



ONDE GROUP
SUSTAINABLE DEVELOPMENT REPORT

(This report represents a statement on non-financial information drawn up in accordance with the requirements of Articles 49b.2 to 49b.8 of the Accountancy Act)

**20
23**



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MANAGEMENT BOARD'S LETTER

01



LADIES AND GENTLEMEN,

[2-22] We are really proud to present this, already third, Sustainable Development Report of the ONDE Group.

It presents a description of actions and their effects, which confirm implementation of our Company's mission – in it we specified that we wanted to conduct our business in a sustainable way, bearing in mind climate neutrality, observing the highest standards of safety and environmental protection, and in cooperation with a local community.

In 2023, we cemented our leading position in the Polish RES constructions market. In our previous history, we contributed to creation of the RES generating potential of a capacity exceeding 4 GW, participating in construction of over 400 wind and photovoltaic farms. In Poland, as many as a third of wind turbines are set on foundations constructed by ONDE.

As previously announced, during the previous year we continued construction of own RES projects in accordance with the DBS (develop, build and sell) Model. The Cyranka project, for which we conducted a very successful sale last year, not only brought us an attractive return on capital employed, but also confirmed that the adopted DBS business model works very well in practice. Additionally, under the Cyranka Project we also received Guarantees of Origin for 800 MWh of green energy, which significantly contributed to the nearly 70% share of the green energy in the total electricity consumption. We should also remember that at the end of the first quarter of

2024, under the DBS strategy, we concluded new transactions to sell shares in three photovoltaic project of the total capacity of 23.1 MWp and in a wind farm of 37.4 MW.

We do not accept any compromises when it comes to human rights and ethics. For this reason, we want to cooperate mainly with contractors with a similar attitude to those aspects. Recently, we implemented, among others, the Human and Employee Rights Policy and the Code of Ethics. Both those documents establish a clear framework for operations both for our employees, and for our company as an employer. From our suppliers of goods and services we require statements that they observe human rights and follow the law and ethical standards established by ONDE in their activities.


Occupationally Health and Safety represent integral areas for basic activities of the ONDE Group and form a natural part of our company culture. Therefore, similarly as every year, also in 2023 we conducted a wide-scale activities increasing awareness in OHS and a need to strictly adhere to procedures. We provide regular training to our employees, to ensure they are prepared as well as possible for emergency situations, and first of all, that they consciously prevent them. For example, in 2023, our regular event "Safety Week", involved as many as about 500 people, employees and subcontractors. Due to such activities, among others, the previous year implementation of our safety performance objectives.

We do not restrict our ESG activities just to our organisation. For example, the ONDE FLOW project, a series of educational activities, including organisation of conferences and expert debates, represents a very important part of our social involvement. We are also very pleased with the grant programme, SOFIA (Science Onde Flow Innovation Academy), supporting young, creative people with ideas for interesting research projects associated with renewable energy. This way, we truly support authors of the best innovations for RES

development, as well as increase the social awareness and ensure further development of this extremely important area of the Polish economy.


Sustainable development is consistent with our philosophy and allows us to aspire to be one of the most robust and modern Polish companies. Therefore, we would like to invite you to read this report and discover how we do it in the ONDE Group!




Piotr Gutowski
Vice-President
of the Management Board


Marcin Szerszeń
Vice-President
of the Management Board


Marek Marzec
Vice-President
of the Management Board


Paweł Średniawa
President
of the Management Board



ABOUT ONDE

02

2.1 BUSINESS MODEL

The ONDE Group consists of the parent company, ONDE S.A., and 28 subsidiaries: 26 special purpose vehicles, ONDE GmbH, and IDE Projekt Sp. z o.o. (hereinafter "IDE Projekt"). IDE Projekt completes the ONDE Group ecosystem, and its high-class specialists prepare, for example, comprehensive designs for photovoltaic (PV) and wind (WF) farms. The company also develops construction and execution designs for construction of new and modernisation of existing components of a road system and energy generating facilities. Having the design agency within the Group eliminates a need to outsource this service, ensures its reliable performance and does not generate additional costs. For our customers, this means an option to perform the entire investment at one place and guarantees good cooperation between designers and contractors.

[2-1] The ONDE Group headquarters is located in Toruń, but its activities cover the entire territory of Poland.

Headquarters

at Wapienna 40, 87-1 00 Toruń

PV Department

at Szosa Lubicka 26, 87-100 Toruń

Operation & Maintenance Department

at Polna 66, 87-100 Toruń

Maintenance Services/Marking Department

at Polna 113, 87-100 Toruń

Bitumen Mass Manufacturer in Toruń

at Ignacego Łukasiewicza 65, 87-100 Toruń

Road and Wind Farms Construction

Department in Koszalin

at Szczecińska 42, 75-137 Koszalin

Bitumen Mass Manufacturer in Koszalin

at BoWID 7A, 75-216 Koszalin

IDE Projekt sp. z o. o.

at Polna 66, 87-100 Toruń

WHERE CAN YOU FIND US



ONDE S.A. Offices: **Warsaw** | at Klimczaka 1, Royal Wilanów Office Building

Gdańsk | at Radarowa 63

Vilnius | Kons titucijos ave. 7, Vilnius 09308, Lithuania

The ONDE Group structure facilitates a transfer of competencies between segments of activities, as a long-term experience gained in one sector may be used during implementation of projects in other areas. Furthermore, ONDE uses a capital of competences resulting from it being a part of the ERBUD Group, which has over 30 years of experience in the construction works in Poland and abroad.

[2-6] The ONDE Group has an established position in the wind and photovoltaic farms construction market, and positions itself as the largest contractor of the RES investments in terms of the total size of executed wind farm projects in the Polish market. Our team of specialists experienced in the RES constructions sector executes projects with the highest degree of care. In our history, we participated or participate in construction of over 400 wind and photovoltaic farms of a capacity exceeding 4 GW, of which 3 GW already generates green energy. We constructed over 1300 foundations for wind turbines, and this means that we participated in construction of a third of wind turbines in Poland.

Apart from construction of RES systems, we also specialise in road and engineering constructions, in which we use our own bitumen mass manufacturers in Toruń and in Koszalin.

The segment “other activities” is the third area of our business.

Additionally, the ONDE Group develops its own RES projects (hereinafter, the “RES Projects” segment). At the end of 2023, the Group did not have any income on sale of energy.

THE ONDE GROUP IN 2023

ONDE S.A.

i.e., a parent entity in the Group

IDE PROJEKT

Sp. z o.o.
a company specialising in design services

ONDE GmbH

established to win new orders, perform construction works, and acquire companies operating in the RES segment in the German market

26

special purpose vehicles established to execute specific RES projects

5

started wind farm constructions of the total capacity of ca. 289 MW

10

started photovoltaic farm constructions of the total capacity of ca. 246 MW

627 employees and partners

i.e., 2 less versus the end of 2022

1 084

PLN thousand of income

20

new customers

18 MW_p

the first farm executed on our own

0

fatal and collective accidents

69%

consumed electricity is generated from RES

2.1.1 SEGMENTS OF OPERATIONS

RES constructions

The main segment of the ONDE Group operations are RES constructions (construction works in the renewable energy sources segment). Within this segment, we execute contract for the wind and photovoltaic farms sector.

We have experience both in RES design and in obtaining relevant permits, and comprehensive constructions covering power and electric works, and medium and high voltage cables. We also design and construct foundations, access roads to farms, and manoeuvring yards. At solar farms, we independently install photovoltaic modules of high capacity, construct connections and perform system start-ups. We execute the majority of photovoltaic projects in the EPC (engineering, procurement, construction), i.e. turn-key mode.

In the wind power area, our activities focus on execution of projects according to the Balance of Plants (hereinafter: “BoP”). This means that we do not supply or install wind turbines at wind farms. However, we can also present completed “turn-key” projects for wind farms, which additionally includes delivery, installation and start-up of a power plant.

We also provide professional maintenance service (O&M) for already operating photovoltaic facilities.

In 2023, ONDE completed execution of 11 wind projects and 70 photovoltaic farm projects, of the total generating capacity of nearly 500 MW. In 2023, we started execution of

five wind farms of the total capacity of ca. 289 MW and of 10 photovoltaic farms of the total capacity of ca. 246 MW.

Our portfolio includes the Potęgowo Wschód-Zachód Wind Farm of the capacity of 219 MW and Banie/Kozielice I&II Wind Farm of the capacity of 106 MW. In October 2023, a building permit was granted to a contract that is one of the largest in our history in terms of finances and the largest wind farm in terms of the execution area – Drzeżewo WF of the capacity of nearly 139 MW and value of PLN 357 million. In 2023, we commissioned Telsze EE 2 in Lithuania, the first in our history contract for wind farm execution abroad, of the total capacity of 27.5 MW.

At the end of 2023, we concluded with subsidiaries two EPC contracts for construction of PV farms, of the total capacity of 18.72 MW and value of ca. PLN 46,7 million.

RES projects in the ONDE portfolio

Since 2021, apart from a portfolio of projects executed for customers, we have been building a portfolio of own Renewable Energy Sources projects. Our activities in this area are based on purchasing projects at various stages of development, development and construction of photovoltaic and wind farms, and then selling them in the market (*develop, build and sell*). In the current market and regulatory conditions, we intend to purchase mainly projects at more advanced stages of development.

Our first project executed in the *develop, build and sell* mode was the photovoltaic farm “Cyranka” in the Warmińsko-Mazurskie voivodeship. We installed 33,332 modules on over 37 thousand m², of the total surface area amounting to 5.7 ha. The farm capacity is 18 MW – during a year it

can supply energy to eight thousand households. It is also the first project from our portfolio sold by us – in 2023, we concluded with ENGIE Zielona Energia sp. z o.o. an unconditional sales agreement concerning 100% of shares in the subsidiary Cyranka sp. z o.o., an owner of the PV farm.

In the same year we purchased shares in two special purpose vehicles: SPV Czerwona Woda sp. z o.o. and INVEST PV sp. z o.o., who are owners of projects of three photovoltaic farms of the total capacity of ca. 23 MWp. Those projects are located in the Dolnośląskie Voivodeship and at an advanced development stage. The construction of two PV systems of the total capacity of nearly 19 MWp started already in 2023 in the EPC mode. Their commercialisation is planned for 2024. At the end of the first quarter of 2024, we concluded a sales transaction concerning shares in two above-mentioned companies, being an owner of three photovoltaic projects, additionally securing for ONDE a possibility to perform comprehensive power and construction works for one of these projects.

At ONDE, we supplement the segment of the Renewable Energy Sources with road and engineering constructions. We construct roads and streets, applying extensive internal regulations concerning OHS and environmental protection. Our projects include special crossings for small and large animals, cycling tracks, modern lighting, and plenty of new green areas on their sides.

We have competencies to execute road investment in the *design and built* mode, which predominate in road works tenders. a significant part of road works is performed using own machines and Bitumen Mass Manufacturers. Our specialisation in road constructions increasingly of-

ten alternates with projects in the RES sector. In 2023, we started 23 road projects and commissioned 22 roads. We also executed the largest in the history of our company contract in this segment, concerning construction of a dual carriageway S3 in the Dolnośląskie Voivodeship. Over 4000 people in total worked on the 15-km section between the Kamienna Góra junction and the State border. As a part of this project, we executed 36 km of roads, 37 engineering structures, including 21 flyovers and bridges of a total length of 4.45 km and a surface area corresponding to 16 football pitches, and 13 wildlife friendly culverts, and planted 35 thousand deciduous trees and bushes (more than in the botanic garden in Wrocław!).

Other activities segment

The Other activities segment includes the Group income on other services (sale of aggregate, construction materials, and auxiliary production), construction of electrical substations, and projects executed under the *develop, build and sell* mode.

2.1.2 ONDE MISSION AND VALUE CHAIN

[2-6] The mission of ONDE is to win, maintain and consolidate their position as a Leader and an Expert in comprehensive construction solutions for the Renewable Energy Sources segment and road and engineering constructions in Poland and the European Union.

ONDE strengths include mature, specialist and rare competencies, industrial relations, customer loyalty, financial stability, readiness to change and the support of Erbud Group. On this basis, the Company provides services of designing, constructing, maintaining, operation, and management of RES power plants, and intends to be active in the area of energy generation, distribution, sales, aggregation, and storage. The Company also develops its competencies in development and M&A of RES projects.

A predominating component of DNA and the competitive advantage of ONDE S.A. is its holistic approach to executed investments, while maintaining the highest standards of safety and care for the environment, and cooperating with a local community.

Our ambition is a real participation in dissemination and development of projects with the use of renewable energy sources, to which our previous executions of wind farms and photovoltaic systems contribute.

Our strategic objective is to create value for shareholders through ensuring of further growth of the Group, consolidation of its position as one of the leaders in modern construction solutions for renewable energy and road sectors in Poland, as well as further expansion of conducted activities with purchase and construction of photovoltaic systems, and then sale according to the develop, build and sell model, or operation of the system by the Group.

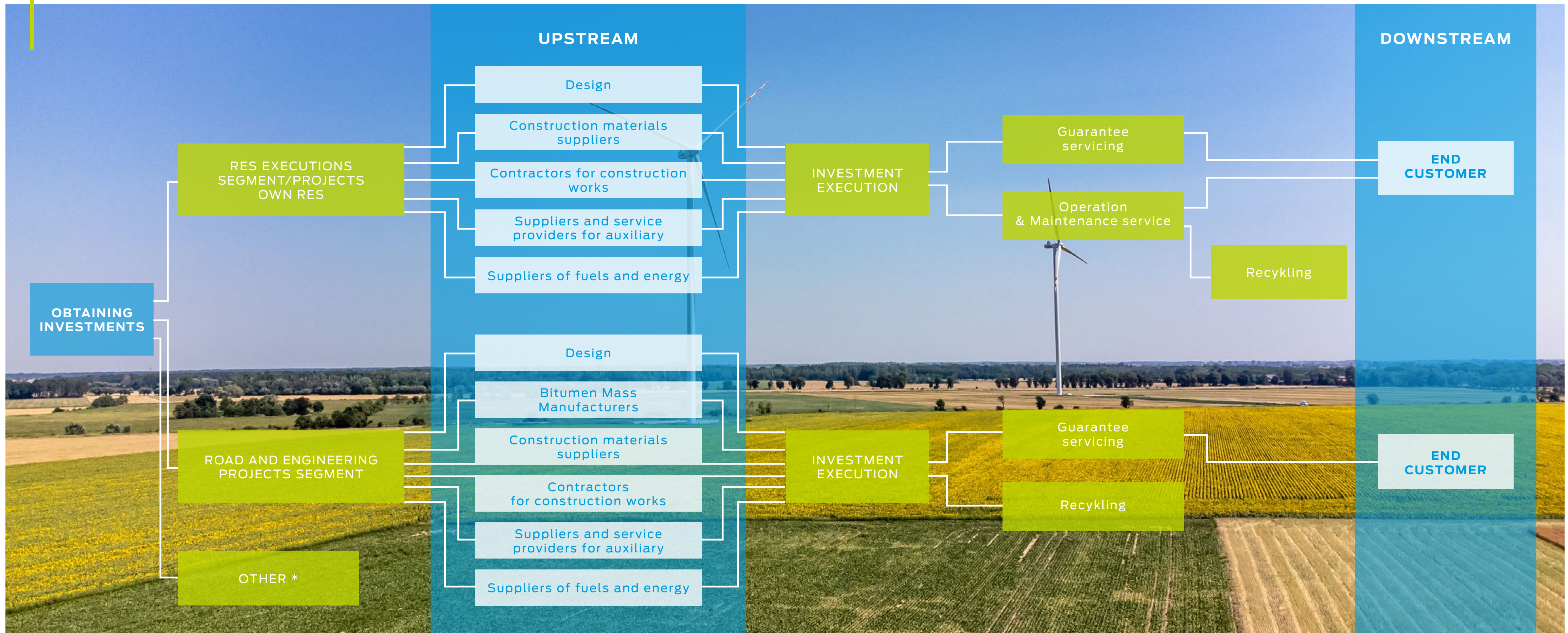
Prevention of negative climate change is another important objective for ONDE, both in the area of its main business operations, and in executed marketing, PR and ESG activities. As a responsible participant and one of the leaders in the RES sector, we feel a need and a moral obligation to develop a social awareness of a need for the sustainable development of the energy sector. For this purpose, for last three years we have been implementing our own grant programme SOFIA supporting young innovators pursuing research projects in the renewable energy sector, as well as organise expert debates “RES. New trends”, initiating discussions and exchange of information between sector representatives.

[201-4] We finance our investments from own resources or loans – in 2023, the ONDE Group did not apply for or received any financial assistance from the state budget.



FIGURE 1.

VALUE CHAIN OF THE ONDE GROUP



* ONDE also recognises the “other” sector, but does not present its value chain due to its minor share

2.2 MANAGEMENT

2.2.1 MANAGEMENT BOARD AND SUPERVISORY BOARD

[2-9] [2-10] The statutory organs of ONDE S.A. are the General Shareholders Meeting, Supervisory Board, and the Management Board.

The competences of the General Meeting include:

- reviewing and approving Management Board reports and the financial statements;
- decisions on profit appropriation;
- appointing members of the Supervisory Board;
- decisions concerning amendments to the Company Articles Of Association;
- decisions concerning issuing of shares, convertible bonds, or subscription warrants;
- decisions concerning disposal and lease of undertaking or its organised part and establishing a limited property right over them.



The corporate governance of ONDE is described in detail here [https://onde.pl/wp-content/uploads/2023/08/tekst-jednolity-statu-ONDE-S.A.pdf](https://onde.pl/wp-content/uploads/2023/08/tekst-jednolity-statu-tu-ONDE-S.A.pdf)

A description of changes made to the Articles of Association in 2023 is provided in the Management Board report on operations for 2023 in the chapter “Corporate governance”.

In accordance with the Articles of Association, the Management Board of ONDE S.A. consists of two to five members, and its term of office is three years. The main task of the President and Members of the Management Board is to handle the Company affairs and represent it outside. The Management Board also monitors observance of policies and procedures in force in the Group – also in relation to sustainable development, including policies applying to em-

ployees, natural environment, human rights, and corruption prevention.

[2-9] [2-11] As of 31 December 2023, the ONDE S.A. Management Board consisted of:

- Paweł Średniawa – President of the Management Board;
- Piotr Gutowski – Vice-President of the Management Board;
- Marcin Szerszeń – Vice-President of the Management Board;
- Marek Marzec, Vice-President of the Management Board.

The composition of the Management Board was changed in 2023. Mr Marek Marzec was appointed to the Company Management Board on 1 September 2023, for the joint term of office of the Management Board, which started on 1 June 2022. The current term of the Management Board office expires on a day on which the General Meeting approves the financial statement for the financial year 2025.

Bios and responsibilities of individual members of the Management Board are provided on our website: <https://onde.pl/o-firmie/zarzad/>



Members of the Management Board stated that:

1. they do not participate in any company that is competitive to the Company, as shareholders in a civil liability company, a partnership, or a joint stock company, as well as they do not participate in any competitive legal entity as members of its bodies;
2. they are not registered in the Register of Insolvent Debtors maintained under the National Court Register Act of 20 August 1997.

The ONDE Supervisory Board exercises a continuous supervision over the Company operations. According to the Articles of Association, the Board consists of three to five people, and each term of the office lasts three years. Responsibilities of the ONDE Supervisory Board include approving Company's long-term strategic plans and yearly material and financial plans, and appoints an expert auditor. The Board tasks also include election of the Company Management Board and specifying remuneration of people operating in it.

As of 31 December 2023, the ONDE Supervisory Board consisted of six people. The current term of the Supervisory Board office started on 1 June 2022 and will expire on a day on which the General Meeting approves the financial statement for the financial year 2025.

As of the 31 December 2023, the composition of the ONDE S.A. Supervisory Board was as follows:

- Jacek Leczkowski, Chairman of the Board;
- Jacek Socha, Deputy Chairman of the Board;
- Agnieszka Głowacka – Member of the Board;
- Michał Otto – Member of the Board;
- Mirosław Godlewski – Member of the Board;
- Michał Hulbój – Member of the Board.

Bios of individual members of the Supervisory Board are provided on our website: <https://onde.pl/o-firmie/rada-nadzorcza/>

In 2023, and as of a day of publication of this report, the criteria of independence, specified in the Act of 11 May 2017 concerning expert auditors, auditing companies, and public supervision and in Rule 2.3 of the Best Practice for WSE Listed Companies 2021, are met by the following members of the ONDE S.A. Supervisory Board:

- Jacek Socha, Deputy Chairman of the Board;
- Michał Otto – Member of the Board;
- Mirosław Godlewski – Member of the Board;
- Michał Hulbój – Member of the Board.

A permanent audit committee, appointed by the Supervisory Board and a remuneration committee operate at ONDE. The Supervisory Board can also establish other committees, in particular, a nominations committee.

Between 1 January 2023 and 31 December 2023, the Audit Committee of ONDE S.A. had the following composition:

- Michał Otto – Committee Chairman (independent Committee Member)
- Jacek Socha – Committee Member (independent Committee Member)
- Agnieszka Głowacka – Committee Member (dependent Committee Member)

Mr Michał Otto and Mr Jacek Socha meet independence criteria provided for members of the audit committee and specified in the Act concerning expert auditors, auditing companies, and public supervision of 11 May 2017 and criteria specified in the Best Practice for WSE Listed Companies 2021.

Between 1 January 2023 and 31 December 2023, the Remuneration Committee of ONDE S.A. had the following composition:

- Jacek Leczkowski, Chairman of the Committee
- Agnieszka Głowacka, Member of the Committee
- Mirosław Godlewski, Member of the Committee

[2-15] The Company observes the best practices concerning the conflict of interests. a member of the Management Board or the Supervisory Board informs about the existing or potential conflict of interests and does not participate in handling of an affair in which a conflict of interests may occur in their case. In 2023, no conflict of interests was found.



2.2.2 ESG MANAGEMENT AT ONDE



The business model of our Company is closely associated with the economy transition to the low emission one, including a change in energy sources to RES. As one of the leaders in construction of infrastructure for this sector, we naturally treated all ESG areas, including Governance, as important. For example, we strongly focus on communication with our shareholders, including during General Meetings. Furthermore, we communicate to the ONDE Group employees new internal regulations associated with transition of our organisation and its pursuit of sustainable development in an easy to understand way.

Izabela Žegis,
Management Board and
Supervisory Board Assistant

[2-12] In ONDE, issues related to sustainable development are handled by competence teams responsible for a given area. It is them who notify higher management the need to implement a new procedure, solution or policy. They present reasons and estimate costs, and necessary commitment. If a given project is accepted by the Management

Board, its execution begins. Depending on implemented solutions, the whole Management Board or its individual members can be involved in projects at their operating stage in a counselling capacity.

An informal ESG team operates at the Company, consisting of a coordinating team and subteams responsible for individual areas. Team meetings are used to share information and coordinate ESG activities at ONDE. The ESG team includes representatives of the following departments:

- PR and Marketing Department – responsible for coordinating activities and communication with stakeholders;
- OHS and Environmental Protection Department – responsible for the environment and safety of employees;
- Personnel and HR Departments – responsible for social matters;
- Legal Department and Management Office – responsible for compliance and corporate governance.

Leaders in these areas are higher management personnel reporting to the Management Board. Planned activities related to the sustainable development are prepared by leaders of the above teams, and then presented to the Management Board for approval. The leaders and relevant teams coordinate implementation of those actions.

[2-13] [2-16] The Management Board delegated the responsibility for management of influence to people responsible for the environmental, social, and corporate governance areas, i.e. directors of OHS Department, HR Department, Personnel Department, and Legal Department and Management Office. Area leaders appointed by the Management Board are responsible for planning activities concerning management of influence and report directly to the Management Board. Results and effects

of their work are regularly discussed at the Management Board meetings, and – twice a year – at Management Meetings, in which the entire higher management of the

Company, including the Management Board, participate. The Management Board is responsible for supervising and approving undertaken activities.

RESPONSIBILITY FOR INFLUENCE MANAGEMENT IN AREAS:



ENVIRONMENT
OHS Department Director

SOCIAL
HR Department Director and Personnel Department Director

GOVERNANCE
Legal Department and Management Office Director

The Management Board is also responsible for acceptance of all crucial policies and procedures concerning risks in the ESG areas in the ONDE Group. In the Group, we identified social, environmental, employee, human rights, and corruption-related risks. Furthermore, we analyse the influence of climate-related opportunities and risks on the business operations, the strategy, and financial plans on the short-, medium- and long-term basis, as described in Chapters 2.9.5 and 3.4 of this report.



Since December 2021, we conduct cyclic ESG Materiality Assessment at the ONDE Group, in form of questionnaires and dialogue sessions with internal and external stakeholders, e.g., suppliers, subcontractors, investors, financial institutions, investment funds and banks.



[2-14] The Management Board is responsible for reporting sustainable development issues. Following an analysis of significance by a team responsible for non-financial reporting, the planned disclosures are presented to the Management Board for acceptance. Leaders of the environmental, social, and corporate governance areas, i.e. all members of the ESG team, are responsible for all reported data. The Management Board receives the collected data for acceptance before they are provided to an external auditor.

[2-17] Works of the ESG team translate into current improvement of team members and management ESG competences, including:

- providing the Management Board with information on legal requirements and standards;
- analyses of good market practices and trends;
- recommendations concerning current actions and implementations at ONDE;
- ESG risks and opportunities assessment.

The ESG block is included in the agenda of regular Management Meetings held twice a year, as well as in the agenda of the Management Board meetings. ESG risks are a subject of the Supervisory Board meetings.

[2-18] Concerning evaluation of results of the Management Board supervision over the ESG issues, the ERBUD Group is currently preparing regulations consistent for all companies of the Group, including ONDE. In 2023, the evaluation of the results of the top managing body covered only financial performance.

ESG Committee in the Erbud Group

In 2023, Erbud S.A., a parent company for ONDE S.A., established the Erbud Group ESG Committee (“ESG Committee”). It includes an ONDE representative.

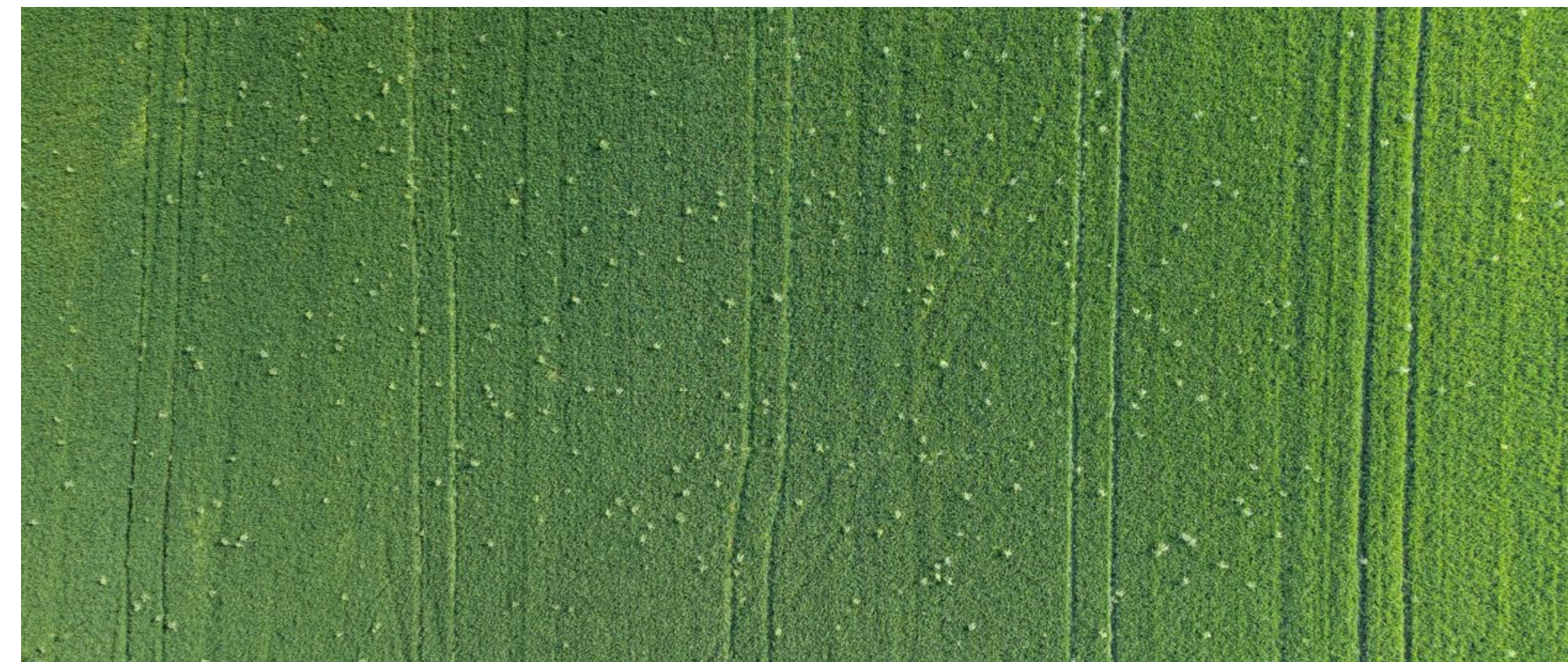
The ESG Committee consists of 5 to 10 members appointed with a Resolution of the Erbud S.A. Management Board for a term of office of two years. The current term of office started on 16 October 2023.

The ESG Committee tasks include:

- supporting functioning of the Erbud Group (Erbud Group) in the area of sustainable development;
- supporting the Management Board of Erbud S.A., as a parent company in the Erbud Group, as well as management boards of its subsidiaries in management of ESG issues;
- supervising implementation of the Erbud Group ESG objectives;
- disseminating knowledge on sustainable development and ESG among the Erbud Group employees and partners;
- conceptual works on policies, strategies, objectives and risk maps in the area of sustainable development, of importance for the Erbud Group;

- coordinating and supervising collection of data necessary to implement the Committee objectives, and in particular, information required for preparing of the ESG report for the Erbud Group.

The ESG Committee meetings are held regularly, usually at least once a month, depending on circumstances. The Committee was established in October 2023, and several consultation meetings were held until the end of the year, related to preparing works on the non-financial statement of the Group, as well as establishing the time schedule and responsibilities.



2.2.3 POLICIES AND OBLIGATIONS

[2-23] Concerning responsible business management, at ONDE we operate, among other, in accordance with OECD guidelines for multinational enterprises, the UN Universal Declaration of Human Rights and the Declaration of the International Labour Organisation.

In particular, we are bound by:

- the Best Practice for WSE Listed Companies 2021 (we describe the scope of applied rules in the report operations for 2023 in the chapter “Corporate governance”).
- standards recommended by the conformance management system in the area concerning anti-corruption and the whistleblower protection system at companies listed in markets organised by the Warsaw Stock Exchange;
- ISO 45001:2018;
- OHS standards of the Construction Safety Partnership.

ONDE uses internal policies concerning, among others:

- employee rights and human rights: “ONDE S.A. Human and Employee Rights Policy” described in Chapter 6.2., and “ONDE S.A. diversity management and prevention of unequal treatment policy” described in Chapter 6.1.;
- anti-corruption: “ONDE S.A. policy concerning anti-corruption, sponsoring and donations” described in Chapter 2.6.;
- natural environment: “Integrated management system policy”*;

- climate: “ONDE Group climate policy” described in Chapter 3.4.

* “Integrated management system policy” functions as a part of the Integrated Management System (IMS) – it is a set of standards of environmental and OHS management standards, developed and implemented in accordance with the requirements of ISO 45001:2018, ISO 14001:2015, and the EcoManagement and Audit Scheme (EMAS) according to the Regulation of the European Parliament and of the Council (EU) No. 1221/2009, as amended. IMS was described in Chapter 3.1.

ONDE did not adopt a formal policy for the social aspects. The actions concerning ONDE social commitment are described in Chapter 2.7.2.

ONDE also follows the “ONDE S.A. Code of Ethics”, described in Chapter 2.6.1.

[2-24] Each employee is responsible for performance of obligations resulting from internal ONDE documents. Heads of organisational units are responsible for supervising teams in this respect. The Management Board also has a general supervision over performance of obligations by employees, while the Supervisory Board and committees operating within it, e.g., the Audit Committee, supervise it to some extent.

We require from all our contractors to declare that they observe human rights and expect them to make a statement confirming that they operate in accordance with relevant legislation and ethical standards recognised by ONDE.

2.2.4 TAXES

[207-1] [3-3] ONDE is a part of the tax group ERBUD and follows the tax strategy consistent with the ERBUD Group. It is provided on the ONDE website at: <https://onde.pl/pl/relacje-inwestorskie/strategia-rozwoju/>. The main assumption of the tax strategy is striving to pursue all reasonable actions ensuring correctness, completeness, and punctuality of tax settlements and to minimise tax risks.

The Company uses tax preferences according to their purpose and strives to ensure transparency in its relations with tax organs. In the entire ERBUD Group, Erbud Shared Services (“ESS”), an entity specialized in accounting and tax services, acts as a “shared services centre”. The company uses external services of ESS in most of its tasks in the area of tax settlements, while maintaining control and supervision over the operation of this entity and implementing processes ensuring cooperation and two-way flow of information.

The company and ESS strive to select solutions minimising a risk of a dispute with tax bodies and continuously cooperate with companies providing tax counselling services. When there are any doubts concerning application of the tax law to important tax issues, the company applies for individual tax interpretations.

Due to frequent changes in the legislation, the tax strategy is verified according to changes and business needs, e.g.,

when new operating segments are created. The tax strategy is also verified in terms of the business strategy.

The Company Management Board plays an active role both in the process of an analysis of tax implications of planned important business activities, and of the tax risk management. In the case of new, non-standard and business- or value-significant transactions or activities, the Company performs a tax analysis at the planning stage. These analyses are performed with the support of ESS experts and external tax counsellors.

The tax strategy supports the business strategy and the sustainable development activities. Compliance with legal regulations is a paramount value in the tax strategy.

2.3 CUSTOMERS

[2-6] [3-3] The ONDE Group customers (investors and contracting authorities) include the following entities:

- private (both Polish and foreign);
- public authorities (e.g. General Directorate for National Roads and Motorways, voivodeship and municipal authorities).

In 2023, we gained the trust of 20 new customers, for whom we have completed or are implementing 22 projects of various sizes in Poland and Lithuania.

Furthermore, in 2023 we sold the first project from our own portfolio – we concluded with ENGIE Zielona Energia sp. z o.o. an unconditional agreement concerning the sale of 100% of shares in the subsidiary Cyranka sp. z o.o., an owner of an 18-megawatt PV farm. At the end of the 1st quarter of 2024, we sold shares in two special purpose vehicles: SPV Czerwona Woda sp. z o.o. and INVEST PV sp. z o.o., who are owners of projects of three photovoltaic farms of the total capacity of ca. 23 MWp.

Our partnership with investors is based on strong foundations: experience from over 15 years of activity in the road and engineering and RES construction segments, well-established reputation, comprehensive range of services, well-qualified personnel, and support of the ERBUD Group. They translate into the ONDE Group competitiveness in the growing RES construction market and into investors' trust. In consequence, we are one of the leaders in RES construction in Poland.

Servicing a diverse group of investors is also possible by using synergies within the Group: between ONDE S.A. and

a subsidiary IDE Projekt sp. z o.o., and within the segments of our business. With them, we are able to manage complex projects independently, from the moment of their creation up to construction and power lines laying works.

In cooperation with our clients, we apply good practices, by:

- considering a rational dialogue with the investor as important;
- complying with deadlines;
- reliably performing the entrusted work;
- and providing professional guarantee support.

Procedures in force at ONDE S.A. include a procedure governing proceedings in connection with the commencement of the guarantee and warranty period for the contracts performed by us. It sets out rules and actions related to a potential guarantee claim, its handling and acceptance. As a result, clear rules are defined for both the guarantor and the person entitled to the guarantee.

Relationships with customers are also influenced by the implementation of tasks with care for the safety of our employees and subcontractors, supporting the timely execution of contracts. We are distinguished by this attitude, and we describe our activities in this area in Chapter 5.4 Health and Safety.

[417-3] [418-1] In 2023, we did not note any case of non-compliance with regulations and voluntary codes governing issues of the marketing communication, or no justified complaint concerning loss of customers' privacy or loss of data.

FIGURE 2.

SELECTED ONDE CUSTOMERS



2.4 SUBCONTRACTORS



"We are implementing further measures to ensure that our construction sites are places that minimise generated carbon footprint and reduce additional environmental pollution. Last year, we added the waste segregation requirement to provisions of contracts with subcontractors. Large quantities of them are generated at the PV farm construction site because the photovoltaic modules arrive packaged in and protected by various materials. This provision also has an educational aspect for employees, who get used to the required segregation and are convinced about the importance of such action. The introduced requirement was positively perceived by subcontractors and quickly implemented."

Adam Wegenke,
Deputy Director of the Department
of Photovoltaic Farms Execution

KEY DATAE | 2023

- > **481** this is the number of suppliers of goods and services (over PLN 100 thousand in value) we cooperated with in 2023 during investments execution
- > In 2023, the subcontractors worked on our construction sites ca. **2 254 184** manhours in total
- > **0** fatal and collective accidents among the contractors on our construction sites

We build partner relationships in cooperation with subcontractors. We also ensure the safety of both our employees and those employed by our subcontractors. To ensure the highest OHS standards, information training with aspects of environmental protection are obligatory for all employees at our construction sites, including subcontractors.

In our relations with subcontractors, we are guided by clear rules:

- as a responsible contractor, we treat our subcontractors as partners, and support them when any external risks materialise, e.g. events affecting the economy on a global scale;
- we develop win-win relations: we act ethically, support our partners being guided by our superior objective – the successful execution of the project;
- we verify whether subcontractors settle accounts correctly with their contractors, which supports the continuity of the investment execution process;
- we are constantly looking for new organizational solutions that are beneficial for all parties involved in the project (e.g. reducing the financial burden on subcontractors by taking over the purchase of some materials from them);
- we share our know-how with our partners – joint performance of complex projects is an opportunity for continuous development of specialist competences and popularisation of good practices in areas of ethics, and corporate social and environmental responsibility.

Contracts with contractors include provisions whereby they confirm that they have read the the policies in force at

ONDE (e.g. Human and Employee Rights Policy, the Code of Ethics, Policy concerning anti-corruption, sponsoring and donations, Diversity Management and Unequal Treatment Prevention Policy) and undertake to apply them (also by subcontractors).

Contractors submit a statement in which they confirm observance of requirements in the compliance area. The scope of the statement is objectively in line with the areas covered by the policies.

Depending on the scope of work performed, the level of subcontractor's approval and responsibility for ongoing relationships change. The subcontractor responsible for a wide range of works, as well as key subcontractors for each project, are contracted by directors supervising individual areas of investments carried out by ONDE: wind farms, photovoltaic farms and road and engineering construction. Less time-consuming works, including partial scopes, are contracted by the management level. Current relations are maintained in a similar way.

2.4.1 STANDARDS FOR COOPERATION AND DUE DILIGENCE PROCEDURES

At ONDE S.A., standards of cooperation with subcontractors and due diligence procedures in this respect are specified in contractual provisions, as well as in the Integrated Management System (IMS) Manual together with the IMS documentation, in particular, the Instruction taking into account the requirements and principles of cooperation with them. The said instruction covers all ONDE S.A. organisational units that may employ subcontractors.

ONDE S.A. requirements for subcontractors concerning OHS and environmental protection are generally available¹. They are described in detail in relevant forms and instructions:

- "Contractors";
- "Environmental requirements for subcontractors – appendix to the agreement";
- "OHS requirements for a subcontracting agreement for construction works";
- "OHS requirements for a transport agreement".

In accordance with the IMS Manual they must be included in every order or agreement. Additionally, instructions for defining of risk and opportunities, emergency responses and OHS training also apply to subcontractors.

To guarantee a smooth communication, correct fulfilment of our standards and procedures, and to supervise relevant OHS and environmental protection aspects, we put

¹ For example, at the Company website (<https://onde.pl/systemy-zarzadzania/wymagania-dla-podwykonawcow/>).

a significant emphasis on verification of subcontractors. At ONDE S.A., it covers four stages:

- **bidding: we provide health and safety and environmental conditions, we prepare an analysis of the work along with the schedule**

All employees employed on our construction sites, including employees of subcontractors, are covered by the same health and safety standards and a system of health and safety training. We also have a very strict approach to environmental protection. We ensure full transparency in this area and inform subcontractors about it even before we start cooperation. We reward those contractor companies that have implemented the standards that are at least as strict as those in force at ONDE S.A.

- **negotiations and contract: We talk about employee qualifications, technology, social facilities, etc.**

Since we expect a high level of commitment on both sides, at the negotiation stage we assess whether a given subcontractor has the capacity to meet the health and safety management standards in force at ONDE S.A. We also aim at increasing awareness related to health and safety and environmental protection from the beginning of cooperation, which is why we raise environmental issues during negotiations and present our desire to minimise our negative environmental impact. We also agree on allocation of costs of infrastructure that will protect life and health of employees and the environment within the investment site.

- **preparing for execution: we develop HASP (health and safety schedule), make available to subcontractors a method statement (instruction for safe performance of works) template, on a basis of which they create their own document, and ORA (Occupational Risk Assess-**

ment), verify medical screening certificates, and provide information training

We monitor whether during the period of our cooperation our subcontractors adequately prepare employees for performance tasks, including the provision of the necessary protective equipment, and equipment and materials enabling safe work.

- **execution: we update documentation whenever necessary, respond to accident notifications, organise coordinating meetings, etc.**

Unit managers are responsible for implementation of prepared assumptions. Their scope of duties also includes providing training in OHS and environmental protection management system, as well as in risks associated with a given contract or facility and ways for reacting to emergencies.

The ONDE S.A. Legal Department constantly verifies legal requirements, including those concerning subcontractors. If any changes are identified in this area, the procedure is the same as for all other aspects of the Company operations.

In 2023, we introduced new permanent elements of contracts signed by ONDE with subcontractors. Currently, each new contract contains provisions covering the following topics:

- **waste management (including selective waste collection)**, In the waste management area, in accordance with the provisions, the subcontractor is obliged to selectively collect the waste generated by it in a manner consistent with the legal requirements and the method adopted in the Waste Management Plan, the standards applicable in the organisation, and the waste management principles. It is also obliged to maintain a waste register in accordance with the requirements of the Waste Act, and provide a quantitative statement of the transferred waste gene-

rated from the BDO (Database on Products, Packaging and Waste Management) on each ONDE request. These provisions represent a clarification and extension of the Instruction with Requirements for Subcontractors, which was previously in force.

- **human and employee rights protection**

In the area of human and labour rights protection, subcontractors and lower tier subcontractors are required to employ persons performing activities related to the contract performance on the basis of an employment agreement, and to respect human rights and all employee rights, including refraining from employing children, using forced labour, or applying discrimination of any kind. The contractor undertakes to such attitude in their statement and agrees that ONDE can conduct an audit in this respect. The ONDE S.A. requirements in these matters are based on the provisions of the UN Universal Declaration of Human Rights and the Declaration of the International Labour Organization.

- **anti-corruption**

In accordance with the Standards recommended for the anti-corruption compliance management system issued by the Warsaw Stock Exchange and the policy applicable at ONDE S.A. concerning anti-corruption, sponsorship and donations, the Company strives to ensure that the provisions of contracts with subcontractors include the subcontractor's obligation to comply with the provisions of the above-mentioned Policy throughout the supply chain and the right of ONDE to terminate cooperation in the case of its infringement.

Furthermore, starting from 2023, contracts also oblige contractors to report construction-related fuel consumption (commuting, transport, construction works) for the purposes of reporting the ONDE carbon footprint.

2.4.2 OCCUPATIONAL HEALTH AND SAFETY AND ENVIRONMENTAL PROTECTION IN COOPERATION WITH SUBCONTRACTORS

[403-5] Subcontractors are not only covered by a information training system equally with ONDE employees, but also participate in additional initiatives of ONDE S.A. focusing on spreading the safety culture at construction sites, including the Safety Week, in accordance with the same principles. We also provide subcontractors with additional materials on OHS and environmental protection.

On each construction site, all employees of subcontractor companies undergo mandatory information training. During such training, they receive guidelines on how to conduct work in accordance with: HASP schedule, Method Statements, OHS standards, and Security Plan. Furthermore, before carrying out particularly dangerous work (e.g. work at heights, work in trenches, works posing a fire hazard), employees undergo training informing them about safe performance of the above-mentioned works. Subcontractor employees also participate in short daily briefings (tool-boxes) related to Environmental Protection and OHS (e.g. work in a trench, work on machines, etc.) and presentations/trainings during the “Health and Safety Week” (an annual action conducted at the ONDE Group construction sites).

[403-9] Our care for OHS translates into maintaining zero ratio of severe, fatal and collective accidents at all ONDE construction sites, including also among subcontractors. To continuously improve OHS processes, we require immediate reporting not only of accidents, but also of near misses, and react to them efficiently, to ensure protection of health and life of employees at construction sites. Data on accident rates, including among subcontractors, are described in Chapter 5.4 Health and Safety.

In the area of environmental protection, we oblige our contractors to adhere to regulations and ONDE S.A. own standards , so that investments are executed while minimising the negative environmental impact. Subcontractors communicate the appropriate arrangements to their employees, and their implementation is monitored and controlled by ONDE.



2.5 SUPPLIERS



"Our knowledge and awareness of ESG factors and experience in implementing sustainable development are often more advanced than some of our suppliers, even if they are companies that are larger or having more extensive operating range than us. For this reason, not only we expect changes at our contractors, but we also want to educate them to broaden their horizons, and this attitude makes us a part of the global trend of commitment to the concept of sustainable development. It can therefore be said that in addition to fulfilling its business role, the ONDE Purchasing Department is also increasingly fulfilling an educational and informative function."

Piotr Kociucki,
Purchase Department Director

KEY FACTS AND RATIOS | 2023

- > **140** – the number of key suppliers with whom we cooperated with in 2023
- > We cooperated with over **1 000** companies in total, supplying us with materials and other components
- > We execute increasingly more deliveries from foreign contractors, with the turnover with them becoming more and more significant, representing ca. **10%** of deliveries value

[2-6] We work primarily with large and well-established suppliers who are able to meet our requirements in terms of both volume and quality of the deliveries.

In 2023, the ONDE Group cooperated with 1,000 suppliers in total (both manufacturers and distributors), of which 140 were our key suppliers, executing very large deliveries for us. A large part of our suppliers – about 90% – are still companies operating in Poland, including representatives of European corporations. However, we are noticing an increasing share of foreign suppliers. In 2023, payments made by us to suppliers amounted to ca. over PLN 400 million (the value established on a basis of invoices registered in the accounting system). For large contracts, we negotiate individual payment terms and conditions.

2.5.1 CHANGES IN THE SUPPLY CHAIN

[2-6] In 2023 no significant changes occurred in the ONDE supply chain, when compared to the previous reporting period. However, in recent years, the share of foreign suppliers in ONDE's supply chain has been steadily increasing.

This change was caused by expansion of the Group activities in the area of photovoltaic farms, i.e., moving from being only a general contractor to the role of an investor executing projects for its own needs. At the same time, it became necessary for us to provide supplies (modules, inverters, supporting structures, transformer station components, and cables) necessary to execute investments in the solar power plant segment for external investors.

The stability of the supply chain for crucial components and cost optimisation of orders are factors of key importance for us. Our independent purchases of large volumes not only give us the comfort of conducting commissioned works, but also secures the construction of power plants in our own portfolio and price stability.

The further growth of the photovoltaic market, observed in recent years and forecast in the future, generates an increased demand for PV components. This positively influences implementation of activities within the Group's business model, resulting from the increase in the scale of operations of existing suppliers of RES-related components, as well as new suppliers coming to Poland. In turn, this contributes to availability of components, their prices, and possibilities for diversification of sources of supply.

2.5.2 SUPPLIER SELECTION AND ASSESSMENT CRITERIA

The ONDE Group does not have a formal purchase policy in form of a separate document (including additional appendices to it, like supplier assessment sheets), but the Group has strictly defined supplier selection rules. In 2023, no significant changes in them – we have been using the current model successfully for several years, with some minor adjustments. The essential aspect of the supplier selection process is a balance between the requirements and the interests of involved parties, and a fair allocation of risks, hazards, and responsibilities.

In 2023, a new supplier selection procedure was introduced: purchases above PLN 100,000 undergo a validation path with the participation of the Trade Department Director, while the Management Board is involved in the approval process for purchases over PLN 3 million.

We always require from our suppliers at least a 5-year guarantee for the supplied components, counted from the completion of the investment. This is a prerequisite for including a given supplier among crucial partners of the ONDE Group.

When selecting suppliers, we also pay a significant attention to location of their production plants or warehouses, from which the orders are delivered to us. Due to their large volume, the logistics, costs of transport and care for environment are very important factors considered when making decisions.

We expect each new supplier to sign a contractor's statement submitted to them, containing provisions concerning observance of fair competition, anti-corruption, protection of human rights, environmental protection, and OHS rules.



In the ONDE Group, we consider the following criteria in selection of suppliers of materials and services, including subcontractors:

- **quality system criterion** – assessment of the quality system in force at the supplier or components of the quality system, e.g. internal control, licenses and certificates held (including recognition of classification associations);
- **market assessment criterion** – this criterion concerns the market position of the supplier, the technical level of offered deliveries or services, and significance for the company;
- **commercial criterion** – this criterion concerns commercial factors, prices of deliveries or services offered, delivery dates, payment methods and terms, options for deferring payments, according to information included in the negotiations report;
- **criterion of deliveries or services quality** – the suppliers are assessed on a basis of executed deliveries or services (or provided samples), evaluation of cooperation, and of complaints and their handling.



The applied **assessment methods used to select suppliers** include:

- analyses of offers, information and advertising materials;
- evaluation of material samples;
- delivery inspections;
- supplier audits;
- analyses of previous cooperation;
- other activities assumed for a given supplier.

Detailed methods and selection criteria are determined individually for each contract, depending on the expectations of our customer (investor) awarding us a contract for RES project, the contracting authority (in the case of public entities). or our own, when we execute the investment for our own purposes.

[308-1] [308-2] We identify and analyse environmental management risks (and opportunities), including those associated with the supply chain. The suppliers are evaluated by the Trade/Production Preparing Department Manager already at the bid stage, with the participation of the Project Manager responsible for the executed project.

The process of negotiations of contractual provisions is the next stage of assessment of suppliers and their environmental impact, which finally results in appropriately formulated contractual provisions. Suppliers are assessed by a construction site manager in terms of their potential negative environmental impact. This evaluation results in identification of environmental aspects of importance for a given construction site and drawing up an environmental programme for it. The environmental programme, together with resultant preventive actions, are closely monitored by managing persons at the construction site.

2.5.3 PURCHASE PROCESS ORGANISATION

At the ONDE Group, the ONDE S.A. Trade Department plays a crucial role in purchases and cooperation with suppliers (in 2024, the Department name is going to be changed to the Purchase Department). It is responsible for handling of the Group's commercial and logistic affairs, concerning, e.g. seeking suppliers of materials and services, planning and performing purchases, obtaining offers from suppliers or collecting information on the quality of materials and suppliers work. At the same time, due to the business model adopted, the purchase process in the ONDE Group is not fully centralised and it is organised as follows:

- mass/large scale purchases are executed solely by the ONDE S.A. Trade Department (in the case of the largest purchases, following acceptance of the Management Board) – these are mainly purchases performed for execution of RES projects and of raw materials used by bitumen mass manufacturers in their production;
- additional purchases associated with current needs resulting from project execution belong to responsibilities of construction site/contract managers;
- the remaining purchases not associated with main operating activities (e.g. for office needs) are performed directly by other appointed organisational units.

We consider this purchasing flexibility (contrary to those performed only centrally) as one of our competitive advantages, which becomes apparent at the moment of contract performance.

2.6 ETHICS AND ANTI-CORRUPTION



"As a very fast growing organisation that considers transparency in corporate governance important, in 2023 we paid a lot of attention to structuring policies and other documents in ESG areas. We are also working on developing rules for creating procedures and policies so that they harmoniously complement each other. a system shaped in this way increases the safety of our Company and our stakeholders. With this approach, we want to be an even more conscious and structured organisation."

Marta Masternak,
Legal Department Director

Furthermore, we strictly observe any external legal standards and approach the rivalry with our market competitors in a spirit of fair play.

[205-3] [2-27] Neither in 2023, nor in previous years, we recorded in the ONDE Group any confirmed case of corruption or material illegality of our activities. In 2023, administrative fines in the amount of PLN 13.5 thousand were imposed on the ONDE Group for violations of national law.

[406-1] In 2023, in the ONDE Group we did not record a single report of a breach of ethical standards.

In December 2022, we received one report of a breach of the law, procedures and ethical standards at ONDE, which was also being handled in 2023. The information was provided by the Company's associate after they terminated the cooperation agreement. On 29 December 2022, we organised a meeting with the reporting person, the conclusions of which were provided to a person being a subject of that notification, on 9 January 2023. On 19 January, the Management Board listened to explanations of the person concerned. Following the arrangements, the reporting person was offered an opportunity to meet and hear explanations for circumstances included in the notification,

which was one of the expectations. The notifying person was informed about this by phone, and later, on 2 February 2023, by e-mail. The notifying person did not respond to the Company's proposal, and the proceedings were closed.

[205-2] All members of the management board (4 people – 100%) were informed about the anti-corruption policies and procedures of the organisation, with 2 people (50%) having a confirmed training in anti-corruption issues. 201 people, i.e. 32.06% of employees and associates, were informed about the anti-corruption policies and procedures of the organisation and were trained in anti-corruption issues. This figure includes 107 administrative and commercial staff, 28 employees employed on the basis other than an employment agreement, and 44 technical staff. 199 employees are employed in Poland and 2 in Lithuania. We did not communicate the organisation's anti-corruption policies and procedures to our business partners. In accordance with the adopted "ONDE S.A. policy concerning anti-corruption, sponsorship and donations", we include clauses prohibiting corrupt activities in contracts with contractors. The organisation's anti-corruption policies and procedures are publicly communicated and everybody can access them at: <https://onde.pl/pl/relacje-inwestorskie/dokumenty-korporacyjne/>.

2.6.1 CODE OF ETHICS

[2-23] In 2023, the "ONDE S.A. Code of Ethics" (the "Code") was adopted with a resolution of the Management Board.

The Code addresses three main areas: responsibility, innovation, and safety. The provisions of the Code specify the values guiding the organization, the Company's aspirations, and behaviours expected of employees, as well as actions and attitudes not tolerated in the ONDE Group.

Within these areas, the Code addresses aspects such as diversity, prevention of discrimination, labour rights, personal data protection, prevention of corruption, prevention of conflicts of interest, fair competition, environmental protection and sustainable development, occupational health and safety, as well as human rights. All aspects listed above are covered by policies adopted by ONDE or internal procedures, and the issues of fair competition and conflict of interest are directly covered by the Code of Ethics.

The Code also contains provisions concerning associates and business partners.

The subject areas and issues covered in the Code of Ethics are also included in the compliance statement submitted by ONDE's contractors.

Additionally, contracts with contractors include provisions in which they confirm that they were acquainted with ONDE's policies and undertake to comply with them (and this also applies to subcontractors of the said contractors).



[2-26] [205-2] In accordance with the provisions of the "ONDE S.A. Code of Ethics" and relevant policies, we expect employees to act in accordance with ethical principles and do not accept their violation. We facilitate for everybody reporting to us unacceptable behaviours in the organisation. In the Company, reporting of any undesirable situations is described in provisions of the internal

"Rules for anonymous reporting of violations of the law, procedures and ethical standards by employees at ONDE S.A." Reports of irregularities can be made in person or by phone to a member of the management board or sent by e-mail or post directly to the management board; and if the report concerns members of the management

These provisions have already been included in some of the agreements with contractors, and the Company expects to introduce such provisions in all contracts.

The document is available on our website at: <https://onde.pl/wp-content/uploads/2024/01/Kodeks-Etyki-ONDE-SA.pdf>

board – directly to the supervisory board. When a notice of this kind is received, an investigation is initiated no later than within seven days. All provided information is treated as confidential. a report from the investigation is presented at the Management Board meeting, and the Board can decide to discontinue the proceedings or to initiate disciplinary, criminal, administrative, or civil law proceedings against the person being in breach.

Each employee reporting a breach in a good faith is guaranteed a right to remain anonymous and a full protection against any retaliation. Also retaliations can be reported.

We send the complete information on ways of notifying irregularities to all employees by e-mail.



2.6.2 ANTI-CORRUPTION POLICY

[2-23] In 2022, the ONDE Management Board adopted the "ONDE S.A. policy concerning anti-corruption, sponsoring and donations", which broadly defines the scope of corruption and activities of corruptive character, and contains objectives and obligations of ONDE S.A. and its employees related to prevention of such events. The provisions of the Policy include, m.in, a declaration to disseminate and take actions clearly rejecting all forms of corruption, counter-acting incidents of a corruptive character, structuring of rules for giving and accepting gifts in business relations, and introducing transparent procedures for verification and accepting costs and expenses, as well as cooperation with third parties.

The Policy is binding for all employees. The HR Manager is responsible for implementing the Policy.

As part of the Policy, we undertake, with due diligence, to maintain transparent relations with third parties to exclude a possibility of corruption or suspicion of corruptive incidents.

Our commitments also include:

- ensuring transparency of transaction processes;
- ensuring transparency of processes for concluding all agreements;
- minimising the risk of conflicts in relations with third parties;
- verification of contractors in terms of a risk of corruption and malpractices;
- including in agreements with contractors clauses forbidding corruptive activities.

Mechanisms for reporting violations of policies in force at ONDE are described in Chapter 2.6. Ethics and anti-corruption.

The document is available on our website at: https://onde.pl/wp-content/uploads/2024/01/PL_POLITYKA-ANTYKORUPCYJNA-ONDE-S.A_FINAL.pdf

2.7 RELATIONS WITH THE ENVIRONMENT



“Environmental actions are often driven by the inner convictions and needs of ONDE employees. This was the case, for example, with last year’s cleaning of the Vistula River banks in Toruń. This grassroots initiative, proposed by one of our colleagues, was enthusiastically received and immediately implemented. Over 40 people and their families met on a non-working day and collected over 2 tons of rubbish, which was then disposed of by the Toruń Municipal Cleaning Company. Such activities not only bring real results, but also integrate, thus we intend to continue this campaign next year.”

Daniel Mackiewicz,
PR and Marketing Department Director

[2-29] [413-1] In our relations with the environment, we strive to ensure understanding for the message we want to communicate. We adopt communication channels, a way of presenting data, and a place and time to the needs of each group of stakeholders. We organise meetings at our headquarters, as well as in our offices in Poland and Lithuania. We are also present at locations where we realise our investments, to talk about photovoltaic or wind farms with residents and local authorities. We also actively participate in industry congresses and conferences. We are committed to activities for the benefit of given locations and their communities.

ONDE is a company listed on the Warsaw Stock Exchange, and this imposes certain reporting and information obligations on us. Reliable current and periodic reports are regularly published on company websites, once a quarter we organise meetings presenting our performance, and General Shareholders Meetings are convoked at least once a year.

[2-25] [2-29] We also strive to provide the most complete information about environmental safety of our investments. At each construction site, we install OHSE information boards and environmental marking visible from

Archaeological artefacts were discovered during the refurbishment of Bulwar Filadelfijski in Toruń, located within the Gothic quarter of the Old Town. The findings attracted great interest, translating into 51 press publications in the second half of 2023. In order to transparently present the process of execution and of securing the findings, the company launched many communication channels, responded to a number of journalist inquiries, and organised several meetings at the construction site with the participation of the investor, local councillors, specialists in archaeology and media representatives.

outside. We also provide contact details to employees authorised to represent the Company for IMS and EMAS issues – to simplify this communication, we established a special e-mail address, srodowisko@onde.pl.

We reduce the environmental impact of our construction site through numerous activities. We implement protective measures against dust and wind erosion by paving main functional parts of the construction site, establishing a speed limit for vehicles moving around the construction site, and using geotextile on fences, on which water is additionally poured to form an effective barrier against dust. We strive to minimise the duration of exposure of surfaces susceptible to wind erosion and also use mechanical compaction or sowing fast-growing vegetation at such locations. We use a number of methods to reduce the impact on neighbouring buildings and areas, e.g. by installing sound-absorbing barriers and limiting water runoff to neighbouring plots. At the stage of reinforced concrete works, designated places for washing concrete pumps and mixers are organised. We considered as very important securing environmentally valuable components, trees and bushes. Any possible tree felling is carried out only in accordance with permits, after prior verification by an ornithologist that no bird habitats are present in the area. In the case of amphibians and other small animals, we create appropriate barriers and minimise losses in population during construction works.

TABLE 1. [2-29] [413-1] Main methods for dialogue and communication with key stakeholders and for involving them

Stakeholders	Main methods of dialogue, communication and engagement
Business partners (customers) <ul style="list-style-type: none"> investors potential customers 	<ul style="list-style-type: none"> We meet in person and online. We ensure regular written and oral communication. We consider as important increasing customers' awareness of OHS, environmental protection, and compliance requirements by communicating our policies and codes in that area. We update our website and are active in social media.
Subcontractors	<ul style="list-style-type: none"> We meet in person and online. We ensure regular written and oral communication. We consider as important increasing business partners' awareness of OHS, environmental protection, and compliance requirements by communicating our policies and codes in that area. We provide briefings on OHS and environmental protection, as well as participation in additional initiatives (e.g. the Safety Week). We consult functioning of the ONDE Integrated Management System with our subcontractors and are always open to proposed improvements. We provide our subcontractors with additional information materials concerning correct attitudes and safety at the construction site. On our websites, we provide information on standard of cooperation with subcontractors. We update our website and are active in social media.
Employees <ul style="list-style-type: none"> current employees managing personnel potential employees 	<ul style="list-style-type: none"> We ensure continuous two-way cooperation between the managing personnel, including the Management Board, and employees and communicating regularly by phone and emails. We organise internal and external training sessions, and are open to training courses suggested by our employees. We provide training courses in communication, especially for the managing personnel, to ensure good practices in a continuous dialogue with employees. We organise integration events, for the entire company (at least once a year) or for teams. We consult functioning of the ONDE Integrated Management System with our employees and are always open to proposed improvements. We regularly evaluate the recruitment and onboarding processes, and analyse results according to quantitative and qualitative criteria. We conduct regular development talks. Every year, we offer places in an internship programme, with an option for employment. We participate in job fairs, in person and online. We publish current vacancies on our website and recruitment portals. We communicate through internal social groups and newsletters
Suppliers	<ul style="list-style-type: none"> We meet in person and online. We ensure regular written and oral communication. We consider as important increasing business partners' awareness of OHS, environmental protection, and compliance requirements by communicating our policies and codes in that area.
Local communities <ul style="list-style-type: none"> direct neighbours of companies and investments executed by ONDE representatives of local 	<ul style="list-style-type: none"> We organise meetings with commune authorities and citizens. We organise information points at construction sites. We gather complaints and conclusions of citizens, if any appear, and handle them. We conduct education activities, including those addressed to children and youth. We update our website and are active in social media.

Stakeholders	Main methods of dialogue, communication and engagement
Capital market environment <ul style="list-style-type: none"> shareholders investors analysts capital market institutions, including GPW 	<ul style="list-style-type: none"> We convoke General Meetings at least once a year. We organise meetings discussing our performance at least once a quarter. We meet individually and in groups, in person and online. We prepare reliable and exhaustive current and periodic reports. We ensure regular written and oral IR communication. We update our website and are active in social media.
Media (and opinion leaders) <ul style="list-style-type: none"> sector and subject economic regional and local 	<ul style="list-style-type: none"> We prepare a quarterly information about the ONDE financial performance. We ensure regular written and oral communication by telephone or email, including interviews with the Company representatives. We provide the most important information from the Company life, e.g. about executed projects or new contracts, on a regular basis. We update our website and are active in social media.
Sector organisations	<ul style="list-style-type: none"> We organise conferences with participation of representatives of those associations. We participate in establishing joint OHS standards. We exchange OHS knowledge and experience with other PBB signatories. We provide and receive alerts concerning accidents and near misses. We exchange knowledge and experience on RES with other members of associations and participate in sector initiatives. We participate in working and steering committees (PSF). We are members of management boards (PSF).
Beneficiaries of ONDE CSR schemes	<ul style="list-style-type: none"> We involve beneficiaries into activities as a part of ONDE FLOW. We participate in our own or top-down assistance initiatives. We support sports clubs, teams, and individual sportsmen, as well as sports and cultural events. We support grassroots charity initiatives of ONDE employees. We ensure regular written and oral communication. We update ONDE and ONDE Flow scheme websites and are active in social media.
Scientific milieu <ul style="list-style-type: none"> universities students and PhD students representatives of scientific milieu 	<ul style="list-style-type: none"> Every year, we offer practical training and internship schemes for students, also as a part of regular cooperation with several Polish universities (see Practical training and internship in the Report). We organise conferences with participation of representatives of the scientific milieu. We share our knowledge on RES on an invitation from student scientific clubs. We participate in job fairs, in person and online. We sign partnership agreements and letters of intent initiating cooperation with research centres.

2.7.1 SIGNIFICANCE ASSESSMENT

[3-1] Opinions of key stakeholders of the ONDE Group are important guidelines for us when making decisions. To ensure that our development remains sustainable, we take into account the outlook and needs of our environment, both in our daily activities and in strategic plans. On the basis of results of stakeholders surveys, we determined materiality of various aspects of our activities for sustainable development of the ONDE Group.

In 2023, we conducted a survey among representatives of 16 stakeholder groups, selected as a result of expert analysis. No response was received from the 6 stakeholder groups:

- Financial institutions (e.g. banks providing loans and insurance companies)
- Capital market institutions and organisations
- Market competitors
- Business partners: customers
- Sector organisations
- Local communities (in areas of investments executed by ONDE)

The assessment concerned the ONDE Group influence on 18 ESG issues. The respondents were asked to evaluate whether our Group influences each of these issues, and if yes, in which way (positive/negative/neutral). The following two tables present 10 most important topics with a positive impact of the ONDE Group and the 10 topics with a negative impact of the ONDE Group (the neutral impact was not indicated) in the stakeholders' opinion:

TABLE 2. [3-2] [3-3] Stakeholders' assessment of the ONDE Group influence on the ESG elements – positive

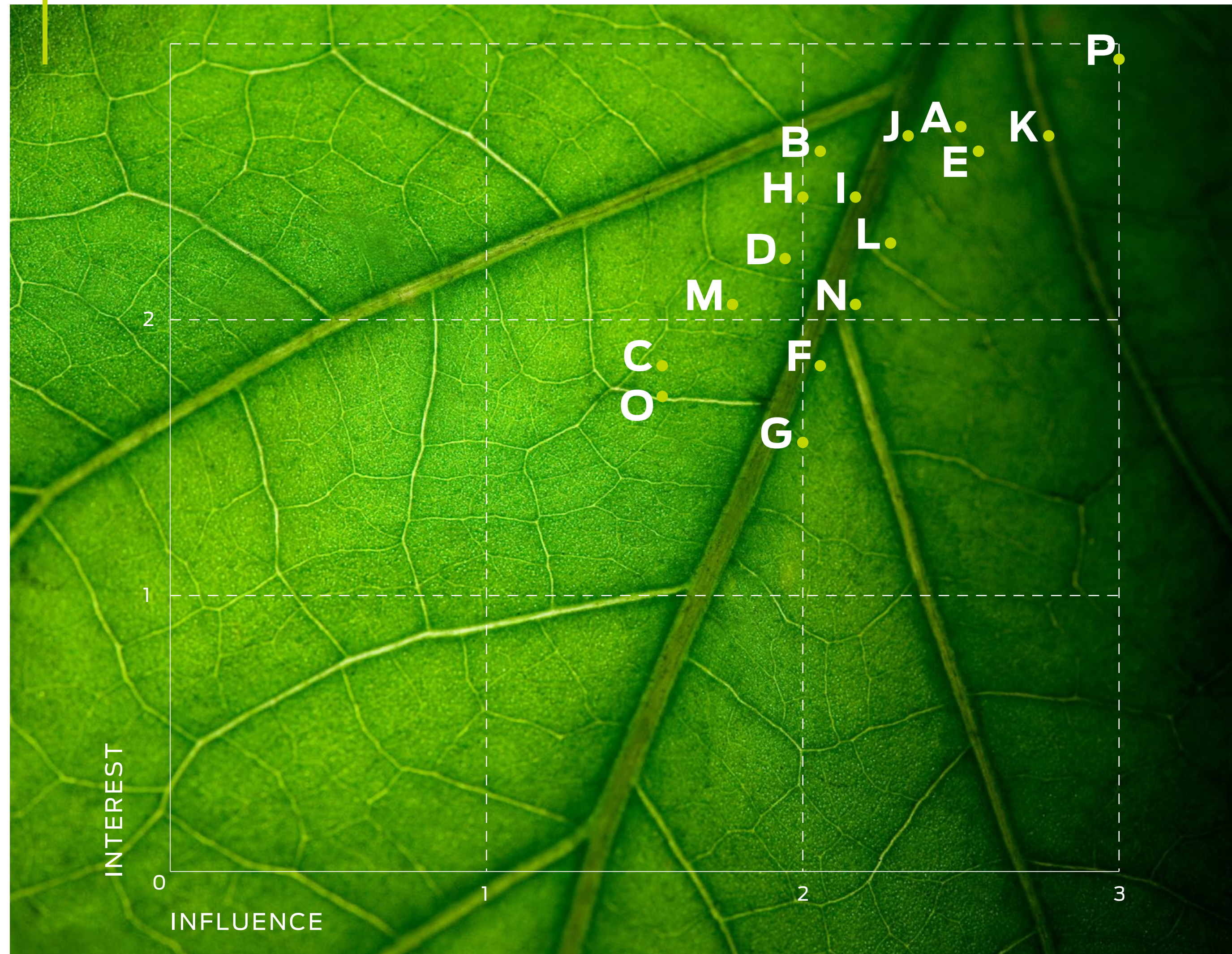
Subject	Mean score for the influence on the scale of 1–5	Number of respondents who noted that the ONDE Group has an influence on a given subject	Influence type
Climate change (e.g. greenhouse gases emissions or a RES energy share in the energy mix)	3.86	115	positive
Employees: working conditions, health and safety of employees, employees' well-being	3.71	114	positive
Consumers and end users (e.g. responsible marketing, responsible sales, quality of service)	3.41	108	positive
Innovativeness, industry, infrastructure (including sustainable infrastructure, sustainable innovations and industry)	3.38	109	positive
Use of raw materials (e.g. use of renewable and non-renewable resources)	3.28	102	positive
Local communities (e.g. dialogue or involvement in relations with communities affected by organisation activities)	3.19	102	positive
Employees in the value chain (e.g. respecting human rights by ONDE subcontractors/suppliers)	3.18	100	positive
Environmental pollution (e.g. air, water or soil pollution)	3.11	98	positive
Employees: other employee rights (e.g. employee privacy at work, human-rights related incidents among employees, or strikes)	2.88	92	positive
Employees: equal rights, e.g. equal remuneration for women and men	2.78	88	positive

TABLE 3. [3-2] [3-3] Stakeholders' assessment of the ONDE Group influence on the ESG elements – negative

Subject	Mean score for the influence on the scale of 1–5	Number of respondents who noted that the ONDE Group has an influence on a given subject	Influence type
Use of raw materials (e.g. use of renewable and non-renewable resources)	1.13	50	negative
Climate change (e.g. greenhouse gases emissions or share of energy from renewable energy sources in the power mix)	0.85	39	negative
Employees: equal rights, e.g. equal remuneration for women and men	0.73	29	negative
Biodiversity and ecosystems (e.g. diversity in plant and animal species)	0.68	37	negative
Employees: working conditions, employee health and safety, employee well-being	0.63	29	negative
Water and marine resources (e.g. water consumption, degradation of fish habitats, increased intensity of the use of marine resources)	0.58	34	negative
Local communities (e.g. dialogue or involvement in relations with communities affected by organisation activities)	0.56	26	negative
Employees: other employee rights (e.g. employee privacy at work, human-rights related incidents among employees, or strikes)	0.53	20	negative
Employees in the value chain (e.g. respecting human rights by ONDE subcontractors/suppliers)	0.35	14	negative
Consumers and end users (e.g. responsible marketing, responsible sales, quality of service)	0.32	14	negative

CHART 1.

THE ONDE GROUP STAKEHOLDERS MAP



Own elaboration as part of a strategic workshop with key management staff and the Company's Management Board, at the end of 2021.

STAKEHOLDERS (alphabetically)	Marking	MEAN (influence) 1-3 scale	MEAN (interest) 1-3 scale
Majority shareholder (ERBUD representatives) and Institutional (PTE, TFI) and individual shareholders	A	2.5	2.7
Stock market analysts (brokerage houses) and ESG data analysts	B	2.1	2.6
Beneficiaries of ONDE's CSR programmes (e.g. educational projects)	C	1.6	1.8
Journalists and opinion leaders (e.g. industry experts)	D	1.9	2.2
Financial institutions, financial partners (lending banks and insurance companies, capital partners, etc.)	E	2.6	2.6
Capital market institutions and organisations (e.g. Polish Financial Supervision Authority, Warsaw Stock Exchange)	F	2.1	1.8
Public and infrastructural institutions (central and local administration, state-owned infrastructure companies)	G	2.0	1.6
Market competitors	H	2.0	2.4
Business partners: suppliers	I	2.2	2.4
Business partners: subcontractors and partners	J	2.3	2.7
Business partners: ordering parties (customers)	K	2.8	2.7
Employees and potential employees	L	2.3	2.3
Representatives of industry organisations and people working for the industry	M	1.8	2.1
Local communities (in areas of investments executed by ONDE), representatives of social organisations	N	2.2	2.1
Scientific community (in the area of renewable energy sources)	O	1.6	1.7
Management board and crucial managers	P	3.0	2.9

2.7.2 ONDE SOCIAL COMMITMENT

The ONDE Group does not have a formal social commitment policy (to which the Accountancy Act refers), which would describe our approach to the corporate social responsibility (CSR) and sponsoring. We operate on a basis of unwritten priorities and rules, establishing our own social initiatives and deciding about support for external or grassroots (employee) activities. In our opinion, at the current phase of our organisation's development, it was not necessary to create a policy of this type to effectively conduct activities in CSR and sponsoring areas, among others, due to: naturally formed areas of our involvement (related to green energy and local activities in Toruń) and the scale of these activities and the expenditures incurred on them in relation to the ONDE Group business and financial performance.

At the same time, we treat corporate social responsibility (CSR) and sponsoring activities as important elements for the long-term strategy of the ONDE Group development. We also consider development of a social commitment policy that would include the area of a dialogue with local communities.



Employee initiatives in 2023

[413-1] As an employer, we are open to grassroots initiatives proposed by the ONDE Group employees. For example, in 2023, our employees were originators of three actions in which we were involved as a team.

- As part of ecological activities, during the construction of the S3 dual carriageway in the Dolnośląskie Voivodeship, ONDE employees, in consultation with a neurophysiological, released 100,000 trout fry into Złotna and Opatówka streams. These streams needed to be regulated in sections of several hundred meters, because they cross the constructed road. Both watercourses feed the Bóbr River, which is the largest left tributary of the Odra River.
- Furthermore, we participated in the action of cleaning the bank of the Vistula River in Toruń, organized on the World Earth Day. In a few hours, the Company's employees and their families (including the Management Board) collected several tons of waste, which were then disposed of by Toruń Municipal Cleaning Company.
- We have installed a photovoltaic system at the Nadzieja hospice in Toruń. We were supported by our partners in financing the delivery of the structures and panels. We estimate that this system will generate 8.31 MWh of power a year on average. With this system, the hospice can save about PLN 14,000 net per year.



ONDE FLOW project

The ONDE FLOW project is an important element of our commitment. It consists of educational activities, the SOFIA grant program, organisation of conferences and expert debates, as well as events.

We want the ONDE Flow Project to be a platform for sharing knowledge about new trends in RES and innovative solutions for the community of people interested in this topic, and in particular for young people, students and young scientists from technical universities in Poland. With it we plan to seek and support best ideas, to offer them a chance to expand their research, as well as to increase the social awareness of renewable energy sources and ensure their further development.

One of the elements of the ONDE Flow project is the Science Onde Flow Innovation Academy grant programme – SOFIA. Its partners are the AGH University of Science and Technology, the Bydgoszcz University of Technology, and the Association “Z energią o prawie”. The programme is intended for students, scientists and enthusiasts-innovators who have knowledge and ideas for an interesting scientific project related to the renewable energy. Participation in SOFIA enables receiving financial support for the implementation of own research project related to renewable energy sources, and establishing contact with specialists in the RES industry and benefiting from their mentoring.

In 2023, the second edition of the programme took place, during which 4 winning projects were selected. Two of them received support from ONDE, and the other two from the patrons of the program, i.e. ZPUE and Energy5. Providing support for scientific programmes of selected companies from

the RES sector forms an important part of development of the expert community. Additionally, the communication range of the project expands, and the awareness of the RES role is being built among various social groups. These elements indirectly influence the process of energy transition in Poland. The winning projects focused on innovative technologies in the field of e.g. the use of AI for wind turbine condition analysis, chemical recycling, solar trackers, and carbon footprint assessment for PV systems. As part of the programme, ONDE allocated PLN 80,000 to support scientific projects.

Another element of the ONDE FLOW project is a series of RES conferences New Trends, which are attended by representatives of the scientific circles, associations operating in the RES industry, as well as participants of the SOFIA grant programme.

In December 2023, the Third RES New Trends Conference was held. It brought together representatives of the renewable energy sector to discuss the condition and prospects for that industry. The debate focused on the question:

“Can RES become the foundation of the Polish energy mix?” It was attended by representatives of the Polish Wind Energy Association, the Polish Photovoltaic Association, the Bydgoszcz University of Technology, the Energy Forum, and ONDE. During the conference, the final gala of the SOFIA grant programme was also held.

Participation in sector organisations

[2-28] We share our knowledge, experience and best practices with the market by being members of the sector organisations. In the ONDE Group, we are members of:



- The Construction Safety Partnership at the District Labour Inspectorate in Bydgoszcz (PBB) – an active member;
- The Polish Wind Energy Association – an active member;
- The Polish Energy Storage Association – a member;
- The Polish Photovoltaics Association – an active member;
- The Polish Association of Solar Energy – a member;
- The Polish Chamber of Road Building – Chairman of the Board of the Kujawsko-Pomorskie Voivodeship Chamber;
- The Lithuanian Wind Power Association – a member,
- The Association “Z Energią o Prawie” – a supporting member;
- The Association Polish Forum of ISO 14000 – a supporting member.

Sponsoring

We actively participate in local and regional sports, educational, and cultural initiatives. For many years, we have sponsoring agreements with two clubs: the speedway Sport Club Toruń and with the basketball sport club Arriva Polski Cukier – Twarde Pierniki Toruń. We also support the Toruń Hokey Club.

In 2023, over a dozen smaller organizations, associations, youth sports clubs, as well as individual athletes could also count on financial assistance from ONDE. In total, in 2023 we spend over 655 thousand zloty on sports sponsoring and support for local cultural initiatives.

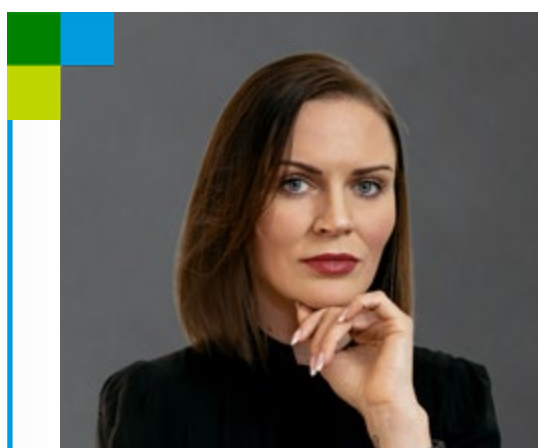
Recognitions and awards

In 2023, we were awarded and recognised in the following surveys:

- The study “How green is the WSE? The first year of Taxonomy Compliance Reporting” In strat: ONDE was ranked 2nd among the companies reporting the highest percentage of turnover compliance with the EU Taxonomy with a score of 91%, and 2nd among companies reporting the highest percentage of compliance of operating expenditure with the EU Taxonomy (97%).
- The survey “Climate Awareness Assessment of Polish Listed Companies 2023” by the Reporting Standards Foundation, the Polish Association of Listed Companies and Bureau Veritas Polska: ONDE was among the 11 highest-rated companies, with a score of 9/10.
- Distinction in the competition of the District Labour Inspectorate.
- “Build safely”; for the project “Extension of the voivodeship road No. 270 Brześć Kujawski-Izbica Kujawska-Koło. Construction of the Lubraniec ring road”.
- Diamond Certificate of Reliability – Reliable Company 2023 organised by Kaczmarek Group sp. j. in cooperation with the National Debt Register.
- Recognition in the Executive Club competition “Diamonds of Infrastructure and Construction” in the category “Green Constructions Leader”.



2.8 INTERNAL AUDIT



"We do not measure the effectiveness of our activities by the number of audits, but by the effectiveness of activities in the area of internal audit. We strive to ensure that our actions support processes of other teams and contribute to their correctness. Using our experience, during audits at construction sites we can point out things sometimes overlooked by others. We even say that "The Audit Department operates correctly when is not visible." And we are appreciated for this presence, not always visible, but constant."

Joanna Kornas,
Internal Audit and Control Department Director

To minimise operational risks in the ONDE Group, the parent company ONDE S.A. established the Internal Audit and Control Department, which continuously monitors projects and reports the results of the audits to the Management Board. This unit is responsible for the efficient operation of the internal control system and the effective function of internal audit, and is subject to assessment by the Audit Committee.

The Internal Audit and Control Department is supervised by the President of the Company Management Board.

The ONDE Group managers in charge of specific areas of operation are directly responsible for the risk management area.

In 2023, the Audit and Internal Control Department continued to expand its activities focusing on processes improving the Company's operations at various stages of its activities, from winning contracts, through the implementation stage, up to post-completion follow-up activities.

At the bidding stage, this involves updating and expanding the processes related to the functioning of the Risk Charter

describing development and capabilities of both the Company and the Contracting Authority, environmental and OHS aspects related to a given offer, financial and technical issues.

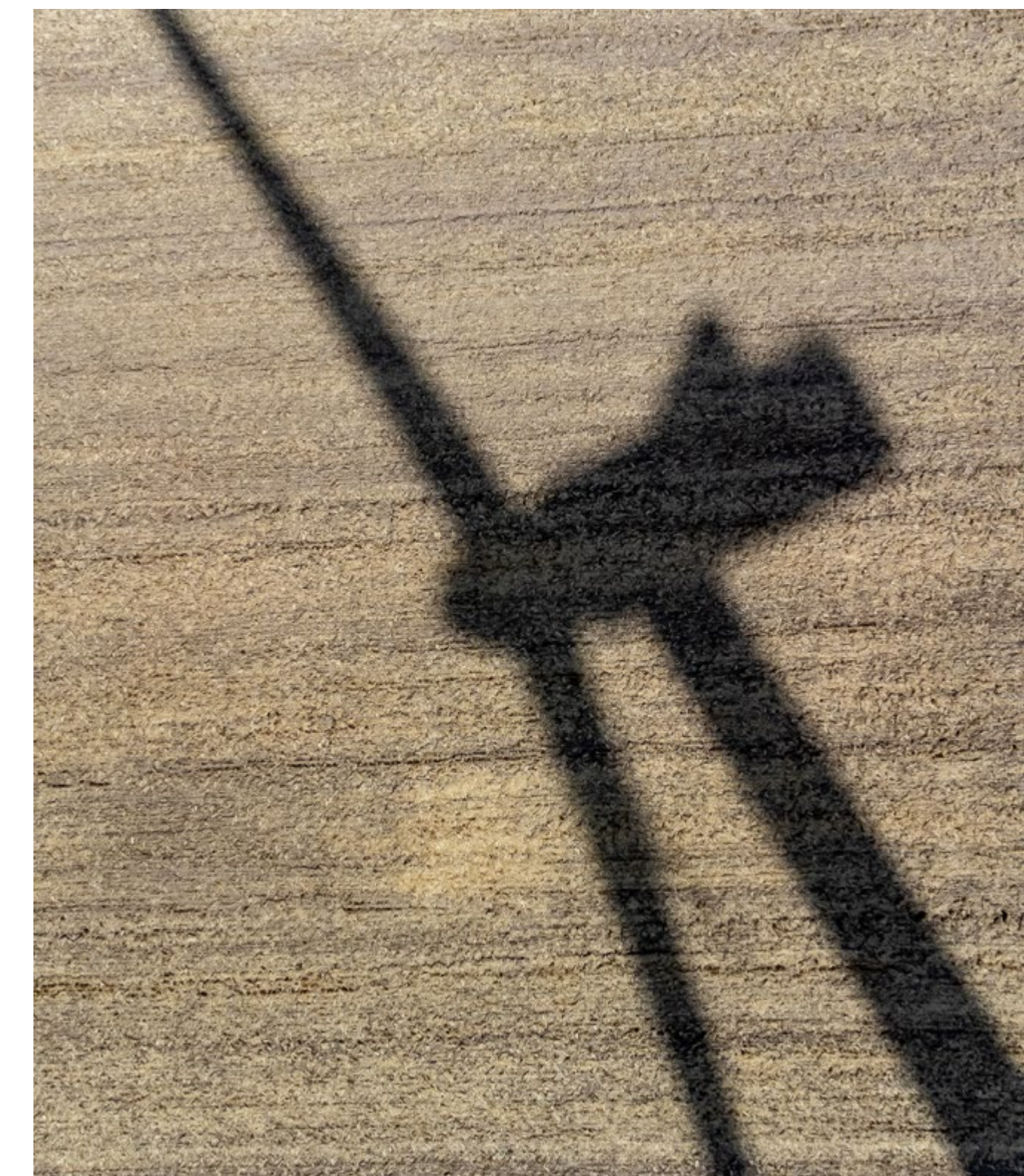
Works on improving the processes at the bidding stage are continued.

At the execution stage, kick-off meetings are conducted for each new contract, internal audits are conducted concerning financial, technical, and environmental aspects, progress and course of execution, review of claims, and verification of the selection of goods suppliers.

The analyses also focus on issues related to performance of contracts in the context of functioning of the entire Company, i.e. cooperation between departments, relations with customers, processes supporting contract performance, and processes common for individual departments.

A procedure for issuing references for contractors was implemented.

Currently, works on a procedure for verifying service providers and evaluating contractors are conducted.



 2.9

MANAGEMENT OF RISKS ASSOCIATED WITH THE GROUP OPERATIONS THAT INFLUENCE NON-FINANCIAL ASPECTS

[3-3] To the best of its knowledge, the Company has identified the following risk factors which, if materialised, may adversely affect the Group's business, position, growth prospects and performance. The Company Management Board monitors the potential impact of risks on the Group activities and undertakes activities to alleviate their possible negative consequences for the Group, if they occur.

The assessment took into account the significance of a given risk in terms of its potential negative impact on activities, financial situation, performance and prognoses of the Group and prices of the Company shares, and a possibility of its materialisation. The Company also took into account other factors, including historical cases of materialisation of that risk and their consequences, as well as availability and effectiveness of remedies that may reduce consequences of materialisation of a given risk. The assessment was based on the best knowledge of the Management Board, supported by facts and circumstances known to the Management Board as of a day of drawing this Report up. Additionally, the Company notes that the political and economic situation in Ukraine is monitored by the ONDE Group on the ongoing basis in

terms of its actual and potential impact on the Group's operations. However, the uncertainty caused by the outbreak of the war in Ukraine is decreasing. This translates into stabilisation of the prices of construction materials and components important in the sector in which the Group companies operate, although these prices remain at high levels.

2.9.1 RISK OF LOSS OF MANAGERIAL PERSONNEL

There is a risk that people from the managing personnel of the Group companies may decide to change the job or leave their positions for other reasons. In consequence, problems with obtaining or keeping of well-qualified personnel may occur, in particular, due to competition of other potential employers.

The ONDE Group strives to maintain its crucial managing personnel by implementing appropriate activities in the area of human resources management, competitive remuneration, and engagement in ambitious projects.

2.9.2 RISK ASSOCIATED WITH ROBUST DEVELOPMENT OF THE GROUP IN RELATION TO EMPLOYEES

The Group executes an expansive business strategy resulting in the intense development rate. In consequence, since 2020 the Group has been conducting an extensive recruitment process. It cannot be excluded that some of them will not be completed due to limited availability of employees with required qualifications, and this may affect operating plans of the Group (e.g., execution dates for certain projects).

As employers compete with each other in recruitment of well-qualified employees, during selection of a new employer, activities aiming at developing a consistent, positive, but first of all true image of the employer are important. Therefore, the Group conduct employer branding activities among potential employees.

The fast growth of the organisation may also contribute to a drop in employees motivation and commitment due to processes of changes in the organisation. The Group strives to maintain the personnel policy that would meet

expectation of employees both in terms of finances and personal development, and of the sense of security and being appreciated, quality of leadership of their line managers or satisfaction with a place of work.

2.9.3 RISKS ASSOCIATED WITH OCCUPATIONAL HEALTH AND SAFETY

[403-9] At ONDE – similarly as in the ERBUD Group – six main risk categories that have the greatest potential for resulting in serious injuries were identified. The said risks result from statistics of previous accidents at the organisation, statistical data collected for years by the Construction Safety Partnership, and results of statistical data presented in reports of the National Labour Inspectorate. We believe that by eliminating risks in those main categories we will be able to avoid severe and fatal accidents.

[403-2] The hazard identification, risk assessment, and incident investigation were described in Chapter 5.4. Health and safety.

TABLE 4. Main risks categories and directions for preventive actions associated with works conducted by the ONDE Group

Item	Main risk categories in relation to conducted works with the highest severe and fatal potential	Main directions for preventive actions in the organisation
1.	Being buried/work in a trench	<ol style="list-style-type: none"> 1. Planning at each step. 2. Execution of works in accordance with implemented guidelines of systemic collective safety measures – selection of engineering safety selection of engineering safety measures eliminating human errors and extraordinary situations. 3. A thorough monitoring of performance of works in accordance with the plan and the guidelines.
2.	Fall from height	<ol style="list-style-type: none"> 1. Planning at each step. 2. Execution of works in accordance with implemented guidelines of systemic collective safety measures – selection of engineering safety selection of engineering safety measures eliminating human errors and extraordinary situations. 3. A thorough monitoring of performance of works in accordance with the plan and the guidelines.
3.	Vertical/horizontal transport	<ol style="list-style-type: none"> 1. Correct planning of works in accordance with developed safety instructions for transport works. 2. A process for training signallers and riggers at construction sites. 3. Implemented transport rules consistent with the developed leaflet for vertical transport in the Construction Safety Partnership. 4. A close monitoring of works in accordance with developed instructions.
4.	Work within machines and equipment zones	<ol style="list-style-type: none"> 1. Specifying methods and ways for execution of works in Method Statements for individual scope of works. 2. Eliminating a need for people to remain in the danger zone of machines and equipment work. 3. Establishing danger zones for machines. 4. Acoustic signals for working machines. 5. Monitoring of performed work.
5.	Works under traffic	<ol style="list-style-type: none"> 1. Eliminating (if possible) works under traffic by separating a relevant traffic lane. 2. Plans for traffic organisation taking into account a specific nature of conducted works. 3. Adhering to assumptions included in the project. 4. Monitoring of performed work.
6.	Electrical works on systems/ electric shock	<ol style="list-style-type: none"> 1. Implementation of a procedure and an instruction for performance of electrical works, taking into account the specific nature of conducted works. 2. Technical measures preventing human errors. 3. Monitoring of implementation of the above in accordance with implemented solutions.

2.9.4 RISK ASSOCIATED WITH A POTENTIALLY NEGATIVE ENVIRONMENTAL IMPACT

The Group identifies a risk of its adverse environmental impact. Therefore, the Integrated Management System (IMS) implemented in the Group includes the environ-

mental management (EM) system, being one of the tools to improve environmental performance of the ONDE Group. The correct functioning of the EM system was confirmed with a granted certificate for conformance with the requirements of ISO 14001:2015 and the EU EMAS certificate in accordance with the Regulation of the European Parliament and of the Council (EC) No. 1221/2009, as amended.

The effectiveness of the environmental management system functioning in the ONDE Group is regularly verified during internal audits. In case of nonconformities found, we undertake relevant corrective actions.

Operational activities at ONDE S.A. involve management of main processes concerning identified and important environmental aspects. The aim of these activities is to ensure that the negative environmental impact of Group is controlled and limited.

On a long term-basis, risks associated with RES life cycle and recycling of components represent an important environmental aspect for the ONDE Group, so the Group analyses issues and possibilities for optimum management of this process on a regular basis.

2.9.5 RISK ASSOCIATED WITH A POTENTIALLY NEGATIVE IMPACT ON CLIMATE, AND THE CLIMATE CHANGE INFLUENCE ON THE GROUP

The identified Climate risks for ONDE and methods for managing identified risks were determined. Main risks are noticed not in the area of investments directly executed by ONDE, but in the indirect scope. This results from the fact that subunits used in the ONDE production process require for their production raw materials having significant environmental impact, like steel, cement, and other. It should be emphasised that ONDE has an indirect environmental impact, when the entire value chain is analysed, and consequently this impact can be negative and noticeable.

Risks associated with the climate change were identified for ONDE on a short- (2022–2030), medium- (by 2040) and long- (by 2050) term basis. The regulatory requirements concerning the climate were taken into account. The assumptions from the European Commission's Supplement (C/2019/4490) on the reporting of climate-related information, the guidelines of the TCFD, i.e. the Task Force on Climate-related Financial Disclosures (part of the Materials and Buildings Group) were used. Identification and assessment of two categories of climate risks and opportunities were conducted in relation to the scope of the ONDE investments, in accordance with risks definitions and classifications from the Commission Communication (C/2019/4490):

- Risk related to the ONDE negative impact on the climate (transition risks related to political, legal, technological, market and reputation loss aspects).
- The risk associated with the climate negative impact on ONDE (a physical risk: acute and long-term physical risks).

Identified risks are presented as a matrix of risks and opportunities associated with the climate change.

Risks are regularly reviewed, allocated, and assessed, with identification of a risk owner and their mitigation. Using TCFD guidelines, information on the financial influence on risks can be obtained, related, among others, with income, costs and expenditures, and assets and liabilities.

In accordance with the Integrated Management System, the risk management policy of the ONDE Group, the issue of managing climate-associated risks is managed by the ONDE Management Board. In the longer term (2024), further ONDE development documents will be developed,

e.g. concerning works on even greater integration of the climate-related risk management process and regulatory requirements, as well as the existing risk management process within the ONDE Environmental Management System. At the current (2023) stage, management of the risk associated with the climate change can be consolidated with one of six risks identified for ONDE non-financial issues – “The risk associated with a potentially negative impact on the climate, and the influence of the climate change on the Group”.

[308-2] In accordance with IMS In force, ONDE identifies and analyses environmental management risks and opportunities, including those associated with the supply chain. The suppliers are evaluated by the Trade/Production Preparing Department Director already at the bid stage, with the participation of the Project Manager responsible for the executed project.

The next stage of the assessment of suppliers and their environmental impact is the process of negotiating contractual terms, the final result of which is appropriately constructed contractual provisions with selected suppliers of services and materials. The service provider selected this way, conducting works on a construction site, is subject to the assessment of possible negative environmental impact at the execution stage, which is conducted by a construction site manager. This evaluation results in identification of environmental aspects of importance for a given construction site and drawing up an environmental programme for it. The environmental programme, together with resultant preventive actions, are closely monitored by managing persons at the construction site.

TABLE 5. Climate risks established for the ONDE Group:

Risk type	Transition related risk		Risk type	Physical risk	
	CONCERNING POLITICAL ASPECTS	RISK MITIGATION WILL BE PERFORMED BY		Acute physical risk	Long-term physical risk
Risk type	Strengthening conditions of energy effectiveness in relation to the climate change and the limited access to water, or an overload of the energy system	<ol style="list-style-type: none"> 1. Implementation and updating of the ONDE Strategy 2. Adopting the ONDE Strategy to guidelines resulting from the EU climate policy 3. Conducting operations in a spirit of sustainable development across the value chain 4. Adopting investment plans to the climate-related regulatory requirements 5. An increase in capital expenditures on low- and zero-emission manufacturing assets 6. Continuous monitoring of regulatory requirements 7. Even greater intensification of investments in terms of quantity for renewable power generation 8. Contacts with teams providing opinions for climate-related projects at the Polish and the European level 9. Intensifying activities supporting the circular economy 10. Gradual withdrawal from the use of anthropogenic energy sources from fossil fuels and promotion of electromobility 11. A dialogue and transparent cooperation with business partners using anthropogenic energy sources from fossil fuels 12. Continuous search for technical, technological, or/and organisational solutions minimising the impact on the climate 13. Continuous professional improvement in the climate change context through training and improving the working culture 	Acute physical risk	A risk of a heatwave disturbing the value chain and shortening the employee time	<ol style="list-style-type: none"> 1. Application of the ONDE Climate Policy 2. Developing long-term climate scenarios and monitoring the weather in the real time and the long-term basis 3. Insuring of Company assets 4. Adapting preparation of ongoing investments to possible consequences of weather variability 5. Monitoring and maintaining machines and technical equipment in the required operating condition 6. Physical adaptation of the Company assets to possible consequences of weather phenomena
	Modifications of a policy for a mechanism to establish fees for greenhouse gases emissions, and this influences fossil fuel or other non-renewable materials purchases			A risk of risk of severe storms and hurricanes disrupting the value chain due to short-term flooding or destruction of transport routes and construction sites, as well as downing of power supply lines or disconnecting technological consumables	
	Modification of the land management policy in relation to their location at places of the climate change or the influence on the climate change.			A risk of floods disrupting the value chain due to flooding or destruction of transport roads and construction sites, as well as downing of power supply lines or disconnecting technological consumables	
	CONCERNING LEGAL ASPECTS			A risk of fires disrupting the value chain by destroying own assets or those of partners in the value chain.	
	Legislation risks associated with potential litigation when the regulatory requirements are not met			Intense weather phenomena Rising of the groundwater table High temperatures, droughts, desertification	
	CONCERNING TECHNOLOGICAL ASPECTS				
	A risk of not using a technology with a smaller adverse impact on the climate		Unfavourable weather conditions restricting RES operation, and no demand for investments		
	CONCERNING MARKET ASPECTS		Temperature deviations and a drop in the demand volume for products offered by ONDE		
	A risk of orienting choices of business customers towards solutions and constructions, which have even more passive influence on the climate		Increased ratio of failures of ONDE devices caused by the climate change (droughts and other)		
	CONCERNING REPUTATION LOSS ASPECTS				
	A risk of a failure to attract new customers and retain old ones when ONDE operations are considered harmful to the climate.				
	A risk of a failure to attract new employees and retain old ones when ONDE operations are considered harmful to the climate.				
	A risk of a failure to attract new investors and retain old ones when ONDE operations are considered harmful to the climate.				
A risk of a failure to find new suppliers and retain old ones when ONDE operations are considered harmful to the climate.					

Contracts with subcontractors include a provision in which they undertake to submit once a month the data required by the Environmental Management System in force at ONDE during the contract term, concerning (if applicable):

- the amount of fuels used in machinery and equipment used at the ONDE construction site;
- the number of kilometres covered in relation to the supply of materials to the ONDE construction site;
- the number of kilometres covered in relation to removal of waste generated at the ONDE construction site;
- quantities of waste generated at the ONDE construction site, including codes.

In successive years, we will pay a particular attention associated with monitoring of the influence of greenhouse gases emissions of Scope 3 to the identified intermediate aspect related to supplies of materials/services due to vehicle transport used for this purpose.

2.9.6 RISK ASSOCIATED WITH POTENTIAL CASES OF DISCRIMINATION AND MOBBING

There is a potential risk of an event that may constitute discrimination and/or mobbing. To prevent this risk, ONDE has adopted the “ONDE S.A. Diversity Management and Unequal Treatment Prevention Policy”, described in Chapter 2.6. Ethics and anti-corruption.

Furthermore, obligations related to mitigation of this risk are included in other documents in force at ONDE: “ONDE S.A. Code of Ethics” and “ONDE S.A. human and employee rights policy”, described in Chapter 2.6. Ethics and anti-corruption and Chapter 6. Diversity and human rights, respectively.

2.9.7 RISK ASSOCIATED WITH SOCIAL PROTESTS

At the beginning of 2021, the ONDE Group started operations in the area of construction of own photovoltaic and wind farms under the develop, build and sell model, i.e., from purchase, through development and construction, up to selling. With expanding of the Company activities with own project, new risk factors emerged for it, which previously concerned the investor (when ONDE S.A. was only a contractor).

The risk in the social area associated with development of own RES projects is associated, among others, with protests of residents in areas of potential investments against granting a building permit. The protests may result in delays in granting the permit, and in extreme cases, in a refusal to grant it.

To mitigate this risk, ONDE maintains a dialogue with local communities and performs activities generating many tangible benefits for residents (e.g. improvement in a quality of access roads to fields and residential plots, construction of additional exits, broadening or repair of roads in the area, or planting of trees), as well as protects the residents to the greatest extent possible against the negative impact of construction sites on their comfort and health (caused by noise, dust, and similar).



2.9.8 RISK ASSOCIATED WITH A CRISIS AFFECTING REPUTATION

Due to the scale and the nature of conducted business activities (execution of RES projects), to some extent the Group is exposed to a risk of various events that may result in a crisis situation affecting its reputation.

To mitigate that risk, the Group maintains a dialogue with its stakeholders, an active and transparent communication and implements educational initiatives concerning its activities. At the same time, the Group has the certified Integrated Management System (covering environmental management and OHS), so it limits a risk of adverse events that may cause a reputation crisis.

2.9.9 RISK ASSOCIATED WITH POSSIBLE INCIDENTS OF A CORRUPTIVE CHARACTER

In the Group operations, there is a risk that events of a corruptive nature may occur. To prevent this risk, ONDE has adopted an anti-corruption policy (“ONDE S.A. policy concerning anti-corruption, sponsorship and donations”) described in Chapter 2.6. Ethics and anti-corruption. Furthermore, the obligations to mitigate this risk are included in the “ONDE S.A. Code of Ethics”, described in the same chapter.

2.9.10 RISK ASSOCIATED WITH POTENTIAL VIOLATIONS IN THE ESG AREAS COMMITTED BY CONTRACTORS

All breaches in the supply chain in areas associated with sustainable development, including ethical, environmental or social, may affect operations and the image of the Group. These aspects increasingly interest our customers (investors), who ask questions concerning, e.g. the origin of raw materials or modules used by ONDE during execution of projects (e.g. whether no human rights violations occurred during their procuring/manufacturing).

A potential failure by any of our providers to meet ESG criteria, violations in this area or failure to provide appropriate documentation concerning compliance with ESG criteria may result in the rejection of this supplier by our customer (investor) and, as a result, delay the investment execution. In extreme cases, a failure to ensure necessary verification of suppliers (also for ESG factors) may also result in us losing a contract or not being awarded a specific new contract.

To mitigate this risk, we have many different suppliers (diversification), so when such situation occurs, we are able to propose an alternative supplier to the investor. Additionally, we implemented a system for verification of our suppliers also in terms of ESG criteria (apart from already applicable criteria of the quality system, market assessment, commercial, and quality of deliveries or services provided).

ONDE’s contractors submit a statement in which they confirm they meet the requirements of the compliance issues. The scope of the statement covers the areas included in the following documents: “ONDE S.A. Code of Ethics”, “ONDE S.A. policy concerning anti-corruption, sponsorship and donations”, “ONDE S.A. human and employee rights policy”, and “Policy of diversity management and unequal treatment prevention”.

Furthermore, contracts with contractors include provisions according to which the contractors confirm that they have read the ONDE policies and undertake to apply them (and this also applies to the subcontractors of the above-mentioned contractors). These provisions have already been included in some of the agreements with contractors, and the Company expects to introduce such provisions in all contracts.

2.9.11 RISK ASSOCIATED WITH A STRUCTURE AND NUMEROUS CHANGES IN COMPANY SHAREHOLDERS

ERBUD S.A. is a majority shareholder of the Company, having 33,072,822 (60.67%) of the total number of voting rights at the General Meeting. Therefore, in such important matters as payment of dividends, amendments to the Articles of Association or increase of the Company’s share capital, ERBUD will be able to decisively influence the resolutions adopted by the General Meeting, as well as influence the pricing policy or issued of granting guarantees for ERBUD’s liabilities.

Considering the above, it cannot be excluded that current or future interests of ERBUD as the Company’s majority shareholder will be divergent or opposite to interests of the remaining shareholders. The occurrence of such a situation, including, in particular, the occurrence of a dispute between shareholders and its effects on corporate decisions taken by the General Meeting, may lead to actions contrary to the interests of some shareholders.

Additionally, the Company notes that it pays to ERBUD S.A. a fee in the amount of 0.9% of its revenues (calculated monthly depending on values of monthly sales invoices issued by the Company) for ERBUD as a payment for ERBUD involvement in implementation of business objectives of the ERBUD Group companies (including the Company). In return for the said fee, ERBUD provides to the Company support services that cover, among others, the following areas:

- (i) strategy and development (through e.g. support in the acquisition processes and support in control and induction of entities newly acquired by the Company into the ERBUD Group);
- (ii) HR (through e.g. support in recruitment or preparing and implementing the training strategy);
- (iii) Management (through, e.g. business management support or corporate governance support); and
- (iv) marketing and PR (through, e.g. coordinating marketing activities or coordinating interviews and campaigns).

The Company notifies that in March 2022 it published a statement on the “Best Practice for Listed Companies 2021”: <https://onde.pl/pl/relacje-inwestorskie/dokumenty-korporacyjne/>



ENVIRONMENT

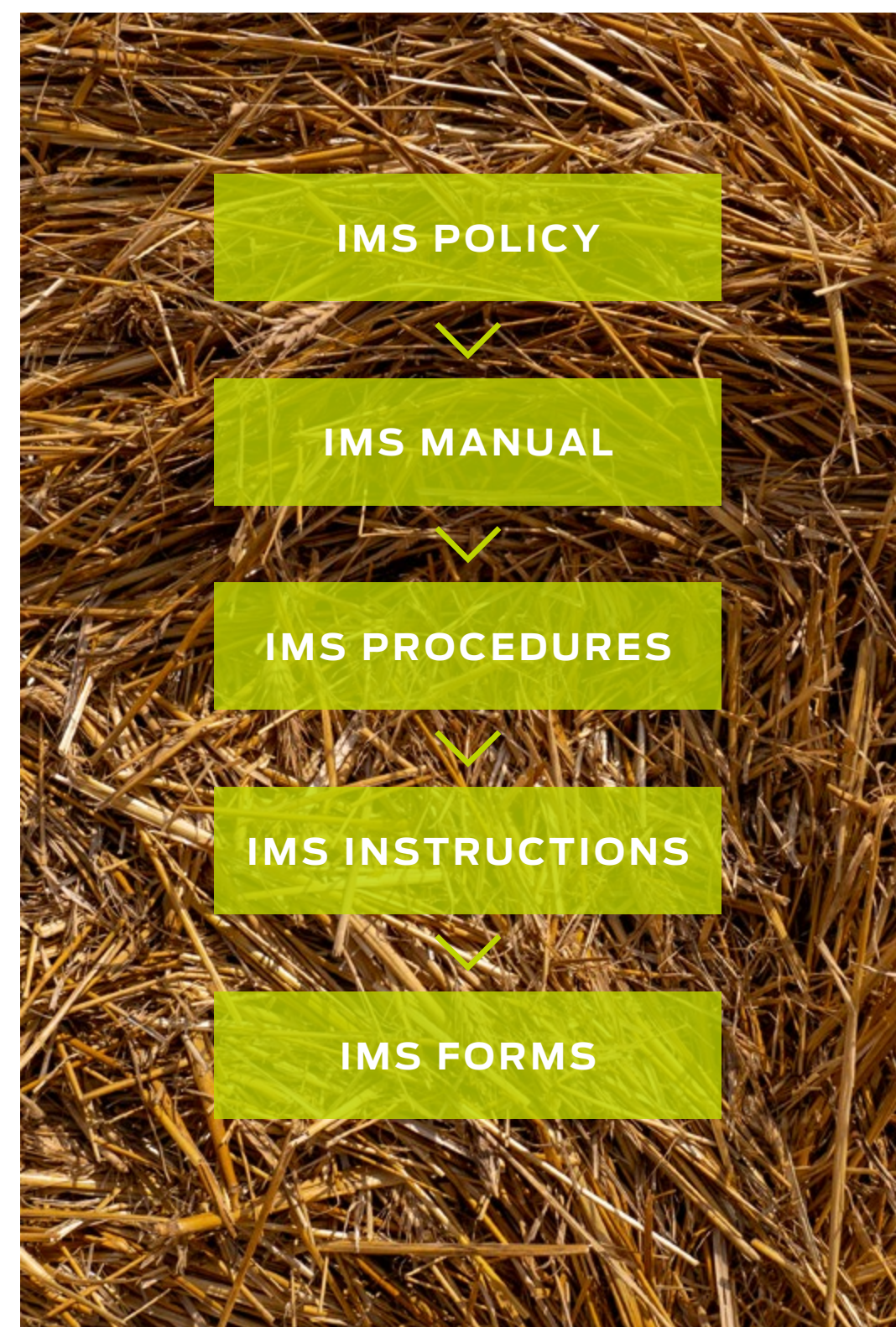
03

3.1 INTEGRATED MANAGEMENT SYSTEM



"ONDE wants to be the industry leader in the area of ESG, including environmental protection and OHS activities. We have already successfully implemented many elements in previous years. What distinguished our approach in 2023 was the continued systematic work, and the attention to biodiversity and all environmental aspects during the construction works. We took a great step in the digitisation of data, including that related to GHG emissions or OHS aspects. For the first time, we are reporting Scope 3 emissions in terms of, e.g. materials used on construction sites. Obtaining data from so many construction sites is the first step that will allow us to define and set goals related to the decarbonisation plan for the coming years."

Remigiusz Kwiatkowski,
OHS Division Director



[403-1] ONDE S.A. has in place an Integrated Management System (IMS), which consists of an Environmental Management System and an OHS Management System, described in detail in Chapter 5.4 Health and Safety. The IMS implemented at ONDE has been certified by the Quality Certification Center of the Military University of Technology for compliance with the requirements of ISO 45001:2018 (certificate obtained in 2018 for the OHS Management System) and ISO 14001:2015 (certificate obtained in 2019 for the Environmental Management System). This external certification is periodically confirmed by an external institution. The IMS documentation consists of the IMS Policy, the IMS Manual, as well as specific procedures, instructions and forms. The IMS policy is publicly available and can be found on the Company's website. In accordance with the provisions of the IMS Manual, the system includes supervision over temporary facilities resulting from the location of construction sites and production units (Bitumen Mass Manufacturer, the equipment facilities). The management system is implemented at all company levels and also covers all Subcontractors involved in the construction process.

Additionally, in 2021, ONDE was the first RES company in Poland to be entered into the EMAS register of the European Eco-Management and Audit System (EMAS), which confirms the compliance of the ONDE environmental management system with the requirements of Regulation (EC) No. 1221/2009 of the European Parliament and of the Council, as amended. Obtaining this certification confirms the system compliance with ISO 14001:2015 and compliance with all legal regulations concerning environmental protection. The entry in the EMAS register by the General Director for Environmental Protection was confirmed in the Polish register and the corresponding one maintained by the European Commission.



The Management Board Representative, i.e. the OHS Department Director, is responsible for maintaining and improvement of the IMS, in particular, for supervising and keeping records of compliance with the requirements of the OHS Management System, the Environmental Management System and EMAS.

The effectiveness of the environmental management system functioning in the ONDE Group is regularly verified during internal audits. The Management Board Representative has at their department a team of experienced internal auditors of the Environmental Management System ISO 14001 and EMAS. The auditors cyclically, in accordance with the developed schedule, conduct audits of the environmental management system and EMAS in individual departments and production units of the company. In case of nonconformities are found, we undertake relevant corrective actions.

Additionally, we monitor operational activities on construction sites on an ongoing basis – at each construction site run by ONDE S.A., a coordinator for health and safety and environmental protection is appointed, who is responsible for continuous monitoring of activities undertaken by all entities performing works, and for removing any possible nonconformities.

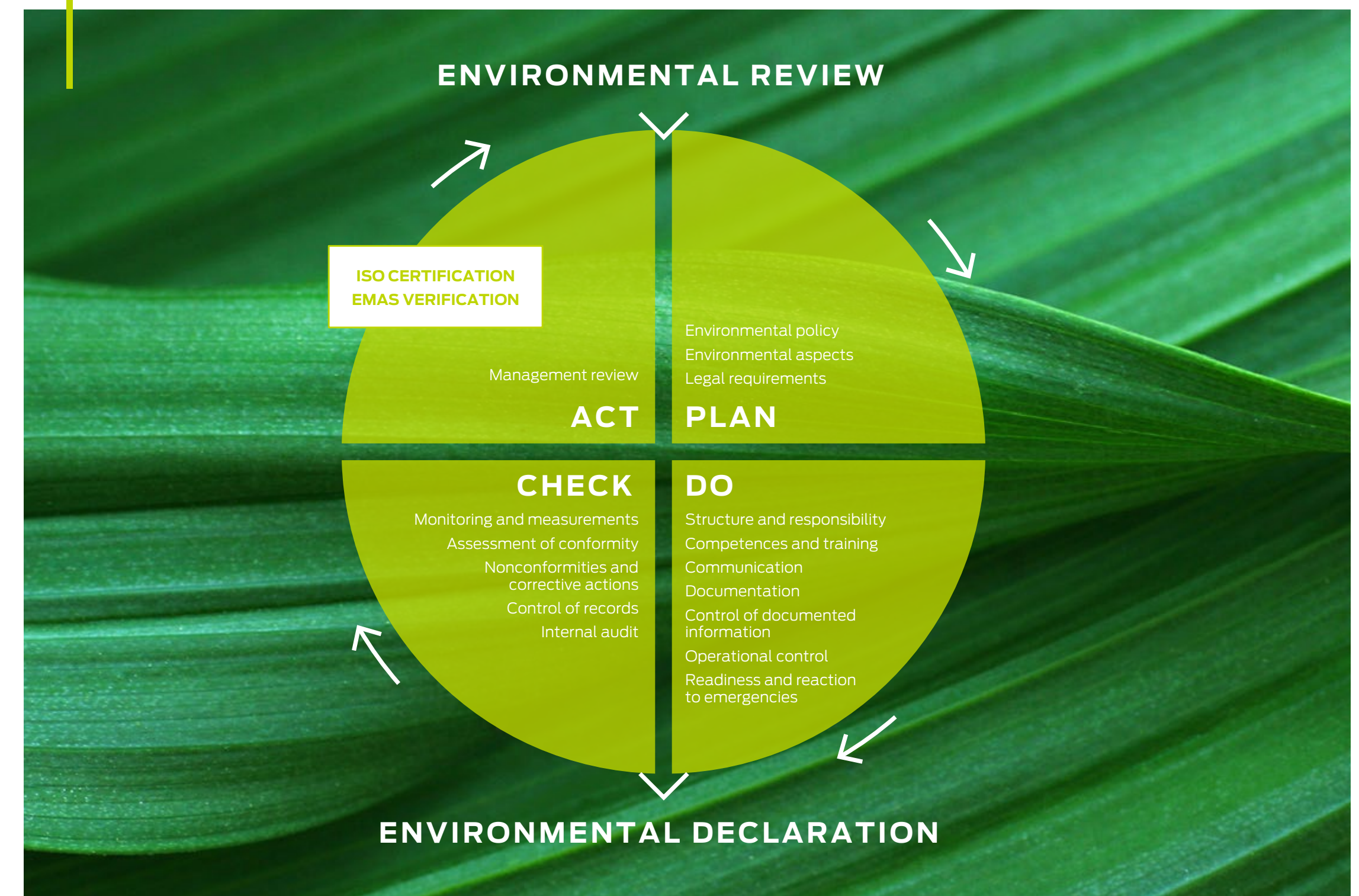
The IMS model, including environmental management is based on the Deming cycle. The Company continuously improves its environmental management system, which takes into account the most important stages of the PDCA cycle, i.e. Plan, Do, Check, and Act. The basis for proper planning and functioning of environmental management is the Environmental Review performed in the company.

The Company periodically publishes the Environmental Declaration, containing, e.g. a description of direct and indirect environmental impacts (environmental aspects), environmental objectives set annually and information on their implementation, as well as the environmental effects of our activities in relation to significant aspects. The current Environmental Declaration of 2023 is publicly available and can be found on the company's website.

[2-25] Processes to remediate negative impacts

Chapter 2.6 Ethics and Counteracting Corruption describes our obligations regarding the handling of reported nonconformities and unacceptable behaviour in the organisation, relating to violations of the provisions of the ONDE S.A. Code of Ethics and relevant policies.

FIGURE 3.
A MODEL OF THE MANAGEMENT SYSTEM AT ONDE S.A.



Additionally, when implementing wind and photovoltaic farm projects, we identify in detail any potentially negative impacts, prevent, secure, train, and inform local residents. Our priority is care for natural animal habitats and protection of ecosystems.

ONDE's activities aiming at identifying environmental and OHS risks and responding to environmental and OHS incidents are specified in the documentation of the Integrated Management System, including, the instruction "Readiness and reaction to environmental emergencies", the "Environmental incident reporting" form, the instructions "Risk and opportunity assessment" and "Readiness and response to emergencies, and incident handling". These documents result from the ISO 14001 and ISO 45001 standards. Typical operational activities aiming at preventing negative impacts on the environment and the local community are described in Chapter 2.7 of the 2023 Environmental Declaration, available at:

<https://onde.pl/pl/systemy-zarzadzania/srodowisko/>

We maintain a dialogue with stakeholders, including the local community, during execution of every investment. It involves:

- the use on every construction site of OHSE information boards and other environmental markings also available to the external environment,

- providing telephone and/or e-mail contact details for employees who are authorised to represent the Company outside on IMS and EMAS issues; to simplify the communication, we created one e-mail address srodowisko@onde.pl,
- discussions with a local community before starting and during construction works,
- regular informing neighbours about planned scopes of work and their impact,
- managing possible complaints or requests from the local community.

"Points" are set up at construction sites, where residents can anonymously report their complaints/opinions concerning the construction site. Comments can be submitted directly to the construction site management. The construction site management is also in constant contact with representatives of local authorities.

[413-1] One of the examples of activities aiming at protecting the environment and reducing the impact of the construction works on the entire environment is the assessment of the minimalisation of the impact on the local community of our first own investment – the construction of the Cyranka photovoltaic farm. The construction of the line in its original form could cause long-term traffic problems in Giżycko and difficulties for residents. As a result of the assessment of this potential impact, the route of medium voltage cable

lines was changed to lead them along an alternative route – through the fields and not through Giżycko. Furthermore, the use of drillings and shielding pipes during the line construction minimised duration of possible problems.

The structured actions enable us to eliminate complaint processes from local communities and interventions of external bodies established to protect the environment. This is confirmed, among the others, by the entry into the EMAS register:

<https://www.gov.pl/web/gdos/rejestr-emas>

https://green-business.ec.europa.eu/eco-management-and-audit-scheme-emas_en

It was preceded by a multi-stage verification by the General Director for Environmental Protection and all institutions responsible for the supervision of the companies' areas of activity in the environmental area. The General Director for Environmental Protection analyses, for example, complaints and proceedings conducted in relation with breaches concerning environmental protection. EMAS registration processes did not demonstrate any complaints or nonconformities.



3.2 BIODIVERSITY

[304-2] [3-3] At ONDE, at a central level, in accordance with the integrated management system requirements, we identified all direct and indirect environmental impacts, i.e., so-called environmental aspects. Additionally, at each construction site, its manager is obliged to determine aspects specific for a given project. For each identified aspect, actions preventing possible negative environmental impact are established. Furthermore, people responsible for their future implementation are appointed.

At ONDE, biodiversity was qualified as a direct important environmental aspect and is regularly monitored for each investment.

We have identified the ONDE impact on the reduction of fauna and flora biodiversity as minimal, yet we try to participate in works to improve the current level of biodiversity. Our procedures provide for, among others:

- locating construction site facilities, warehouses, etc., mainly at areas already developed and transformed;
- restoring a site of works to its initial condition before the construction;
- transferring plants to new locations, and compensation planting;
- tree cutting minimised to the furthest extent possible;

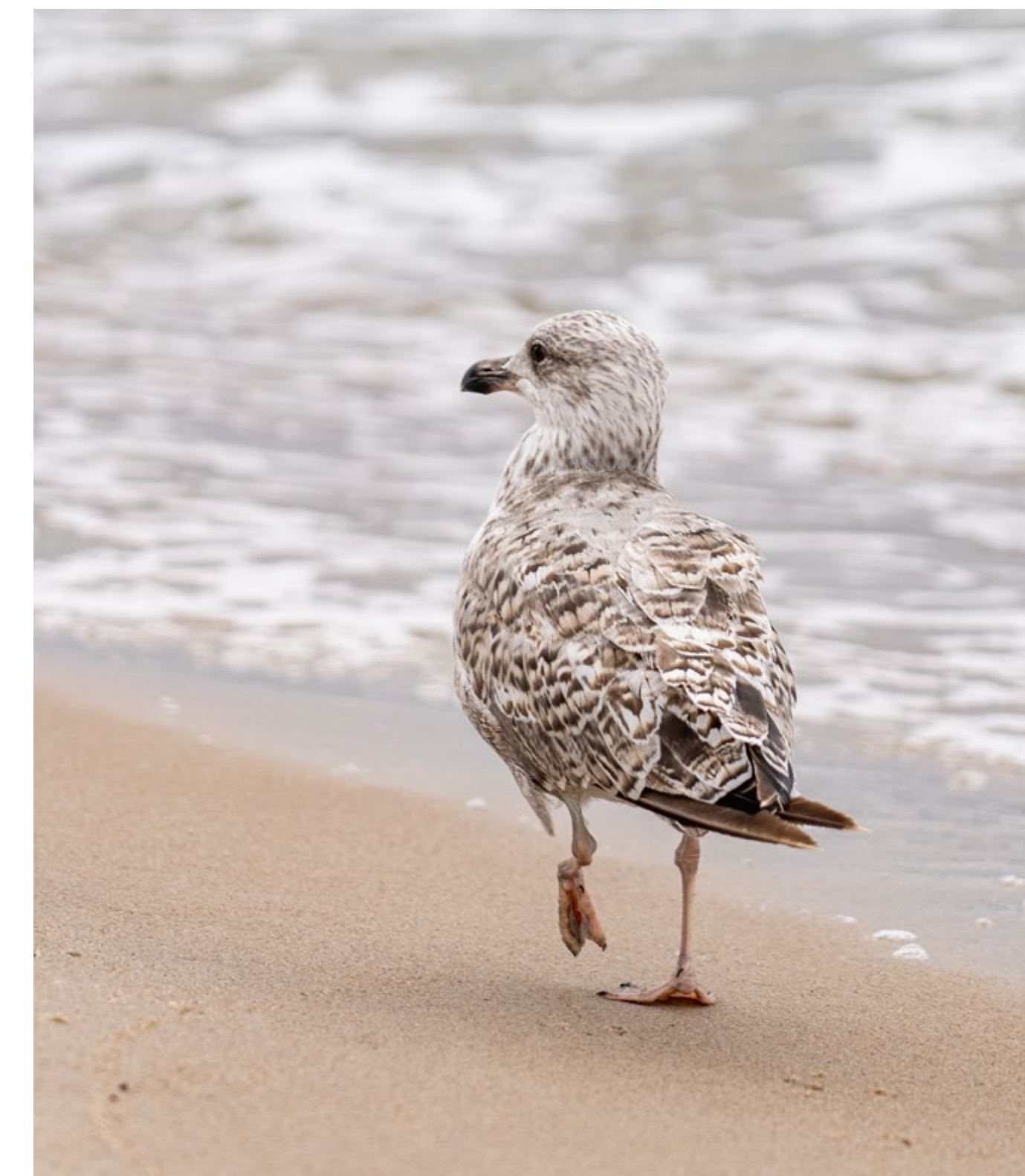
- protection of trees within the construction site influence zone against mechanical damage;
- transferring amphibia and reptiles from reservoirs colliding with conducted works to new sites;
- transporting materials and raw materials mainly using already designated road courses;
- suspending construction works when any animals appear in the investment zone;
- adapting the works schedule to the natural cycle. Any possible tree felling is carried out only in accordance with permits, after prior verification by an ornithologist that no bird habitats are present in the area.

We also undertake other operations to protect soil and aquatic ecosystems against pollution. If any machine breakdown occurs at a construction site, necessary works are conducted using absorbent mats securing the ground against penetration of hazardous substances. At the stage of reinforced concrete works, designated places for washing concrete pumps and mixers are organised. Protective trays and basins are used in warehouses of hazardous substances and waste. An instruction of actions in case of finding any spillage of a hazardous substance is in force in all ONDE organisational and production units.

ONDE also implements sustainable activities in the field of construction. In 2023, the Company initiated an investment in a low-carbon office, further minimizing its environmental impact. The new building uses a photovoltaic system, reversible heat pumps, modern insulation systems and ventilation systems based on a heat recovery mechanism, reducing the energy consumption of the building.

During execution of the S3 dual carriageway construction project, ONDE was responsible, among others, for construction of 13 ecological culverts and development of green areas, planting 35 thousand deciduous trees and bushes.

During the works, in accordance with the obligations imposed in the Environmental Decisions, as well as the increasingly frequent requirements of Investors, at our construction sites we reuse the earth resulted from performed earthworks at the level ranging between 90 and 95%. An example of fulfilling the above-mentioned obligation was the construction of the S3 Legnica-Lubawka road, on which, in accordance with the contractual requirements, we managed to reuse at the construction site 95% of native soil and humus from the excavation works. Our efforts to protect biodiversity are described in more detail in the Environmental Declaration 2023.



3.3 CIRCULAR ECONOMY

[301-1] [3-3] At our construction sites, the most important materials indicated in the table below are included in the group of non-renewable materials such as concrete, steel, aggregates used for road construction (A ratio), and limestone powder, aggregates and asphalt used in production of mineral and asphalt masses (B ratio). Constructing photovoltaic and wind farms, ONDE purchases significant quantities of cables, therefore they were also qualified as an important non-renewable material.

The consumption of materials (A ratio) was referred to the quantity of mineral and asphalt mass manufactured (B ratio) at the Bitumen Mass Manufacturers, and to income expressed as PLN million (B ratio) at construction sites. ONDE closely monitors the production process at the Bitumen Mass Manufacturer, conducting it in accordance with established recipes and technological regimes provided in the plant production control.

The subcontractors whose services are used by ONDE have been provided with project documentation containing guidelines concerning materials they should use. We have also listed the most important materials purchased by the Company (concrete, steel, aggregate, cables and materials for the production of mineral and asphalt masses). We analyse their list every year.

TABLE 6. Construction materials consumption

Construction materials consumption	Unit	A ratio			B ratio			R=A/B			Change 2023-2022 (%)	Change 2023-2020 (%)
		– consumption			– income (as PLN thousand)			2020	2022	2023		
		2020	2022	2023	2020	2022	2023	2020	2022	2023		
Concrete consumption	Mg	11,772.86	37,135.20	61,320.60	586.3	1092.9	1083.82	20.08	33.98	56.58	66.50	181.76
Steel consumption	Mg	414.32	3,559.33	8,845.77	586.3	1092.9	1083.82	0.71	3.26	8.16	150.36	1049.53
Aggregate consumption	Mg	1,798,069.78	259,024.47	379,903.01	586.3	1092.9	1083.82	3,066.81	237.01	350.52	47.89	-88.57
Cables	km	-	4,055.37	5,000.00	586.3	1092.9	1083.82	-	3.71	4.61	24.33	-
Total material consumption, excluding cables	Mg	1,810,256.96	299,719.00	450,069.38	586.3	1092.9	1083.82	3,087.59	274.24	415.26	51.42	-86.55

Materials	Unit	A ratio			B ratio			R=A/B			Change 2023-2022 (%)	Change 2023-2020 (%)
		– consumption			– production			2020	2022	2023		
		2020	2022	2023	2020	2022	2023	2020	2022	2023		
Total materials consumption for production of mineral and asphalt masses at the Bitumen Mass Manufacturer	Mg	136,972.33	46,771.22	185,187.75	133,397.48	48,146.14	178,153.38	1.03	0.97	1.04	7.20	0.97

Waste

[306-3] At ONDE, waste is generated in consequence of conducted construction work, operations of plants at the bitumen mass manufacturers in Toruń and in Koszalin, as well as maintenance and repairs of vehicles and equipment at the equipment service and facilities. We conduct activities aiming at minimising the amount of waste generated and provide regular training to shape the environmental awareness of employees and subcontractors.

At ONDE, the waste management is conducted in accordance with rules specified in the Waste Act, in a way ensuring protection of human life and health, and of the environment. First, the waste is subject to recovery or disposed of at a place of its generation. When it is not possible for technological reasons, it is transferred outside a construction site for recovery, reuse, or disposal.

All waste, including hazardous waste, is transferred solely to recipients holding required permits. In 2023, we added the waste segregation requirement to provisions of contracts with subcontractors.

At the Company, we strive to segregate construction and demolition waste to the greatest possible extent at its source, i.e. directly on a construction site, which will allow us to meet the upcoming taxonomic and legal requirements related to amendments to the Waste Act.

In 2023, 107,841.939 Mg of waste in total were generated in ONDE S.A. More than 99.99% of it (107,831.85 Mg) represented waste other than hazardous. Hazardous waste represents only 0.01% (10.085 Mg) of all waste generated at the Company. It should be noted that the weight of hazardous waste decreased tenfold Y-O-Y. This is related to the completion of demolition works on the S3 road construction site, where the main stream of hazardous waste (97.98 Mg) was generated in 2022. Sources of data to obtain information about the quantity of waste generated are taken from the Ministry BDO database.

Concerning the income, the ratio of waste generated amounted to 99.5 Mg/PLN one million. This is presented in tables below. The slight increase in this ratio was mainly caused by the increase in the amount of generated waste with code 17 03 02. The increase in the above-mentioned waste stream was related to the increase in the number of repair contracts performed on line investments.

In 2023, the waste management at ONDE was conducted on the basis of the issued administrative decision for waste processing (WGK.6233.GO.16.2015.RT of 16/02/2015, together with amending Decisions WGK.GO.6233.23.2019.RT of 20/12/2019 WGK.GO.6233.23.2019.RT and WGK.GO.6233.7.2022.RT of 22/02/2022, and WGK.GO.6233.2.2024.RT of 14/02.2024).



TABLE 7. Hazardous and other waste

Waste	Unit	A ratio			B ratio			R=A/B			Change 2023-2022 [%]	Change 2023-2020 [%]
		– consumption			– income (as PLN thousand)			2020	2022	2023		
		2020	2022	2023	2020	2022	2023	2020	2022	2023		
Hazardous waste	Mg	2.49	103.35	10.09	586,315.00	1,092,852.00	1,083,819.00	0.00000	0.00009	0.00001	-90.16	119.10
Non-hazardous waste	Mg	2,072.87	104,518.98	107,831.85	586,315.00	1,092,852.00	1,083,819.00	0.00354	0.09564	0.09949	4.03	2,714.16
		2,075.36	104,622.33	107,841.94	586,315.00	1,092,852.00	1,083,819.00	0.00354	0.09573	0.09950	3.94	2,711.05

TABLE 8. Waste according subcategory codes

Waste subcategory code	Waste subcategory name	Waste weight [Mg]	
		2022	2023
01 04	Wastes from physical and chemical processing of non-metalliferous minerals	204.380	813.840
07 01	Wastes from the manufacture, formulation, supply, use and removal of basic organic chemicals	0.000	0.230
07 02	Waste from the manufacture, formulation, supply and use of plastics, synthetic rubber and manmade fibres	0.500	0.000
08 01	Wastes from the manufacture, formulation, supply, use and removal of paint and varnish	0.005	0.120
13 02	Waste engine, gear and lubricating oils	2.690	6.130
13 08	Oils not included in other subcategories	0.000	0.070
14 06	Other halogenated solvents and mixtures Other halogenated solvents and solvent mixtures	0.050	0.110
15 01	Packaging (including separately collected municipal packaging waste)	119.311	161.735
15 02	Absorbents, filter materials, wiping cloths and protective clothing	0.578	0.660
16 01	End-of-life vehicles from different means of transport (including off-road machinery) and wastes from dismantling of end-of-life vehicles and vehicle maintenance (except 13, 14, 16 06 and 16 08).	9.290	3.290

Waste subcategory code	Waste subcategory name	Waste weight [Mg]	
		2022	2023
16 02	Wastes from electrical and electronic equipment	24.180	30.099
16 05	Gases in pressure containers and discarded chemicals	0.000	0.000
16 06	Batteries and accumulators	0.400	2.080
17 01	Waste of construction materials and elements, and road infrastructure (e.g., concrete, bricks, tiles and ceramics)	25,221.280	3,772.430
17 02	Wood	11.420	395.520
17 03	Bituminous mixtures, coal tars and tarred products	982.260	12,842.395
17 04	Iron and steel	7.766	27.090
17 05	Soil and stones other than those mentioned in 17 05 03	77,855.270	89,641.230
17 06	Insulation materials other than those mentioned in 17 06 01 and 17 06 03	0.160	2.840
17 09	Mixed construction and demolition wastes other than those mentioned in 17 09 01, 17 09 02 and 17 09 03	182.785	141.170
20 03	Other municipal wastes	0.000	0.900
		104,622.325	107,841.939

3.4 CLIMATE

ONDE monitors ongoing and planned legislative changes at the national and European level regarding climate issues.

In November 2022, the Group conducted a study of the double significance of climate issues on the basis of a methodology based on, among others:

- The European Commission Communication – Guidelines on non-financial reporting: a supplement on reporting climate-related information (C/2019/4490);
- the planned form of the CSRD Directive (i.e. Directive (EU) No. 2022/2464 of the European Parliament and of the Council of 14 December 2022) with regard to sustainability reporting and the ESRS – European Sustainability Reporting Standards prepared on its basis.

The level of materiality of climate-related information for the ONDE Group has been described as high in the short-, medium- and long-term perspective, as well as in the entire Group value chain.

Accordingly, the following was assumed:

- the short-term basis was understood as the perspective until 2030, with an intermediate milestone in 2025. It also included elements resulting from the Fit to 55 Package;
- the medium-term basis was understood as the perspective until 2040, a year in which the process of the basic group of actions aimed at reducing the carbon footprint

is to be completed according to the EU European Green Deal Strategy, corresponding to the time of implementation of the Energy Policy for Poland until 2040. When determining the medium-term basis, plans for the eventual change of targeted indicators were taken into account in connection with the ongoing work on updating the Energy Policy for Poland.

- the long-term basis was understood as the perspective until 2050, in which the achievement of climate neutrality in the European Union is assumed in the European Green Deal.

The ONDE Group also constantly monitors its legislative activities (mainly related to the implementation of the CSRD and ESRS), reserving an option to revise its climate goals in the medium term on the above basis.

In 2023, as well as in the future periods of time, ONDE did and will not have a significant impact on the climate, but this impact may be negative and noticeable in some part. Basic materials (steel, cement, and other) used by ONDE for production are manufactured by sectors (steel mills, cement production) that have a significant impact on the climate. Therefore, the significant impact on the climate change, probable changes in legislation, and burdens associated with greenhouse gases emissions in these sectors that may have a negative influence, e.g. on the

ONDE financial performance, were considered in description of materiality of climate issues for the ONDE Group. It was also established that when the climate change is considered in a wider perspective, the intensified weather anomalies may affect performance of investments conducted by ONDE.

We determined our vulnerability to climate change by a step-by-step estimation on the basis of exercises determining the Group exposure, sensitivity, potential impact and ability to prepare. We relied on the 2021 AR6 Sixth Assessment Report prepared by the United Nations' Intergovernmental Panel on Climate Change (IPCC), and on scenario analyses prepared on this basis for four scenarios: RCP 2.6, RCP 4.5, RCP 6 and RCP 8.5, for which the International Energy Agency (IEA) was responsible. We mainly focused on RCP 4.5 (Warming at the level of up to 1.5°C) and RCP 8.5 (Warming at the level exceeding 4.5°C) scenarios. Furthermore, climate and weather changes (until 2050) associated with the scenarios, shown on ISOK (Informatyczny System Ostoły Kraju) and Klimada 2, were considered. This resulted in determining the level of influence of those changes (climate and weather hazards) on assets held, as well as their management by the entire Group and its value chain, including, of course, ONDE itself.

Simultaneously with above aspects, we also analysed the ONDE socio-environmental significance (impact materiality), concerning the Group's impact on the climate. In this respect, a significant participation of the Group in limiting the climate change was indicated. At ONDE, we meet the expectations related to climate change, as we have the knowledge, skills and competences in the design of RES systems – primarily photovoltaic farms, but also wind farms. In the EMAS declaration, the external auditor stated that the Group is equipped with resources, knowledge, competence and is truly involved in a dynamic and extensive way in the processes of changing to low- and zero-emission sources the sources used to generate electricity, heating and cooling in Poland and Europe. As part of its processes, the ONDE Group operates to minimise its carbon as well as the environmental footprints.

It was found that the materiality described above is of the financial nature (from the outside in) and of environmental and social nature (from the inside out).

On the basis of those analyses we determined that ONDE S.A. meets and will continue to meet in the nearest future restrictive regulative standards, as well as expectations of its customers in terms of crucial indexes for its impact on the climate and resistance to the climate change.

Crucial determinants for high materiality of climate issues for ONDE are presented in the table below:

TABLE 9. [201-2] Materiality of climate issues for the ONDE Group, together with a type of their influence on the Group:

Financial importance	
Factor	Opportunities(+)/Risks(-)
Conducting and executing investments during winter	+
Occurrence of excessively warm and dry summers, when works cannot be performed	-
Occurrence of weather anomalies that may negatively affect the investment execution process	-
Performance of the objective of minimising own construction assets	+
ONDE activities concerning investments for environmentally friendly energy sources, including construction of RES systems (photovoltaics + wind farms + biogas plants) as well as replacement of high emission fuels with zero (electrical, hydrogen, powered by human muscles) and low (including hybrid and cogeneration solutions) emission ones in terms of GHG	+
ONDE activities related to investments in industrial sectors considered to be carbon-intensive ones in the GHG terms.	-
Conducting construction activities in areas potentially at risk of climate change, mainly in terms of weather changes, manifested by a reduction in the availability of the work site	-
An increase in the quantity and availability of wind and solar due to climate change, enabling an increase in the production of energy from these sources	+

Environmental and social importance

Factor	Opportunities(+)/Risks(-)
Emitter of greenhouse gases (GHG), but not in a direct system (in this respect, ONDE is presented as one of leaders in low emissions). This concerns, in particular, the use of products from sectors that have a significant impact on the climate (e.g., concrete and cement production, steel works)	-
Willingness and ability to participate in the energy transition in Poland (as one of the leaders in RES construction) due to its competences in investments in the RES constructions (photovoltaics + wind farms) and this fits into performance of provisions of the European Green Deal and the Energy Policy for Poland	+
Knowledge of the technology and conducting constructions aiming at adaptation to the climate change	+
High emissions from bitumen masses	-

[201-2] Importance of the climate issues versus business model, the strategy and financial plans of the Company

ONDE S.A., as one of the leaders in the RES construction segment, strives for continuous development in accordance with the principles of sustainable development and responsible business. The Group's business model and strategy are a part of global climate challenges aimed at reducing the pace of adverse climate changes. For the RES construction sector, the climate change is important in the context of weather phenomena and regulatory changes, as well as social development, and interest and awareness of the power supply sector.

We conducted an analysis of scenarios for the resilience of ONDE's business models and business strategy to climate change on the short, medium and long term basis. This review allowed to avoid a potential negative impact on business operations, in terms of financial losses, future legislative burdens, and lack of social acceptance for conducted activities.

In the business model resilience analysis, the Group uses the model of United Nations– Intergovernmental Panel on Climate Change, based on the RCP 4.5 (Warming on a level of up to 1.5°C. Scenario 1) and RCP 8.5 (Warming on a level exceeding 4.5°C. Scenario 2) scenarios. This assumption is consistent with assumptions of the ERBUD Group. A monitoring of resistance of the ONDE business model to the climate change has become a common practice in the Group.

The analysis of Scenarios 1 and 2 was conducted following four stages: establishing a model of the company-climate impacts, calculation of associated costs of security, a safety analysis for the current portfolio of the ONDE products and processes, and proposals for additional securities for the Group products and services. Considering the time frames and analysing previous results concerning significance, ONDE business model on: – the short term basis: is sufficiently resilient, or actually ONDE is a pioneer in mitigating negative climate change and enables the Company to face risks in this aspect, – medium and long-term basis: it is sufficiently resilient to the climate change.

The Integrated Management System implemented in the Group, described in Chapter 3.1, is also of key importance for ONDE.

[201-2] Opportunities for ONDE associated with the climate

Its efforts to achieve the long-term objective of the Group (climate neutrality by 2050) create for ONDE opportunities on a long- and medium-term basis. Climate change and its protection provide opportunities for further, financial and social (non-material), development in terms of increasing public awareness of RES and increasing the acceptance of these changes, and thus influence prospects for future revenues.

The specific character of a portfolio of conducted investments – especially photovoltaic and wind farms together with accompanying infrastructure, indicates ONDE's high understanding of the climate change, not only for the natural environment, but also for development of the further competitive edge for ONDE. The offered products and the creation of new jobs related to the RES constructions are in line with the main objectives of the EU European Green Deal Strategy, concerning, among others:

- reduction of the carbon footprint to ensure that Europe achieves climate neutrality;
- reduction of the environmental footprint towards the resource efficiency concept through implementation of principles of the circular economy;
- fair social transformation, creation of new work places in low- and zero-emission sectors.

The first objective is integrated with the climate change, and with the level of emissions of greenhouse gases (GHG), that cause the greenhouse effect. Construction, transport, and power supply represent basic sectors on which we should focus when we talk about main streams where green-

house gases emissions need to be restricted. The offered ONDE services represent a direct response (in the operating context) to the need to implement the set objective in the strategy for the European Green Deal and a mechanism to reduce the emission levels, through offering construction services for the power supply infrastructure required to reduce GHG emissions from the energy mix.

The second of the listed European Green Deal goals is related to the resource efficiency, Reviewing business activities in a context of the entire value chain and the products life cycle, offers the company the opportunity to design its operations in a spirit of the circular economy and keeping raw materials in circulation as long as possible. The circular economy represents an important part of the European Industrial Strategy, and the European Commission indicates and emphasises sectors with the highest consumption of resources, while having a potential for circular economy. They include the construction industry. The activities associated with implementation of the circular economy within services offered by ONDE and internal company processes represent another fundamental component of the Group attitude and plans.

The third of the mentioned objectives concerns investing in new work places. It should be emphasised that the European Green Deal declares a transition that is socially fair, and strongly emphasises a challenge of new work places in a context of liquidation of high consumption industry in favour of low- and zero-emission economy, which in general, offers lower well-being and reduces, e.g., investment capacities of local governments. Winning new projects and investments for the Group is associated with a continuous demand for employees. Therefore, the actual participation

of the Group in the transition towards climate neutrality reduces its social costs.

In the context of climate change, the market situation encourages the company to diversify the segment of own projects and to maintain a part of the portfolio to benefit from the sale of electricity, which will ensure even greater capital strengthening for ONDE. Continuous seeking of technical, technological, organisational, and management solutions will contribute to strengthening of ONDE in terms of implementation of assumptions of ESG ratings and minimising its impact on the climate. A simultaneous identification of business partners' involvement with pro-climate aspects and maintaining documentation at the operating and strategic level will support actions and decisions concerning further creating of the Group strategy for development and cooperation. An increase in ambitions of our contractors involved in the ONDE value chain, through the access to knowledge, and accompanying great awareness of climate problems will translate into benefits for ONDE, as well as for business opportunities for suppliers in the entire chain. Following the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations, the ONDE strategy should be strengthened into even more mechanisms concerning climate aspects in a context of its monitoring and further updates.

The strategy and other organisational documents should take into account the issues of the Group's impact on the climate, as well as climate risks, especially acute physical risks, and long-term physical risks associated with locating of a new investment.

ONDE wants to participate in fulfilling obligations of the climate neutral economy, directing its activities in a way en-

abling identification of those having a potentially negative impact on the climate and of the climate change impact on ONDE. This approach meets the Group obligations in the sustainable development and ESG areas, as well as contributes to implementation of the EU Climate Policy.

Climate policy

[2-23] The "ONDE Group Climate Policy for 2023–2050" aims at specifying management control over challenges associated with prevention of the negative climate change, and establishing ONDE climate objectives together with specifying mechanisms for their performance. In accordance with the Policy provisions, risks were identified and their impact on the business model was assessed, together with the influence of the climate change on operations of individual business sectors. Furthermore, basic indices and reductions in Scope 1 and Scope 2 emissions were identified, and expanding of activities aiming at reductions with Scope 3 was determined. The ONDE Group conducts due diligence processes for activities aiming at the climate change mitigation. The Policy was adopted by the ONDE S.A. Management Board.

The provisions of the Climate Policy also form a criterion for setting annual environmental goals by ONDE. Their implementation is verified during environmental audits for compliance with ISO 14001:2015 and by the EMAS environmental verifier.

The policy was developed in line with regulatory conditions, as well as drawing on the guidance of the Task Force on Climate-related Financial Disclosures (TCFD), the European Commission's Communication as a Supplement on Reporting Climate-related information (2019/C

209/01), the European Green Deal Strategy (including the "Fit for 55" package), and the EU Taxonomy, i.e. Regulation (EU, 2020/852) of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment and Directive of the European Parliament and of the Council (EU, 2022/2464) – the so-called CSRD Directive.

The developed Climate Policy is addressed to internal and external stakeholders. It was communicated to ONDE employees and subcontractors, and is respected by them.

The substantive support for the study was provided by experts from the organisational structure of the ONDE Group, as well as specialists from the AGH University of Science and Technology in Krakow.

The full text of the Climate Policy is available at: <https://onde.pl/wp-content/uploads/2023/03/polityka-klimatyczna-2023.pdf>

Objectives of the "ONDE Group Climate Policy for 2023–2050"

The President of the ONDE S.A. Management Board supervises implementation of the ONDE Group Climate Policy. They declare that they will make all efforts possible to ensure that in 2022–2050 the established objectives concerning limiting of the climate change and its negative consequences are met. Our ambitions to intensive pro-climate actions of ONDE have been implemented for several years, and they are reflected in the Group priorities and objectives. The Climate Policy objectives are consistent with the objectives of the ERBUD Group. These objectives were divided into three groups (Group 1, Group 2, and Group 3).

Group 1. ONDE Group objectives concerning reduction in greenhouse gases (GHG) emissions (to mitigate the climate change):

Short-term basis (by 2030):

- 30% reduction in direct emissions (Scope 1).
- 40% reduction in indirect emissions (Scope 2) through actions promoting efficiency and by using renewable energy sources at a level of 80%.
- completing calculations of indirect emissions from the entire supply chain and their reduction by 10% (Scope 3).
- Including climate aspects in modelling the portfolio of orders.

Medium-term basis (by 2040):

- 40% reduction in direct emissions (Scope 1).
- neutrality in indirect emissions (Scope 2) through actions promoting efficiency and by the use of renewable energy sources,
- 20% reduction in indirect emissions from the entire supply chain (Scope 3).

Long-term basis (by 2050):

- CLIMATE NEUTRALITY achieving climate neutrality, including through reduction and assimilation of emissions of the remaining greenhouse gases.
- ZERO CARBON FOOTPRINT, offering solely products with zero carbon footprint at phase a of the life cycle of a product/building according to PN-EN 15804.

The baseline year for reduction in the GHG emissions was 2020 for Scope 1 and 2, and 2024 for Scope 3.

Group 2: ONDE Group objectives focusing on improving energy efficiency and reducing the carbon footprint in the entire value chain of the Group by 10% (to mitigate climate change):

- Reduction of energy consumption by 10% on the basis of the analysis of the ratio of energy consumption to revenues generated by the executed investments.
- An improvement in the structure of using renewable energy sources at ongoing investments in relation to the total costs of energy consumption by 10%.

Group 3. Objectives defined for the ONDE Group aimed at significantly reducing physical risks related to climate (in order to adapt to climate change):

- **RISK MITIGATION** the organization's involvement in the process of reducing the acute physical risk and long-term physical risk of its customers by preparing products that actually minimize them.
- **ZERO RISK** no constructions and construction products executed at locations exposed to identified acute and/or long-term physical risk.

Energy mix

[3-3] [302-1] [302-4] [302-5] In 2023, as the ONDE

Group we increased the share of renewable sources in our energy mix. However, our total energy consumption also increased, in consequence of our increased activity in the market and the Group development.

In 2023, the total consumption of energy (including energy from fuel burning) from renewable and non-renewable energy sources by the ONDE Group amounted to 144,635.30 GJ (40,176.47 MWh), and this means an increase by 95.59% versus the previous year, and by as much as 66.43% versus the baseline year 2020.

The data on consumption was referred to the ONDE Group revenues for 2020 (PLN 586,315 thousand), 2021

(PLN 1,217,445 thousand), 2022 (PLN 1,092,852 thousand), and 2023 (PLN 1,083,819 thousand). We recorded a significant increase in total energy consumption, of 97.22% when compared to 2022, while when compared to the baseline year (2020) we maintained a decrease of 9.97%.

In 2023, the consumption of electricity alone amounted to 5132.02 GJ (1425.56 MWh), and this means an increase by 64.97% versus the previous year, and a drop by as much as 72.22 % versus the baseline year. The visible increase in electricity is caused by an almost fourfold increase in the production of bitumen masses at the plants in Toruń and Koszalin, which are responsible the largest electricity consumption in the entire Group.

Over 69% of electricity from RES

In 2023 The ONDE Group has increased the use of renewable energy. The percentage ratio of energy obtained from renewable energy sources in relation to the total electricity consumed by the ONDE Group was 69% in 2023, versus to 28% in the baseline year 2020.

In 2023, we were the only company in the Erbud Group to obtain Guarantees of Origin for 800 MWh of electricity from our own account of TGE RGP (Register of Guarantees of Origin of the Polish Power Exchange) as the only company in the Erbud Group. This energy was produced by PV Cyranka during the period when ONDE was its owner. The entry in this register enables redeeming of guarantees of origin (GoO) for RES energy for each company in the Erbud Group.

At the end of the reporting period, ONDE still held 1 GWh of guarantees of origin, which will be redeemed in 2024.

ONDE has developed an energy purchase plan for the coming years, which assumes a preference for energy from RES over energy from non-renewable sources. The assumption is to achieve zero emissions for electricity in 2024, by using the guarantees of origin held, signing contracts with suppliers of green energy for ONDE, and purchasing additional guarantees of origin in the event of insufficient quantities.

FIGURE 4.
A GUARANTEE OF ORIGIN CERTIFICATE FOR ELECTRICITY FOR ONDE S.A.



The total energy efficiency was calculated at the ONDE Group, taking into account:

- electricity;
- heat;
- energy from using fuels (petrol, diesel oil, LPG) in cars and machines;
- energy from burning of natural gas;
- energy from burning of coal dust;
- energy from burning of heating oil.

TABLE 10. [302-1] Energy consumption in the ONDE Group broken by individual energy sources.

Energy from individual sources	2020 as GJ	2020 as MWh	Intensity of energy consumption in 2020 [GJ/PLN thousand]	2022 as GJ	2022 as MWh	Intensity of energy consumption in 2022 [GJ/PLN thousand]	2023 as GJ	2023 as MWh	Intensity of energy consumption in 2023 [GJ/ PLN thousand]	% change in the A/B ratio (GJ) 2023–2022	% change in the A/B ratio (GJ) 2023–2020
Electricity	9,993.42	2,775.95	0.017	3,136.71	871.31	0.003	5,132.016	1,425.560	0.005	64.975	-72.219
Heat energy	no data	no data	-	1,852.70	514.64	0.002	1,743.240	484.233	0.002	-5.124	no data
Energy from fuels used in cars and machines	33,433.236	9,287.01	0.057	47,139.89	13,094.41	0.043	56,153.921	15,598.311	0.052	20.115	-9.139
Natural gas	19,139.076	5,316.41	0.033	14,757.26	4,099.24	0.014	58,881.408	16,355.947	0.054	302.325	66.430
Dust coal	22,748.076	6,318.91	0.039	6,609.51	1,835.98	0.006	21,828.564	6,063.490	0.020	233.012	-48.090
Heating oil	1,592.028	442.23	0.003	451.69	125.47	0.000	896.148	248.930	0.001	100.053	-69.549
TOTAL	86,906.052	24,140.57	0.148	73,947.76	20,541.04	0.068	144,635.297	40,176.471	0.133	97.221	-9.968

TABLE 11. [302-3] Intensity of consumption of individual energy sources versus revenues at the ONDE Group.

Electricity	2020 MWh	2020 GJ	2022 MWh	2022 GJ	2023 MWh	2023 GJ	% change 2023–2022 GJ	% change 2023–2020 GJ	GJ referred to revenues in 2020	GJ referred to revenues in 2022	GJ referred to revenues in 2023	% change 2023–2022 (fo revenues)	% change 2023–2020 (fo revenues)
The level of the total consumption of electricity from renewable sources	777.27	2,798.172	871.31	3,136.716	984.27	3,543.36	12.96	26.63	0.0048	0.0029	0.003269	13.9055	-31.4961
The level of the total consumption of electricity from non-renewable sources	1,998.68	7,195.248	0	0	441.29	1,588.66	-	-77.92	0.0123	0.0000	0.001466	0.00000	-88.0558
Total electricity consumption	2,775.95	9,993.42	871.31	3,136.716	1,425.56	5,132.02	63.61	-48.65	0.0170	0.0029	0.004735	64.9747	-72.2190
Total energy													
The level of the total consumption of energy from renewable sources	777.27	2,798.172	871.31	3,136.716	984.27	3,543.36	12.96	26.63	0.0048	0.0029	0.003269	13.9055	-31.4961
The level of the total consumption of energy from non-renewable sources	23,363.30	84,107.88	18,635.86	67,089.096	39,192.20	141,091.94	110.31	67.75	0.1435	0.0614	0.1302	112.0581	-9.2514
Total energy consumption	24,140.57	86,906.052	20,541.04	73,947.75991	40,176.47	144,635.30	95.59	66.43	0.1482	0.0677	0.1334	97.2213	-9.9677

B ratio	2020	2022	2023
Income on sales, as PLN thousand	586,315	1,092,852	1,083,819

[302-4] At ONDE, we undertake regular activities associated with shaping of employees' awareness on reducing electric power consumption in offices and construction sites, economic driving, and optimising drives. Additionally, activities are developed that aim at reduction in energy consumption directly at construction sites.

GHG emissions

[3-3] [305-1] [305-2] In calculations of greenhouse gases Scope 1 and 2 emission, 2020 was adopted as a baseline year. No changes in methodology for calculation of greenhouse gases emissions occurred versus the baseline year. 2020 was chosen as a baseline year due to structuring methods for data collection, by implementing the eco-management and audit scheme (EMAS). The financial controlling was selected as a consolidation criterion.

Emission levels were calculated on the basis of the GHG Protocol – Revised Edition methodology, supported by additional guidelines of ISO 14067:2018, and individual indices the National Centre for Emissions Management (KOBiZE) and the Energy Regulatory Office (URE). In 2022, the calculations of direct greenhouse gases emissions of the ONDE Group included emissions of CO₂, CH₄ and N₂O using calculations to CO₂e in accordance with the Global Warming Potential provided in edition V of the Intergovernmental Panel on Climate Change (IPPC) report operating at UN. The emission ratio for cooling agents R134A and R1234YF comes from the base published by the Department for Environment, Food and Rural Affairs (DEFRA) – hereinafter, the DEFRA base.

Emissions of greenhouse gases defined as direct are emissions from sources being owned by an enterprise submitting the report or controlled by it.

Indirect energy-related emissions of greenhouse gases are emissions from generation of purchased and consumed electricity, steam, heat, or cold. The frameworks calculations of the ONDE Group indirect energy emissions of green-

house gases in 2023 included CO₂, CH₄ and N₂O, using conversions to CO₂e, determined on the basis of location-based and market-based methodologies. Heat energy emissions were calculated on the basis of the value specified in invoices, while emissions from electricity are an estimation based on real data (such as costs of energy consumption). All indices and calculations used to calculate carbon footprint were taken only from the resources specified above (URE, KOBiZE, DEFRA – Department for Environment, Food and Rural Affairs).

[2-4] In the lists of greenhouse gases emissions, data for indirect energy-related greenhouse gases emissions in 2020 were changed. As a part of the location-based method, the report published for 2021 included information that we did not have any data to publish, while a value was provided for the market-based method. In accordance with the assumed methodology for calculation of emissions, consistent with the GHG Protocol, the value should be provided for the location-based method, and “no data” for the market-based method. The emissions for market-based were not calculated, because the structure of the energy suppliers was unknown and we did not use the Guarantee of Origin.

The ONDE Group aims to achieve climate neutrality as soon as possible – primarily by reducing electricity consumption and purchasing it from environmentally-friendly sources. Furthermore, solutions are implemented that will enable us to manage our carbon gases (GHG) emissions enable informed management of own impact on the climate and is the first step to reduction in the carbon footprint of the organisation. The Group calculates direct emissions

(Scope 1) and indirect emissions resulting from the consumption of purchased energy (Scope 2).

The most commonly adopted taxonomy for GHG emissions concerns:

- Scope 1: direct emissions of greenhouse gases from sources owned or managed by the company;
- Scope 2: indirect greenhouse gas emissions from the generation of electricity, steam, heat or cooling obtained and consumed;
- Scope 3: all indirect greenhouse gas emissions not covered by Scopes 1 and 2 that occur in the value chain of the reporting company, including emissions both upstream and downstream in the chain.

TABLE 12. Levels of greenhouse gases (GHG) emissions

ONDE GROUP	2020	2022	2023	Change 2023-2022	Change 2023-2020
TOTAL DIRECT CO ₂ e EMISSIONS (SCOPE 1) [Mg]	6,377.32	4,955.65	9,349.22	88.66%	46.60
TOTAL INDIRECT CO ₂ e EMISSIONS (SCOPE 2) [Mg] (market-based method)	no data	189.53	573.54	202.61%	no data
TOTAL INDIRECT CO ₂ e EMISSIONS (SCOPE 2) [Mg] (location-based method)	1,937.61	806.42	1,112.87	38.00%	-42.56
TOTAL CO ₂ e EMISSIONS (SCOPE 1 + SCOPE 2) [Mg] (market-based method)	no data	5,145.18	9,922.76	92.86%	no data
TOTAL CO ₂ e EMISSIONS (SCOPE 1 + SCOPE 2) [Mg] (location-based method)	8,314.933	5,762.07	10,462.09	81.57%	25.82

[305-7] In 2023, for the second time, we publish separate emissions of methane and nitrous oxide from burning of various types of fuels. Emissions were calculated on the basis of GHG Protocol, in accordance with the Global Warming Potential provided in edition V of the Intergovernmental Panel on Climate Change (IPPC) report.

The data for Scopes 1 and 2 are presented below. In 2023, the total greenhouse gases emissions generated by the ONDE Group in Scope 1 and Scope 2 amounted to 5884.43 kg CO₂e [Mg] (carbon dioxide equivalent) according to the market-based method. This means an increase in the emission levels versus 2022 by 92.86%. The total GHG emissions according to the location-based method was higher, when compared to the results obtained using the market-based method and amounted to 10,462.09 CO₂e [Mg], because this method does not take into account the guarantees of origin for RES energy or differences in the emission performance of individual suppliers.

CH₄ and N₂O emissions are a part of direct emissions disclosed in the index 305-1.

TABLE 13. Methane and nitrous oxide levels in the ONDE Group direct emissions (SCOPE 1) in 2022–2023

CH ₄ and N ₂ O	2022	2023	Change 2023/2022
Value of CH ₄ emissions as tCO ₂ e	15,63	23,77	52,08
Value of N ₂ O emissions as tCO ₂ e	9,97	16,44	64,86

In the operations of ONDE, on the basis of the emission permits held for bituminous mass plants, other emissions to air can be indicated, including NO_x, SO₂, CO₂, CO, and PM₁₀. The volume of emissions in 2022–2023 is presented in the table below:

TABLE 14. [305-7] Nitrogen oxides (NOX), sulphur oxides (SOX) and other significant emissions to the air.

Emisje	A ratio (kg)		B ratio (MMA production)		R=A/B		Change 2023-2022 (%)
	2022	2023	2022	2023	2022	2023	
NO _x emissions	1,580	6,170	48,146.14	178,153.38	0.03	0.03	0.06
SO ₂ emissions	150.00	570	48,146.14	178,153.38	0.00	0.003	0.03
CO ₂	1,488,710	6,575,250	48,146.14	178,153.38	30.92	36.91	0.19
PM ₁₀	833.45	3,292.72	48,146.14	178,153.38	0.02	0.02	0.07
CO	8,860	48,560	48,146.14	178,153.38	0.18	0.27	0.48

The amount of emissions depends on the volume of MMA production, which increased by 270% versus 2022, which at the same time gives an increase in individual emissions of NO_x (0,06%), SO₂ (0,03%), CO₂ (0,19%), CO (0,48%) and PM₁₀ (0,07%).

The emissions were calculated on the basis of the plant's operating time and periodic measurements of emissions to the air carried out by an accredited laboratory.

In the discussed year the Company did not record other emissions required for disclosure, i.e. persistent organic pollutants (POPs), volatile organic compounds (VOCs), and hazardous air pollutants (HAPs).

In 2023, for the second time, ONDE also calculated biogenic emissions. They are reported as “Outside of scopes” in accordance with the GHG Protocol guidelines. They were calculated using the CO₂ emission ratios from the base published by DEFRA in 2022.

TABLE 15. ONDE Group emissions of biogenic greenhouse gases (GHG) in 2022–2023

Biogenic emissions	Type of fuel	Result for tCO ₂ e	
		2022	2023
	gasoline	48,47	76,39
	fuel oil	84,09	182,89
	TOTAL	132,56	259,28

TABLE 16. [305-4] ONDE Group emissions of greenhouse gases (GHG) versus revenues

	2020	2022	2023	% change 2023-2022	% change 2023-2020
Direct emission levels (Scope 1) per unit of income on sales [Mg eCO ₂ /PLN thousand]	0,01088	0,0045	0,00863	90,23%	-20,69%
Indirect emission levels (Scope 2, market-based method) per unit of income on sales [Mg eCO ₂ /PLN thousand]	none	0,0002	0,0005292	205,14%	none
Indirect emission levels (Scope 2, location-based method) per unit of income on sales [Mg eCO ₂ /PLN thousand]	0,00330	0,0007	0,001027	39,15%	-68,93%
Direct and indirect emission levels (Scope 1 and 2, market-based method) [Mg eCO ₂ /PLN thousand]	none	0,0047	0,00916	94,46%	none
Direct and indirect emission levels (Scope 1 and 2, location-based method) [Mg eCO ₂ /PLN thousand]	0,01418	0,0053	0,00965	83,08%	-31,93%

The size of emissions was referred to the ONDE Group revenues for 2020 (PLN 586,315 thousand), 2021 (PLN 1,217,445 thousand), 2022 (PLN 1,092,852 thousand), and 2023 (PLN 1,083,819 thousand) accordingly. The results indicate that the level of direct and indirect energy emissions per unit of income increased by 83.08% y-o-y. When compared to the baseline year, a decrease of 31.93% was achieved.

The value of this indicator was significantly influenced by the ONDE Group business model, assuming a high share of the RES constructions sector in the income. It is a less carbon-intensive construction than road and engineering construction, as it has a lower energy demand during construction and also requires less involvement of machines, which translates into lower fuel consumption.

[305-3] Other greenhouse gases emissions (Scope 3)

For the past two years, the ONDE Group has been taking steps and actions to prepare for the acquisition of reliable data on which the calculation of indirect emissions in the scope of Scope 3 will be based. Taking into account the scale of the Group’s operations, due to the number of investments executed and the number of suppliers of both services and materials, this is a significant challenge.

At the first stage of works, we identified the elements that are important from the point of view of the ONDE Group operations, which are classified as indirect emissions under Scope 3. They were identified with the assistance of experts from the AGH University of Science and Technology (AGH) in Krakow. This also resulted in the creation of a database of emission indicators for individual materials used at ONDE construction sites.

At the next stage, IT tools were designed and integrated with the management processes existing in the company. The implemented tools allow us to record and verify data on an ongoing basis, not only internally – within the Group, but also data provided by our suppliers.

In the ONDE Group, 2024 will be the baseline year for indirect emissions (Scope 3). However, we would like to present below the results of emissions in two categories that are important to us already for 2023:

- **Category 1: Purchased materials and services.** In this category, we included emissions related to key construction materials incorporated by Polish companies (there are 6 of them). The calculations used emission factors in the range A1-A5 of the product/building life cycle in the “cradle to grave” approach, according to the PN-EN 15804:2012, made available by manufacturers in the EPDs of their materials and available in building materials databases, mainly in the German ÖKOBAUDAT database;
- **Category 3: Emissions related to energy and fuels not included in Scopes 1 and 2.** The calculations in this category were based on the actual fuel consumption by suppliers performing their work as part of the investment, and on the emission indicators provided by DEFRA (Department for Environment, Food and Rural Affairs) and KOBIZE (National Centre for Emissions Balancing and Management).

The table below presents the calculation results for greenhouse gases emissions in these three categories in the ONDE Group’s value chain in 2023.

Greenhouse gas (GHG) emissions in three significant Scope 3 categories in 2023

Category No.	Category name	Emission size
		eCO ₂ [Mg]
1	Purchased materials and services	944,181.31
3	Fuels and energy-related activities (not included in the Scope 1 or 2)	2,846.44
TOTAL EMISSIONS		947,027.75

By far the highest values of Scope 3 emissions in terms of the presented categories were recorded in 2023 for category 1 (Purchased materials and services). They accounted for almost 99.7% of the total GHG emissions in Scope 3. They confirm the thesis that for the ONDE Group’s operations, it is the raw and construction materials that not only form the largest item, but also the greatest challenge, for further works on reducing the carbon footprint in this industry.

The ONDE Group undertakes to conduct activities aiming at reduction of the carbon footprint in this and other Scope 3 carbon footprint categories, by continuously conducting at this stage activities concerning digitalisation of processes used to structure data within the entire Group, which will allow us to disclose all indirect Scope 3 emissions already for 2024, and further dynamically and effectively reduce them.





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TAXONOMY AND MINIMUM SAFEGUARDS

04

Below, we present information on how and to what extent the ONDE Group activities are associated with the business activities qualifying as environmentally sustainable (taxonomy eligible business activities), in accordance with Article 8 of the Regulation (EU) 2020/852 (Taxonomy). Crucial indices for results were prepared in accordance with the requirements presented in successive delegated regulations to the Delegated Regulation (EU) 2020/852, in accordance with our best knowledge and acting with due diligence.

The evaluation of business activity compliance to the taxonomy, for individual crucial indices for results, was conducted on a basis of technical criteria specified in EU delegated acts.

Methodology

The analyses were carried out at the following stages, described below:

1. Identification – a review of own activities to identify activities eligible from the point of view of the Taxonomy.
2. Allocation – each of the activities identified in the first stage was assigned appropriate values of turnover, operating expenditure and capital expenditure.
3. Verification – compliance with the Technical Eligibility Criteria and with the Minimum Safeguards was verified.
4. Calculation – appropriate calculations were performed and presented in a tabular form.

Verification of compliance with Regulation (EC) No. 2020/852

Mandatory disclosures concerning the Taxonomy apply to companies that meet the criteria set out in Articles 19a or 29a of Directive 2013/34/EU. The ONDE Group is subject to the obligations arising from the above-mentioned Directive. Therefore, it is subject to the taxonomic disclosure obligation resulting from the above-mentioned EU Regulation 2020/852, as well as delegated acts published in the Official Journal of the European Union. For this reason, with respect to the data for the period from 1 January 2023 to 31 December 2023, the Group is subject to the obligation to disclose the required ratios.

The reporting of the parent company and the entire ONDE Group in the field of taxonomic disclosures is in accordance with the Regulation and the delegated acts. The calculation of the ratios presented below required an analysis of all types of activities described in the taxonomy in terms of the type of activity conducted by the Group, taking into account the NACE codes. (NACE = Nomenclature of Economic Activities – European statistical classification of economic activity. NACE groups organizations according to their business activities.)

The analysis was carried out for each item of revenue, operating expenses and capital expenditures. No item was considered more than once. The consolidation rules used in the calculation of the key ratios, turnover, capital expenditures (CapEx) and operating expenses (OpEx) are the same as the principles used by the Group for preparation of consolidated financial statements. The consolidation was performed by the business and finance departments responsible for data reporting.

Analysis of activities qualified by Taxonomy

From 1 January 2023 to 31 December 2023, the ONDE Group was subject to the obligation to disclose the percentage share of the Taxonomy-eligible business activities and non-Taxonomy-eligible business activities in turnover, capital expenditures (CapEx) and operating expenditures (OpEx), together with additional qualitative information.

After analysing all activities described in the Taxonomy, it was established that in the case of the Group, turnover, capital expenditures (CapEx) and operating expenses (OpEx) come from the types of activities indicated in the further parts of this study.

Minimum Safeguards

The Company took into account recommendations provided in the *Final Report on Minimum Safeguards* on the Platform On Sustainable Finance in its review of compliance with the Minimum Safeguards.



Verification of compliance with Minimum Safeguards

“The minimum safeguards referred to in point (c) of Article 3 shall be procedures implemented by an undertaking that is carrying out an economic activity to ensure the alignment 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 Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights.”

Article 18 of Regulation No. 2020/852



In accordance with the above recommendations, the following four premises indicate that the Minimum Safeguards have not been ensured:

1. inadequate or non-existent human rights due diligence processes, concerning labour rights, corruption, taxation and fair competition;
2. being held liable or found to violate labour or human rights in certain types of labour or human rights court cases;
3. the company refused to cooperate with the OECD National Contact Point (hereinafter 'OECD NCP') in relation to a notification received by the OECD NCP;
4. the Business and Human Rights Resource Centre (BHRRC) presents an allegation to the company, to which it does not respond within 3 months.

Methodology of verification of non-compliance with any of the above-mentioned premises by ONDE S.A.:

Premise No. 1

The internal processes and documents of ONDE S.A. and their compliance with the "UN Guiding Principles for Business and Human Rights" and the "OECD Guidelines for Multinational Enterprises" were verified. Compliance verification was performed using the tool "World Benchmark Alliance Core UNGP indicators" (Corporate Human Rights Benchmark – Core UNGP Indicators | World Benchmarking Alliance).

On the basis of this analysis, it was concluded that the Company has a proper and complete due diligence process in place.

ONDE S.A. published and made available to all interested parties, especially employees and contractors, the following corporate documents (www.onde.pl, Corporate documents):

- "Human and employee rights policy",
- "Code of Ethics"
- "ONDE S.A. policy concerning anti-corruption, sponsorship and donations";
- "Information security policy";
- "The code of good practices";
- "Diversity Management Policy";
- "Rules for anonymous reporting of violations of the law, procedures and ethical standards by employees at ONDE S.A."

The above-mentioned documents also include mechanisms for counteracting and mechanisms and procedures for responding to reported abuses in a widely understood range of human rights issues.

Premise No. 2

It was verified whether the Company, its Management Board and/or the Supervisory Board were a subject of the final conviction. The analysis showed that ONDE S.A. meets the conditions of premise No. 2 because there were no final (as well as non-final) court judgements.

Premise No. 3

This premise was verified on the basis of the notification database: "Database of specific instances – Organisation for Economic Co-operation and Development" (oecd.org), which showed that there are no notifications for ONDE S.A.

Premise No. 4

The premise was verified on the basis of the notification database of the Business and Human Rights Resource Centre (BHRRC): „Companies – Business & Human Rights Resource Centre" (business-humanrights.org), which showed that there were no notifications for ONDE S.A.



4.1 KPI TURNOVER

Financial year 2023	Year		Criteria concerning significant input							Criteria concerning the rule "does not inflict serious damage"							Minimum safeguards	Percentage share of investment expenditures conforming to the taxonomy, year 2023	Percentage share of investment expenditures conforming to the taxonomy, year 2022	Category (supporting activities)	Category (activities towards transition)
	Code or codes	Turnover (income)	Part of the turnover	Climate change mitigation	Adaptation to climate change	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Adaptation to climate change	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems						
Business activities	as PLN million	%	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; N/EL	T/N	T/N	T/N	T/N	T/N	T/N	T/N	%	%	E	T	
A. TAXONOMY-ELIGIBLE ACTIVITIES																					
A.1. Environmentally sustainable activities (compliant with the taxonomy)																					
Electricity generation using the photovoltaic technology	CCM 4.1	339.65	31.34%	T	N/EL	N/EL	N/EL	N/EL	N/EL	T	T	T	T	T	T	T	31.34%				
Electricity generation from wind power	CCM 4.3	224.10	20.68%	T	N/EL	N/EL	N/EL	N/EL	N/EL	T	T	T	T	T	T	T	20.68%				
Installation, maintenance and repairs of renewable energy technologies	CCM 7.6	1.48	0.14%	T	N/EL	N/EL	N/EL	N/EL	N/EL	T	T	T	T	T	T	T	0.14%	76.60%	E		
Turnover on environmentally sustainable activities (compliant with the taxonomy) (A.1)		565.23	52.15%	100%	0%	0%	0%	0%	0%								52.15%	76.60%			
Including auxiliary activities		1.48	0.14%	0.14%	0.00%	0.00%	0.00%	0.00%	0.00%	T	T	T	T	T	T	T					
Including activities towards transition		0.00	0.00%																		
A.2. The taxonomy eligible activities that are not environmentally sustainable (activities non-compliant with the taxonomy)																					
Maintenance of roads and motorways	CE 3.4	29.55	2.73%	N/EL	N/EL	N/EL	EL	N/EL	N/EL												
Electricity generation using the photovoltaic technology	CCM 4.1	0.19	0.02%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.02%				
Electricity generation from wind power	CCM 4.3	191.25	17.65%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								17.65%				
Infrastructure for the needs of personal mobility, bicycle logistics	CCM 6.13	13.91	1.28%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.28%				
Infrastructure supporting low-emission road transport and public transport	CCM 6.15	76.81	7.09%	EL	N/EL	N/EL	N/EL	N/EL	N/EL												
Income on taxonomy-eligible activities which are not environmentally sustainable (not compliant with the taxonomy) (A.2)		311.71	28.76%	91%	0%	0%	9%	0%	0%								18.95%				
Total (A.1 + A.2)		876.94	80.92%	97%	0%	0	3.37%	0%	0%								80.92%				
B. NON-TAXONOMY-ELIGIBLE ACTIVITIES																					
Turnover on non-taxonomy eligible activities (B)		206.84	19.08%																		
Total (A + B)		1083.78	100%																		

	Part of the turnover/Total turnover	
	Compliance with taxonomy, broken by objectives	Taxonomy eligibility, broken by objectives
CCM	52.15%	26.03%
CCA	0.00%	0.00%
WTR	0.00%	0.00%
CE	0.00%	2.73%
PPC	0.00%	0.00%
BIO	0.00%	0.00%

Activities associated with nuclear energy and natural gas

Row	Activities associated with nuclear energy	
1	The enterprise conducts research, development, demonstration, and spacing of innovative systems for electricity generation, generating energy as a part of nuclear processes with minimum quantities of waste from the fuel cycle, finances such activities, or is exposed to it.	YES/NO
2	The enterprise conducts construction and safe operation of new nuclear facilities to generate electricity or technological heat, including for the needs of a heating system or industrial processes, such as hydrogen production, as well as their modernisation in terms of safety, using the best available technologies, finances such activities or is exposed to them.	YES/NO
3	The enterprise conducts safe operation of existing nuclear facilities generating electricity or technological heat, including for the needs of a heating system or industrial processes, such as hydrogen production from nuclear energy, as well as their modernisation in terms of safety, finances such activities or is exposed to them.	YES/NO
Activities associated with natural gases		
1	The enterprise conducts construction or operation of systems for generating electricity using gaseous fossil fuels, finances such activities, or is exposed to them.	YES/NO
2	The enterprise conducts construction, modernisation and operation of systems for co-generating heat/cold and electricity using gaseous fossil fuels, finances such activities, or is exposed to them.	YES/NO
3	The enterprise conducts construction, modernisation and operation of systems for generating heat, generating heat/cold using gaseous fossil fuels, finances such activities, or is exposed to them.	YES/NO

Taxonomy eligible activities (denominator)

Row	Types of business activities	Amount and share (information should be presented as financial amounts and percentage values)					
		CCM + CCA		Climate change mitigation (CCM)		Adaptation to climate change (CCA)	
		Amount as PLN million	%	Amount as PLN million	%	Amount as PLN million	%
1	The amount and share of taxonomy eligible business activities provided for section 4.26 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0	0	0	0	0
2	The amount and share of taxonomy eligible business activities provided for section 4.27 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0	0	0	0	0
3	The amount and share of taxonomy eligible business activities provided for section 4.28 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0	0	0	0	0
4	The amount and share of taxonomy eligible business activities provided for section 4.29 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0	0	0	0	0
5	The amount and share of taxonomy eligible business activities provided for section 4.30 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0	0	0	0	0
6	The amount and share of taxonomy eligible business activities provided for section 4.31 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0	0	0	0	0
7	The amount and share of other types of taxonomy eligible business activities, not listed in rows 1–6 above, as a denominator of the applicable crucial result ratio	565.23	52.15	565.23	52.15	0	0
8	The total applicable crucial result ratio	565.23	52.15	565.23	52.15	0	0

Taxonomy eligible business activities (numerator)

Row	Types of business activities	Amount and share (information should be presented as financial amounts and percentage values)					
		CCM + CCA		Climate change mitigation (CCM)		Adaptation to climate change (CCA)	
		Amount as PLN million	%	Amount as PLN million	%	Amount as PLN million	%
1	The amount and share of taxonomy eligible business activities provided for section 4.26 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a numerator of the applicable crucial result ratio	0	0	0	0	0	0
2	The amount and share of taxonomy eligible business activities provided for section 4.27 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a numerator of the applicable crucial result ratio	0	0	0	0	0	0
3	The amount and share of taxonomy eligible business activities provided for section 4.28 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a numerator of the applicable crucial result ratio	0	0	0	0	0	0
4	The amount and share of taxonomy eligible business activities provided for section 4.29 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a numerator of the applicable crucial result ratio	0	0	0	0	0	0
5	The amount and share of taxonomy eligible business activities provided for section 4.30 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a numerator of the applicable crucial result ratio	0	0	0	0	0	0
6	The amount and share of taxonomy eligible business activities provided for section 4.31 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a numerator of the applicable crucial result ratio	0	0	0	0	0	0
7	The amount and share of other types of taxonomy eligible business activities, not listed in rows 1–6 above, as a numerator of the applicable crucial result ratio	565.23	52.15	565.23	52.15	0	0
8	The total applicable crucial result ratio	565.23	52.15	565.23	52.15	0	0

Business activities qualifying for the taxonomy, but non-taxonomy eligible

Row	Types of business activities	Kwota i udział (informacje należy przedstawić w kwotach pieniężnych i wartościach procentowych)					
		CCM + CCA		Climate change mitigation (CCM)		Adaptation to climate change (CCA)	
		Amount as PLN million	%	Amount as PLN million	%	Amount as PLN million	%
1	The amount and share of taxonomy eligible business activities provided for section 4.26 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0	0	0	0	0
2	The amount and share of taxonomy eligible business activities provided for section 4.27 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0	0	0	0	0
3	The amount and share of taxonomy eligible business activities provided for section 4.28 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0	0	0	0	0
4	The amount and share of taxonomy eligible business activities provided for section 4.29 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0	0	0	0	0
5	The amount and share of taxonomy eligible business activities provided for section 4.30 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0	0	0	0	0
6	The amount and share of taxonomy eligible business activities provided for section 4.31 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0	0	0	0	0
7	The amount and share of other types of taxonomy eligible business activities, not listed in rows 1–6 above, as a denominator of the applicable crucial result ratio	311.71	28.76	311.71	28.76	0	0
8	The total applicable crucial result ratio	311.71	28.76	311.71	28.76	0	0

Non-taxonomy eligible business activities

Row	Types of business activities	Amount as PLN million	Percentage share
1	The amount and share of business activities provided for in row 1 of template 1, being non-taxonomy eligible business activities in accordance with section 4.26 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0
2	The amount and share of business activities provided for in row 1 of template 1, being non-taxonomy eligible business activities in accordance with section 4.27 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0
3	The amount and share of business activities provided for in row 1 of template 1, being non-taxonomy eligible business activities in accordance with section 4.28 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0
4	The amount and share of business activities provided for in row 1 of template 1, being non-taxonomy eligible business activities in accordance with section 4.29 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0
5	The amount and share of business activities provided for in row 1 of template 1, being non-taxonomy eligible business activities in accordance with section 4.30 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0
6	The amount and share of business activities provided for in row 1 of template 1, being non-taxonomy eligible business activities in accordance with section 4.31 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0
7	The amount and share of other types of non-taxonomy eligible business activities, not listed in rows 1–6 above, as a denominator of the applicable crucial result ratio	206.84	19.08
8	The total amount and the total share of types of non-taxonomy eligible business activities, as a denominator of the applicable crucial result ratio	206.84	19.08

Accounting principles

Data on sales revenues included in the denominator of the key performance indicator come from the Consolidated Financial Statement drawn up as of 31 December 2022 in accordance with the International Financial Reporting Standards approved by the European Union and disclosed in the Consolidated Profit and Loss Account and other comprehensive income under Revenue from sales of goods and services.

Information on the assessment of compliance to Regulation (EU) 2020/852

Individual categories of the Group's revenues have been analysed in terms of eligibility for taxonomy. This process included an analysis of taxonomy-eligible activities as defined in the EU regulations. On the basis of the conducted analysis, three taxonomy-eligible activities were identified:

3.4.	Maintenance of roads and motorways
4.1.	Electricity generation using the photovoltaic technology

4.3.	Electricity generation from wind power
4.6.	Electricity generation with technologies using ocean energy
6.13.	Infrastructure for the needs of personal mobility, bicycle logistics
6.15.	Infrastructure supporting low-emission road transport and public transport
7.6.	Installation, maintenance and repairs of renewable energy technologies

Individual activities were analysed in relation to the technical criteria specified for individual operations in Regulation (EU) No. 2021/2139 and subsequent. The analysis was conducted by a project team, and requirements of the individual technical criteria were consulted and confirmed with people in the organisation having necessary knowledge, enabling confirmation whether a given technical criterion was met. The said analysis was preceded by the completion of a questionnaire for each project, which included the technical screening criteria for a given activity listed in the delegated acts.

Due to the specific nature of the ONDE Group's operations, the analysis was carried out in relation to individual projects conducted by the Group. As a result of the analysis, the following taxonomy-eligible activities were determined:

4.1.	Electricity generation using the photovoltaic technology
4.3.	Electricity generation from wind power
7.6.	Installation, maintenance and repairs of renewable energy technologies

As a part of qualifying activities, projects are realised that have the same characteristics as projects realised as a part of compliant activities.

To avoid double counting, individual amounts of the income were allocated to one activity. Following allocation to a given activity, they were not included in further analyses.

Contribution to implementation of many objectives

All activities contribute to one of environmental objectives.

Disaggregation of crucial result ratios

Not applicable.

Contextual information

The total income disclosed in the numerator of the crucial result ratio comes from agreements with customers. Both in the numerator of the crucial result ratio and as a part of the eligible activities, no amounts concerning activities conducted for own consumption of the Group were disclosed.

Items associated with:

- photovoltaic electricity generation;
- electricity generation by wind power;
- installation and maintenance of renewable energy systems in buildings;
- construction of infrastructure for personal mobility purposes;
- construction of infrastructure supporting low-emission road transport and public transport, were included in the activities.

In 2023, reclassification was introduced. Wind and solar farms were presented as part of activity 4.1/4.3. Systems installed on buildings for the purpose of supplying them (for their own use) are presented under 7.6.

4.2 CAPEX

Financial year 2023	Year		Criteria concerning significant input							Criteria concerning the rule "does not inflict serious damage"							Category (supporting activities)	Category (activities towards transition)		
	Code or codes	Capital expenditures (capex) (absolute value)	Certain capital expenditures	Climate change mitigation	Adaptation to climate change	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Adaptation to climate change	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards			Percentage share of investment expenditures conforming to the taxonomy, year 2023	Percentage share of investment expenditures conforming to the taxonomy, year 2022
Business activities	as PLN million	%	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; N/EL	T/N	T/N	T/N	T/N	T/N	T/N	T/N	%	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1. Environmentally sustainable activities (compliant with the taxonomy)																				
Electricity generation using the photovoltaic technology	CCM 4.1	0.38	3.72%	T	N/EL	N/EL	N/EL	N/EL	N/EL	T	T	T	T	T	T	T	3.72%	0.00%		
Capital expenditures on environmentally sustainable activities (taxonomy eligible) (A.1)		0.38	3.72%	3.72%	0.00%	0.00%	0.00%	0.00%	0.00%	T	T	T	T	T	T	T	3.72%	0		
Including auxiliary activities		0.00	0.00%																	
Including activities towards transition		0.00	0.00%																	
A.2. The taxonomy eligible activities that are not environmentally sustainable (activities non-compliant with the taxonomy)																				
Maintenance of roads and motorways	CE 3.4	0.06	0.58%	N/EL	N/EL	N/EL	EL	N/EL	N/EL								0.58%			
Electricity generation using the photovoltaic technology	CCM 4.3	0.42	4.15%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								4.15%			
Infrastructure for the needs of personal mobility, bicycle logistics	CCM 6.13	0.16	1.57%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.57%			
Infrastructure supporting low-emission road transport and public transport	CCM 6.15	0.15	1.50%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.50%			
Capital expenditures on taxonomy-eligible activities which are not environmentally sustainable (not compliant with the taxonomy) (A.2)		0.79	7.22%	93%	0%	0%	7%	0%	0%								7.22%	n/d		
Total (A.1 + A.2)		1.17	11.51%	95.00%	0%	0%	5.00%	0%	0%								11.51%	n/d		
B. NON-TAXONOMY-ELIGIBLE ACTIVITIES																				
Capital expenditures (capex) on non-taxonomy eligible activities (B)		8.96	88.49%																	
Total (A + B)		10.13	100%																	

	Partial capex/Total capex	
	Compliance with taxonomy, broken by objectives	Taxonomy eligibility, broken by objectives
CCM	3.72%	7.22%
CCA	0.00%	0.00%
WTR	0.00%	0.00%
CE	0.00%	0.58%
PPC	0.00%	0.00%
BIO	0.00%	0.00%

Taxonomy eligible activities (denominator)

Row	Types of business activities	Amount and share (information should be presented as financial amounts and percentage values)					
		CCM + CCA		Climate change mitigation (CCM)		Adaptation to climate change (CCA)	
		Amount as PLN million	%	Amount as PLN million	%	Amount as PLN million	%
1	The amount and share of taxonomy eligible business activities provided for section 4.26 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0	0	0	0	0
2	The amount and share of taxonomy eligible business activities provided for section 4.27 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0	0	0	0	0
3	The amount and share of taxonomy eligible business activities provided for section 4.28 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0	0	0	0	0
4	The amount and share of taxonomy eligible business activities provided for section 4.29 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0	0	0	0	0
5	The amount and share of taxonomy eligible business activities provided for section 4.30 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0	0	0	0	0
6	The amount and share of taxonomy eligible business activities provided for section 4.31 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0	0	0	0	0
7	The amount and share of other types of taxonomy-eligible business activities, not listed in rows 1–6 above, as a denominator of the applicable crucial result ratio	0.38	3.72	0.38	3.72	0	0
8	The total applicable crucial result ratio	0.38	3.72	0.38	3.72	0	0

Taxonomy eligible activities (numerator)

Row	Types of business activities	Amount and share (information should be presented as financial amounts and percentage values)					
		CCM + CCA		Climate change mitigation (CCM)		Adaptation to climate change (CCA)	
		Amount as PLN million	%	Amount as PLN million	%	Amount as PLN million	%
1	The amount and share of taxonomy eligible business activities provided for section 4.26 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a numerator of the applicable crucial result ratio	0	0	0	0	0	0
2	The amount and share of taxonomy eligible business activities provided for section 4.27 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a numerator of the applicable crucial result ratio	0	0	0	0	0	0
3	The amount and share of taxonomy eligible business activities provided for section 4.28 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a numerator of the applicable crucial result ratio	0	0	0	0	0	0
4	The amount and share of taxonomy eligible business activities provided for section 4.29 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a numerator of the applicable crucial result ratio	0	0	0	0	0	0
5	The amount and share of taxonomy eligible business activities provided for section 4.30 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a numerator of the applicable crucial result ratio	0	0	0	0	0	0
6	The amount and share of taxonomy eligible business activities provided for section 4.31 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a numerator of the applicable crucial result ratio	0	0	0	0	0	0
7	The amount and share of other types of taxonomy eligible business activities, not listed in rows 1–6 above, as a numerator of the applicable crucial result ratio	0.38	3.72	0.38	3.72	0	0
8	The total amount and the total share of types of taxonomy eligible business activities, as a numerator of the applicable crucial result ratio	0.38	3.72	0.38	3.72	0	0

Business activities qualifying to the taxonomy but non-taxonomy eligible

Row	Types of business activities	Amount and share (information should be presented as financial amounts and percentage values)					
		CCM + CCA		Climate change mitigation (CCM)		Adaptation to climate change (CCA)	
		Amount as PLN million	%	Amount as PLN million	%	Amount as PLN million	%
1	The amount and share of business activities qualifying for the taxonomy but not eligible for the taxonomy provided for in section 4.26 of Annexes I and II to the Delegated Regulation (EU) 2021/2139 as a denominator of the applicable crucial result ratio	0	0	0	0	0	0
2	The amount and share of business activities qualifying for the taxonomy but not eligible for the taxonomy provided for in section 4.27 of Annexes I and II to the Delegated Regulation (EU) 2021/2139 as a denominator of the applicable crucial result ratio	0	0	0	0	0	0
3	The amount and share of business activities qualifying for the taxonomy but not eligible for the taxonomy provided for in section 4.28 of Annexes I and II to the Delegated Regulation (EU) 2021/2139 as a denominator of the applicable crucial result ratio	0	0	0	0	0	0
4	The amount and share of business activities qualifying for the taxonomy but not eligible for the taxonomy provided for in section 4.29 of Annexes I and II to the Delegated Regulation (EU) 2021/2139 as a denominator of the applicable crucial result ratio	0	0	0	0	0	0
5	The amount and share of business activities qualifying for the taxonomy but not eligible for the taxonomy provided for in section 4.30 of Annexes I and II to the Delegated Regulation (EU) 2021/2139 as a denominator of the applicable crucial result ratio	0	0	0	0	0	0
6	The amount and share of business activities qualifying for the taxonomy but not eligible for the taxonomy provided for in section 4.31 of Annexes I and II to the Delegated Regulation (EU) 2021/2139 as a denominator of the applicable crucial result ratio	0	0	0	0	0	0
7	The amount and share of other types of business activities qualifying for the taxonomy but non-taxonomy eligible not listed in rows 1–6 above, as a denominator of the applicable crucial result ratio	0.79	7.22	0.79	7.22	0	0
8	The total amount and the total shares of business activities qualifying for the taxonomy but non-taxonomy eligible as a denominator of the applicable crucial result ratio	0.79	7.22	0.79	7.22	0	0

Non-taxonomy eligible business activities

Row	Types of business activities	Amount as PLN million	Percentage share
1	The amount and share of business activities provided for in row 1 of template 1, being non-taxonomy eligible business activities in accordance with section 4.26 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0
2	The amount and share of business activities provided for in row 1 of template 1, being non-taxonomy eligible business activities in accordance with section 4.27 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0
3	The amount and share of business activities provided for in row 1 of template 1, being non-taxonomy eligible business activities in accordance with section 4.28 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0
4	The amount and share of business activities provided for in row 1 of template 1, being non-taxonomy eligible business activities in accordance with section 4.29 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0
5	The amount and share of business activities provided for in row 1 of template 1, being non-taxonomy eligible business activities in accordance with section 4.30 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0
6	The amount and share of business activities provided for in row 1 of template 1, being non-taxonomy eligible business activities in accordance with section 4.31 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0
7	The amount and share of other types of non-taxonomy eligible business activities, not listed in rows 1–6 above, as a denominator of the applicable crucial result ratio	8.96	88.49
8	The total amount and the total share of types of non-taxonomy eligible business activities, as a denominator of the applicable crucial result ratio	8.96	88.49

Accounting principles

Data on capital expenditures included in the denominator of the key performance indicator are derived from the Group's Consolidated Financial Statement drawn up as of 31 December 2023 in accordance with International Financial Reporting Standards approved by the European Union and disclosed in Note 6.1. Tangible fixed assets in the item Purchases. The costs allocated to the KPI Capex denominator are settled on a basis of:

- a. IAS 16 Property, Plant and Equipment, sections 73.e.(i) and 73.e.(iii);
- b. IAS 38 Intangible Assets, section 118.e.(i);
- c. IAS 40 Investment Property, sections 76.a and 76.b (for the fair value model);
- d. IAS 40 Investment Property, sections 79.d.(i) and 79.d.(ii) (for the model based on the purchase price or the cost of manufacturing);
- e. IAS 41 Agriculture, sections 50.b and 50.e;
- f. IFRS 16 – Leases, section 53.h.

Information on the assessment of compliance to Regulation (EU) 2020/852

Individual categories of the Group capital expenditures were analysed in accordance with provisions of relevant Regulations and annexes to them, to establish whether they meet one of the following conditions:

On the basis of the conducted analysis, one taxonomy eligible activity was identified:

Photovoltaic electricity generation;	CCM 4.1
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All above groups of capital expenditures meet condition (a) specified in section 1.1.2.2. of Annex I to the Regulation No. 2021/2078.

Activities considered as qualifying for the taxonomy but not taxonomy eligible:

Maintenance of roads and motorways	PPC 3.4
Electricity generation using the photovoltaic technology	CCM 4.3
Infrastructure for the needs of personal mobility, bicycle logistics	CCM 6.13
Infrastructure supporting low-emission road transport and public transport	CCM 6.15

The ONDE Group does not have a capital expenditure plan provided for in section 1.1.2.2 of Annex I to Regulation (EU) 2021/2178.

Contribution to implementation of many objectives

Not applicable. No capital expenditures related to activities contributing to achievement of more than one environmental objective were identified.

Disaggregation of crucial result ratios

The crucial result ratio was not disaggregated.

Contextual information

The capital expenditures disclosed in the numerator of the crucial result ratio are associated with business activities conducted by the ONDE Group.

- construction and expansion of roads for needs of personal mobility;
- construction and expansion of roads supporting low-emission road and public transport;
- construction of renewable energy systems (photovoltaics, wind power);

In 2023, reclassification was introduced. Wind and solar farms were presented as part of activity 4.1/4.3. Systems installed on buildings for the purpose of supplying them (for their own use) are presented under 7.6.



4.3 OPEX

Financial year 2023

	Code or codes	Year		Criteria concerning significant input						Criteria concerning the rule “does not inflict serious damage”						Minimum safeguards	Percentage share of investment expenditures conforming to the taxonomy, year 2023	Percentage share of investment expenditures conforming to the taxonomy, year 2022	Category (supporting activities)	Category (activities towards transition)
		Operational expenditures (opex) (absolute value)	Certain operational expenditures	Climate change mitigation	Adaptation to climate change	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Adaptation to climate change	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems					
Business activities		as PLN million	%	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 ACTIVITIES																				
A.1. Environmentally sustainable activities (compliant with the taxonomy)																				
Electricity generation using the photovoltaic technology	CCM 4.1	9.22	22.80%	T	N/EL	N/EL	N/EL	N/EL	N/EL	T	T	T	T	T	T	T	22.80%			
Electricity generation from wind power	CCM 4.3	5.04	12.45%	T	N/EL	N/EL	N/EL	N/EL	N/EL	T	T	T	T	T	T	T	12.45%			
Installation, maintenance and repairs of renewable energy technologies	CCM 7.6	0.00	0.00%	T	N/EL	N/EL	N/EL	N/EL	N/EL	T	T	T	T	T	T	T	0.00%		E	
Operational expenditures on environmentally sustainable activities (taxonomy eligible) (A.1)		14.26	35.25%	100%	0%	0%	0%	0%	0%											
Including auxiliary activities		0.00	0.00%																	
Including activities towards transition		0.00	0.00%																	
A.2. The taxonomy eligible activities that are not environmentally sustainable (activities non-compliant with the taxonomy)																				
Maintenance of roads and motorways	CE 3.4	1.20	2.96%	N/EL	N/EL	N/EL	EL	N/EL	N/EL											
Electricity generation using the photovoltaic technology	CCM 4.1	0.00	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.00%	n/d		
Electricity generation from wind power	CCM 4.3	2.93	7.24%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								7.24%	n/d		
Infrastructure for the needs of personal mobility, bicycle logistics	CCM 6.13	2.12	5.23%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								5.23%			
Infrastructure supporting low-emission road transport and public transport	CCM 6.15	15.18	37.52%	EL	N/EL	N/EL	N/EL	N/EL	N/EL											
Operational expenditures on taxonomy-eligible activities which are not environmentally sustainable (not compliant with the taxonomy) (A.2)		21.42	52.95%	94.42%	0.00%	0.00%	5.58%	0.00%	0.00%								49.99%	n/d		
Total (A.1 + A.2)		35.69	85.24%																	
B. NON-TAXONOMY-ELIGIBLE ACTIVITIES																				
Operational expenditures on non-taxonomy eligible activities (B)		4.78	11.80%																	
Total (A + B)		40.46	100.00%																	

	Part of opex/Total opex	
	Compliance with taxonomy, broken by objectives	Taxonomy eligibility, broken by objectives
CCM	35.25%	49.99%
CCA	0.00%	0.00%
WTR	0.00%	0.00%
CE	0.00%	2.96%
PPC	0.00%	0.00%
BIO	0.00%	0.00%

Taxonomy eligible activities (denominator)

Row	Types of business activities	Amount and share (information should be presented as financial amounts and percentage values)					
		CCM + CCA		Climate change mitigation (CCM)		Adaptation to climate change (CCA)	
		Amount as PLN million	%	Amount as PLN million	%	Amount as PLN million	%
1	The amount and share of taxonomy eligible business activities provided for section 4.26 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0	0	0	0	0
2	The amount and share of taxonomy eligible business activities provided for section 4.27 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0	0	0	0	0
3	The amount and share of taxonomy eligible business activities provided for section 4.28 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0	0	0	0	0
4	The amount and share of taxonomy eligible business activities provided for section 4.29 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0	0	0	0	0
5	The amount and share of taxonomy eligible business activities provided for section 4.30 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0	0	0	0	0
6	The amount and share of taxonomy eligible business activities provided for section 4.31 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0	0	0	0	0
7	The amount and share of other types of taxonomy-eligible business activities, not listed in rows 1–6 above, as a denominator of the applicable crucial result ratio	14.26	35.25	14.26	35.25	0	0
8	The total applicable crucial result ratio	14.26	35.25	14.26	35.25	0	0

Taxonomy eligible activities (numerator)

Row	Types of business activities	Amount and share (information should be presented as financial amounts and percentage values)					
		CCM + CCA		Climate change mitigation (CCM)		Adaptation to climate change (CCA)	
		Amount as PLN million	%	Amount as PLN million	%	Amount as PLN million	%
1	The amount and share of taxonomy eligible business activities provided for section 4.26 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a numerator of the applicable crucial result ratio	0	0	0	0	0	0
2	The amount and share of taxonomy eligible business activities provided for section 4.27 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a numerator of the applicable crucial result ratio	0	0	0	0	0	0
3	The amount and share of taxonomy eligible business activities provided for section 4.28 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a numerator of the applicable crucial result ratio	0	0	0	0	0	0
4	The amount and share of taxonomy eligible business activities provided for section 4.29 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a numerator of the applicable crucial result ratio	0	0	0	0	0	0
5	The amount and share of taxonomy eligible business activities provided for section 4.30 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a numerator of the applicable crucial result ratio	0	0	0	0	0	0
6	The amount and share of taxonomy eligible business activities provided for section 4.31 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a numerator of the applicable crucial result ratio	0	0	0	0	0	0
7	The amount and share of other types of taxonomy eligible business activities, not listed in rows 1–6 above, as a denominator of the applicable crucial result ratio	14.26	35.25	14.26	35.25	0	0
8	The total applicable crucial result ratio	14.26	35.25	14.26	35.25	0	0

Business activities qualifying to the taxonomy but non-taxonomy eligible

Row	Types of business activities	Amount and share (information should be presented as financial amounts and percentage values)					
		CCM + CCA		Climate change mitigation (CCM)		Adaptation to climate change (CCA)	
		Amount as PLN million	%	Amount as PLN million	%	Amount as PLN million	%
1	The amount and share of business activities qualifying for the taxonomy but not eligible for the taxonomy provided for in section 4.26 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0	0	0	0	0
2	The amount and share of business activities qualifying for the taxonomy but not eligible for the taxonomy provided for in section 4.27 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0	0	0	0	0
3	The amount and share of business activities qualifying for the taxonomy but not eligible for the taxonomy provided for in section 4.28 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0	0	0	0	0
4	The amount and share of business activities qualifying for the taxonomy but not eligible for the taxonomy provided for in section 4.29 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0	0	0	0	0
5	The amount and share of business activities qualifying for the taxonomy but not eligible for the taxonomy provided for in section 4.30 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0	0	0	0	0
6	The amount and share of business activities qualifying for the taxonomy but not eligible for the taxonomy provided for in section 4.31 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0	0	0	0	0
7	The amount and share of other types of business activities qualifying for the taxonomy but non taxonomy eligible. not listed in rows 1–6 above. as a denominator of the applicable crucial result ratio	21.42	52.95	21.42	52.95	0	0
8	The total amount and the total share of other types of business activities qualifying for the taxonomy but non-taxonomy eligible. as a denominator of the applicable crucial result ratio	21.42	52.95	21.42	52.95	0	0

Non-taxonomy eligible business activities

Row	Types of business activities	Amount as PLN million	Percentage share
1	The amount and share of business activities provided for in row 1 of template 1, being non-taxonomy eligible business activities in accordance with section 4.26 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0
2	The amount and share of business activities provided for in row 1 of template 1, being non-taxonomy eligible business activities in accordance with section 4.27 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0
3	The amount and share of business activities provided for in row 1 of template 1, being non-taxonomy eligible business activities in accordance with section 4.28 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0
4	The amount and share of business activities provided for in row 1 of template 1, being non-taxonomy eligible business activities in accordance with section 4.29 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0
5	The amount and share of business activities provided for in row 1 of template 1, being non-taxonomy eligible business activities in accordance with section 4.30 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0
6	The amount and share of business activities provided for in row 1 of template 1, being non-taxonomy eligible business activities in accordance with section 4.31 of Annexes I and II to the Delegated Regulation (EU) No. 2021/2139 as a denominator of the applicable crucial result ratio	0	0
7	The amount and share of other types of non-taxonomy eligible business activities, not listed in rows 1–6 above, as a denominator of the applicable crucial result ratio	4.78	11.80
8	The total amount and the total share of types of non-taxonomy eligible business activities, as a denominator of the applicable crucial result ratio	4.78	11.80

Accounting principles

Data on operating expenditures included in the denominator of the key performance indicator are a component of the Group's Consolidated Financial Statement drawn up as of 31 December 2022, drawn up in accordance with the International Financial Reporting Standards approved by the European Union, and disclosed in the Consolidated Profit and Loss Account and other comprehensive income under Cost of goods sold, Sales costs and General management costs.

The basis for calculating KPI Opex in accordance with provisions of Annex I to Regulation 2021/2178 were expenditures associated with:

- research and development activities;
- building refurbishment activities;
- short-term lease;
- maintenance and repairs, and
- all other direct expenditures related to regular servicing of components of tangible fixed assets by an enterprise or a third party, to which actions necessary to ensure continuous and effective functioning of these assets were outsourced,
- which could be wholly allocated to the Opex denominator.

Information on the assessment of compliance to Regulation (EU) 2020/852

Individual categories of the ONDE Group operating expenditures, disclosed in the denominator of the crucial result ratio, were analysed in accordance with relevant provisions, to determine whether they meet one of the following conditions:

- concern assets or processes associated with taxonomy eligible business activities, including training and other needs related to adopting human resources and direct non-capitalised costs representing research and development;
- are a part of a plan aiming at expanding taxonomy eligible business activities or enable taxonomy eligible business activities to adapt to the taxonomy ("a capital expenditure plan") in accordance with the conditions specified in paragraph two of this section 1.1.2.2;
- concern purchases of products from taxonomy eligible business activities and individual measures to enable the target activity to become low-carbon or to reduce greenhouse gas emissions, in particular the activities listed in sections 7.3 to 7.6 of Annex I to the Climate Delegated Act, as well as other economic activities listed in delegated acts adopted in accordance with Article 10.3, Article 11.3, Article 12.2, Article 13.2, Article 14.2, or Article 15.2 of Regulation (EU) 2020/852, and provided that those measures are implemented and put into use within 18 months.

On the basis of the conducted analysis, operating expenditures were identified, related to three types of taxonomy eligible activities, which were considered compliant in accordance with condition (a) provided above.

4.1	Electricity generation using the photovoltaic technology
4.3	Electricity generation from wind power
7.6	Installation, maintenance and repairs of renewable energy technologies

Only operating expenditures associated with projects conducted as a part of a given activity, meeting the taxonomy eligibility criteria, were considered compliant.

On the basis of the conducted analysis, operating expenditures associated with the following taxonomy eligible activities were also identified:

3.4	Maintenance of roads and motorways
4.1	Electricity generation using the photovoltaic technology
4.3	Electricity generation from wind power
6.13	Infrastructure for the needs of personal mobility, bicycle logistics
6.15	Infrastructure supporting low-emission road transport and public transport

To avoid double counting, individual cost items were allocated to one project. When it was not possible to clearly allocate a cost to a project, it was considered as non-qualifying.

As a part of the analyses, no costs concerning purchases of products and individual measures enabling the target activities to become low-emission ones, or enabling them to reduce greenhouse gases emissions purchased from taxonomy eligible activities were identified.

Other costs allocated to the denominator of the crucial result ratio, not related to activities that are compliant with or qualify for the taxonomy, were considered as costs not qualifying for the taxonomy.

Contribution to implementation of many objectives

Not applicable. None of qualified to individual activities does contribute significantly to implementation of more

than one objective, although individual activities may enable implementation of more than one objective.

Disaggregation of crucial result ratios

Not applicable.

Contextual information

Operating expenditures disclosed in the numerator of the crucial result ratio and considered as taxonomy eligible, are wholly associated with activities that are compliant with or eligible for taxonomy, conducted by the ONDE Group. Both in the numerator of the crucial result ratio and as a part of the eligible activities, no amounts concerning activities conducted for the Group internal use were disclosed.

The following activities were considered as eligible:

- Electricity generation using the photovoltaic technology
- Electricity generation from wind power
- Electricity generation with technologies using ocean energy
- Infrastructure for the needs of personal mobility, bicycle logistics
- Infrastructure supporting low-emission road transport and public transport
- Installation, maintenance and repairs of renewable energy technologies

In 2023, reclassification was introduced. Wind and solar farms were presented as part of activity 4.1/4.3. Systems installed on buildings for the purpose of supplying them (for their own use) are presented under 7.6.



EMPLOYEES

05

5.1 EMPLOYMENT



"We have grown as an organization and we need documents that help us structure what we do. This also enables us to enter into a specific dialogue with our stakeholders and expect from them what we expect from ourselves."

Monika Drużyńska,
Personnel Department Manager

For many years, the Group's organizational culture, also in the area of employee affairs, has been shaped by hard rules and by soft skills, which are expressed through respect, dialogue and mutual support.



"Last year, we introduced two more important internal regulations – the Code of Ethics and the Human Rights Policy. These documents do not introduce revolutionary changes, but rather summarize how we work on a daily basis. We have our own organisational culture and we put it into practice, but we introduce a professional attitude in this area."

Kamila Kużaj-Karaszewska,
HR Manager

According to this approach, at ONDE the areas of employment and development are taken care of by two departments – the Personnel and Payroll Department and the HR Department:

- the Personnel and Payroll Department, together with the Legal Department, are responsible for the development of policies, current documents. Furthermore, the Depart-

ment employees supervise authorisations of all employees specified and approved in the organisational regulations.

- The HR Department conducts recruitment, onboarding, and training processes, annual talks, and manages issues associated with career pathways in the organisation.

At the ONDE Group, we adhere to all labour law regulations. We supplement those regulations with formal frameworks for operation and due diligence procedures. These frameworks are formed by:

- The Work Regulations of Przedsiębiorstwo Budownictwa Drogowo-Inżynieryjnego¹, specifying responsibilities and authorisations of each employee.
- The Remuneration Rules establishing principles for remuneration, including granting of benefits, and amounts of severance pays;
- Occupational Health and Safety procedures and instructions.

Furthermore, the ONDE S.A. Code of Ethics and internal policies, described in Chapter 2.9 Management of risks (...), Chapter 2.6. Ethics and anti-corruption and Chapter 6. Diversity and human rights, are in force in the Group. We also have a number of internal regulations, procedures and sets of rules in place.

¹ In 2021, Przedsiębiorstwo Budownictwa Drogowo-Inżynieryjnego SA changed application and updating of the its name to ONDE S.A



In 2023, we have introduced the following documents in the employee area:

1. "ONDE S.A. Code of Ethics";
2. "ONDE S.A. human and employee rights policy";
3. "ONDE S.A. information security policy";
4. "Proceedings in cases associated with observance of an obligation to be sober";
5. "ONDE S.A. remote work regulations";
6. "Rules for using the network and IT and telecommunication equipment at ONDE S.A.".

Their implementation establishes clear and legible frameworks for action for employees and the company as an employer, as well as for suppliers of goods and services.

Most important information on employment

In 2023, the ONDE Group employed 555 people under employment agreements, i.e. 10 (1.83%) people more than in the previous year.

[2-30] ONDE employees did not establish a trade union, and the Company did not implement a collective labour agreement.

TABLE 17. [2-7] Employees employed under an employment agreement by period and form of employment.

2023	seniority		employment form		region		
	permanent	temporary	full-time	part-time	Poland	Lithuania	total
The Company							
ONDE S.A.							526
women	107	39	139	7	145	1	146
men	295	85	376	4	377	3	380
IDE PROJEKT SP. Z O.O.							29
women	9	0	9	0	9	0	9
men	20	0	20	0	20	0	20
TOTAL EMPLOYEES							555

2022	seniority		employment form		region		
	permanent	temporary	full-time	part-time	Poland	Lithuania	total
The Company							
ONDE S.A.							516
women	99	43	137	5	142		142
men	272	102	371	3	374		374
IDE PROJEKT SP. Z O.O.							29
women	8	5	13	0	13		13
men	14	2	16	0	16		16
TOTAL EMPLOYEES							545

ONDE Group

2023	seniority		employment form		total
	permanent	temporary	full-time	part-time	
women	116	39	148	7	155
men	315	85	396	4	400
total	431	124	544	11	555

2022	seniority		employment form		total
	permanent	temporary	full-time	part-time	
women	107	48	150	5	155
men	286	104	387	3	390
total	393	152	537	8	545

[2-7] Of the 555 Group employees, the majority – 544 people – work in Poland; while in 2023 11 people worked in Lithuania, including 7 Poles and 4 Lithuanians.

Data expressed as a number of people at the end of the year (31/12/2022). No significant differences occurred in employment during a given reporting period, and when compared to the previous reporting period.

[2-8] As of 31 December 2023, 66 people, i.e. 14 less than as of 31/12/2022, performed work for our Group under agreements other than an employment agreement.

Our partners that are not employed under an employment agreement, perform supporting activities, including accounting, programming, and those associated with specific projects.

TABLE 18. [2-8] Employees employed on a basis other than an employment agreement.

2023	agreement for a specific task	B2B	total
ONDE S.A.	5	59	64
IDE Projekt sp. z o.o.	0	2	2
ONDE Group	5	61	66

2022	agreement for a specific task	B2B	total
ONDE S.A.	15	64	79
IDE Projekt Sp. z o.o.	0	1	1
ONDE Group	15	65	80

Data at the end of the year (31/12). People working for the Organisation while not being its employees, perform supporting activities, including accounting, programming, and those associated with specific projects.

TABLE 19. [401-3] Parental leaves

Company	ONDE S.A.		IDE Projekt sp. z o.o.		ONDE Group	
	women	men	women	men	women	men
2023						
The total number of employees authorised to receive a parental leave in the reported period	9	13	2	0	11	13
The total number of people who used a parental leave in the reported period	9	13	0	0	9	13
The total number of employees who returned to work after a parental leave in the reported period	4	13	0	0	4	13
The total number of employees who returned to work after a parental leave and after 12 months from their return to work were still employed with the organisation	4	13	0	0	4	13
The ratio of return to work of employees who used the parental leave [%]	44.44	100.00	0	0	44.44	100.00
The ratio of retaining employees who used the parental leave [%]	100.00	100.00	0	0	100.00	100.00

Company	ONDE S.A.		IDE Projekt Sp. z o.o.		Grupa ONDE	
	women	men	women	men	women	men
2022						
The total number of employees authorised to receive a parental leave in the reported period	8	9	10	18	18	27
The total number of people who used a parental leave in the reported period	8	9	2	1	10	10
The total number of employees who returned to work after a parental leave in the reported period	3	9	0	1	3	10
The total number of employees who returned to work after a parental leave and after 12 months from their return to work were still employed with the organisation	3	9	0	0	3	9
The ratio of return to work of employees who used the parental leave [%]	37.5	100	0	10	37.5	52.63
The ratio of retaining employees who used the parental leave [%]	100	100	0	0	100	90

Onboarding and turnover

At the ONDE Group, we conduct an entry interview and an exit interview. They aim at obtaining from an employee feedback on how they perceive their workplace at the beginning and at the end of cooperation.

In 2023, the ratio of interviews conducted was:

- for the entry interview: 79% of women and 59% of men (calculated as the number of conducted interviews per the number of newly hired employees who have worked for three months)
- for the exit interview: 41% women and 52% men (calculated as the number of interviews completed per the number of people who left the company on their own initiative).

Both processes are voluntary for the participants.

The entry interview is offered to all new hires 3 months after hiring, in the form of an interview with the employee by an HR specialist. The aim of the interview is to obtain feedback from the employee on their satisfaction with the onboarding process, perception of the atmosphere in the company and in the department, and relations with their line manager. The interview is accompanied by an assessment of the adaptation process in the company, which in 2023 was rated at the level of 5/6 by employees.

An element of the entry interview is also the Net Promoter Score (NPS), which is one of the measures of employees' loyalty to the company. The NPS rating scale ranges from -100 to 100. The score achieved by ONDE in 2023 is 48 and is considered a high score. This tells us that employees are satisfied with their workplace and would willingly recommend working at ONDE to their friends.

Internships and practical training courses

At ONDE, we invite students to internships and practical training courses every year – we want not only to share our knowledge with them, but also to inspire and encourage them to work in our organisation in the future. We have been regularly cooperating with the Academy of Energy organised by the A. Paga Foundation, as well as with Warsaw University of Technology, Nicholas Copernicus University in Toruń, Bydgoszcz University of Science and Technology, and AGH University of Science and Technology in Kraków. In 2023, we signed another cooperation agreement with the Bydgoszcz University of Technology. The company participates in co-creating the curriculum for the master's degree program at this university, for the course related to renewable energy sources. These universities act as informal ONDE ambassadors among potential employees.

Internships and practical training courses in the ONDE Group usually take one to three months. They are either paid or unpaid, depending on individual arrangements. The best internship participants are offered employment at companies from our Group.

The *exit interview* is conducted in the form of an interview conducted by a specialist, including HR, with employees leaving ONDE (does not include employees dismissed by the employer). The purpose of the interview is to obtain feedback from the employee on what actions we can take to make the Company an increasingly attractive place to work. This process is also intended to summarize the work

and draw conclusions on how the experience of working at ONDE contributed to the development of the departing employee. The interview is accompanied by an assessment of the experience of working at ONDE – in 2023 individual questions scored between 4 and 5/6 on average. Teamwork was rated the highest with a score of 5/6.

TABLE 20. [401-1] [3-3] New hires

2023	gender		age			region	
	women	men	< 30 years	30-50 years	>50 years	Poland	Lithuania
ONDE S.A.	38	130	84	63	21	166	2
ratio of newly recruited people	0.07	0.25	0.16	0.12	0.04	0.32	0.004
IDE PROJEKT SP. Z O.O.	4	5	4	5	0	9	0
ratio of newly recruited people	0.14	0.17	0.14	0.17	0.00	0.31	NA
ONDE GROUP	42	135	88	68	21	175	2
ratio of newly recruited people	0.08	0.24	0.16	0.12	0.04	0.32	0.00
2022	gender		age			region	
	women	men	< 30 years	30-50 years	>50 years	Poland	Lithuania
ONDE S.A.	47	123	82	68	20	168	2
ratio of newly recruited people	0.09	0.24	0.16	0.13	0.04	0.33	0.004
IDE PROJEKT SP. Z O.O.	4	7	10	1	0	11	0
ratio of newly recruited people	0.14	0.24	0.34	0.03	0	0.38	0
ONDE GROUP	51	130	92	69	20	179	2
ratio of newly recruited people	0.09	0.24	0.17	0.13	0.04	0.33	0.004

The turnover ratio was calculated as a ratio of employees who left the organisation between 01/01/2023 and 31/12/2023 to all employees employed as of 31/12/2023.

TABLE 21. [401-1] [3-3] People who have left the organization and turnover rate

2023	gender		age			region	
	women	men	< 30 years	30-50 years	>50 years	Poland	Lithuania
ONDE S.A.	37	118	65	69	21	155	0
turnover ratio	0.07	0.22	0.12	0.13	0.04	0.29	0
IDE PROJEKT SP. Z O.O.	6	3	7	2	0	9	0
turnover ratio	0.21	0.10	0.24	0.07	0.00	0.31	0
ONDE GROUP	43	121	72	71	21	164	0
turnover ratio	0.08	0.22	0.13	0.13	0.04	0.30	0.00
2022	gender		age			region	
	women	men	< 30 years	30-50 years	>50 years	Poland	Lithuania
ONDE S.A.	37	114	53	77	21	151	0
turnover ratio	0.07	0.22	0.1	0.15	0.04	0.29	0
IDE PROJEKT SP. Z O.O.	3	8	8	3	0	11	0
turnover ratio	0.1	0.28	0.28	0.1	0	0.38	0
ONDE GROUP	40	122	61	80	21	162	0
turnover ratio	0.073	0.224	0.112	0.147	0.039	0.297	0

The turnover ratio was calculated as a ratio of employees who left the organisation between 01/01/2022 and 31/12/2022 to all employees employed as of 31/12/2022.

5.2 INFORMATION ON REMUNERATION

[2-19] [2-20] We operate in a competitive market and we remunerate our employees in a competitive way. Our government and management receive fixed remuneration, and they may also be entitled to variable remuneration. The company has in place the “Remuneration Policy for Members of the Management Board and Supervisory Board of ONDE S.A.”, available at: <https://onde.pl/wp-content/uploads/2022/01/Polityka-wynagrodzen-tekst-jednolity.pdf>

In the case of technical managing personnel at construction sites, their remuneration consists of a basic salary and a fixed flat rate amount for working in overtime.

[201-3] We guarantee retirement and disability benefits for our employees that exceed standard amounts. They depend on their tenure, so the benefit is 100%, 150% and 200% of the monthly remuneration for people who worked with us for less than five years, for 5–10 years, and with longer tenure, respectively.

In the ONDE Group, the system of bonuses is mainly based on a principle of rewarding for achieved results. Our strategic objectives are translated into tasks for relevant structures, and then into individual tasks. Such cascading ensures that all employees are following the company’s specific business

plan every day. We split large objectives into smaller ones and assign them to specific employees or departments.

Furthermore an informal procedure on granting appreciation bonuses, including annual bonuses, is in force at ONDE S.A. Members of managing personnel inform directors of their departments about bonuses granted, who in turn provide that information to the Personnel and Payroll Department. The procedure requires acceptance of the awarded bonus by the Management Board.

The ratio of women’s basic salary to men’s salary according to their position is described in Chapter 6. Diversity and human rights.

Benefits

[401-2] [3-3] [403-6] We combine the financial remuneration with a package of benefits. Regardless of the type of the working time, all our employees can count on a health and life insurance, the access to private health care and disability pension system, and a multisport card. We also ensure a regular access to emergency psychological support.

Details of benefits available to our employees are presented in the table:

TABLE 22. [2-21] The total annual remuneration ratio.

	ONDE S.A.	IDE Projekt sp. z o.o.	Grupa ONDE
The ratio of the total annual remuneration for a person receiving the best remuneration in the organisation in each country in which the organisation conducts important operations to a median of the total annual remuneration of all employees (excluding a person receiving the best remuneration).	10.4	10.1	10.25
The ratio of the percentage increase in the total annual remuneration for a person receiving the best remuneration in the organisation in each country in which the organisation conducts important operations to a median of the percentage increase in the total annual remuneration of all employees (excluding a person receiving the best remuneration).	-5.46%	-15%	-10.23%

TABLE 23. Employee benefits.

	ONDE S.A.	IDE Projekt sp. z o.o.
life insure	yes	yes
Healthcare	yes	yes
Insurance in case of life altering injuries	no	yes
Parental leave	yes	yes
Retirement severance payment	yes	yes
Employee shares/stocks	no	no
Other: Sport packages	yes	yes

5.3 TRAINING AND DEVELOPMENT

[404-2] [3-3] We expect competencies from our employees, but also help to gain them. In 2023, we continued the series of training courses for ONDE Group employees. We completed over 9.8 thousand hours of training, which covered both “hard” (tools) and soft (communication, social competences, time management) and language aspects. Nearly 32% of training sessions in 2023 were conducted using our own internal experts, so we could promote the “learning share” concept in the ONDE Group. Nearly 450 employees participated in at least one training initiative.

At ONDE, we offer both generally available training sessions, as well as those tailored to the needs of individual jobs. The generally available courses concern, among others:

- software used in a daily work – MS Excel, Power Query, ZW cad, MS Project;
- Construction Law;
- language learning – in a group and individually.

Training for specialists include:

- OHS Coordinator Academy;
- Construction process digitalisation;
- Operation, maintenance and servicing of container transformer stations and MV and LV switchgears,

- Repair of road surfaces,
- Training of the Association of Polish Electrical Engineers E and D (concerning operation and supervision, respectively) + measurements;
- Training courses concerning the integrated management system.

Starting from 2023, we provide ESG training to all employees.

TABLE 25. [404-1] Number of training hours according to the employment structure.

Grade number of training hours	Number of training hours 2022	Average number of hours per employee 2022	Number of training hours ONDE 2023	Average number of hours per ONDE employee 2023	Number of training hours IDE 2023	Average number of hours per IDE employee 2023	Number of training hours cons. 2023	Average number of hours per consortium employee 2023
Administration and trade department employees (ADH)	4,941	25	5,860	33	698	27	6558	32
Technical employees (T)	1,862	14	4,218	31	0	0	4,218	31
Line workers (L)	1,300	7	730	4	0	0	730	4
Management Board, Directors, Deputy Directors (ZD)	527	53	386	32	31	10	417	28
	8631	16	11,194	21	728.00	25	11,922	21

TABLE 24. [404-1] Number of training hours per employee and by gender.

YEAR	2022 Consolidation	2023 consolidation
Number of training hours per employee	16	21
Number of training hours for women	56	32
Number of training hours for men	22	17

Training cycles

For the past two years, the HR Department has been organising year-round thematic training cycles for our employees. In 2022, we completed a project #mowy under which we improved employees' interpersonal communication skills. After its very positive reception, in 2023 we implemented another training cycle of soft skills #ondebalance. It included workshop trainings, webinars and work-life balance trainings. The topics covered included stress management, mindfulness training, professional burnout, control over emotions in working with people, time management and wise rest and regeneration. The aim of the project was to support employee efficiency and reduce the risk of burnout. A total of 702 people, including 240 unique participants, took part in all activities related to the #ondebalance project. We organised 74.5 hours of development trainings and webinars in total.

At the end of the project, the employees received an anonymous evaluation questionnaire about the project. The usefulness of the #ondebalance project was assessed as 8.2/10 on average according to the participants. 87% of the respondents specified that they used the knowledge obtained during activities of the #onde-balance project in their professional life.

Assessments of work quality and career development reviews

We conduct annual talks in the entire ONDE Group. They cover employees with more than 3 months of service. In 2023, we achieved very good quantitative results – 73% for white-collar workers (administrative and sales, technicians,



Employee commitment survey

On the initiative of the HR Department, an external, independent company conducted an employee opinion survey in the reporting period, which was used to evaluate the commitment rate, i.e. the percentage of committed employees. It is assumed that this indicator reflects the quality of the work environment created by the employer. A committed employee is one who talks about the company's advantages and recommends it, rarely considers leaving the company and does more than their responsibilities require.

In 2023, the commitment ratio (with a participation rate of 58%) was 42%, 3 percentage points higher when compared to the previous survey conducted in 2019. The obtained value of the indicator places ONDE in the sphere of average results for Poland. In our opinion, this is a good result, but it leaves room for further improvements in the work environment at the Company.

directors and deputies, and the Management Board) and 67% for line employees, who were included in structured annual interviews for the first time in the Company's history (previously they were only in the form of ongoing feedback from their supervisor). In 2022, the participation rate was 28% for white-collar workers and 0% for line workers.

The analysis of the survey results also enables determination of the areas best perceived by employees and those for which employees have additional expectations. In 2023, cooperation, task satisfaction and acceptance of diversity were categories with the highest scores. On the other hand, the survey participants expressed their expectations for improvement in terms of remuneration and forms of recognition, and an increase in the number of employees and career paths offered.

The survey results were the basis for actions undertaken to find ways to improve in the areas identified by employees as requiring improvement. A meeting was held with employees to discuss the results and collect post-survey responses, as well as workshops with managers were organised to work out specific solutions. A significant part of the agreed actions has already been implemented at the turn of 2023, while the remaining ones are being implemented as planned.



TABLE 26. [404-3] Employees undergoing performance appraisal and career reviews.

Employment grades	2022			2023		
	ONDE S.A.	IDE Projekt Sp. z o.o.	ONDE Group	ONDE S.A.	IDE Projekt Sp. z o.o.	ONDE Group
Lime positions	0%	NA	0%	67.68%	NA	67.68%
Administration and office	28%	75%	32.8%	70.79%	88.46%	73.04%
Technical positions	29.5%	NA	32.1%	72.46%	NA	72.46%
Management Board, Directors, Deputy Directors	30%	50%	35.7%	58.33%	66.67%	60.00%
Gender						
Women	28%	46%	29.5%	69.18%	66.67%	69.03%
Men	14%	100%	17.5%	70.00%	95.00%	71.25%

The ratio was calculated as a ratio of all employees covered by evaluation between 01/01 and 31/12 for a given year and employed at the end of the year, to all employees employed at the end of the year.

TABLE 27. [405-1] A composition of management bodies and staff, broken by employee categories according to sex and age.

2023	women	men	< 30 years	30-50 years	>50 years
MANAGING BODIES	20%	80%	7%	47%	47%
Administration and office positions	22.16%	14.59%	11.35%	22.88%	2.52%
Management Board, Directors, Deputy Directors	0.54%	2.16%	0.18%	1.26%	1.26%
Blue-collar workers	2.34%	33.33%	6.67%	20.18%	8.83%
Technical positions, supervision	2.88%	21.98%	8.29%	12.43%	4.14%
2022	women	men	< 30 years	30-50 years	>50 years
MANAGING BODIES	0.00%	100.00%	0.00%	80.00%	20.00%
Administration and office positions	23.30%	12.84%	14.31%	19.63%	2.20%
Management Board, Directors, Deputy Directors	0.73%	1.83%	0.37%	1.47%	0.73%
Blue-collar workers	1.47%	34.68%	6.79%	19.82%	9.54%
Technical positions, supervision	2.94%	22.20%	7.16%	13.94%	4.04%

TABLE 28. [405-2] a ratio of a basic salary for women to a basic salary for men, according to the position held.

ONDE Group 2023	2023	2022
Administration and office	84%	80%
Blue-collar workers	86%	85%
Technical positions, supervision	107%	102%
Directors, Deputy Directors	31%	32%

TABLE 29. [202-1] Amount of remuneration for women and men in relation to the minimum wage.

2023	Initial/basic wage ratio in relation to the minimum wage [%]	Minimum wage assumed in calculations [PLN]
ONDE S.A.		3600
women	219.52	
men	215.52	
IDE PROJEKT SP. Z O.O.		3600
women	168.15	
men	220.96	
2022	Initial/basic wage ratio in relation to the minimum wage [%]	Minimum wage assumed in calculations [PLN]
ONDE S.A.		3010
women	198.03	
men	188.43	
IDE PROJEKT SP. Z O.O.		3010
women	190.57	
men	252.92	

Consolidation:

	Initial/basic wage ratio in relation to the minimum wage [%] 2022	Initial/basic wage ratio in relation to the minimum wage [%] 2023
women	194.3	193.84
men	220.67	218.24

[202-2] Out of 12 people forming senior management at the ONDE Group (President, Vice-Presidents, Directors and their deputies), all come from Poland.

TABLE 30. [202-2] The percentage of the top management recruited from a local community (Poland) at crucial locations.

	The percentage of the top management recruited from a local community at crucial locations [%] 2022	The percentage of the top management recruited from a local community at crucial locations [%] 2023
ONDE S.A.	100 %	100 %
IDE Projekt sp. z o.o.	100 %	100 %
CONSOLIDATION	100 %	100 %



5.4 HEALTH AND SAFETY

[3-3] The highest standards

[403-1] [403-3] Our organisational structure includes the OHS Department reporting directly to the President. Its tasks include development and implementation of the safety policy and monitoring of OHS status during investment execution.

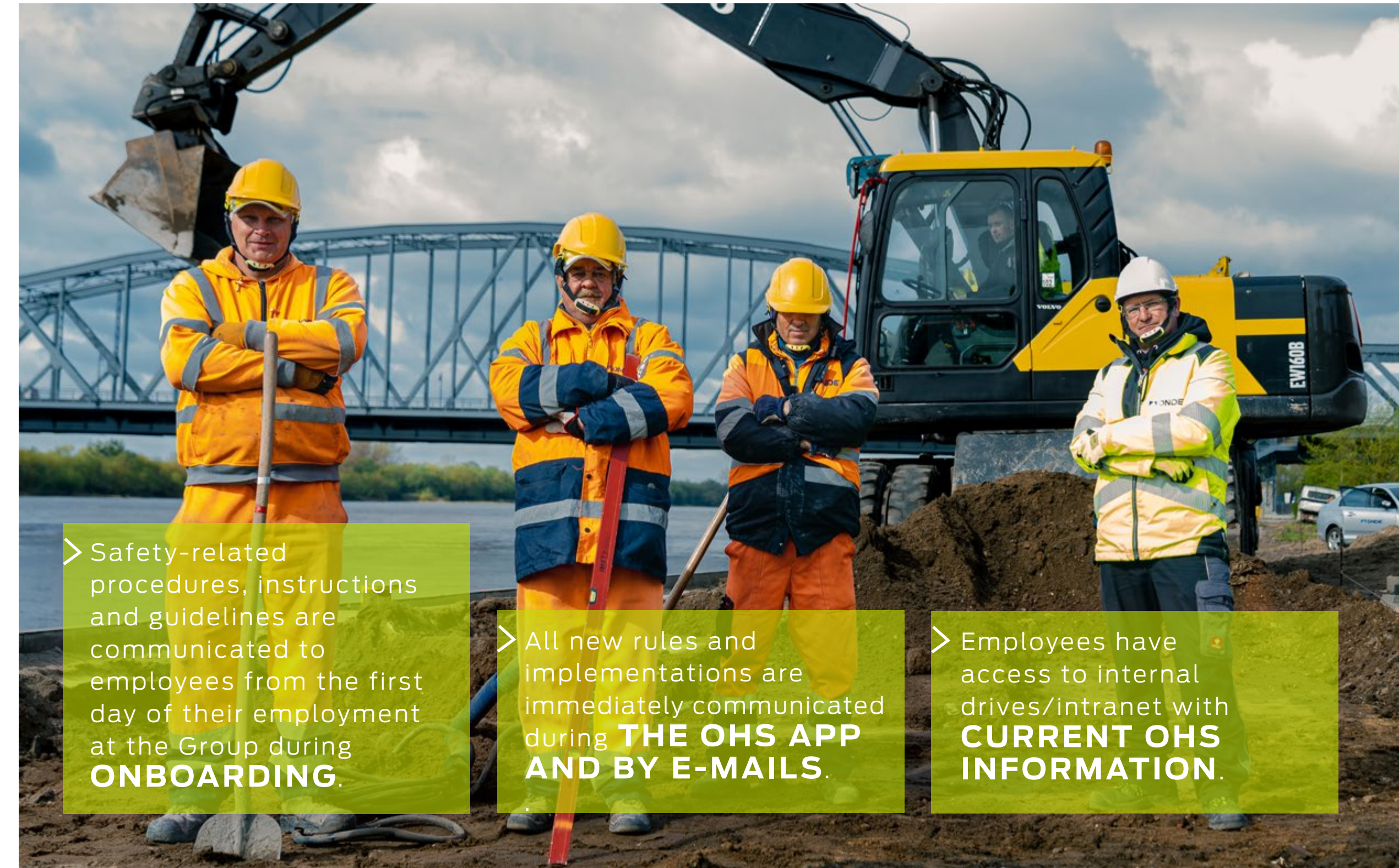
Each year, the OHS Department thoroughly analyses safety issues, including OHS risks, and the results of that analysis are used, among others, to improve OHS procedures and improve employees' commitment to issues of safe work. Each year, the annual OHS objectives are communicated to business centres and strictly monitored.

The ONDE Group has in place the OHS Management System, the OHS Strategy, the OHS risk identification process and OHS instructions, including the instructions "Risks and opportunities assessment" and "Readiness and response to emergencies, and incident handling". The OHS Management System according to ISO 45001 is voluntary, but in many cases required by investors. OHS risk management issues, including occupational risk assessment, Method Statements and the provisions of the Instruction "Readi-

ness and response to emergencies, and incident handling" – including reporting accidents, post-accident proceedings, appointing persons to provide first assistance, people appointed to fight and extinguish fires, fulfil the requirements of applicable legal acts, including Article 209 of the Labour Code (Journal of Laws of 1997 No. 129, item 844), Regulation of the Minister of Labour and Social Policy of 26 September 1997 on general provisions of occupational health and safety (Journal of Laws of 2003 No. 47 item 401), and Regulation of the Minister of Infrastructure of 6 February 2003 on occupational health and safety during construction works.

From the very beginning, each construction project executed by the Group has an OHS Specialist assigned, who, together with the supervising personnel, creates safe and healthy working conditions. The entire OHS performance is regularly discussed at OHS meetings at each level in the organisation.

We provide necessary protective equipment and remind about a need to use it, and relevant regulations of safe work are known to all employees. We always verify validity of licenses of people working at our construction sites.



➤ Safety-related procedures, instructions and guidelines are communicated to employees from the first day of their employment at the Group during **ONBOARDING**.

➤ All new rules and implementations are immediately communicated during **THE OHS APP AND BY E-MAILS**.

➤ Employees have access to internal drives/intranet with **CURRENT OHS INFORMATION**.

5.4.1 OHS MANAGEMENT SYSTEM

[403-1] At ONDE S.A., we implemented the Occupational Health and Safety Management System confirming to ISO 45001:2018 (HSMS). The certificate of conformity was awarded following an external audit conducted by the Quality Certification Centre of the Military University of Technology, and its scope covers:

- General contractor services in the construction sector for RES, power lines, and engineering and road building sector.
- Construction of wind and photovoltaic farms, engineering and technical facilities, including for the power supply sector and the industry, large-size structures with accompanying infrastructure, and maintenance, overhaul and refurbishment works.

The last supervisory audit by an external certifying body took place in August 2022, and the currently issued OHS management system certificate is valid until 9 August 2024. The system covers all employees within the meaning of ISO 45001:2018, i.e. all people who are under the control of the organisation in accordance with the standard (all employees of ONDE, all employees of its subcontractors and service providers, as well as material suppliers). All provisions of the current system become an integral part of contractual provisions for any entity with which ONDE initiates cooperation, and are monitored on a regular basis during performance of each investment.

Before the ISO 45001:2018 came into force, since 2015 ONDE had in place a system certified for compliance with PN-N-18001:2004 and BS OHSAS 18001:2007.

TABLE 31. [403-8] Employees covered by the occupational health and safety management system (as of 31/12/2023)

Number of employees covered by the system*	615*
Percentage of employees covered by the system	100%
Number of people performing work for the Company who are not its employees, but whose work and/or place of work is controlled by the organisation, who are covered by the system **	1021**
Percentage of people performing work for the Company who are not its employees, but whose work and/or place of work is controlled by the organisation, who are covered by the system	100%
Number of employees covered by the system that was internally verified/audited	584
Percentage of employees covered by the system that was internally verified/audited	95%
Number of people performing work for the Company who are not its employees, but whose work and/or place of work is controlled by the organisation, who are covered by the system that was internally verified/audited	1021
Percentage of people performing work for the Company who are not its employees, but whose work and/or place of work is controlled by the organisation, who are covered by the system that was internally verified/audited	100%
Number of employees and associates covered by the system that was audited or certified by an external body	584
Percentage of employees covered by the system that was audited or certified by an external body	95%
Number of people performing work for the Company who are not its employees, but whose work and/or place of work is controlled by the organisation, who are covered by the system that was audited or certified by an external body	1021
Percentage of people performing work for the Company who are not its employees, but whose work and/or place of work is controlled by the organisation, who are covered by the system that was audited or certified by an external body	100%

* the provided value applies to all employees and associates, excluding people employed under a contract of mandate

** the average number of employees of our subcontractors calculated on the basis of the number of employees on individual construction sites in each month

[403-1] The external certification did not cover IDE Projekt due to a specific character of its operations and associated risks. However, IDE Projekt implements all assumptions of the systemic OHSE management in the ONDE Group.

We meet all requirements foreseen by external regulations, and our OHS management system exceeds them in many areas. By constantly raising the level of safety awareness of our employees, we respond to the market standards and requirements of our customers.

5.4.2 OHS STRATEGY

[3-3] [403-7] Safety is an integral part of the ONDE Group operations and a component of other processes performed by it. We believe that standards concerning life and health will overlap with the guidelines for environmental neutrality to an increasing extent – we want this holistic approach to be one of our distinguishing features and advantages in the years to come.

Thinking about safety of all people involved in works on projects executed by ONDE – their health and life – we developed an OHS strategy called 7 pillars of safety:

1. Development of procedures and occupational safety scenarios.
2. Disqualification of all compromises concerning safety.
3. Education and awareness building showing that construction investments can be accident free.
4. Development of standards and continuous building of safety standards among contractors.
5. Promoting of positive attitudes of OHS leadership, regardless of a position.
6. Continuous improvement of standards of work organisation for teams, technological training courses, and processing of technical solutions.
7. Implementation of accepted safety standards at every level of the organisational structure.

All ONDE S.A. employees and the Management Board are involved in implementation of the OHS strategy, and main areas of these activities cover:

- commitment and leadership,
- adherence to the highest standards of safety,
- planning and monitoring,
- training,
- internal consultations.

OHS and environmental issues are present at each stage of our investments – from bidding, through selection of subcontractors, performance of their works, up to the stage of construction works completion. This approach allows us to significantly reduce situations and incidents caused by activities of different entities performing works at our construction sites, thus minimising a number of hazardous behaviours and associated risks. We believe that each entity correctly informed about our requirements means less risks at the execution stage.

The subcontractor verification – including compliance with OHS standards – described in Chapter 2.4 Subcontractors, is of crucial importance to us.



At ONDE, we implemented a special OHS application, enabling occupational safety specialists to receive immediately information about new contracts and manage OHS levels. With this application, it is, e.g., possible to see all recorded accidents and near misses at a specific construction site and to determine “OHS trends”, allowing to undertake necessary corrective actions at a right time.



5.4.3 OHS TRAINING

[403-5] We require all employees to perform their work in a safe way. Each our employee must be provided, among others, OHS information training, an on-job instruction conducted by their manager, a training in methods of work performance included in method statements, a special instruction before performance of hazardous works, training sessions and drills in readiness to react to emergency situations, and dedicated trainings for individual types of work. We remind about OHS obligations both every day from the moment an employee enters a construction site, and periodically during regular periodic OHS training. We supplement induction OHS training sessions with specialist training sessions and courses, to obtain or maintain necessary licenses.

An instruction “OHS training” is in force as a part of the implemented OHS management system. At each con-

struction site, training is specified in relation to the hazards contained in the HASP schedule (Safety and Health Protection Schedule).

Apart from the system and legal obligations, we conduct trainings resulting from our philosophy of continuous improvement and raising the awareness of supervisory employees at all levels in the area of occupational safety and environmental protection.

Our supervising personnel participate in internal trainings organised in the ERBUD Group. The training sessions have a form of an Academy.

- The training sessions organised to this date include:
- Construction Site Manager Academy, including OHSE issues;
 - OHS Coordinator Academy;
 - Master Academy, including OHSE issues.

The table below shows in detail types of training provided for employees, together with its frequency, form and objective.

TABLE 32. Type, frequency, form and objective of a training provided to employees

Training type	Frequency	Addressee	Form	Objective
OHSE briefing	On entering every construction site	All employees and visitors	On-job instruction	Informing about hazards and rules at the construction site
Induction training	One time and at each change of a position and/or conditions (e.g., move to another construction site)	Each employee	On-job instruction	Performance of an obligatory training in compliance with the regulations
Onboarding	On employment	All new employees	Online	Acquainting with the policy, systems and standards in force at ONDE



Training type	Frequency	Addressee	Form	Objective
Periodic training sessions for employees at blue-collar positions	Every year	Blue-collar positions/ verification of an obligation towards subcontractor's employees	On-job instruction	Refreshing knowledge on hazards and their elimination
Periodic training sessions for people managing employees	Every 5 years	People supervising employee works	On-job instruction	Refreshing knowledge on hazards and their elimination
Training provided to signallers and riggers	Depending on conditions at a construction site	Appointed people for vertical transport;	On-job instruction	Refreshing knowledge on safe transport at construction sites
First-aid training	As required	People appointed to provide first aid at a construction site	On-job instruction	Gaining knowledge and skills required to provide first aid at a construction site
Licences of operators of equipment subject to technical oversight	According to provisions of the handling equipment regulation	Operators	Course	Obtaining skills and licences for equipment operation
Licenses of machine operators for earth, construction, and road works	According to provisions of the regulation	Operators	Course	Obtaining skills and licences for machine operation
Class D and E electrical installation contracting licenses	Every 5 years	People performing work on power equipment regulated in OHS regulation	Course	Obtaining skills and licences for operation of power equipment
Work at heights using PPE	Depending on a type of performed works	Employees performing works at height	On-job instruction	Increasing knowledge and awareness in methods in safe performance of works at height
Scaffolding fitters	In accordance with legislation	People erecting/dismantling scaffoldings	Course	Obtaining skills and licences for erecting metal scaffoldings
Daily briefings (toolboxes)	Daily	All employees (and subcontractors)	Training	Clear allocation of tasks, the last risk assessment and verification of methods of work
Instruction before hazardous works	According to HASP schedule	Employees (and subcontractors)	On-job instruction	Increasing knowledge and awareness in principles of safe performance of hazardous works.
Training sessions as a part of the Safety Week	Once a year	Employees (and subcontractors)	Presentations	Increasing knowledge and awareness of employees
Training resulting from specific aspects of a construction site				
Drills in emergency situations at construction sites	Depending on specific conditions at a construction site	Employees (and subcontractors)	Drills	Verification of various scenarios of readiness to emergency situations at a construction site and increasing employees' awareness about procedures

The Construction Safety Partnership and "Safety Week"

The Construction Safety Partnership (PBB) is an initiative of general contractors. PBB's mission is to reduce the number of accidents on construction sites by promoting a culture of safety, raising awareness of the hazards associated with working on construction sites, and preventing risks and accidents. The aim of the cooperation between the signatory enterprises and the companies associated in the Construction Safety Partnership is implementation of safety standards, including the introduction of systemic OHS solutions and educational and training activities¹. Erbud, the ONDE S.A. majority shareholder, is one of the PBB signatories.

The ONDE Group, as a part of the ERBUD Group, shares the Construction Safety Partnership values and observes OHS standards in force in it. Furthermore, ONDE is a member of the so-called "Small Construction Safety Partnership". It was established in the District Labour Inspectorate (OIP) in Bydgoszcz in 2014, on the foundations of the Large Partnership. It brings together local entrepreneurs from the construction industry, with ONDE and ERBUD being the leaders and playing a leadership and educational role, as well as coordinating the activities of the working group and the steering committee together with the OIP.

Once a year, we hold a "Safety Week", which is a cyclical initiative of PBB. In 2023, as part of the jubilee 10th "Safety

¹ <https://www.porozumieniedlabezpieczenstwa.pl>

Week" held under a slogan "STOP is powerful. I pay attention, do not risk", 45 events were organised in which 489 people participated in total: 228 own employees and 261 subcontractor employees.

As part of the "Safety Week", we reminded employees, e.g. how to effectively provide first aid, use safety equipment when working at heights, prevent leakage of hazardous substances, and use personal protective equipment. Representatives of specialist companies dealing with broadly understood technical safety, as well as representatives of the National Fire Brigade, the Volunteer Fire Brigade, the Voluntary Water Rescue Service and the National Labour Inspectorate were invited to the construction sites and production units of the Group.

The organised events included training in the use of extinguishing agents and working at heights, safe transport of the injured from the scaffolding, demonstrations of the evacuation of a drowning person, evacuation of an injured person from a crane, rescuing people buried in a trench, and many others.

The aim of the training was to gain practical knowledge that would enable active action in emergency situations and, above all, their conscious prevention. For several years, environmental activities have also been a regular part of the Safety Week, including exercises in readiness and response to environmental incidents.

5.4.4 HAZARD IDENTIFICATION PROCESS, RISK ASSESSMENT AND INVESTIGATION OF INCIDENTS

[403-2] OHS risks are described in Chapter 2.9.3.

We implement the process of risk identification at several levels of the company operations:

- At the central level, we evaluate risks and opportunities associated with functioning of the entire organisation;
- At the central level we identify and evaluate risks for individual positions;
- As a part of preparation for implementation of the bid, we evaluate OHS risks and opportunities influencing the future construction;
- At the implementation stage, in accordance with the "Risks and opportunities assessment" instruction implemented as part of the existing OHS management system.

Striving to ensure the required quality of the risk identification process, we ensure the participation of people with necessary competences at every stage. Representatives of the management team are involved at the assessment, identification and preparation stages, and specialists, who are always present on a construction site, are involved at the implementation stage.

The above solution enables us to identify all routine and non-routine actions and works planned and resulting from works specifications and conditions at relevant construction sites.



All employees of ONDE's own forces, as well as our subcontractors, can report work-related risks and dangerous situations through:

- participation of representatives of specific positions in a team evaluating risks,
- risk assessment at a stage of the method statement development by subcontractors;
- participation in OHS status inspections;
- coordinating meetings at construction sites;
- safety walks performed by the OHS coordinator at each construction site;
- morning briefings.



The "Risks and opportunities assessment" instruction describes the process of planning people responsible for the proper performance of the risk identification process are planned at each stage and the method of agreeing and providing opinions on the results of these analyses. The results are presented as:

- Risks and opportunities card;
- HASP schedule (Health and Safety Protection Schedule);
- Method statement with a task risk assessment;
- Risk assessments for individual positions;
- Work permits and start sheets.

These documents are drawn up by appointed people or teams, and then clearly specified people verify provisions and approve the above documents.

Furthermore, also in accordance with the "Risks and opportunities assessment" instruction we introduced and apply a principle of the hierarchy of controls in the safety, provided for in ISO 45001: 2018:

TABLE 33. Hierarchy of controls in the safety and actions

ierarchy	Description of operation
risk elimination;	avoidance of a risk, adapting work to employees, for example: a change in a technology, a change in a project; creating a physical barrier between pedestrians and vehicles;
replacement	replacement of hazardous operations with those that are not hazardous or are less hazardous; fighting of sources of hazards; adapting to technical progress, e.g., replacing solvent-based paints with water-based ones, replacing formworks without systemic platforms with systemic formworks with complete access routes;
technical measures	implementation of collective protective measures, e.g., collective protective measures at a construction site – balustrades, nets, etc., that always have a priority before personal protective measures; separation; machine protection; ventilation systems; mechanical manipulations;
organizational measures	appropriate instructions for employees, standards, guidelines, e.g.: periodic maintenance of safety equipment; coordination of health and safety issues with subcontractor activities; licenses; rotation of employees;
personal protective equipment	providing appropriate personal protection and instruction concerning its use and maintenance, e.g.: safety footwear, safety goggles; hearing protection; chemical resistant gloves; gloves protecting against electricity; cut resistant gloves. In the hierarchy, personal protective equipment is used as a final resort, when the above measures cannot be implemented or did not eliminate the hazard completely.



[403-2] At ONDE, we use services of subcontractors and wish that cooperation to be safe. a precondition for cooperation with our Company is observance of our OHS rules, and we inform about this already at the bidding stage. From our subcontractors we require, among others, employing people with required qualifications and licenses, appointment of an OHS Coordinator, providing of personal protective equipment and equipment for work in a good operational condition, as well as necessary social facilities for employees. Subcontractors are also required to draw up Method Statement, report all accidents and near misses in accordance with the ONDE standard, and participate in coordination meetings.

We prepared OHS standards for our subcontractors that define a set of minimum OHSE requirements during execution of wind farms and photovoltaic farms. During the negotiation process, each subcontractor is informed about the requirements resulting from these standards – about the technical and organizational measures necessary to be implemented when performing work commissioned by ONDE.



[403-2] We focus not only on investigating accidents at work, but in accordance with the incident definition in ISO 45001, we also investigate “events resulting from or during works that may or may not cause damages and poor health”. We also analyse and investigate near misses and hazardous behaviours. This is in line with the accidents pyramid.

In each case the process of identification and evaluation of accidents and near misses is conducted in accordance with the instruction "Readiness and response to emergencies, and incident handling". Each incident, concerning ONDE or subcontractors' employees alike, is reported in the internal OHS application. Depending on its type and

determined category, various scenarios are implemented. In the case of the most severe incidents, a special team is appointed, responsible for a detailed analysis of causes and developing preventive actions for the future. In the remaining cases, corrective actions concern solely those construction sites or departments which were affected by the incident.

Each employee of the company and of a subcontractor has a right to refuse performance of work when the conditions of work deviate from occupational health and safety regulations and pose a direct hazard to the employee's health or life, or when work performed by them poses such hazard to other people. When refraining from performance of works does not eliminate the hazard, the worker can leave the hazardous location, immediately notifying their manager. The employee cannot suffer any unfavourable consequences of refraining from performance of works or leaving a hazardous location in cases described above. The relevant provisions in this regard are included in work regulations in force at the employer. ONDE also has a guaranteed right to suspend and remove from work those employees of subcontractors who create dangerous situations and generate unacceptable risks by their behaviour.

Employees have guaranteed protection against retaliation in consequence of reported incidents, risks, hazardous situations, and opportunities in established systems of provisions in the leadership instruction and in the instruction “Readiness and response to emergencies, and incident handling”. The top management at each level of the organisation was obliged to protect employees against retaliation associated with reporting events of this type.

5.4.5 ACCIDENT RATIOS

[403-9] Work-related injuries¹

The Company sets itself a strategic goal of 0 severe, fatal and collective accidents, both among its own forces and subcontractors.

In 2023, we did not record any fatal or collective accidents – either in ONDE's own forces or among subcontractors. In 2023, 9 minor accidents and 0 severe accidents were recorded in own forces, and two accidents at our subcontractors: 1 severe accident from the main risk category, i.e. burying/work in a trench and 1 light accident.

After the accidents, we took the necessary steps to investigate in detail the circumstances and causes of those accidents. We thoroughly analysed all accidents and communicated the conclusions and actions to be taken for the organisation and actions at construction sites to each person working in the ERBUD Group.

TABLE 34. Identyfikacja zdarzeń, ich ocena, postępowanie i działanie w Grupie ONDE

Item	Incident type	Reporting	Team composition	Procedure	Corrective actions
1.	Near misses, environmental incidents, fires, emergencies with a low potential of injuries or damage to property	Registration in the OHSE application – each person managing employees on the same day	HSE Specialist	Only a report	-
2.	Incidents from top risk categories and severe material and environmental losses	Registration in the OHSE application – each person managing employees on the same day	Responsible Director, Responsible department/ construction site manager or other person managing employees, OHSE Specialist	Incident reporting, extended analysis	Yes
3.	Accident at work	Registration in the OHSE application – each person managing employees on the same day	Responsible Director, Responsible department/ construction site manager or other person managing employees, OHSE Specialist	Accident reporting, post-accident report, expanded analysis	Yes
4.	Severe, fatal and collective accidents including of service providers	Registration in the OHSE application – each person managing employees on the same day		Accident reporting, post-accident report, expanded analysis	Yes
5.	An accident at a supplier of services – other accidents	Registration in the OHSE application – each person managing employees on the same day	The team is appointed by the employer	Accident reporting, an extended analysis (concerns main risk categories), post-accident proceedings on the basis of findings of the accident investigation team at the service provider	Yes (concerns main risk categories)
6.	An accident on a way to/ from work	Registration in the OHSE application – each person managing employees on the same day	HSE Specialist	Reporting of the accident, an accident form	-

¹ Methodology: To calculate manhours for employees, a list of employment for individual months was used, completed on a regular basis in the OHS application. Employees were divided into three groups: supervisors, administration and office, and blue-collar workers. To calculate manhours, the following factor was used in each month: supervisors – 184 h, administration and office – 168 h, and blue-collar workers – 184 h. The average employment at subcontractors is determined on a basis of monthly registers from construction sites uploaded into the internal system, and then multiplied by 184 hours every month.
* Calculated according to the formula: number of accidents at work x 1,000,000 / number of manhours worked
** Calculated according to the formula: number of lost days / number of accidents at work

TABLE 35. A comparison of frequency rates and number of accidents in 2023-2022-2021 at ONDE (for own personnel)

Year	Number of manhours	Number of accidents	Frequency rate*	Number of days lost	Severity**
2023	1,264,512	9	7.12	171	19.0
2022	1,230,104	4	3.25	32	8
2021	1,203,456	5	4.15	170	34.00

TABLE 36. Accident ratios at the ONDE Group in 2023-2022-2021 (own personnel)

Year	Number of manhours	Number of accidents	Frequency rate*	Number of days lost	Severity**
2023	1,325,744	9	6.79	171	19.0
2022	1,289,408	4	3.10	32	8
2021	1,263,936	5	3.96	170	34.00

TABLE 37. Accident ratios at the ONDE Group in 2023-2022-2021 including subcontractors¹

Year	Number of manhours	Number of accidents	Frequency rate*	Number of days lost	Severity**
2023	3,579,928	11	3.07	no data	no data
2022	3,626,392	7	1.93	no data	no data
2021	5,382,408	7	1.30	no data	no data

1. The entity supplying a service or a product to the general contractor in accordance with contractual provisions

TABLE 38. Accidents at ONDE broken by injury type and including subcontractors

Injury type in 2023	ONDE	Subcontractors
Sprain	3	0
Cut (wound)	3	1
Fracture	0	1
Bruising	1	0
Other injury	2	0

TABLE 39. People performing work for the Company who are not its employees, but whose work and/or place of work is controlled by the organisation

Number of fatalities in consequence of work-related injuries	0
Ratio of fatalities in consequence of work-related injuries	0
Number of severe work-related injuries (excluding fatalities)	1
Ratio of severe work-related injuries (excluding fatalities)	0.44*
Number of work related injuries (total)	2
Ratio of work related injuries	0.89

TABLE 40. Accidents frequency rate for subcontractors.

Subcontractors	Subcontractors
Number of manhours worked	2254184
Number of minor accidents	1
Number of severe accidents	1
Number of fatal accidents	0
Number of collective accidents	0
Total for all accidents	2
Accidents frequency rate for all accidents*	0.89

* number of severe accidents x 1000000/ Manhours

** number of all accidents x 1000000/ Manhours

5.4.6 OCCUPATIONAL DISEASES

[403-10] [403-7] In 2023, as in the previous year, we did not record any cases of occupational diseases in the ONDE Group. As hazards to health, we identified hearing losses, vibration syndrome, carpal tunnel syndrome, and chronic disorders of the locomotor system.

The hazards were identified by analysing the Cabinet Regulation concerning occupational diseases, Journal of Laws 2022.0.1836, consolidated text – Regulation of the Cabinet on occupational diseases of 30 June 2009. The list of occupational diseases was referred to the results of occupational risk assessments (in relation to the types of work performed at a construction site) for individual workstations.

TABLE 41. Hazards and consequences of occupational diseases and mitigating activities

Hazards/consequences	Mitigating activities
<ul style="list-style-type: none"> hearing loss caused by work in noise vibration syndrome caused by operating vibrating machines and equipment 	<ul style="list-style-type: none"> monitoring of noise and vibration levels at individual positions equipping with machines generating noise and vibrations at lower levels personal protective equipment
<ul style="list-style-type: none"> chronic locomotor systems disorders 	<ul style="list-style-type: none"> minimising manual transport and replacing it with mechanical transport manual transport solely in accordance with standards and observing rules of ergonomics restricting to a minimum work in a kneeling position, e.g., by using appropriate devices for mechanical laying of paving blocks
<ul style="list-style-type: none"> carpal tunnel syndrome 	<ul style="list-style-type: none"> ergonomic equipment at administrative workstations



[3-3] In the ONDE Group, we are of the opinion that human rights cannot be violated. We conduct our operations in accordance with the Labour Code, the Charter of Fundamental Rights of the European Union, and conventions of the International Labour Organisation.

We observe all the provisions concerning human rights contained in the Constitution of the Republic of Poland, the International Charter of Human Rights together with the Universal Declaration of Human Rights and the Declaration concerning the basic principles and rights in the work of the International Labour Organisation.

6.1 POLICY OF DIVERSITY MANAGEMENT AND UNEQUAL TREATMENT PREVENTION

[2-23] In 2022, the ONDE Management Board adopted the “Policy of diversity management and unequal treatment prevention at ONDE S.A.” consistent with provisions of the Labour Code. We undertake to create such working environment in which each employed person feels respected, valued and evaluated fairly. This policy defines unacceptable behaviours, specifies organisation objectives, describes responsibilities and competencies related to implementation of the document, specifies obligations of the Company and all ONDE employees covered by the Policy, as well as presents a path for reporting its breaches.

The Policy objectives include:

- prevention of unequal treatment in recruitment in form of discrimination, indirect discrimination, direct discrimination, mobbing, harassment, and sexual harassment;
- restricting consequences of cases of unequal treatment found;
- specifying disciplinary measures for people guilty of unequal treatment;
- promoting the culture of respect for diversity at work and preventing exclusion.

In accordance with the Policy provisions, we undertake to prevent discrimination in employment in particular, due to sex, age, disability, race, religion, nationality, political beliefs, membership in unions, ethnic background, faith, sexual orientation, as well as being employed for specified or unspecified period of time, or being employed full or part time. Also every our contractor confirms in their statement that they respect diversity and that there is no unequal treatment in their organisation due to the above criteria.

All employees who suspect that they are treated unequally, can consult their line manager, a manager at a higher level, or the ONDE S.A. HR Manager. At the same time, every person who experienced unacceptable behaviours in the ONDE Group, is authorised to report this fact. Reporting violations, handling of these reports, and undertaking follow-up actions are performed in accordance with the “Rules for anonymous reporting of violations of the law, procedures and ethical standards by employees at ONDE S.A.”.

In our Policy, we also undertook to conduct a dialogue with employees focusing on its provisions.

Mechanisms for reporting violations of policies in force at ONDE are described in Chapter 2.6. Ethics and anti-corruption.



The document is available at our website at: <https://onde.pl/wp-content/uploads/2023/01/Polityka-Zarzadzania-Roznorodnoscia.pdf>



In January 2023, as a part of implementation of the “Policy of diversity management and unequal treatment prevention at ONDE S.A.”, we organised a training for employees, during which we discussed possible ways of reacting to any manifestations of discrimination. We were acquainted with legal regulations and learnt the best practices from other companies. The invited expert informed how we should behave when we are a victim or a witness of discriminating behaviours.

6.2 HUMAN AND EMPLOYEE RIGHTS POLICY

[2-23] [3-3] In 2023, the ONDE Management Board adopted the “ONDE S.A. human and employee rights policy”. It informs that ONDE S.A. conducts its operations respecting rights and dignity of all people and observing all current legislation. In accordance with the Policy, we undertake to observe provisions of the United Nations Universal Declaration of Human Rights and the Declaration of the International Labour Organisation, concerning fundamental rules and rights at a workplace. Our activities are conducted in an honest and transparent way, taking into account human rights and interests of our employees. We do not accept any violations of human and employee rights in any form.

According to provisions of the Policy:

- we forbid discrimination, forced and illegal labour, and child labour;
- we undertake to ensure safe and healthy conditions of work;
- we ensure freedom of association and a possibility to conclude collective labour agreements;
- we do not tolerate bullying, repression, and/or harassment;
- we observe provisions of law and industrial standards concerning working time, benefits and remuneration

- we enable all employees to use their right to holiday and leaves;
- we consider the issue of employment agreements as important.

This policy applies to all ONDE S.A. employees. Not only they were informed about provisions of the policy, but we also strive to increase their awareness of human rights, through training and informing about possibilities to report infringements of the policy.

We undertake actions that help us to identify and react to situations that do or may adversely influence human rights as a part of our activities or business relations.

If any nonconformities occur, we undertake to provide remedies including legal support, as well as to support our business partners in processes of elimination or minimising the negative influence.

We also expect our suppliers of goods and services to observe principles consistent with those applied by ONDE S.A. Areas covered by the “ONDE S.A. human and employee rights policy” are also included in the statement

on observance of compliance issues, which is submitted by the ONDE contractors.

Furthermore, contracts with contractors include provisions according to which the contractors confirm that they have read the ONDE policies and undertake to apply them (and this also applies to the subcontractors of the above-mentioned contractors). These provisions have already been included in some of the agreements with contractors, and the Company expects to introduce such provisions in all contracts.

We do not undertake or continue cooperation with entities that do not respect human and/or employee rights.

Mechanisms for reporting violations of policies in force at ONDE are described in Chapter 2.6. Ethics and anti-corruption.

> The full text of the Policy is available on our website at: <https://onde.pl/wp-content/uploads/2024/01/polityka-praw-czlowieka-ONDE-SA.pdf>





ABOUT THIS REPORT

07



7.1 SCOPE OF THE REPORT AND INTERNAL VERIFICATION

[2-2] This ESG Report covers a period between 1 January to 31 December 2023, unless the text provides otherwise. Data in the document concern companies ONDE S.A. and IDE Projekt Sp. z o.o. The report contains a description of the business model and activities of individual operating segments in the Group.

[2-3] [2-4] The ONDE Group reports non-financial issues in an annual cycle, while financial reporting is conducted in quarterly and annual cycles. The previous report, for 2022, was published on 30 March 2022. The report for 2023 does not contain corrections of information for 2022.

The ESG report for 2023 fulfils our obligations concerning the expanded non-financial reporting.

We disclose important data and information on applied policies and procedures, as well as undertaken activities. We also present our attitude towards social and employee issues, human rights, and prevention of corruption, together with an extensive information on management of environmental aspects.

This report was prepared by a team responsible for the ESG area at the parent company of the ONDE Group and was approved by the Management Board. The individual chapters of this report were verified internally by crucial people at the company.

Should you have any questions or inquiries related to the ESG Report of the ONDE Group for 2023, please send them to the ONDE ESG Team at esg@onde.pl.



7.2 PROCESS FOR DEFINING MATERIALITY

[3-1] According to the GRI Standards, material topics should reflect the company's impact on its environment. To identify such subjects for the ONDE Group, a three-step process was conducted. To ensure completeness of the approach and consider different perspective, in 2022, a process was conducted using different tools and involving stakeholders.

At the first stage, an analysis of data found was conducted. The analysis covered sustainable development strategies and sustainable development reports of companies accepted as comparable for the ONDE Group (benchmarking). This stage aimed at determining crucial areas of influence, and eventually, material topics identified by other companies from the sector. As a part of this stage, the analysis also covered requirements of selected international ratings and ESG Guidelines, taking into account the sector's perspective and requirements. On a basis of results of this stage, the first, initial lists of important subjects was developed, which was taken into account during further works.

At the last stage of the process of identification of material topics, a survey evaluating the ONDE Group impact on its environment was sent to representatives of crucial internal and external stakeholders. The survey questionnaire contained a list of material topics, taking into account issues specified in the GRI Standards (GRI aspects) and the Sustainable Development Objectives. The questionnaire was completed by 120 people. The majority (69.1%) of respondents were employees and potential employees of the ONDE Group, the remaining 30.9% were external stakeholders, including representatives of shareholders and stock market analysts, suppliers, subcontractors, beneficiaries of the ONDE CSR programs, public and infrastructural institutions, media, or scientific milieu. The stakeholders specified crucial areas of the ONDE Group influence on its environment, both positive and negative. During the survey in 2023, 10 most important topics with the ONDE Group positive impact and 10 topics with the ONDE Group negative impact were selected, as described in Chapter 2.7.1. On a basis of the survey results, a list of 10 crucial areas of the ONDE Group influence was developed, used in further works.

7.3 MATERIAL TOPICS

On the basis of the conducted process, a list of material topics was created. It was discussed by the ONDE Group project team, responsible for development of this report. In consequence, a list of material topics was created, which formed a basis for developing a structure, and then the contents of this report. This list was considered valid also in 2023.

TABLE 42. [3-2] [3-3] A list of material topics identified during the conducted process:

Material issue	Detailed issues	GRI aspect	Report chapter
Resource Management	<ul style="list-style-type: none"> Materials and raw materials, closed circulation Sourcing and use of resources Raw materials use (e.g., use of renewable and non-renewable resources) Waste management 	Resources, waste	3.3
Impact on the climate	<ul style="list-style-type: none"> Renewable energy sources, responsible energy production Renewable power generation and energy management Share of energy from renewable energy sources in the power mix Emissions control Decarbonisation Climate change (e.g., greenhouse gases emissions) 	Energy, emissions	3.4

7.4 EXTERNAL VERIFICATION OF THE REPORT

[2-5] The ESG Report of the ONDE Group underwent independent external verification for ratios listed in Table 43. The GRI Table, annotated “Yes” in the “Attestation” column. This service was performed by PricewaterhouseCoopers Polska Spółka z ograniczoną odpowiedzialnością Audyt spółka komandytowa.

Material issue	Detailed issues	GRI aspect	Report chapter
Influence on biodiversity	<ul style="list-style-type: none"> Biodiversity and use of lands 	Biodiversity	3.2
Recruitment and development	<ul style="list-style-type: none"> Conditions of employment Employment conditions, employee rights (e.g., employee privacy at work, human-rights related incidents among employees, or strikes) Employee development and satisfaction Human capital development 	Employment, Education and training	5.1, 5.3, 5.4.3
Health and safety	<ul style="list-style-type: none"> Occupational health and safety Health and safety of employees, employees' well-being 	Health and safety	5.4, 5.2
Diversity and equal treatment	<ul style="list-style-type: none"> Diversity, equality and inclusion Equal rights, e.g., equal remuneration for women and men 	Diversity and equal treatment	6
Impacts on the community and economy	<ul style="list-style-type: none"> Impact on local communities, creation of local jobs Social relationships Local communities (e.g. dialogue or involvement in relations with communities affected by organisation activities) Innovativeness, industry, infrastructure (including sustainable infrastructure, sustainable innovations and industry) 	Local communities, Indirect economic influence	2.7, 3.1
Sustainable supply chain	<ul style="list-style-type: none"> Responsible procurement, correct selection of business partners Employees in the value chain (e.g., respecting human rights by ONDE subcontractors/suppliers) 	Supplier environmental assessment	2.1.2, 2.5.2
Responsibility towards customers	<ul style="list-style-type: none"> Quality and safety of products and services Product designing and management of its life cycle Safety of customers' data, including cybersecurity Data privacy and security 	Health and safety of consumers, marketing and labelling	2.3



Raport niezależnego biegłego rewidenta z usługi atestacyjnej dającej ograniczoną pewność dotyczącej weryfikacji wybranych informacji niefinansowych za rok 2023

Do Zarządu ONDE S.A.

Wstęp

Zarząd ONDE S.A. („Spółka”), na podstawie umowy z dnia 3 marca 2024 r., zaangażował nas do przeprowadzenia usługi atestacyjnej dającej ograniczoną pewność w odniesieniu do wybranych informacji niefinansowych zaprezentowanych w Raporcie zrównoważonego rozwoju ONDE S.A. za rok 2023.

Opis przedmiotu zlecenia i mające zastosowanie kryteria

Zarząd Spółki sporządził Raport zrównoważonego rozwoju ONDE S.A. za okres od 1 stycznia 2023 r. do 31 grudnia 2023 r. („Raport zrównoważonego rozwoju”). Raport zrównoważonego rozwoju zawiera informacje niefinansowe (ilościowe i jakościowe), sporządzone zgodnie z odpowiednimi Standardami GRI wydanymi przez Global Reporting Initiative („Standardy GRI”), art. 8 Rozporządzenia Parlamentu Europejskiego i Rady (UE) 2020/852 z dnia 18 czerwca 2020 r. w sprawie ustanowienia ram ułatwiających zrównoważone inwestycje oraz Rozporządzeniami Delegowanymi Komisji Europejskiej uzupełniającymi Rozporządzenie 2020/852 („Taksonomia UE”) oraz metodami opracowanymi przez Spółkę i ujawnionymi w Raporcie zrównoważonego rozwoju (nazywanymi łącznie „Kryteria raportowania”). Kryteria raportowania stanowią, naszym zdaniem, odpowiednie kryteria do sformułowania przez nas wniosku dającego ograniczoną pewność. Zarząd Spółki sporządził Raport zrównoważonego rozwoju w celu jego publikacji wraz z raportem niezależnego biegłego rewidenta na stronie internetowej Spółki.

Przedmiotem zlecenia były następujące informacje niefinansowe za rok zakończony 31 grudnia 2023 r. zawarte w Raporcie zrównoważonego rozwoju zgodnie z Tabelą ujawnień zawartą na stronach 92-93 Raportu zrównoważonego rozwoju („Wybrane Informacje”):

2-7 Pracownicy

2-8 Osoby świadczące pracę na rzecz organizacji, które nie są jej pracownikami

2-9 Struktura zarządcza i skład organów zarządczych

2-26 Mechanizmy zasięgania porad i zgłaszania obaw

2-27 Zgodność z prawem i regulacjami

205-2 Komunikacja i szkolenia w zakresie polityki i procedur antykorupcyjnych

302-1 Zużycie energii w organizacji

302-3 Energochłonność

305-1 Bezpośrednie emisje gazów cieplarnianych (zakres 1)

305-2 Pośrednie emisje gazów cieplarnianych (zakres 2)

PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością Audit sp.k.,
ul. Polna 11, 00-633 Warszawa, Polska, T: +48 (22) 746 4000, F: +48 (22) 742 4040, www.pwc.com

PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością Audit sp.k., wpisana jest do Krajowego Rejestru Sądowego prowadzonego przez Sąd Rejonowy dla m. st. Warszawy, pod numerem KRS 0000750050, NIP 526-021-02-28. Siedzibą Spółki jest Warszawa, ul. Polna 11.



401-1 Łączna liczba i odsetek nowych pracowników zatrudnionych oraz łączna liczba odejść w okresie raportowania

403- 1 System zarządzania zdrowiem i bezpieczeństwem pracowników

403-2 Procesy identyfikacji zagrożeń, ocena ryzyka oraz badania wypadków

403-5 Szkolenia pracowników w zakresie bezpieczeństwa pracy

403-9 Wskaźnik urazów związanych z pracą

403-10 Wskaźnik chorób zawodowych

404-1 Liczba godzin szkoleniowych w roku przypadających na pracownika według struktury zatrudnienia

404-3 Odsetek pracowników podlegających regularnym ocenom jakości pracy i przeglądom rozwoju kariery zawodowej, według płci i kategorii zatrudnienia

405-1 Skład ciał nadzorczych i kadry pracowniczej w podziale na kategorie pracowników według płci, wieku, przynależności do mniejszości oraz innych wskaźników różnorodności

405-2 Stosunek podstawowego i całkowitego wynagrodzenia kobiet do wynagrodzenia mężczyzn według zajmowanego stanowiska

Ujawnienia taksonomiczne wymagane przez art. 8 Rozporządzenia Parlamentu Europejskiego i Rady (UE) 2020/852 z dnia 18 czerwca 2020 r. w sprawie ustanowienia ram ułatwiających zrównoważone inwestycje.

Przedmiotem naszego zlecenia były jedynie Wybrane Informacje za rok zakończony 31 grudnia 2023 i nie przeprowadziliśmy procedur w stosunku do innych informacji zaprezentowanych w Raporcie zrównoważonego rozwoju. W związku z tym nie wyrażamy wniosku o Raportie zrównoważonego rozwoju jako całości.

Odpowiedzialność Zarządu

Zarząd Spółki odpowiedzialny jest za:

- ustanowienie wewnętrznych metodyk i wytycznych dla przygotowania i raportowania Wybranych Informacji zgodnie z Kryteriami raportowania;
- sporządzenie Wybranych Informacji zgodnie z odpowiednimi Kryteriami raportowania;
- zaprojektowanie i stosowanie odpowiedniego systemu kontroli wewnętrznej związanego ze wsparciem procesu raportowania;
- dokładność, kompletność i sposób prezentacji Wybranych Informacji.

Nasza odpowiedzialność

Naszym zadaniem było sformułowanie wniosku o ograniczonej pewności na temat Wybranych Informacji zaprezentowanych w Raporcie zrównoważonego rozwoju na podstawie przeprowadzonych przez nas procedur.

Nasze prace atestacyjne przeprowadziliśmy zgodnie z Krajowym Standardem Usług Atestacyjnych Innych niż Badanie i Przegląd 3000 (Z) w brzmieniu Międzynarodowego Standardu Usług Atestacyjnych 3000 (zmienionego) - „Usługi atestacyjne inne niż badania i przeglądy historycznych informacji finansowych” („KSUA 3000 (Z)"). Standard ten wymaga, abyśmy przestrzegali wymogów etycznych oraz zaplanowali



i przeprowadzili nasze prace w taki sposób, aby uzyskać ograniczoną pewność, że Wybrane Informacje są, we wszystkich istotnych aspektach, zgodne z Kryteriami raportowania.

Procedury przeprowadzone podczas wykonywania usługi atestacyjnej dającej ograniczoną pewność różnią się rodzajem i rozłożeniem w czasie oraz mają mniejszy zakres niż podczas wykonywania usługi atestacyjnej dającej racjonalną pewność. Wynikający z powyższego poziom zapewnienia uzyskany podczas usługi atestacyjnej dającej ograniczoną pewność jest znacząco niższy niż zapewnienie, które zostałoby uzyskane, gdyby została wykonana usługa dająca racjonalną pewność.

Wymogi zarządzania jakością i etyka zawodowa

Stosujemy postanowienia Krajowego Standardu Kontroli Jakości 1 w brzmieniu Międzynarodowego Standardu Zarządzania Jakością (PL) 1 – „Zarządzanie jakością dla firm wykonujących badania lub przeglądy sprawozdań finansowych lub zlecenia innych usług atestacyjnych lub pokrewnych” opracowanego przez Radę Międzynarodowych Standardów Badania i Usług Atestacyjnych i przyjętego uchwałą Rady Polskiej Agencji Nadzoru Audytorów. Standard ten wymaga od nas zaprojektowania, wdrożenia i działania systemu zarządzania jakością, w tym polityk i procedur dotyczących zgodności z wymogami etycznymi, standardami zawodowymi oraz obowiązującymi przepisami prawa i wymogami regulacyjnymi.

Przestrzegamy wymogów niezależności i innych wymogów etycznych Międzynarodowego Kodeksu Etyki Zawodowych Księgowych (w tym Międzynarodowych Standardów Niezależności) wydanych przez Radę Międzynarodowych Standardów Etycznych dla Księgowych i przyjętego uchwałą Krajowej Rady Biegłych Rewidentów, który jest oparty na podstawowych zasadach uczciwości, obiektywizmu, zawodowych kompetencji i należytej staranności, poufności i profesjonalnego postępowania.

Podsumowanie wykonanych prac

Przeprowadzone przez nas procedury uzyskania ograniczonej pewności obejmowały:

- wywiady z kierownictwem i pracownikami odpowiedzialnymi za przygotowanie Wybranych Informacji oraz osobami koordynującymi proces przygotowania Raportu zrównoważonego rozwoju;
- sprawdzenie czy zastosowano formuły kalkulacji Wybranych Informacji (dotyczy informacji ilościowych) zgodne z Kryteriami raportowania oraz sprawdzenie matematycznej poprawności sporządzenia Wybranych Informacji;
- dla Wybranych Informacji ujętych w Raporcie zrównoważonego rozwoju, uzgodnienie, na wybranej próbie, odpowiednich atrybutów do otrzymanej od Spółki dokumentacji źródłowej.

Uważamy, że uzyskane przez nas dowody stanowią wystarczającą i odpowiednią podstawę do wyrażenia przez nas wniosku dającego ograniczoną pewność.

Nieodłączne ograniczenia

Wybrane informacje powinny być czytane i rozumiane łącznie z Kryteriami raportowania, za których wybór i stosowanie odpowiedzialność ponosi Spółka. Brak ustalonych praktyk, na których można się oprzeć przy ocenie i pomiarze informacji niefinansowych, pozwala na stosowanie różnych technik pomiaru i może wpływać na porównywalność informacji niefinansowych. Ponadto kwantyfikacja emisji gazów cieplarnianych jest obciążona nieodłączną niepewnością ze względu na takie czynniki, jak wskaźniki emisji stosowane w modelach matematycznych do obliczania emisji oraz niemożność dokładnego scharakteryzowania przez te modele związku między różnymi danymi wejściowymi a wynikającymi z nich emisjami. Dane dotyczące środowiska i zużycia energii wykorzystywane w obliczeniach emisji gazów



cieplarnianych podlegają nieodłącznym ograniczeniom ze względu na charakter i metody stosowane do określania takich danych. Wybór różnych, ale akceptowalnych technik pomiarowych, może skutkować istotnie różnymi pomiarami.

Wniosek

Na podstawie przeprowadzonych procedur atestacyjnych i uzyskanych dowodów, nic nie zwróciło naszej uwagi, co wskazywałoby, że Wybrane Informacje zawarte w Raporcie zrównoważonego rozwoju nie są, we wszystkich istotnych aspektach, zgodne z Kryteriami raportowania.

Ograniczenie zastosowania

Niniejszy raport został sporządzony przez PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością Audit sp.k. dla Zarządu ONDE S.A. i jest przeznaczony wyłącznie w celu opisanym w części „Opis przedmiotu zlecenia i mające zastosowanie kryteria”. Nie można go wykorzystywać w żadnym innym celu.

Zarząd ONDE jest odpowiedzialny za publikację, w tym na stronie internetowej Spółki, Raportu zrównoważonego rozwoju oraz niniejszego raportu atestacyjnego, jak również za rzetelność publikowanych informacji. Zakres wykonanej przez nas pracy nie obejmuje oceny tych kwestii. W związku z tym nie ponosimy żadnej odpowiedzialności za jakiegokolwiek zmiany, które mogły zostać wprowadzone do informacji będących przedmiotem naszej oceny lub za jakiegokolwiek różnice, jeżeli takie są, między informacjami objętymi wydanym przez nas raportem, a informacjami przedstawionymi na stronie internetowej Spółki.

PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością Audit sp.k. nie przyjmuje w związku z tym raportem żadnej odpowiedzialności i zrzekamy się wszelkich obowiązków wynikających z relacji umownych i pozaumownych (w tym z tytułu zaniebana) w odniesieniu do podmiotów innych niż Spółka. Powyższe nie zwalnia nas z odpowiedzialności w sytuacjach, w których takie zwolnienie jest wyłączone z mocy prawa.

Działający w imieniu PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością Audit sp.k.

Jakub Waszkiewicz
Biegły Rewident
Numer ewidencyjny 13836

Warszawa, 26 marca 2024



TABLE 43. GRI table

Statement on application	The ONDE Group reported information referred to in this index of GRI issues for the period of 01/01/2023–31/12/2023 in relation to the GRI Standards.
Applied GRI 1	GRI 1: Foundation 2021
Applicable GRI Sector Standards	Not applicable

No omissions were noted in GRI disclosures quoted in the table.

GRI Standard/ Other source	Disclosure	Location	Assurance
GRI 3: Material topics 2021	3-3 Management of material topics	15,16, 26, 32, 41, 42, 48, 50, 72, 73, 74, 77, 78, 85, 86, 89	No
GRI 2: Ogólne Ujawnienia 2021	2-1 Organisational details	6	No
	2-2 Entities included in the organization's sustainability reporting	88	No
	2-3 Reporting period, frequency and contact point	88	No
	2-4 Restatements of information	50, 88	No
	2-5 External assurance	90	No
	2-6 Activities, value chain and other business relationships	7, 9, 16, 20	No
	2-7 Employees	70	Yes
	2-8 Workers who are not employees	70	Yes
	2-9 Governance structure and composition	11	Yes
	2-10 Nomination and selection of the highest governance body	11	No
2-11 Chair of the highest governance body	11	No	
2-12 Role of the highest governance body in overseeing the management of impacts	13	No	

GRI Standard/ Other source	Disclosure	Location	Assurance
GRI 2: General Disclosures 2021, continued	2-13 Delegation of responsibility for managing impacts	13	No
	2-14 Role of the highest governance body in sustainability reporting	14	No
	2-15 Conflicts of interest	12	No
	2-16 Communication of critical concerns	13	No
	2-17 Collective knowledge of the highest governance body	14	No
	2-18 Evaluation of the performance of the highest governance body	14	No
	2-19 Remuneration policies	73	No
	2-20 Process to determine remuneration	73	No
	2-21 Annual total compensation ratio	73	No
	2-22 Statement on sustainable development strategy	4	No
	2-23 Policy commitments	15, 22, 23, 47, 85, 86	No
	2-24 Embedding policy commitments	15	No
GRI 2: General Disclosures 2021, continued	2-25 Processes to remediate negative impacts	24, 39	No
	2-26 Mechanisms for seeking advice and raising concerns	23	Yes
	2-27 Compliance with laws and regulations	22	Yes
	2-28 Membership of associations	29	No
	2-29 Approach to stakeholder engagement	24, 25	No
	2-30 Collective bargaining agreements	70	No
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	22, 23	Yes

GRI Standard/ Other source	Disclosure	Location	Assurance
GRI 406: on-discrimination	406-1 Incidents of discrimination and corrective actions taken	22	No
GRI 3: Material topics 2021	3-1 Process to determine material topics	26, 88	No
	3-2 The list of material topics	26, 89	No

IMPACTS ON THE COMMUNITY AND ECONOMY

GRI 201: Economic performance 2016	201-4 Financial assistance received from government	9	No
GRI 202: Market presence 2016	202-2 Proportion of senior management hired from the local community	76	No
GRI 207: Tax 2019	207-1 Approach to tax	15	No
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	24, 25, 28, 40	No

RESOURCE MANAGEMENT

GRI 301: Resources 2016	301-1 Materials used by weight or volume	42	No
GRI 306: Waste 2020	306-3 Waste generated	43	No

IMPACT ON THE CLIMATE

GRI 302: Energy 2016	302-1 Energy consumption in the organisation	48, 49	Yes
	302-3 Energy intensity	49	Yes
	302-4 Reduction of energy consumption	48, 49	No
	302-5 Reductions in energy requirements of products and services	48	No
	305-1 Direct (Scope 1) GHG emissions	50, 51	Yes
GRI 305: Emissions 2016	305-2 Direct (Scope 2) GHG emissions	50	Yes
	305-4 GHG emissions intensity	51	No

GRI Standard/ Other source	Disclosure	Location	Assurance
INFLUENCE ON BIODIVERSITY			
GRI 304: Biodiversity 2016	304-2 Significant impacts of activities, products, and services on biodiversity	41	No
RECRUITMENT AND DEVELOPMENT			
GRI 201: Economic performance 2016	201-3 Defined benefit plan obligations and other retirement plans	73	No
GRI 202: Market presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	76	No
GRI 401: Employment 2016	GRI 401-1 New employee hires and employee turnover in the reporting period	72	Yes
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	73	No
	401-3 Parental leaves	71	No
GRI 404: Training and education 2016	404-1 Average hours of training per year per employee	74	Yes
	404-2 Programs for upgrading employee skills and transition assistance programs	74	No
	404-3 Percentage of employees receiving regular performance and career development reviews	75	Yes

GRI Standard/ Other source	Disclosure	Location	Assurance
HEALTH AND SAFETY			
GRI 403: Health and safety 2018	403-1 Occupational health and safety management system	38, 77, 78	Yes
	403-2 Hazard identification, risk assessment, and incident investigation	32, 81, 82	Yes
	403-3 Occupational health services	77	No
	403-5 Worker training on occupational health and safety	19, 79	Yes
	403-6 Promotion of worker health	73	No
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	78, 83	No
	403-8 Workers covered by an occupational health and safety management system	78	No
	403-9 Work-related injuries	19, 32, 82	Yes
	403-10 Work-related ill health	83	Yes

GRI Standard/ Other source	Disclosure	Location	Assurance
DIVERSITY AND EQUAL TREATMENT			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees by employee category, broken by sex, age and other diversity indicators	75	Yes
	405-2 Ratio of basic salary and remuneration of women to men	76	Yes
SUSTAINABLE SUPPLY CHAIN			
GRI 308: Supplier environmental assessment 2016	308-1 New suppliers that were screened using environmental criteria	21	No
	308-2 Negative environmental impacts in the supply chain and actions	21, 34	No
RESPONSIBILITY TOWARDS CUSTOMERS			
GRI 417: Marketing and labelling 2016	417-3 Total number of incidents of non-compliance with regulations and/or voluntary codes concerning marketing communications	16	No
GRI 418: Customer privacy 2016	418-1 Total number of substantiated complaints received concerning breaches of customer privacy and losses of customer data	16	No



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