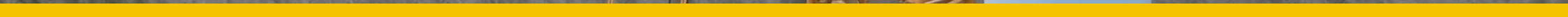


ESG

ESG STRATEGY

**We change
the world for you!
And we change
ourselves**

budimex
change the world





Dear All,

Over the years, we have built thousands of kilometres of national roads and railway connections, and commissioned hundreds of private and public facilities. I am proud to say that we have contributed to the development of our country's infrastructure. Today we face a great challenge – how to build and grow as a business in a sustainable manner and with respect for the natural environment.

As a responsible business partner, we listen to our stakeholders, we are active members of local communities, and we understand our impact on the climate.

We put the knowledge we have gained into practice –that is the aim of the sustainable development strategy of the Budimex Group for 2023-2026.

While creating it, we built on experience acquired both in the field of environmental protection and the corporate social responsibility.

Continuing the route established by the CSR strategy, we include the perspectives of various teams and expand the scope of our activities so that all employees of the Budimex Group can be fully engaged in the sustainable development path.

We set ourselves ambitious goals as we believe that we can meet the climate and social challenges only if we aim high. We change the world for you! And we change ourselves – this idea stands behind our strategy. We are ready.

Artur Popko
President of Budimex SA

budimex

ESG Strategy

We are aware of the scale of actions that we have to undertake in the area of fighting climate change and protecting resources, and at the same time we believe that investments in human capital and local communities around us are equally important. As an organisation, we seek constant development. This holistic approach is reflected in the sustainable development strategy, which focuses on three areas: environmental, social and corporate governance.

'We build with respect for the natural environment' as we believe that our responsible decisions can positively shape industry standards.

'We strengthen our employees and business partners', as we know that only dialogue is a guarantee of sustainable development.

'We manage in a responsible manner', as we always put our values in the first place.

We change the world for you! And we change ourselves.

Ewelina Karp-Kręglička

Director of Purchasing,
Quality and Environmental
Protection Office



01

We build with respect for the natural environment

as we believe that our responsible decisions can positively shape industry standards.

02

We strengthen our employees and business partners,

as we know that only dialogue is a guarantee of sustainable development.

03

We manage in a responsible manner,

as we always put our values in the first place.



01

We build with respect for the
**natural
environment**

Our ambition is to be the industry leader in the field of **environmental protection.**

We continue to invest in renewable energy sources and reduce our carbon footprint in order to become climate-neutral. We are gradually switching to a circular economy model to ensure circularity in the value chain.

We believe that this is not enough and that we should take it a step further. We are one of the first entities in Poland that want to measure the water footprint and its impact on biodiversity so that we can plan further actions in this area based on scientific knowledge. We translate our understanding of the complexities of our impact on the environment into a comprehensive action plan, that is a response to future challenges.

Wioletta Roguska

ESG Manager,
Purchasing, Quality and
Environmental Protection
Office





We counteract climate change

This is related to a number of actions that we undertake to become climate-neutral, which, on the one hand, means we see the necessity of investing in renewable sources to ensure access to clean energy, and, on the other hand, forces us to undertake a number of actions aimed at reducing CO2 emissions, starting from the project design to its execution. Therefore, we plan to optimise our design processes so that they take into account the analysis of the potential reductions for a given site, as well as intent to successively increase our share of low-carbon means of transport and heavy machines in the construction process.

Strategic goals:

2023 Striving to obtain 100% of electric energy from the market derived from RES

2026 100% of the energy produced by the Budimex Group companies for the needs of Budimex comes from renewable energy sources

2030 Striving to reduce CO₂ emissions from scope 1 and 2 by 20% (compared to the year 2020)

(the target includes a 33% reduction of emissions from the vehicle fleet and the use of electric energy from RES)

2050 Becoming climate-neutral



We close the raw material cycle

We plan to start the closure of the raw material cycle analysing the potentials behind implementing a circular model for the whole value chain in order to work out and implement the Circular Policy at the next stage. The operating standards resulting from it will then apply both within our group and in relations with our business partners. We also want to use raw materials from certified sources, as well as sources with a lower carbon footprint. We intend to consistently increase the percentage of recycled waste along with using recycled raw materials.

Strategic goals:

2024 Recycling and recovery of 70% of soil and ground

2024 Recovering at least 70% of waste, other than hazardous waste

2025 Developing the Circular Policy

2026 Conducting circular analyses for each new project



We protect resources

At the same time, we want to increase our engagement in the field of protecting natural resources. In order to do this in a conscious and responsible manner, it is necessary to conduct analyses of the impact on the use of water resources and biodiversity. We strive to develop comprehensive plans for the reduction of our footprint in these two dimensions. We declare that we shall undertake this ambitious task with our full commitment.

Strategic goals:

2025 Carrying out an assessment of the exposure of the company's operations on water stress

2025 Carrying out an analysis of the dependency of the company's operations on biodiversity and the company's impact on biodiversity

2025 Calculating the Corporate Biodiversity Footprint (CBF)

2026 Striving for Biodiversity Net Positive





Area 01

Our activities



Design in a responsible manner

In our design processes, we not only comply with the legally required industrial norms and standards, but we also offer investors additional solutions to reduce the environmental impact of their investments. We apply technologies which are more advantageous from the perspective of balancing natural resources.



Moving towards a circular economy

We give a new life to worn materials by preparing them for reuse. We successively increase our percentage of recycled materials.



Preventing environmental pollution

We reduce CO₂ emissions, among other things using low-carbon means of transport and shortening the supply chain. We build in a responsible manner.



Protecting and restoring biodiversity and ecosystems

We make sure that our sites do not disturb the surrounding environment, which means that before commencing each construction, we protect trees from mechanical damage. We also carry out tree and bush planting to increase the green areas of Poland. We guarantee the safety of animals, by relocating them.





02

We strengthen
**our employees
and business
partners**

The Budimex Group is all about people.

People working with passion and commitment, every day taking decisions with a sense of responsibility for themselves, their colleagues, as well as the local communities for which they execute the projects. As employer, we support such attitude. We make every effort to ensure a stable and comfortable working environment.

We put safety first, actively building our awareness and culture in this area, regardless of the function or position. We integrate different generations, listen to the needs of the employees and take care of their professional, psychological and emotional development. We are guided by the principles of equality, thereby creating space for decent work, free from any stereotypes. We engage in open dialogue with the beneficiaries of our sites and work diligently to earn the name of a good neighbour. People are always at the centre of our activities.

Anna Karyś-Sosińska
HR Director





We bring generations together

Our strength lies in building diversity. We appreciate both experience and innovation, which is why we form well-integrated, strong and multi-generational teams. We believe in equal access to work. We break stereotypes, particularly in the perception of the role of women in the construction industry. For years we have been increasing their share in the number of our employees, including in managerial positions. We allow them to develop within tailored leadership programmes. At the same time, we take care of equalising opportunities in the remuneration area, setting up a special fund for this purpose. Constant building of our team competences and strong leadership attitudes is just one of the pillars of the Budimex Group's activities. By developing key business areas, we support our employees and motivate them to achieve success.

Strategic goals:

2026 Striving to maintain the voluntary turnover rate at a level not higher than 8.5%

2026 Striving for a GPCR (Gender Pay Gap Ratio) at a level below 9%

2026 GCR (Glass Ceiling Ratio) - striving to increase the percentage of women in middle and upper management to 22% (compared to 19% in 2022)



Guarantee of safe and decent work

Every day we are committed to ensure the safety of our employees and the participants of our projects and their beneficiaries. Our strategy in this area is based on two pillars: 'Always Safe, Always Ready'. Its foundation are responsibility, dialogue within teams and the constant search for and implementation of new solutions, supporting the creation of a safe workplace. This idea not only stands behind our activities, we also promote it among our stakeholders and in our business environment - among subcontractors and business partners, as well during the 'Safety Week' held every year.

Strategic goals:

Every year, top management will make regular safety visits to construction sites, connected with meetings between the company's employees and business partners.



ANNUALLY

Carrying out all training courses and programmes that promote safety culture for 100% of our employees



ANNUALLY

Organising the Safety Week in the Budimex Group for at least 90% of contracts



Good neighbour that strengthens relations

We are aware that through the projects we carry out, we significantly affect the everyday life of local communities. Our goal is to improve people's quality of life, but without being indifferent to their needs - here and now. We are open to dialogue. We regularly meet local stakeholders, listen to their expectations and make every effort to maintain good-neighbourly relations. We support local initiatives, facilitate communication around ongoing projects and engage in charitable activities, building valuable relations for many years to come. While promoting areas important for the Budimex Group - development and education - we establish contacts with universities and technical schools in different regions, proposing programmes that prepare for work in the construction industry. By sharing our experience, we believe that we enable young generations to have a better start in the world of tomorrow.

Strategic goals:

Carrying out educational programmes in technical schools and universities for 5,000 students every year

2023 Not less than 50 informational activities on all ongoing sites



Area 02

Our activities



We educate about safety

For years, out of concern for future generations, we have been successfully carrying out our original programme 'Hello ICE. Budimex for Children'. During direct meetings at educational institutions, we share our experience with young people and tell them how they can take care of safety in public traffic, as well as training them in first aid. We want to extend our offer for children and young people, increasing the scope of education in micromobility (safety on rollerblades/scooters/skateboards).



We support local communities

We are open to dialogue with the communities in which we operate, and we listen to their needs, which is why we undertake a number of activities aimed at improving the quality of their lives. One of our original projects is the

'Parent Zone', carried out continuously since 2012. Our volunteers in children's wards of Polish hospitals create spaces for the little ones and their parents. Thanks to such places as the Parent Zones, young patients can stop thinking about their illness for a while, and spend some time in a pleasant way. The programme also supports parents who can constantly accompany their children in this tough time.



We strengthen diversity

We are a signatory to the Diversity Charter, which is the cornerstone of our activities. Implementing the diversity policy, we have committed ourselves to treating all our employees equally and creating for them an organisational culture based on respect for all forms of diversity. However, we are aware that building diversity may encounter obstacles in the form of limiting views, which is why we take measures aimed at increasing the awareness of differences and how to draw strength from them. One of these is the periodic

Diversity Week, during which we undertake many activities, such as webinars, podcasts, competitions and training within which we activate and educate our employees in the scope of diversity.



We create an innovative environment

While conducting our activities, we use innovative solutions as due to them construction facilities may function in a more sustainable manner. At the same time, we create a sustainable working environment and support our employees' creativity. For them, we have created the Innovation Zone – an area for reporting small and large improvements. By implementing most of them, we not only constantly improve our effectiveness, but also, what is even more important, we support our employees' innovation competences and co-create changes in the organisation.



03

We manage
**in a responsible
manner**

We promote ethical attitudes in business.

A clear disapproval of any forms of dishonesty or abuse is the first step to minimise the risk in the whole value chain. This is our priority, and which is why we will strengthen our operating standards both inside the Budimex Group, and within our partnership with external stakeholders. Developing the Code of Conduct for Business Partners and strengthening the awareness of counteracting the conflict of interests are examples of the many activities on which we intend to focus in the coming years.

Concurrently, we plan to professionalise our risk management through the inclusion of the range of ESG risks to the register of risks and management processes in this area. We also plan to strengthen the Budimex Group's digital security and to improve the mechanisms of defence against cyber threats.

Bogna Kuczyńska-Piech

Director of Corporate Legal
Affairs, Attorney at Law





We are an ethical company

We carry out a number of actions that strengthen our ethical culture among our employees and business partners. In exercising the utmost diligence in observing the sustainable development standards, we undertake a number of actions, such as our plan to implement the Code of Conduct for Business Partners and to carry out training courses building awareness of preventing and counteracting any conflicts of interests.

Strategic goals:

Cyclical information campaigns in the area of ethics and management of the conflict of interests

2023 Revision and extension of issues related to our Code of Ethics

2023 Developing a manual for dealing with situations involving the occurrence or possible occurrence of any conflict of interests

2024 Development of the Business Partner Code



We counteract corruption

We do not tolerate any forms of corruption in our employees' activities in internal and external relations. We do not record any corruption events and we want to keep it that way, which means we regularly carry out training for our employees to maintain their knowledge and sensitivity in this area at a high level.

Strategic goals:

Carrying out cyclical training for our employees on counteracting corruption



We manage risks in a conscious manner

We treat the ESG issues and risks related to them as a separate area not connected with the group's business strategy. We want to manage the business and ESG risk in an integrated manner and in this way to support sustainable development and to ensure stable and long-term growth of the Group's value.

Strategic goals:

2023 Integration of the ESG risks with the risk management system



We take care of cybersecurity

Our priority is to ensure the highest cybersecurity standards, which is why we continue to improve the protection of IT systems and increase the security of sensitive data through monitoring and enhancing supervision over the processes of data processing. At the same time, we train our employees in this area and increase their awareness of threats, as well as their abilities to respond appropriately to the occurrence of such threats.

Strategic goals:

Constant improvement in the mechanisms protecting the Budimex Group's IT systems against cyber threats



Area 03

Our activities



We take care of cybersecurity

Cybersecurity is particularly important for us, which is why we maintain standards compliant with the international ISO norms in the area of the information safety management, as well as carrying out cyclical training for our employees to increase their awareness of threats.



We develop our Code of Ethics

We are working on the revision and extension of issues in the area of ethics. We expand our employees' knowledge in this scope through cyclical information campaigns.



We implement the highest Polish and international standards

At Budimex, we perform an internal audit function based on international standards of professional practice, as well as the guidelines and recommendations for companies listed on the WSE.



We efficiently manage our conflicts of interests

Our purpose is to efficiently manage all conflicts of interests. We extend the rules for dealing with situations involving the occurrence or the possible occurrence of conflicts of interests. We promote our knowledge of this topic among our employees.

