



**GRUPA
BORYSZEW**



Boryszew Group | **ESG Report**

2022

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Letter of President of Management Board of Boryszew S.A. to the Stakeholders

Dear Stakeholders,

Another challenging year is behind us.

The energy crisis or Russia's aggression against Ukraine are just some of them, but all of them required our equal commitment and determination. However, we need to bear in mind that these challenges do not absolve us from our responsibilities towards the environment, our employees and local communities; on the contrary, they should motivate us to take new initiatives in a difficult and changing environment.

Boryszew Group is one of the largest players on the industrial market in Poland. As a leader in many areas of our business, we are aware of the responsibilities we have towards our stakeholders. We know that meeting them requires continuous improvement, but we are convinced that this is the only way we can increase our competitiveness and care for our environment in a responsible and reliable way.

We strive to limit the negative impact of our operations on the environment, which is why we focus on investing in modern, environmentally friendly technologies and continuously improving our production processes. This is in line with our strategy until 2026, in which we have committed to reduce the CO₂ emissions of our plants by 10%. This goal, in turn, is linked to

the modernisation of our machinery and the greening of our energy purchases by 20%, which will also result in an increase in our energy efficiency. These measures will be complemented by the commissioning of PV installations on our plants with a total capacity of 5MW, which we plan to complete by the end of 2023.

We are developing our plants in the Automotive segment, with a focus on automation and digitalisation of production lines. This is taking place primarily at the Mafrow Group plants, where components for electric cars are manufactured for key car manufacturers. We want to further develop the processing of non-ferrous metals, betting, among other things, on new products in the form of wires made of high-strength aluminium alloys, hoping for our Group's active participation in the modernisation of electricity grids and the construction of RES infrastructure.

The Group has several companies active in waste management, including ZUO Konin, which is involved in the thermal neutralisation and storage of hazardous waste, and Bateria, which purchases and processes battery scrap. The technical solutions used by the latter complete the battery recycling cycle and allow economic use of more than 95% of the battery scrap mass.

Many plants in Boryszew Group's Metals Segment use secondary raw materials in production, i.e. materials coming from the recycling of production residues or used products, e.g. aluminium. This allows for the reduction of waste, which has a positive impact on environment. In addition, the use of secondary raw materials contributes to reducing dependence on primary raw materials, the availability of which is limited and subject to market fluctuations.

We conduct our business in line with the principles of sustainable development. In addition to caring for the environment, social initiatives, especially those related to our employees and the company's environment, as well as issues related to organisational culture

and the Sustainable Development Goals are among our strategic objectives.

All of the ESG measures we have taken to date are described in this non-financial report for 2022.

At Boryszew Group, we are convinced that our values and proactive approach to sustainable development are key to achieving long-term business success, so in future reports we will try to expand the issues presented with new initiatives and ongoing activities we are undertaking.

We hope that you will find this Boryszew Group report an interesting source of information.



**Yours faithfully,
Wojciech Kowalczyk**

**President of the Management
Board, Boryszew Group**

1. Non-Financial Performance Highlights in 2022



Environment

CO ₂ emissions (tonne of emission/tonne of production)	0.25
Energy efficiency (MWh/tonne of production)	1.88
Total water consumption (‘000 m ³)	2,121.88



Social

Number of initiatives	39
Accidents at work	81
Ratio of pay and remuneration of women to men	86%



Governance

Corruption incidents	0
Number of policies	26
Internal audits	8

2. Boryszew Group – at a glance



Boryszew Group is one of the largest industrial groups in Poland, specialising in the production of automotive components, steel products, non-ferrous metals and industrial chemicals. We operate internationally, with production facilities in Mexico, China and Brazil, among others. The Group is the largest Polish producer in the automotive sector and the largest non-ferrous metals producer in Central and Eastern Europe. In our factories, we manufacture technologically advanced products for various industries.



PLN bn **6.8**
Revenues



PLN m **394**
EBITDA



415.3
thousand tons
Production capacities



35
Facilities



11
Countries



8,622
Employees



About Boryszew Group

Our commitment to sustainable future

1. Business model
2. Structure of Boryszew Group
3. Boryszew Group's Business Strategy 2022-2026
 - 3.1 Strategic initiatives

1. Business model



While conducting operational activities, we take into account external industry regulations, internal procedures of conduct, established at various organisational levels and good practices and customary rules derived from other sources.

Boryszew S.A., as the parent company of Boryszew Group, plays the role of initiator and coordinator with regard to procedures implemented after adaptation to the specifics of a given unit, in operating units. Often the initiative in the field of creating due diligence procedures is also on the side of the entities in which the need to introduce the regulations occurred.

We operate on four continents in a sustainable manner, investing in environmental protection and occupational safety. Our customers include leading companies in the

automotive, aerospace, construction, chemical, electrical and other industries. As an innovative and standards-conscious manufacturer, the company has its own research laboratories and develops new technologies to produce products of the highest quality.

Boryszew S.A. is listed on the Warsaw Stock Exchange. It generated revenues of PLN 6.8 billion in 2022. It operates through three operating segments: Automotive, Metals and Chemicals.

Other companies, not assigned to the above segments, are engaged in activities including: group management and electricity and natural gas trading, as well as non-real estate management and sales.



63.0%
Metals



24.6%
Automotive



12.4%
Chemicals and other



AUTOMOTIVE SEGMENT

We are the largest Polish manufacturer of automotive parts supplied to OEMs (Original Equipment Manufacturers). This area is the Group's most internationalised business segment, operating in 11 countries. Within this segment, we manufacture air-conditioning hoses and hoses for other car systems. The Group's plants also produce plastic components (gloveboxes, cockpits, door handles, engine covers, etc.).

We are consistently strengthening our presence and competitiveness in the global market for air conditioning hoses. The potential for further growth in this area is significant, and the way forward is to maintain and continuously develop an efficient organisation, produce technologically advanced products, and take advantage of the opportunities created by the global growth of the automotive market.

Automotive Segment is one of Boryszew's operating segments that has been developed mainly through acquisitions of foreign companies (including from bankruptcy receivers) and their subsequent effective restructuring. The increase in motorisation production was also supported by organic growth, e.g. investments in new Maflow Group plants in Mexico (Guanajuato/Leon) and Toruń and investments in the new BAP Group plant - Boryszew Oberflächentechnik Deutschland GmbH in Prenzlau (Germany).

Every 10th car in the world, and every 5th in Europe, has parts manufactured in one of the Group's factories.

The Automotive Segment is made up of Maflow Group and BAP Group.





METALS SEGMENT

We are the largest producer in the non-ferrous metals segment in Poland and Central and Eastern Europe. We specialise in processing aluminium, steel and zinc and lead. We manufacture technologically advanced products for the automotive, electrotechnical, construction and packaging industries.

The segment also includes companies in the steel industry producing, among other things, forged, forged-rolled and rolled products and a wide range of seamless and welded pipes.

Our experience, expertise and trained staff guarantee the highest quality products and customer service. We are building the future by implementing innovative solutions based on scientific research and cooperation with research institutions. The products we supply make modern use of the wide range of applications for the metals we process. The main groups of aluminium products are wire rods and wires, which are used in the automotive and construction industries, as well as in electrical engineering, energy and packa-

ging. Brass products, on the other hand, in the form of rods, wires, tubes, strips and numismatic discs, are sold to customers in the from the construction, electro-technical, electro-technical, metallurgical and minting sectors. On the other hand, zinc and lead products and lead are supplied to manufacturers of batteries, roofing and flashings, the tyre, pharmaceutical and feed industries.

The most important entities of the Boryszew Group's Metals Segment include NPA Skawina, ZM SILESIA, BATERPOL, WM "Dziedzi-
ce", Alchemia and Huta Bankowa.





CHEMICALS SEGMENT

We produce advanced chemicals for the automotive sector, de-icing fluids used in the aviation and railway sectors, polyester fibres, plasticisers and disinfectant fluids. The entities operating in the chemicals segment are the most diversified in terms of products and customers, as well as the oldest part of both Boryszew Group and Boryszew S.A. itself.

Our most recognisable product is the cult radiator fluid BORYGO, which has been produced at the Sochaczew plant since 1968. Since 2022, our product portfolio has included car cosmetics under the same brand and specialised fluids for industrial aluminium cleaning AluClean ERG.

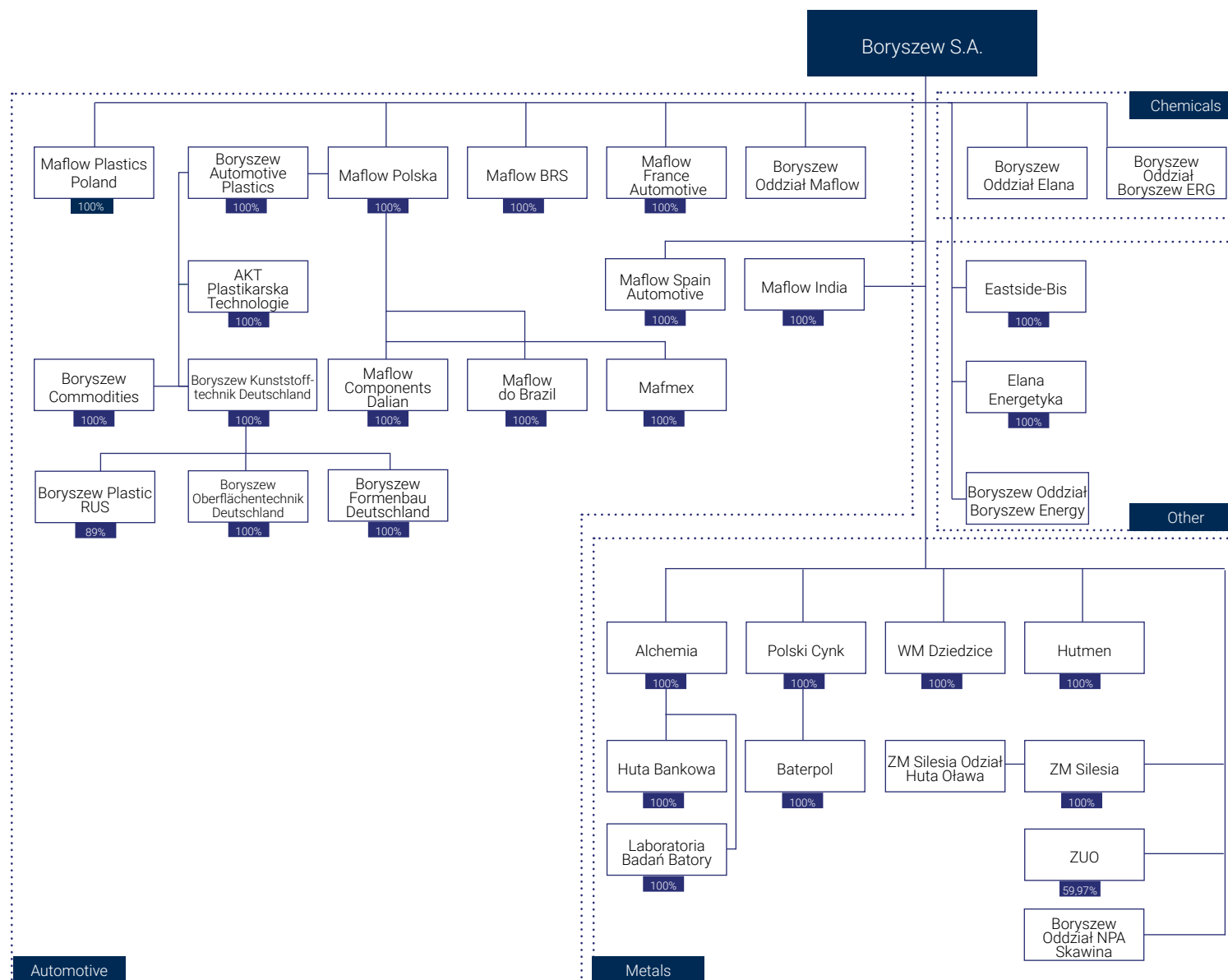
The car cosmetics available in our offer are preparations distinguished by the highest quality confirmed by approvals and certificates. We make sure that our detailing cosmetics have as little impact on the environment as possible, while fully meeting the needs of our customers.

As a manufacturer of automotive fluids, we offer advanced formulations, high performance and unique composition of each preparation. Using the automotive chemistry we produce extends the life of any vehicle. Our formulations are efficient and safe, and stand out for their high effectiveness.

Boryszew's Chemicals Segment comprises of Elana and Boryszew ERG.








2. Structure of Boryszew Group



3. Boryszew Group’s Business Strategy 2022-2026

Main assumptions

				
Continued development of the most profitable products by expanding into new markets and diversifying end customer sectors	Maintaining high dynamics of ca. 13% year-on-year growth of EBITDA in 2022-2026 and reaching EBITDA of PLN 0.6 billion in 2026	Ensuring the required liquidity in the capital group through optimisation of resources used	New product development through the use of research and development (R&D) centres	Active participation in the green energy transition



BORYSZEW GROUP IN 2026

A strong leader in the global automotive and metals sector with an innovative product range and a diversified customer base.

3.1 Strategic initiatives



Major initiatives

- Modernisation of machinery
- Installation of 5MW RES by 2023
- Reduction of CO₂ emissions by 10% by 2026 (tonne of emissions/tonne of production)
- Reduction of CO₂ emissions through greening energy purchase by 20% by 2026.
- Increase in energy efficiency (MWh/tonne of production)
- Monitoring and actively addressing the gender pay gap
- Reducing accident severity and frequency rates
- An environment that helps increase employee performance and engagement
- Strengthening organisational culture
- Partnership initiatives, charity, education, sponsorship
- Leadership that focuses on caring for people
- Integration of the 2030 Sustainable Development Goals in a long-term growth strategy



E - Environment

Our commitment to sustainable future

1. Environmental protection
2. Caring for the environment as a permanent element of the Company's strategy
3. Carbon footprint and greenhouse gas emissions
4. Pro-environmental initiatives in the pipeline
5. Circular Economy
6. EU Taxonomy

1. Environmental protection

At Boryszew Group, we recognise that our operations have an impact on the environment and we are committed to minimising this impact by taking a number of different actions. We believe that by working together with our stakeholders, together we can create a sustainable future for future generations.

Boryszew Group, to meet the dynamic changes in the market and the increasing environmental awareness of consumers, introduces innovative solutions to its products, including: lighter aluminium components, advanced plastic products with reduced weight and new non-ferrous metal alloys.

Through these developments, the company is contributing to reducing energy consumption among end users. Furthermore, through its Demand Side Response services, the Group actively participates in activities leading to stability in the national electricity system (NPS). This is particularly important in cases of difficult balancing situations or peak electricity demand hours.

The Group not only focuses on the impact of its activities, but also designs them in such a way that they do not have a negative impact on the environment. To this end

it regularly monitors the consumption of energy supplied in the form of electricity and gas, as well as water consumption and waste generation.

Based on the permits granted, the Group companies carry out monitoring with regard to:

- air emissions (measurement stations, scope of measurements, measurement methodology),
- water and sewage management (groundwater abstraction),
- volumes of surface water used
- volumes of domestic and industrial wastewater, rainwater and snowmelt, waste management monitoring,
- noise,
- technological processes.

One of our environmental priorities is to reduce greenhouse gas emissions. In our Business Strategy for 2022-2026, we have set targets to reduce emissions through measures such as increasing energy efficiency, using renewable energy sources and optimising transport and logistics. Our efforts to reduce emissions have been recognised by external institutions - Boryszew S.A. Maflow Branch, Boryszew S.A. NPA Branch, Baterpol S.A.,

In 2022, the Group set its sights on:

- reducing the consumption of natural resources,
- reducing emissions of substances harmful to the atmosphere,
- responsible waste management, including hazardous waste,
- diversification of energy sources, including considerable investment in RES.

Hutmen Sp. z o. o., WM Dziedzice S.A., Boryszew Oberflächentechnik Deutschland GmbH and Maflow Plastics Poland Sp. z o.o. have the ISO 14001 certificate for their environmental management systems.

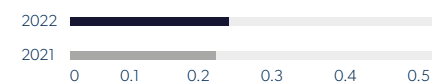
We are committed to reducing waste and promoting recycling principles in all our operations. We strive to ensure that as many of our plants as possible operate in line with closed loop principles. What is more, work at the Group's production facilities is carried out at an appropriate distance from areas of natural value, i.e. national parks, promotional forest complexes, spa areas or areas on the World Heritage List and areas covered by the Natura 2000 programme.



KPIs

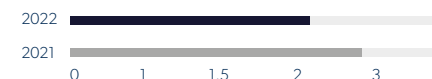
CO₂ emissions

0.25 t



Total water consumption

2,121.88 '000 m³



2. Caring for the environment as a permanent element of the Company's strategy



Boryszew Group includes companies whose primary production activity is related to waste management. These are: Baterpol in Świętochłowice and Zakład Utylizacji Odpadów (ZUO) in Konin. In addition, Boryszew Group companies are successively investing in new energy-efficient technologies and improving existing production lines to optimise the production process in terms of consumed natural resources. All Boryszew Group companies comply with legally permissible levels of pollution and waste emissions.



Baterpol S.A. – battery recycling

Baterpol S.A. purchases and processes battery scrap. The world's most advanced technology completes the battery recycling cycle and enables more than 95% of the battery scrap to be recycled. This ensures that the recycling of used batteries is carried out in conditions which meet the requirements of national and EU safety and environmental standards. In addition, the company, in line with the principles of a closed-loop economy, recovers lead from waste lead-acid batteries and other lead-bearing materials.



Zakład Utylizacji Odpadów (ZUO) Konin - storage and neutralisation of hazardous waste

ZUO Konin has been supporting the Greater Poland Voivodeship for over 20 years, providing comprehensive services of collection, transport and neutralisation of medical waste, in particular of infectious nature, generated in health care facilities. The

company also specialises in the neutralisation of waste: industrial, pharmaceutical, waste containing outdated medicinal products, narcotics, psychotropic substances, as well as so-called high-risk waste from public institutions, e.g.: the Tax Administration Chamber, the Police. One of the types of neutralisation of these types of materials is thermal transformation (incineration) of waste, consisting in thermal treatment of waste in a special rotary kiln at temperatures ranging from 850 °C to 1100 °C, depending on the type of waste. The company has played an important role in the fight against the 2020-2022 pandemic, as it is the only entity in the Greater Poland region that specialises in and has the appropriate infrastructure for the disposal of medical waste. The radically increased stream of infectious waste at that time required the development of a new logistics plan that allowed for the efficient transport and immediate disposal of waste generated by hospitals.

ZUO Konin is also in the process of planning an investment process involving the construction of a new hazardous waste incineration line. The aim of the project is to increase the capacity of the currently operating plant by 10,000 Mg/year. The plant would dispose of,

among other things, medical waste, including so-called 'ecological bombs', which are an increasingly serious threat to the environment and human life.



3. Carbon footprint and greenhouse gas emissions



Climate change is a key global challenge that requires urgent action. As a responsible business, we are committed to reducing our carbon footprint and greenhouse gas intensity to mitigate our environmental impact. To this end, we are undertaking a range of activities and collaborations. We are committed to driving positive change for future generations. We recognise that tackling climate change requires the collaboration and involvement of many stakeholders, including our suppliers, customers and communities. We work intensively with our partners to reduce our collective carbon footprint and promote sustainable practices across the value chain.

Measuring our carbon footprint

We believe that measuring our carbon footprint is the first step to reducing our environmental impact. We have conducted a comprehensive assessment of our carbon footprint, which includes our direct emissions from fuel combustion and indirect emissions from electricity, heating and cooling. This assessment has enabled us to identify our main sources of emissions and develop strategies to reduce them.

Reducing our carbon footprint

We have committed to reducing our carbon footprint by improving energy efficiency, switching to renewable energy sources and optimising our transport and logistics. For example, we have invested in renewable energy sources such as solar panels, which enables us to generate clean energy on site and reduces our dependence on the electricity grid. We are also optimising our transport and logistics operations to reduce transport-related emissions.

Working together for change

We recognise that tackling climate change requires the collaboration and engagement of many stakeholders, including our suppliers, customers and communities.

We are committed to working with our partners to reduce our collective carbon footprint and promote sustainable practices across the value chain.

Greenhouse gas intensity

Our greenhouse gas intensity is measured as the amount of greenhouse gas emissions produced per unit of production. The emissions presented are for all operating companies within the Boryszew Group. The remaining companies have practically no operating activities and thus their share in emissions is negligible.

Combustion of fuels and consumption of electric and heat energy by Boryszew Group in at least 90% took place in Poland. For the calculation of emissions related to fuels and electricity we used emission factors made available by the National Balancing and Emission Management Centre (KOBiZE). For thermal energy, we adopted emission factors based on the study "Thermal Energy in Figures – 2020" prepared by the Energy Regulatory Office. For refrigerants, we used the emission factors presented by the EPA U.S. Environmental Protection Agency.

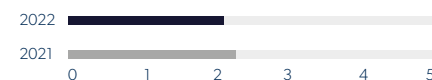
We believe that tracking the intensity of greenhouse gas emissions is crucial to understanding our progress in reducing our carbon footprint. We have set ambitious targets to reduce our GHG intensity, which will allow us to achieve our long-term goal of carbon neutrality.

We also aim to analyse and calculate Scope 3 emissions.

KPIs

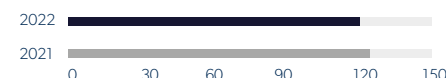
Energy efficiency

1.88 MWh/t



Greenhouse gas emissions

117.30 '000 Mg



4. Pro-environmental initiatives in the pipeline



Modernisation
of machinery



Installation of 5MW RES
by 2023



Reduction of CO₂ emissions
by 10% by 2026
(tonne of emissions/
tonne of production)




Reduction of CO₂
emissions through
greening energy purchase
by 20% by 2026

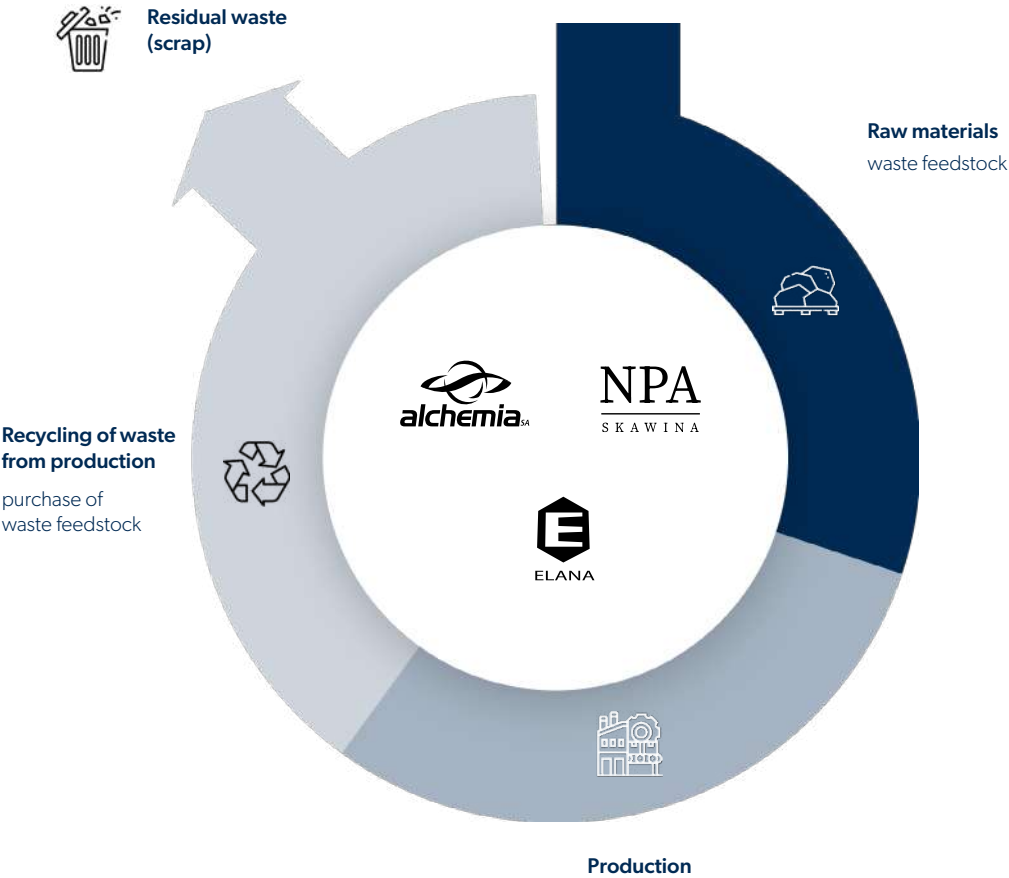


Increase in energy
efficiency (MWh/tonne
of production)

5. Circular Economy



By implementing closed-loop systems across all our operations, we aim to create a more sustainable future by minimising waste and maximising the use of our resources. That is why we are committed to implementing closed-loop systems throughout our operations. A closed-loop system is an approach to production that aims to create a circular economy by minimising waste and keeping resources in use for as long as possible. Instead of disposing of resources once they have been used, a closed-loop system aims to capture and reuse them, creating a more sustainable and resource-efficient economy.



6. EU Taxonomy

EU Taxonomy is the colloquial name for Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 establishing a framework to facilitate sustainable investment, amending Regulation (EU) 2019/2088. Reporting according to the systematics defined in the Taxonomy is intended to facilitate the achievement of the ambitious EU climate targets set for 2030 in the European Green Deal by redirecting investment towards greener activities.

For the purpose of this report, an analysis was carried out on the share of economic activities aligned and not aligned with the EU Non-Financial Taxonomy in Boryszew Group's total revenue, capital expenditures (CAPEX) and operating expenditures (OPEX), as well as relevant qualitative information insofar as it relates to the aforementioned indicators for the financial year 2022.

Environmental objectives of the Taxonomy

Article 9 of the Taxonomy identifies six environmental objectives that support green transformation:

1. Climate change mitigation,
2. Adaptation to climate change,
3. Sustainable use and protection of water and marine resources,
4. Transition to a circular economy,
5. Pollution prevention and control,
6. Protection and restoration of biodiversity and ecosystems.

This report presents information relating to the first two of the six environmental objectives, i.e. climate change mitigation and climate change adaptation.

Boryszew Group has assessed the economic activities indicated in the EU Taxonomy Regulation through the prism of activities identified within individual Group companies.

The economic activities identified and indicated in the following section meet the eligibility criteria for both the climate objective related to climate change mitigation and climate

change adaptation.

However, the Group has not identified any revenue related to projects with a significant contribution to climate change adaptation. In addition, there were no CAPEX within the Group dedicated to projects aimed at reducing the impact of physical risks associated with climate change adaptation. Thus, there was considered to be no considerable contribution to the climate change adaptation objective for any of the indicators and activities.

Consequently, further clarification relating to the assessment of alignment with the EU Taxonomy Regulation relates to the climate change mitigation objective.

The assessment of eligibility and alignment of the activities occurring in the Group and identified as eligible and aligned with the EU Taxonomy was based on the following steps:

- it was verified whether the individual activities met the 'considerable contribution' criterion;
- then, if the 'considerable contribution' criterion was confirmed, the criteria applica-

ble to the activity were verified in relation to the impact on the other environmental objectives (application of the 'doing no significant damage' (DNSH) criterion);

- in addition, an assessment of meeting the minimum safeguards was carried out at Group level.

The effects of the above assessments are described and presented in dedicated tables later in this section.

Eligible activities

The EU Taxonomy Regulation identifies economic activities that have the potential to directly make a considerable contribution to the achievement of the adopted environmental objectives or to support other activities that have a direct considerable contribution to the achievement of the environmental objectives.

Boryszew Group carried out an assessment of the types of activities specified in the EU Taxonomy through the prism of activities identified within individual Group companies.

As a result of this assessment, the following activities were identified that meet the eligibi-

lity criteria for the taxonomy systematics:

- 3.17. Manufacture of plastics in primary form.
- 4.9 Transmission and distribution of electricity.
- 6.5 Transport by motorbikes, passenger cars and light commercial vehicles.
- 6.6 Freight transport services by road.
- 7.3 Installation, maintenance and repair of energy efficiency equipment.
- 7.6 Installation, maintenance and repair of renewable energy technologies.
- 8.1 Data processing, hosting and related activities.

Given the significant limitations in knowledge of the issues and criteria identified in the EU Taxonomy from the perspective of those involved in the supply chain, due to the inability to fully aggregate data in the supply chain and the inability to obtain relevant documentation and corroboration, it was prudently considered that **only in cases where there was clear evidence that the 'considerable contribution' and DNSH criteria, respectively, were met, the activity was considered to be aligned with the EU Taxonomy.**

In the absence of evidence to support any of the criteria, the criterion was considered not to be met regardless of the actual state of affairs. At the same time, bearing in mind the importance of the EU Taxonomy, Boryszew Group implements tools and procedures to increase the scope and level of certainty of aggregated data for the purpose of conducting full assessment of alignment with the EU Taxonomy of individual activities in the perspective of subsequent reporting periods.

The information on alignment of the activity refers to revenue and CAPEX ratios. For the OPEX ratios, however, a simplification of the calculation has been used providing that the numerator of this ratio may not be calculated if the OPEX ratio is irrelevant to the business model.

Activities aligned with the EU Taxonomy

Pursuant to Article 3 of the EU Non-Financial Taxonomy Regulation, for the purposes of determining the extent to which an investment is environmentally sustainable, an economic activity qualifies as environmentally sustainable if the activity:

- i. makes a considerable contribution to one or more of the environmental objectives

- ii. does not do any serious harm (DNSH) to any of the environmental objectives set out in Article 9 in accordance with Article 17 of the EU Taxonomy;
- iii. is carried out in accordance with the minimum safeguards (more on minimum safeguards here) set out in Article 18 of the EU Taxonomy; and
- iv. meets the technical screening criteria that have been established by the Commission in delegated acts to the EU Taxonomy.

The assessment of the alignment of the activities carried out in the Group and identified as aligned with the EU Taxonomy was based on the following steps:

1. it was verified whether the activity makes a considerable contribution to one or more of the six environmental objectives (**considerable contribution criterion**);
2. then, if the 'considerable contribution' criterion was confirmed, the criteria applicable to the activity were verified in relation to their impact on the other environmental objectives (**'doing no significant harm' (DNSH) criterion**);

3. in addition, an assessment of the fulfilment of **the minimum safeguards** was carried out at Group level.

The following activities were recognised as environmentally sustainable according to the EU Taxonomy (eligible and aligned):

- 3.17 Manufacture of plastics in primary form.
- 4.9. Transmission and distribution of electricity.
- 7.3. Installation, maintenance and repair of energy efficiency equipment.
- 7.6 Installation, maintenance and repair of renewable energy technologies.

Reporting on alignment with the EU Taxonomy

Under the Taxonomy, European companies are required to report, in the form of calculated percentages, what proportion of their revenue, CAPEX and OPEX is attributable to: 1) on activities that are eligible (listed in the EU Taxonomy) and 2) on activities that are aligned with the EU Taxonomy, i.e. environmentally sustainable.

In this document, Boryszew Group reports

information on the alignment of activities with the EU Taxonomy for the **revenue** and **CAPEX** indicators.

However, in relation to the **OPEX** ratios, a simplification of the calculation has been used providing for the possibility of abandoning the calculation of the numerator of this ratio in a situation where the OPEX ratio is negligible from the point of view of the business model. In the Issuer's opinion, such situation is applicable to the business model of Boryszew Group. In the case of revenue, CAPEX or OPEX which could be simultaneously eligible for at least two types of activities, the Company avoided double counting of a given indicator in such a way that a given item classified in the numerator of a given indicator was not recognised again.

In doing so, none of the activities were assessed for alignment with more than one objective.

Boryszew Group does not identify business activities in line with the systematic conducted for own consumption.

Changes compared to the previous reporting period

With regard to the indicators presented below, the Group does not have any comparative data for 2021 insofar as the assessment of alignment with the Taxonomy is concerned.

In connection with the analytical work to assess Taxonomy-aligned activities carried out for the purposes of this report, the results of last year's analysis in terms of the eligibility of certain activities to the Taxonomy were reviewed and updated. This analysis resulted, among other things, in a change in the qualification of the activities specified in the section to the conclusion that the activities carried out as a result of which the Company generates revenue under 3.4 Manufacture of batteries, does not meet the eligibility criteria for the Taxonomy for the climate change mitigation objective, even though it is extremely important from an environmental point of view (circular economy).

The Group has not yet developed or implemented the plan referred to in para. 1.1.2.2. of Annex 1 of the EU Commission Delegated Regulation 2021/2178 of 6 July 2021 supplementing Regulation 2020/852 by clarifying the content of the presentation of information on environmentally sustainable business

activities to be disclosed by companies subject to Article 19a or 29a of Directive 2013/34/EU and specifying the method to comply with this disclosure obligation (Regulation 2178). In 2022, Boryszew Group companies did not issue bonds to finance activities, CAPEX or OPEX aligned with the EU Taxonomy.

In 2022, there were no acquisitions of property, plant and equipment, investment property or intangible assets through business combinations within the Boryszew Group.

In 2022, several companies in the Boryszew Group that did not have operations were merged with other companies in the Group.

In addition, in December 2022, a resolution on the merger of Hutmen Sp. z o. o. with Boryszew S.A. was passed. These events did not affect the calculation of ratios under the Taxonomy on the level of the entire Boryszew Group. For the purpose of calculation of key ratios, no disaggregation of data was introduced – all ratios were calculated on the consolidated level for the whole Group.

The Group's activities are not related to the construction of infrastructure dedicated to the production of electricity from natural gas

or nuclear energy, respectively. This means that Boryszew Group's activities do not qualify as the activities indicated in the Commission Delegated Regulation (EU) 2022/1214 of 9 March 2022 amending the Delegated Regulation (EU) 2021/2139 as regards economic activities in certain energy sectors and the Delegated Regulation (EU) 2021/2178 as regards public disclosure of specific information in relation to those economic activities). Taking into account the above, a simplification of presentation has been adopted by deviating from the presentation of the tables included in Annex III to the afore-mentioned Regulation.

Boryszew Group does not have any equity investments accounted for in joint ventures, in accordance with IFRS 11 or IAS 28.

6.1 Ratios

Revenue ratio

The basis for the revenue ratio (the denominator) are the consolidated revenues of the Boryszew Group in 2022 as disclosed in the 'Sales revenues' in the consolidated financial statements.

Only sales revenues that are aligned the Taxonomy and thus meet the criteria for a considerable contribution for the climate change mitigation objective and at the same time meet all the DNHS criteria dedicated to the activity could be assigned to the numerator. Revenue has been recognised in accordance with International Accounting Standard (IAS) 1 point 82(a) adopted by Commission Regulation (EC) No 1126/2008 and is shown in the consolidated financial statements of Boryszew Group for 2022.

CAPEX ratio

The basis (denominator) of CAPEX are capital expenditures, i.e. increases in the value of property, plant and equipment, investment property, intangible assets and rights to use assets disclosed in the consolidated financial statements.

Only that part of the capital expenditure which relates to activities aligned with the EU

Taxonomy could be allocated to the numerator, as well as, irrespective of this category of activity, any investment expenditure related to the purchase of goods and services aligned with the EU Taxonomy could be allocated to the numerator, whereby for this category of investment expenditure an additional criterion had to be fulfilled at the same time, i.e. implementation of the solution within 18 months.

The basis for the calculation of this ratio is capital expenditure, which includes costs accounted for under:

- IAS 16 Property, Plant and Equipment, paragraphs 73(e)(i) and (iii);
- IAS 38 Intangible Assets, paragraph 118(e)(i);
- IAS 40 Investment Property, paragraphs 76(a) and (b) (for the fair value model);
- IAS 40 Investment Property, paragraphs 79(d)(i) and (ii) (in the case of the model or cost model);
- IAS 41 Agriculture, paragraphs 50(b) and (e);
- IFRS 16 Leasing, paragraph 53(h).

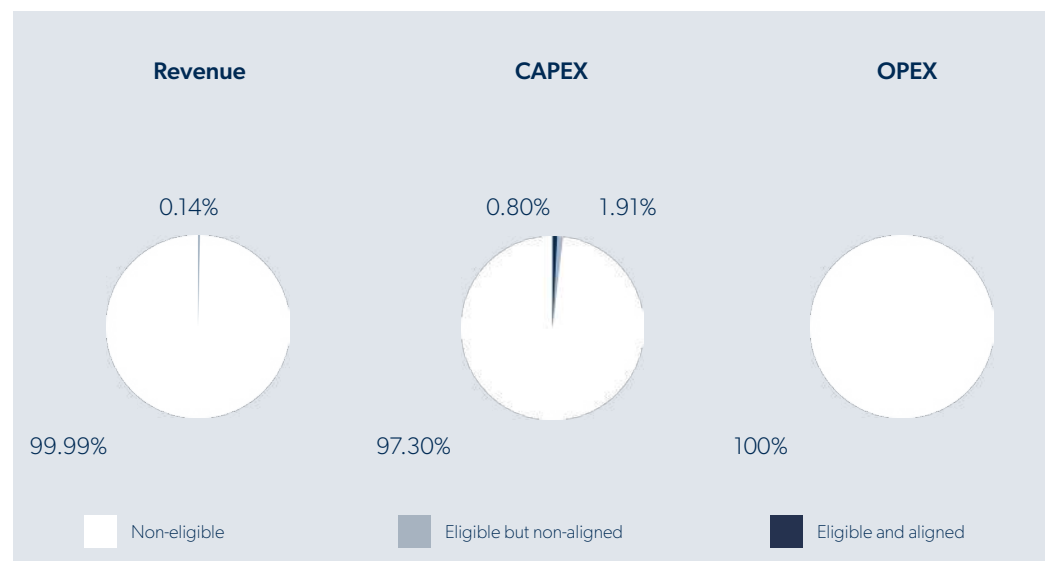
For the CAPEX ratio:

- the value of the denominator were the capital expenditures in Boryszew Group in the total amount of approximately PLN 290.2 million (including lease agreements) for 2022 calculated on the basis of IAS/IFRS provisions indicated in the Annex to Regulation 2178;
- for the purposes of the numerator analysis, capital expenditures aligned with the EU Non-Financial Taxonomy were identified in an amount equivalent to approximately PLN 2.3 million.
- capital expenditures eligible for systematic in Boryszew Group include the types of activities indicated below.

OPEX ratio

The basis (denominator) of the OPEX ratio are the expenditures associated with operating and maintaining the Group's assets, i.e. the costs of repairing and overhauling equipment, personnel costs associated with repairs and maintenance and space cleaning costs.

The denominator of the OPEX ratio was determined based on the identification of the rationale of the definitions in Regulation 2178. However, as explained earlier, a simplification of the calculation of the OPEX ratio was used by assigning a zero value to the numerator value.



Minimum safeguards

According to Article 3 of the EU Non-Financial Taxonomy Regulation, for the purposes of determining the extent to which an investment is environmentally sustainable, an economic activity qualifies as environmentally sustainable if the activity:

- i. makes a considerable contribution to at least one environmental objective;
- ii. does not do serious harm to any environmental objective;
- iii. is carried out in accordance with minimum safeguards; and
- iv. meets the technical screening criteria that have been established by the Commission in delegated acts.

Minimum safeguards are the procedures followed by a company conducting business to ensure compliance with:

- **the OECD Guidelines for Multinational Enterprises** (OECD Guidelines) and the
- **the UN Guiding Principles on Business and Human Rights**, including the principles and rights set out in the eight core conventions identified in the ILO Declaration on Fundamental Principles and Rights at Work; and
- the principles and rights set out in the **Universal Charter of Human Rights**.

In applying the procedures referred to above, the companies meet the criterion of doing no significant harm as referred to in Article 2(17) of the EU Taxonomy.

The assessment of the fulfilment of the minimum safeguards was carried out by the Company following a prior analysis of the risk of a negative effect on individual relevant principles, values and rights. In the course of the study, the conclusions of the Platform Report and the TEG Report were also applied, providing conclusions and interpretations on the methods of implementation of the guidelines and the assessment of compliance with the minimum safeguards, taking into account factors such as:

- **the principle of prioritisation** (implementing solutions first vis-à-vis the principles and values for which the risk of violation and negative impact are greatest), and
- **the principle of proportionality** (taking into account the scale and structure of the company and the position of the company in terms of its ability to influence its collaborators).

In all key areas, the Company's activities have been identified as eligible and aligned with the EU Taxonomy, both for the Company and for Boryszew Group, thus meeting the minimum safeguards refer-

red to in Article 18 of the Taxonomy.

Within the framework of the examination of the fulfilment of the minimum safeguards, the requirement of respecting the DNSH principle and not violating the rules of cooperation with the National Focal Point (NFP) referred to in Part II of the OECD Guidelines and with the Business & Human Rights Resource Centre were also taken into account. The assessment also took into account the fact of not being subject to the final liability, i.e. not being legally stated in relation to the Boryszew Group companies to be in breach of the principles and rights set out in the Guidance Package.

Summary

To sum up, Boryszew Group has implemented and is developing a multifaceted compliance system aimed at observing the principles and rights expressed, among others, in acts referred to in Article 18 of the Regulation. The system is based on such key solutions as the adoption of a Code of Ethics, detailed procedures and orders, and a whistle-blowing system. The company has established and is developing a risk management system. The above measures make it possible to conclude that the Company overwhelmingly complies with the minimum safeguards referred to in Article 18 of the EU Taxonomy Regulation. An area in which the Company plans to increase its activity in the development of an alignment system based on the guidelines indicated in this provision is the deepening of structured dialogue with stakeholders and the broadening of the spectrum of supply chain analysis and the development of a risk management system to include factors from the ESG area.

EU TAXONOMY REVENUE RATIO

U TAXONOMY VENUE RATIO				Substantial contribution criteria						DNSH (do no significant harm) criteria											
Economic activity (1)	Code(s) (2)	Absolute revenue (3) [k PLN]	Proportion of revenue (4) [%]	Climate change mitigation (5) [%]	Climate change adaptation (6) [%]	Water and marine resources (7) [%]	Circular economy (8) [%]	Pollution (9) [%]	Biodiversity and ecosystems (10) [%]	Climate change mitigation (11) [Y/N]	Climate change adaptation (12) [Y/N]	Water and marine resources (13) [Y/N]	Circular economy (14) [Y/N]	Pollution (15) [Y/N]	Biodiversity and ecosystems (16) [Y/N]	Minimum safeguards (17) [Y/N]	Taxonomy-aligned proportion of revenue, year 2022 (18) [%]	Taxonomy-aligned proportion of revenue, year 2021(19) [%]	Category (Enabling activity) (20) [E]	Category (Transitional activity) (21) [T]	
A. TAXONOMY-ELIGIBLE ACTIVITIES																					
A.1. Taxonomy-eligible and environmentally sustainable activities (taxonomy-aligned)																					
N/A	0	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)																					
3.17. Manufacture of plastics in primary form.	20.16	118.900	0.002 %																		
4.9. Transmission and distribution of electricity	35.13	9,256.075	0.136 %																		
Total eligible revenue (A.1+A.2)		9,374 .975	0.138 %																		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																					
Revenue of taxonomy-non-eligible activities (B)			99.997 %																		
Total revenue (A+B)		6,790,515	100 %																		

EU TAXONOMY CAPEX RATIO

CAPEX RATIO				Substantial contribution criteria						DNSH (do no significant harm) criteria											
Economic activity (1)	Code(s) (2)	Absolute revenue (3) [k PLN]	Proportion of revenue (4) [%]	Climate change mitigation (5) [%]	Climate change adaptation (6) [%]	Water and marine resources (7) [%]	Circular economy (8) [%]	Pollution (9) [%]	Biodiversity and ecosystems (10) [%]	Climate change mitigation (11) [Y/N]	Climate change adaptation (12) [Y/N]	Water and marine resources (13) [Y/N]	Circular economy (14) [Y/N]	Pollution (15) [Y/N]	Biodiversity and ecosystems (16) [Y/N]	Minimum safeguards (17) [Y/N]	Taxonomy-aligned proportion of revenue, year 2022 (18) [%]	Taxonomy-aligned proportion of revenue, year 2021 (19) [%]	Category (Enabling activity) (20) [E]	Category (Transitional activity) (21) [T]	
A.TAXONOMY-ELIGIBLE ACTIVITIESI																					
A.1. Taxonomy-eligible and environmentally sustainable activities (taxonomy-aligned))																					
7.3. Installation, maintenance and repair of energy efficiency equipment	F43.2	228.280	0.8%	100%	0%	N/A	N/A	N/A	N/A	Y	Y	Y	Y	Y	Y	Y	0.08%				
7.6. Installation, maintenance and repair of renewable energy technologies	F43.2	2,084.300	0.72 %	100%	0 %	N/A	N/A	N/A	N/A	Y	N/A	N/A	N/A	N/A	N/A	Y	0.72				
Total			0.80 %														0.80				
A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)																					
7.3. Installation, maintenance and repair of energy efficiency equipment	F43.2	319.120	0.11 %																		
7.6. Installation, maintenance and repair of renewable energy technologies	F43.2	2,084.301	0.72 %																		
6.5 Transport by motorbikes, passenger cars and light commercial vehicles	H49.32	4,319.048	1.49 %																		
8.1. Data processing, hosting and related activities	J63.11	109.823	0.04%																		
6.6. Freight transport services by road	H49.4.1	783.000	0.27 %																		
Total eligible CAPEX (A.1+A.2)		7,843.572	1.91 %																		

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES			
CAPEX of taxonomy-non-eligible activities (B)			97.30%
Total CAPEX (A+B)			100 %

EU TAXONOMY OPEX RATIO

OPEX RATIO				Substantial contribution criteria						DNSH (do no significant harm) criteria											
Economic activity (1)	Code(s) (2)	Absolute revenue (3) [k PLN]	Proportion of revenue (4) [%]	Climate change mitigation (5) [%]	Climate change adaptation (6) [%]	Water and marine resources (7) [%]	Circular economy (8) [%]	Pollution (9) [%]	Biodiversity and ecosystems (10) [%]	Climate change mitigation (11) [Y/N]	Climate change adaptation (12) [Y/N]	Water and marine resources (13) [Y/N]	Circular economy (14) [Y/N]	Pollution (15) [Y/N]	Biodiversity and ecosystems (16) [Y/N]	Minimum safeguards (17) [Y/N]	Taxonomy-aligned proportion of revenue, year 2022 (18) [%]	Taxonomy-aligned proportion of revenue, year 2021 (19) [%]	Category (Enabling activity) (20) [E]	Category (Transitional activity) (21) [T]	
A. TAXONOMY-ELIGIBLE ACTIVITIES																					
A.1. Taxonomy-eligible and environmentally sustainable activities (taxonomy-aligned)																					
OPEX of environmentally sustainable activities (taxonomy-aligned) (A.1)	N/A	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)																					
OPEX of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)	N/A	0	0																		
Total eligible OPEX (A.1+A.2)	N/A	0	0																		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																					
OPEX of taxonomy-non-eligible activities (B)	N/A	86,730.699	100%																		
Total OPEX (A+B)	N/A	86,730.699	100%																		

S - Social

*Our commitment to change
for the better*

1. Social issues
2. Employees and human rights
3. Occupational health and safety

1. Social issues

At Boryszew Group, we understand that our business does not operate in a vacuum. We recognise the importance of engaging with local communities and the society in which we operate. We believe that by working closely with our stakeholders, we can create a positive social impact and contribute to sustainable development.

The Boryszew Group companies place importance on maintaining very good, sustainable and consensus-based relationships with local communities. At the same time, it is very important to support the local labour markets and provide attractive employment offers and conditions for current and potential employees.

Initiatives in the locations where the Group's factories are located are key for the Boryszew Group, helping to strengthen ties between the local community and the Company, and thus resulting in greater trust in both the Group and its projects.

In particular, we are proud of the mobilisation of our plants for Ukraine. We have provided financial and other forms of support to local communities affected by the ongoing conflict.

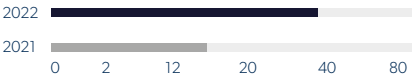
We believe this support was essential to help overcome the challenges facing the Ukrainian people.

We are satisfied with what we have achieved so far, but at the same time we know that there is much more we can do. Our business goal is to keep growing, we want to continue to grow and at the same time contribute to positive changes in society.

KPIs

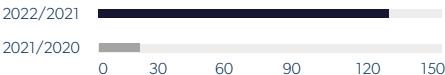
Number of initiatives

39



2022/2021 change

129%



Boryszew Group is an organization committed to helping and supporting the communities in the areas where its plants are located. In 2022, the number of social initiatives in Boryszew Group increased by 56% year-on-year.



1.1. Sport initiatives

At Boryszew Group, we believe that sport plays an important role in promoting health and well-being, building teamwork skills and creating community spirit. That is why we support sports initiatives that encourage physical activity, teamwork and community involvement. It is also important to us to support women's sports and create equal opportunities for men and women in this field. In doing so, we also support the fight against stereotypes.

Our initiatives include sponsoring local sports clubs (e.g. the Women's Football Club Medyk Konin and RKS „Zagłębie” Dąbrowa Górnicza) and events (including the 14th All-Poland 1-Mile Run) and organising sports tournaments for employees. In Italy, Maflow employees have organised themselves to create a cycling club, which we are happy to support.



In 2022, ZUO Konin became sponsor of the Women's Football Club Medyk Konin.

12

initiatives

1.2. Support for Ukraine

In addition to initiatives for local communities, Boryszew Group is committed to supporting communities in need outside our country. In 2022, we supported Ukraine during the ongoing conflict in that country. Boryszew Group made donations to Ukrainian hospitals for medical equipment, supplies and medicines, and also provided assistance to Ukrainian soldiers at the frontline. Our employees also joined the relief effort, donating resources and supplies to the people affected by the conflict.



Both Boryszew Group companies and employees are engaging in helping the people of war-affected Ukraine.

7

initiatives





1.3. Educational initiatives

At Boryszew Group, we are aware of the key role that education plays in social and economic development. That is why we are involved in a variety of educational initiatives that help individuals and entire communities develop their skills and open a pathway to realise their full potential. We support local schools and academic education programmes. We also provide training and development opportunities in our units as part of student placements to help them gain the necessary experience to advance their careers.



Maflow Group, Katowice Special Economic Zone and the City of Tychy to open an #automotive industry class at School Complex No. 6 in Tychy

7

initiatives



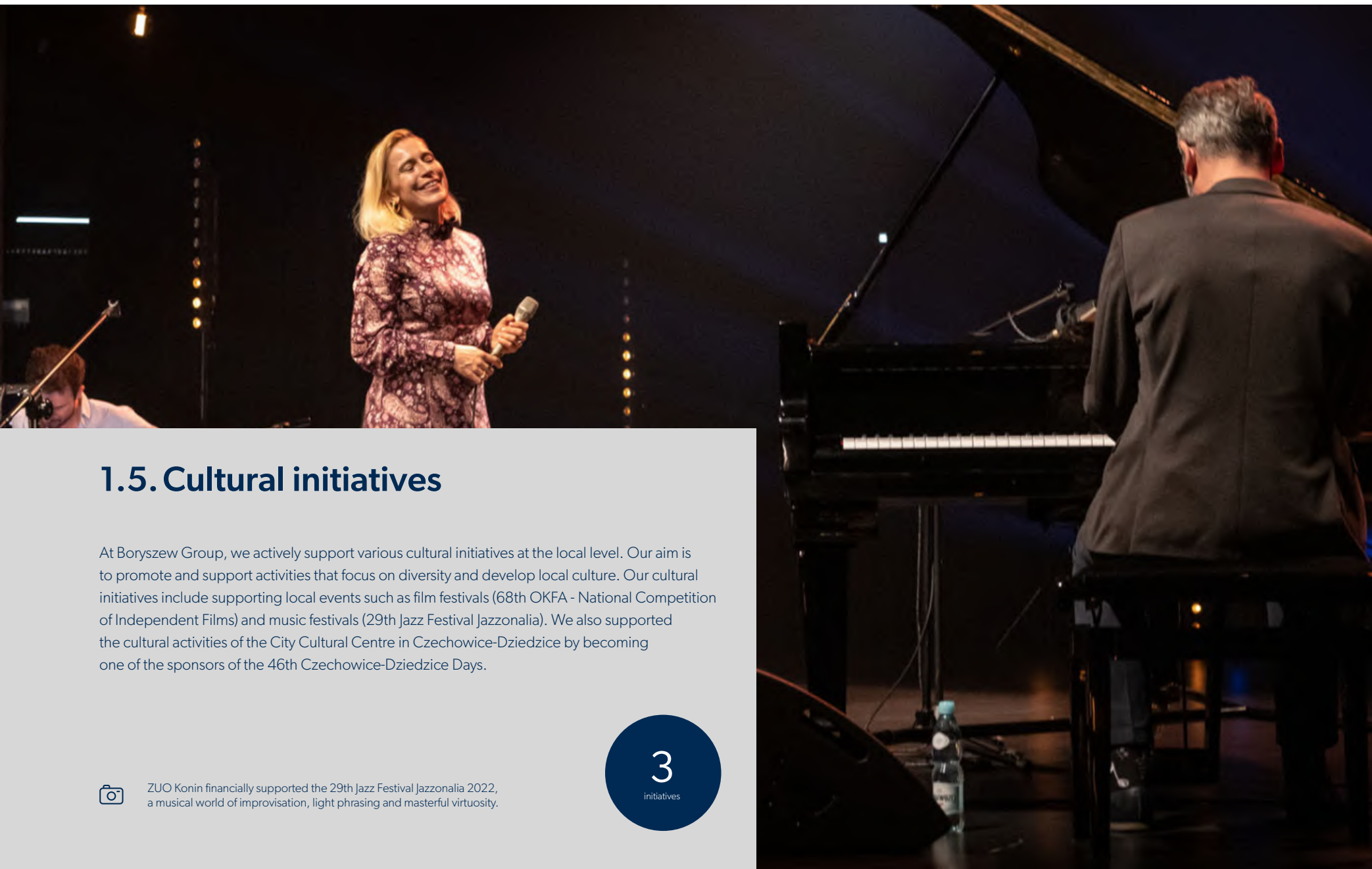
1.4. Other targeted donations

Boryszew Group supports community development through targeted donations to non-profit organisations that focus on community development, and on health and life protection. Our goal is to provide financial support to organisations that share our values and work to positively impact the communities in which we operate. In 2022, we donated more than PLN 100,000 to fight against sepsis through our participation in the Great

Orchestra of Christmas Charity fundraiser. We financially supported the "Dziedzice" Voluntary Fire Brigade in Czechowice-Dziedzice and the Scoutmaster. Stefan Piotrowski ZHP Scout Troop in Dąbrowa Górnicza. We also donated parcels dedicated to children from the poorest families to the Konin Family Assistance Centre.



For another year, our factories were engaged in the Great Orchestra of Christmas Charity



1.5. Cultural initiatives

At Boryszew Group, we actively support various cultural initiatives at the local level. Our aim is to promote and support activities that focus on diversity and develop local culture. Our cultural initiatives include supporting local events such as film festivals (68th OKFA - National Competition of Independent Films) and music festivals (29th Jazz Festival Jazzonia). We also supported the cultural activities of the City Cultural Centre in Czechowice-Dziedzice by becoming one of the sponsors of the 46th Czechowice-Dziedzice Days.



ZUO Konin financially supported the 29th Jazz Festival Jazzonia 2022, a musical world of improvisation, light phrasing and masterful virtuosity.

3

initiatives

2. Employees and human rights



Creating a workplace where everyone can thrive is essential to business success. We adhere to the highest standards of social responsibility and human rights, and work to ensure that our business practices are in line with these values.

At Boryszew Group, we always put our people first and value their contribution to our successes. Our aim is to ensure full respect in the workplace and to give priority to the health and safety of employees. We aim to create a culture of shared success in which every employee can achieve their goals and grow professionally. We value the opinions of our stakeholders and we actively working to continuously improve our operations to ensure the best possible working best working conditions and development for our employees.

Employment practices

Our employment practices are guided by a commitment to fairness, transparency and equal opportunity. We recruit employees based on their qualifications, skills and experience and provide competitive pay, benefits and working conditions.

Diversity and integration

Boryszew Group always focuses on quality and competitive remuneration for its employees, which is an important part of our strategy to attract and retain high-class professionals. We operate according to the principles of business ethics, within which we value diversity and inclusiveness as a way to create a dynamic and innovative workplace. We believe that a diverse work environment fosters creativity, collaboration and empathy, and helps us better understand and collaborate with our clients and local communities.

Employment relationship

Boryszew S.A. relies on open communication with its employees to ensure a comfortable and healthy working environment. The company encourages its employees to speak freely about the workplace and share ideas for improving the company's operations. In 2021, Boryszew Group Communica

tion Team was convened, consisting of representatives from each of the Companies. Its activities are aimed at improving internal communication within Boryszew Group and ensuring a smooth flow of information between the plants, which are often geographically distant from each other and specialise in different areas.

Human rights

At Boryszew Group, we respect and comply with the rights of our employees, customers, suppliers and stakeholders, in line with the UN Global Compact. This is manifested, among other things, in the company's concern to carefully enforce the rights and prohibitions established. We have also implemented complaint policies and procedures to ensure that our employees have access to effective remedies.

Training and development

We believe in investing in the skills and knowledge of our employees, which is why we support their commitment and efforts by increasing the scope and autonomy of their activities and enabling them to participate in training and other processes to improve their professional skills. We also take an active part in vocational training programmes by creating opportunities for those interested to undertake internships and apprenticeships within the company.



Indicators

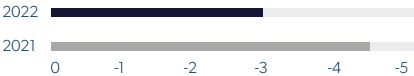
We measure our performance against key indicators related to employees and human rights, including employee turnover rates, accident and injury rates and our Equal Pay Index. Our Equal Pay Index measures the gender pay gap in our organisation and helps us identify areas for improvement. In addition, we benchmark our performance against industry peers and inter-company standards and strive to continuously improve our performance and practices.

Employment in Boryszew Group remained at a similar level in 2022 and 2021, the difference being a decrease in 2022 of about 3% in the number of employees. The rates in 2022 were impacted by employee turnover, with a 115% increase in the number of employees who left compared to 2021, accompanied by a 36% increase in 2022 (compared to 2021) in new hires.

KPIs

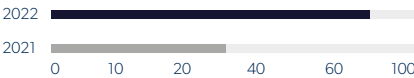
Total employment %

-3%



Equal Pay Index

86%



3. Occupational health and safety



The health and safety of our employees is of paramount importance to us. As an employer, we ensure a safe and healthy workplace, adhere to health and safety guidelines and provide stable employment conditions. We are committed to providing a safe and healthy workplace for all our employees, contractors and visitors. We believe that our proactive approach to health and safety management is key to preventing accidents, injuries and illnesses. We adhere to the principle that proper training and preparation of employees can prevent a large proportion of occupational accidents and health-related illnesses. We strive to continuously improve our health and safety performance.

Health and safety management systems

Our internal safety procedures are handled very rigorously. Thanks to the implemented and consistently observed procedures at our plants, our operations produce a negligible number of accidents, compared to similar plants in Europe and worldwide. An additional form of supporting a safe working environment is the introduction of process innovations (e.g. automation of production processes, implementation of Industry 4.0 in the Automotive Segment). These measures ensure that our employees are not only safe, but also comfortable in performing their tasks for the Company.

Risk assessment and mitigation

Boryszew Group conducts an accident analysis to identify potential risks and implement measures to reduce them. The most common causes of accidents at work are related to work organisation and human behaviour. These include insufficient concentration on the activity being performed, inadequate handling of limbs in the danger zone and being surprised by an unexpected event. Accident incidents are mainly related to manual activities (operation of machinery, manual handling of material or using equipment, cleaning work).

Health and safety training

The actions taken by the Group are aimed at reducing the number of accidents. To this end, the managements of Boryszew Group companies maintain a continuous dialogue with employee organisations and trade unions. We believe that continuous education and activities aimed at raising employees' awareness of risks at workplaces make it easier to avoid them. In 2022, both the rate of accidents per 1,000 employees and the accident severity rate decreased in Boryszew Group, which was possible precisely thanks to safety, fire safety and first aid training conducted in 2022. As part of our safety efforts, we also offer the right to refuse unsafe work, which gives the employee a choice and the opportunity to decide for themselves.

Occupational health

We recognise the importance of health in the workplace. We also provide training in the use of personal protective equipment and ensure that it is available to all employees who need it. A fundamental principle in our company is to provide protective equipment to our employees. We want working conditions to be of the highest standard.



Contractor management

We require our contractors to comply with our health and safety standards and provide them with the necessary training and equipment to ensure their safety while working on our premises. The companies' contracts with sub-contractors contain clauses obliging sub-contractors to comply with the health and safety regulations in force at the companies' sites.

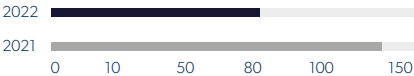
Continuous improvement

We are committed to continuous improvement in our health and safety. We analyse our policies and procedures to identify areas for improvement and make changes where necessary. We also encourage feedback from our staff, contractors and visitors to identify areas for improvement and make changes as appropriate.

KPIs

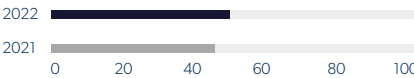
Number of work-related accidents

81



Severity of work-related accidents %*

50.79



* The indicator helps assess the average severity of work-related accidents that occurred during the reporting period (number of days of incapacity per accident)

Boryszew Group's activities in the area of occupational health and safety are determined by the following policies, procedures and internal regulations:

- Work Regulations,
- company health and safety instructions,
- company instructions in case of an industrial accident or fire.





G - Governance

Our commitment to ethical management

1. Precautionary policies and procedures
2. Ethical issues
3. Compliance in Boryszew Group
4. Stakeholder engagement



1. Precautionary policies and procedures

In Boryszew Group we believe that a good corporate governance system balances the interests of different parties: shareholders, management, customers, suppliers and local communities. That is why we operate transparently, respecting a number of principles set by the following policies, procedures and internal regulations: Boryszew Code of Ethics, Compliance Rules of Boryszew Group, Instruction for anonymous reporting of credible information on compliance violations (whistleblowers).

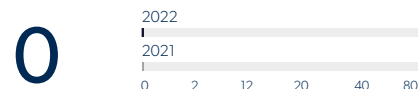
In addition, in order to prevent any form of bribery and corruption in the company, Boryszew Group's internal audit regulates prohibited practices in the company based on an annual action plan. Until the end of 2022, we can indicate 26 group procedures and orders, of which in 2022 alone we have introduced 7 of them. Employees of our Company are forbidden to accept gifts or other gratuities of other than symbolic value from Customers or suppliers, regardless of their form. It is also Company policy not to give any monetary, material or other gratuity in order to obtain a contract signature or other commercial or financial advantage. It is also strictly forbidden to offer gifts to existing or potential customers and suppliers or to provide them with any concessions or benefits of more than symbolic value.

As a Group, we also ensure that the contractors we choose respect our values and are themselves characterised by attention to the highest standards of corporate governance. When selecting service and product suppliers, we therefore pay attention to the compliance of their practices with the Company's internal regulations, the quality of the services they offer and their price. It is our policy that the priority of employees conducting and supervising supplier interviews should be to act in the interests of the company first and foremost. Any preference for friends and acquaintances is therefore excluded, as are discriminatory practices.

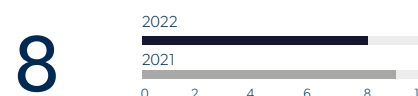
In 2022, 8 internal controls were carried out in Boryszew Group companies. The inspections concerned the functioning of procedures related to counteracting mobbing as well as the review of incurred costs or the examination of processes of aging of uncollected receivables. Conclusions and possible irregularities found of each control are presented in detail to the Managers in a given organisational unit together with recommendations concerning the irregularities found.

KPIs

Number of corruption cases



Number of internal controls



2. Ethical issues



In pursuing our mission and development strategy, we place great emphasis on the ethical principles and transparency of our employees. We adhere to the highest standards of corporate governance and strive to continuously improve our practices in this area. We are convinced that adherence to the values of Boryszew Group is not only our responsibility, but also the key to achieving long-term sustainable business success.

Transparency

We strictly adhere to the corporate governance principles and the code of good practice applicable to public companies, concerning both the functioning of the statutory bodies of the Group and its constituent entities and our relations with all stakeholder groups: employees, shareholders, investors, suppliers, customers, market institutions, local communities. Our information policy is guided by the overriding principles of openness, credibility, reliability and equal access. In our cooperation with business partners, we are guided by absolute integrity, and we base long-term relationships on trust and mutual respect.

Responsibility

We are a mature industrial organisation fully aware of our responsibilities towards the social and environmental environment. Our business decisions are not only made on the basis of financial analyses - we also consider the long-term social and environmental impacts.

The key spheres of Boryszew Group's business responsibility include:

- in relation to employees – ensuring high standards of health and safety at work;
- towards investors – ensuring long-term growth of the company's value;

- towards customers – ensuring high standards of product quality;
- towards suppliers – to ensure partnership, mutually beneficial conditions of cooperation;
- towards market institutions – to ensure compliance with applicable regulations, legal standards and codes of good practice;
- towards local communities – caring for the state of the natural environment and supporting all initiatives for their civilisational development.

Social dialogue

We operate on the basis of social dialogue conducted both with employees and the organisations representing them, and with local communities and other stakeholder groups. We understand social dialogue as:

- a consultation process prior to making decisions that may have a significant impact on our business, social and environmental environment, with the aim of gaining social acceptance of these decisions;
- the process of communicating to the management of the Group and its constituent companies issues that are relevant to stakeholders arising in their mutual relationships.



3. Compliance in Boryszew Group



Boryszew Group has in place the procedure known as **"The Compliance Rules in Boryszew Group"**, adopted in 2019.

The subject of Compliance Rules are the basic norms concerning the compliance area and the rules of management of detailed compliance policies and internal codes of Boryszew Group listed below (taking into account the regulations included in the compliance policies management strategy in force in Boryszew and the risk of violation of these policies (compliance risk)).

The content of the Compliance Rules covers all issues related to the identification, assessment, control and supervision of the compliance area as well as the rules of monitoring and reporting of compliance and compliance risk.

In particular, the Compliance Rules define the main compliance areas in Boryszew Group, as well as the rules for reporting and recording compliance violations and dealing with whistleblowers. The system is composed of the following documents (inter alia):

1. Boryszew Code of Ethics.
2. Suppliers' Sustainable Development Policy.
3. Boryszew S.A. Business and Human Rights Policy.
4. Policy of Counteracting the Non-Compliance with Obligation to Inform on Tax Schemes by Boryszew S.A.
5. Security Policy of Personal Data Processing in Boryszew S.A.
6. Regulation regarding the Establishment of Internal Control Procedures in Boryszew S.A. and Branches of Boryszew Group.
7. Regulation on the Determination of General Requirements of Procurement Policy in Boryszew Group Companies and Branches.

Counteracting mobbing

The Company has a **Team for Investigating Cases of Mobbing in Boryszew S.A.**, which conducts proceedings in cases of mobbing.

Tax strategy

Boryszew Group also adopted a **Tax Strategy**. Information on the implemented

tax strategy by the Company is prepared and communicated to the public based on the Corporate Income Tax Act.

Correct taxation and tax settlement is important for the Company not only for reasons of **tax security** and avoidance of costs related to incorrect tax settlements (reassessments, interest on tax arrears and sanctions), but also from the perspective of the principle of **social justice and corporate social responsibility**. The tax processes occurring in the Company are described and implemented in such a way as to allow for correct tax settlements.

Numerous tax procedures and guidelines are in place at the Company to properly implement the tax processes, including:

- Accounting policy,
- Transfer pricing policy for financial transactions,
- Regulation on rules for the preparation of tax returns and reports,
- Procedure on counteracting non-compliance with the obligation to provide information on tax schemes,
- Procedure for accounting for flat-rate corporate income tax with due diligence,
- Instruction on the provision of data for the

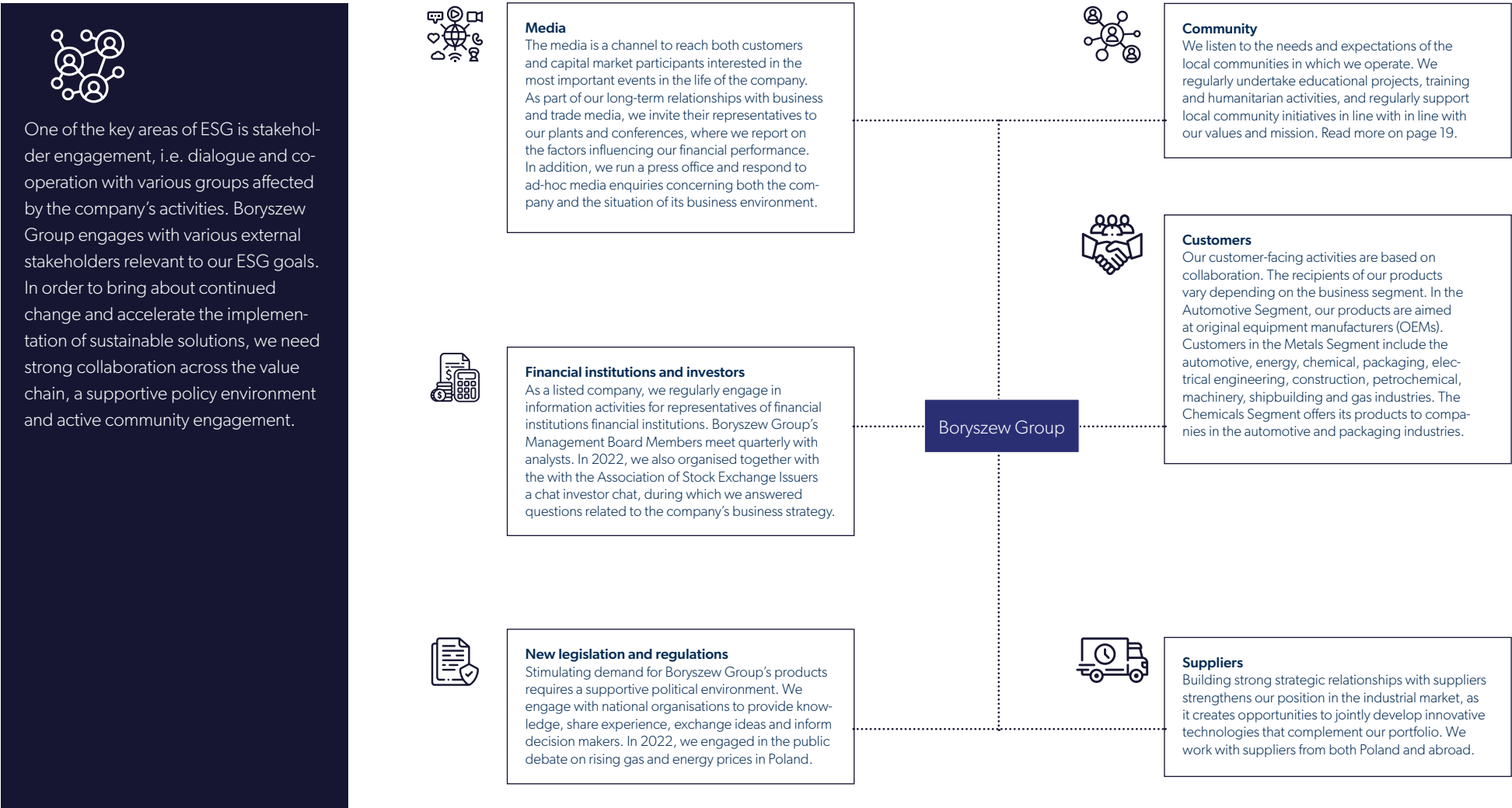
preparation of local transfer pricing documentation and transfer pricing information.

Depending on the extent of the complexity of the procedures, as well as their importance for the proper implementation of the tax function, the above-mentioned procedures have varying degrees of formalisation. Some of them have been formally implemented by virtue of the relevant resolutions of the Company's Management Board or the Regulation of the President of the Management Board, while others are in the nature of internal guidelines followed by the Company's employees responsible for the implementation of tax obligations.

Internal audit

There is an internal audit department established in the Company, whose task is to carry out internal controls in order to provide the Supervisory Board and the Management Board of Boryszew S.A. with information on the course of business processes and the compliance of the processes with relevant external and internal regulations in Boryszew Group. The Audit Department is obliged to co-operate with the auditor examining the financial statements of the Company and the Group within the scope of the audited issues.

4. Stakeholder engagement





About the Report

1. Reporting scope, methodology and standard
2. GRI Index
3. Key figures
4. Policies and risks
5. E – Environment
6. S – Social
7. Statement by management

1. Reporting scope, methodology and standard

Scope of the Report

This report on non-financial information (the Report) has been prepared both on the individual level for Boryszew S.A. (the Company) as well as on the consolidated level for Boryszew Capital Group (Boryszew Group, Group) for the year 2022.

The report does not include data for the companies which are under liquidation on the date of the report (ICOS GmbH, Theysohn Kunststoff GmbH and Theysohn Formenbau GmbH, HMM Szopienice S.A. in liquidation), with the reservation that the financial data included in the paragraph below "Key Figures" for Boryszew Group include data in order to make the values presented in this report comparable with the values presented in the Consolidated Financial Statement of Boryszew Capital Group for 2022. The report has been prepared in accordance with Article 49b(1) and Article 55(2b-e) of the Accounting Act of 29 September 1994, as amended, which implements the guidelines of Directive 2014/95/EU of the European Parliament and of the Council of 22 October 2014 regarding the disclosure of non-financial and diversity information.

Methodology and reporting standard

The process of preparing the Report involved the following steps:

- 1) revising the scope of last year's Report,
- 2) updating the scope of material non-financial aspects and diversity information,
- 3) updating the set of indicators related to the above aspects,
- 4) updating the catalogue of material risks and ways of mitigating them,
- 5) collection of data from the units of Boryszew Group concerning the level of realization of the reported indicators,
- 6) collecting from the units of Boryszew Group data concerning the level of implementation of policies and procedures, the results of applied policies and actions taken,
- 7) consolidation of collected data and preparation of the Report.

This Report has been prepared by Boryszew S.A. on the basis of its own rules, taking into account the specificity and diversity of activities of the entities comprising the Group.

The indicators describing the non-financial activity of Boryszew S.A. and the Group have been prepared according to the GRI Standards guidelines. The GRI indicators used in this report are described in the GRI table. Boryszew Group takes into account the expectations of a wide range of recipients of non-financial reporting and does not exclude the expansion of the used methodology with new desired content in the future.



2. GRI Content Index

GRI Standard	Disclosure number	Disclosure name	Information
REPORTING PRINCIPLES			
GRI 101		Reporting principles	Reporting scope, methodology and standard (page 46)
GENERAL DISCLOSURES			
ORGANIZATIONAL PROFILE			
GRI 102	102-1	Name of the organization	Boryszew S.A.
GRI 102	102-2	Activities, brand, products, and services	Business model (page 7)
GRI 102	102-3	Location of headquarters	Aleje Jerozolimskie 92, 00-807 Warsaw

GRI 102	102-4	Locations of operations	<p>In 2022, Boryszew S.A.'s operational activity was based on:</p> <ul style="list-style-type: none"> • Maflow Branch in Tychy - a manufacturer of hoses for the automotive industry, including mainly air-conditioning, power steering and rubber hoses of various applications. The Branch's assets, constituting the largest production assets of Maflow Group, were purchased on 10 August 2010, • Elana Branch in Toruń – a manufacturer of fibres and polyester plastics with a wide range of applications. The most important products are chopped fibres and silicone beads. Elana Branch was created by the merger of Boryszew S.A. with Elana S.A. on January 28, 2005, • Nowoczesne Produkty Aluminiowe (NPA) Skawina Branch – manufacturer of aluminium wire rods, wires, cables, including overhead conductors made of special aluminium alloys with structures eliminating the threat of black-out and supplying power utilities to external customers, • Boryszew ERG Branch in Sochaczew – producer of products applied in the chemical and construction industries. The flagship product of the Branch is Borygo radiator fluid, • Nylonbor Branch in Sochaczew – producer of modern structural polyamides, used for production of machine and equipment elements, as well as battlefield simulants for military applications (until September 30, 2022 –on October 1, 2022 the activity conducted by Boryszew S.A. in Nylonbor Branch was transferred to Nylonbor Spółka z o.o. with the seat in Sochaczew), • Boryszew Energy Branch in Toruń – deals with sale of energy media (electricity, gas) for the companies of Boryszew Group and external customers.
GRI 102	102-5	Ownership and legal form	Spółka Akcyjna (public listed company)
GRI 102	102-7	Scale of the organization	Boryszew Group is one of the largest industrial groups in Poland, specialising in the production of components for cars, steel products, non-ferrous metals, and industrial chemicals. We operate internationally, with production facilities in countries like Poland, Germany, the Czech Republic, Spain, Mexico, India, China, and Brazil. Boryszew Group's consolidated revenues for 2022 were approximately PLN 6.8bn.
GRI 102	102-8	Information on employees and other workers	Employees and human rights, Labour issues and human rights (page 36)

GRI 102	102-10	Significant changes to the organization and its supply chain	<p>In 2022 and until the date of publication of this report, the following changes in the structure of Boryszew Group took place:</p> <ul style="list-style-type: none"> • on 30.09.2022, an agreement was concluded by which Boryszew S.A. Nylonbor Branch was transferred as in-kind contribution to the company NYLONBOR Sp. z o. o., • on 29.12.2022, NYLONBOR Sp. z o. o. was sold to a company outside Boryszew Group, • on 23.03.2022, the companies SPV Boryszew 5 Sp. z o. o., SPV Boryszew 6 Sp. z o. o., SPV Boryszew 8 Sp. z o. o., SPV Boryszew 9 Sp. z o. o. were merged with Impexmetal Holding Sp. z o. o. (now: Boryszew Holding Spółka z o.o.), • on 20.07.2022, a new company NPA Skawina Sp. z o. o. with the seat in Skawina was entered into the National Court Register, • on 30.12.2022 a contract has been signed by virtue of which Boryszew S.A. NPA Skawina Branch in Skawina was contributed to NPA Skawina Sp. z o. o. as of 01.01.2023, • on 21.07.2022, Metlix Limited was removed from the UK Companies House, • on 19.12.2022, the General Meeting decided to merge the company Hutmen Sp. z o. o. with the company Boryszew S.A. The merger was registered in the National Court Register on 31.01.2023, • on 4.03.2022, the decision on liquidation of the company Maflow France Automotive S.A.S. was taken.
GRI 102	102-11	Precautionary principle or approach	Precautionary policies and procedures (page 41)
STRATEGY			
GRI 102	102-14	Statement from senior decision-maker	Letter of the President of Management Board of Boryszew S.A. to the Stakeholders (page 3)
GRI 102	102-15	Key impacts, risks, and opportunities	Policies and risks (page 54)
ETHICS AND INTEGRITY			
GRI 102	102-16	Values, principles, standards, and norms of behaviour	Compliance in Boryszew Group (page 43)
STAKEHOLDER ENGAGEMENT			
GRI 102	102-40	List of stakeholder groups	Stakeholder engagement (page 44)
GRI 102	102-43	Approach to stakeholder engagement	Stakeholder engagement (page 44)

REPORTING PRACTICE			
GRI 102	102-45	Entities included in the consolidated financial statements	Reporting scope, methodology and standard (page 46)
GRI 102	102-46	Defining report contents and topic boundaries	Reporting scope, methodology and standard (page 46)
GRI 102	102-47	List of material topics	Reporting scope, methodology and standard (page 46)
GRI 102	102-49	Changes in reporting	There were no significant changes compared to the previous report regarding the scope and coverage of the report.
GRI 102	102-50	Reporting period	From January 1, 2022 to December 31, 2022.
GRI 102	102-51	Date of most recent report	The most recent report was published on April 27, 2022 and covered 2021 data.
GRI 102	102-52	Reporting cycle	Annual
GRI 102	102-53	Contact point for questions regarding the report	Al. Jerozolimskie 92, 00-807 Warszawa, tel. +48 658 65 68, e-mail: info@boryszew.com
GRI 102	102-54	Claims of reporting in accordance with the GRI Standards	The report was not prepared in accordance with the GRI Standard.
GRI 102	102-55	GRI Content Index	GRI Content Index (page 47)
GRI 102	102-56	External assurance	The report is not subject to external assurance
THEMATIC DISCLOSURES:			
ANTI-CORRUPTIONS			
GRI 205	205-1	Operations assessed for risks related to corruption	Precautionary policies and procedures (page 41)
GRI 205	205-3	Confirmed incidents of corruption and actions taken	Precautionary policies and procedures (page 41)

ANTI-COMPETITIVE BEHAVIOR			
GRI 206	206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	There were no such actions
TAX TRANSPARENCY			
GRI 207	207-1	Approach to tax	Compliance in Boryszew Group (page 43)
GRI 207	207-2	Tax governance, control, and risk management	Compliance in Boryszew Group (page 43)
GRI 207	207-3	Stakeholder engagement and management of concerns related to tax	Compliance in Boryszew Group (page 43)
ENVIRONMENT			
MATERIALS			
GRI 301	301-2	Recycled input materials used	E – Environment (page 57)
ENERGY			
GRI 302	302-1	Energy consumption within the organization	E – Environment (page 57)
GRI 302	302-3	Energy intensity	E – Environment (page 59)
WATER AND EFFLUENTS			
GRI 303	303-5	Water consumption	E – Environment (page 57)
EMISSIONS			
GRI 305	305-1	Direct (Scope 1) GHG emissions	E – Environment (page 62)

GRI 305	305-2	Energy indirect (Scope 2) GHG emissions	E – Environment (page 62)
GRI 305	305-7	Nitrogen oxides (NOX), sulphur oxides (SOX), and other significant air emissions	E – Environment (page 61)
WASTE			
GRI 306	306-3	Waste generated	E – Environment (page 57)
EMPLOYMENT			
GRI 401	401-1	New employee hires and employee turnover	S – Social (page 64)
OCCUPATIONAL HEALTH AND SAFETY			
GRI 403	403-9	Work-related injuries	S – Social (page 68)
DIVERSITY AND EQUAL OPPORTUNITY			
GRI 405	405-1	Diversity of governance bodies and employees	S – Social (page 64)
GRI 405	405-2	Ratio of basic salary and remuneration of women to men	S – Social (page 65)

3. Key figures

Boryszew Group

		Definition	2022	2021	2022 vs. 2021 change	2022 vs. 2021 change (%)
Consolidated revenue	PLN '000		6,790,515.00	6,264,000.00	526,515.00	8%
Consolidated EBITDA	PLN '000		394,550.00	344,407.00	50,143.00	15%
CAPEX	PLN '000	Expenditure on acquisition of tangible and intangible assets, and investment properties	258,753.00	161,828.00	96,925.00	60%
Sales volume	tonnes	Segment sales calculated in tonnes (for Chemicals and Metals segments)	415,311.48	501,408.00	-93,765.00	-17%
Headcount	FTE		8,622	8,977	-270.00	-3%

Boryszew S.A.

		Definition	2022	2021	2022 vs. 2021 change	2022 vs. 2021 change (%)
Revenue	PLN '000		2,913,692.00	1,917,725.00	995,967.00	52%
EBITDA	PLN '000		100,210.00	137,724.00	-37,514.00	-27%
CAPEX	PLN '000	Expenditure on acquisition of tangible and intangible assets, and investment properties	39,540.00	43,352.00	-3,812.00	-9%
Sales volume	tonnes	Segment sales calculated in tonnes (for Chemicals and Metals segments)	89,654.00	89,377.00	277.00	0,31%
Headcount	FTE		2,843	2,817	26.00	1%

4. Policies and risks

Policies and procedures – Environment

Certification	Certified organizational units
ISO 9001 (certificate of quality management system within the organization)	Boryszew S.A. Oddział Elana, Boryszew S.A. Oddział NPA, ZM Silesia S.A., Baterpol S.A., WM Dziedzice S.A., Boryszew Formenbau Deutschland, Boryszew Plastics Rus, Boryszew Tensho Poland Sp. z o.o.
ISO/TS 16949 (quality management system certificate for the supply chain)	Boryszew S.A. Oddział Maflow, Maflow Group companies, AKT Plastikarska Technologie Czechy, Boryszew Kunststofftechnik GmbH, Boryszew Oberflächentechnik GmbH, Boryszew Plastics Rus, Boryszew Tensho Poland
ISO 14001 (environmental management system certificate)	Boryszew S.A. Oddział Maflow, Boryszew S.A. Oddział NPA, Baterpol S.A., Hutmen Sp. z o. o., WM Dziedzice S.A., Boryszew Oberflächentechnik GmbH i Maflow Plastics Poland Sp. z o.o.
ISO 50001 (energy management system certificate)	Boryszew Formenbau Deutschland, Boryszew Kunststofftechnik GmbH, Boryszew Oberflächentechnik GmbH, Boryszew Ymos GmbH, Theysohn Kunststoff GmbH, Theysohn Formenbau GmbH
OHSAS 18001 (occupational health and safety management system certificate)	Baterpol S.A., Boryszew S.A. Oddział NPA
ISO 17025:2005 (testing laboratory certificate)	Laboratoria Badań Batory Spółka z o.o.

Risks – Environment

Risks	Risk mitigation
Environmental contamination (soil, water, or air)	Monitoring of environmental emissions, taking ex-ante and ex-post measures to reduce emissions
Production processes running in violation of environmental standards	Monitoring of the production process, implementation of programs to prevent industrial accidents
Production processes running in an energy-inefficient manner	Monitoring of energy consumption in the production process, continuous implementation of initiatives to increase energy efficiency, further rollout of ISO 50001 certification at Boryszew Group plants
Failure to timely adapt to changes in regulations or customers' expectations regarding environmental protection	Review of planned changes in environmental legislation (in entities exposed to this risk), allocation of budgets for operating costs and capital expenditure related to adjustment to these changes

Risks – Social Issues

Risks	Risk mitigation
Negative perception of Boryszew Group by the social environment	Cooperation with local communities to disseminate a positive image of Boryszew Group as a socially responsible partner
Negative perception of Boryszew Group's partners by the social environment	Including the obligation of the suppliers to respect ethical principles included in Boryszew Code of Ethics to the general terms and conditions of the contracts concluded by the Group companies
Lack of positive reaction of local communities to CSR activities undertaken by Boryszew Group	Conducting additional communication activities on the level of Boryszew Group and in the individual organizational units

Risk - Labor issues and human rights

Risks	Risk mitigation
Workforce and subcontractor availability (primarily in the Automotive Segment)	Activities in the area of employer branding on leading recruitment portals, close cooperation with recruitment companies and temporary work agencies
Departure of key personnel	Providing employees with stable forms of employment with satisfactory levels of remuneration
Ensuring adequate employee training and development opportunities	Creation of training plans at organizational unit level (companies or branches), allocation of training budgets
Incidence of work-related accidents resulting in death or injury	Actions of a preventive nature (e.g. by ensuring an adequate level of training) and actions of an ex-post nature (analysis of incidents that have occurred and correction of rules of conduct)
Violation of laws (e.g. labour law) and internal regulations	Implementation of internal control systems and monitoring, also involving employee representatives

Risks – Occupational health and safety

Risk	Risk mitigation
Incidence of work-related accidents resulting in death or injury	Actions of a preventive nature (e.g. by ensuring an adequate level of training) and actions of an ex-post nature (analysis of incidents that have occurred and correction of rules of conduct)
Fire outbreak on the premises resulting in death or injury to health or damage to property	Preventive measures to minimize the risk of fire
Violations of health and safety regulations by employees or contractors	Regular health and safety training for employees and (where appropriate) for contractors or visitors

Risks – Corporate governance

Risk	Risk mitigation
Conflicts of interest in business transactions, preferential treatment of certain suppliers or customers.	Development and implementation of procedures for disclosure of potential conflicts of interest
Acceptance of private financial gains by employees	Development and implementation of procedures to eliminate such practices
Conclusion of transactions in breach of the law	Development and implementation of procedures related to concluding contracts/making commitments minimizing the risks of such transactions

5. E – Environment

GRI Disclosures

Boryszew Group

Disclosure	Disclosure number	Unit	Definition	Interpretation	2022	2021	2022 vs. 2021 change	2022 vs. 2021 change (%)
Total energy consumption within the organization	GRI 302-1	MWh	Total measured consumption per calendar year of all energy (electricity, gas, steam etc.) in MWh. Does not include energy purchased for resale.	The disclosure shows the energy intensity of economic activity (including electricity, heat, gas, and steam consumption).	864,401.48	1,161,863.47	-297,461.99	-26%
Total water consumption	GRI 303-5	m ³	Total measured water consumption per calendar year in cubic meters, including own water intakes and the mains system.	The disclosure illustrates the scale of water consumption within the organization.	2,121,876.26	2,882,797.35	-760,921.09	-26%
Total waste generated	GRI 306-3	tonnes	Total weight of all categories of waste generated per calendar year in metric tonnes.	The disclosure shows the scale of waste generation within the organization	141,796.76	181,013.89	-39,217.13	-22%
Recycled input materials used	GRI 301-2	tonnes	Total weight of recycled input materials (e.g., scrap) in metric tonnes	The disclosure reflects the use of recycled materials (metals) in the production process.	103,940.41	122,361.29	-18,420.88	-15%

Boryszew S.A.

Disclosure	Disclosure number	Unit	Definition	Interpretation	2022	2021	2022 vs. 2021 change	2022 vs. 2021 change (%)
Total energy consumption within the organization	GRI 302-1	MWh	Total measured consumption per calendar year of all energy (electricity, gas, steam etc.) in MWh. Does not include energy purchased for resale.	The disclosure shows the energy intensity of economic activity (including electricity, heat, gas, and steam consumption).	133,375.92	150,571.83	-17,195.91	-11%
Total water consumption	GRI 303-5	m ³	Total measured water consumption per calendar year in cubic meters, including own water intakes and the mains system.	The disclosure illustrates the scale of water consumption within the organization.	272,726.00	418,519.00	-145,793.00	-35%
Total waste generated	GRI 306-3	tonnes	Total weight of all categories of waste generated per calendar year converted into metric tonnes.	The disclosure shows the scale of waste generation within the organization	4207.53	8,026.49	-3,818.96	-48%
Recycled input materials used	GRI 301-2	tonnes	Total weight of recycled input materials (e.g., scrap) in metric tonnes.	The disclosure reflects the use of recycled materials (metals) in the production process.	1,620.99	1,931.62	-310.64	-16%

Additional disclosures

Boryszew Group

Disclosure	Unit	Definition	Interpretation	2022	2021*	2022 vs 2021 change	2022 vs 2021 change (%)
Energy efficiency	MWh/tonne of production	Total measured consumption per calendar year of all energy (electricity, gas, steam etc.) in MWh in relation to the total annual production volume in tonnes. Does not include energy purchased for resale.	The disclosure shows the energy intensity of economic activity (including electricity, heat, gas, and steam consumption) in relation to the production volume.	1.88	2.12	-0.23	-11%
Water use efficiency	m ³ / tonne of production	Total measured water consumption per calendar year in cubic meters, including own water intakes and the mains system in relation to the total annual sales volume in tonnes.	The disclosure illustrates the scale of water consumption within the organization in relation to the production volume.	4.62	5.25	-0.63	-12%
Recycling rate	%	Total weight of recycled input materials used in the production process in metric tonnes in relation to the total annual production volume in tonnes.	The disclosure reflects the use of recycled materials (metals, plastics) in the production process and thus the contribution to the reduction of waste in the environment.	33%	22%	11 p.p.	-
Resource efficiency	kilogramme of waste / tonne of production	Total weight of all categories of waste generated per calendar year in kilograms in relation to the total annual production volume in tonnes.	The disclosure shows the scale of waste generation within the organization in relation to the production volume.	308.93	329.80	-20.87	-6%

* Change in the disclosure calculation methodology

Boryszew S.A.

Disclosure	Unit	Definition	Interpretation	2022	2021*	2022 vs. 2021 change	2022 vs. 2021 change (%)
Energy efficiency	MWh/tonne of production	Total measured consumption per calendar year of all energy (electricity, gas, steam etc.) in MWh in relation to the total annual production volume in tonnes. Does not include energy purchased for resale.	The disclosure shows the energy intensity of economic activity (including electricity, heat, gas, and steam consumption) in relation to the production volume.	3.38	2.70	0.68	25%
Water use efficiency	m ³ / tonne of production	Total measured water consumption per calendar year in cubic meters, including own water intakes and the mains system in relation to the total annual sales volume in tonnes.	The disclosure illustrates the scale of water consumption within the organization in relation to the production volume.	3.04	7.50	-4.46	-59%
Recycling rate	%	Total weight of recycled input materials used in the production process in metric tonnes in relation to the total annual production volume in tonnes.	The disclosure reflects the use of recycled materials (metals, plastics) in the production process and thus the contribution to the reduction of waste in the environment.	2%	1%	1 p.p.	-
Resource efficiency	kilogram of waste / tonne of production	Total weight of all categories of waste generated per calendar year in kilograms in relation to the total annual production volume in tonnes.	The disclosure shows the scale of waste generation within the organization in relation to the production volume.	62.28	143.78	-81.50	-57%

* Change in the disclosure calculation methodology

EMISSIONS

Boryszew Group

Disclosure	Disclosure number	Unit	Definition	Interpretation	2022	2021	2022 vs. 2021 change	2022 vs. 2021 change (%)
Emissions – CO ₂	GRI 305-7	tonnes	Amount of air emissions	The disclosure shows the scale of the Group's impact on the environment.	116,921.34	120,380.00	-3,458.66	-3%
Emissions – particulate matter	GRI 305-7	tonnes	Amount of air emissions	The disclosure shows the scale of the Group's impact on the environment.	17.70	21.70	-4.00	-18%
Emissions – carbon oxide (CO)	GRI 305-7	tonnes	Amount of air emissions	The disclosure shows the scale of the Group's impact on the environment	237.94	479.20	-241.26	-50%
Emissions – nitrogen oxides (NO _x /NO ₂)	GRI 305-7	tonnes	Amount of air emissions	The disclosure shows the scale of the Group's impact on the environment	124.97	176.41	-51.44	-29%
Emissions - total (Mg)	GRI 305-7	tonnes	Amount of air emissions	The disclosure shows the scale of the Group's impact on the environment.	117,301.95	123,373.31	-6,071.36	-5%

GHG emissions (Scope 1 and Scope 2)

Table – Scope 1

Boryszew Group	Disclosure number	Unit	2022	2021
Direct (Scope 1) GHG emissions	GRI 305-1	Mg CO ₂ e	116,921.34	120,380.00

Table – Scope 2

Boryszew Group	Disclosure number	Unit	2022	2021
Electricity purchased	GRI 305-2	Mg CO ₂ e	602,121	810,981
Heat purchased		Mg CO ₂ e	7,359	6,622
Vapour purchased		Mg CO ₂ e	7,890	5,976
Cooling purchased		Mg CO ₂ e	0.00	124
Energy indirect (Scope 2) GHG emissions		Mg CO ₂ e	617,370	824,818

6. S – Social

SOCIAL

KPIs

Boryszew Group

Disclosure	Unit	Definition	Interpretation	2022	2021	2022 vs. 2022 change	2022 vs. 2021 change (%)
Number of social initiatives supported	Number of initiatives	Number of social initiatives for the benefit of local and wider communities	The disclosure reflects the Group's commitment in supporting the communities	39	17	22	129%

Boryszew S.A.

Disclosure	Unit	Definition	Interpretation	2022	2021	2022 vs. 2022 change	2022 vs. 2021 change (%)
Number of social initiatives supported	Number of initiatives	Number of social initiatives for the benefit of local and wider communities	The disclosure reflects the Company's commitment in supporting the communities	4	3	1	33%

LABOUR ISSUES AND HUMAN RIGHTS

KPIs

Boryszew Group

Disclosure	GRI disclosure number	Definition	Interpretation	Unit	2022	2021	2022 vs. 2021 change	2022 vs. 2021 change (%)
Number of employees at the end of the reporting period		Total number of persons employed at the end of the calendar year in FTE	Scale of the organisation from the point of view of headcount, the basis for calculating other disclosures.	FTEs	8,622	8,897	-275	-3%
Gender diversity of employees	GRI 405-1	Percentage of employees by gender	The disclosure shows the diversity in human capital.	-				
- Women				FTEs	3,136	3,061	75	2%
- Men				FTEs	5,485	5,836	-351	-6%
- Women				%	36%	34%	2 p.p.	-
- Men				%	64%	66%	2 p.p.	-
New employee hires	GRI 401-1	Total number of employees hired during the calendar year in FTE.	The disclosure in combination with the number of employees gives an idea of the dynamics of human capital, and thus target actions aimed at the harmonious integration of new employees in the organisation.	FTEs	1,568	1,152	416	36%
Employee turnover	GRI 401-1	Total number of employees who left the organization during the calendar year in FTE.	The disclosure illustrates the Group's relative attractiveness as an employer in the job market and its ability to retain employees. It is important to note that most of the jobs offered by the Group are of industrial nature, where employee turnover is higher than e.g. in office jobs.	FTEs	3,285	1,525	1,760	115%

Disclosure	GRI disclosure number	Definition	Interpretation	Unit	2022	2021	2022 vs. 2021 change	2022 vs. 2021 change (%)
Number of employees with disabilities at the end of period				FTEs	304	314	-10	-3%
Ratio of employees with disabilities to total number of employees		Total number of employees with disabilities in FTE / Total number of persons employed at the end of the calendar year in FTE	The disclosure represents openness to work in cooperation with people with difficult access to the labour market.	%	4%	4%	0 p.p.	-
Number of employees who are trade union members		Number of employees who are trade union members	As a responsible employer, we focus on social dialogue, which is measured by cooperation with employee self-government bodies (including those designated by trade unions).	FTEs	1,043	2,445	-1,402	-57%
Unionization rate		Number of employees who are trade union members / Total number of persons employed at the end of the calendar year in FTE	The disclosure illustrates the degree of unionization of the workforce.	%	12%	27%	-15 p.p.	-
Gender pay gap	GRI 405-2	Ratio of basic salary and remuneration of women to men	The disclosure shows the difference in average pay (including bonuses, awards, and other allowances) between women and men	%	86%	30%	56 p.p.	-

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Disclosure	Disc- losure number	Definition	Interpretation	Unit	2022	2021	2022 vs. 2021 change	2022 vs. 2021 chan- ge (%)
Number of employees at the end of the reporting period		Total number of persons employed at the end of the calendar year in FTE	Scale of the organisation from the point of view of headcount, the basis for calculating other disclosures.	FTEs	2,843	2,836	7	0,26%
Gender diversity of employees	GRI 405-1	Percentage of employees by gender	The disclosure shows the diversity in human capital.					
- Women				FTEs	1,443	1,414	29	2%
- Men				FTEs	1,400	1,422	-22	-2%
- Women				%	51%	50%	1 p.p.	-
- Men				%	49%	50%	-1 p.p.	-
New employee hires	GRI 401-1	Total number of employees hired during the calendar year in FTE.	The disclosure in combination with the number of employees gives an idea of the dynamics of human capital, and thus target actions aimed at the harmonious integration of new employees in the organisation.	FTEs	397	348	49	14%
Employee turnover	GRI 401-1	Total number of employees who left the organization during the calendar year in FTE.	The disclosure illustrates the Group's relative attractiveness as an employer in the job market and its ability to retain employees. It is important to note that most of the jobs offered by the Group are of industrial nature, where employee turnover is higher than e.g. in office jobs.	FTEs	697	363	335	92%
Number of employees with disabilities at the end of period				FTEs	138	151	-13	-8%

Disclosure	Disc- losure number	Definition	Interpretation	Unit	2022	2021	2022 vs. 2021 change	2022 vs. 2021 chan- ge (%)
Ratio of employees with disabilities to total number of employees		Total number of employees with disabilities in FTE / Total number of persons employed at the end of the calendar year in FTE	The disclosure represents openness to work in cooperation with people with difficult access to the labour market.	%	5%	5%	-0.15 p.p.	-
Number of employees who are trade union members		Number of employees who are trade union members	As a responsible employer, we focus on social dialogue, which is measured by cooperation with employee self-government bodies (including those designated by trade unions).	FTEs	331	566	-235	-42%
Unionization rate		Number of employees who are trade union members / Total number of persons employed at the end of the calendar year in FTE	The disclosure illustrates the degree of unionization of the workforce.	%	12%	20%	-8 p.p.	-
Gender pay gap	GRI 405-2	Ratio of basic salary and remuneration of women to men	The disclosure shows the difference in average pay (including bonuses, awards, and other allowances) between women and men	%	60.43%	43.30%	17.13 p.p.	-

OCCUPATIONAL HEALTH AND SAFETY

KPIs

Boryszew Group

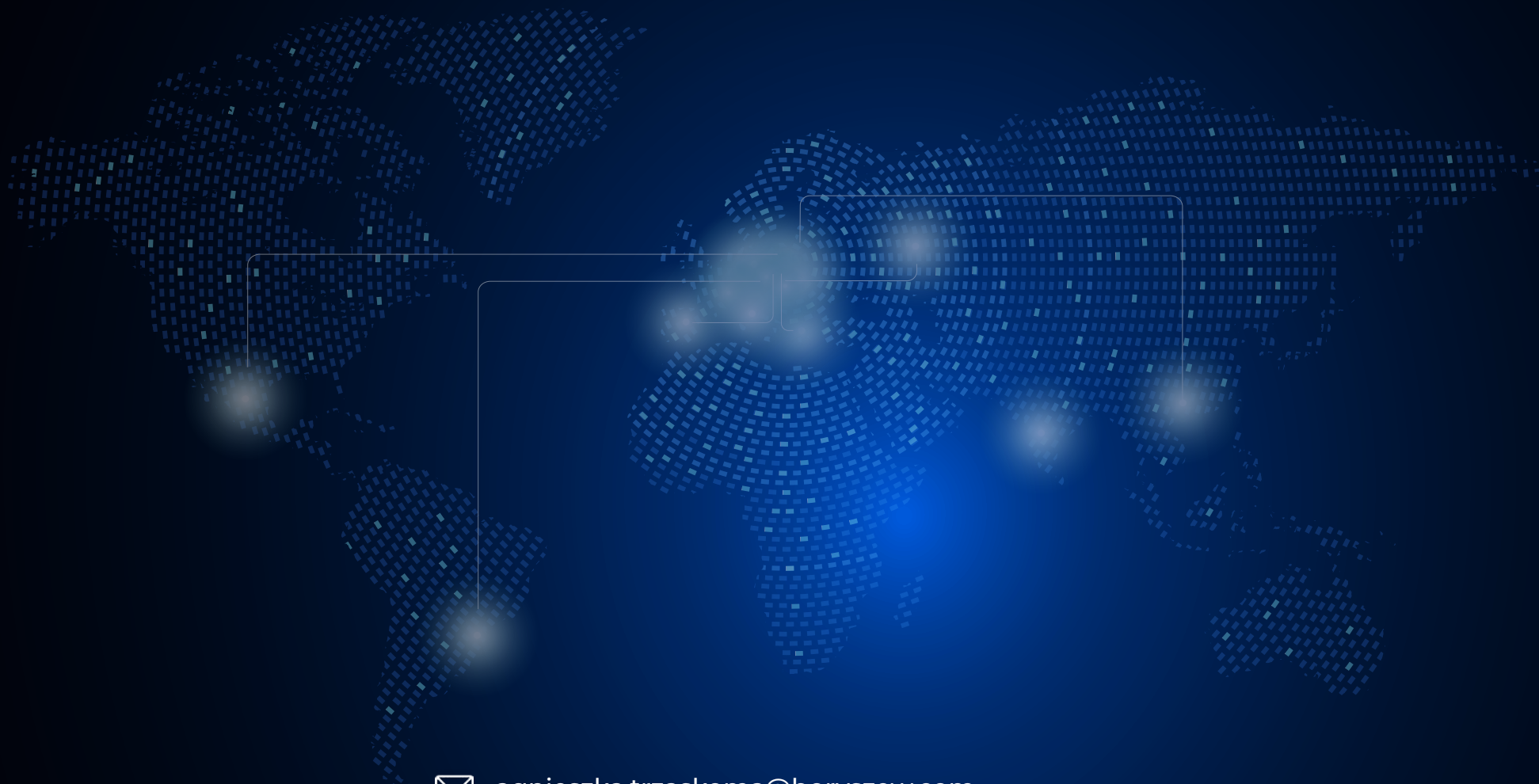
Disclosure	Disclosure number	Definition	Interpretation	Unit	2022	2021	2022 vs. 2021 change	2022 vs. 2021 change (%)
Number of work-related accidents	GRI 403-9	Total number of work-related accidents during the reporting period.	The disclosure shows the absolute number of work-related accidents during the reporting period and the basis for calculating other disclosures.	Number of accidents	81	135	-54	-40%
Accidents frequency ratio per 1000 employees	GRI 403-9	Total number of work-related accidents during the reporting period/ (Total number of employees at the end of the calendar year in FTE *1000)	The disclosure shows the relative number of accidents in the reporting period in relation to the size of the organisation, which enables internal comparisons between Boryszew Group companies, as well as external comparisons with other entities	Number of accidents	9.40	15.17	-5.77	-38%
Number of fatalities as a result of work-related injury	GRI 403-9	Total number of work-related accidents in the reporting period resulting in loss of life.	The disclosure shows the absolute number of fatal accidents during the reporting period	Number of accidents	0	0	0	-
Number of days of incapacity for work due to a work-related accident	GRI 403-9	Total number of days for which injured workers were unfit for work in the reporting period	The disclosure illustrates the lost working time and thus lower than expected employment efficiency.	Number of days	4,114.00	6,643.00	-1926	-29%
Severity of work-related accidents %	GRI 403-9	Number of days of incapacity per one accident	The disclosure shows the average severity of accidents that occurred during the reporting period (number of days of incapacity per accident).	Number of days	50.79	49.21*	1.58	3%

* Change in the disclosure calculation methodology

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Disclosure	Disclosure number	Definition			2022	2021	2022 vs. 2021 change	2022 vs. 2021 change (%)
Work-related injuries	GRI 403-9	Total number of work-related accidents during the reporting period	The disclosure shows the absolute number of work-related accidents during the reporting period and the basis for calculating other disclosures.	Number of accidents	16	24	-8	-33%
Accidents frequency ratio per 1000 employees	GRI 403-9	Total number of work-related accidents during the reporting period/ (Total number of employees at the end of the calendar year in FTE *1000)	The disclosure shows the relative number of accidents in the reporting period in relation to the size of the organisation, which enables internal comparisons between Boryszew Group companies, as well as external comparisons with other entities.	Number of accidents	5.63	8.46*	-2.84	-34%
Number of fatalities as a result of work-related injury	GRI 403-9	Total number of work-related accidents in the reporting period resulting in loss of life.	The disclosure shows the absolute number of fatal accidents during the reporting period.	Number of accidents	0	0	0	0%
Number of days of incapacity for work due to a work-related accident	GRI 403-9	Total number of days for which injured workers were unfit for work in the reporting period	The disclosure illustrates the lost working time and thus lower than expected employment efficiency.	Number of days	856.00	1,053.00	-197.00	-19%
Severity of work-related accidents %	GRI 403-9	Number of days of incapacity per one accident	The disclosure shows the average severity of accidents that occurred during the reporting period (number of days of incapacity per accident).	Number of days	53.50	43.88*	9.63	22%

* Change in the disclosure calculation methodology



✉ agnieszka.trzaskoma@boryszew.com