acquisition of raw data – the HR team, works on a comprehensive ERP system – Microsoft Dynamics AX 2012, which provides the data source for analysis. The programme is an integral part of all processes related to the implementation of the Human Resources Policy, including employment and payroll, so the data contained there is therefore comprehensive and reliable. For the purpose of calculating the pay gap, a summary of the list of employees employed with payroll and ancillary data, up to date as at the date of the pay gap calculation, is downloaded. To calculate the value of this statistic, the gross salary from the employment contract (without the employer's surcharge) is used. For the calculation of other cross-sections, real salaries paid are sourced.

Data validation – in order to obtain meaningful results, the data extracted from the ERP system is verified and prepared for calculation. The first step is to bring all salaries down to the value of the gross monthly salary. For this purpose, in the case of employees paid on an hourly basis, it is multiplied by the value of the average monthly nominal hours. The next step is to recalculate the salaries of part-time employees in such a way as to obtain a proportional full-time salary. In addition, the summary is supplemented with data for the preparation of cross-sections such as gender, company and job group assigned to each employee.

Preparation of the calculations – the validated data are processed in a spreadsheet programme in which the mean and median values are recalculated for the whole sample, separately for men and women. These values are recalculated in several sections: overall for the entire Unibep Group, for individual Group companies and for individual job categories. These statistics will be used to calculate the unadjusted gap and the gap adjusted using the hierarchy in the organisational structure. The following formulae are used to calculate the wage gap.

Period	**2024**	
The ratio of the annual salary of the best-paid employee to all employees	**Median**	**Average**
CEO Pay Ratio	16.4	13.7

Wage gap at Median:

$$\textbf{GPGR} = \frac{(mediana\ wynagrodzeń\ meżczyzn - mediana\ wynagrodzeń\ kobiet)}{mediana\ wynagrodzeń\ mężczyzn} x100\%$$

Wage gap at Average:

$$\textbf{GPGR} = \frac{(średnia\ wynagrodzeń\ meżczyzn - średnia\ wynagrodzeń\ kobiet)}{średnia\ wynagrodzeń\ mężczyzn} x100\%$$

GENDER PAY GAP (%) – DETAILED DATA FOR 2024

Gross monthly salary	**Median**	**Average**
Management Board	19%	21%
Senior management	12%	11%
Middle management	6%	5%
Coordinators and specialists	21%	19%
Blue-collar workers	No female employment	
Total	-5%	7%
Gross monthly salary including fixed allowances	**Median**	**Average**
Management Board	19%	21%
Senior management	12%	12%
Middle management	6%	7%
Coordinators and specialists	22%	20%
Blue-collar workers	No female employment	
Total	-1%	9%
Gross monthly salary including fixed and variable allowances	**Median**	**Average**
Management Board	-9%	-4%
Senior management	14%	7%
Middle management	5%	6%
Coordinators and specialists	23%	21%
Blue-collar workers	No female employment	
Total	8%	13%

When calculating the wage gap, it is important to note the variation in the employment of men and women in the different employee groups. The lack of women in the group of workers in blue-collar jobs prevents the calculation of this statistic in the group of blue-collar workers and significantly affects the value of the gap unadjusted by position in the organisational hierarchy.

In order to best address the issue of the wage gap, the company decided to carry out a valuation process. In the final months of 2024, preliminary grading results were developed in cooperation with an external consultancy, which will allow even more accurate and objective analyses of employment conditions to be carried out in subsequent periods.

	Total average
Ratio of standard entry level wage compared to minimum wage	157%

S1-17 Incidents, complaints and severe human rights impacts

At Unibep Group, we take steps to ensure transparency and to comply with legal requirements by enabling reports of breaches of the law and irregularities.

In 2024, no significant cases related to human rights violations were registered in Unibep Group. The Prevention of Harassment and Discrimination Procedure was adopted for use in 2024. All employees were informed of its implementation. In-house training was also provided, covering, among other things, prevention of bullying, discrimination and harassment.

S2 Employees in the value chain

SBM-2 Interests and views of stakeholders

Information on the impact of interests, opinions and rights of stakeholders is provided in the ESRS 2 General Disclosures section of the SBM-2 disclosure.

SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

Unibep Group attaches particular importance to managing the impact on employees in the value chain, recognising their role as a key element of sustainable development. As part of the materiality approach, groups of employees who are directly or indirectly related to the Group's activities were identified, taking into account aspects such as working conditions, human rights and equal access to development opportunities.

Characteristics of employees in the value chain

Unibep Group employs non-labour and labour positions within its structures.

Upstream:

- **Tier 1**

Unibep Group's Tier 1 value chain comprises key suppliers, subcontractors and partners who provide the services and products necessary for construction projects, the organisation's management and its day-to-day operating activities. This includes design and construction services, supply of machinery, equipment and office supplies, technological, financial and advisory support, as well as the provision of a fleet of company vehicles.

- **Tier 2**

Unibep Group's Tier 2 value chain includes suppliers of materials and equipment, which are key components used in construction projects. This includes a wide range of construction materials, such as asphalt, concrete, glass and insulation, as well as specialised equipment, including boilers, pumps and turbines that support high-tech projects.

- **Tier 3**

Unibep Group's Tier 3 value chain includes suppliers of raw materials that are directly purchased and used in construction activities, such as steel, timber and aggregates. In addition, it includes intermediate raw materials, such as oil, copper and aluminium, used in the production of materials and intermediates, and energy sources, including electricity, heat and fuels, which ensure the operation of the Group's machinery, vehicles and infrastructure.

Downstream:

Unibep Group's downstream value chain covers a wide range of customers, such as developers, public institutions, manufacturing and logistics companies, as well as retail customers, including home buyers, local communities and end users such as drivers, train drivers and university staff.

S2-1 Policies related to employees in the value chain

The Code of Conduct in force in all Unibep Group companies sets business standards and best practices for relationships with business partners and internal relationships.
The Unibep Group Code of Conduct is the starting point for other regulations in the Group and coexists with them. All other internal Group policies take into account the principles contained in the Code. The Code sets out the basic principles for specific areas of ethical behaviour, the failure to apply them results in disciplinary consequences or even termination of employment.

The Code applies to all Unibep Group employees working under an employment contract or any other civil law relationship. All hired employees are required to read the document and comply with the rules contained therein.

Unibep Group Code of Conduct has been developed to indicate models of attitudes and rules of conduct for employees in their relationships with one another, business partners, shareholders, public institutions and local communities in the areas where the Group companies operate. It defines the principles and values followed by Unibep Group employees and sets out their basic powers and duties.

The Code defines basic principles and canons of behaviour in the following areas:
- Respect for the law and ethical values
- Human rights
- Equal treatment and prohibition of discrimination, harassment and workplace bullying
- Anti-corruption, anti-fraud activities
- Preventing money laundering
- Respecting the principles of fair competition
- Principles regarding conflicts of interest
- Gifts, souvenirs, entertainment and other gratuitous benefits
- Occupational health and safety
- Environmental commitments

- Reporting of violations and irregularities

At Unibep, we are committed to doing business in a legal, ethical, responsible and sustainable manner. The same attitudes are expected of Contractors throughout the value chain. Contractors, when working with the Group, striving to maintain the highest standards in business, and the highest quality of products and services provided, and their counterparties should adhere to the principles adopted in the document. If, due to special circumstances, the Counterparty is unable to comply with the rule(s), it shall notify the relevant Group company without delay.

The Principles of Contractor Conduct document sets out the standards of conduct for Unibep Group suppliers with regard to compliance with the law, in particular complying with the applicable national, EU and international laws and regulations, in particular the Universal Declaration of Human Rights, the fundamental conventions of the International Labour Organisation and the Sustainable Development Goals (UN) with regard to, inter alia, labour law, the prevention of corruption, influence peddling, nepotism, paid patronage, money laundering and the prevention of unfair competition.

S2-2 Policies related to employees in the value chain

Unibep Group does not directly collect the opinions and views of employees in the value chain. However, as part of the dual materiality study process, the Group included representatives of key stakeholders whose views were taken into account in the results of this study. Detailed information on the methods and tools used in the study, such as surveys or consultations, are described in Section ESRS 2 General disclosures IRO-1.

The Group has a functioning whistleblowing channel, of which all employees have been informed. These channels allow potential problems to be reported, including those related to the value chain. A detailed description of how the channels work and how effective they are can be found in section S1-2 of the report.

Currently, the Group does not systematically collect figures on the number of employees involved in the value chain, the frequency of involvement or the number of reported and problems solved. However, this data is partly taken into account by analysing reports received through whistleblowing channels.

S2-3 Processes to remediate negative impacts and channels for value chain employees to raise concerns

The elimination or mitigation of negative impacts and the monitoring of the effectiveness of the measures put in place at Unibep Group is achieved through a risk management process and regular risk assessments, conducting objective audits on the basis of which existing mechanisms are assessed and necessary changes are made.

A whistleblowing system, through which reports, including anonymous reports, are managed, also serves to offset negative influences.

Contractors have the opportunity to report any concerns or violations to:
- email box: zgloszenia@gkunibep.pl,
- by mail – to Unibep S.A., ul. Kondratowicza 37, 03-285 Warszawa, Biuro Audytu i Kontroli Wewnętrznej, Koordynatora ds. zgodności, with subject "Notification".

From 2024 onwards, it is possible to make submissions via a new electronic channel:
- https://zgloszeniagkunibep.integrityline.com/

If a notification is made, Unibep S.A. guarantees to maintain all confidentiality of the data provided and to clarify the situation described in the notification without delay. This information is contained in the Contractors' Code of Conduct, which is provided to suppliers. In addition, an application form will be available on Unibep Group website, which can be used by any person, regardless of the type of relationship with the Group. The solution has been developed in accordance with the provisions of the Whistleblower Protection Act, ensuring the confidentiality of the data, also the anonymity and security of whistleblowers.

All reports received are followed up and explained accordingly. To date, there have been no reports from workers up and down the value chain.

The Group has also implemented Unibep Group Whistleblowing and Follow-up Procedure, which includes provisions for protecting individuals from retaliation.

S2-4 Taking action on material impacts on value chain employees, and approaches to managing material risks and pursuing material opportunities related to value chain employees, and effectiveness of those actions

In line with its standards, Unibep Group requires its suppliers to comply with the principles of ethical conduct, with respect for human rights and compliance with ethical standards. Key expectations include:

- prohibition of child labour and forced labour,
- providing a safe and friendly working environment free from discrimination, bullying and harassment,
- respect for employees' right to organise.

Unibep Group adopts a zero-tolerance policy towards any form of corruption. Suppliers are obliged to treat employees fairly, provide fair remuneration and manage working time responsibly. In addition, the Group recommends that contractors protect personal data and ensure information security within their operations.

Suppliers are also required to conduct their business in a way that does not compromise the health and safety of their contractors, local communities or end users of the products. Unibep Group places particular emphasis on the social and environmental responsibility of its business partners, aiming for cooperation based on trust and shared values.

S2-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Unibep Group has not yet set specific targets for the management of significant negative impacts, risks and opportunities in the area of employees in the value chain. Nevertheless, as part of its ESG strategy, the Group has set a target of handling 100% of breach reports. This commitment reflects the Group's priority to promote transparency, accountability and adherence to the highest ethical standards throughout the value chain.

S3 Affected communities
SBM-2 Interests and views of stakeholders

Information on the impact of interests, opinions and rights of stakeholders is provided in the ESRS 2 General Disclosures section of the SBM-2 disclosure.

SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

Significant impacts, risks and opportunities in terms of impacts on consumers and end-users are presented within the SBM-3 disclosure in ESRS 2 General Disclosures.

S3-1 Policies related to affected communities
S3-3 Processes to remediate negative impacts and channels for affected communities to report issues

Unibep Group currently does not have a formalised document regulating the processes related to the identification, assessment, management and remediation of impacts, as well as the management of significant risks and opportunities, particularly in the area of affected communities. Nevertheless, the Group acts in accordance with accepted ethical standards and internal policies, bearing in mind the responsibility for the impact of its activities on local communities and their daily functioning. Aware of the impact of our activities on people's daily lives and the wider environment, we make decisions with the utmost care, taking care of social responsibility and sustainable development.
The Group considers the launch of a dedicated communication channel for local communities to be an important element of transparent dialogue and therefore plans to explore the possibility of implementing it in the coming years.

S3-4 Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions
S3-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

In its sustainable development strategy, Unibep Group is committed to actively communicating with local communities in order to reduce the negative impact of its investments on neighbouring residents.

Unibep Group operates in close interaction with the public, making responsible communication one of its priorities. A key element is respect for the rights of local communities and taking measures to minimise the impact of ongoing investments. In practice, this includes, but is not limited to:
- observance of the curfew rule,
- repairing access roads used during project implementation,
- organising investment logistics in a way that minimises nuisance to local residents.

One of the fundamental principles is absolute compliance with the law and with standards relating to OHS, environmental protection and other applicable regulations.

In emergency situations, the overriding goal of communication is:
- alleviating the concerns of local communities and stakeholders,
- building trust by transparently communicating the Group's commitment to solving problems.

Unibep Group uses a variety of communication channels, such as face-to-face meetings, telephone calls, emails, the website and social media. With constant 24/7 media monitoring, we take swift and responsible action, responding to emerging opinions and comments in a reliable manner.

S4 Consumers and end-users
SBM-2 Interests and views of stakeholders

Information on the impact of interests, opinions and rights of stakeholders is provided in the ESRS 2 General Disclosures section of the SBM-2 disclosure.

SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

Significant impacts, risks and opportunities in terms of impacts on consumers and end-users can be found in the 'Significant ESG Issues' table within the SBM-3 disclosure under ESRS 2 General Disclosures.

S4-1 Policies related to consumers and end-users

Communication with employees and the external environment is a priority for us. We develop our communication channels in social media and participate in campaigns aimed at students and young engineers. We work closely with universities and students belonging to research circles. We intensify our activities by participating in job fairs, organising Unibep Day events at universities. Unibep Group employees give lectures and training to university students. In 2024, we launched a new internship programme aimed at students. We have participated in a number of conferences at universities and aimed directly at students. In addition, we support young engineers with financial support for interesting scientific initiatives.

Our cooperation is not only with universities, but also with technical (construction) secondary schools, where our activities are extensive through scientific scholarships dedicated to the best students, organising study visits, providing technical training to students. We participate in school open days and study and work days aimed at secondary school students. A large part of the activities carried out are apprenticeships led by practical training instructors organised directly at the Unihouse factory.

Activities aimed at working with students and pupils have a significant impact on their skills development, motivation and preparation for working life, as well as building relationships for the future.
We take care to label products correctly. Unibep Group labels them as a service company. Only Unihouse SA, as a producer of modules, marks its products only for logistical reasons, according to a methodology it has developed in order to avoid mistakes on the construction site.

In terms of communication at Unibep Group, the following apply:

- a branding plan (a strategic document describing how our brands should be communicated, how we should communicate to the external market and what tools we use to communicate internally, etc.);
- the Visual Identity Manual (a set of graphics describing our brands);
- standardisation of the appearance of construction sites and rules of site branding;
- media monitoring, providing up-to-date information on the presence of the Group and its brands in the media;
- annual communication and marketing plans;
- regular monthly meetings of Unibep Group's marketing team, which provide a forum for the exchange of information and experience on current activities.

S4-2 Processes for engaging with consumers and end-users about impacts
S4-3 Processes to remediate negative impacts and channels for reporting issues by consumers and end-users

Customer satisfaction is our primary objective. We strive to achieve it while taking into account all applicable legal requirements regarding the products and services we provide. Unibep Group's core business is the construction of residential and public buildings. This is an activity with particular responsibility for commissioned projects. Each country's law sets out specific requirements for the health and safety of people living in these buildings. The health and safety of customers who are the end users of the products we sell is a key concern for our Group.

Negligence in this area can result in very severe legal and financial consequences, in the worst case scenario leading to endangering human lives and putting the company out of business.

The principles of cooperation with clients are laid down in the contracts concluded with investors and, in the case of UNIDEVELOPMENT SA, with property buyers. They set out procedures in the event of faults or defects in the facilities under construction. Most notifications are made by facility administrators via dedicated investor platforms or by email. Warranty claims are processed by the warranty offices, whose competent staff assess the causes and validity of the faults and defects found and take action to rectify them.

UNIDEVELOPMENT SA's customers can use the customer portal, where they can report a fault and track the status of a pending case.

The number, type and cost of faults and defects are monitored on an ongoing basis in order to limit their occurrence in the future.

S4-4 Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions

On 4 April 2024, the Management Board of UNIBEP SA adopted the Principles of Sponsorship Policy at Unibep Group. This policy sets out the objectives of sponsorship activities, such as:
- promoting and enhancing the prestige and value of Unibep Group and its brands: Unidevelopment and Unihouse;
- increasing the visibility and reach of the Group's activities, resulting in increased sales and profitability;
- promoting new projects delivered independently or with partners;
- building a positive image by transferring favourable associations of the sponsored entities to the Group;
- supporting promotional and commercial activities, including displaying the logos and trademarks of Group companies;
- getting the message out to key stakeholders and communities;
- building reputation and recognition in public opinion.

In 2024, Unibep Group did not record any non-compliance with regulations or codes regarding marketing communications, including advertising, promotions and sponsorship.

Unibep Group's core business is the construction of residential buildings and public buildings, which entails a high degree of responsibility for the health and safety of end users. Each project shall be carried out in accordance with the applicable regulations, which regulate in detail the health and safety requirements. Negligence in this area can result in very severe legal and financial consequences, in the worst case scenario leading to endangering human lives and putting the company out of business.

Unibep Group manages the quality of its investment and construction projects in accordance with legal requirements. In the construction industry, in addition to trust between the investor and the contractor, ensuring safety and protecting the health of all stakeholders is extremely important.

Unibep Group holds a number of certificates confirming the highest standards of quality and safety standards:

- ISO 45001:2018 occupational health and safety management system,
- ISO 14001:2015 environmental management system,
- ISO 9001:2015 quality management system.

In addition, UNIHOUSE SA holds:

1. SINTEF technical approval No. TG 2593 for Unihouse SA panels and modules. The approval covers the construction of Unihouse SA panels and modules and technical solutions in the wet rooms of buildings being constructed in Norway. SINTEF verifies them in terms of compliance with technical regulations, building physics, acoustics and fire protection. It also verifies the materials used, with regard to their properties and potential impact on human health and the environment (e.g. levels of formaldehyde emissions, leaching of heavy metals into service water from installations and fittings and into the ground via rainwater are verified), where limit values must not be exceeded.
2. European Technical Assessment ETA, which allows Unihouse SA to mark the structure of its products with the CE mark. The RISE Institute, which is the issuer of this assessment, checks all solutions from the point of view of construction, building physics and meeting fire resistance requirements, as well as the performance of the materials used in their manufacture and their compliance with the requirements of EU standards and the regulations of the implementing countries.
3. Certificate of Conformity of Unihouse SA products with the German DIN standards used in timber construction, issued by the Bundes-Gütegemeinschaft Montagebau und Fertighäuser e.V., and RAL-GZ 421 certificate confirming the high manufacturing quality of Unihouse SA products.

The Infrastructure Branch of Unibep SA maintains a factory production control certificate for its asphalt plants.

In 2024, Unibep Group did not record any non-compliances with regulations related to the impact of products and services on customer health and safety.

Confidentiality of information at Unibep Group is protected under a general system of protecting data constituting business secrets. The system consists of:

- physical data protection measures, including security for the office complex by an external company; restriction of unauthorised access to the building through a smart card system; monitoring; proper circulation of documentation;
- procedures to ensure the security of data on the IT network (e.g. authorisation of access to copying and printing devices and printouts by means of proximity cards) and the security of data transmitted over the Internet (e.g. control of network traffic, ensuring the security of computers, placing servers in secure premises, securing information with appropriate software).

One of the objectives of Unibep Group's adopted ESG strategy is to respect privacy and confidentiality of information. A dedicated project team has been set up to work on solutions to improve the Group's information security system.

The staff of the Audit and Internal Control Office continuously verify the control mechanisms in place for the security of data protection systems by carrying out audits and internal controls according to established annual plans.

The Company has adopted the Personal Data Protection Policy with accompanying procedures, which constitute a set of internal regulations aimed at ensuring proper processing of personal data, taking into account the obligations imposed by the provisions of Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC and Polish personal data protection regulations. The obligations set out in the Policy apply to all personal data processed by the company, whether in paper or electronic form. The Policy applies to all employees of the company. The Policy is subject to review by the Company’s Data Protection Officer at the end of each calendar year or when legislation changes.

In 2024, no complaints were received regarding breaches of customer privacy.

Unibep Group attaches particular importance to business ethics, the quality of the services offered and the protection of the health, safety and personal data of its customers and stakeholders. The implemented policies and procedures, as well as the certifications obtained, confirm the commitment to the highest standards in every aspect of the business. Detailed information on the management of risks can be found in the Management Board’s Report on the Operations of Unibep Group in 2024, in section 8.1.

S4-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Unibep Group does not have specific targets in this respect.

9.4. CORPORATE GOVERNANCE

Information related to governance

G1 Conducting business activity
G1-1 Corporate culture and policies for conducting business

In response to the fulfilment of the statutory obligation under the Whistleblower Protection Act, there was the implementation of a whistleblowing and follow-up procedure in Unibep Group. The purpose of the procedure is to ensure that the Company operates in accordance with national and European law by putting in place an effective mechanism to ensure that irregularities relating to the functioning of the organisation are prevented and dealt with in the form of a channel for reporting irregularities within Unibep Group.

The procedure sets out the areas of irregularities subject to the whistleblowing procedure, the rules for reporting, investigation and follow-up, and how whistleblowers are protected and prohibited from retaliation for violations that have occurred.

One of Unibep Group’s key competitive advantages is its organisational culture, shaped by generations of employees who have contributed to the development of our organisation for over 75 years. We are proud of our Podlasie roots and company history. For years we have operated under a code created by our employees. The “Unibep Group’s Shared Principles and Objectives”, adopted in 2017, and modified in 2022, builds the identity of our Group based on values that guide all employees. It is knowledge, passion and trust that allow us to implement further ambitious projects.

In 2024, due to the company's unique situation and frequent meetings between management and Unibep Group employees, the company's management emphasised that the foundation of the new identity and values of Unibep Group is transparent communication and the nurturing of constructive feedback.

The “Unibep Group’s Shared Principles and Objectives” is a document that is publicly available at all Group offices, including to third parties, via the website www.unibep.pl (ESG tab; link: https://unibep.pl/zrownowazony-rozwoj.html). Our newly hired employees are obliged to familiarise themselves with it during their first days at work by signing an undertaking to comply with the rules and procedures in force at Unibep Group, including a declaration to respect human rights. We are building our future on common objectives, moving towards modernity while respecting tradition.

The “Shared Principles and Objectives” list the most important values for Unibep Group:
- Knowledge
- Passion
- Trust

Our Group employees are aware of the importance of business ethics and the need to observe them in a listed company. At Unibep Group, we strive to ensure that all employees adopt the best models of behaviour. We believe that corruption and bribery are elements of a broader phenomenon related to values, ethics and integrity in business. Where people act on the basis of transparent and generally known ethical values, the threat is much lower. This is why staff training sessions are so important, during which existing procedures and internal instructions are refreshed and discussed.

Customer satisfaction is our primary objective. We strive to achieve it while taking into account all applicable legal requirements regarding the products and services we provide.

Unibep SA has adopted the requirements of the international ISO standards as a set of best, available and recommended practices for doing business in various aspects of corporate social responsibility. The Group manages environmental issues, occupational safety, quality of construction works and manufactured construction products by applying the requirements of ISO 9001, 14001, 45001 and PN-EN 13108-21 standards within the organisation in the form of a consistent Integrated Management System that has been independently certified. The scope of certified activities is defined by individual certificates, which are available at www.unibep.pl

The functioning of Unibep’s Integrated Management System is regularly analysed with regard to risks. All company processes are monitored, supervised and described in the form of internal procedures, which are made available to employees on the Intranet. Instructions and orders referring to the Integrated Management System meet the requirements of due diligence procedures. Our efforts are confirmed by the Integrated Management System Policy adopted by the Management Board of Unibep SA, which indicates that employees should treat customers’ needs, continuous development of employees’ competences, effective management of occupational safety and environmental protection, compliance with applicable laws and ethical standards, as well as cooperation with the local environment as their priorities.

The staff of the Audit and Internal Control Office continuously verify the Integrated Management System by carrying out audits and internal controls according to annual plans.

In 2024, they performed 7 tasks to ensure the proper functioning of the internal control system, including in the areas of procurement and contract execution, purchase of materials and services, and contract circulation. The status of implementation of relevant recommendations formulated as a result of the above tasks is systematically monitored.

The Integrated Management System is also subject to periodic reviews by top management. The results of these reviews are intended to confirm the adequacy and effectiveness of the organisational solutions adopted, as well as to provide a field for initiating continuous improvement in a dynamically changing external and internal environment. The efficacy of actions taken in this regard is confirmed by positive results of external audits as part of the supervision of the Integrated Management System exercised by DEKRA Certification, and Company Production Control implemented in the Infrastructure Branch by ITC.

Unibep Group has internal by-laws governing the organisation of work and remuneration principles. These include:

1. Corporate Collective Labour Agreement in Unibep SA,
2. Work regulations applicable in all other Group companies,
3. Remuneration regulations in all other Group companies,
4. Regulations of the Company Social Benefits Fund in all Group companies,
5. Procedure for preventive medical examinations,
6. Procedure for the rules on the allocation, use and settlement of costs of company cars,
7. Procedure for the rules on the allocation of personal protective equipment, work clothing and footwear and personal hygiene products.

G1-2 Management of relationships with suppliers

A great deal depends on our subcontractors, which is why, prior to starting cooperation, contractors are subject to a pre-screening procedure and then entered into the Contractor Catalogue, which retrieves contractor information from state registers (e.g. GUS, KRS, Vies). Before a contract is signed, the contractor is additionally subject to a two-stage tax and transaction verification, i.e. during the selection and then during the processing of a contract by an employee during the contracting stage and the preparing of an opinion by the Legal Team. By signing the contract, the contractor undertakes to comply with the Principles of Conduct for Contractors, which include aspects relating to the conduct of business and cooperation with Unibep Group taking into account, among other things, the principles of cooperation, ethics and requirements related to environment, health and safety. At the same time, cooperation with contractors as part of ongoing contracts is assessed in terms of environmental protection and OHS, among others. These assessments are one of the criteria taken into account when selecting a contractor for cooperation. In its ongoing contracts, Unibep is largely supported by companies with which it has developed framework agreements, standards based on trust and has had a good experience. As part of the implementation of the ESG strategy at Unibep Group, work is underway to identify the value chain among contractors. The target outcome of the work is to have an effective contractor qualification system.

We want to base our activities on proven and environmentally friendly materials. We are aware that building such a supply chain requires a great deal of effort and is burdened with risks, including dependence on the availability of materials and services, which affects unit prices, and the need to invest more effort in finding new solutions.

Unihouse SA has instructions in place on the introduction of new materials. They point to the need to obtain all required declarations from suppliers, including environmental declarations, as well as selecting materials with a minimum impact on the environment, e.g. in terms of formaldehyde or VOC content.

In 2024, Unibep Group did not keep statistics on the number of new suppliers that were verified for ESG.

G1-3 Prevention and detection of corruption and bribery

As part of the compliance management system in place, in addition to the Code of Conduct, Unibep Group also has an Anti-Corruption and Anti-Fraud Procedure. This procedure is an integral part of efforts to reduce the risk of corruption and to promote the highest ethical standards in the Group's activities. Through its implementation, Unibep Group is effectively strengthening preventive mechanisms and building a culture of transparency and accountability.

By regulating the principles of conduct in the event of corrupt or fraudulent events that may occur in all areas of Unibep Group’s operations, at all levels of management, we express our firm disapproval of such behaviour and all forms of corruption.

Unibep Group Anti-Corruption and Anti-Fraud Procedure includes:

- the definition of formal and organisational conditions to ensure that activities are carried out in compliance with the law, internal regulations, industry rules and commitments made,
- the definition of rules of conduct to prevent and counteract corruption and fraud committed to the detriment of the company,
- the establishment of rules for reporting corruption and fraudulent activities,
- the definition of rules for dealing with reports,
- the implementation of effective corrective actions and efficient internal control mechanisms.

It is compulsory for all Unibep Group business managers and contract managers in Poland and abroad to familiarise themselves with the documents relating to anti-corruption procedures.

Compliance with the adopted anti-corruption regulations and monitoring of adverse events in the Group is handled by the Compliance Coordinator, who is appointed by the President of the Management Board of Unibep S.A. The coordinator oversees the reporting channel in place, ensuring confidentiality for those reporting and investigates, then monitors and implements corrective action. All members of Unibep Group's governing bodies, employees and business partners have been informed of the organisation's anti-corruption policies and procedures. In addition, all members of the governing bodies and management staff of Unibep Group have received anti-corruption training.

Unibep Group employees are required to avoid situations that may give rise to a conflict of interest that could affect their objectivity in the course of their activities and actions. The existence of conflicts of interest can lead to corruption or fraud in situations where an employee, by virtue of his or her position, may gain an advantage as a result of decisions made or influence the decisions of colleagues made in relation to the employee, persons close to the employee or a third party to which the employee has family, business or professional obligations. Anyone who has doubts about the possibility of a conflict of interest is obliged to refrain from taking any action related to the conflict situation, except for those that may expose the company to damage. A supervisor and the Compliance Coordinator should be informed immediately of the situation.

Unibep Group has the following internal regulations covering the area of ethics:
- Unibep Group Code of Conduct
- Unibep Group Anti-Corruption and Anti-Fraud Procedure
- Principles of conduct of business partners (on 4 April 2024, the Management Board of UNIBEP S.A. adopted an updated document "Principles of conduct of business partners")

On 4 April 2024, the Management Board of UNIBEP SA adopted the Conflict of Interest Management Policy at Unibep Group, which defines the principles of preventing the occurrence of conflicts of interest; identifying cases that constitute or may constitute conflicts of interest; the principles of dealing with conflicts of interest and managing such conflicts in a manner consistent with the interest of the Company. In line with the Group's policy, employees are informed of the implementation of the regulation by email. New employees in the onboarding process are also informed of, among other things, the Rules of Conduct, the Anti-Corruption Procedure and the Conflict of Interest Management Policy. Supplier counterparties and stakeholders can consult Unibep Group's Principles of Conduct on the website, and the Principles of Counterparty Conduct are appended to agreements with third parties.

The Group has adopted a training programme for new employees in management positions. Every year, anti-corruption material is sent to new managers (new hires, promotions), which they are required to read and pass a knowledge test. The principle of internal training for all employees on the applicable regulations of the compliance management system has also been adopted. The procedures from which training is provided include Unibep Group Anti-Corruption and Fraud Procedure and Unibep Group Conflict of Interest Policy.

The rules that apply to Group employees are, in particular:
- a prohibition on accepting or giving financial or personal benefits in connection with the performance of official duties or functions,
- a commitment to be on the lookout for situations that may give rise to corrupt or otherwise abusive activities,

- reporting, in accordance with the rules through the reporting channels in place, situations of corruption or abuse.

An important element enabling the detection of undesirable phenomena such as corruption or bribery is the whistleblowing system regulated in Unibep Group's whistleblowing and follow-up procedure. Thanks to the solutions implemented, employees as well as contractors can make reports of incidents of corruption or bribery, which are dealt with in accordance with the regulations.

G1-4 Confirmed incidents of corruption or bribery

In 2024, no cases of corruption or bribery were identified in Unibep Group.

G1-5 Political influence and lobbying activities

Unibep Group adheres to the principles of political neutrality by not providing financial or in-kind support to political parties or politicians. In addition, the management and supervisory boards of the Group's companies do not include persons who, prior to taking up their positions, held comparable positions in public administration. This approach underlines the independence and transparency of Unibep Group's operations.

Membership in professional organisations and associations.

For the Unibep Group, membership in organisations and associations is a forum for exchanging views and an opportunity to strengthen the company's position on the market. We build value for the community and our stakeholders in partnership with the organisations listed below.

In 2024, Unibep Group was part of key organisations such as:

- **Agreement for Construction Safety**, which brings together the largest general contractors working in Poland – currently 18 companies with signatory status. Its members work together to improve work safety on construction sites in Poland. Unibep SA has been a member of the Agreement since 2015. The main objective of the organisation is to build a culture of safety among employees and associates of Unibep Group and investors, as well as government and local government institutions. Thanks to its membership in the organisation, a Safety Week is organised every year featuring OHS training and a special promotional campaign, mainly aimed at Unibep Group employees and our business partners. Every year, tens of thousands of employees and several thousands of subcontractors take part in Safety Week activities. The Agreement cooperates, among others, with the Social Insurance Institution (ZUS), the General Directorate for National Roads and Motorways, and the Chief OHS Inspector. As of 2024, the presidency in the Agreement is held by Hochtief Polska S.A., headed by the President Tadeusz Blecha. At least four times a year, meetings are held between the heads of signatory companies, during which accident statistics are discussed, good practices are exchanged and activities are planned to promote a broader safety culture. The Agreement has internal support departments – representatives of the signatories from the OHS area and the communication area meet periodically (about once every two months) to discuss the main issues arising from the Agreement's objectives, i.e. reducing accidents on construction sites.
- The **Polish Association of Construction Industry Employers (PZPB)** is a nationwide organisation of companies in the infrastructure and construction sectors, which together represent more than 70 per cent of the potential of the general investment contracting market in our country. The Association actively participates in consultations on legal acts regulating economic activity in the areas of infrastructure and construction. Representatives of Unibep Group are active in the PZPB's structures – they are, among other things, on the organisation's Council and have an influence on

the creation of the Association's programme and activities. The 2024 Congress of the Polish Construction Industry (held every two years) discussed the most important issues facing the construction industry, including the lack of public procurement, the prospect of changes in the market due to, among other things, climate change, changes in the image of the industry, etc. (more below).

- **The Polish Cluster of Construction Exporters (PKEB)** is an initiative of entrepreneurs whose aim is to build and strengthen the cooperation of Polish construction companies on export markets as well as to internationalise the Polish construction sector. It presents on a global scale the capabilities of Polish companies in the field of development and modernisation of the construction industry based on state-of-the-art technologies, products, systems and professional engineering staff. The organisation cooperates with government institutions and the wider financial sector, interested in supporting the development of Polish construction companies in foreign markets. In 2024, as part of the cooperation between PKEB and PZPB, the project 'Construction for Poland' was launched, where the construction industry developed a manifesto on its problems in the current reality and indicated the relevance of the industry for the economic development of the whole country. The project is to be developed and continued in subsequent years.
- **The Polish Construction Cluster** brings together over 300 companies operating in the construction sector. Unibep SA has been a member of the Cluster almost since its inception. Since 2015, the Polish Construction Cluster has had the status of a National Key Cluster. The Cluster cooperates with entrepreneurs, universities, organisations and R&D centres. It is also a member of the Entrepreneurs Council at the Ombudsman for Small and Medium-Sized Enterprises. This allows cluster members to act as part of task forces and have a real impact on the situation of companies in the SME sector. Cluster members are periodically invited to business meetings, conferences and training, where they discuss the current economic situation in the country and the world, related development opportunities and cooperation. They can also participate in economic missions abroad, organised by the Cluster.
- **The Polish Association of Listed Companies** fosters the development of the Polish capital market by representing the interests of companies listed on the Warsaw Stock Exchange. As an expert organisation, it provides issuers with knowledge and advice on stock market regulation and their rights and obligations. An important organisation from the point of view of broader cooperation with the financial market. It organises training on, inter alia, ESG reporting, but also conducts analysis of Polish companies in the area of ESG.
- **The Polish Association of Developers** is an organisation bringing together the largest Polish developers. By sharing theoretical knowledge and practical experience, the PAD builds partnership relationships with entities creating the situation in the industry. The aim of the Association is to ensure favourable conditions for property development activity so that the growing housing needs of Poles can be properly satisfied. The PAD also ensures the safety of buyers by promoting the idea of the Code of Good Practices, which has been approved by the Office of Competition and Consumer Protection (UOKiK) and is binding in relationships between member companies and apartment buyers. Unidevelopment SA is a member of the PAD.
- **Polish Chamber of Power Industry and Environmental Protection (IGEOS)** – Unibep SA has been a member of the Chamber since November 2023. It is a nationwide trade organisation of economic self-government. The Chamber is made up of companies, firms and institutions from the entire power sector: power plants, combined heat and power plants, power distribution companies, manufacturers of machinery and equipment for the power industry and environmental protection, companies providing design, assembly, construction, IT services, etc., energy trading companies, companies cooperating with the professional and industrial power sector, insurance companies and banks. The statutory goals of IGEOS are realised through, among others, cooperation with state administration authorities, the Sejm, the Senate, social and economic organisations, organisation of training, economic and organisational consultancy, cooperation and exchange of experience with

domestic and foreign chambers of industry and commerce, as well as local government organisations, creation of a bank of economic, financial and other information necessary for the economic activity of the Chamber members, promotion of the products and services of the Chamber members.

- **The Polish Green Building Council** is an organisation whose mission is to improve the design, construction and use of buildings in Poland so that sustainable construction becomes the norm. Unidevelopment SA is a member of the PGBC. A development company from Unibep Group participated in events organised by PLGBC.
- **Boligprodusentene** is a Norwegian association of builders of residential units in Norway.Its activities focus on housing development issues in order to foster high quality and cost-effective housing production.
- **Koalition für Holzbau** is a German association that promotes the use of wood in the construction industry. Unihouse's membership aims to promote and develop timber construction, with an emphasis on sustainable solutions. As a member of this organisation, Unihouse can collaborate with other companies and experts in the industry, share experience and knowledge about timber construction in Germany, and benefit from new technologies and trends that support sustainability and energy efficiency in the construction industry. Such membership also allows the company to strengthen its position as a leader in the segment of modern, environmentally friendly timber structures.

The Group companies are active members of many associations and organisations and take part in conferences, congresses and industry meetings. They organise events with and for employees and join in the promotion of modern, green and sustainable construction.

In 2024, Unibep Group engaged in, among others:

- **Polish National Safety Week**
  The 11th Safety Week was held on 13-17 May 2024. This initiative is not just about lectures, presentations and training. Above all, it is the idea of building a safety culture in which 18 companies stand shoulder to shoulder, demonstrating their commitment to real improvements in safety on and off construction sites.
  The slogan of last year's edition was "ALL RIGHT. #SORTED", and the main aim of the event was, among other things, to focus on the need to keep things tidy on construction sites, but also in the workplace, documentation and in interpersonal relationships.
  The event was attended by top executives, inaugurating Safety Week at many construction sites.
  Unibep Group – for the first time – organised a run for whole families, over various distances, as part of Safety Week in Warsaw. The aim was health-promoting activities for employees and their families.
- **Active during the Road Forum**
  "Ways of the Future – will artificial intelligence replace humans?" – This was the theme of the Warminsko-Mazurskie Road Forum, which took place on 15-17 September 2024 in Warchały. The event, organised by the Polish Road Congress Association and the Provincial Roads Authority in Olsztyn, brought together more than 100 specialists from the road sector, becoming a key platform for the exchange of knowledge and experience. During the conference, Przemysław Kulmaczewski, head of the laboratory department at the Infrastructure Division of Unibep SA, presented a technological paper titled. "Mineral-cement mix with foamed asphalt (MCAS) used in the investment: extension of the national road No. 65 on the road section Gołdap – beginning of the Gołdap bypass, in the Warmińsko-Mazurskie Voivodeship".
  The presentation was the result of close cooperation with the Świętokrzyskie University of Technology, an excellent example of the synergy between the worlds of business and science. This project highlighted how the combination of academic knowledge and Unibep SA's industry

experience translates into innovative and sustainable solutions in road infrastructure, particularly in the Warmian-Masurian Voivodeship, where Unibep is actively implementing numerous road investments and has three asphalt plants at its disposal, which are an important element in supporting regional infrastructure projects.
Topics covered included the future of road engineering and artificial intelligence in transport. The event concluded with a panel debate on the opportunities and risks associated with the development of AI in the transport sector.

- **Polish Infrastructure Congress**
  Unibep SA was a partner of the 12th Edition of the Polish Infrastructure Congress. The event, which took place in June 2024 at the Copernicus Science Centre, was attended by around 500 people, mainly executives of the contractors, but also representatives of the contracting authorities, ministries responsible for rail roads and heads of industry associations.
  Dariusz Blocher, the President of Unibep SA, took part in a panel titled 'Protecting the Polish construction market, certification of contractors and subcontractors'. During the discussion with other panellists – representatives of contracting authorities, industry associations, contractors – they all came to the conclusion that there is a need to create a mechanism to protect our market from companies that today can participate in tenders without any restrictions. Because at the moment the main emphasis in tenders is price, not quality, experience, or reliability. However, everyone also accepted that there is currently no legal possibility to close the Polish market to EU companies.
- **Polish Construction Industry Congress**
  The Polish Construction Industry Congress is one of the most important industry meetings for representatives of the construction sector and associated industries, organised every two years by the Polish Association of Construction Industry Employers. In 2024, it was held on 16-17 September at the Polish History Museum.
  During this event, the leaders of the largest companies, researchers and practitioners, decision-makers and representatives of the finance, insurance and state, and local administration sectors and self-government administration discussed key problems of the construction sector: EU and Polish climate policy and energy transition, the role of women in the construction industry, protection of the Polish construction market in the context of contractor certification, valorisation, and the situation on the labour market with the recommendation of a strategy to improve the image of the construction sector.
  Unibep SA was one of the congress partners, the inaugural lecture on the situation of the construction industry in Poland was given by Dariusz Blocher, the President of Unibep SA, Chairman of the Programme Council of the Polish Construction Industry Congress.

Representatives of the management boards of Unibep Group companies sit on the bodies of the aforementioned associations and organisations and it is them who co-create their activities, including statutory activities. These are activities which, by definition, are aimed at, for example, increasing safety on construction sites or highlighting problems in the construction industry. Unibep Group supports initiatives aimed at the development of the construction industry in our country, such as supporting the "Construction for Poland" campaign, initiated and coordinated by the Polish Association of Construction Employers and the Polish Construction Exporters Cluster.

Membership in industry organisations allows Unibep Group to strengthen its market position, promote high standards in the construction industry and make a real contribution to the development of the sector. All activities are neutral and aimed at the welfare of the industry and the community, with no connection to any political activity.

G1-6 Payment practices

Unibep Group has an Accounting Policy and a Procedure for the circulation and acceptance of accounting documents, the purpose of which is to set out clear rules for the acceptance of costs and to define the correct circulation of invoices, while the Group does not have a formal procedure and policy for the prevention of delayed payments.

The payment terms in the contracts are between 30 and 60 days. Two payment methods are used with suppliers and subcontractors: bank transfer or reverse factoring. With reverse factoring, payments to suppliers are made in up to 14 days and repayments to factors are made in up to 90 days.

The average time it takes the company to pay an invoice from the contractual or statutory due date is 14 days.

Unibep Group has not been party to any legal proceedings in 2024 in relation to late payments.

10. REPRESENTATIONS OF THE MANAGEMENT BOARD

To the best of our knowledge, the financial statements of UNIBEP SA (separate and consolidated, respectively) for the 12-month period ending 31 December 2024, and the comparable data, were prepared in compliance with the applicable accounting principles and reflect in a true, fair, and transparent manner the economic and financial position, and financial result of Unibep and Unibep Group, and this Management Report offers a true picture of the development, achievements, risks and hazards, and the situation of the Issuer and its Group, including a description of the primary hazards and risks.

Information of the Management Board on the entity authorised to audit financial statements

Based on the statement from the Supervisory Board of Unibep SA on the selection of the audit firm responsible for auditing the annual financial statements, in accordance with the regulations, including those concerning the selection and the procedure for selecting the audit firm, the Management Board of Unibep SA states that:

a) the audit firm and members of the audit team meet the conditions for drawing up impartial and independent audit reports on annual financial statements (separate and consolidated, respectively), in accordance with the applicable laws, professional standards, and principles of professional ethics;
b) the applicable principles related to the rotation of the audit firm and the key expert auditor, and the mandatory grace periods are complied with;
c) Unibep SA has a policy regarding the selection of an audit firm, and a policy regarding the provision of additional non-audit services to Unibep SA, by an audit firm, an affiliate of the audit firm, or a member of its network, including services that are conditionally exempt from the audit firm's prohibition.

SIGNATURES OF ALL MEMBERS OF THE MANAGEMENT BOARD OF THE PARENT COMPANY

President of the Management Board	Andrzej Piotr Sterczyński
Deputy President of the Management Board	Leszek Marek Gołąbiecki
Vice-President of the Management Board	Adam Poliński
Member of the Management Board	Zbigniew Gościcki

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